

# Annual Report 年報 2016



天大藥業有限公司

TIANDA PHARMACEUTICALS LIMITED

股份代號 Stock Code: 00455 (於開曼群島註冊成立之公司)  
(Incorporated in the Cayman Islands with limited liability)

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# CORPORATE INFORMATION

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Fang Wen Quan  
(Chairman and resigned as Managing Director on 3 August 2015)  
Mr. Shi Shaobin  
(Appointed as Managing Director on 3 August 2015)  
Mr. Lui Man Sang  
Mr. Liu Huijiang  
(Resigned on 23 March 2016)

#### Non-Executive Directors

Mr. Shen Bo  
(Appointed on 10 August 2015)  
Mr. Feng Quanming  
(Appointed on 23 March 2016)

#### Independent Non-Executive Directors

Mr. Lam Yat Fai  
Mr. Chiu Sung Hong  
Mr. Chiu Fan Wa

#### AUDITOR

Deloitte Touche Tohmatsu  
Certified Public Accountants  
35th Floor, One Pacific Place  
88 Queensway  
Hong Kong

#### HONG KONG LEGAL ADVISERS

Woo, Kwan, Lee & Lo  
25th Floor, Jardine House  
1 Connaught Place, Central  
Hong Kong

#### COMPANY SECRETARY

Mr. Lo Tai On

### 董事會

#### 執行董事

方文權先生  
(董事長，於2015年8月3日辭任董事總經理)  
施少斌先生  
(於2015年8月3日獲委任為董事總經理)  
呂文生先生  
劉會疆先生  
(於2016年3月23日辭任)

#### 非執行董事

沈波先生  
(於2015年8月10日獲委任)  
馮全明先生  
(於2016年3月23日獲委任)

#### 獨立非執行董事

林日輝先生  
趙崇康先生  
趙帆華先生

#### 核數師

德勤·關黃陳方會計師行  
執業會計師  
香港  
金鐘道88號  
太古廣場一座35樓

#### 香港法律顧問

胡關李羅律師行  
香港  
中環康樂廣場1號  
怡和大廈25樓

#### 公司秘書

羅泰安先生

# CORPORATE INFORMATION

## 公司資料

### AUDIT COMMITTEE

Mr. Lam Yat Fai (*Chairman*)  
 Mr. Chiu Sung Hong  
 Mr. Chiu Fan Wa  
 Mr. Shen Bo (*Became a member since 10 August 2015*)

### REMUNERATION COMMITTEE

Mr. Chiu Sung Hong (*Chairman*)  
 Mr. Fang Wen Quan  
 Mr. Lam Yat Fai  
 Mr. Chiu Fan Wa

### NOMINATION COMMITTEE

Mr. Fang Wen Quan (*Chairman*)  
 Mr. Lam Yat Fai  
 Mr. Chiu Sung Hong

### RISK MANAGEMENT COMMITTEE

Mr. Chiu Sung Hong (*Chairman*)  
 Mr. Fang Wen Quan  
 Mr. Lam Yat Fai

### PRINCIPAL BANKERS

Bank of Communications  
 The Hongkong and Shanghai Banking Corporation Limited

### REGISTERED OFFICE

Cricket Square  
 Hutchins Drive  
 P.O. Box 2681  
 Grand Cayman  
 KY1-1111  
 Cayman Islands

### 審核委員會

林日輝先生(*主席*)  
 趙崇康先生  
 趙帆華先生  
 沈波先生(*自2015年8月10日起擔任成員*)

### 薪酬委員會

趙崇康先生(*主席*)  
 方文權先生  
 林日輝先生  
 趙帆華先生

### 提名委員會

方文權先生(*主席*)  
 林日輝先生  
 趙崇康先生

### 風險管理委員會

趙崇康先生(*主席*)  
 方文權先生  
 林日輝先生

### 主要往來銀行

交通銀行  
 香港上海滙豐銀行有限公司

### 註冊辦事處

Cricket Square  
 Hutchins Drive  
 P.O. Box 2681  
 Grand Cayman  
 KY1-1111  
 Cayman Islands

## CORPORATE INFORMATION 公司資料

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Suites 2405–2410, 24th Floor  
CITIC Tower  
No. 1 Tim Mei Avenue  
Central  
Hong Kong

### HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Secretaries Limited  
Level 22, Hopewell Centre  
183 Queen's Road East  
Hong Kong

### PLACE OF LISTING

The Stock Exchange of Hong Kong Limited

### STOCK CODE

00455

### CORPORATE WEBSITE

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

### 總辦事處及主要營業地點

香港  
中環  
添美道一號  
中信大廈  
24樓2405-2410室

### 香港股份過戶及轉讓登記處

卓佳秘書商務有限公司  
香港  
皇后大道東183號  
合和中心22樓

### 上市地點

香港聯合交易所有限公司

### 股份代號

00455

### 公司網站

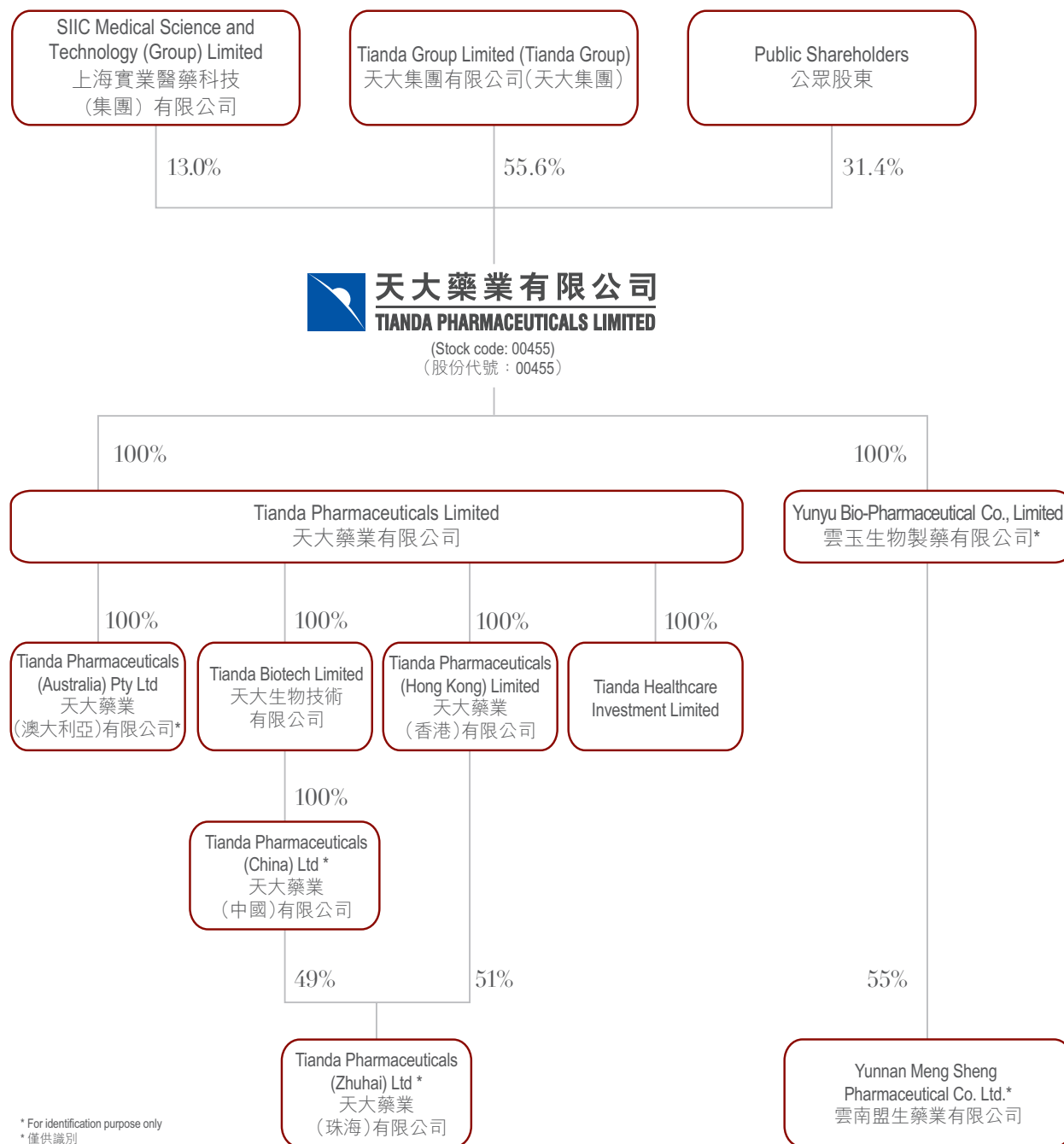
[www.tiandapharma.com](http://www.tiandapharma.com)

# CORPORATE STRUCTURE

## 企業架構

Below is the structure chart of Tianda Pharmaceuticals Limited (the Company) and its subsidiaries (the Group) as at 31 March 2016:

以下為天大藥業有限公司(本公司)及其附屬公司(本集團)於2016年3月31日之架構圖：



# FINANCIAL SUMMARY

## 財務摘要

### RESULTS

#### 業績

		Year ended 31 March 截至3月31日止年度				
		2012	2013	2014	2015	2016
		HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000
		千港元	千港元	千港元	千港元	千港元
Revenue	收益	397,233	281,995	247,173	139,367	192,785
Profit (loss) before tax	除稅前溢利(虧損)	102,702	83,359	64,426	(24,261)	18,425
Income tax (expense) credit	所得稅(支出)抵免	(23,172)	(15,663)	(15,477)	1,245	(5,058)
Profit (loss) for the year	本年度溢利(虧損)	79,530	67,696	48,949	(23,016)	13,367
Profit (loss) attributable to:	溢利(虧損)歸屬於:					
Owners of the Company	本公司股東	43,096	37,740	22,049	(17,942)	6,569
Non-controlling interests	非控股權益	36,434	29,956	26,900	(5,074)	6,798
		79,530	67,696	48,949	(23,016)	13,367
		HK cents	HK cents	HK cents	HK cent	HK cent
		港仙	港仙	港仙	港仙	港仙
Earnings (loss) per share	每股盈利(虧損)	2.30	2.02	1.18	(0.96)	0.32

### ASSETS AND LIABILITIES

#### 資產及負債

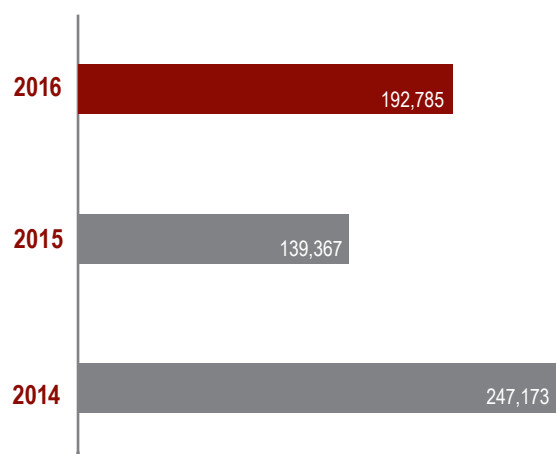
		At 31 March 於3月31日				
		2012	2013	2014	2015	2016
		HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000	HK\$' 000
		千港元	千港元	千港元	千港元	千港元
Total assets	資產總值	1,007,845	917,757	932,490	921,017	956,169
Total liabilities	負債總額	(137,899)	(142,557)	(117,429)	(132,609)	(109,436)
		869,946	775,200	815,061	788,408	846,733
Equity attributable to owners of the Company	本公司股東應佔權益	702,958	737,995	751,146	729,344	813,748
Non-controlling interests	非控股權益	166,988	37,205	63,915	59,064	32,985
		869,946	775,200	815,061	788,408	846,733

# FINANCIAL SUMMARY

## 財務摘要

### REVENUE 收入

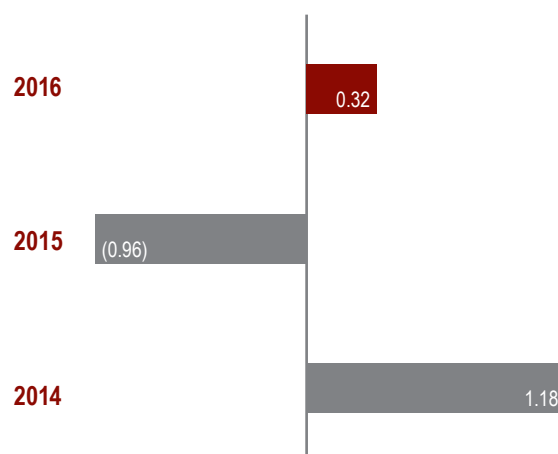
HK\$'000 千港元



### BASIC EARNINGS (LOSS) PER SHARE 每股基本

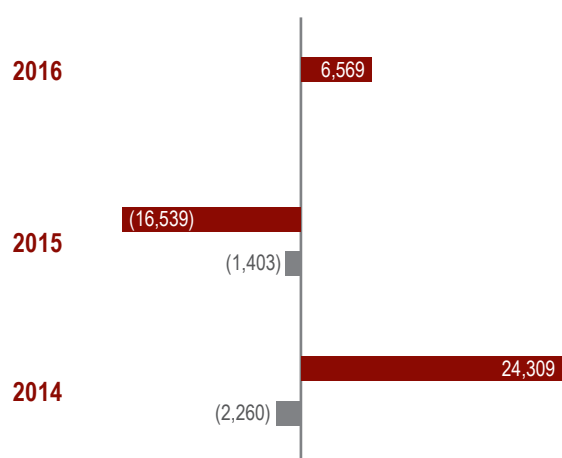
HK CENTS 港仙

盈利(虧損)



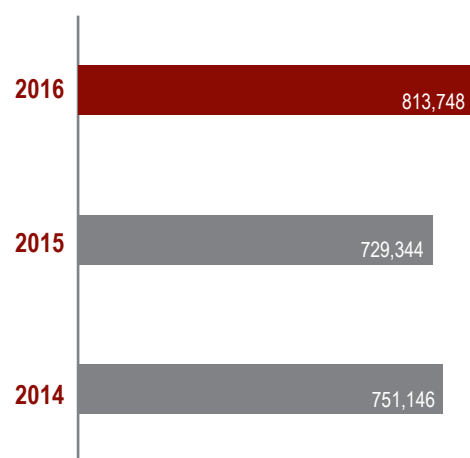
### PROFIT (LOSS) ATTRIBUTABLE TO OWNERS OF THE COMPANY 本公司股東應佔溢利(虧損)

HK\$'000 千港元



### EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY 本公司股東應佔權益

HK\$'000 千港元



- Ordinary profit (loss) attributable to owners of the Company  
本公司股東應佔普通溢利(虧損)
- One-off items  
一次性項目

Note: One off items included loss on plant and machinery written off.  
附註：一次性項目包括廠房及機器撇銷虧損。



## BIOGRAPHICAL DETAILS OF DIRECTORS

### 董事簡歷

**Mr. Fang Wen Quan**, aged 47, was appointed as an executive Director in 2003. He is the Chairman, the chairman of the nomination committee and a member of the remuneration committee and the risk management committee of the Company, and a director of the Group's certain subsidiaries. Mr. Fang acted as the Managing Director during the period from 1 September 2008 to 3 August 2015. Mr. Fang is the founder, chairman and beneficial owner of Tianda Group, the controlling shareholder of the Company, possessing ample experience in corporate strategy and management. He studied International Relations in the University of Sydney and Tsinghua University, and established a non-profit strategic studies think tank called "Tianda Institute". Upholding the morality of "Caring for a Better World", Mr. Fang always shows his greater commitment to community services, including donations for the poverty relief, education and training, healthcare, scientific research and environmental protection, culture and arts.

**Mr. Shi Shaobin**, aged 48 was appointed as an executive Director on 13 March 2015 and the Managing Director on 3 August 2015. Mr. Shi is also a director of the Group's certain subsidiaries. He received his bachelor degree in biochemistry from Sun Yat-sen University and master degree in business administration and doctoral degree in enterprise management from Sun Yat-sen Business School. He also holds the senior engineer qualification. He has worked as director and senior management in several large organizations in the PRC and Hong Kong, and possesses extensive experience in management, marketing and governance in pharmaceutical industry. Mr. Shi served as chairman of Guangzhou Pearl River Piano Group Co., Ltd, a company listed on the Shenzhen Stock Exchange (stock code: 002678) which his resignation was on 22 March 2014. Mr. Shi also serves in numerous public bodies including representative of the Twelfth of Guangdong Provincial People's Congress, executive director of Guangdong Province Traditional Chinese Medicine Association\*, director of Chinese Medical Association and vice president of Guangdong Province Young Entrepreneurs' Association\*.

**方文權先生**，47歲，於2003年獲委任為執行董事。方先生現任本公司董事長、提名委員會主席、薪酬委員會及風險管理委員會成員，以及本集團若干附屬公司之董事。於2008年9月1日至2015年8月3日，方先生兼任董事總經理。方先生乃本公司控股股東天大集團創始人、董事長及實益擁有人，具有豐富企業戰略及管理方面之經驗。先後於悉尼大學和清華大學學習國際關係專業，並出資創辦了公益性戰略研究智庫“天大研究院”。一直以來，方先生秉承“關心社會，共同發展”的道德風範，熱誠資助社會公益，包括捐資扶貧事業、教育和人才培訓、醫療衛生、科學研究和環境保護、文化藝術等。

**施少斌先生**，48歲，於2015年3月13日獲委任為執行董事，以及於2015年8月3日獲委任為董事總經理。施先生亦為本集團若干附屬公司之董事。施先生擁有中山大學生物化學學士學位、中山大學管理學院工商管理學碩士及企業管理博士學位，並持有高級工程師資格。施先生曾先後在多家國內及香港大型機構擔任董事及高級管理職位，在企業管理、市場行銷、醫藥公司管治等方面具有豐富的經驗。施先生曾任廣州珠江鋼琴集團股份有限公司（一家於深圳證券交易所上市之公司，股份代號：002678）之董事長，直至於2014年3月22日辭任。施先生亦出任多項社會公職包括廣東省第十二屆人民代表大會代表、廣東省中醫藥協會常務理事、中華醫學會理事及廣東省青年企業家協會副會長。

\* For identification purpose only

\* 僅供參考

## BIOGRAPHICAL DETAILS OF DIRECTORS

### 董事簡歷

**Mr. Lui Man Sang**, aged 52, was appointed as an executive Director in 2013 and is a director of the Group's certain subsidiaries. Mr. Lui joined Tianda Group, the controlling shareholder of the Company in 2007 and is a deputy general manager of Tianda Group. He is responsible for the financial issues of Tianda Group and the Company. Mr. Lui possesses enriched financial management experience covering a variety of industries including auditing in one of the big four accounting firms in Hong Kong and overseeing the finance department of a Hong Kong listed company. He holds an Executive MBA granted by City University of Hong Kong. He is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants.

**Mr. Liu Huijian**, aged 60, was appointed as executive Director in 2006. Mr. Liu resigned on 23 March 2016.

**Mr. Shen Bo**, aged 43, was appointed as a non-executive Director and a member of the audit committee of the Company on 10 August 2015. He is a certified public accountant of the People's Republic of China. He received his bachelor degree majoring in accounting from Shanghai Institute of Construction Materials Industry and master of accountancy from Chinese University of Hong Kong. Mr. Shen is the chief financial officer and joint company secretary of Shanghai Pharmaceuticals Holding Co., Ltd.\* (a company listed on the Shanghai Stock Exchange with stock code 601607, and The Stock Exchange of Hong Kong Limited (Hong Kong Stock Exchange, with stock code 2607), the chairman of Shanghai Medical Instruments Co., Ltd. (a subsidiary of Shanghai Pharmaceuticals Holding Co., Ltd) and an executive director of China International Pharmaceutical (Holding) Corporation Limited (a wholly-owned subsidiary of Shanghai Pharmaceuticals Holding Co., Ltd. established in Hong Kong). Mr. Shen served as manager of finance department and chief financial officer in several large companies in mainland China so has extensive experience in corporate management, financial control, and governance of pharmaceutical companies. From April 2001 to March 2010, Mr. Shen served as the head of financial planning department, general manager of finance department and chief financial officer in Shanghai Industrial Pharmaceutical Investment Co, Ltd.\* (a company formerly listed on the Shanghai Stock Exchange with stock code 600607). During the same period, Mr. Shen also served as the general manager of finance department of Shanghai Pharmaceuticals (Group) Co., Ltd. Mr. Shen is a non-executive director of Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Co., Ltd.\* (a company listed on Hong Kong Stock Exchange with stock code 1349).

\* For identification purpose only

**呂文生先生**，52歲，於2013年獲委任為執行董事，以及為本集團若干附屬公司之董事。呂先生於2007年加入本公司控股股東天大集團，現為天大集團副總經理，全面負責天大集團及本公司的財務管理。呂先生擁有豐富財務管理經驗，涵蓋不同行業，當中曾在香港四大會計師事務所之一擔任審核工作以及管理一間香港上市公司的財務部門。呂先生持有香港城市大學行政人員工商管理碩士學位，目前為英國特許公認會計師公會及香港會計師公會資深會員。

**劉會疆先生**，60歲，於2006年獲委任為執行董事。劉先生已於2016年3月23日辭任。

**沈波先生**，43歲，於2015年8月10日獲委任為本公司之非執行董事及審核委員會成員。沈先生為中華人民共和國註冊會計師，擁有上海建材學院會計學學士學位及香港中文大學會計學碩士學位。沈先生現任上海醫藥集團股份有限公司（一家於上海證券交易所（股份代碼為601607）及香港聯合交易所有限公司上市的公司（香港聯交所，股份代碼為2607）之財務總監兼任聯席公司秘書，也同時兼任上海醫療器械股份有限公司（上海醫藥集團股份有限公司的子公司）董事長及中國國際醫藥（控股）有限公司（上海醫藥集團股份有限公司在香港的全資子公司）執行董事。沈先生曾先後在多家國內大型企業擔任財務部經理和財務總監之職，在企業管理、財務管控及醫藥公司治理等方面具有豐富的經驗。2001年4月至2010年3月期間，沈先生在上海實業醫藥投資股份有限公司（一家曾於上海證券交易所上市的公司，股份代碼為600607）任職，先後擔任計劃財務部主管、財務部總經理、財務總監，在此期間，沈先生亦擔任上海醫藥（集團）有限公司財務部總經理。沈先生為上海復旦張江生物醫藥股份有限公司（一家於香港聯交所上市的公司，股份代碼為1349）之非執行董事。

\* 僅供參考

## BIOGRAPHICAL DETAILS OF DIRECTORS

### 董事簡歷

**Mr. Feng Quanming**, aged 39, was appointed as a non-executive Director on 23 March 2016. Mr. Feng is the deputy head of the finance department and the secretary of the Communist Party's sub-division committee in the finance department of Hongta Tobacco (Group) Limited (Hongta), which holds 9.65% equity interest in the Company. He has extensive experience in corporate financial accounting and asset management. Mr. Feng joined Hongta in July 2001. During the period from August 2007 to September 2014, he took various positions in the finance department of Hongta, including deputy head of industrial finance division, head and deputy head of asset management division and head of general management division. He was also the head of financial planning division of Yunnan Hongta Group Co., Ltd\*, a wholly-owned subsidiary of Hongta, during the period from June 2013 to August 2014. Mr. Feng obtained his bachelor degree in accounting at Southwestern University of Finance and Economics in 2001 and master in business administration at Renmin University of China in 2009. Mr. Feng possesses the qualification of practising certified public accountant in mainland China.

**Mr. Lam Yat Fai**, aged 50, was appointed as an independent non-executive Director, a member of the remuneration committee and a member of audit committee of the Company in 2004. On 26 November 2013, he was appointed as the chairman of the audit committee. He was appointed as a member of nomination committee and risk management committee on 22 July 2009. He is a Certified Public Accountant (Practising). He is also a fellow member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. Mr. Lam worked with Kwan Wong Tan & Fong and Deloitte Touche Tohmatsu for over 10 years. Mr. Lam has over 26 years of experience in auditing, taxation, corporate finance and accounting. Mr. Lam is an independent non-executive director of Oriental Press Group Limited, which is listed on the Main Board of the Hong Kong Stock Exchange.

**馮全明先生**，39歲，於2016年3月23日獲委任為非執行董事。馮先生現任紅塔煙草(集團)有限責任公司(紅塔，持有本公司9.65%股權之股東)財務部副主任兼財務部黨支部書記。彼於企業財務會計和資產管理擁有豐富的工作經驗。馮先生於2001年7月加入紅塔，並曾於2007年8月至2014年9月期間於紅塔財務部擔任多個職位，包括工業財務科副科長、資產管理科副科長、資產管理科科長和綜合管理科科長，以及於2013年6月至2014年8月，擔任紅塔全資子公司雲南紅塔集團有限公司財務部計劃財務科科長。馮先生於2001年獲西南財經大學會計學學士學位，以及於2009年獲中國人民大學工商管理學碩士學位。馮先生具備中國註冊會計師執業資格。

**林日輝先生**，50歲，於2004年獲委任為本公司之獨立非執行董事、薪酬委員會成員及審核委員會成員。林先生於2013年11月26日獲委任為審核委員會主席。林先生於2009年7月22日獲委任為提名委員會及風險管理委員會成員。彼現為執業會計師，亦為香港會計師公會及英國特許公認會計師公會資深會員。林先生曾於關黃陳方會計師行及德勤·關黃陳方會計師行工作逾10年。林先生於審計、稅務、企業融資及會計等方面累積逾26年經驗。林先生為於香港聯交所主板上市之東方報業集團有限公司之獨立非執行董事。

\* For identification purpose only

\* 僅供參考

## BIOGRAPHICAL DETAILS OF DIRECTORS

### 董事簡歷

**Mr. Chiu Sung Hong**, aged 69, was appointed as an independent non-executive Director, the chairman of the audit committee of the Company with effect from 10 April 2008. Mr. Chiu ceased to act as the chairman of the audit committee and remained as a member of the committee on 26 November 2013. Mr. Chiu was appointed as the chairman of risk management committee on 22 July 2009. On 1 April 2012, he was appointed as the chairman of the remuneration committee and a member of the nomination committee. He received an LL.B. degree from the University of Sydney. He is admitted as a solicitor of the Supreme Court of New South Wales and the High Court of Australia. He has over 30 years of experience in legal practice. Mr. Chiu is the founding member of the Board of Trustees of the Australian Nursing Home Foundation and served as the General Secretary of Australian Chinese Community Association of New South Wales. Mr. Chiu is an independent non-executive director of CNOOC Limited, which is listed on the Main Board of the Hong Kong Stock Exchange and Bank of China (Australia) Limited.

**Mr. Chiu Fan Wa**, aged 51, was appointed as an independent non-executive Director, a member of the remuneration committee and audit committee of the Company on 31 March 2009. Mr. Chiu is a founder and the managing director of Chiu, Choy & Chung C.P.A. Limited, and a partner of F. S. Li & Co. He graduated from City University of Hong Kong and obtained a Bachelor of Arts (Honours) degree with major in accountancy in 1992 and was awarded a Master of Professional Accounting from The Hong Kong Polytechnic University in 2002. He is a Certified Public Accountant (Practising) in Hong Kong, a fellow member of the Hong Kong Institute of Certified Public Accountants, a fellow member of the Association of Chartered Certified Accountants, a fellow member of the Institute of the Chartered Accountants in England and Wales, a member of The Society of Chinese Accountants & Auditors, an associate of The Hong Kong Institute of Chartered Secretaries and an associate of The Institute of Chartered Secretaries and Administrators, United Kingdom, a fellow member of The Taxation Institute of Hong Kong and a Certified Tax Advisor. Mr. Chiu is also an independent non-executive director of Kenford Group Holdings Limited, which is listed on the Main Board of the Hong Kong Stock Exchange.

趙崇康先生，69歲，於2008年4月10日獲委任為本公司之獨立非執行董事及審核委員會主席。趙先生於2013年11月26日不再擔任審核委員會主席，惟仍留任該委員會之成員。趙先生於2009年7月22日獲委任為風險管理委員會主席。於2012年4月1日，彼獲委任為薪酬委員會主席及提名委員會成員。趙先生擁有悉尼大學法學學士學位，目前擔任澳大利亞新南威爾斯高等法院律師和澳大利亞高等法院律師。趙先生在法律行業累積逾30年經驗。趙先生乃澳華療養院基金信託委員會創始會員，曾擔任澳大利亞新南威爾斯中國社區協會秘書長。趙先生現為於香港聯交所主板上市之中國海洋石油有限公司之獨立非執行董事及中國銀行(澳大利亞)有限公司之獨立非執行董事。

趙帆華先生，51歲，於2009年3月31日獲委任為本公司之獨立非執行董事、薪酬委員會及審核委員會成員。趙先生為蔡鍾趙會計師有限公司的創辦人兼董事總經理，亦為李福樹會計師事務所的合夥人。彼於1992年畢業於香港城市大學，獲榮譽文學學士學位，主修會計，並於2002年獲香港理工大學頒發專業會計碩士學位。彼為香港執業會計師、香港會計師公會資深會員、英國特許公認會計師公會資深會員、英格蘭及威爾士特許會計師公會資深會員、香港華人會計師公會會員、香港特許秘書公會會員及英國特許秘書及行政人員公會會員、香港稅務學會會員及註冊稅務師。趙先生亦為於香港聯交所主板上市之建福集團控股有限公司之獨立非執行董事。

## REPORT OF THE CHAIRMAN

### 董事長報告

Against the backdrop of a continuous depressed global economy, China managed to maintain a medium-to-high economic growth rate. While the pharmaceutical industry in China faced a difficult operational environment, the global pharmaceutical industry experienced continuing growth. In China, a series of policies were introduced, aiming to improve the registration and approval system for pharmaceutical products, facilitate a consistency evaluation on generic medicines, regulate the production of traditional Chinese medicines, implement and promote the “Two Value-added Tax Invoices System” in the field of pharmaceutical distribution, improve the nation-wide public healthcare insurance system and optimise the industry structure. All these measures served the purpose of ensuring the benign development of the industry.

Fully taking the advantages of favourable policies and market opportunities in the previous year, the Group actively responded to adverse factors and challenges from the industry by continuously strengthening its daily operational management and increasing its efforts in product development, sales and marketing, investment and development initiatives, which were proved effective. During the financial year ended 31 March 2016 (FYE 2016/the Current Financial Year), the Group recorded a consolidated revenue of HK\$192,800,000, representing a substantial increase of 38.3% when compared to the financial year ended 31 March 2015 (FYE 2015). A profit attributable to the owners of the Company of HK\$6,600,000 was recorded as compared to a loss incurred in FYE 2015. The overall gross profit margin also improved significantly as compared to FYE2015, increasing from 50.1% to 57.4%.

During the Current Financial Year, the Group spared no effort to push forward its ongoing R&D projects. Among them, a permit for clinical test in respect of a diabetic medicine named Acarbose was granted by the State Food and Drug Administration of China. The Group also diversified into innovative R&D projects, including investing in Aslan Pharmaceuticals Limited (ASLAN), a Singapore-based pharmaceutical R&D company focusing on oncology therapies, marking its first step into the R&D of top level pharmaceutical products. We will continue to expand the product portfolio of **Herb Valley**, an Australian healthcare brand.

In order to better respond to the increased risks against bidding, the Group kept sourcing new marketing and sales channels. In addition to consolidating our position in the hospital sector, we will step up to tap the markets of chain pharmacies and clinics, as well as the international markets and build our own e-commerce platform for healthcare products.

在全球經濟持續低迷的背景下，中國經濟保持中高速增長；全球醫藥市場呈現持續增長的勢頭，中國醫藥行業運行環境偏冷。國家出台一系列政策，完善藥品註冊審批制度，推進仿製藥一致性評價，規範中醫藥生產，藥品流通領域實施和推廣“兩票制”，健全全民基本醫保體系，力促行業結構優化，確保行業良性發展。

在過去一年，本集團充分把握利好政策及市場機遇，積極應對不利因素和行業挑戰，不斷加強日常經營管理，繼續加大在產品研發、市場行銷、投資發展等方面投入力度，取得一定成效。截至2016年3月31日止財政年度（2016財政年度／本財政年度），本集團錄得綜合收入192,800,000港元，相比截至2015年3月31日止財政年度（2015財政年度）增長顯著，升幅為38.3%；本公司股東應佔利潤錄得6,600,000港元，扭虧為盈；整體毛利率亦較2015財政年度明顯改善，由50.1%上升至57.4%。

本財政年度，本集團強力推動在研項目進度，糖尿病用藥阿卡波糖片順利獲得中國國家食品藥品監督管理總局頒發的藥物臨床試驗批件；努力拓展創新研發項目，投資新加坡癌症腫瘤藥物研發公司Aslan Pharmaceuticals Limited (ASLAN)，標誌著本集團開始進入高端醫藥研發領域；繼續豐富澳大利亞保健品牌“和谷”(Herb Valley)的產品組合。

為了更好應對日益加劇的招標風險，本集團不斷拓寬新的行銷管道，在進一步鞏固醫院市場的基礎上，下大力氣開發連鎖藥店和第三終端，努力開拓國際市場，探索打造自建保健品電商平台。

## REPORT OF THE CHAIRMAN

### 董事長報告

In July 2015, the Group successfully introduced Shanghai Pharmaceuticals Group as its strategic partner so as to complement each other and achieve win-win result. In December 2015, the Group invested in ASLAN, an innovative pharmaceutical research company. During the Current Financial Year, the Group recruited a number of seasoned senior management staff and consultants with rich experience in the pharmaceutical industry. All these have indicated that the “Three Top Levels” strategy the Group has adopted, namely focusing on R&D of top level pharmaceutical products, allying with top level pharmaceutical partners, and recruiting top level professionals, are proven effective. As such, the Group will continue to adopt such strategy and strengthen the effort in investment development and talent recruitment in order to accelerate its pace for further advancement.

While upholding the spirit of innovation and professionalism, the Group will be marching towards the phased business objective of ‘Ten Billion with Centennial Growth’ by optimising the product portfolio, gearing up our expansion into the non-hospital markets in the sales network, progressively creating new collaboration opportunities and new growth drivers, reinforcing management at different levels and thus thoroughly enhancing and ensuring efficiency and effectiveness as a whole.

#### FINAL DIVIDEND

The board of Directors recommends the payment of a final dividend of HK0.27 cents per share for the FYE2016 (FYE 2015: nil), subject to shareholders’ approval at the forthcoming 2016 annual general meeting. The final dividend is expected to be paid on or before 9 September 2016.

#### APPRECIATION

On behalf of the Board, I would like to extend my heartfelt gratitude to shareholders, customers and partners for all their long lasting trust in and support to our Group. I am looking forward, with our joint efforts, to further utilising our strengths to speed up our development and to take the Group to a new stage.

Fang Wen Quan  
Chairman

Hong Kong, 24 June 2016

2015年7月，本集團成功引入上海醫藥集團作為策略股東，優勢互補，合作共贏；2015年12月，本集團投資創新藥物研發公司ASLAN；本財政年度，本集團誠聘多位具豐富醫藥行業經驗的高管和顧問加盟。這些成果充分顯示，本集團正在推行的“三個高端”戰略，即注重高端藥物研發、發展與高端醫藥夥伴合作、引進高端專業人才，已初步奏效。本集團將堅持這一戰略舉措，繼續加大投資發展和人才引進的力度，加快自身發展步伐。

本集團將秉承創新與專業化精神，進一步優化產品組合，進一步完善包括第三終端在內的行銷網路，進一步創造新的合作機會和新的增長點，進一步加強各方面管理，切實提高效率，努力提升效益，朝著“百億百年”階段性經營目標奮發進取。

#### 末期股息

董事會建議就2016年財政年度派發末期股息每股0.27港仙(2015年財政年度：無)，惟須待股東於應屆2016年股東週年大會上批准後，方告作實。預期待末期股息將於2016年9月9日或之前派發。

#### 致謝

本人謹代表董事會衷心感謝各位股東、客戶及合作夥伴對本集團的長期信任與支持，期待在各方的共同努力下，進一步發揮優勢，加快發展，推動集團邁上新的台階！

方文權  
董事長

香港，2016年6月24日

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論與分析

The Group is devoted to the research and development, production and sales of pharmaceutical, biotechnology and healthcare products. With its headquarters in Hong Kong, the Group also established sales and marketing centres in Shenzhen and Sydney as well as research and development centres and production bases in Zhuhai and Kunming. Our products include cardio-cerebrovascular drugs, paediatric drugs, anti-flu and respiratory system drugs, anti-infection drugs, medicines for drug addicts and other pharmaceutical products, as well as healthcare products under the **Herb Valley** series. A majority of these products have been listed in the “National Basic Medical Insurance Drugs Catalogue” and “National Essential Drugs Catalogue.”

The Group focused on cardio-cerebrovascular drugs and paediatric drugs, achieving satisfactory results and progress during the Current Financial Year. With the policies of pricing reform of medicines in China, the Group benefited from a more flexible pricing mechanism greatly in expanding the OTC drug market. On the other hand, the government further put forward policies favouring the development of Chinese medicines, which will bring plenty room for the development of the Group's exclusive Chinese medicine for drug addicts, namely Yi An Decoction, traditional Chinese lipid control product, namely ZhiKang Granules, and healthcare product, namely Qi-Shangzhen Oral Solution which is primarily made of panax notoginseng.



### FINANCIAL REVIEW

During the FYE 2016, a consolidated revenue of approximately HK\$192,800,000 was recorded by the Group, representing an annual growth rate of 38.3% as compared to approximately HK\$139,400,000 for FYE 2015. Gross profit increased from HK\$69,800,000 for FYE 2015 by around 58.7% to HK\$110,700,000. The Group recorded a profit attributable to owners of the Company of HK\$6,600,000 for FYE 2016 as compared to a loss attributable to owners of the Company of HK\$17,900,000 for FYE 2015.

本集團致力研究開發、生產和銷售醫藥、生物科技和保健產品。集團總部設在香港，在深圳和悉尼設立了營銷中心，在珠海市及昆明市建立了研發中心和製藥基地，產品包括心腦血管用藥、兒科用藥、感冒及呼吸系統用藥、抗感染用藥、戒毒藥和其它用藥，以及“和谷”品牌系列保健產品等，大部分產品都已列入《國家基本醫療保險藥品目錄》及《國家基本藥物目錄》。

本集團重點發展心腦血管用藥和兒科用藥，並於本財政年度內取得較好業績和進展。中國實施藥價改革政策，藥品定價更加靈活，大大有利本集團拓展OTC藥品市場。另一方面，國家加大扶持中醫藥發展的政策，將為本集團獨家中藥戒毒產品益安回生口服液、中藥保肝降脂產品脂康顆粒、以中藥材三七為主要原料的保健產品七上珍口服液等，帶來更多的發展機遇。

### 財務回顧

於2016財政年度，本集團錄得綜合收入約192,800,000港元，較2015財政年度約139,400,000港元按年增加38.3%，毛利由2015財政年度的69,800,000港元飆升約58.7%至110,700,000港元。本集團於2016財政年度扭虧為盈，錄得本公司股東應佔溢利6,600,000港元，而2015財政年度本公司股東應佔虧損則為17,900,000港元。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論與分析

Although a minority part of the increase in revenue was offset by the depreciation of Renminbi, Tianda Pharmaceuticals (Zhuhai) Ltd (Tianda Pharmaceuticals (Zhuhai)) and Yunnan Meng Sheng Pharmaceutical Co., Ltd (Meng Sheng Pharmaceutical), both of which are subsidiaries of the Group, recorded growth in results. Further business expansion of Tianda Pharmaceuticals (Zhuhai) led to an increase in sales revenue of 2.6% from HK\$120,800,000 for FYE 2015 to HK\$123,900,000. Due to effective cost control measures, the gross profit margin of Tianda Pharmaceuticals (Zhuhai) increased from 61.9% for FYE 2015 to 65.5% for FYE 2016.

After completing the expansion and upgrade project, Meng Sheng Pharmaceutical resumed production and restored its sales revenue to HK\$65,500,000 for FYE 2016 from HK\$16,400,000 for FYE 2015. Sales revenue from its flagship product, namely Cerebroprotein Hydrolysate Injection, rose to HK\$57,600,000 for FYE 2016 from HK\$5,200,000 for FYE 2015. Benefiting from the relatively high gross profit margin of Cerebroprotein Hydrolysate Injection, the gross profit margin of Meng Sheng Pharmaceutical increased from 52.2% for FYE 2015 to 65.9% for FYE 2016.

At the same time, the Group also stepped up its effort in expanding **Herb Valley** series of healthcare products by introducing **Super Manuka** series of natural honey products to the market of mainland China. Revenue from healthcare products increased from HK\$2,100,000 for FYE 2015 to HK\$3,200,000 for FYE 2016.

儘管收入增長有小部分為人民幣貶值所抵銷，本集團屬下天大藥業(珠海)有限公司(天大藥業(珠海))和雲南盟生藥業有限公司(盟生藥業)業績仍錄得增長。天大藥業(珠海)持續擴展業務，其銷售收入由2015財政年度的120,800,000港元增至123,900,000港元，增長2.6%。由於推行有效的成本控制措施，天大藥業(珠海)的毛利率亦由2015財政年度的61.9%提高至2016財政年度的65.5%。

盟生藥業於改擴建工程完成後重新投產，銷售收入由2015財政年度的16,400,000港元回升至2016財政年度的65,500,000港元，其中旗艦產品注射用腦蛋白水解物的銷售收入由2015財政年度的5,200,000港元回彈至2016財政年度的57,600,000港元。由於注射用腦蛋白水解物毛利率較高，盟生藥業的毛利率由2015財政年度的52.2%升至2016財政年度的65.9%。

與此同時，本集團亦大力拓展“和谷”品牌系列保健產品，包括引進旗下“超級麥盧卡”純天然蜂蜜系列產品到中國大陸市場。來自保健產品的收入由2015財政年度的2,100,000港元提升至2016財政年度的3,200,000港元。





## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論與分析

Selling and distribution expenses increased basically in line with sales revenue from HK\$43,700,000 for FYE 2015 to HK\$51,100,000 for FYE 2016. However, administrative expenses decreased by 15.6% from HK\$59,400,000 for FYE 2015 to HK\$50,100,000 for FYE 2016, which was mainly attributable to the fact that certain indirect production costs were reclassified to administrative expenses during the production suspension period in FYE 2015.

The Group maintained a stable and strong financial position by restoring a positive cash inflow of HK\$13,400,000 for FYE 2016 as compared to the operational cash outflow of HK\$16,300,000 for FYE 2015. With the placement of new shares to Shanghai Pharmaceuticals Holding Co., Ltd. (SPHL) in August 2015, the Group further advanced its financial capabilities. As at 31 March 2016, the Group's bank deposit, bank balance and cash amounted to approximately HK\$394,300,000 without record of external borrowing. Current ratio and quick ratio improved from 5.31 and 4.88 as at 31 March 2015 to 6.39 and 5.84 as at 31 March 2016 respectively.

The Group's sufficiency in cash provided a strong support for business expansion, development and investment in the future. In FYE 2016, the Group purchased a land parcel in Sanzao Medicine Park in Zhuhai City at a consideration of HK\$40,900,000 for the construction of a new research and development and production base. As at 31 March 2016, the Group had no material capital commitment in respect of the project. In addition, the Group invested approximately HK\$30,100,000 in ASLAN, a Singapore-based pharmaceutical R&D company focusing on oncology therapies.

銷售及分銷開支增長與銷售收入增長基本同步，由2015財政年度的43,700,000港元增加至2016財政年度的51,100,000港元，而2016財政年度的行政費用則減少15.6%，由2015財政年度的59,400,000港元下跌至50,100,000港元，主要是盟生藥業在2015財政年度停產期間的若干非直接製造成本歸類入行政費用所致。

本集團財務狀況維持穩健。相對於2015財政年度的經營現金流出16,300,000港元，2016財政年度恢復正數經營現金流入13,400,000港元。於2015年8月配售新股予上海醫藥集團股份有限公司(上海醫藥)後，本集團得以進一步加強財務實力。於2016年3月31日，本集團持有銀行存款、銀行結餘及現金約394,300,000港元，且無對外借貸。流動比率及速動比率由2015年3月31日的5.31及4.88分別改善至2016年3月31日的6.39及5.84。

本集團充足的現金為未來業務擴展及投資發展提供強有力的支持。2016財政年度，本集團購買位於珠海市三灶醫藥園區的一幅土地，用於建設新的研發和製藥基地，土地價款為40,900,000港元，本集團於2016年3月31日對該項目並無作出重大資本承擔。此外，本集團投資新加坡癌症腫瘤藥物研發公司ASLAN，投資金額約為30,100,000港元。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### BUSINESS REVIEW

During the FYE2016, the Group stated a well-defined direction for operation and development under the guidance of the annual theme of "Innovation and Professionalism". On one hand, the Group aimed to achieve the goal of continuous cost reduction and efficiency improvement in various respects by exerting greater efforts in market development, speeding up the research and development projects and the introduction of new products, implementing strict quality control measures and thus enhancing the overall productivity. On the other hand, the Group strived to identify investment, merger and acquisition opportunities and cooperate with third parties so as to build stronger capabilities for further development on a continuous basis. Sound corporate development was therefore achieved through the combined effects of two major measures, namely endogenous development and external expansion.

### 業務回顧

於2016財政年度內，本集團在“創新與專業化”年度管理主題的指導下，進一步明確了經營發展方向。一方面，加大市場開拓力度，加快項目研發和新產品引進，嚴控生產質量並提升整體產能，多方持續降本增效。另一方面，努力開展投資併購和對外合作，不斷增強發展後勁。促進內源性增長和加強外源性拓展，兩大手段齊抓並舉，推動公司進一步穩健發展。



- The Group further consolidated its position in the hospital sector and explored the markets of chain pharmacies and clinics to boost its sales.
- In order to further facilitate the combined application of paediatric drug series, a databank of paediatric experts was built to support the academic promotion activities of paediatric drugs. Nearly 600 academic promotion events were held throughout the year and satisfactory results were achieved.
- We made great efforts in exploring the overseas market for Cerebroprotein Hydrolysate Injection and speeded up product registration procedures in Eastern European countries and Southeast Asian countries to capitalize on the tremendous market potential in the future.
- 繼續鞏固醫院市場，大力開發連鎖藥店和第三終端以提升銷量。
- 加大兒科系列藥品聯合用藥的推廣，建立兒科專家庫，促進兒科藥品學術推廣；全年共舉行了近600場學術推廣活動，取得了較好的效果。
- 大力推進注射用腦蛋白水解物的海外市場開拓，加緊在東歐及東南亞等國家的產品註冊工作，挖掘未來巨大的市場潛力。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論與分析

- **Herb Valley** series healthcare products have been introduced to over 400 branded chain stores covering Australia, Hong Kong, Macau and mainland China. It is expected that there will be over 1,000 chain stores under this cooperative arrangement in 2016. The online selling platform ([www.herbvalley.com](http://www.herbvalley.com)) of **Herb Valley** has been launched officially. More quality healthcare products will be introduced and more effort on developing e-commerce channels will be made.
- The preparation technique of Valsatan Capsules was granted an invention patent right in China with a term of 20 years, which will offer the Group a consistent growth momentum.
 
- A clinical test approval for a chemical drug, namely Type Six glucose-lowering Acarbose, was granted by the State Food and Drug Administration of China, marking a breakthrough for the Group in the research and development of diabetic drugs, which will bring about positive impact on our product mix in the future.
- SPHL became our second largest shareholder and strategic partner through strategic investment in the Group. Leveraging strengths of each other, both sides will cooperate in various aspects, including research and development, production, sales and marketing and funding, in pursuit of mutual benefits and a win-win situation.
- The Group invested in, and became a shareholder of, ASLAN, a Singapore-based pharmaceutical R&D company focusing on oncology therapies, marking its first step in the high-end and innovative pharmaceutical research and development area and the accumulation of experience in collaborating with international pharmaceutical companies. ASLAN is dedicated to the research and development of targeted drugs and immunotherapies, with the expectation to secure a foothold in the huge anti-cancer medicine market in China.
- “和谷”系列保健產品已進入超過400間品牌連鎖實體店，覆蓋澳大利亞、香港、澳門及中國大陸，預計2016年合作實體店將超過1,000間。“和谷”品牌網上銷售平台([www.herbvalley.com](http://www.herbvalley.com))正式上線，並將陸續引入更多優質保健產品，進一步開拓電商渠道。
- 缬沙坦膠囊制備工藝獲得了中國發明專利授權，專利有效期20年，這將為本集團未來的銷售增長提供持續動力。
- 化學藥品六類降糖藥阿卡波糖片獲得了中國國家食品藥品監督管理總局頒發的藥物臨床試驗批件，本集團糖尿病藥品研發終於有了突破，這將為本集團未來的產品組合帶來積極影響。
- 上海醫藥集團股份有限公司策略性投資本集團，並成為第二大股東和戰略夥伴，雙方將發揮各自優勢，在研發、生產、營銷和資本等多個層面，探討合作，互利共贏。
- 投資入股以新加坡為基地的癌症腫瘤藥物研發公司ASLAN，開始涉足高端創新醫藥研發領域，探索並積累與國際醫藥公司的合作經驗。ASLAN致力於癌症腫瘤的標靶、免疫治療等藥物研發，並期進入中國巨大的抗癌藥品市場。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論與分析

- A number of task groups were set up to identify merger and acquisition opportunities in respect of research, analysis and selection of pharmaceutical investment projects in countries and regions including China, Europe, America, Israel, Australia, etc. Certain projects, including those related to pharmaceutical devices and medical services, have gained meaningful progress.
- The construction of a new R&D and production base for Tianda Pharmaceuticals (Zhuhai) is underway. A land parcel in Sanzao Medicine Park in Zhuhai City was purchased and the title deed of real property and the permit for construction land have been granted. Preparation works in all aspects have been in progress. Construction of the new base will definitely help take the Group to the next level in terms of product cooperation, productivity consolidation, investment, merger and acquisition and professional standard. Upon completion of the new base, the Group's overall competitiveness, ability in sustainable development and economy of scale will be enhanced definitely.
- 成立了多個專責的併購小組，分別負責中國、歐美、以色列、澳大利亞等國家的醫藥投資項目的調研、分析和篩選，分項目已取得實質進展，其中包括醫療器械和醫療服務項目。
- 謀劃天大藥業(珠海)新的研發和製藥基地建設。購買珠海市三灶醫藥園區的一幅用地，並已獲得不動產權證書和建設用地批准書，籌建工作已全面啟動。新基地的建設，勢必推動本集團在產品合作、產能整合、投資併購、專業水平等方面的工作；新基地的建成，必將提升本集團的總體競爭力、後續發展力和規模經營力。

### OUTLOOK

The annual theme for management in 2016 is "Efficiency and Effectiveness". According to the stated theme, the Group will continue to strengthen its research and development activities and its production and marketing management while stepping up its effort on staff training and team building as well as improving the management of financial affairs and investment and financing activities. The Group will further develop the existing medicine and healthcare product business, and will also introduce international leading pharmaceutical products and medical devices from the international market via various means and facilitate timely investment in medical services and other healthcare industries, so as to improve our profitability and business scale, speed up to realise the phased business objective of "Ten Billion with Centennial Growth" in near future.

### LIQUIDITY AND FINANCIAL RESOURCES

The Group's liquidity remained healthy. As at 31 March 2016, the Group had cash and bank balances of approximately HK\$394,300,000, (31 March 2015: HK\$384,200,000), of which approximately 31.4% and 68.3% were denominated in Hong Kong dollars and Renminbi respectively with remaining in Australian dollars, Euros and United States dollars. The Group has no external borrowing as at 31 March 2016. Therefore, the Group has sufficient financial resources to meet its obligation and daily operational needs.

### 展望

"效率效益"是本集團2016年度管理主題。本集團將圍繞這一管理主題，繼續加強研發、生產和營銷管理，切實推進人才和團隊建設，努力提升財務及投融資管理水平。在進一步做好現有的藥品及保健品業務的同時，本集團將通過各種形式引進國際領先的創新藥品和醫療器械，適時投資發展醫療服務等其它健康產業，不斷提高盈利水平和業務規模，加快實現"百億百年"的階段性經營目標。

### 流動資金及財務資源

本集團之流動資金維持穩健。於2016年3月31日，本集團有現金及銀行結餘約394,300,000港元(2015年3月31日：384,200,000港元)，其中約31.4%及68.3%分別以港元及人民幣計值，餘額則以澳元、歐元及美元計值。於2016年3月31日，本集團概無外部借貸。因此，本集團具備充足財務資源以應付其責任及日常營運需要。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### EXCHANGE RATE EXPOSURE

The Group's assets, liabilities and transactions are substantially dominated in Hong Kong dollars, Renminbi, Australian dollars, and United States dollars.

The Group has sales and investments in foreign operations which use currencies other than its functional currency Renminbi. As such, the Group had some exposure to foreign currency risk. The management from time to time determines suitable measures, such as entering into forward currency contracts, to lessen exposure to exchange rate fluctuation in material transactions denominated in currencies other than Renminbi. The Group did not enter into any forward currency contracts to hedge its foreign currency risk as at 31 March 2016 and 31 March 2015.

### CHARGES ON ASSETS

As at 31 March 2016, the Company had pledged certain bank deposits (31 March 2015: Nil) in favour of a bank to secure bank facilities granted to the Company. The bank facilities were undrawn during the year ended 31 March 2016.

### EMPLOYEES

The Group employed approximately 425 employees in Hong Kong, China and Australia as at 31 March 2016. The Group remunerates its employees based on market terms and the qualifications and experiences of the employees concerned.

### 外匯風險

本集團之資產、負債及交易大部分以港元、人民幣、澳元及美元計值。

本集團設有海外銷售及投資業務，乃以其功能貨幣人民幣以外之貨幣計算。因此，本集團面對若干外匯風險。管理層不時釐定適當措施，例如訂立外幣遠期合約，以減低以人民幣以外貨幣計值之重大交易所面臨匯率波動風險。於2016年3月31日及2015年3月31日，本集團概無訂有任何外幣遠期合約。

### 資產抵押

於2016年3月31日，本公司已質押若干銀行存款，作為本公司所獲授銀行融資之抵押（2015年3月31日：無）。有關銀行融資於截至2016年3月31日止年度內尚未提取。

### 僱員

於2016年3月31日，本集團於香港、中國及澳大利亞聘有約425名僱員。本集團根據市場條款以及有關僱員之資歷及經驗向僱員釐定酬金。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The Company is firmly committed to maintaining statutory and regulatory standards and adhering to the principles of corporate governance, emphasizing transparency and accountability to the shareholders.

The Company has complied with the code provisions of the Corporate Governance Code (the CG Code) in Appendix 14 of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the Listing Rules) during the FYE2016 except as mentioned below.

Pursuant to code provision of A.2.1 of the CG Code, the roles of the chairman and chief executive officer should be separate. Prior to 3 August 2015, Mr. Fang Wen Quan was the Chairman and the Managing Director. The Board was of the view that Mr. Fang Wen Quan acting as both the Chairman of the Board and the Managing Director was acceptable and in the best interest of the Group because of the business operation and the size of the Group. However, in order to enhance the level of corporate governance, Mr. Fang Wen Quan ceased to act as the Managing Director, and Mr. Shi Shaobin, an executive Director, was appointed as the Managing Director with effect from 3 August 2015. Subsequent to the cessation of Mr. Fang Wen Quan and appointment of Mr. Shi Shaobin as Managing Director, the Company has complied with all the applicable code provisions of the CG Code.

### BOARD OF DIRECTORS

The Board is responsible for the leadership and control of the Company and oversees the businesses, strategic development, financial performance and corporate governance of the Group. The management is delegated with the powers and authorities for overseeing the day-to-day operation of the Group.

The Board currently consists of 8 Directors, comprising 3 executive Directors, 2 non-executive Directors and 3 independent non-executive Directors (INEDs) namely:

#### Executive Directors:

Mr. Fang Wen Quan (*Chairman*)  
Mr. Shi Shaobin (*Managing Director*)  
Mr. Lui Man Sang

#### Non-executive Directors:

Mr. Shen Bo  
(*Appointed on 10 August 2015*)  
Mr. Feng Quanming  
(*Appointed on 23 March 2016*)

本公司堅決致力維持法定及監管標準，並緊守企業管治之原則，強調透明度及向股東問責。

於2016財政年度，本公司已遵守在香港聯交所證券上市規則(上市規則)附錄十四所載企業管治守則之守則條文，惟下文所述之情況除外。

根據企業管治守則之守則條文第A.2.1條，董事長與行政總裁之角色應予區分。於2015年8月3日前，方文權先生擔任董事長兼董事總經理。董事會認為，基於本集團之業務營運及規模，由方文權先生兼任董事會董事長及董事總經理屬可接受情況，且符合本集團最佳利益。然而，為提高企業管治水平，方文權先生不再出任董事總經理一職，而執行董事施少斌先生已獲委任為董事總經理，自2015年8月3日起生效。於方文權先生終止委任及施少斌先生獲委任為董事總經理後，本公司已符合企業管治守則之所有適用守則條文。

### 董事會

董事會負責領導及控制本公司，並監察本集團之業務、策略發展、財務表現及企業管治。管理層則獲授予權力與授權以監察本集團之日常運作。

董事會現由八名董事組成，包括三名執行董事、兩名非執行董事及三名獨立非執行董事，即：

#### 執行董事：

方文權先生(*董事長*)  
施少斌先生(*董事總經理*)  
呂文生先生

#### 非執行董事：

沈波先生  
(*於2015年8月10日獲委任*)  
馮全明先生  
(*於2016年3月23日獲委任*)

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### INEDs:

Mr. Lam Yat Fai  
Mr. Chiu Sung Hong  
Mr. Chiu Fan Wa

During the FYE2016, Mr. Liu Huijiang resigned as executive Director with effect from 23 March 2016 in order to devote more time on his personal matters.

The Board believes that the balance between executive Directors and non-executive Directors is reasonable and adequate to provide sufficient balances that protect the interest of the shareholders and the Group.

INEDs are appointed for a term of 2 years and are subject to retirement in accordance with the Company's articles of association.

More than one of the INEDs has appropriate professional qualification in accounting or related financial management expertise. Save as disclosed in the biographical details of each Director, there is no other relationship (including financial, business, family, or other material/relevant relationship) among members of the Board.

The articles of association of the Company provide that one-third of all the directors shall retire from office by rotation at each annual general meeting (AGM), and the INEDs are subject to this provision. The Company has received annual confirmation of independence from the three INEDs in accordance with Rule 3.13 of the Listing Rules.

The Board has established a formal schedule of matters specifically reserves to the Board for its decision. The Board reviews this schedule on a periodic basis to ensure that it remains appropriate to the needs of the Board.

The Board has established procedures to enable directors, upon reasonable request, to seek independent professional advice in appropriate circumstances to enable them to discharge their duties at the Company's expenses. The articles of association of the Company contain description of responsibility and operation procedures of the Board. The Board meets regularly to review the financial and operating performance of the Group.

### 獨立非執行董事：

林日輝先生  
趙崇康先生  
趙帆華先生

於2016財政年度，劉會疆先生辭任執行董事，自2016年3月23日起生效，以投入更多時間處理個人事務。

董事會認為，執行董事及非執行董事之間之平衡為合理，且足以提供充分平衡，以保障股東及本集團之利益。

獨立非執行董事之任期為2年，並須根據本公司之章程細則告退。

超過一名獨立非執行董事擁有適當之會計專業資格或相關財務管理專長。除於各董事簡歷內所披露者外，各董事會成員之間並無財務、業務、家屬或其它重大／相關關係。

本公司之章程細則規定於每次股東週年大會上所有董事之三分一須輪值告退，獨立非執行董事均受此條文規限。本公司已收到三名獨立非執行董事根據上市規則第3.13條所規定之有關獨立性之年度確認。

董事會已建立正式之預定計劃表，列載特別要董事會作決定之事項。董事會定期檢討該表以確保其仍適當滿足董事會之要求。

董事會已建立一套程序，讓董事按合理要求，可在適當之情況下尋求獨立專業意見以使彼等能履行其責任，費用由本公司支付。本公司之章程細則包含董事會責任及運作程序之描述。董事會定期召開會議以審閱本集團之財務及經營表現。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Corporate Governance Functions

The Board is responsible for performing the corporate governance duties including the following matters attended by the Board during the FYE2016:

- develop and review the Company's policies and practices on corporate governance and make recommendations and adopt the revised CG Code and revised terms of reference of the Audit Committee;
- review and monitor the training and continuous professional development of directors and senior management;
- review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and directors; and
- review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report under Appendix 14 to the Listing Rules.

### Directors' training and professional development

Directors of the Company are continually updated with legal and regulatory developments, and the business environment to facilitate the discharge of their responsibilities.

All Directors are also provided with monthly updates on the Company's performance, position and prospects to enable the Board as a whole and each Director to discharge their duties.

All Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. Newly appointed Directors are provided with the necessary induction and information to ensure that they have a proper understanding of the Company's operations and businesses as well as their responsibilities under the relevant statutes, laws, rules and regulations.

### 企業管治職能

董事會負責履行企業管治職責，包括於2016財政年度所處理之下列事宜：

- 制定及檢討本公司之企業管治政策及常規，並作出推薦意見，以及採納經修訂企業管治守則及經修訂審核委員會之職權範圍；
- 檢討及監察董事及高級管理人員之培訓及持續專業發展；
- 檢討及監察本公司在遵守法律及監管規定方面之政策及常規；
- 制定、檢討及監察適用於僱員及董事之操守準則及合規手冊(如有)；及
- 檢討本公司遵守企業管治守則之情況及根據上市規則附錄十四在企業管治報告內之披露。

### 董事培訓及專業發展

本公司董事持續獲提供有關法律及監管發展以及業務環境之最新資料，以協助彼等履行職責。

所有董事每月獲提供有關本公司表現、狀況及前景之最新資料，以便董事會整體及各董事履行其職責。

本公司鼓勵所有董事參與持續專業發展，以發展並更新彼等之知識及技能。新委任董事獲提供必需之指引及資料，以確保彼等充分了解本公司之營運及業務，以及彼等根據相關法令、法例、規則及法規之責任。



## CORPORATE GOVERNANCE REPORT

### 企業管治報告

Based on the training records provided to the Company by the Directors, all the Directors have participated in the trainings by reading newspapers, journals and updates and/or attending seminars relating to corporate governance, regulatory updates, economy, general business or director's duties and responsibilities, etc. during the FYE2016.

#### Directors' meeting

During the FYE2016, the Board held 4 full board meetings. The attendances of the Directors at the meetings are as follows:

Directors	董事	Number of Attendance	出席次數
<b>Executive Directors:</b>	<b>執行董事：</b>		
Mr. Fang Wen Quan ( <i>Chairman</i> )	方文權先生( <i>董事長</i> )	4	4
Mr. Shi Shaobin ( <i>Managing Director</i> )	施少斌先生( <i>董事總經理</i> )	4	4
Mr. Liu Huijiang ( <i>Resigned on 23 March 2016</i> )	劉會疆先生( <i>於2016年3月23日辭任</i> )	1	1
Mr. Lui Man Sang	呂文生先生	4	4
<b>Non-executive Directors:</b>	<b>非執行董事：</b>		
Mr. Shen Bo ( <i>Appointed on 10 August 2015</i> )	沈波先生( <i>於2015年8月10日獲委任</i> )	1	1
Mr. Feng Quanming ( <i>Appointed on 23 March 2016</i> )	馮全明先生( <i>於2016年3月23日獲委任</i> )	1	1
<b>INEDs:</b>	<b>獨立非執行董事：</b>		
Mr. Lam Yat Fai	林日輝先生	4	4
Mr. Chiu Sung Hong	趙崇康先生	3	3
Mr. Chiu Fan Wa	趙帆華先生	4	4

The Board has also established the audit committee, nomination committee, remuneration committee and risk management committee which comprises a majority of INEDs. Each of these committees has its own terms of reference to set out its specific duties and authorities and reports to the Board. For the terms of reference of each committee, please visit the website of our Company [www.tiandapharma.com](http://www.tiandapharma.com).

根據各董事向本公司提供之培訓記錄，全體董事於2016財政年度內透過閱覽報章、期刊及最新資訊及／或出席講座參與培訓，內容有關企業管治、最新監管規例、經濟、一般商業或董事職責等。

#### 董事會會議

於2016財政年度內，董事會舉行四次董事會會議。董事出席會議之情況如下：

董事會亦成立了審核委員會、提名委員會、薪酬委員會及風險管理委員會，成員包括大部分獨立非執行董事。該等委員會各自訂有本身之職權範圍，當中載列其指定職責及授權以及須向董事會匯報。有關各委員會之職權範圍，請參閱本公司網站[www.tiandapharma.com](http://www.tiandapharma.com)。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### REMUNERATION COMMITTEE

The remuneration committee of the Company was established with specific written terms of reference. It comprises three INEDs of the Company, Mr. Chiu Sung Hong, Mr. Lam Yat Fai and Mr. Chiu Fan Wa and one executive Director of the Company, Mr. Fang Wen Quan. Mr. Chiu Sung Hong is the Chairman of the remuneration committee during the year.

The remuneration committee is responsible for making recommendations to the Board on, among other things, the Company's policy and structure for the remuneration to all Directors and senior management of the Company and is delegated by the Board the responsibility to determine on behalf of the Board the specific remuneration packages for all executive Directors and senior management of the Company.

The remuneration committee held 4 meetings during the FYE2016 to review and make recommendations to the Board on the remuneration packages of individual executive Directors, the non-executive Directors, the INEDs and senior management; and to review the bonus to senior management.

Details of individual attendance of its members during the FYE2016 are as follows:

Mr. Chiu Sung Hong ( <i>Chairman</i> )	趙崇康先生(主席)
Mr. Fang Wen Quan	方文權先生
Mr. Lam Yat Fai	林日輝先生
Mr. Chiu Fan Wa	趙帆華先生

Particulars regarding Directors' remuneration and the five highest paid employees as required to be disclosed pursuant to Appendix 16 to the Listing Rules are set out in notes 11(a) & 11(b) to the consolidated financial statements, respectively.

### 薪酬委員會

本公司之薪酬委員會已告成立，訂有具體書面職權範圍書。成員包括本公司之三名獨立非執行董事趙崇康先生、林日輝先生及趙帆華先生，以及本公司之一名執行董事方文權先生。趙崇康先生於本年度內為薪酬委員會之主席。

薪酬委員會負責(其中包括)就本公司所有董事及高級管理人員之薪酬政策及架構向董事會提出建議，並獲董事會授予職責以代表董事會釐定本公司之全體執行董事及高級管理人員之特定薪酬組合。

於2016財政年度，薪酬委員會舉行四次會議，以審閱個別執行董事、非執行董事及獨立非執行董事以及高級管理人員之薪酬待遇並就此作出推薦意見；及檢討高級管理人員之花紅。

於2016財政年度內個別成員之出席詳情如下：

#### Number of Attendance 出席次數

3  
4  
4  
4

根據上市規則附錄十六須披露之有關董事薪酬及五名最高薪酬僱員之詳情，分別載於綜合財務報表附註11(a)及11(b)。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### NOMINATION COMMITTEE

The Company has established nomination committee comprising two INEDs, Mr. Lam Yat Fai and Mr. Chiu Sung Hong and one executive Director of the Company, Mr. Fang Wen Quan (who is the chairman of the nomination committee).

The duties of the nomination committee are reviewing and supervising the structure, size and composition of the Board, identifying qualified individuals to become members of the Board, assessing the independence of the INEDs and making recommendations to the Board on the appointment or re-appointment of Directors.

During the FYE2016, the nomination committee held 3 meetings. Details of individual attendance of its members are as follows:

Mr. Fang Wen Quan ( <i>Chairman</i> )	方文權先生( 主席 )
Mr. Lam Yat Fai	林日輝先生
Mr. Chiu Sung Hong	趙崇康先生

During the FYE2016, the nomination committee had reviewed the structure, size and composition of the Board, assessed the independence of the INEDs and made recommendation to the Board on appointment of new Directors and re-election of retiring Directors.

In considering the appointments of the new non-executive Directors, namely Mr. Shen Bo and Mr. Feng Quanming, the nomination committee assessed their incumbent on criteria such as integrity, independent mindedness, experience, skill and ability to commit time and effort to carry out their duties and responsibilities effectively, etc. and made recommendation to the Board for approval.

### 提名委員會

本公司已成立提名委員會，成員包括兩名獨立非執行董事林日輝先生及趙崇康先生，以及本公司之一名執行董事方文權先生( 為提名委員會主席 )。

提名委員會之職責為檢討及監察董事會之架構、規模及組合，物色具備合適資格可擔任董事會成員之人士，評核獨立非執行董事之獨立性，以及就董事之委任或重新委任向董事會提出建議。

於2016財政年度內，提名委員會舉行三次會議。個別成員之出席詳情如下：

#### Number of Attendance 出席次數

3
3
2

於2016財政年度內，提名委員會亦已檢討董事會架構、規模及組合，評核獨立非執行董事之獨立性，以及就委任新董事及重選退任董事向董事會提出建議。

於考慮委任新非執行董事沈波先生及馮全明先生時，提名委員會已按彼等之誠信、獨立思維、經驗、技能以及就履行職務及職責付出時間及努力的能力等標準作出評估，並向董事會提呈推薦意見以供批准。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### Board Diversity Policy

The Company has a board diversity policy aiming at setting out the approach on diversity of the Board of the Company.

The Board recognizes the importance of having a diverse board in enhancing the Board effectiveness and corporate governance. A diverse board will include and make good use of difference in the skills, industry knowledge and experience, education, background and other qualities, etc. of Directors and does not discriminate on the ground of race, age gender or religious belief. These differences will be taken into account in determining the optimum composition of the Board and when possible should be balanced appropriately.

The nomination committee is responsible for reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board and make recommendations to the Board regarding any proposed changes, identifying individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships with regards to their qualifications, skills, experience and knowledge, assess the independence of INEDs, and make recommendations to the Board on relevant matters relating to the appointment of Directors and succession planning for Directors in particular the chairman and the chief executive officer.

The nomination committee is also responsible for reviewing and reporting to the board diversity.

Board appointments will be based on merit and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

At present, the nomination committee has not set any measurable objectives to implement the board diversity policy. However, it will consider and review the board diversity policy and setting of any measurable objectives from time to time.

### 董事會成員多元化政策

本公司已制訂一項董事會成員多元化政策，以載列本公司多元化董事會成員之措施。

董事會知悉董事會成員多元化對提升董事會效能及企業管治之重要性。多元化之董事會具備且能善用董事各種技能、行業知識及經驗、教育、背景及其它特質等差異，同時不會因種族、年齡、性別或宗教信仰而有所歧視。在決定董事會之最佳組成時會考慮此等差異，並盡可能就有關差異取得適當平衡。

提名委員會負責審閱董事會架構、規模及組成(包括技能、知識及經驗)，並就任何擬進行之變動向董事會提出建議、物色合資格成為董事會成員之適當人選，並根據資歷、技能、經驗及知識甄選提名董事人選或就此向董事會提供建議，評估獨立非執行董事之獨立性，及就董事委任及董事續聘計劃(尤其是主席及行政總裁)之有關事宜向董事會提出建議。

提名委員會亦負責檢討董事會成員多元化，並向董事會匯報。

董事會以用人唯才之原則委任董事，並根據客觀標準，經適當考慮董事會成員多元化之裨益後，對候選人加以考慮。

目前，提名委員會在實行董事會成員多元化政策方面並無制訂任何可衡量目標。然而，提名委員會將會不時考慮及檢討董事會成員多元化政策，並制訂任何可衡量目標。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### AUDIT COMMITTEE

The audit committee comprises three INEDs of the Company, being, Mr. Lam Yat Fai, Mr. Chiu Sung Hong and Mr. Chiu Fan Wa and one non-executive Director Mr. Shen Bo. Mr. Lam Yat Fai has been the chairman of the audit committee during the FYE2016.

The role and function of the audit committee include the followings:

- review of and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standard;
- review of the annual and interim financial statements prior to their approval by the Board, and recommend application of accounting policies and changes to the financial reporting requirements; and
- review of the Company's financial controls, internal controls and risk management systems to ensure that management has discharged its duty to have an effective internal control system.

During the year, the audit committee held 3 meetings. Details of individual attendance of its members are as follows:

		Number of Attendance 出席次數
Mr. Lam Yat Fai (Chairman)	林日輝先生(主席)	3
Mr. Chiu Sung Hong	趙崇康先生	2
Mr. Chiu Fan Wa	趙帆華先生	3
Mr. Shen Bo (Appointed on 10 August 2015)	沈波先生(於2015年8月10日獲委任)	1

The work performed by the audit committee during the FYE2016 includes the followings:

- review the financial statements for the year ended 31 March 2015 and for the six months ended 30 September 2015;
- consider and approve of the remuneration and terms of engagement of the external auditor; and
- review the internal control and financial reporting matters of the Company.

### 審核委員會

審核委員會成員包括本公司之三名獨立非執行董事，即林日輝先生、趙崇康先生、趙帆華先生及一名非執行董事沈波先生。林日輝先生已於2016財政年度內為審核委員會主席。

審核委員會之職責及功能包括以下各項：

- 按適用標準檢討及監察外聘核數師是否獨立客觀及核數程序是否有效；
- 於提呈董事會批准前審閱年度及中期財務報表，以及建議應用會計政策及財務匯報要求之變動；及
- 審閱本公司之財務監控、內部監控及風險管理制度，以確保管理層已履行職責建立有效之內部監控系統。

於本年度內，審核委員會舉行三次會議。個別成員之出席詳情如下：

		Number of Attendance 出席次數
Mr. Lam Yat Fai (Chairman)	林日輝先生(主席)	3
Mr. Chiu Sung Hong	趙崇康先生	2
Mr. Chiu Fan Wa	趙帆華先生	3
Mr. Shen Bo (Appointed on 10 August 2015)	沈波先生(於2015年8月10日獲委任)	1

於2016財政年度內，審核委員會履行之工作包括以下各項：

- 審閱截至2015年3月31日止年度及截至2015年9月30日止六個月之財務報表；
- 考慮及批准外聘核數師之酬金及聘用條款；及
- 審閱本公司之內部監控及財務匯報事宜。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### RISK MANAGEMENT COMMITTEE

The Company has established risk management committee comprising two INEDs, Mr. Chiu Sung Hong (chairman of risk management committee) and Mr. Lam Yat Fai and one executive Director, Mr. Fang Wen Quan.

The role and function of the risk management committee include the followings:

- enhance and strengthen the system of risk management of the Group and provide comments and recommendations thereon to the Board;
- identify the risks of the Group and provide recommendations to the Board; and
- other matters authorized by the Board.

The risk management committee did not hold any meeting during the FYE2016.

### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors (the Model Code) of Listed Issuers as set out in Appendix 10 of the Listing Rules as the code of conduct regarding Directors' securities transactions. Having made specific enquiry of all the Directors of the Company, they all confirm that they have complied with the Model Code throughout the FYE2016.

### AUDITOR'S REMUNERATION

The fees in relation to the audit and other services, including reviewing interim results and taxation services for the year provided by Deloitte Touche Tohmatsu, the external auditor of the Company, amounted to HK\$1,200,000 and HK\$229,900 respectively.

### DIRECTORS' RESPONSIBILITY FOR PREPARING THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors of the Company acknowledge that it is their responsibilities for preparing the financial statements. The Directors of the Company consider that the Group's financial statements have been properly prepared in accordance with relevant regulations and applicable accounting principles. The Directors of the Company are not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern. The statement of the auditor about its reporting responsibilities on the financial statements is set out in the Independent Auditor's Report on pages 45 to 46.

### 風險管理委員會

本公司已成立風險管理委員會，成員包括兩名獨立非執行董事趙崇康先生(其為風險管理委員會之主席)及林日輝先生，以一名執行董事方文權先生。

風險管理委員會之職責及功能包括以下各項：

- 完善及提高本集團之風險管理機制，並對風險管理狀況向董事會提出意見和建議；
- 識別本集團之風險並向董事會提供建議；及
- 其它由董事會授權之事宜。

於2016財政年度內，風險管理委員會並無舉行會議。

### 董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則(標準守則)，作為董事進行證券交易之操守準則。經向本公司之全體董事作出具體查詢後，彼等確認其於2016財政年度內均已遵守標準守則。

### 核數師酬金

本公司之外聘核數師德勤·關黃陳方會計師行於年內所提供核數服務及其它服務(包括審閱中期業績及稅務服務)之費用分別為1,200,000港元及229,900港元。

### 董事就編製綜合財務報表之責任

本公司董事認定編製財務報表為彼等之責任。本公司董事認為，本集團之財務報表已根據有關規例及適用會計原則妥為編製。本公司董事並不知悉有任何重要不明朗事件或情況可能令本公司持續經營之能力受到重大質疑。有關核數師就財務報表之報告責任之陳述載於第45至46頁之獨立核數師報告內。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### INTERNAL CONTROL

The Board is responsible for maintaining a sound and effective system of internal control so as to ensure the shareholders' investment and the Company's assets are properly safeguarded. The system of internal control is designed to manage the risk of failure to achieve corporate objectives and can only provide reasonable but not absolute assurance against material misstatement, loss or fraud.

The Company established an internal audit department during the FYE2016 to assess its internal control system, formulating an impartial opinion on the system, and reporting its findings to the Audit Committee, the Chairman of the Board and the senior management concerned on a regular basis as well as following up on all reports to ensure that all issues have been satisfactorily resolved.

There is no material internal control deficiency that may affect the shareholders of the Company which has come to the attention of the Audit Committee or the Board. The Directors are of the opinion that the Company has complied with code provisions C.2.1 and C.2.2 on internal controls as set out in the CG Code contained in Appendix 14 to the Listing Rules.

During the FYE2016, the Board has reviewed the effectiveness of the internal control system through the audit committee and the internal audit department of the Company. The Board has also reviewed the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget.

### COMPANY SECRETARY

The Company has engaged and appointed Mr. Lo Tai On, a representative from an external secretarial services provider, as the company secretary of the Company. The primary contact person with the company secretary of the Company is Mr. Ho Wai Chi, Deputy Financial Controller. Mr. Lo has confirmed that he has taken no less than 15 hours of relevant training.

### CONSTITUTIONAL DOCUMENTS

During the FYE2016, there was no change in the Company's constitutional documents.

### SHAREHOLDER COMMUNICATION

The objective of shareholder communication is to provide our shareholders with detailed information about the Company so that they can exercise their rights as shareholders in an informed manner.

### 內部監控

董事會負責維持穩健及有效之內部監控制度，以確保股東之投資及本公司資產得到妥善保障。內部監控制度旨在管理未能達成企業目標之風險，並只可就重大錯誤陳述、損失或欺詐行為作出合理而非絕對之保證。

本公司於2016財政年度成立內部審核部門，以評估其內部監控制度，就有關制度達致中立意見，並定期向審核委員會、董事會董事長及高級管理人員匯報結論，以及跟進所有報告，以確保有關問題已獲妥善解決。

審核委員會或董事會並不知悉本公司有任何可能影響本公司股東之重大內部監控漏洞。董事認為，本公司已遵守上市規則附錄14企業管治守則所載有關內部監控之守則條文第C.2.1及C.2.2條。

於2016財政年度，董事會亦透過審核委員會及本公司內部審核部門審閱內部監控制度之成效。董事會亦已檢討本公司在會計及財務匯報職能方面之資源、員工資歷及經驗，以及員工所接受之培訓課程及有關預算是否足夠。

### 公司秘書

本公司已委聘羅泰安先生(一名外聘秘書服務供應商之代表)為本公司之公司秘書。與本公司公司秘書之主要聯絡者為副財務總監何偉智先生。羅先生確認，彼已接受不少於十五小時之相關培訓。

### 憲章文件

於2016財政年度，本公司之憲章文件並無任何變動。

### 股東通訊

股東通訊之目的為向本公司股東提供有關本公司之詳細資料，以使彼等在知情情況下行使作為股東之權利。

## CORPORATE GOVERNANCE REPORT

### 企業管治報告

The Company employs a range of communication tools to ensure its shareholders are kept well informed of key business imperatives. These include general meetings, interim and annual reports, announcements and circulars. Procedure for voting by poll had been read out at the general meetings. All votes of the shareholders were taken by poll. The Company announced results of the poll in the manner prescribed under the Listing Rules.

The AGM of the Company was held on 28 August 2015. A notice convening the AGM contained in the circular dated 30 July 2015 was dispatched to the shareholders together with the 2015 annual report. A separate resolution was proposed by the chairman of the meeting in respect of each separate issue, including re-election of Directors. Mr. Fang Wen Quan, the Chairman and the executive Directors Mr. Shi Shaobin and Mr. Lui Man Sang, Mr. Shen Bo, non-executive Director, and three INEDs, namely Mr. Lam Yat Fai, Mr. Chiu Sung Hong and Mr. Chiu Fan Wa attended the AGM to answer questions raised from shareholders. Mr. Liu Huijiang, a then executive Director of the Company, was unable to attend the 2015 AGM due to his other business commitment. No other general meeting was held during the year.

#### INVESTOR RELATIONS

The Group fully recognizes the importance of employing a professional, truthful and proactive attitude in promoting investor relations. This underscores the Group's persistence in maintaining optimum allround communications with investors, allowing it to collect information and valuable feedbacks from investors and announce its business strategy and direction in due course. These efforts are critical for the Group to improve its corporate governance and strengthen investor confidence.

Ensuring high corporate transparency is a key emphasis in the Group's investor relations activities. During the FYE2016, the Group promoted investor relations through different channels. Regular meetings were held between the management and investors. Latest information regarding the Group and its business is proactively disclosed to investors so that the best investment decisions can be made. Whenever announcements on annual results, interim results and material transactions are made, the Group will capitalize such opportunities to enhance communications with investors, explaining to them the Group's latest operational situations and direction of development.

The Company also maintains a website at [www.tiandapharma.com](http://www.tiandapharma.com), where updates on the Company's business developments and operations, financial information and news can always be found.

本公司運用一系列通訊工具以確保股東獲知重要業務動向，其中包括股東大會、中期及年度報告、公告及通函。投票表決程序已於股東大會上宣讀。股東之所有表決已按投票表決方式進行。本公司已按上市規則規定之方式公佈投票表決結果。

本公司於2015年8月28日舉行股東週年大會，召開股東週年大會之通告(載於日期為2015年7月30日之通函內)已連同2015年年報寄發予股東。大會主席就每個單獨議題(包括重選董事)提呈個別之決議案。董事長方文權先生、執行董事施少斌先生及呂文生先生、非執行董事沈波先生及三名獨立非執行董事林日輝先生、趙崇康先生及趙帆華先生均有出席股東週年大會，解答股東提問。本公司當時之執行董事劉會疆先生因其它事務而未能出席2015年股東週年大會。於年內並無舉行其它股東大會。

#### 投資者關係

本集團深明以專業、坦誠並適時主動之態度，乃推動投資者關係之重要因素。因此，本集團致力與投資者保持充分及良好之溝通，以便收集更多訊息及寶貴意見，並在適當時候公佈集團之業務策略及發展方向，期望在企業管治上力臻完善，增強投資者信心。

在投資者關係活動中，確保企業高透明度乃本集團相當重視之一環。於2016財政年度，本集團透過不同渠道推動投資者關係。管理層定期與投資者會面，積極向投資者披露有關本集團最新資訊及業務消息，讓投資者作出最佳投資決定。每當作出全年業績、中期業績及重大交易公告時，本集團均會抓緊良機，加強與投資者之溝通，解釋本集團最新業務情況及發展方向。

本公司亦設有網站，網址為 [www.tiandapharma.com](http://www.tiandapharma.com)，網站上會不斷更新本公司之業務發展及營運、財務資料及新聞。



# CORPORATE GOVERNANCE REPORT

## 企業管治報告

Shareholders and investors may at any time send their enquiries and concerns to the Board in writing through Investor Relations & Corporate Communications Department whose contact details are as follows:

Address: Suites 2405–2410, 24th Floor, CITIC Tower,  
No. 1 Tim Mei Avenue, Central, Hong Kong  
Fax: 2541 6558  
Email: investor\_relations@tianda.com

### SHAREHOLDERS' RIGHTS

The general meetings of the Company provide an opportunity for communication between the shareholders and the Board. The AGM of the Company shall be held in each year at such place as may be determined by the Board. All general meetings other than AGM shall be called an extraordinary general meeting (the EGM). Set out below are procedures by which shareholders may (1) convene the EGM; (2) put forward enquires to the Board; and (3) put forward proposals at general meetings. The procedures are subject to the Company's articles of association and applicable legislation and regulations.

#### (1) Procedures for shareholders to convene the EGM

Any 2 or more shareholders holding at the date of the deposit of the requisition in aggregate not less than 25 per cent of such of the paid up capital of the Company as at the date of the deposit carries the right of voting at general meetings of the Company.

Such requisition must state the objects of the meeting and must be signed by the requisitionists and deposited at the Company's principal office in Hong Kong at Suites 2405–2410, 24th Floor, CITIC Tower, No. 1 Tim Mei Avenue, Central, Hong Kong.

If the Directors do not within 21 days from the date of the deposit of such requisition proceed duly to convene the EGM, the requisitionists themselves may convene the EGM in the same manner, as nearly as possible, as that in which meetings may be convened by the Directors, and all reasonable expenses incurred by the requisitionists as a result of the failure of the Directors to convene such a meeting shall be reimbursed to them by the Company.

The notice period to be given to all the registered shareholders for consideration of the proposal raised by the requisitionist(s) concerned at the EGM varies according to the nature of the proposal as set out in the Company's articles of association and the CG Code.

股東和投資者可隨時以書面形式將其查詢及關注透過投資者關係及企業傳訊部遞交董事會。聯絡詳情如下：

地址：香港中環添美道一號  
中信大廈24樓2405–2410室  
傳真：2541 6558  
電郵：investor\_relations@tianda.com

### 股東權利

本公司股東大會提供股東與董事會溝通之機會。本公司股東週年大會應每年舉行，開會地點由董事會決定。股東週年大會以外之所有股東大會均稱為股東特別大會。下文載列股東(1)召開股東特別大會；(2)向董事會提出查詢；及(3)在股東大會上提呈議案之程序。該等程序須受本公司章程細則及適用法例法規之規限。

#### (1) 股東召開股東特別大會之程序

股東特別大會亦可應任何2名或以上股東之書面要求召開，惟該等股東於送交要求之日須合共持有不少於本公司於送交要求之日附帶本公司股東大會投票權之25%繳足股本。

有關請求必須列明會議之目標以及須經由請求人簽署，並送交本公司於香港之主要辦事處，地址為香港中環添美道一號中信大廈24樓2405–2410室。

倘董事並未於送交要求之日起計21日內正式召開股東特別大會，則請求人本人可儘可能按接近董事召開大會之相同方式召開股東特別大會，而所有因董事未有召開有關大會致使請求人產生之合理開支，須由本公司向彼等償付。

股東特別大會供全體登記股東考慮有關請求人所提出議案之通知期因議案性質而異，詳情載於本公司章程細則及企業管治守則。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

### (2) Procedures to put forward enquiries to the Board

Shareholders may, at any time, direct enquire to the Board. All enquiries shall be in writing with the detail contact information of the requisitionists through the Company's principal place of business of Hong Kong at Suites 2405-2410, 24th Floor, CITIC Tower, No. 1 Tim Mei Avenue, Central, Hong Kong or email to [direct\\_enquiries@tianda.com](mailto:direct_enquiries@tianda.com) for the attention of the Board.

### (3) Procedures to put forward proposals at general meetings

There are no provisions in the Company's articles of association or the Cayman Islands Companies Law for shareholders to put forward new resolution at general meetings other than a proposal of a person for election as director. Shareholders may follow the procedures set out above to convene the EGM for any business specified in such written requisition.

The procedures for shareholder of the Company to propose a person for election as director is posted on the Company website at [www.tiandapharma.com](http://www.tiandapharma.com).

### (2) 向董事會提出查詢之程序

股東可隨時向董事會直接提出查詢。所有查詢須以書面作出，並連同請求人之詳細聯絡資料，一併郵寄往本公司之香港主要營業地點，地址為香港中環添美道一號中信大廈24樓2405-2410室，或以電郵發送至 [direct\\_enquiries@tianda.com](mailto:direct_enquiries@tianda.com)，註明收件人為董事會。

### (3) 在股東大會上提呈議案之程序

本公司章程細則或開曼群島公司法中並無有關股東在股東大會提呈新決議案之規定，惟提名他人參選董事者除外。股東可遵循以上所載之程序召開股東特別大會，以處理有關請求書所指定之任何事務。

本公司股東提名候選董事之程序登載於本公司網站 [www.tiandapharma.com](http://www.tiandapharma.com)。

# REPORT OF THE DIRECTORS

## 董事會報告

The Directors present their annual report and the audited consolidated financial statements for the year ended 31 March 2016.

### PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The principal activities of its subsidiaries are research and development, production and sales of pharmaceutical, biotechnology and healthcare products.

### BUSINESS REVIEW

The business review of the Group for the year ended 31 March 2016 containing a fair review of the business during the year and discussion of future business development of the Group and the principal risks and uncertainties facing the Group is set out in the sections headed “Report of the Chairman” and “Management Discussion and Analysis” from pages 12 to 13 and pages 14 to 20 respectively of this Annual Report.

The financial risk management objectives and policies of the Group are shown in notes 5 and 6 to the consolidated financial statements.

### RELATIONSHIP WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Group understands the importance of maintaining a good relationship with its employees, customers and suppliers to meet its immediate and long-term business goals. During the year under review, there were no material and significant dispute between the Group and its employees, customers and suppliers.

### ENVIRONMENTAL POLICIES AND PERFORMANCE

The Company is committed to the sustainable development of the environment and our society. The Group has endeavoured to comply with laws and regulations regarding environmental protection and adopted effective environmental practices to ensure our business meet the required standards and ethics in respect of environmental protection.

### COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

During the year, as far as the Board and management are aware, there was no material breach of or non-compliance with the applicable laws and regulations by the Group that has a significant impact on the businesses and operations of the Group.

### SEGMENTAL INFORMATION

An analysis of the Group's revenue and contribution to results by segment for the year ended 31 March 2016 is set out in note 7 to the consolidated financial statements.

董事呈列截至2016年3月31日止年度之年報及經審核綜合財務報表。

### 主要業務

本公司為一間投資控股公司，其附屬公司主要從事醫藥生物及保健產品之研發、生產和銷售。

### 業務回顧

本集團截至2016年3月31日止年度的業務回顧載有對本年度本集團業務之公正回顧及未來業務發展之討論以及本集團所面臨之主要風險及不確定性因素，分別載於本年報第12至13頁之“董事長報告”及第14至20頁之“管理層討論與分析”。

本集團的財務風險管理目標及政策載於綜合財務報表附註5及6。

### 與僱員、客戶及供應商的關係

本集團明白與其僱員、客戶及供應商維持良好關係，對達致即時及長遠業務目標極為重要。於回顧年度，本集團與其僱員、客戶及供應商概無重大及嚴重糾紛。

### 環境政策及表現

本集團致力於環境及社會之可持續發展。本集團盡力遵守有關環保之法律及法規，並採取有效環保措施確保我們的業務符合環保所需標準及操守。

### 遵守相關法律及法規

就董事會及管理層所知悉，本年度本集團概無嚴重違反或不遵守適用法律及法規，以致對本集團之業務及營運造成重大影響。

### 分部資料

本集團截至2016年3月31日止年度之收入及分部對業績貢獻之分析載於綜合財務報表附註7。

# REPORT OF THE DIRECTORS

## 董事會報告

### MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 March 2016, the five largest customers of the Group accounted for approximately 16.6% of the Group's total revenue while the largest customer of the Group accounted for approximately 3.9% of the Group's total revenue. In addition, for the year ended 31 March 2016, the five largest suppliers of the Group accounted for approximately 29.5% of the Group's total purchases while the largest supplier of the Group accounted for approximately 7.1% of the Group's total purchases.

During the FYE2016, to the knowledge of the Directors, Tianda Group and Hongta Tobacco (Group) Limited (Hongta) indirectly hold the respective of 60% and 40% equity interest in 珠海經濟特區誠成印務有限公司 (Zhuhai S.E.Z. Cheng Cheng Printing Company Ltd.) (Cheng Cheng Printing) which is one of the five major suppliers of the Company.

Except for the above-disclosed, none of the Directors, associates of Director or Shareholders of the Company (who to the knowledge of the Directors owes more than 5% of the Company's share capital) had any interest in the Company's five major suppliers or five major customers during the year.

### RESULTS

The results of the Group for the year ended 31 March 2016 are set out in the consolidated statement of profit or loss and other comprehensive income on page 47.

### DIVIDEND

The Board has recommended the payment of a final dividend of HK0.27 cent (2015: Nil) per share for the FYE2016, subject to shareholders' approval at the forthcoming 2016 annual general meeting (the AGM). The final dividend is expected to be paid on or before Friday, 9 September 2016 to the shareholders whose names appear on the register of members of the Company on Wednesday, 31 August 2016.

The register of members of the Company will be closed from Monday, 29 August 2016 to Wednesday, 31 August 2016 (both day inclusive), whereby no transfer of shares will be registered. In order to qualify for the proposed final dividend, all completed forms of transfers with the relevant share certificate(s) must be lodged with the Company's Hong Kong Branch share registrar, Tricor Secretaries Limited, Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on Friday, 26 August 2016.

### 主要客戶及供應商

截至2016年3月31日止年度，本集團之五大客戶及最大客戶分別佔本集團之總收入約16.6%及約3.9%。此外，截至2016年3月31日止年度，本集團之五大供應商及最大供應商分別佔本集團之採購總額約29.5%及約7.1%。

於2016財政年度，據董事所知，天大集團和紅塔煙草(集團)有限公司(紅塔)分別間接持有珠海經濟特區誠成印務有限公司(誠成印務)(本公司五大供應商之一)60%和40%股本權益。

除上文披露者外，各董事、董事之聯繫人或據董事所知擁有本公司股本5%以上之本公司股東概無於本年度內在本公司之五大供應商或五大客戶中擁有任何權益。

### 業績

本集團截至2016年3月31日止年度之業績載於第47頁之綜合損益及其它全面收益表。

### 股息

董事會建議就2016財政年度派發末期股息每股0.27港仙(2015年：無)，須待股東於應屆2016年股東週年大會(股東週年大會)上通過後方可作實。預期將於2016年9月9日(星期五)或之前向名列本公司於2016年8月31日(星期三)之股東名冊上的股東支付末期股息。

自2016年8月29日(星期一)起至2016年8月31日(星期三)(包括首尾兩日)，本公司將暫停辦理股份過戶登記手續，期間將不會進行股份過戶登記。為符合資格獲發建議末期股息，必須於2016年8月26日(星期五)下午四時三十分前將所有填妥之轉讓表格連同相關股票送達本公司的香港股份過戶登記分處卓佳證券登記有限公司(地址為香港皇后大道東183號合和中心22樓)以作登記。

# REPORT OF THE DIRECTORS

## 董事會報告

### SUMMARY FINANCIAL INFORMATION

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on pages 6 to 7 of this annual report.

### PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the FYE2016 are set out in note 14 to the consolidated financial statements.

### SHARE CAPITAL

Details of the Company's share capital are set out in note 24 to the consolidated financial statements.

### EQUITY-LINKED AGREEMENTS

On 20 July 2015, the Company entered into the subscription agreement (the Subscription Agreement) with SIIC Medical Science and Technology (Group) Limited (SMST), pursuant to which the Company agreed to allot and issue to SMST 280,517,724 new ordinary shares of HK\$0.10 each in the capital of the Company at the subscription price of HK\$0.39 per subscription share. The subscription was completed on 10 August 2015. A total of 280,517,724 new shares of the Company have been successfully allotted to SMST at the consideration of HK\$109,401,912. The net proceeds of the subscription of approximately HK\$109 million were used as operating and business development capital of the Group.

The Board considered that as a result of the above subscription, the Company could broaden its shareholders base thereby increasing the liquidity of the shares of the Company and form a strategic partnership between the Group and the Shanghai Pharmaceuticals' Group. The Board also considered that the Subscription Agreement was entered into upon normal commercial terms following arm's length negotiations between the Company and SMST and that the terms of the Subscription Agreement were fair and reasonable so far as the interests of the Company and its shareholders as a whole were concerned.

Details of the above transaction were published in the Company's announcements dated 20 July 2015 and 10 August 2015.

Save for the Subscription Agreement as disclosed above, and the share option scheme disclosed on pages 38 to 39 below, no equity-linked agreements were entered into during the FYE2016 or subsisted at the end of the year.

### 財務資料概要

本集團於過往五個財政年度之業績以及資產及負債之概要載於本年報第6至7頁。

### 物業、廠房及設備

本集團之物業、廠房及設備於2016財政年度之變動詳情載於綜合財務報表附註14。

### 股本

本公司之股本詳情載於綜合財務報表附註24。

### 股票掛鈎協議

於2015年7月20日，本公司與上海實業醫藥科技(集團)有限公司(上實醫藥)訂立認購協議(認購協議)，據此，本公司同意按認購價每股認購股份0.39港元向上實醫藥配發及發行本公司股本中280,517,724股每股面值0.10港元的新普通股。認購於2015年8月10日完成。已成功向上實醫藥配發合共280,517,724股本公司新股，代價為109,401,912港元。認購所得款項淨額約109,000,000港元已用作本集團營運及業務發展資金。

董事會認為由於上述認購，本公司能夠擴闊股東基礎從而增加本公司股份的流動性，並使本集團與上海醫藥集團形成戰略夥伴關係。董事會亦認為，該認購協議乃由本公司及上實醫藥經公平協商後按一般商業條款訂立，且該認購協議的條款屬公平合理，並符合本公司及其股東的利益。

有關上述交易之詳情刊載於本公司日期為2015年7月20日及2015年8月10日之公告。

除上文披露之認購協議及下文第38至39頁披露之購股權計劃外，本公司於2016財政年度內或本年度年終存續期間概無訂有任何股票掛鈎協議。

# REPORT OF THE DIRECTORS

## 董事會報告

### RESERVES

Details of movements in the reserves of the Group during the FYE2016 are set out in the consolidated statement of changes in equity set out on pages 50 to 51 of this annual report.

### DISTRIBUTABLE RESERVES

As at 31 March 2016, the Company had retained profits available for cash distribution and/or distribution in specie as computed in accordance with the Companies Law of the Cayman Islands of approximately HK\$139,796,152. Moreover, the share premium account of the Company may be distributed, provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as and when they fall due in the ordinary course of business. As at 31 March 2016, the Company's share premium account amounted to HK\$339,066,948.

### DIRECTORS

The Directors of the Company during the FYE2016 and up to the date of this report were:

#### Executive Directors:

Mr. Fang Wen Quan (*Chairman*)  
 Mr. Shi Shaobin (*Managing Director*)  
 Mr. Liu Huijiang  
 (*Resigned on 23 March 2016*)  
 Mr. Lui Man Sang

#### Non-executive Directors:

Mr. Shen Bo  
 (*Appointed on 10 August 2015*)  
 Mr. Feng Quanming  
 (*Appointed on 23 March 2016*)

#### INEDs:

Mr. Lam Yat Fai  
 Mr. Chiu Sung Hong  
 Mr. Chiu Fan Wa

Mr. Feng Quanming was appointed as a non-executive Director on 23 March 2016 and in accordance with Article 91 of the Company's articles of association, he will retire and, being eligible, offer himself for re-election at the forthcoming AGM of the Company.

In accordance with Article 99 of the Company's articles of association, Messrs. Lui Man Sang, Lam Yat Fai and Chiu Sung Hong will retire by rotation and be eligible for re-election at the forthcoming AGM.

### 儲備

本集團於2016財政年度內之儲備變動詳情載於本年報第50至51頁之綜合權益變動表。

### 可供分派儲備

於2016年3月31日，本公司根據開曼群島公司法計算之可供現金分派及／或實物分派之保留溢利約為139,796,152港元。此外，本公司之股份溢價賬可作派發，惟本公司須於緊隨建議派發股息日期後，在一般營商情況下於其債項到期時償還債項。於2016年3月31日，本公司之股份溢價賬為339,066,948港元。

### 董事

於2016財政年度內及截至本報告日期之本公司董事為：

#### 執行董事：

方文權先生( *董事長* )  
 施少斌先生( *董事總經理* )  
 劉會疆先生  
 ( *於2016年3月23日辭任* )  
 呂文生先生

#### 非執行董事：

沈波先生  
 ( *於2015年8月10日獲委任* )  
 馮全明先生  
 ( *於2016年3月23日獲委任* )

#### 獨立非執行董事：

林日輝先生  
 趙崇康先生  
 趙帆華先生

馮全明先生於2016年3月23日獲委任為非執行董事，並根據本公司之章程細則第91條將會告退，彼合資格並願意於本公司應屆股東週年大會重選連任。

根據本公司之章程細則第99條，呂文生先生、林日輝先生及趙崇康先生將於應屆股東週年大會上輪值告退，惟合資格重選連任。

## REPORT OF THE DIRECTORS

### 董事會報告

INEDs are appointed for a term of 2 years and are subject to retirement in accordance with the Company's articles of association.

#### DIRECTORS' SERVICE CONTRACTS

None of the Directors has entered into any service agreement with the Company which is not determinable by the Company within 1 year without payment of compensation, other than statutory compensation.

#### DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES

At 31 March 2016, the interests of the Company's Directors, chief executives and their associates in the shares and underlying shares 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 (Cap. 571, Laws of Hong Kong) (SFO), were as follows:

##### Shares of the Company

Name of Director 董事姓名	Capacity 身份	Number of shares held 所持股份數目	% 百分比
Mr. Fang Wen Quan	Held by controlled corporation	1,194,971,370	55.56
方文權先生	受控法團持有	(Note) (附註)	

Note: All the above shares are beneficially owned by Tianda Group. Mr. Fang Wen Quan has 100% equity interests in Tianda Group and, accordingly, is deemed to have a corporate interest in the above shares owned by Tianda Group and all the interests stated above represent long positions.

#### SHARE OPTION SCHEME

The purpose of a share option scheme (the Scheme) is to enable the Company to recognize the future and/or past contributions of the participants (as defined in the Scheme and including any director and employee of any member of the Group) to the Company, and to attract and retain such important participants and/or to maintain a continuing relationship, with participants who have contributed to the result, growth, success and benefit of the Group, and in relation to administrative staff, to recruit and retain experienced and talented individuals and/or to reward their past contributions.

獨立非執行董事之任期為2年，並須根據本公司之章程細則告退。

#### 董事服務合約

概無董事與本公司訂立本公司不作出賠償(除法定賠償外)而不可於一年內予以終止之任何服務協議。

#### 董事於股份及相關股份之權益

於2016年3月31日，根據證券及期貨條例(香港法例第571章)(證券及期貨條例)第352條本公司所存置登記冊之記錄，本公司之董事、最高行政人員及彼等之聯繫人於本公司及其相聯法團之股份及相關股份中擁有之權益如下：

##### 本公司股份

附註：上述所有股份乃由天大集團實益擁有。方文權先生於天大集團擁有全部股權，因此，彼被視為於天大集團所擁有之上述股份中擁有公司權益。上述所有權益皆為好倉。

#### 購股權計劃

購股權計劃(該計劃)之目的為讓本公司確認參與者(定義見該計劃，其中包括本集團任何成員公司之任何董事及僱員)於未來及/或過往對本公司之貢獻，以及吸引及挽留有關重要參與者及/或與已對本集團之業績、成長、成功及利益作出貢獻之參與者維持持續關係，並就行政人員而言，招募及挽留經驗豐富之人才及/或對彼等過往之貢獻作出獎勵。

## REPORT OF THE DIRECTORS

### 董事會報告

The Scheme is for a period of 10 years from the date of adoption on 13 July 2010. The Directors may, at their discretion, make an offer to any participant to take up options. An option is deemed to have been granted and accepted by the grantee upon his or her signing the duplicate letter comprising acceptance of the option and paying HK\$1 by way of consideration for the grant thereof.

The subscription price for shares of the Company under the Scheme shall be no less than the higher of (i) the closing price of the shares of the Company as stated in the Hong Kong Stock Exchange's daily quotations sheet on the offer date (which date must be a business day); (ii) a price being the average of the closing prices of the shares of the Company as stated in the Hong Kong Stock Exchange's daily quotations sheets for the 5 business days immediately preceding the offer date; and (iii) the nominal value of a share of the Company on the offer date.

The total number of shares of the Company which may be issued upon exercise of all options to be granted under the Scheme and any other share option schemes of the Company shall not in aggregate exceed 10 per cent of the total number of shares of the Company in issue as at the date of approval of the Scheme. An option may be exercised during a period to be determined by the Directors in its absolute discretion and in any event such period shall not be longer than 10 years from the date upon which the option is granted.

The total number of shares issued and to be issued upon exercise of the options granted to each participant under the Scheme in any 12-month period shall not exceed 1 per cent of the total number of shares in issue of the Company. Any further grant of options in excess of the 1 per cent limit shall be subject to shareholders' approval in a general meeting with such participant and his or her associates abstaining from voting.

No Share Option has been granted since the adoption of the Scheme on 13 July 2010.

該計劃自2010年7月13日採納當日起為期十年。董事可酌情邀請任何參與者接納購股權。承授人於簽署有關接納購股權之複印函件，並支付獲授購股權之代價1港元後，有關購股權即被視為已授出及獲接納。

根據該計劃認購本公司股份之認購價將不低於下列三者中較高者：(i)本公司股份於授出日期(該日必須為營業日)在香港聯交所每日報價表所報之收市價；(ii)本公司股份於緊接授出日期前五個營業日在香港聯交所每日報價表所報之平均收市價；及(iii)本公司股份於授出日期之面值。

因行使根據該計劃及本公司任何其它購股權計劃授出之所有購股權而可能發行之本公司股份總數，合共不得超過批准該計劃當日本公司已發行股份總數之10%。購股權可於董事全權酌情釐定之期間內行使，並於任何情況下，該期間由購股權獲授出之日起計不得長於十年。

於任何十二個月期間內，每名參與者根據該計劃行使所獲授之購股權而獲發行之股份總數，不得超過本公司已發行股份總數之1%。進一步授出超過1%上限之購股權，須得到股東於股東大會上批准，而該名參與者及其聯繫人須就此放棄其投票權。

自於2010年7月13日採納該計劃以來，並無授出任何購股權。



## REPORT OF THE DIRECTORS

### 董事會報告

#### DIRECTORS' INTERESTS IN TRANSACTIONS, AGREEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in note 31 to the consolidated financial statements, no transaction, agreement or contract of significance to which the Company, its holding company or any of its 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.

#### DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save for the Scheme of the Company disclosed above, at no time during the year was the Company, its holding company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate and none of the Directors nor any of their spouses or children under the age of 18 had any rights to subscribe for the securities of the Company, or had exercised any such rights during the year.

#### PERMITTED INDEMNITY PROVISION

The Articles of Association of the Company provides that every Director shall be indemnified out of the funds of the Company against all liability incurred by him as such director in defending any proceedings, whether civil or criminal, in which judgment is given in his favour, or in which he is acquitted.

The Company has taken out insurance against the liabilities and costs associated with defending any proceedings which may be brought against the Directors of the Company and its subsidiaries.

#### 董事於重大交易、協議或合約之權益

除於綜合財務報表附註31所披露者外，本公司、其控股公司或其任何附屬公司概無於年終存續或年內任何時間訂立任何本公司董事於其中擁有重大權益(不論直接或間接)之重大交易、協議或合約。

#### 董事收購股份或債券之權利

除上文所披露之本公司該計劃外，本公司、其控股公司或其任何附屬公司概無於本年度內訂立任何安排，以令董事可藉收購本公司或任何其它法人團體之股份或債券而從中獲益。此外，董事或彼等之配偶或年齡為十八歲以下之子女於本年度內概無任何可認購本公司證券之權利或已行使有關權利。

#### 獲准許之彌償條文

本公司組織章程細則規定，各董事以董事身分，在其獲判得直或無罪的任何民事或刑事訴訟中應訊所產生的一切責任，可獲本公司撥資賠償。

本公司已就本公司及其附屬公司之董事可能面對任何訴訟時產生的責任和相關費用投購保險。

# REPORT OF THE DIRECTORS

## 董事會報告

### SUBSTANTIAL SHAREHOLDERS

At 31 March 2016, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that the following shareholders had notified the Company of the relevant interests in 5% or more of the issued share capital of the Company:

Name of Shareholder	Capacity	Number of shares held	%
股東名稱	身份	所持有之股份數目	百分比
Tianda Group	Beneficial owner	1,194,971,370	55.56
天大集團	實益擁有人	(Note 1) (附註1)	
Mr. Fang Wen Quan	Held by controlled corporation	1,194,971,370	55.56
方文權先生	受控法團持有	(Note 1) (附註1)	
SIIC Medical Science and Technology (Group) Limited (SMST)	Beneficial owner	280,517,724	13.04
上海實業醫藥科技(集團)有限公司(上實醫藥)	實益擁有人	(Note 2) (附註2)	
Shanghai Pharmaceuticals Holding Co., Ltd. (SPHL)	Held by controlled corporation	280,517,724	13.04
上海醫藥集團股份有限公司(上海醫藥)	受控法團持有	(Note 2) (附註2)	
Shanghai Industrial Investment (Holdings) Co., Ltd. (SIIC)	Held by controlled corporation	280,517,724	13.04
上海實業(集團)有限公司(上實集團)	受控法團持有	(Note 2) (附註2)	
Hongta Tobacco (Group) Limited (Hongta)	Beneficial owner	207,616,264	9.65
紅塔煙草(集團)有限責任公司(紅塔)	實益擁有人		

#### Notes:

- These 1,194,971,370 shares are beneficially owned by Tianda Group. Mr. Fang Wen Quan has 100% equity interests in Tianda Group and, accordingly, is deemed to have a corporate interest in the said 1,194,971,370 shares owned by Tianda Group.
- These 280,517,724 shares are beneficially owned by SMST. SMST is beneficially owned as to 100% by SPHL and SIIC is the controlling shareholder of SPHL. Accordingly, SIIC and SPHL are deemed to be interested in the said 280,517,724 shares owned by SMST.

### 主要股東

於2016年3月31日，根據證券及期貨條例第336條本公司所存置之主要股東登記冊所示，下列股東已知會本公司其已持有本公司5%或以上已發行股本之相關權益：

Name of Shareholder	Capacity	Number of shares held	%
股東名稱	身份	所持有之股份數目	百分比
Tianda Group	Beneficial owner	1,194,971,370	55.56
天大集團	實益擁有人	(Note 1) (附註1)	
Mr. Fang Wen Quan	Held by controlled corporation	1,194,971,370	55.56
方文權先生	受控法團持有	(Note 1) (附註1)	
SIIC Medical Science and Technology (Group) Limited (SMST)	Beneficial owner	280,517,724	13.04
上海實業醫藥科技(集團)有限公司(上實醫藥)	實益擁有人	(Note 2) (附註2)	
Shanghai Pharmaceuticals Holding Co., Ltd. (SPHL)	Held by controlled corporation	280,517,724	13.04
上海醫藥集團股份有限公司(上海醫藥)	受控法團持有	(Note 2) (附註2)	
Shanghai Industrial Investment (Holdings) Co., Ltd. (SIIC)	Held by controlled corporation	280,517,724	13.04
上海實業(集團)有限公司(上實集團)	受控法團持有	(Note 2) (附註2)	
Hongta Tobacco (Group) Limited (Hongta)	Beneficial owner	207,616,264	9.65
紅塔煙草(集團)有限責任公司(紅塔)	實益擁有人		

#### 附註：

- 該等1,194,971,370股股份由天大集團實益擁有。方文權先生於天大集團擁有全部股權，因此，彼被視為於天大集團所擁有之上述1,194,971,370股股份中擁有公司權益。
- 該等280,517,724股股份由上實醫藥實益擁有。上海醫藥實益擁有上實醫藥全部權益，而上實集團為上海醫藥的控股股東。因此，上實集團及上海醫藥被視為於上實醫藥所擁有之上述280,517,724股股份中擁有權益。

## REPORT OF THE DIRECTORS

### 董事會報告

All the interests stated above represent long positions. As at 31 March 2016, no short position was recorded in the register kept by the Company under section 336 of the SFO.

Save as disclosed above, the Company has not been notified of any other interest representing 5% or more in the Company's issued share capital as at 31 March 2016.

#### PURCHASE, SALE AND REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the FYE2016, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

#### ANNUAL CONFIRMATION OF INDEPENDENCE

The Company has received, from each of the INEDs, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the INEDs are independent.

#### CONTINUING CONNECTED TRANSACTIONS

During the FYE2016, the Group conducted certain transactions with connected persons which constituted "continuing connected transactions" under the Listing Rules. Details of this continuing connected transaction which is subject to the reporting requirements under Rule 14A.71 of the Listing Rules are summarized as follows:

#### PURCHASES OF THE INSTRUCTION LEAFLETS AND PACKAGING BOXES AND RELATED PRODUCTS AND SERVICES

On 24 April 2015, a framework agreement was entered into between Tianda Pharmaceuticals (Zhuhai) and Cheng Cheng Printing for governing the transactions of purchasing printed instruction leaflets, packaging boxes and related products and services from Cheng Cheng Printing and its wholly-owned subsidiary by Tianda Pharmaceuticals (Zhuhai) for a term of three years for commencing on 1 April 2015 and expiring on 31 March 2018. Cheng Cheng Printing is a subsidiary of Tianda Group, the controlling shareholder of the Company, so it is a connected person of the Company under the Listing Rules. Accordingly, this framework agreement and the transactions contemplated under this agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. Details of the transactions are set out in the Company's announcements dated 24 April 2015 and 5 May 2015.

上述全部權益皆為好倉。於2016年3月31日，本公司根據證券及期貨條例第336條所存置之登記冊並無任何淡倉記錄。

除上文披露者外，本公司並無獲知會任何人士於2016年3月31日持有本公司5%或以上已發行股本之任何其它權益。

#### 購買、出售及贖回本公司之上市證券

本公司或其任何附屬公司於2016財政年度內概無購買、出售或贖回本公司任何上市證券。

#### 年度獨立性確認

根據上市規則第3.13條，本公司已收到各獨立非執行董事就其獨立性所發出之年度確認。本公司認為所有獨立非執行董事均為獨立人士。

#### 持續關連交易

於2016財政年度內，本集團與關連人士進行若干交易，該等交易根據上市規則構成「持續關連交易」。該持續關連交易須遵守上市規則第14A.71條項下之申報規定，其詳情概述如下：

#### 採購說明書及包裝盒以及相關產品及服務

於2015年4月24日，天大藥業(珠海)與誠成印務訂立框架協議，以監管天大藥業(珠海)向誠成印務及其全資附屬公司採購印刷說明書、包裝盒以及相關產品及服務之該等交易，年期自2015年4月1日起為期三年，並將於2018年3月31日屆滿。誠成印務為本公司控股股東天大集團之附屬公司，故根據上市規則屬本公司之關連人士。據此，根據上市規則第14A章，該項框架協議及據此擬進行之交易構成本公司之持續關連交易。有關交易詳情載於本公司日期為2015年4月24日及2015年5月5日之公告。

## REPORT OF THE DIRECTORS

### 董事會報告

The annual cap and the actual amount of the above continuing connected transactions for the FYE2016 as shown as follows:

上述持續關連交易於2016財政年度之年度上限及實際金額列示如下：

Business type 業務種類	The annual cap 年度上限 HK\$ 港元	The actual transaction amount 實際交易金額 HK\$ 港元
Purchasing printed instruction leaflets, packaging boxes and related products and services 採購印刷說明書、包裝盒以及相關產品及服務	6,500,000	3,625,132

Pursuant to Rule 14A.55 of the Listing Rules, INEDs have reviewed the above continuing connected transactions and confirmed that:

根據上市規則第14A.55條，獨立非執行董事已審閱上述持續關連交易，並確認：

- these transactions were in the Group's ordinary and usual course of business;
- these transactions were entered into on normal commercial terms; and
- these transactions were carried out in accordance with respective agreement terms which were fair and reasonable, and in the interests of the Company and the shareholders as a whole.

- 該等交易為於本集團之一般及日常業務過程中進行；
- 該等交易按一般商業條款訂立；及
- 該等交易根據相關協議條款進行，而該等條款屬公平合理，並符合本公司及股東之整體利益。

The Company's auditor, Deloitte Touche Tohmatsu have provided a letter to the Board confirming that the above continuing connected transactions:

本公司之核數師德勤•關黃陳方會計師行已向董事會提供一份函件，確認上述持續關連交易：

- have received the approval of the Board;
- have been entered into in accordance with the relevant agreement governing the transactions; and
- have not exceeded the cap disclosed in previous announcement(s).

- 經由董事會批准；
- 乃根據規管該等交易之有關協議訂立；及
- 並無超逾過往公告所披露之上限。

# REPORT OF THE DIRECTORS

## 董事會報告

### EMOLUMENT POLICY

The emolument policy regarding the employees of the Group is based on their merit, qualifications and competence. The emoluments of the Directors are reviewed by the remuneration committee, having regard to the Company's operating results, individual performance and comparable market statistics. No Director or any of his associates and executive is involved in dealing his own remuneration.

### PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association or the laws of the 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 its Directors, the Company has maintained the prescribed public float under the Listing Rules throughout the FYE2016.

### AUDITOR

The financial statements of the Company and its subsidiaries for the FYE2016 have been audited by Deloitte Touche Tohmatsu who retire and, being eligible, offer themselves for re-appointment. A resolution will be submitted to the forthcoming AGM to re-appoint Messrs. Deloitte Touche Tohmatsu as auditors of the Company.

On behalf of the Board  
Tianda Pharmaceuticals Limited

**Fang Wen Quan**  
Chairman

Hong Kong, 24 June 2016

### 薪酬政策

本集團就僱員之薪酬政策乃按其表現、資格及能力而定。董事之薪酬乃由薪酬委員會審閱，並參考本公司之經營業績、個人表現及可資比較之市場統計。概無董事或彼之任何聯繫人，以及行政人員參與處理其本身之薪酬。

### 優先購買權

本公司之章程細則或開曼群島法例概無任何規定本公司有責任按比例提呈新股予現有股東之優先購買權規定。

### 足夠之公眾持股量

就本公司可獲之公開資料及其董事所知，於2016財政年度內，本公司一直維持上市規則所指定之公眾持股量。

### 核數師

本公司及其附屬公司截至2016財政年度之財務報表已經由德勤·關黃陳方會計師行審核，德勤·關黃陳方會計師行將任滿告退，並合資格及願意重選連任。於應屆股東週年大會上將提呈一項決議案以續聘德勤·關黃陳方會計師行為本公司之核數師。

代表董事會  
天大藥業有限公司

**方文權**  
董事長

香港，2016年6月24日

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告



TO THE SHAREHOLDERS OF TIANDA PHARMACEUTICALS LIMITED  
(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Tianda Pharmaceuticals Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 47 to 124, which comprise the consolidated statement of financial position as at 31 March 2016, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants 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 the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with our agreed terms of engagements, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements are free from material misstatement.

致：天大藥業有限公司股東  
(於開曼群島註冊成立之有限公司)

吾等已審核載於第47頁至124頁天大藥業有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，包括於2016年3月31日之綜合財務狀況表與截至該日止年度之綜合損益及其它全面收益表、綜合權益變動表及綜合現金流量表，以及主要會計政策概要及其它附註資料。

### 董事就綜合財務報表須承擔之責任

貴公司董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定編製真實而公平地列報之綜合財務報表，以及董事認為編製綜合財務報表屬必要之內部監控，以使綜合財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述。

### 核數師之責任

吾等之責任是根據吾等之審核對該等綜合財務報表發表意見，並按照議定之聘用條款僅向全體股東報告吾等之意見，除此之外不作其它目的。吾等概不就本報告之內容對任何其它人士負責或承擔責任。吾等已根據香港會計師公會頒佈之香港審核準則規定執行審核。該等準則要求吾等遵守職業道德規範，並規劃及執行審核，從而合理確定綜合財務報表是否不存有任何重大錯誤陳述。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告

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

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

### OPINION

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 March 2016 and of its financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

**Deloitte Touche Tohmatsu**  
Certified Public Accountants

Hong Kong  
24 June 2016

審核涉及執行情序以獲取有關綜合財務報表所載金額和披露資料之審核憑證。所選定程序取決於核數師之判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述之風險。在評估該等風險時，核數師考慮與該實體編製真實而公平地列報綜合財務報表相關之內部監控，以設計適用於該情況之審核程序，但並非就實體內部監控之成效發表意見。審核亦包括評估董事所採用會計政策之合適性及所作出會計估計之合理性，以及評價綜合財務報表之整體列報方式。

吾等相信，吾等所獲得之審核憑證充足適當，能為吾等之審核意見提供基礎。

### 意見

吾等認為，綜合財務報表已根據香港財務報告準則真實公平地反映貴集團於2016年3月31日之財務狀況及貴集團截至該日止年度之財務表現及現金流量，並已按照香港公司條例之披露要求妥為編製。

**德勤•關黃陳方會計師行**  
執業會計師

香港  
2016年6月24日

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其它全面收益表

For the year ended 31 March 2016 截至2016年3月31日止年度

		NOTES 附註	2016 HK\$ 港元	2015 HK\$ 港元
Revenue	收入	7	192,784,764	139,366,849
Cost of sales	銷售成本		(82,055,628)	(69,596,419)
Gross profit	毛利		110,729,136	69,770,430
Other income	其它收入	8(a)	7,181,771	12,435,363
Other gains and losses	其它收益及虧損	8(b)	2,916,026	(1,621,802)
Distribution and selling expenses	營銷支出		(51,084,727)	(43,676,337)
Administrative expenses	行政支出		(50,103,851)	(59,378,934)
Research and development costs	研發成本		(1,213,485)	(1,757,830)
Interest expense on bank borrowing	銀行借貸之利息支出		–	(32,565)
Profit (loss) before tax	除稅前溢利(虧損)		18,424,870	(24,261,675)
Income tax (expense) credit	所得稅(支出)抵免	9	(5,057,622)	1,245,389
Profit (loss) for the year	本年度溢利(虧損)	10	13,367,248	(23,016,286)
<b>Other comprehensive income (expense) for the year</b>	<b>本年度其它全面收益 (支出)</b>			
<i>Item that may be reclassified to profit or loss:</i>	<i>可能重新分類為損益之項目:</i>			
Exchange difference arising on translation of foreign operations	換算海外業務所產生之 匯兌差額		332,148	(2,610,844)
<i>Item that will not be reclassified to profit or loss:</i>	<i>不會重新分類為損益之項目:</i>			
Exchange difference arising on translation to presentation currency	換算為呈列貨幣所產生之 匯兌差額		(33,830,429)	3,462,006
Total comprehensive expense for the year	本年度全面支出總額		(20,131,033)	(22,165,124)
Profit (loss) for the year attributable to:	本年度溢利(虧損)歸屬於:			
Owners of the Company	本公司股東		6,568,591	(17,941,969)
Non-controlling interests	非控股權益		6,798,657	(5,074,317)
			13,367,248	(23,016,286)
Total comprehensive (expense) income for the year attributable to:	本年度全面(支出)收益 總額歸屬於:			
Owners of the Company	本公司股東		(24,874,283)	(17,314,163)
Non-controlling interests	非控股權益		4,743,250	(4,850,961)
			(20,131,033)	(22,165,124)
			HK cent 港仙	HK cent 港仙
Basic earnings (loss) per share	每股基本盈利(虧損)	12	0.32	(0.96)



# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31 March 2016 於2016年3月31日

		NOTES	2016	2015
		附註	HK\$	HK\$
			港元	港元
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>			
Property, plant and equipment	物業、廠房及設備	14	155,195,155	168,057,695
Prepaid lease payments	預付租賃款項	15	117,379,136	84,763,880
Goodwill	商譽	16	106,926,467	111,615,489
Intangible assets	無形資產	17	59,136,629	73,039,524
Deposit for acquisition of property, plant and equipment	收購物業、廠房及設備之按金		423,517	1,250,347
Investments in redeemable convertible preference shares	投資於可贖回可換股優先股	18	30,072,784	–
			<b>469,133,688</b>	<b>438,726,935</b>
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Inventories	存貨	19	41,681,095	38,584,028
Trade and bills receivables and other receivables	應收賬款及應收票據及 其它應收款	20	47,213,504	55,274,130
Prepaid lease payments	預付租賃款項	15	3,839,469	3,165,017
Tax recoverable	可收回稅項		–	1,081,837
Bank deposits, bank balances and cash	銀行存款、銀行結餘及現金	21	394,301,141	384,185,151
			<b>487,035,209</b>	<b>482,290,163</b>
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Trade and other payables	應付賬款及其它應付款	22	65,126,923	82,754,970
Government grants – current portion	政府補貼 – 即期部分	23	120,904	126,119
Amount due to a related company	應付一間關連公司款項	31(a)	1,323,935	1,355,935
Tax payable	應付稅項		6,896,286	6,673,647
Dividend payable to non-controlling shareholders	應付非控股股東股息		2,808,639	–
			<b>76,276,687</b>	<b>90,910,671</b>
<b>NET CURRENT ASSETS</b>	<b>流動資產淨值</b>		<b>410,758,522</b>	<b>391,379,492</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>總資產減流動負債</b>		<b>879,892,210</b>	<b>830,106,427</b>

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31 March 2016 於2016年3月31日

		NOTES	2016	2015
		附註	HK\$	HK\$
			港元	港元
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>			
Government grants – non-current portion	政府補貼 – 非即期部分	23	916,858	1,082,524
Deferred tax liabilities	遞延稅項負債	25	32,241,599	40,615,967
			<b>33,158,457</b>	<b>41,698,491</b>
<b>NET ASSETS</b>	<b>資產淨值</b>		<b>846,733,753</b>	<b>788,407,936</b>
<b>CAPITAL AND RESERVES</b>	<b>資本及儲備</b>			
Share capital	股本	24	215,063,588	187,011,816
Reserves	儲備		598,684,697	542,331,932
Equity attributable to owners of the Company	本公司股東應佔權益		813,748,285	729,343,748
Non-controlling interests	非控股權益		32,985,468	59,064,188
<b>TOTAL EQUITY</b>	<b>權益總額</b>		<b>846,733,753</b>	<b>788,407,936</b>

The consolidated financial statements on pages 47 to 124 were approved and authorised for issue by the Board of Directors on 24 June 2016 and are signed on its behalf by:

載於第47至124頁之綜合財務報表已於2016年6月24日獲董事會批准及授權發佈，並由下列董事代表董事會簽署：

**FANG WEN QUAN**

方文權

Chairman

董事長

**SHI SHAOBIN**

施少斌

Managing Director

董事總經理

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 March 2016 截至2016年3月31日止年度

		Attributable to owners of the Company 本公司股東應佔權益							Non-controlling interests		Total	
		Share capital	Share premium	Capital redemption reserve	Capital contribution reserve	Special reserve	Statutory reserves	Exchange reserve	Accumulated profits	Total		Total
		股本	股份溢價	贖回儲備	供款儲備	特別儲備	法定儲備	匯兌儲備	累計溢利	總計	非控股權益	總計
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元	港元	港元	港元	港元	港元
						note (i) 附註(i)	note (ii) 附註(ii)					
At 1 April 2014	於2014年4月1日	187,011,816	274,638,193	8,000	8,959,307	3,460,016	27,812,671	19,348,929	229,907,263	751,146,195	63,915,149	815,061,344
Loss for the year	本年度虧損	-	-	-	-	-	-	-	(17,941,969)	(17,941,969)	(5,074,317)	(23,016,286)
Exchange difference arising on translation	換算產生之匯兌差額	-	-	-	-	-	-	627,806	-	627,806	223,356	851,162
Total comprehensive income (expense) for the year	本年度全面收益(支出)總額	-	-	-	-	-	-	627,806	(17,941,969)	(17,314,163)	(4,850,961)	(22,165,124)
Appropriation of maintenance and production safety funds (note (ii))	維修及生產安全基金之分配(附註(ii))	-	-	-	-	-	1,922,675	-	(1,922,675)	-	-	-
Utilisation of maintenance and production safety funds (note (ii))	維修及生產安全基金之使用(附註(ii))	-	-	-	-	-	(146,566)	-	146,566	-	-	-
Dividend recognised as distribution	確認為分派之股息	-	-	-	-	-	-	-	(4,488,284)	(4,488,284)	-	(4,488,284)
At 31 March 2015	於2015年3月31日	187,011,816	274,638,193	8,000	8,959,307	3,460,016	29,588,780	19,976,735	205,700,901	729,343,748	59,064,188	788,407,936
Profit for the year	本年度溢利	-	-	-	-	-	-	-	6,568,591	6,568,591	6,798,657	13,367,248
Exchange difference arising on translation	換算產生之匯兌差額	-	-	-	-	-	-	(31,442,874)	-	(31,442,874)	(2,055,407)	(33,498,281)
Total comprehensive income (expense) for the year	本年度全面收益(支出)總額	-	-	-	-	-	-	(31,442,874)	6,568,591	(24,874,283)	4,743,250	(20,313,033)
Issue of new shares upon subscription (note 24)	認購時發行新股(附註24)	28,051,772	81,350,140	-	-	-	-	-	-	109,401,912	-	109,401,912
Transaction costs attributable to issue of new shares	發行新股應佔交易成本	-	(123,092)	-	-	-	-	-	-	(123,092)	-	(123,092)
Appropriation of maintenance and production safety funds (note (ii))	維修及生產安全基金之分配(附註(ii))	-	-	-	-	-	696,666	-	(696,666)	-	-	-
Utilisation of maintenance and production safety funds (note (ii))	維修及生產安全基金之使用(附註(ii))	-	-	-	-	-	(209,279)	-	209,279	-	-	-
Dividends declared to non-controlling shareholders	向非控股股東宣派股息	-	-	-	-	-	-	-	-	-	(30,821,970)	(30,821,970)
At 31 March 2016	於2016年3月31日	215,063,588	355,865,241	8,000	8,959,307	3,460,016	30,076,167	(11,466,139)	211,782,105	813,748,285	32,985,468	846,733,753

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

For the year ended 31 March 2016 截至2016年3月31日止年度

### Notes:

- (i) The special reserve of the Group represents the difference between the nominal amount of the share capital issued by the Company and the nominal amount of the share capital of a subsidiary acquired by the Company pursuant to a corporate reorganisation in preparation for the listing of the Company's shares on The Stock Exchange of Hong Kong Limited in 1992.
- (ii) The statutory reserves represent (1) the appropriation of certain percentages of profit after taxation of the subsidiaries established in the People's Republic of China (the PRC) as recommended by the directors of those subsidiaries based on the PRC statutory financial statements and (2) provision for production safety being accrued by a subsidiary in the PRC at fixed rates ranging from 2% to 4% based on operating revenue (the maintenance and production safety funds), which is transferred from accumulated profits to the specific reserve and could be utilised when expenses and capital expenditures in production maintenance and safety measures are incurred.

### 附註：

- (i) 本集團之特別儲備乃本公司根據一項為籌備本公司股份於1992年在香港聯合交易所有限公司上市而進行之公司重組所發行之股本面值與所收購一間附屬公司之股本面值兩者間之差額。
- (ii) 法定儲備乃指(1)於中華人民共和國(中國)成立之附屬公司之董事根據中國法定財務報表而建議就該等附屬公司之除稅後溢利作出若干百分比之分配及(2)生產安全之撥備,此乃本公司一間附屬公司以經營收入為基準按介乎2%至4%之固定利率產生(維修及生產安全基金),由累計溢利轉撥至特別儲備,且可於生產維修及安全措施產生支出及資本開支時動用。

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 March 2016 截至2016年3月31日止年度

		2016 HK\$ 港元	2015 HK\$ 港元
<b>OPERATING ACTIVITIES</b>	<b>經營活動</b>		
Profit (loss) for the year	本年度溢利(虧損)	13,367,248	(23,016,286)
Adjustments for:	就下列各項作出之調整:		
Income tax expense (credit)	所得稅支出(抵免)	5,057,622	(1,245,389)
Amortisation of prepaid lease payments	預付租賃款項攤銷	3,389,797	3,163,023
Amortisation of intangible assets	無形資產攤銷	11,687,796	12,115,738
Depreciation of property, plant and equipment	物業、廠房及設備折舊	9,401,774	6,827,580
Release of government grants in relation to certain assets	就若干資產獲發放政府補助	(122,684)	(261,682)
Interest income on bank deposits	銀行存款利息收入	(6,241,799)	(9,701,679)
Interest expense on bank borrowing	銀行借貸利息支出	-	32,565
Investment income from foreign exchange linked investments	外匯掛鈎投資之投資收入	(26,752)	(853,229)
Loss on disposal/write off of property, plant and equipment	出售/撇銷物業、廠房及設備之虧損	455,066	2,874,385
Write off of intangible assets	無形資產撇銷	17,281	-
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	36,985,349	(10,064,974)
Increase in inventories	存貨增加	(4,311,038)	(10,201,520)
Decrease (increase) in trade and bills receivables and other receivables	應收賬款及應收票據及 其它應收款減少(增加)	5,980,770	(10,691,985)
(Decrease) increase in trade and other payables	應付賬款及其它應付款(減少)增加	(14,610,438)	20,246,397
Increase (decrease) in amounts due to a related company	應付一間關連公司款項增加 (減少)	24,421	(112,503)
Cash generated from (used in) operations	經營業務產生(所用)之現金	24,069,064	(10,824,585)
PRC income tax paid	已付中國所得稅	(10,625,197)	(5,432,372)
<b>NET CASH FROM (USED IN) OPERATING ACTIVITIES</b>	<b>經營活動產生(所用)之現金淨額</b>	<b>13,443,867</b>	<b>(16,256,957)</b>
<b>INVESTING ACTIVITIES</b>	<b>投資活動</b>		
Interest received	已收利息	6,241,799	9,701,679
Purchases of foreign exchange linked investments	購買外匯掛鈎投資	(1,162,280,328)	(1,194,475,994)
Proceeds from maturity of foreign exchange linked investments	外匯掛鈎投資到期所得款項	1,162,307,080	1,195,329,223
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之 所得款項	312,962	25,001
Additions to prepaid lease payments	預付租賃款項增加	(40,858,924)	-
Purchases of investments in redeemable convertible preference shares	購買可贖回可換股優先股 之投資	(30,072,784)	-
Purchase of property, plant and equipment	購買物業、廠房及設備	(3,278,642)	(34,035,436)
Additions to intangible assets	添置無形資產	(402,026)	(46,779)
Advance payment for property, plant and equipment	物業、廠房及設備之墊款	-	(1,249,559)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>投資活動所用之現金淨額</b>	<b>(68,030,863)</b>	<b>(24,751,865)</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

For the year ended 31 March 2016 截至2016年3月31日止年度

		2016 HK\$ 港元	2015 HK\$ 港元
<b>FINANCING ACTIVITIES</b>	<b>融資業務</b>		
Proceeds from issue of new shares	發行新股所得款項	109,401,912	–
Dividend paid to non-controlling shareholders	已付非控股股東之股息	(28,013,331)	–
Cost of issuing new shares	發行新股成本	(123,092)	–
Repayment of bank borrowing	償還銀行借貸	–	(5,000,000)
Dividend paid to shareholders	已付股東之股息	–	(4,488,284)
Interest paid	已付利息	–	(32,565)
Proceeds from bank borrowing	銀行借貸所得款項	–	5,000,000
Additions of government grant in relation to certain assets	就若干資產獲得政府補助增加	–	1,260,398
<b>NET CASH FROM (USED IN) FINANCING ACTIVITIES</b>	<b>融資業務產生(所用)之現金淨額</b>	<b>81,265,489</b>	<b>(3,260,451)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等值項目增加(減少)淨額</b>	<b>26,678,493</b>	<b>(44,269,273)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>於年初之現金及現金等值項目</b>	<b>384,185,151</b>	<b>427,264,276</b>
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	<b>外匯匯率變動之影響</b>	<b>(16,562,503)</b>	<b>1,190,148</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank deposits, bank balances and cash</b>	<b>於年終之現金及現金等值項目，以銀行存款、銀行結餘及現金代表</b>	<b>394,301,141</b>	<b>384,185,151</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 1. GENERAL

The Company is a public limited company incorporated in the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (SEHK). Its parent company and ultimate holding company is Tianda Group Limited (Tianda Group), a private limited company incorporated in Hong Kong, which is ultimately controlled by Mr. Fang Wen Quan. The address of the registered office and the principal place of business of the Company are disclosed on page 4 of the annual report.

The functional currency of the Company is Renminbi (RMB). As the shares of the Company are listed in the SEHK, for the convenience of the financial statements users, the results and financial position of the Group are expressed in Hong Kong Dollar (HK\$), the presentation currency for the consolidated financial statements.

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

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (HKFRSs)

#### (a) Application of amendments to HKFRSs

The Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (the HKICPA) for the first time in the current year:

Amendments to HKAS 19	Defined Benefit Plans: Employee Contributions
Amendments to HKFRSs	Annual Improvements to HKFRSs 2010 – 2012 Cycle
Amendments to HKFRSs	Annual Improvements to HKFRSs 2011 – 2013 Cycle

The application of the above amendments to HKFRSs in the current year has had no material effect on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

### 1. 一般事項

本公司為一間於開曼群島註冊成立之公眾有限公司，其股份於香港聯合交易所有限公司（香港聯交所）上市。其母公司及最終控股公司為天大集團有限公司（天大集團），為一間於香港註冊成立之私人有限公司，由方文權先生最終控制。本公司之註冊辦事處及主要營業地點之地址於年報第4頁披露。

本公司之功能貨幣為人民幣。由於本公司之股份於香港聯交所上市，為方便財務報表之使用者閱覽，本集團之業績及財務狀況均以港元（即綜合財務報表之呈列貨幣）呈列。

本公司乃一家投資控股公司。其主要附屬公司之業務載於附註33。

### 2. 應用新訂及經修訂之香港財務報告準則

#### (a) 應用香港財務報告準則修訂本

於本年度，本集團首次應用下列由香港會計師公會頒佈之香港財務報告準則修訂本：

香港會計準則第19號修訂本	界定福利計劃：僱員供款
香港財務報告準則修訂本	2010年至2012年週期對香港財務報告準則年度改進
香港財務報告準則修訂本	2011年至2013年週期對香港財務報告準則年度改進

於本年度應用上述香港財務報告準則修訂本對本集團本年度及以往年度之財務表現及財務狀況及／或本綜合財務報表所披露之事項並無重大影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (HKFRSs) (continued)

#### (b) New and revised HKFRSs in issue but not yet effective

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

HKFRS 9	Financial Instruments <sup>1</sup>
HKFRS 15	Revenue from Contracts with Customers <sup>1</sup>
HKFRS 16	Leases <sup>4</sup>
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations <sup>2</sup>
Amendments to HKAS 1	Disclosure Initiative <sup>2</sup>
Amendments to HKFRS 15	Clarification of Revenue from Contracts with Customers <sup>1</sup>
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation <sup>2</sup>
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants <sup>2</sup>
Amendments to HKFRSs	Annual Improvements to HKFRSs 2012 – 2014 Cycle <sup>2</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception <sup>2</sup>

### 2. 應用新訂及經修訂之香港財務報告準則(續)

#### (b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則

本集團並無提早應用下列已頒佈但尚未生效之新訂及經修訂香港財務報告準則：

香港財務報告準則第9號	金融工具 <sup>1</sup>
香港財務報告準則第15號	客戶合約收入 <sup>1</sup>
香港財務報告準則第16號	租賃 <sup>4</sup>
香港財務報告準則第11號修訂本	收購合資業務權益之會計處理 <sup>2</sup>
香港會計準則第1號修訂本	披露計劃 <sup>2</sup>
香港財務報告準則第15號修訂本	澄清客戶合約收入 <sup>1</sup>
香港會計準則第16號及香港會計準則第38號修訂本	澄清折舊及攤銷之可接受方法 <sup>2</sup>
香港會計準則第16號及香港會計準則第41號修訂本	農業：生產性植物 <sup>2</sup>
香港財務報告準則修訂本	2012年至2014年週期對香港財務報告準則年度改進 <sup>2</sup>
香港財務報告準則第10號及香港會計準則第28號修訂本	投資者與其聯營公司或合營企業之間出售或貢獻投資 <sup>3</sup>
香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第28號修訂本	投資實體：應用綜合賬目之例外情況 <sup>2</sup>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (HKFRSs) (continued)

#### (b) New and revised HKFRSs in issue but not yet effective (continued)

- 1 Effective for annual periods beginning on or after 1 January 2018
- 2 Effective for annual periods beginning on or after 1 January 2016
- 3 Effective for annual periods beginning on or after a date to be determined
- 4 Effective for annual periods beginning on or after 1 January 2019

#### **HKFRS 9 Financial Instruments**

HKFRS 9 issued in 2009 introduced new requirements for the classification and measurement of financial assets. HKFRS 9 was subsequently amended in 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and further amended in 2013 to include the new requirements for general hedge accounting. Another revised version of HKFRS 9 was issued in 2014 mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a 'fair value through other comprehensive income' (FVTOCI) measurement category for certain simple debt instruments.

### 2. 應用新訂及經修訂之香港財務報告準則(續)

#### (b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續)

- 1 於2018年1月1日或其後開始之年度期間生效
- 2 於2016年1月1日或其後開始之年度期間生效
- 3 於待定期日或其後開始之年度期間生效
- 4 於2019年1月1日或其後開始之年度期間生效

#### **香港財務報告準則第9號金融工具**

於2009年頒佈之香港財務報告準則第9號引進有關金融資產分類及計量之新規定。香港財務報告準則第9號其後於2010年修訂，以納入對金融負債之分類及計量以及終止確認之規定；並於2013年進一步修訂，已納入一般對沖會計法之新規定。香港財務報告準則第9號另一修訂版本乃於2014年頒佈，主要a)納入金融資產之減值規定及b)透過引入「按公允價值計入其它全面收益」之計量類別，對若干簡易債務工具之分類及計量規定作出有限度修訂。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (HKFRSs) (continued)

#### (b) New and revised HKFRSs in issue but not yet effective (continued) *HKFRS 9 Financial Instruments* (continued)

Key requirements of HKFRS 9 are described below:

- All recognised financial assets that are within the scope of HKAS 39 *Financial Instruments: Recognition and Measurement* are subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

### 2. 應用新訂及經修訂之香港財務報告準則(續)

#### (b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續) *香港財務報告準則第9號金融工具* (續)

香港財務報告準則第9號之主要規定載述如下：

- 屬香港會計準則第39號金融工具：確認及計量範圍內之所有已確認金融資產其後按攤銷成本或公允價值計量。具體而言，於旨在收取合約現金流量之業務模式內持有之債務投資，以及合約現金流量純粹為支付本金及未償還本金之利息之債務投資，一般於其後會計期末按攤銷成本計量。於透過收取合約現金流量及出售金融資產達成目標之業務模式內持有之債務工具，以及金融資產合約條款令於特定日期產生之現金流量純粹為支付本金及未償還本金之利息之債務工具，按公允價值計入其它全面收益計量。所有其它債務投資及股本投資於其後會計期末按公允價值計量。此外，根據香港財務報告準則第9號，實體可作出不可撤回之選擇，於其它全面收益中呈列股本投資(並非持作買賣)公允價值之其後變動，惟股息收入通常於損益中確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (HKFRSs) (continued)

#### (b) New and revised HKFRSs in issue but not yet effective (continued)

##### **HKFRS 9 Financial Instruments** (continued)

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

### 2. 應用新訂及經修訂之香港財務報告準則(續)

#### (b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續)

##### **香港財務報告準則第9號金融工具** (續)

- 就計量指定為按公允價值計入損益之金融負債而言，香港財務報告準則第9號規定該金融負債之信貸風險變動所引致該負債公允價值變動之金額於其它全面收益內呈列，除非於其它全面收益中確認該負債信貸風險變動影響將造成或加大損益內之會計錯配則作別論。金融負債之信貸風險變動所引致之金融負債公允價值變動其後不會重新分類至損益。根據香港會計準則第39號，指定為按公允價值計入損益之金融負債之公允價值變動全額於損益內呈列。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (HKFRSs) (continued)

#### (b) New and revised HKFRSs in issue but not yet effective (continued) *HKFRS 9 Financial Instruments* (continued)

- In relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.
- The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in HKAS 39. Under HKFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

The directors of the Company (the Directors) are in the process of making an assessment on other impact of this standard to the Group's financial assets and financial liabilities. It is not practicable to provide a reasonable estimate of the aggregate effect of HKFRS 9 until the Group performs a detailed assessment.

### 2. 應用新訂及經修訂之香港財務報告準則(續)

#### (b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續) *香港財務報告準則第9號金融工具* (續)

- 就金融資產之減值而言，與根據香港會計準則第39號按已產生信貸虧損模型計量相反，香港財務報告準則第9號規定按預期信貸虧損模型計量。預期信貸虧損模型規定實體於各報告日期將預期信貸虧損及該等預期信貸虧損之變動入賬，以反映信貸風險自初步確認以來之變動。換言之，無須再待發生信貸事件方確認信貸虧損。
- 新訂一般對沖會計規定保留香港會計準則第39號現有三種對沖會計處理機制。根據香港財務報告準則第9號新規定令處理合資格作對沖會計處理之各類交易方面更加靈活，特別是擴闊合資格作為對沖工具之工具類別及合資格作對沖會計處理之非金融項目之風險成分類別。此外，成效測試已獲重整並以「經濟關係」原則取代。對沖成效亦無須進行追溯評估。新規定同時引入增加披露有關實體風險管理活動之規定。

本公司董事(董事)正在評估該準則對本集團金融資產及金融負債之其它影響。於本集團完成詳細評估前，無法合理估算香港財務報告準則第9號的總體影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (HKFRSs) (continued)

#### (b) New and revised HKFRSs in issue but not yet effective (continued)

##### **HKFRS 15 Revenue from Contracts with Customers**

HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related Interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

### 2. 應用新訂及經修訂之香港財務報告準則(續)

#### (b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續)

##### **香港財務報告準則第15號客戶合約收入**

香港財務報告準則第15號頒佈，其制定一個單一全面模型供實體用於將自客戶合約產生之收入入賬。於香港財務報告準則第15號生效後，其將取代現時載於香港會計準則第18號收入、香港會計準則第11號建築合約及相關詮釋之收入確認指引。

香港財務報告準則第15號之核心原則為實體所確認描述向客戶轉讓承諾貨品或服務之收入金額，應為能反映該實體預期就交換該等貨品或服務有權獲得之代價。具體而言，該準則引入確認收入之五個步驟：

- 第一步：識別與客戶訂立之合約
- 第二步：識別合約中之履約責任
- 第三步：釐定交易價
- 第四步：將交易價分配至合約中之履約責任
- 第五步：於實體完成履約責任時(或就此)確認收入

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (HKFRSs) (continued)

#### (b) New and revised HKFRSs in issue but not yet effective (continued) **HKFRS 15 Revenue from Contracts with Customers** (continued)

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

The Directors are in the process of making an assessment on the impact of this standard to the Group's consolidated financial statements. It is not practicable to provide a reasonable estimate of the effect of HKFRS 15 until the Group performs a detailed assessment.

#### **HKFRS 16 Leases**

HKFRS 16, which upon the effective date will supersede HKAS 17 *Leases*, introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under HKFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. This accounting treatment is significantly different from the lessee accounting for leases that are classified as operating leases under the predecessor standard, HKAS 17.

### 2. 應用新訂及經修訂之香港財務報告準則(續)

#### (b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續) **香港財務報告準則第15號客戶合約收入**(續)

根據香港財務報告準則第15號，實體於完成履約責任時(或就此)確認收入，即於特定履約責任相關之貨品或服務之「控制權」轉讓予客戶時。香港財務報告準則第15號已就特別情況之處理方法加入更明確之指引。再者，香港財務報告準則第15號規定作出更詳盡之披露。

董事正評估該準則對本集團綜合財務報表之影響。於本集團完成詳細評估前，無法合理估算香港財務報告準則第15號的影響。

#### **香港財務報告準則第16號租賃**

香港財務報告準則第16號於生效日期起將取代香港會計準則第17號租賃，引入單一承租人會計處理模式並規定承租人就為期超過12個月的所有租賃確認資產及負債，除非相關資產為低價值資產。具體而言，根據香港財務報告準則第16號，承租人須確認使用權資產(表示其有權使用相關租賃資產)及租賃負債(表示其有責任支付租賃款項)。因此，承租人應確認使用權資產折舊及租賃負債利息，並將租賃負債的現金還款分類為本金部分及利息部分，在現金流量表中呈列。此外，使用權資產及租賃負債初步按現值基準計量。計量包括不可註銷租賃付款，亦包括承租人合理肯定會行使選擇權延續租賃，不行使選擇權而中止租賃的情況下，將於選擇權期間內作出的付款。此會計處理方法與承租人會計法顯著不同，後者適用於根據原準則香港會計準則第17號分類為經營租賃的租賃。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (HKFRSs) (continued)

#### (b) New and revised HKFRSs in issue but not yet effective (continued) *HKFRS 16 Leases* (continued)

In respect of the lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently.

As set out in note 27, total operating lease arrangements and commitments of the Group in respect of office premises as at 31 March 2016 amounted to approximately HK\$6,304,000, the Directors do not expect the adoption of HKFRS 16 would result in significant impact on the Group's result but it is expected that certain portion of these lease commitments will be required to be recognised in the consolidated statement of financial position as lease liabilities.

Except as described above, the Directors anticipate that the application of the other new and revised standards and amendments issued but not yet effective will have no material impact on the results and the financial position of the Group.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the Listing Rules) and by the Hong Kong Companies Ordinance (CO).

### 2. 應用新訂及經修訂之香港財務報告準則(續)

#### (b) 已頒佈但尚未生效之新訂及經修訂香港財務報告準則(續) *香港財務報告準則第16號租賃*(續)

就出租人會計法而言，香港財務報告準則第16號大致轉承了香港會計準則第17號的出租人會計法規定。因此，出租人繼續將其租賃分類為經營租賃及融資租賃，並且對兩類租賃進行不同的會計處理。

如附註27所載，本集團於2016年3月31日之辦公室物業的經營租賃承擔總額達約6,304,000港元，董事預期採納香港財務報告準則第16號將不會對本集團的業績產生重大影響，但預期須於綜合財務狀況表內將該等租賃承擔之若干部分確認為租賃負債。

除上文披露者外，董事預計應用已頒佈但尚未生效之其它新訂及經修訂準則以及修訂本將不會對本集團業績及財務狀況產生重大影響。

### 3. 主要會計政策

綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表包括香港聯交所證券上市規則(上市規則)及香港公司條例(公司條例)所規定之適用披露事項。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

The disclosure requirements set out in the Listing Rules regarding annual accounts have been amended with reference to the new CO and to streamline with HKFRSs. Accordingly the presentation and disclosure of information in the consolidated financial statements for the financial year ended 31 March 2016 have been changed to comply with these new requirements. Comparative information in respect of the financial year ended 31 March 2015 is presented or disclosed in the consolidated financial statements based on the new requirements. Information previously required to be disclosed under the predecessor CO or Listing Rules but not under the new CO or amended Listing Rules is not disclosed in these consolidated financial statements.

The provisions of the new CO (Cap. 622) regarding preparation of accounts and directors' reports and audits became effective for the Company for the financial year ended 31 March 2016.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below. Historical cost is generally based on the fair value of the consideration given in exchange for goods.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based payments*, leasing transactions that are within the scope of HKAS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

### 3. 主要會計政策(續)

上市規則所載有關年度賬目之披露規定已參考新公司條例而修訂，並藉此與香港財務報告準則同步一致。因此，截至2016年3月31日止財政年度綜合財務報表之資料呈列及披露方式已予更改，以遵守此等新規定。有關截至2015年3月31日止財政年度之比較資料已根據新規定於綜合財務報表中呈列或披露。根據前公司條例或上市規則在以往須予披露但根據新公司條例或經修訂上市規則毋須披露之資料，則並無於綜合財務報表內披露。

新香港公司條例(第622章)有關編製賬目及董事會報告及審核之條文已對本公司截至2016年3月31日止財政年度生效。

綜合財務報表乃根據歷史成本編製，惟以下會計政策所闡釋之部份金融工具於各報告期末以公允價值計量則除外。歷史成本一般以貨物交易所設定代價之公允價值為基礎。

公允價值為市場參與者於計量日期在有序交易中出售一項資產將收取或轉讓一項負債將支付之價格，不論該價格是否直接可觀察或使用另一項估值方法估計。估計一項資產或一項負債之公允價值時，本集團考慮市場參與者在計量日期為該資產或負債進行定價時將會考慮的資產或負債特徵。在本綜合財務報表中計量及/或披露的公允價值均在此基礎上予以確定，惟香港財務報告準則第2號股份支付範圍內之股份支付交易、香港會計準則第17號租賃範圍內之租賃交易及與公允價值計量相似但並非公允價值之計量(例如，香港會計準則第2號存貨中之可變現淨值或香港會計準則第36號資產減值中之使用價值)除外。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

#### Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

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

### 3. 主要會計政策(續)

此外，就財務申報而言，公允價值計量按照其輸入值之可觀察程度以及其對整體公允價值計量之重要性分為第1、2或3級，闡述如下：

- 第1級輸入值為實體於計量日期可評估之相同資產或負債活躍市場報價(不經調整)；
- 第2級輸入值為第1級所包含之報價以外，資產或負債可直接或間接觀察之輸入值；及
- 第3級輸入值為資產或負債不可觀察之輸入值。

主要會計政策載列如下：

#### 綜合基準

綜合財務報表包括本公司及受本公司及其附屬公司控制之實體之財務報表。取得控制權是指當本公司：

- 有權控制被投資企業；
- 自參與被投資企業營運而獲得可變回報的承擔或權利；及
- 能夠運用其權力影響其回報。

倘事實及情況表明上文所述三項控制因素之一項或多項出現變動，本集團會重新評估其是否控制被投資企業。

附屬公司於本集團取得對附屬公司控制權時開始綜合並於本集團失去對附屬公司控制權時終止。具體而言，於本年度內所收購或出售一間附屬公司之收益及開支，均已由本集團取得控制權之日起直至本集團失去對附屬公司控制權之日止，計入綜合損益及其它全面收益表。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Basis of consolidation (continued)

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

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

#### Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any, and is presented separately in the consolidated statement of financial position.

For the purposes of impairment testing, goodwill is allocated to each of the relevant cash-generating unit (CGU) or groups of CGUs, that are expected to benefit from the synergies of the combination.

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

On disposal of the relevant CGU, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

### 3. 主要會計政策(續)

#### 綜合基準(續)

損益及各項其它全面收益項目歸屬於本公司股東及非控股權益。附屬公司之全面收益總額歸屬於本公司股東及非控股權益，即使這將導致非控股權益出現虧絀結餘。

附屬公司之財務報表於需要時作出調整，以令其會計政策與本集團所採用者一致。

集團內公司間之所有資產及負債、權益、收入、開支及有關本集團成員公司間交易之現金流量已於綜合賬目時全數對銷。

#### 商譽

因收購業務所產生之商譽按於收購業務日期所確定之成本減累計減值虧損(如有)列賬，並於綜合財務狀況表中獨立呈列。

就減值測試而言，商譽會分配至預期可從合併之協同效益得益之有關現金產生單位或多個現金產生單位。

獲分配商譽之現金產生單位會每年進行減值測試，或於有跡象顯示該單位可能出現減值時則以更高頻率進行減值測試。就於報告期因收購產生之商譽而言，獲分配商譽之現金產生單位會於該報告期末前進行減值測試。倘現金產生單位之可收回金額少於其賬面值，則減值虧損會先用作減低任何分配至該單位之商譽之賬面值，其後則根據該單位內各項資產賬面值按比例分配至該單位之其它資產。任何商譽減值虧損乃直接於綜合損益及其它全面收益表內之損益內確認。已確認之商譽減值虧損不會於往後期間撥回。

於出售相關現金產生單位時，商譽之相關金額會於釐定出售之損益時計入。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for discounts and sales related taxes.

Revenue from the sales of goods is recognised when goods are delivered and title has passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

### 3. 主要會計政策(續)

#### 收入確認

收入按已收或應收代價之公允價值計量，並扣除折扣及銷售相關稅項。

銷售貨品所得之收入在貨品已運送及擁有權已轉移時(即達成所有下列條件時)確認：

- 本集團已向買方轉移貨品擁有權之重大風險及回報；
- 本集團並無對所售貨品保留一般與擁有權及實際控制權相關程度之持續管理；
- 收入金額能夠可靠計量；
- 交易之經濟利益可能流向本集團；及
- 交易所涉及或將涉及之成本能夠可靠計量。

金融資產所得之利息收入於經濟利益可能流向本集團且收入之金額能夠可靠計量時確認。利息收入按時間基準累計，並參照未償還本金額及按適用實際利率計算，該實際利率為於金融資產預計年期所得估計未來現金收入準確折減至初步確認時資產賬面淨值之比率。

投資所得之股息收入於確定股東有權收取派息時確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Property, plant and equipment

Property, plant and equipment including buildings held for use in the production or supply of goods or services or for administrative purposes (other than construction in progress as described below) are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment loss, if any.

Construction in progress 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.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment other than construction in progress less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, 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.

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

#### Research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

### 3. 主要會計政策(續)

#### 物業、廠房及設備

物業、廠房及設備包括作生產或提供貨品或服務或用作行政用途之樓宇(下文所述在建工程除外),按成本減其後累計折舊及累計減值虧損(如有)於綜合財務狀況表列賬。

用作生產、供應或行政用途之在建工程以成本減任何已確認之減值虧損列賬。成本包括專業費用,及就合資格資產而言,包括根據本集團之會計政策資本化之借貸成本。該等物業於完工及可供用於擬定用途時分類為物業、廠房及設備之適當類別。該等資產之折舊基準與其它物業資產相同,乃於資產可供用於擬定用途時開始計提。

折舊乃為撇銷估計可使用年期內物業、廠房及設備項目(在建工程除外)成本減其剩餘價值而以直線法確認。估計可使用年期、剩餘價值及折舊方法於各報告期末檢討,並將任何估計變動之影響按預期基準計入。

物業、廠房及設備項目於出售後或當預期持續使用該資產將不會產生未來經濟利益時終止確認。因出售或報廢物業、廠房及設備項目而產生之任何損益將按該資產出售所得款項與賬面值之差額釐定並於損益內確認。

#### 研究及開發開支

研究活動開支於其產生期間確認為開支。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Intangible assets

Intangible assets acquired in a business combination are recognised separately from goodwill and are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives. Alternatively, intangible assets with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses (see the accounting policy in respect of impairment losses on tangible and intangible assets below).

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

#### Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when an 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 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 as loans and receivables and fair value through profit or loss (FVTPL). The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

### 3. 主要會計政策(續)

#### 無形資產

業務合併所收購無形資產與商譽分開確認，並按其於收購日期之公允價值(視為其成本)進行初步確認。

於初步確認後，可使用年期有限之無形資產按照成本減累計攤銷及任何累計減值虧損列賬。可使用年期有限之無形資產乃按直線基準於其估計可使用年期內攤銷。反之，可使用年期無限之無形資產則按照成本減任何其後累計減值虧損列賬(見下文關於有形及無形資產減值虧損之會計政策)。

無形資產於出售或於預期未來不會因使用或出售產生經濟利益時終止確認。終止確認無形資產所產生之收益或虧損乃按出售所得款項淨額及該資產賬面值間之差額計量，並於該資產被終止確認期間之損益中確認。

#### 金融工具

金融資產及金融負債於實體成為工具合約條文之訂約方時於綜合財務狀況表確認。

金融資產及金融負債初步按公允價值計量。購入或發行金融資產及金融負債直接應佔之交易成本，於初步確認時加入金融資產或金融負債之公允價值或自金融資產或金融負債之公允價值扣除(按適用情況而定)。收購按公允價值計入損益賬之金融資產或金融負債而產生之直接交易成本即時在損益中確認。

#### 金融資產

本集團之金融資產分為貸款及應收款以及按公允價值計入損益。金融資產之分類視乎其性質及目的，於初步確認時釐定。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

#### Financial assets (continued)

#### Effective interest method

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

Interest income is recognised on an effective interest basis for debt instruments.

#### Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is (i) contingent consideration that may be paid by an acquirer as part of a business combination to which HKFRS 3 applies or (ii) held for trading.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial assets and is included in the 'other gains and losses'. Fair value is determined in the manner described in note 18.

### 3. 主要會計政策(續)

#### 金融工具(續)

#### 金融資產(續)

#### 實際利率法

實際利率法為計算債務工具攤銷成本及於有關期間分配利息收入之方法。實際利率為於金融資產之預計年期或(如適用)較短時間內將估計未來現金收入(包括構成實際利率之所有已付或已收費用、交易成本及其它溢價或折讓)準確折減至初步確認時之賬面淨值之利率。

就債務工具而言，利息收入按實際利率基準確認。

#### 按公允價值計入損益之金融資產

當金融資產為(i)收購方可能須支付之或然代價，作為適用香港財務報告準則第3號之業務合併其中部分；或(ii)持作買賣，則金融資產乃分類為按公允價值計入損益。

金融資產在以下情況下分類為持作交易用途：

- 購入之主要目的為於近期內將之變賣；或
- 於初步確認時，其為由本集團共同管理之已識別金融工具組合之其中部分，且於近期有實際短期獲利模式；或
- 其為一種不能作為指定及有效對沖工具之衍生工具。

按公允價值計入損益之金融工具乃按公允價值列賬，重新計量所產生任何收益或虧損乃於損益確認。於損益確認之收益或虧損淨額包括就金融資產賺取之任何股息或利益，並計入「其它收益及虧損」。釐定公允價值方式載於附註18。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

#### Financial assets (continued)

#### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and bills receivables, other receivables, bank deposits and bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy in impairment loss on financial assets below).

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

#### Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be 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 all 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.

For financial assets including trade receivables, assets that are assessed not to be impaired individually are, in addition, 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 60 to 180 days, observable changes in national or local economic conditions that correlate with default on receivables.

### 3. 主要會計政策(續)

#### 金融工具(續)

#### 金融資產(續)

#### 貸款及應收款

貸款及應收款乃並無於活躍市場報價之固定或可確定付款之非衍生金融資產。初步確認後，貸款及應收款(包括應收賬款及應收票據、其它應收款、銀行存款以及銀行結餘及現金)以實際利率法按攤銷成本減任何已確定減值虧損入賬(見下文關於金融資產減值虧損之會計政策)。

利息收入乃按實際利率確認，惟就短期應收款項確認之利息屬微不足道則除外。

#### 金融資產減值

金融資產會於各報告期末被評定是否有減值跡象。當有客觀證據顯示金融資產之估計未來現金流量因於初步確認該金融資產後發生之一項或多項事件而受到影響時，則該金融資產被視為出現減值。

就所有金融資產而言，減值之客觀證據可包括：

- 發行人或對手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
- 借款人將有可能面臨破產或財務重組。

就包括應收賬款之金融資產而言，被評估為非個別減值之資產，其後按整體基準進行減值評估。應收款組合之客觀減值證據可包括本集團之過往收款經驗、組合內超逾平均信貸期60至180日之延遲還款次數增加，以及與應收款逾期有關之全國或地區經濟狀況明顯改變。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

#### Financial assets (continued)

#### Impairment of financial assets (continued)

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade 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 receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

For financial assets measured at amortised cost, 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 was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

#### Financial liabilities and equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### 3. 主要會計政策(續)

#### 金融工具(續)

#### 金融資產(續)

#### 金融資產減值(續)

就按攤銷成本列賬之金融資產而言，減值虧損之金額乃按該資產之賬面值與按原有實際利率折減之估計未來現金流量之現值間之差額計量。

就按成本列賬之金融資產而言，減值虧損之金額乃按資產之賬面值與按同類金融資產現行市場回報率折減之估計未來現金流量之現值間之差額計量。有關減值虧損將不會於隨後期間撥回。

就所有金融資產而言，金融資產之賬面值直接按減值虧損減少，惟應收賬款除外，其賬面值乃透過使用撥備賬而減少。撥備賬之賬面值變動於損益內確認。倘應收賬款被視為無法收回，則與撥備賬撇銷。隨後收回過往已撇銷之款項計入損益內。

就按攤銷成本計量之金融資產而言，倘於隨後期間，減值虧損金額減少，而該減少客觀地與於確認減值後發生之事件有關，則先前已確認之減值虧損透過損益撥回，以該投資於撥回減值日期之賬面值不得超過在並無確認減值之情況下應有之攤銷成本為限。

#### 金融負債及股本工具

由集團實體發行之債務及股本工具乃根據所訂立之合約安排之性質與金融負債及股本工具之定義分類為金融負債或股本。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

#### Financial liabilities and equity instruments (continued)

##### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

##### Financial liabilities

Financial liabilities including trade and other payables, amount due to a related company and dividend payable to non-controlling shareholders are subsequently measured at amortised cost, using the 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 (including all fees and points paid or received that from an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

##### Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities are derecognised when, and only when, the Group's obligation are 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.

### 3. 主要會計政策(續)

#### 金融工具(續)

#### 金融負債及股本工具(續)

##### 股本工具

股本工具乃證明於扣減其所有負債後於本集團資產中擁有剩餘權益之任何合約。由本公司發行之股本工具按已收所得款項扣減直接發行成本確認。

##### 金融負債

金融負債包括應付賬款及其它應付款、應付一間關連公司款項及應付非控股股東股息，隨後以實際利率法按攤銷成本計量。

##### 實際利率法

實際利率法為計算金融負債攤銷成本及於有關期間分配利息開支之方法。實際利率為於金融負債之預計年期或(如適用)較短時間內將估計未來現金付款(包括構成實際利率之所有已付或已收費用及點子、交易成本及其它溢價或折讓)準確折減至初步確認時之賬面淨值之利率。

利息開支按實際利率基準確認。

##### 終止確認

本集團僅於自資產收取現金流量之合約權利屆滿，或其已將金融資產轉讓且資產擁有權之絕大部分風險及回報已轉讓予另一實體時，方終止確認金融資產。

於終止確認一項金融資產時，該資產之賬面值與已收及應收代價間之差額於損益內確認。

當及僅當本集團之責任獲解除、註銷或屆滿時，方終止確認金融負債。已終止確認之金融負債之賬面值與已付及應付代價間之差額於損益內確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated cost of completion and cost necessary to make the sale.

#### Impairment losses on 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 with finite useful lives 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. When 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. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGU, or otherwise they are allocated to the smallest group of CGU for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

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 post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or CGU in prior years. A reversal of an impairment loss is recognised in profit or loss immediately.

### 3. 主要會計政策(續)

#### 存貨

存貨乃按成本及可變現淨值兩者中之較低者列賬。成本乃以加權平均法計算。可變現淨值指存貨估值售價減完成出售之所有估計成本及作出銷售之所需成本。

#### 有形及無形資產(商譽除外)之減值虧損

於報告期末,本集團將檢討其可使用年期有限之有形及無形資產之賬面值,以釐定該等資產是否已出現任何減值虧損跡象。倘存在任何有關跡象,則會估計該資產之可收回金額以釐定減值虧損(如有)之程度。如不可能估計某單一資產之可收回金額,則本集團估計該類資產之現金產生單位之可收回金額。如能確認以合理及統一之分配依據,則企業之資產亦分配至單一現金產生單位,或分配至其它能確認合理及統一分配依據之最少現金產生單位組別。

可使用年期無限之無形資產乃最少按年及在有可能出現減值跡象時測試其減值。

可收回金額按公允價值減銷售成本及使用價值兩者中之較高者計算。在評估使用價值時,估計未來現金流量乃使用除稅後折現率折減至其現值,以反映當前市場對貨幣時間值之評估及該資產(估計未來現金流量未予調整者)之特有風險。倘估計資產或現金產生單位之可收回金額低於其賬面值,則該資產或現金產生單位之賬面值會被減少至其可收回金額。減值虧損即時於損益確認。

倘減值虧損於隨後撥回,則該資產或現金產生單位之賬面值增加至其經修訂估計可收回金額,惟已增加之賬面值不得超過該資產或現金產生單位於過往年度並無確認減值虧損之情況下原應釐定之賬面值。減值虧損撥回即時於損益內確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation 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 exchange differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income, in which cases, the exchange differences are also recognised directly in other comprehensive income.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's entities are translated into the presentation currency of the Group (i.e. HK\$) at the rate of exchange prevailing at the end of the reporting period, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange reserve (attributed to non-controlling interests as appropriate).

### 3. 主要會計政策(續)

#### 外幣

於編製各個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣(外幣)進行之交易乃按以交易日期現行匯率換算之有關功能貨幣(即實體經營所在主要經濟環境之貨幣)入賬。於報告期末，以外幣列值之貨幣項目以該日之現行匯率重新換算。以外幣計值按公允價值列賬之非貨幣項目，按釐定公允價值當日之現行匯率重新換算。以外幣計值按歷史成本計量之非貨幣項目不予重新換算。

結算貨幣項目及重新換算貨幣項目所產生之匯兌差額，於其產生期間在損益中確認。重新換算以公允價值列賬之非貨幣項目產生之匯兌差額計入期間之損益內，惟因重新換算有關收益及虧損直接於其它全面收益中確認之非貨幣項目時所產生之匯兌差額則除外，於該等情況下，其匯兌差額亦直接於其它全面收益中確認。

就呈列綜合財務報表而言，本集團實體之資產及負債均按報告期末之現行匯率換算為本集團之呈列貨幣(即港元)，而其收入及開支乃按年內平均匯率換算，除非匯率於期內大幅波動，在此情況下，會採用交易日期之現行匯率。所產生匯兌差額(如有)於其它全面收益確認，並於(非控股權益應佔(如適用))匯兌儲備項下之權益內累計。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Foreign currencies (continued)

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), exchange difference accumulated in equity arisen from the translation of the subsidiary or associate's functional currency, RMB, to the Company's functional currency, HK\$, before the change in functional currency of the Company from HK\$ to RMB, are reclassified to profit or loss. Whereas exchange difference accumulated in equity arisen from the translation of subsidiary or associate's and the Company's functional currency, RMB, to the Group's presentation currency, HK\$, are transferred directly to accumulated profits after the change in functional currency of the Company.

In addition, in relation to the disposal of a foreign operation whose functional currency is in currency other than RMB (i.e. Australian Dollar), the exchange difference accumulated in equity arisen from the translation of the subsidiary or associate's functional currency, to the Group's presentation currency, HK\$, are reclassified to profit or loss.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in equity under the heading of exchange reserve.

#### Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

### 3. 主要會計政策(續)

#### 外幣(續)

在出售一項海外業務(即出售本集團於一項海外業務之全部權益,或出售涉及失去對擁有海外業務之附屬公司之控制權、或出售涉及失去對擁有海外業務之聯營公司之重大影響力)時,因在本公司之功能貨幣由港元轉為人民幣前將附屬公司或聯營公司之功能貨幣人民幣換算為本公司之功能貨幣港元而在權益中產生之累計匯兌差額,將重新分類至損益。然而,因將附屬公司或聯營公司及本公司之功能貨幣人民幣換算為本集團之呈報貨幣港元而在權益中產生之累計匯兌差額則於本公司變更功能貨幣後直接轉撥至累計溢利。

此外,就出售其功能貨幣為人民幣以外之貨幣(即澳元)之海外業務而言,將附屬公司或聯營公司之功能貨幣換算為本集團呈列貨幣港元所產生於權益累計之匯兌差額乃重新分類至損益。

收購海外業務產生之已收購可識別資產之商譽及公允價值調整,乃作為該海外業務之資產及負債處理,並按各報告期末之現行匯率換算。因此而產生之匯兌差額於匯兌儲備項下之權益內確認。

#### 政府補助

本集團於可合理確保遵守政府補助所附條件且將會獲得補助時,方可確認政府補助。

政府補助於本集團確認補助擬補償之相關成本為開支之期間有系統地在損益內確認。具體而言,主要條件為本集團應購買、建設或以其它方式獲得非流動資產之政府補助,於綜合財務狀況表確認為遞延收入,並有系統及合理地於相關資產可使用年期內轉撥至損益。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Government grants (continued)

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

#### Retirement benefit costs

Payments to defined contribution retirement benefit plan and state-managed retirement benefit schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

#### Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and 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. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

### 3. 主要會計政策(續)

#### 政府補助(續)

作為補償已產生開支或虧損或旨在為本集團提供即時財務資助(而無未來相關成本)之應收相關政府補助於應收期間在損益內確認。

#### 退休福利成本

界定供款退休福利計劃及國家管理之退休福利計劃之供款，於僱員已提供服務賦予其權利獲取該等供款時確認為開支。

#### 稅項

所得稅支出指即期應付稅項及遞延稅項之總和。

即期應付稅項乃按年內應課稅溢利計算。由於應課稅溢利不包括於其它年度應課稅或可扣稅之收入或開支項目，亦不包括永遠毋須課稅或不可扣稅之項目，故與綜合損益及其它全面收益表所列報之除稅前溢利不同。本集團之即期稅項負債乃按報告期末已頒佈或實際上已頒佈之稅率計算。

遞延稅項就綜合財務報表內資產及負債賬面值與計算應課稅溢利所採用相應稅基間之暫時差額確認。遞延稅項負債一般按所有應課稅暫時差額予以確認，而遞延稅項資產則於可能出現可用以抵扣可扣減暫時差額之應課稅溢利時予以確認。倘若暫時差額乃由商譽或初步確認(業務合併情況除外)不影響應課稅溢利或會計溢利之交易中之其它資產及負債所產生，則有關資產及負債不予確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Taxation (continued)

Deferred tax liabilities are recognised for taxable temporary differences associated with 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 arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

#### Leasing

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

### 3. 主要會計政策(續)

#### 稅項(續)

遞延稅項負債會就與於附屬公司及聯營公司投資有關之應課稅暫時差額作出確認，惟倘本集團能夠控制撥回暫時差額及暫時差額很可能不會於可見將來撥回則除外。因與有關投資及權益相關之可扣減暫時差額而產生之遞延稅項資產僅於可能出現足夠應課稅溢利可用以暫時差額利益並預計於可見將來撥回時確認。

遞延稅項資產賬面值於報告期末檢討，並於不再可能有足夠應課稅溢利可用以收回所有或部分資產之情況下減少。

遞延稅項資產及負債按預期於清償負債或變現資產期間適用之稅率計量，按報告期末已頒佈或實際上已頒佈之稅率(及稅法)計算。

遞延稅項負債及資產之計量反映於報告期末按本集團所預期之方式收回或清償其資產及負債賬面值之稅務影響。

即期及遞延稅項在損益內確認，除非其與於其它全面收益或直接於權益確認之項目相關，在此情況下，即期及遞延稅項亦分別於其它全面收益或直接於權益確認。就因對業務合併進行初步會計處理而產生之即期稅項或遞延稅項而言，稅務影響計入業務合併之會計處理內。

#### 租賃

倘租賃之條款將絕大部分擁有權風險及回報轉予承租人，則租賃分類為融資租賃。所有其它租賃均列為經營租賃。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Leasing (continued)

##### The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

##### Leasehold land and building

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “prepaid lease payments” in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis.

### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

### 3. 主要會計政策(續)

#### 租賃(續)

##### 本集團作為承租人

經營租賃款項按租賃年期以直線法確認為一項開支。

##### 租賃土地及樓宇

倘租賃同時包括土地及樓宇部分，本集團以各部分之擁有權所附帶之絕大部分風險及回報是否已轉予本集團作為獨立評估其分類為融資或經營租賃之依據，除非兩部分均明顯為經營租賃，在此情況下，整項租賃被分類為經營租賃。具體而言，最低租賃款項(包括任何一次性預付款)根據租賃開始時土地部分和樓宇部分租賃權益之相對公允價值，按比例於土地及樓宇部分間分配。

倘能可靠分配租賃款項，則入賬列為經營租賃之租賃土地權益將於綜合財務狀況表內呈列為「預付租賃款項」，並於租賃期內以直線法攤銷。

### 4. 估計不明朗因素之主要來源

於應用附註3所述之本集團會計政策時，董事須就無法直接通過其它來源獲得之資產及負債賬面值作出判斷、估計及假設。估計及相關假設乃基於過往經驗及視為相關之其它因素。實際結果可能與該等估計存在差異。

本集團持續檢討估計及相關假設。如會計估計之修訂僅對修訂期間產生影響，則估計修訂僅在有關修訂期間確認；如會計估計之修訂對當期及未來期間均產生影響，則相關修訂將在修訂期間及未來期間確認。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

#### Key sources of estimation uncertainty

The following are the key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets within the next financial year.

#### Estimated impairment of goodwill and intangible assets

Determining whether an impairment is required requires an estimation of recoverable amounts of relevant intangible assets and property, plant and equipment or the respective CGU in which the goodwill, intangible assets and property, plant and equipment belong, which is the higher of value in use and fair value less costs to sell. If there is any indication that an asset may be impaired, recoverable amount shall be estimated for individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the Group shall determine the recoverable amount of the CGU to which the asset belongs. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the relevant assets or the CGU and a suitable discount rate in order to calculate the present value. The discount rate represents rate that reflects current market assessments of time value of money and the risks specific to the asset or the CGU for which the future cash flow estimates have not been adjusted. Where the actual future cash flows are less than expected or there is a downward revision of future estimated cash flows due to unfavourable changes in facts and circumstances, a material impairment loss may arise. Details of the recoverable amount calculation of the relevant assets and respective CGU are disclosed in note 34.

#### Estimated impairment of trade and bills receivables

When there is objective evidence of impairment loss, the Group takes into consideration the estimation of future cash flows. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31 March 2016, the carrying amount of trade and bills receivables was HK\$42,331,007 (2015: HK\$47,562,508). No allowance for doubtful debts has been provided for both reporting periods.

### 4. 估計不明朗因素之主要來源(續)

#### 估計不明朗因素之主要來源

於報告期末估計不明朗因素之主要來源(具有重大風險導致下個財政年度之資產賬面值出現大幅調整)如下。

#### 商譽及無形資產之估計減值

決定是否須予減值時，須先估計相關無形資產以及物業、廠房及設備，或該項商譽、無形資產及物業、廠房及設備所屬現金產生單位之可收回金額，該金額乃使用價值或公允價值減銷售成本，以較高者為準。如資產出現任何減值跡象，則應就個別資產估計其可收回金額。如不可能估計該項個別資產之可收回金額，則本集團應釐定該項資產所屬現金產生單位之可收回金額。計算使用價值時，本集團須估計預期有關資產或現金產生單位所產生之未來現金流量以及適當折現率，以計算其現值。折現率指反映現時市場對貨幣時間值之評估，以及該資產或現金產生單位之特有風險(並未針對該風險調整未來現金流量估計)之比率。如實際未來現金流量少於預期，或未來估計現金流量因事實或情況之不利變動而被下調，則或會產生重大減值虧損。相關資產及各自現金產生單位可收回金額之計算詳情於附註34披露。

#### 應收賬款及應收票據之估計減值

如出現任何客觀減值虧損跡象，則本集團考慮估計未來現金流量。減值虧損之金額乃按資產賬面值與估計未來現金流量按金融資產原實際利率(即於初步確認時計算所用之實際利率)折現之現值(不包括尚未產生之未來信貸虧損)間之差額計量。如實際未來現金流量少於預期，則或會產生重大減值虧損。於2016年3月31日，應收賬款及應收票據之賬面值為42,331,007港元(2015年：47,562,508港元)。兩個報告期內均無作出任何呆賬撥備。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

#### Key sources of estimation uncertainty (continued)

##### Estimated useful lives of property, plant and equipment

The Group depreciates the property, plant and equipment over their estimated useful lives, using straight-line method, at the rates ranging from 3% to 33.33% per annum. The estimated useful lives that the Group depreciates the property, plant and equipment reflect the directors' estimation of the periods that the Group intends to derive future economic benefits from the use of the assets. Actual economic lives may differ from estimated useful lives. Periodic review could result in a change in useful lives and therefore increase or decrease in depreciation in future years.

As at 31 March 2016, the carrying amount of property, plant and equipment is HK\$155,195,155 (2015: HK\$168,057,695). Details of the useful lives of the property, plant and equipment are disclosed in note 14.

##### Estimated useful lives of intangible assets

The Group amortises the intangible assets over their estimated useful lives, using straight-line method. The estimated useful lives that the Group amortises the intangible assets reflect the directors' estimation of the periods that the Group intends to derive future economic benefits from the use of the assets. Actual economic lives may differ from estimated useful lives. Periodic review could result in a change in useful lives and therefore increase or decrease in amortisation in future years.

As at 31 March 2016, the carrying amount of intangible assets is HK\$59,136,629 (2015: HK\$73,039,524). Details of the useful lives of the intangible assets are disclosed in note 17.

##### Estimated impairment of financial assets at FVTPL

When there is objective evidence of impairment losses, determining the extent to which financial assets at FVTPL is impaired requires a computation of the present value of the estimated future cash flows discounted at the current market rate of return. As at 31 March 2016, the carrying amount of financial assets at FVTPL was HK\$30,072,784 (2015: nil). The management performed an impairment review as at year end and considered no impairment is necessary.

### 4. 估計不明朗因素之主要來源(續)

#### 估計不明朗因素之主要來源(續)

##### 物業、廠房及設備之估計可使用年期

本集團於物業、廠房及設備估計可使用年期內，按介乎3%至33.33%之年率以直線法對其計算折舊。本集團計算物業、廠房及設備折舊所用之估計可使用年期反映董事就本集團擬自使用該等資產獲得未來經濟利益之期間之估計。實際經濟年期可能與估計可使用年期不同。定期檢討可能使有關可使用年期出現變動，因而引致未來年度出現折舊增加或減少。

於2016年3月31日，物業、廠房及設備之賬面值為155,195,155港元(2015年：168,057,695港元)。有關物業、廠房及設備可使用年期之詳情於附註14披露。

##### 無形資產之估計可使用年期

本集團以直線法按其估計可使用年期攤銷無形資產。本集團攤銷無形資產所用估計可使用年期反映董事估計本集團計劃自使用資產取得未來經濟利益的年期。實際經濟可使用年益可能與估計可使用年期不同。定期進行檢討可能導致可使用年期出現變動，以致未來年度的攤銷增加或減少。

於2016年3月31日，無形資產之賬面值為59,136,629港元(2015年：73,039,524港元)。有關無形資產可使用年期之詳情於附註17披露。

##### 按公允價值計入損益之金融資產估計減值

當有客觀證據表示出現減值虧損，釐定按公允價值計入損益之金融資產減值程度須計算估計未來現金流量按現時市場回報率貼現之現值。於2016年3月31日，按公允價值計入損益之金融資產賬面值為30,072,784港元(2015年：無)。管理層於年終時進行減值檢討，並認為毋需作出減值。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern in order to support its business and maximise shareholders value. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of equity attributable to owners of the Company, comprising share capital, accumulated profits and other reserves.

The Directors review the capital structure on a regular basis to maintain a strong capital base to support the development of the Group's business. The Directors also balance its overall capital structure through payment of dividends, new share issues as well as the issue of new debts.

### 6. FINANCIAL INSTRUMENTS

#### a. Categories of financial instruments

	Financial instrument classification 金融工具分類	2016 HK\$ 港元	2015 HK\$ 港元
<b>Financial assets</b> 金融資產			
Trade and bills receivables and other receivables*	Loans and receivables	44,038,688	48,700,986
應收賬款及應收票據及其它應收款*	貸款及應收款		
Bank deposits, bank balances and cash	Loans and receivables	394,301,141	384,185,151
銀行存款、銀行結餘及現金	貸款及應收款		
Investments in redeemable convertible preference shares	At FVTPL	30,072,784	–
投資於可贖回可換股優先股	按公允價值計入損益		
		<b>468,412,613</b>	<b>432,886,137</b>
<b>Financial liabilities</b> 金融負債			
Trade payables and other payables	At amortised cost	18,750,531	19,904,712
應付賬款及其它應付款	按攤銷成本		
Amount due to a related company	At amortised cost	1,323,935	1,355,935
應付一間關連公司款項	按攤銷成本		
Dividend payable to non-controlling shareholders	At amortised cost	2,808,639	–
應付非控股股東之股息	按攤銷成本		
		<b>22,883,105</b>	<b>21,260,647</b>

\* Excluding prepayments and deposits

\* 不包括預付款項及按金

### 5. 資本風險管理

本集團管理其資本以確保本集團各實體可持續經營，以支持其業務及提升股東價值。本集團整體策略與去年保持一致。

本集團資本結構由本公司股東應佔權益組成，包括股本、累計溢利及其它儲備。

董事定期檢討資本結構以維持雄厚資本基礎，支持本集團業務發展。董事亦透過支付股息、發行新股以及發行新債務以使其整體資本結構達致平衡。

### 6. 金融工具

#### a. 金融工具類別

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 6. FINANCIAL INSTRUMENTS (continued)

#### b. Financial risk management objectives and policies

The Group's major financial instruments include trade and bills receivables and other receivables, bank deposits and bank balances, trade and other payables, amount due to a related company and dividend payable to non-controlling shareholders. Details of these financial instruments are disclosed in respective notes. It is, and has been throughout the year, the Group's policy not to enter into trading of derivative financial instruments.

The risks associated with these financial instruments include credit risk, market risk (currency risk and interest rate risk) and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

#### Credit risk

The Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to perform an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the Group's consolidated statement of financial position.

In order to minimise the credit risk, the Group requires some of its customers to make prepayment on their purchase of pharmaceutical products. And the management has delegated a team responsible for the determination of credit limits for other customers, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

At 31 March 2016, the Group has concentration of credit risk relating to trade receivables as 24.3% (2015: 28.6%) of the outstanding balances is due from five (2015: five) external customers in the PRC. Other than several major customers, the exposure is widely spread over a large number of customers during the current financial year.

### 6. 金融工具(續)

#### b. 財務風險管理宗旨及政策

本集團之主要金融工具包括應收賬款及應收票據及其它應收款、銀行存款及銀行結餘、應付賬款及其它應付款以及應付一間關連公司款項及應付非控股股東之股息。該等金融工具之詳情於各有關附註中披露。於整個年度內，本集團之政策為不進行衍生金融工具買賣。

與該等金融工具有關之風險包括信貸風險、市場風險(貨幣風險及利率風險)及流動資金風險。如何降低該等風險之政策載於下文。管理層管理及監控該等風險，確保及時有效地採取適當措施。

#### 信貸風險

倘對手方未能履行責任，則本集團須承受將導致本集團出現財務虧損之最大信貸風險，該風險來自本集團綜合財務狀況表內所列已確認金融資產各自之賬面值。

為降低信貸風險，本集團要求某些客戶就其購買之醫藥產品預付款。管理層已委派一組人員負責釐定其它客戶之信貸限額、信貸審批及其它監控措施，以確保採取跟進措施收回逾期債項。此外，本集團會於各報告期末評估每項個別貿易債項之可收回金額，以確保就不可收回金額作出足夠減值虧損。就此而言，董事認為本集團之信貸風險已大幅降低。

於2016年3月31日，本集團面臨與應收賬款有關之集中信貸風險，因為有24.3% (2015年：28.6%)之未償還結餘屬應收五名(2015年：五名)中國外部客戶之款項。於本財政年度內，除數名主要客戶外，有關風險已廣泛分散至多名客戶。

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## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 6. FINANCIAL INSTRUMENTS (continued)

#### b. Financial risk management objectives and policies (continued)

##### **Credit risk** (continued)

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies or state-owned banks located in the PRC.

##### **Market risks**

##### (i) **Currency risk**

Certain bank deposits, trade receivables, other receivables, trade and other payables of the Group are denominated in foreign currencies. 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.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

		Assets 資產		Liabilities 負債	
		2016 HK\$ 港元	2015 HK\$ 港元	2016 HK\$ 港元	2015 HK\$ 港元
HK\$	港元	123,735,682	9,504,477	126,250	—
United States Dollar (US\$)	美元	30,386,533	676	—	—
Euro (EUR)	歐元	8,119	8,075	—	—

### 6. 金融工具(續)

#### b. 財務風險管理宗旨及政策(續)

##### **信貸風險(續)**

流動資金之信貸風險有限，原因為對手方是獲國際信貸評級機構評為高信用評級之銀行或位於中國之國有銀行。

##### **市場風險**

##### (i) **貨幣風險**

本集團若干銀行存款、應收賬款、其它應收款、貿易及其它應付賬款以外幣列值。本集團目前並無外幣對沖政策。然而，管理層監控外匯風險，並將於有需要時考慮對沖重大外匯風險。

於報告期末，本集團以外幣列值之貨幣資產及貨幣負債之賬面值如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 6. FINANCIAL INSTRUMENTS (continued)

#### b. Financial risk management objectives and policies (continued)

##### Market risks (continued)

##### (i) Currency risk (continued)

The following table details the Group's sensitivity to a 4% (2015: 4%) increase and decrease in RMB, the functional currency of the respective group entities, against the relevant foreign currencies for the years ended 31 March 2016 and 2015. The sensitivity rate represents management's assessment of the reasonably possible change in foreign exchange rates with reference to historical fluctuation of foreign exchange rates during the year. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at 31 March 2016 and 2015 for a corresponding change in foreign currencies rates. A negative/positive number below indicates a decrease/increase in post-tax profit for the year where the RMB strengthens against the relevant currencies. For a weakening of RMB against the relevant currency, there would be an equal and opposite impact on the post-tax profit for the year.

		2016	2015
		HK\$	HK\$
		港元	港元
HK\$	港元	(4,129,000)	(365,000)
US\$	美元	(1,014,910)	(23)

The balances of bank deposits denominated in foreign currencies fluctuated throughout the year and in management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

### 6. 金融工具(續)

#### b. 財務風險管理宗旨及政策(續)

##### 市場風險(續)

##### (i) 貨幣風險(續)

下表詳列本集團於截至2016年及2015年3月31日止年度人民幣(相關集團實體之功能貨幣)兌相關外幣升值及貶值4%(2015年:4%)之敏感度。敏感度率指管理層參考年內過往匯率波動而對匯率可能合理變動作出之評估。敏感度分析僅包括以外幣列值之未平倉貨幣項目並於2016年及2015年3月31日就匯率之相應變動調整其換算。倘人民幣兌相關貨幣升值,則以下負/正數顯示本年度之除稅後溢利減少/增加。而人民幣兌相關貨幣貶值,則將會對本年度之除稅後溢利產生同等及相反之影響。

於整個年度內,以外幣計值之銀行存款結餘出現波動,由於年底面臨之外匯風險並不反映年內風險,故管理層認為,敏感度分析並不表示固有之外匯風險。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 6. FINANCIAL INSTRUMENTS (continued)

#### b. Financial risk management objectives and policies (continued)

##### Market risks (continued)

##### (ii) Interest rate risk

The Group is exposed to cash flow interest rate risk due to the fluctuation of the prevailing market interest rate on bank deposits and bank balances which carry at prevailing market interest rates. The Group currently does not have any interest rate hedging policy. However, the Group monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

##### Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to the bank deposits and bank balances which bear floating interest rates at the end of the reporting period. A 10 basis points (2015: 10 basis points) increase or decrease is used to present management assessment of the reasonably possible change in interest rates for those balances mainly denominated in RMB and HK\$ at the year end.

If interest rates had been 10 basis points (2015: 10 basis points) higher/lower and all other variables were held constant, the Group's pre-tax profit/loss for the year ended 31 March 2016 would increase/decrease approximately by HK\$394,000 (2015: HK\$384,000).

##### Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

### 6. 金融工具(續)

#### b. 財務風險管理宗旨及政策(續)

##### 市場風險(續)

##### (ii) 利率風險

本集團面臨現金流量利率風險是由於以現行市場利率計息之銀行存款及銀行結餘之現行市場利率波動所致。本集團現時並無任何利率對沖政策。然而，本集團監控利率風險，並將於需要時考慮對沖重大利率風險。

##### 利率敏感度分析

以下敏感度分析乃基於報告期末浮息銀行存款及銀行結餘所面臨之風險釐定。上升或下跌10個基點(2015年：10個基點)乃用於呈列管理層對主要以人民幣及港元列值之結餘之年底利率可能合理變動之評估。

倘利率上升/下跌10個基點(2015年：10個基點)而所有其它變數保持不變，則於截至2016年3月31日止年度本集團之除稅前溢利/虧損將增加/減少約394,000港元(2015年：384,000港元)。

##### 流動性風險

本集團於管理流動性風險時，監控及維持現金及現金等值項目在管理層認為足以為本集團之營運提供資金及減輕現金流量波動之影響之水平。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 6. FINANCIAL INSTRUMENTS (continued)

#### b. Financial risk management objectives and policies (continued)

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment dates. 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.

		Weighted average effective interest	Less than 3 months	3 months to 1 year	Total undiscounted cash flows	Carrying amount
		加權平均實際利率 %	少於三個月	三個月至一年	未貼現現金流量總額	賬面值
			HK\$	HK\$	HK\$	HK\$
			港元	港元	港元	港元
<b>As at 31 March 2016</b>	<b>於2016年3月31日</b>					
Trade and other payables	應付賬款及其它應付款	-	18,750,531	-	18,750,531	18,750,531
Amount due to a related company	應付一間關連公司款項	-	1,323,935	-	1,323,935	1,323,935
Dividend payable to non-controlling shareholders	應付非控股股東之股息	-	2,808,639	-	2,808,639	2,808,639
			22,883,105	-	22,883,105	22,883,105

### 6. 金融工具(續)

#### b. 財務風險管理宗旨及政策(續)

下表詳列本集團根據協定償付日期之非衍生金融負債之剩餘合約期限。該表乃根據本集團於可被要求償還金融負債之最早日期之金融負債未折現現金流量編製。

		Weighted average effective interest	Less than 3 months	3 months to 1 year	Total undiscounted cash flows	Carrying amount
		加權平均實際利率 %	少於三個月	三個月至一年	未貼現現金流量總額	賬面值
			HK\$	HK\$	HK\$	HK\$
			港元	港元	港元	港元
<b>As at 31 March 2015</b>	<b>於2015年3月31日</b>					
Trade and other payables	應付賬款及其它應付款	-	19,526,354	378,358	19,904,712	19,904,712
Amount due to a related company	應付一間關連公司款項	-	1,355,935	-	1,355,935	1,355,935
			20,882,289	378,358	21,260,647	21,260,647

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 6. FINANCIAL INSTRUMENTS (continued)

#### c. Fair value

The Directors consider that the carrying amounts of all financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate to their corresponding fair values.

The financial asset at FVTPL is measured at cost less impairment losses, if any, at balance sheet date because the range of reasonable fair value estimates of the conversion option component is so significant that the Directors are of the opinion that their fair value of the entire instrument cannot be measured reliably. Details are disclosed in note 18.

### 7. REVENUE AND SEGMENT INFORMATION

Information reported to the Managing Director of the Company, being the chief operating decision maker (CODM), for the purposes of resources allocation and assessment of segment performance focuses on the types of goods delivered. Other than the revenue analysis as set out in note 7(e), no operating results and other discrete financial information relating to major products is prepared regularly for internal reporting to the CODM for resources allocation and performance assessment. The CODM reviews the financial performance of pharmaceutical and biotechnology business as a whole for allocating resources and assessing performance. In addition, the CODM monitors the Group's assets and liabilities as a whole, accordingly, no segment assets and liabilities are presented.

### 6. 金融工具(續)

#### c. 公允價值

董事認為，所有於綜合財務報表內按攤銷成本列賬之金融資產及金融負債之賬面值均與相應之公允價值相若。

按公允價值計入損益之金融資產乃於結算日按成本減去減值虧損(如有)計值，原因為兌換權部分之合理公允價值估算範圍過大，董事認為全部工具之公允價值不能可靠計量。有關詳情於附註18披露。

### 7. 收入及分部資料

本公司為分配資源及評估分部表現而向本公司董事總經理(即主要營運決策者)呈報之資料集中說明已交付之貨品類別。除附註7(e)所載收入分析外，並無定期編製有關主要產品之經營業績及其它獨立財務資料，以內部報告予主要營運決策者作資源分配及表現評估之用。主要營運決策者審閱醫藥生物業務整體之財務表現以分配資源及評估表現。此外，主要營運決策者整體監察本集團的資產及負債。因此，並無呈列分部資產及負債。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 7. REVENUE AND SEGMENT INFORMATION (continued)

#### (a) Segment revenue and results

The following is an analysis of the Group's revenue and results.

		2016 HK\$ 港元	2015 HK\$ 港元
REVENUE – EXTERNAL	收入 – 外部	192,784,764	139,366,849
SEGMENT PROFIT (LOSS)	分部溢利(虧損)	21,172,470	(16,632,368)
Other income	其它收入	5,110,938	6,172,014
Other gains and losses	其它收益及虧損	2,537,681	1,256,003
Unallocated expenses	未分配支出	(15,453,841)	(13,811,935)
Profit (loss) for the year	本年度溢利(虧損)	13,367,248	(23,016,286)

The accounting policies of the operating segment are the same as the Group's accounting policies described in note 3. Segment profit (loss) represents the profit (loss) after tax earned by the segment without allocation of central administration costs, directors' salaries, certain other income, and other gains and losses. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

經營分部之會計政策與附註3所述本集團之會計政策相同。分部溢利(虧損)指分部所賺取之除稅後溢利(虧損)，未經分配中央行政成本、董事薪金、若干其它收入以及其它收益及虧損。就資源分配及表現評估而言，此乃向主要營運決策者呈報之計量方式。

#### (b) Other segment information

#### (b) 其它分部資料

		2016		Total 總計 HK\$ 港元
		Pharmaceutical and biotechnology business 醫藥生物業務 HK\$ 港元	Unallocated 未分配 HK\$ 港元	
Amount included in the measure of segment profit or loss or segment assets	計量分部溢利或虧損或分部資產時計入之金額			
Additions of property, plant and equipment	添置物業、廠房及設備	3,926,657	138,527	4,065,184
Amortisation of intangible assets	無形資產攤銷	11,687,796	–	11,687,796
Depreciation of property, plant and equipment	物業、廠房及設備折舊	8,998,740	403,034	9,401,774
Additions of prepaid lease payments	預付租賃款項增加	40,858,924	–	40,858,924
Amortisation of prepaid lease payments	預付租賃款項攤銷	3,389,797	–	3,389,797
Loss on disposal/write off of property, plant and equipment	出售/撤銷物業、廠房及設備之虧損	432,693	22,373	455,066
Write off of intangible assets	無形資產撤銷	17,281	–	17,281
Interest income	利息收入	1,131,371	5,110,428	6,241,799
Investment income	投資收入	834,022	(807,270)	26,752
Income tax expense	所得稅抵免	5,057,622	–	5,057,622

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 7. REVENUE AND SEGMENT INFORMATION (continued)

#### (b) Other segment information (continued)

		2015		
		Pharmaceutical and biotechnology business 醫藥生物業務	Unallocated 未分配	Total 總計
		HK\$ 港元	HK\$ 港元	HK\$ 港元
Amount included in the measure of segment profit or loss or segment assets	計量分部溢利或虧損或分部資產時計入之金額			
Additions of property, plant and equipment	添置物業、廠房及設備	36,091,223	8,199	36,099,422
Amortisation of intangible assets	無形資產攤銷	12,115,738	-	12,115,738
Depreciation of property, plant and equipment	物業、廠房及設備折舊	6,419,327	408,253	6,827,580
Amortisation of prepaid lease payments	預付租賃款項攤銷	3,163,023	-	3,163,023
Loss on disposal/write off of property, plant and equipment	出售/撇銷物業、廠房及設備之虧損	2,874,385	-	2,874,385
Interest income	利息收入	3,544,656	6,157,023	9,701,679
Investment income	投資收入	-	853,229	853,229
Income tax credit	所得稅抵免	(1,245,389)	-	(1,245,389)

#### (c) Geographical information

The Group principally operates in the PRC (country of domicile), Hong Kong and Australia.

The following table provides an analysis of the Group's sales by geographical market based on the location of operations irrespective of the origin of goods/services.

#### (c) 地區資料

本集團主要於中國(經營所在國家)、香港及澳大利亞經營業務。

下表根據業務所在地提供本集團按地區市場(不論貨品/服務之來源地)劃分之銷售分析。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 7. REVENUE AND SEGMENT INFORMATION (continued)

#### (c) Geographical information (continued)

The Group's revenue from external customers and information about its non-current assets by geographical location of the assets are detailed below:

		Revenue from external customers 來自外部客戶之收入		Non-current assets 非流動資產	
		2016 HK\$ 港元	2015 HK\$ 港元	2016 HK\$ 港元	2015 HK\$ 港元
The PRC (country of domicile)	中國(經營所在國家)	189,725,333	137,128,345	428,068,831	427,057,375
Hong Kong	香港	1,079,635	491,754	32,566,163	2,592,107
Australia	澳大利亞	1,979,796	1,746,750	8,498,694	9,077,453
		192,784,764	139,366,849	469,133,688	438,726,935

#### (d) Information about major customer

No major customer has been accounted for 10% or more of the Group's revenue for both reporting periods.

#### (e) Revenue from major products

### 7. 收入及分部資料(續)

#### (c) 地區資料(續)

本集團來自外部客戶之收入及有關其按所在地區劃分之非流動資產資料詳列如下：

#### (d) 有關主要客戶之資料

於兩個報告期，並無任何主要客戶佔本集團收入10%或以上。

#### (e) 主要產品之收入

		2016 HK\$ 港元	2015 HK\$ 港元
Pharmaceutical, biotechnology and healthcare products	醫藥生物產品及保健產品		
- Cerebroprotein hydrolysate injection	- 注射用腦蛋白水解物	57,602,903	5,241,790
- Tuoping (Valsartan capsules)	- 托平(巹沙坦膠囊)	57,543,419	57,657,997
- Tuoen (Ibuprofen suspension and drops)	- 托恩(布洛芬混懸液及滴劑)	39,204,960	32,258,193
- Others	- 其它	38,433,482	44,208,869
		192,784,764	139,366,849

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 8(a). OTHER INCOME

### 8(a). 其它收入

		2016 HK\$ 港元	2015 HK\$ 港元
Interest income on bank deposits	銀行存款利息收入	6,241,799	9,701,679
Release of government grants in relation to certain assets (note 23)	就若干資產發放政府補助 (附註23)	122,684	261,682
Unconditional government grants (note)	無條件政府補助(附註)	447,798	1,434,333
Others	其它	369,490	1,037,669
		<b>7,181,771</b>	<b>12,435,363</b>

Note: During the year ended 31 March 2016, a PRC subsidiary received an amount of approximately HK\$448,000 (2015: HK1,434,000) to recognise the eminent brand of pharmaceutical and biotechnology products.

附註：於截至2016年3月31日止年度內，一間中國附屬公司收取款項約448,000港元(2015年：1,434,000港元)以表彰醫藥生物產品之著名品牌。

### 8(b). OTHER GAINS AND LOSSES

### 8(b). 其它收益及虧損

		2016 HK\$ 港元	2015 HK\$ 港元
Exchange gain	匯兌收益	3,361,621	399,354
Investment income from foreign exchange linked investments	外匯掛鈎投資之投資收入	26,752	853,229
Loss on disposal/write off of property, plant and equipment	出售／撇銷物業、廠房及設備之虧損	(455,066)	(2,874,385)
Write off of intangible assets	撇銷無形資產	(17,281)	-
		<b>2,916,026</b>	<b>(1,621,802)</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 9. INCOME TAX EXPENSE (CREDIT)

### 9. 所得稅支出(抵免)

		2016 HK\$ 港元	2015 HK\$ 港元
Current tax:	即期稅項：		
PRC enterprise income tax	中國企業所得稅	7,271,362	4,058,788
Withholding tax	預扣稅	3,755,082	-
		<b>11,026,444</b>	<b>4,058,788</b>
Underprovision (overprovision) in prior years:	過往年度撥備不足 (超額撥備)：		
PRC enterprise income tax	中國企業所得稅	1,017,764	(932,058)
Deferred tax (note 25):	遞延稅項(附註25)：		
Current year	本年度	(6,986,586)	(4,372,119)
		<b>5,057,622</b>	<b>(1,245,389)</b>

The Company was incorporated in the Cayman Islands and is not subject to any income tax.

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for both years. No provision for Hong Kong Profits Tax has been made as the Group has no assessable profit arising in, or derived from, Hong Kong for both years.

The tax rate of the PRC subsidiaries of the Group is 25%, except Yunnan Meng Sheng Pharmaceutical Co., Limited (Meng Sheng Pharmaceutical) and Tianda Pharmaceuticals (Zhuhai) Limited (Tianda Pharmaceuticals (Zhuhai)), subsidiaries of the Group.

Meng Sheng Pharmaceutical is established in the Kunming economic development zone. Pursuant to the relevant laws and regulations in the PRC, Meng Sheng Pharmaceutical is engaged in Western China Development and was entitled to a preferential tax rate of 15% for both years. Tianda Pharmaceuticals (Zhuhai) is qualified as advanced technology enterprises and has obtained approvals from the relevant tax authorities for the applicable tax rate reduced to 15% for a period of 3 years up to 2016.

The corporate tax rate applicable to Tianda Pharmaceuticals (Australia) Pty Ltd (Tianda Pharmaceuticals (Australia)), a subsidiary of the Company established and operating in Australia, is 30% for both years. No provision for the Australian income tax has been provided as the Group had no taxable profit arising in Australia for both years.

本公司於開曼群島註冊成立，且無須繳納任何所得稅。

於兩個年度內，香港利得稅按估計應課稅溢利以稅率16.5%計算。由於本集團在兩個年度並無在香港產生或來自香港之應課稅溢利，故並無作出香港利得稅撥備。

除本集團之附屬公司雲南盟生藥業有限公司(盟生藥業)及天大藥業(珠海)有限公司(天大藥業(珠海))外，本集團中國附屬公司之稅率為25%。

盟生藥業於昆明經濟開發區成立。根據中國相關之法律及法規，盟生藥業參與中國西部開發，故於兩個年度內享有優惠稅率15%。天大藥業(珠海)符合高新技術企業資格，獲得相關稅務機關批准適用之稅率寬減至15%，為期三年，直至2016年為止。

於兩個年度內，適用於天大藥業(澳大利亞)有限公司(天大藥業(澳大利亞))，本公司於澳大利亞成立及營運之附屬公司)之企業稅率為30%。由於本集團在兩個年度並無在澳大利亞產生應課稅溢利，故並無作出澳大利亞所得稅撥備。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

#### 9. INCOME TAX EXPENSE (CREDIT) (continued)

The income tax expense (credit) for both years can be reconciled to the profit (loss) before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

#### 9. 所得稅支出(抵免)(續)

兩個年度之所得稅支出(抵免)與綜合損益及其它全面收益表之除稅前溢利(虧損)對賬如下：

		2016 HK\$ 港元	2015 HK\$ 港元
Profit (loss) before tax	除稅前溢利(虧損)	18,424,870	(24,261,675)
Tax at 25% for the years ended 31 March 2016 and 2015	截至2016年及2015年3月31日止年度按25%稅率計算之稅項	4,606,218	(6,065,419)
Tax effect of expenses not deductible for tax purpose	就稅務而言不可扣減支出之稅務影響	1,047,377	1,105,119
Tax effect of income not taxable for tax purpose	就稅務而言毋須課稅收入之稅務影響	(2,138,432)	(2,045,747)
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	4,371,900	8,276,629
Effect of tax concession grant to PRC subsidiaries	授予中國附屬公司之稅項寬減之影響	(3,745,090)	(857,714)
Under(over)provision in prior years	過往年度撥備不足(超額撥備)	1,017,764	(932,058)
Withholding tax of income generated from the PRC subsidiaries	中國附屬公司產生之收入之預扣稅	310,799	(717,880)
Others	其它	(412,914)	(8,319)
Income tax expense (credit) for the year	本年度所得稅支出(抵免)	5,057,622	(1,245,389)

Details of deferred taxation are set out in note 25.

遞延稅項之詳情載於附註25。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 10. PROFIT (LOSS) FOR THE YEAR

### 10. 本年度溢利(虧損)

		2016 HK\$ 港元	2015 HK\$ 港元
Profit (loss) for the year has been arrived at after charging:	本年度溢利(虧損)已扣除：		
Directors' emoluments (note 11)	董事酬金(附註11)	2,065,614	399,677
Other staff costs	其它員工成本		
Salaries and other benefits	薪金及其它福利	30,823,601	31,741,857
Retirement benefits scheme contributions	退休福利計劃供款	4,272,337	3,840,998
Total staff costs (excluded staff costs capitalised in inventories)	員工成本總額(不包括存貨資本化之員工成本)	37,161,552	35,982,532
Amortisation of prepaid lease payments	預付租賃款項攤銷	3,389,797	3,163,023
Auditors' remuneration	核數師酬金	1,803,932	1,457,362
Cost of inventories recognised as expense (including of amortisation of intangible assets of HK\$11,687,796 (2015: HK\$12,115,738))	確認為支出之存貨成本(包括無形資產之攤銷11,687,796港元(2015年：12,115,738港元))	82,055,628	69,596,419
Depreciation of property, plant and equipment	物業、廠房及設備折舊	9,401,774	6,827,580

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 11. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS

#### (a) Directors' and chief executive's emoluments

The emoluments paid or payable to the directors and the chief executive of the Company were as follows:

		Fang Wen Quan*	Shi Shaobin#	Liu Huijiang*	Lui Man Sang*	Shen Bo^	Feng Quanming^	Lam Yat Fai°	Chiu Sung Hong°	Chiu Fan Wa°	Total
		方文權*	施少斌#	劉會疆*	呂文生*	沈波^	馮全明^	林日輝°	趙崇康°	趙帆華°	總計
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元	港元	港元	港元	港元
		(Note a)	(Note a)	(Note b)		(Note d)	(Note c)				
		(附註a)	(附註a)	(附註b)		(附註d)	(附註c)				
2016											
Fees	袍金	60,000	72,000	58,710	72,000	46,571	-	72,000	72,000	72,000	525,281
Other emoluments	其它酬金										
Salaries and other benefits	薪金及其它福利	-	1,483,344	-	-	-	-	-	-	-	1,483,344
Retirement benefit scheme contributions	退休福利計劃供款	-	56,989	-	-	-	-	-	-	-	56,989
Total emoluments	酬金總額	60,000	1,612,333	58,710	72,000	46,571	-	72,000	72,000	72,000	2,065,614

#### (a) 董事及最高行政人員酬金

已支付或應付本公司董事及最高行政人員酬金如下：

		Fang Wen Quan*	Shi Shaobin#	Liu Huijiang*	Lui Man Sang*	Shen Bo^	Feng Quanming^	Lam Yat Fai°	Chiu Sung Hong°	Chiu Fan Wa°	Total
		方文權*	施少斌#	劉會疆*	呂文生*	沈波^	馮全明^	林日輝°	趙崇康°	趙帆華°	總計
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元	港元	港元	港元	港元
			(Note e)								
			(附註e)								
2015											
Fees	袍金		60,000	3,677	60,000	69,000	69,000	69,000	69,000	69,000	399,677
Other emoluments	其它酬金										
Salaries and other benefits	薪金及其它福利		-	-	-	-	-	-	-	-	-
Retirement benefit scheme contributions	退休福利計劃供款		-	-	-	-	-	-	-	-	-
Total emoluments	酬金總額		60,000	3,677	60,000	69,000	69,000	69,000	69,000	69,000	399,677

\* Executive directors  
^ Non-executive directors  
° Independent non-executive directors  
# Chief executive

\* 執行董事  
^ 非執行董事  
° 獨立非執行董事  
# 行政總裁



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 11. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (continued)

#### (a) Directors' and chief executive's emoluments (continued)

The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group, the non-executive directors' emoluments shown above were mainly for their services as the Directors of the Company or its subsidiaries whereas the independent non-executive directors' emoluments shown above were mainly for their services as Directors.

Notes:

- (a) Mr. Fang Wen Quan has resigned as chief executive but remained as an executive director of the Company on 3 August 2015. On the same date, Mr. Shi Shaobin has been appointed and taken up the role as chief executive of the Company.
- (b) Mr. Liu Huijiang has resigned as executive Director on 23 March 2016.
- (c) Mr. Feng Quanming has been appointed as a non-executive Director on 23 March 2016.
- (d) Mr. Shen Bo has been appointed as a non-executive Director on 10 August 2015.
- (e) Mr. Shi Shaobin has been appointed as an executive Director on 13 March 2015.

None of the Directors waived any emoluments during the years ended 31 March 2016 and 2015.

### 11. 董事、最高行政人員及僱員酬金 (續)

#### (a) 董事及最高行政人員酬金 (續)

上述執行董事之酬金主要為彼等就本公司及本集團事務提供管理服務之報酬；上述非執行董事之酬金則主要為彼等作為本公司或其附屬公司董事提供服務之報酬；而上述獨立非執行董事之酬金主要為彼等出任董事提供服務之報酬。

附註：

- (a) 方文權先生已於2015年8月3日辭任行政總裁職務，但留任為本公司之執行董事。同日，施少斌先生獲委任並出任本公司之行政總裁。
- (b) 劉會疆先生於2016年3月23日辭任執行董事。
- (c) 馮全明先生於2016年3月23日獲委任為非執行董事。
- (d) 沈波先生於2015年8月10日獲委任為非執行董事。
- (e) 施少斌先生於2015年3月13日獲委任為執行董事。

截至2016年及2015年3月31日止年度，並無董事放棄任何酬金。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 11. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (continued)

#### (b) Employees' emoluments

Of the five individuals with the highest emoluments in the Group, one (2015: nil) was a director of the Company whose emolument is included in the disclosures in note (a) above. The emoluments of the remaining four (2015: five) individuals were as follows:

		2016 HK\$ 港元	2015 HK\$ 港元
Salaries and other benefits	薪金及其它福利	3,009,909	4,140,908
Retirement benefits scheme contributions	退休福利計劃供款	92,692	35,000
		<b>3,102,601</b>	<b>4,175,908</b>

Their emoluments were within the following bands:

		2016 No. of employees 僱員數目	2015 No. of employees 僱員數目
Nil to HK\$1,000,000	零港元至1,000,000港元	4	4
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	-	-
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	-	1

During both years, no emoluments were paid by the Group to the Directors and five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

### 11. 董事、最高行政人員及僱員酬金 (續)

#### (b) 僱員酬金

本集團五名最高酬金人士當中，一名人士(2015年：無)為本公司董事(彼之酬金已於上文附註(a)披露)。其餘四名人士(2015年：五名)之酬金如下：

彼等之酬金屬於以下範圍：

於兩個年度內，本集團並無向董事及五名最高薪酬人士支付酬金，以作為彼等加入本集團或於加入本集團時之獎勵或作為離職補償。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 12. EARNINGS (LOSS) PER SHARE

The calculation of the basic earnings (loss) per share attributable to the owners of the Company is based on the following data:

		2016	2015
		HK\$	HK\$
		港元	港元
<b>Earnings (loss)</b>	<b>盈利(虧損)</b>		
Earnings (loss) for the purpose of basic earnings (loss) per share	計算每股基本盈利(虧損)所用之盈利(虧損)	6,568,591	(17,941,969)
<b>Number of shares</b>	<b>股份數目</b>		
Number of ordinary shares in issue for the purpose of basic earnings (loss) per share	計算每股基本盈利(虧損)所用之已發行普通股數目	2,050,231,999	1,870,118,160

No diluted earnings (loss) per share is presented as the Company did not have any dilutive shares in issue during both years.

### 13. DIVIDENDS

The Board has recommended the payment of a final dividend of HK\$5,806,717 (2015: Nil) (HK0.27 cent per share (2015: Nil)) for the year ended 31 March 2016 to the shareholders of the Company and is subject to the approval by the shareholders at Annual General Meeting.

### 12. 每股盈利(虧損)

本公司股東應佔每股基本(虧損)盈利乃根據下列數據計算：

		2016	2015
		HK\$	HK\$
		港元	港元
<b>Earnings (loss)</b>	<b>盈利(虧損)</b>		
Earnings (loss) for the purpose of basic earnings (loss) per share	計算每股基本盈利(虧損)所用之盈利(虧損)	6,568,591	(17,941,969)
<b>Number of shares</b>	<b>股份數目</b>		
Number of ordinary shares in issue for the purpose of basic earnings (loss) per share	計算每股基本盈利(虧損)所用之已發行普通股數目	2,050,231,999	1,870,118,160

由於本公司於兩個年度內均無任何已發行具攤薄作用之股份，故並無呈列每股攤薄盈利(虧損)。

### 13. 股息

董事會建議向本公司股東派付截至2016年3月31日止年度末期股息5,806,717港元(2015年：無)(每股0.27港仙(2015年：無)，須待股東於股東週年大會批准，方告作實。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 14. PROPERTY, PLANT AND EQUIPMENT

### 14. 物業、廠房及設備

		Buildings	Plant and machinery	Leasehold improvements	Furniture, fixtures and equipment	Motor vehicles	Construction in progress	Total
		樓宇	廠房及機器	租賃物業裝修	傢俱、裝置及設備	汽車	在建工程	總額
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元	港元
<b>COST</b>	<b>成本</b>							
At 1 April 2014	於2014年4月1日	105,137,151	15,908,768	1,546,913	6,573,950	6,489,118	29,536,634	165,192,534
Exchange realignment	匯兌調整	392,758	79,834	-	(72,154)	16,189	89,542	506,169
Additions	添置	-	1,572,126	-	480,978	553,359	33,492,959	36,099,422
Disposals/written-off	出售/撇銷	-	(3,410,733)	-	(3,746,640)	(97,843)	(15,922)	(7,271,138)
Transfer from (to) construction in progress	轉撥自(至) 在建工程	13,038,925	36,616,399	-	13,140,797	-	(62,796,121)	-
At 31 March 2015 and 1 April 2015	於2015年3月31日及2015年4月1日	118,568,834	50,766,394	1,546,913	16,376,931	6,960,823	307,092	194,526,987
Exchange realignment	匯兌調整	(4,911,828)	(2,101,181)	-	(551,392)	(253,005)	(12,852)	(7,830,258)
Additions	添置	-	2,447,449	56,938	648,086	-	912,711	4,065,184
Disposals/written-off	出售/撇銷	-	(2,343,862)	-	(755,403)	(206,068)	-	(3,305,333)
Transfer from (to) construction in progress	轉撥自(至) 在建工程	626,597	36,106	-	239,421	-	(902,124)	-
<b>At 31 March 2016</b>	<b>於2016年3月31日</b>	<b>114,283,603</b>	<b>48,804,906</b>	<b>1,603,851</b>	<b>15,957,643</b>	<b>6,501,750</b>	<b>304,827</b>	<b>187,456,580</b>
<b>ACCUMULATED DEPRECIATION</b>	<b>累計折舊</b>							
At 1 April 2014	於2014年4月1日	10,483,659	6,836,758	232,037	3,451,853	2,961,182	-	23,965,489
Exchange realignment	匯兌調整	39,412	24,878	-	(25,860)	9,545	-	47,975
Provided for the year	本年度撥備	1,693,923	2,815,024	154,691	1,453,379	710,563	-	6,827,580
Eliminated on disposals/written-off	出售/撇銷時對銷	-	(3,014,983)	-	(1,335,060)	(21,709)	-	(4,371,752)
At 31 March 2015 and 1 April 2015	於2015年3月31日及2015年4月1日	12,216,994	6,661,677	386,728	3,544,312	3,659,581	-	26,469,292
Exchange realignment	匯兌調整	(533,191)	(318,114)	-	(78,518)	(142,513)	-	(1,072,336)
Provided for the year	本年度撥備	1,932,032	4,650,895	156,589	2,122,560	539,698	-	9,401,774
Eliminated on disposals/written-off	出售/撇銷時對銷	-	(1,710,665)	-	(641,178)	(185,462)	-	(2,537,305)
<b>At 31 March 2016</b>	<b>於2016年3月31日</b>	<b>13,615,835</b>	<b>9,283,793</b>	<b>543,317</b>	<b>4,947,176</b>	<b>3,871,304</b>	<b>-</b>	<b>32,261,425</b>
<b>CARRYING VALUES</b>	<b>賬面值</b>							
At 31 March 2016	於2016年3月31日	100,667,768	39,521,113	1,060,534	11,010,467	2,630,446	304,827	155,195,155
At 31 March 2015	於2015年3月31日	106,351,840	44,104,717	1,160,185	12,832,619	3,301,242	307,092	168,057,695

The buildings, which are situated on leasehold land, are located in the PRC.

租賃土地上之樓宇均位於中國。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 14. PROPERTY, PLANT AND EQUIPMENT (continued)

The above items of property, plant and equipment are depreciated on a straight-line basis at the following rates per annum:

Buildings	3% – 10%
Plant and machinery	5% – 10%
Leasehold improvements	10% – 33.33% or the term of the lease, if shorter
Furniture, fixtures and equipment	10% – 20%
Motor vehicles	10% – 20%

### 15. PREPAID LEASE PAYMENTS

		2016 HK\$ 港元	2015 HK\$ 港元
Prepaid lease payments for medium-term leasehold land in the PRC:	位於中國之中期租賃土地之預付租賃款項：		
Included in current assets	包括於流動資產內	3,839,469	3,165,017
Included in non-current assets	包括於非流動資產內	117,379,136	84,763,880
		<b>121,218,605</b>	<b>87,928,897</b>

During the current year, Tianda Pharmaceuticals (Zhuhai) acquired the land use right of a piece of land in Zhuhai City, Guangdong Province, the PRC at a consideration (included stamp duties) of RMB33,304,109 (equivalent to approximately HK\$40,858,924). The Group intends to establish new facilities on the land, which will be used for research, production and sales for the pharmaceutical, biotechnology and healthcare business of the Group.

### 14. 物業、廠房及設備(續)

上述物業、廠房及設備項目以直線法按下列年率計提折舊：

樓宇	3% – 10%
廠房及機器	5% – 10%
租賃物業裝修	10% – 33.33%或租賃期(如較短)
傢俱、裝置及設備	10% – 20%
汽車	10% – 20%

### 15. 預付租賃款項

於本年度，天大藥業(珠海)收購位於中國廣東省珠海市的一幅土地的土地使用權，代價(包括印花稅)為人民幣33,304,109元(約相當於40,858,924港元)。本集團擬於該幅土地上建設新設施，將用作本集團醫藥生物科技及保健業務之研究、生產及銷售用途。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 16. GOODWILL

Goodwill is allocated to the following CGUs:

		Meng Sheng Pharmaceutical	Tianda Pharmaceuticals (Australia) 天大藥業 ( 澳大利亞 )	Tianda Pharmaceuticals (Zhuhai) 天大藥業 ( 珠海 )	Total
		盟生藥業 HK\$ 港元	天大藥業 ( 澳大利亞 ) HK\$ 港元	天大藥業 ( 珠海 ) HK\$ 港元	總額 HK\$ 港元
<b>COST</b>	<b>成本</b>				
At 1 April 2014	於2014年4月1日	6,674,893	2,555,867	102,387,438	111,618,198
Exchange realignment	匯兌調整	24,413	(416,112)	388,990	(2,709)
At 31 March 2015 and 1 April 2015	於2015年3月31日 及2015年4月1日	6,699,306	2,139,755	102,776,428	111,615,489
Exchange realignment	匯兌調整	(277,012)	1,778	(4,413,788)	(4,689,022)
<b>At 31 March 2016</b>	<b>於2016年3月31日</b>	<b>6,422,294</b>	<b>2,141,533</b>	<b>98,362,640</b>	<b>106,926,467</b>

Particulars regarding impairment testing on goodwill as at 31 March 2016 and 2015 are disclosed in note 34.

### 16. 商譽

商譽分配至下列現金產生單位：

有關於2016年及2015年3月31日之商譽減值測試之詳情於附註34披露。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 17. INTANGIBLE ASSETS

### 17. 無形資產

		Trademark HK\$ 商標 港元	Licenses and permits HK\$ 執照及許可證 港元	Total HK\$ 總計 港元
<b>COST</b>	<b>成本</b>			
At 1 April 2014	於2014年4月1日	6,616,786	98,432,731	105,049,517
Exchange realignment	匯兌調整	(1,080,799)	(74,594)	(1,155,393)
Additions	添置	21,516	25,263	46,779
At 31 March 2015 and 1 April 2015	於2015年3月31日及 2015年4月1日	5,557,503	98,383,400	103,940,903
Exchange realignment	匯兌調整	4,182	(3,975,772)	(3,971,590)
Additions	添置	6,426	395,600	402,026
Written-off	撇銷	(14,365)	(3,998)	(18,363)
<b>At 31 March 2016</b>	<b>於2016年3月31日</b>	<b>5,553,746</b>	<b>94,799,230</b>	<b>100,352,976</b>
<b>ACCUMULATED AMORTISATION</b>	<b>累計攤銷</b>			
At 1 April 2014	於2014年4月1日	–	18,888,242	18,888,242
Exchange realignment	匯兌調整	–	(102,601)	(102,601)
Provided for the year	本年度撥備	–	12,115,738	12,115,738
At 31 March 2015 and 1 April 2015	於2015年3月31日及 2015年4月1日	–	30,901,379	30,901,379
Exchange realignment	匯兌調整	–	(1,371,746)	(1,371,746)
Provided for the year	本年度撥備	–	11,687,796	11,687,796
Eliminated on written-off	於撇銷時對銷	–	(1,082)	(1,082)
<b>At 31 March 2016</b>	<b>於2016年3月31日</b>	<b>–</b>	<b>41,216,347</b>	<b>41,216,347</b>
<b>CARRYING VALUE</b>	<b>賬面值</b>			
<b>At 31 March 2016</b>	<b>於2016年3月31日</b>	<b>5,553,746</b>	<b>53,582,883</b>	<b>59,136,629</b>
At 31 March 2015	於2015年3月31日	5,557,503	67,482,021	73,039,524

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 17. INTANGIBLE ASSETS (continued)

Intangible assets are allocated to the following CGUs:

		Trademark		Licenses and permits		Total	
		商標		執照及許可證		總計	
		2016	2015	2016	2015	2016	2015
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元
Tianda Pharmaceuticals (Zhuhai)	天大藥業( 珠海 )	-	-	52,561,023	66,370,893	52,561,023	66,370,893
Tianda Pharmaceuticals (Australia)	天大藥業( 澳大利亞 )	5,553,746	5,557,503	1,021,860	1,111,128	6,575,606	6,668,631
		5,553,746	5,557,503	53,582,883	67,482,021	59,136,629	73,039,524

Particulars regarding impairment testing on intangible assets as at 31 March 2016 and 2015 are disclosed in note 34.

Tianda Pharmaceuticals (Zhuhai) has obtained medicine production licenses and permits that used to manufacture and sell the medicine and drugs. The licenses and permits are granted by Guangdong Food and Medicine Supervision and Administration Bureau and subject to renewal every 5 years without significant cost. Amortisation is provided to write off the cost of the licenses and permits using the straight-line method over the estimated useful life of the licenses and permits of 8 years.

Tianda Pharmaceuticals (Australia) has obtained permits that used to manufacture and sell the healthcare products. The permits are granted by Therapeutic Goods Administration, Australia and subject to renewal every year without significant cost. Amortisation is provided to write off the cost of permits using the straight line method over the estimated useful life of permits of 5 years.

The trademark included several brand names held by Tianda Pharmaceuticals (Australia) which allow the Group to produce products under those brand names. The trademark is treated as having indefinite useful life because it is expected to contribute to net cash inflows to the Group indefinitely. Therefore, it is not amortised until its useful life is determined to be finite.

### 17. 無形資產( 續 )

無形資產分配至下列現金產生單位：

有關於2016年及2015年3月31日之無形資產減值測試之詳情於附註34披露。

天大藥業( 珠海 )已取得用於製造及銷售藥物及藥品之藥品生產執照及許可證。執照及許可證由廣東省食品藥品監督管理局批出，須每五年續期，惟毋須支付龐大費用。攤銷撥備乃為於執照及許可證之估計可使用年期八年內使用直線法撇銷執照及許可證成本。

天大藥業( 澳大利亞 )已取得用於製造及銷售保健產品之許可證。許可證由澳大利亞Therapeutic Goods Administration批出，須按年續期，惟毋須支付龐大費用。攤銷撥備乃為於許可證之估計可使用年期五年內使用直線法撇銷許可證成本。

商標包括天大藥業( 澳大利亞 )持有之多個品牌名稱，讓本集團可以該等品牌名稱生產產品。由於商標預計可無限期地為本集團貢獻現金流入淨額，故被視為具有無限可使用年期。因此，除非釐定其可使用年期有限，否則商標不會予以攤銷。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 18. INVESTMENTS IN REDEEMABLE CONVERTIBLE PREFERENCE SHARES

		2016	2015
		HK\$	HK\$
		港元	港元
Series C Preference Shares in ASLAN Pharmaceuticals Limited (ASLAN)	ASLAN Pharmaceuticals Limited (ASLAN)的C輪優先股	30,072,784	-

On 1 December 2015, a wholly-owned subsidiary of the Company entered into an investment agreement to subscribe for 2,058,942 Series C Convertible Preference Shares of ASLAN Pharmaceuticals Limited (the ASLAN Preference Shares), a company incorporated in Singapore, with an aggregate investment cost of US\$3,870,811, equivalent to HK\$30,072,784 (2015: nil). The investee is principally engaged in an oncology focused biotechnology and developing a portfolio of immunotherapies and targeted drugs, focusing on Asia prevalent tumour types. It has developed several oncology focused drugs and one of the major drugs is currently under new drug application process Phase 2a which governed by the Food and Drug Administration in the United States.

The ASLAN Preference Shares are convertible into ordinary shares of ASLAN either (i) at the option of the Company, subject to the approval by the directors of ASLAN and (ii) will be automatically converted into ordinary shares of ASLAN upon listing of ASLAN on a recognised stock exchange which values ASLAN with a market capitalisation of at least a certain specified amount. The ASLAN Preference Shares are redeemable by the Company after 27 November 2021 at 100% repayable and will bear interest at 8% per annum from 1 December 2015 to the date of redemption.

The fair value estimates of the conversion option component is correlated with the unquoted equity instrument of which the fair value cannot be reliably measured, thus, such conversion option cannot be reliably measured and the entire investment is treated as held for trading. Further, the Directors are of the opinion that the equity component of the investment is significant and accordingly, such held for trading investment is measured at cost less impairment, if any.

### 18. 投資於可贖回可換股優先股

於2015年12月1日，本公司的全資附屬公司訂立投資協議以認購ASLAN Pharmaceuticals Limited(於新加坡註冊成立的公司)的2,058,942股C輪可換股優先股(ASLAN優先股)，投資總成本為3,870,811美元，相當於30,072,784港元(2015年：無)。被投資方主要專注於亞洲高發之癌症，研發免疫療法與標靶抗癌藥物之生物科技公司。ASLAN已研發出多種主治抗癌的藥物，且一種主要藥物目前處於美國食品藥品監督管理局的新藥申請2a階段。

ASLAN優先股(i)可由本公司選擇轉換為ASLAN普通股，惟須待ASLAN董事批准及(ii)將於ASLAN於認可證券交易所上市後自動轉換為ASLAN普通股，而該證券交易所估算之ASLAN市值不少於特定金額。ASLAN優先股可由本公司於2021年11月27日後贖回，按100%償付，並將自2015年12月1日起直至贖回日期止按年利率8%計息。

轉換權部分公允價值的估計與非上市股本工具有關，而非上市股本工具的公允價值無法可靠計量。因此，相關轉換權無法可靠計量，且全部投資被視作持作交易。此外，董事認為相關投資的權益部分十分重大，因而相關持作交易投資按成本減減值(如有)計量。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 18. INVESTMENTS IN REDEEMABLE CONVERTIBLE PREFERENCE SHARES (continued)

The Directors are of the opinion that carrying amount of the investment is approximate to the amount on initial recognition date as considering no significant transactions or activities conducted by the investee during the period. Accordingly, no impairment indicators has been identified on the investment, and no impairment loss has been recognised.

Pursuant to a resolution passed in an extraordinary shareholders' meeting of ASLAN held on 27 May 2016, all the ASLAN Preference Shares held by the Group have been converted into ordinary shares of ASLAN.

### 18. 投資於可贖回可換股優先股(續)

考慮到被投資方於期內並無進行重大交易或活動，董事認為有關投資的賬面值與初步確認日期的金額相若。因此，就有關投資並無識別到減值跡象，亦無確認減值虧損。

根據ASLAN於2016年5月27日舉行之股東特別大會上通過的決議案，本集團持有的所有ASLAN優先股已轉換為ASLAN普通股。

### 19. INVENTORIES

		2016 HK\$ 港元	2015 HK\$ 港元
Raw materials	原材料	9,682,824	14,583,718
Work in progress	在製品	6,351,499	9,063,967
Finished goods	製成品	25,646,772	14,936,343
		<b>41,681,095</b>	<b>38,584,028</b>

### 19. 存貨

### 20. TRADE AND BILLS RECEIVABLES AND OTHER RECEIVABLES

		2016 HK\$ 港元	2015 HK\$ 港元
Trade and bills receivables	應收賬款及應收票據	42,331,007	47,562,508
Prepayments to suppliers	向供應商預付款項	472,776	509,273
Other receivables, deposits and prepayments	其它應收款、按金及預付款項	4,409,721	7,202,349
		<b>47,213,504</b>	<b>55,274,130</b>

### 20. 應收賬款及應收票據及其它應收款

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

#### 20. TRADE AND BILLS RECEIVABLES AND OTHER RECEIVABLES (continued)

The Group allows average credit periods ranging from 60 to 180 days to its trade customers. The following is an aged analysis of trade and bills receivables net of allowance for doubtful debts presented based on the invoice date at the end of the reporting period:

		2016	2015
		HK\$	HK\$
		港元	港元
Within 60 days	60天內	21,286,957	19,670,279
61 – 90 days	61至90天	5,995,274	7,463,637
Over 90 days	超過90天	15,048,776	20,428,592
		<b>42,331,007</b>	<b>47,562,508</b>

Included in the carrying value of trade and bills receivables as at 31 March 2016 is bills receivables of HK\$27,264,979 (2015: HK\$33,768,397).

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits of each customer. Limits attributed to customers are reviewed once a year. All of the trade receivables that are neither past due nor impaired have good credit quality assessed by the Group.

Included in the Group's trade and bills receivables balance are debtors with an aggregate carrying amount of HK\$202,926 (2015: HK\$3,457,995) which are past due as at the reporting date for which the Group has not provided for impairment loss as there has not been a significant change in credit quality and amounts are still considered recoverable based on historical experience.

The Group does not hold any collateral over these balances. The average age of these receivables is as follows:

#### 20. 應收賬款及應收票據及其它應收款(續)

本集團給予介乎60至180天不等之平均信貸期予其貿易客戶。以下為根據發票日期所呈列應收賬款及應收票據(已扣除呆賬撥備)於報告期末之賬齡分析：

於2016年3月31日，應收賬款及應收票據之賬面值包括為數27,264,979港元之應收票據(2015年：33,768,397港元)。

於接納任何新客戶前，本集團會就潛在客戶之信貸評級進行評估，並界定每位客戶之信貸限額。客戶可享之限額會每年檢討一次。所有未逾期亦未減值之應收賬款均獲本集團評估為具有良好信貸評級。

本集團之應收賬款及應收票據結餘包括賬面值合共202,926港元(2015年：3,457,995港元)且於報告日期已逾期之應收賬項。由於信貸質素並無重大變動且根據過往經驗有關款項仍被視為可收回，因此，本集團並無就該等款項作出減值虧損撥備。

本集團並無就該等結餘持有任何抵押品。該等應收賬款之平均賬齡如下：

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For the year ended 31 March 2016 截至2016年3月31日止年度

### 20. TRADE AND BILLS RECEIVABLES AND OTHER RECEIVABLES (continued)

#### Aging of trade receivables which are past due but not impaired

		2016 HK\$ 港元	2015 HK\$ 港元
61 – 90 days	61至90天	69,333	1,532,768
Over 90 days	超過90天	133,593	1,925,227
		<b>202,926</b>	<b>3,457,995</b>

The Group's trade and bills receivables and other receivables denominated in currencies other than the functional currency of the respective group entities are set out below:

		2016 HK\$ 港元	2015 HK\$ 港元
HK\$	港元	<b>413,906</b>	270,264

### 21. BANK DEPOSITS, BANK BALANCES AND CASH

The bank deposits, which comprise short-term fixed deposits with original maturity of 1 to 3 months (2015: 1 to 3 months), carry market interest rates ranging from 0.01% to 4.30% (2015: 0.26% to 3.43%) per annum.

Bank balances carry variable interest at market rates which range from 0.01% to 0.35% (2015: 0.01% to 0.35%) per annum.

The Group's bank deposits, bank balances and cash that are denominated in currencies other than the functional currency of the respective group entities are set out below:

		2016 HK\$ 港元	2015 HK\$ 港元
HK\$	港元	<b>123,321,776</b>	9,234,213
US\$	美元	<b>313,747</b>	676
EUR	歐元	<b>8,119</b>	8,075

### 20. 應收賬款及應收票據及其它應收款(續)

#### 已逾期惟未減值之應收賬款之賬齡

本集團以各集團實體之功能貨幣以外之貨幣列值之應收賬款及應收票據及其它應收款載列如下：

### 21. 銀行存款、銀行結餘及現金

銀行存款(包括原到期日為一至三個月(2015年：一至三個月)之短期定期存款)按市場年利率介乎0.01%至4.30%(2015年：0.26%至3.43%)計息。

銀行結餘按介乎0.01%至0.35%(2015年：0.01%至0.35%)之市場浮動年利率計息。

本集團以各集團實體之功能貨幣以外之貨幣列值之銀行存款、銀行結餘及現金載列如下：

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#### 22. TRADE AND OTHER PAYABLES

#### 22. 應付賬款及其它應付款

		2016	2015
		HK\$	HK\$
		港元	港元
Trade payables	應付賬款	16,359,909	19,904,712
Deposits received from customers	自客戶收取之按金	4,158,463	12,739,631
Value added tax and other tax payables	應付增值稅及其它應付稅項	3,030,103	2,129,939
Other payables and accrued staff costs	其它應付款及應計員工成本	41,578,448	47,980,688
		<b>65,126,923</b>	<b>82,754,970</b>

The average credit period on purchases of goods is 60 to 90 days. The aging analysis of trade payables presented is based on the invoice date at the end of the reporting period. The following is an analysis of the Group's trade payables at the end of the reporting period:

購貨平均信貸期介乎60天至90天。於報告期末，本集團乃根據發票日期呈列應付賬款賬齡之分析。以下為本集團之應付賬款於報告期末之分析：

		2016	2015
		HK\$	HK\$
		港元	港元
Within 60 days	60天內	6,448,290	7,688,100
61 – 90 days	61至90天	3,947,367	3,192,095
Over 90 days	超過90天	5,964,252	9,024,517
		<b>16,359,909</b>	<b>19,904,712</b>

Included in the trade payables at 31 March 2016, HK\$7,201,064 (2015: HK\$8,508,436) has been paid by endorsed bills for which the maturity date has not yet fallen due as at 31 March 2016 (see note 29).

於2016年3月31日之應付賬款中，7,201,064港元(2015年：8,508,436港元)乃以於2016年3月31日未到期之背書票據支付(見附註29)。

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## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 23. GOVERNMENT GRANTS

### 23. 政府補助

		HK\$ 港元
At 1 April 2014	於2014年4月1日	208,534
Exchange realignment	匯兌調整	1,393
Additions	增加	1,260,398
Credited to profit or loss	計入損益	(261,682)
At 31 March 2015 and 1 April 2015	於2015年3月31日及 2015年4月1日	1,208,643
Exchange realignment	匯兌調整	(48,197)
Credited to profit or loss	計入損益	(122,684)
<b>At 31 March 2016</b>	<b>於2016年3月31日</b>	<b>1,037,762</b>

Analysed for reporting purposes as:

就報告而作出之分析如下：

		2016 HK\$ 港元	2015 HK\$ 港元
Current liabilities*	流動負債*	120,904	126,119
Non-current liabilities	非流動負債	916,858	1,082,524
		<b>1,037,762</b>	<b>1,208,643</b>

\* The carrying amount of the government grants which is expected to be released to profit or loss in the next twelve months is classified as current.

Note: Grants were designated for the cost of acquisition of certain plant and equipment for the production of pharmaceutical and biotechnology products and were deferred and are released to income on a straight-line basis over the expected useful lives of the related assets.

\* 預計於未來十二個月內撥入損益之政府補助之賬面值已分類為流動項目。

附註：該補助乃指定用於購入生產醫藥生物產品所需之若干廠房及設備之成本，並已遞延及於有關資產之預期可使用年期按直線法撥入收入。

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## 綜合財務報表附註

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### 24. SHARE CAPITAL

### 24. 股本

		Number of shares 股份數目	Amount 金額 HK\$ 港元
Ordinary shares of HK\$0.10 each	每股面值0.10港元之普通股		
Authorised:	法定：		
At 1 April 2014, 31 March 2015 and 2016	於2014年4月1日、2015年及 2016年3月31日	4,000,000,000	400,000,000
Issued and fully paid:	已發行及繳足：		
At 1 April 2014 and 31 March 2015	於2014年4月1日、2015年3月31日	1,870,118,160	187,011,816
Issue of new shares upon subscription (note)	認購時發行新股(附註)	280,517,724	28,051,772
<b>At 31 March 2016</b>	<b>於2016年3月31日</b>	<b>2,150,635,884</b>	<b>215,063,588</b>

Note: On 20 July 2015, the Company entered into the subscription agreement with the sole subscriber for the subscription of an aggregate 280,517,724 new shares for an aggregate consideration of HK\$109,401,912 at the subscription price of HK\$0.39 per subscription share. The subscription was completed on 10 August 2015.

附註：於2015年7月20日，本公司與唯一認購人訂立認購協議，內容有關按認購價每股認購股份0.39港元認購合共280,517,724股新股份，總代價為109,401,912港元。認購事項已於2015年8月10日完成。

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## 綜合財務報表附註

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### 25. DEFERRED TAX LIABILITIES

The following are the major deferred tax liabilities recognised and movements thereon during the current and prior years:

		Fair value adjustment of property, plant and equipment	Prepaid lease payments	Intangible assets	Withholding tax on distributable profit of subsidiaries	Total
		物業、 廠房及設備之 公允價值調整	預付 租賃款項	無形資產	附屬公司 可供分派溢利 之預扣稅	總額
		HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元
At 1 April 2014	於2014年4月1日	4,043,431	14,644,038	21,846,045	4,701,908	45,235,422
Exchange realignment	匯兌調整	14,698	53,233	(315,267)	–	(247,336)
Credit to profit or loss	在損益內計入	(142,721)	(516,892)	(2,994,626)	(717,880)	(4,372,119)
At 31 March 2015 and 1 April 2015	於2015年3月31日及 2015年4月1日	3,915,408	14,180,379	18,536,152	3,984,028	40,615,967
Exchange realignment	匯兌調整	(159,883)	(579,048)	(648,851)	–	(1,387,782)
(Credit) charge to profit or loss	在損益內(計入)扣除	(138,922)	(503,131)	(2,900,250)	310,799	(3,231,504)
Release to profit or loss upon utilisation of withholding tax	於使用預扣稅後 撥回至損益	–	–	–	(3,755,082)	(3,755,082)
<b>At 31 March 2016</b>	<b>於2016年3月31日</b>	<b>3,616,603</b>	<b>13,098,200</b>	<b>14,987,051</b>	<b>539,745</b>	<b>32,241,599</b>

The Group's subsidiaries that are tax resident in the PRC are subject to the PRC dividend withholding tax of 10% for those non-PRC resident immediate holding company registered in the British Virgin Islands, when and if undistributed earnings are declared to be paid as dividends out of profits that arose on or after 1 January 2008. Accordingly, a provision for deferred taxation in respect of withholding tax on undistributed earnings of approximately HK\$5,397,000 (2015: HK\$38,344,000) has been recognised for the year ended 31 March 2016.

At 31 March 2016, the Group had unused tax losses of approximately HK\$280,892,000 (2015: HK\$263,404,000) available to offset against future profits. Included in unrecognised tax losses are losses of approximately HK\$1,723,000 (2015: HK\$10,022,000) would be expired in 2019. Other losses may be carried forward indefinitely. No deferred tax asset has been recognised in respect of the unused tax losses due to the unpredictability of future profit streams.

### 25. 遞延稅項負債

本年度及以往年度確認之主要遞延稅項負債及其變動如下：

為中國常駐公司之本集團附屬公司如向於英屬維爾京群島註冊之非中國常駐直接控股公司宣派未分派溢利為股息，而有關股息乃自2008年1月1日或之後產生之溢利中撥款，則須預扣10%之中國股息預扣稅。因此，於截至2016年3月31日止年度已就未分派溢利之預扣稅確認約5,397,000港元(2015年：38,344,000港元)之遞延稅項撥備。

於2016年3月31日，本集團可用於抵銷未來溢利之未動用稅項虧損約為280,892,000港元(2015年：263,404,000港元)。未確認稅項虧損中有約1,723,000港元(2015年：10,022,000)將於2019年到期。其它虧損可無限期結轉。由於難以預測未來溢利趨勢，故並無就未動用稅項虧損確認遞延稅項資產。



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### 26. RETIREMENT BENEFITS SCHEME

The Group's Hong Kong subsidiaries operate a Mandatory Provident Fund retirement benefits scheme (the MPF Scheme) for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme.

The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme. The Group contributes 5% of relevant payroll costs to the MPF Scheme up to a maximum contribution of HK\$1,500 (HK\$1,250 before June 2014) per employee monthly, which contribution is matched by the employee.

The total cost charged to profit or loss of HK\$245,226 (2015: HK\$234,343) represents contributions paid to the MPF Scheme by the Group in respect of the current year.

The employees of the Group's PRC subsidiaries are members of state-managed retirement benefit scheme operated by the PRC government. These subsidiaries are required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions. For the year ended 31 March 2016, the total cost charged to profit or loss of HK\$2,881,830 (2015: HK\$2,994,530) represents contributions paid to the state-managed retirement benefit scheme by the Group in respect of the current year.

### 26. 退休福利計劃

本集團之香港附屬公司為其合資格參與強制性公積金退休福利計劃(強積金計劃)之僱員設立強積金計劃。供款按僱員基本薪金之某一百分比作出，並在根據強積金計劃之規則應付時自損益內扣除。

強積金計劃之資產與本集團之資產分開持有，並由獨立管理基金管理。本集團之僱主供款於繳付予強積金計劃時全歸僱員。本集團向強積金計劃作出有關薪酬成本之5%供款，以僱員每月供款1,500港元(於2014年6月前為1,250港元)為上限，與僱員之供款相符。

於損益內扣除之總成本245,226港元(2015年：234,343港元)指本集團就本年度向強積金計劃繳付之供款。

本集團之中國附屬公司之僱員為中國政府營辦之國家管理退休福利計劃之成員。該等附屬公司須將薪資成本之特定百分比向退休福利計劃作出供款，為福利提供資金。本集團就退休福利計劃之唯一責任為作出指定之供款。截至2016年3月31日止年度，於損益內扣除之總成本2,881,830港元(2015年：2,994,530港元)指本集團就本年度向國家管理退休福利計劃繳付之供款。

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### 27. OPERATING LEASE

#### The Group as lessee

Minimum lease payments paid under operating leases in respect of office premises during the year amounted to HK\$3,711,644 (2015: HK\$4,610,246).

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		2016 HK\$ 港元	2015 HK\$ 港元
Within one year	一年內	3,574,560	3,574,560
In the second to fifth year inclusive	兩年至五年內(包括首尾兩年)	2,728,965	6,303,525
		<b>6,303,525</b>	<b>9,878,085</b>

Operating leases are negotiated for an average term of 3 years and rentals are fixed over the relevant lease term.

### 28. CAPITAL COMMITMENTS

		2016 HK\$ 港元	2015 HK\$ 港元
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements	就已訂約但尚未於綜合財務報表撥備之收購物業、廠房及設備之資本開支	595,454	972,475
Capital expenditure in respect of the acquisition of the land use right authorised but not contracted for	就已授權但尚未訂約之收購土地使用權之資本開支	-	40,417,608

### 27. 經營租約

#### 本集團作為承租人

年內根據經營租約就辦公室物業支付之最低租賃款項為3,711,644港元(2015年: 4,610,246港元)。

於報告期末,本集團就不可註銷之經營租約須支付之未來最低租賃款項承擔之到期日如下:

經營租約經磋商後之平均年期為3年,而租金於相關租期內均為固定金額。

### 28. 資本承擔

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### 29. TRANSFER OF FINANCIAL ASSETS

As at 31 March 2016, the Group has bills receivables of HK\$7,201,064 (2015: HK\$8,508,436) that were transferred to suppliers by endorsing those receivables on a full recourse basis. As the Group has not transferred the significant risks and rewards relating to these receivables, it continues to recognise the full carrying amount of the bill receivables and trade payables. These financial assets are carried at amortised cost in the Group's consolidated statement of financial position.

### 29. 轉讓金融資產

於2016年3月31日，本集團按全面追索基準透過背書應收票據而轉讓予供應商之應收票據為7,201,064港元（2015年：8,508,436港元）。由於本集團並無轉讓與該等應收款項有關之重大風險及回報，故會繼續悉數確認應收票據及應付賬款之賬面值。該等金融資產按攤銷成本於本集團之綜合財務狀況表列賬。

		Bills receivables endorsed to suppliers with full recourse 向供應商背書並具 全面追索權之應收票據	
		2016 HK\$ 港元	2015 HK\$ 港元
Carrying amount of bills receivables	應收票據之賬面值	7,201,064	8,508,436
Carrying amount of trade payables	應付賬款之賬面值	(7,201,064)	(8,508,436)

### 30. SHARE OPTION SCHEME

Pursuant to the Company's share option scheme (the Scheme) adopted on 13 July 2010 for the primary purpose of providing incentives to directors and eligible employees, the directors and employees of the Company may, at the discretion of the Company's directors, be granted options (the Options) to subscribe for shares in the Company (the Shares) at a price determined by its directors, but shall not be less than the highest of (i) the closing price of a Share as stated in the daily quotations sheet issued by the Stock Exchange on the date of grant; (ii) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant; and (iii) the nominal value of a Share on the date of grant.

Without prior approval from the Company's shareholders, the total number of shares in respect of which Options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, and the number of shares in respect of which Options may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time.

### 30. 購股權計劃

根據本公司於2010年7月13日採納之購股權計劃（該計劃），該計劃之主要目的為向董事及合資格僱員提供獎勵，本公司董事可酌情向本公司董事及僱員授予購股權（購股權），以按本公司董事釐定之價格認購本公司股份（該等股份），但此認購價格不得低於(i)該股份於授出日期在聯交所發出之每日報價表所報之收市價；(ii)該等股份於緊接授出日期前五個營業日在聯交所發出之每日報價表所報之平均收市價；及(iii)該股份於授出日期之面值三者之最高者。

未經本公司股東事先批准，根據該計劃可授出之購股權所涉及之股份總數不得超過本公司於任何時間已發行股份之10%，而於任何一年度內可向任何人士授出之購股權所涉及之股份數目，不得超過本公司於任何時間已發行股份之1%。

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### 30. SHARE OPTION SCHEME (continued)

The Scheme will remain in force for a period of ten years from the date of its adoption. Options granted must be taken up not later than 30 days after the date of grant. A consideration of HK\$1 is payable on acceptance of the offer of grant of an Option. An Option is exercisable on the date when the offer for the grant of Options is made but shall end in any event not later than 10 years from the date of grant of the Options.

No Options have been granted since the adoption of the Scheme.

### 31. RELATED PARTY DISCLOSURES

#### (a) Amount due to a related company

		2016 HK\$ 港元	2015 HK\$ 港元
Trade balances	貿易結餘	1,323,935	1,355,935

As at 31 March 2016, the Group's amount due to a related company, which is a fellow subsidiary of the Company, is trading in nature, arising from purchase of packaging materials for pharmaceuticals and biotechnological products. The whole amount as at 31 March 2016 and 2015 are aged within 90 days. The amount is unsecured, non-interest bearing and with credit term within 90 days.

### 30. 購股權計劃(續)

該計劃自採納日期起十年內有效。所授出之購股權必須於授出日期後30天內接受。接納授出購股權建議時須繳付1港元作為代價。購股權可於建議授出購股權日期行使，但於任何情況下須於購股權授出日期後十年內行使。

自採納該計劃以來，並未授出任何購股權。

### 31. 關連人士披露

#### (a) 應付一間關連公司款項

於2016年3月31日，本集團之應付一間關連公司(為本公司之同系附屬公司)款項屬貿易性質，並因購買醫藥生物產品之包裝物料而產生。於2016年及2015年3月31日，整筆款項之賬齡為90天內。該款項為無抵押、不計息及附有90天之信貸期。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 31. RELATED PARTY DISCLOSURES (continued)

(b) During the year, the Group entered into the following transactions with related companies:

### 31. 關連人士披露(續)

(b) 本集團於本年度內與關連公司達成交易如下：

Name of related company 關連公司名稱	Notes 附註	Nature of transactions 交易性質	2016 HK\$ 港元	2015 HK\$ 港元
Zhuhai S.E.Z. Cheng Cheng Printing Co. Ltd. (Cheng Cheng) 珠海經濟特區誠成印務有限公司(誠成)	(i)	Purchases 購買	3,625,132	4,284,342
Cheng Cheng (Hong Kong) Limited 誠成印務(香港)有限公司	(ii)	Sale of plant and equipment 出售廠房及設備	–	25,000
雲南利諾生物技術有限公司 (雲南利諾)	(iii)	Sales supportive expenses 銷售支援支出	963,509	–
雲南利諾	(iv)	Technical service fees 技術服務費	2,382,220	–

Notes:

- (i) The amount represents purchases of packaging and printing products from Cheng Cheng, a fellow subsidiary of the Company.
- (ii) The amount in prior year represented sale of motor vehicle with a carrying value of approximately HK\$18,000 to Cheng Cheng (Hong Kong) Limited, a fellow subsidiary of the Company, at a consideration of HK\$25,000.
- (iii) The amount represents sales services expenses payable to 雲南利諾, a non-controlling shareholder of Meng Sheng Pharmaceutical, for the provision of sale-supportive and consultancy services.
- (iv) The amount represents an one-off fee paid to 雲南利諾 for its provision technical services during the application of the New GMP Version certificate

附註：

- (i) 該金額指向誠成(本公司之同系附屬公司)購買包裝印刷產品。
- (ii) 上一年度之金額指以代價25,000港元向誠成印務(香港)有限公司(本公司之同系附屬公司)出售賬面值約18,000港元之汽車。
- (iii) 該金額指就雲南利諾(盟生藥業的非控股股東)提供銷售支援及顧問服務應付之銷售服務支出。
- (iv) 該金額指就雲南利諾於申請新版GMP證書時提供技術服務所支付的一次性費用。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 31. RELATED PARTY DISCLOSURES (continued)

#### (c) Compensation of key management personnel

The remunerations of Directors and other members of key management during the year are as follows:

		2016 HK\$ 港元	2015 HK\$ 港元
Short-term benefits	短期福利	3,392,774	3,940,585
Post-employment benefits	退休福利	149,371	17,500
		<b>3,542,145</b>	<b>3,958,085</b>

The remunerations of key management, including Directors, were determined by reference to the performance of individuals and market trends.

### 31. 關連人士披露(續)

#### (c) 主要管理人員酬金

董事及其它主要管理人員於年內之薪酬如下：

主要管理人員(包括董事)之薪酬乃參照個人表現及市場趨勢釐定。

### 32. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

### 32. 本公司之財務狀況表

		2016 HK\$ 港元	2015 HK\$ 港元
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>		
Plant and equipment	廠房及設備	1,772,430	2,089,246
Amounts due from subsidiaries	應收附屬公司款項	194,757,548	187,404,091
Investments in subsidiaries	於附屬公司之投資	286,683,449	245,673,095
		<b>483,213,427</b>	<b>435,166,432</b>
<b>CURRENT ASSETS</b>	<b>流動資產</b>		
Deposits and other receivables	按金及其它應收款	1,805,886	1,568,123
Bank deposits, bank balances and cash	銀行存款、銀行結餘及現金	314,076,955	233,991,365
		<b>315,882,841</b>	<b>235,559,488</b>
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>		
Other payables	其它應付款	3,769,682	3,563,609
Amount due to a subsidiary	應付一間附屬公司款項	7,528,040	11,691,599
		<b>11,297,722</b>	<b>15,255,208</b>
<b>NET CURRENT ASSETS</b>	<b>流動資產淨值</b>	<b>304,585,119</b>	<b>220,304,280</b>
<b>NET ASSETS</b>	<b>資產淨值</b>	<b>787,798,546</b>	<b>655,470,712</b>
<b>CAPITAL AND RESERVES</b>	<b>資本及儲備</b>		
Share capital (note 24)	股本(附註24)	215,063,588	187,011,816
Reserves (note)	儲備(附註)	572,734,958	468,458,896
<b>TOTAL EQUITY</b>	<b>權益總額</b>	<b>787,798,546</b>	<b>655,470,712</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 32. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

### 32. 本公司之財務狀況表(續)

Note:

附註：

		Share premium	Capital redemption reserve	Capital contribution reserve	Exchange reserve	Accumulated profits	Total
		股份溢價 HK\$ 港元	資本 贖回儲備 HK\$ 港元	資本 供款儲備 HK\$ 港元	匯兌儲備 HK\$ 港元	累計溢利 HK\$ 港元	總計 HK\$ 港元
At 1 April 2014	於2014年4月1日	257,839,900	8,000	105,239,603	(270,142)	106,305,917	469,123,278
Profit for the year	本年度溢利	-	-	-	-	2,956,711	2,956,711
Exchange difference arising on translation	換算產生之 匯兌差額	-	-	-	867,191	-	867,191
Total comprehensive income for the year	本年度全面收益 總額	-	-	-	867,191	2,956,711	3,823,902
Dividend recognised as distribution	確認為分派之股息	-	-	-	-	(4,488,284)	(4,488,284)
At 31 March 2015	於2015年3月31日	257,839,900	8,000	105,239,603	597,049	104,774,344	468,458,896
Profit for the year	本年度溢利	-	-	-	-	35,021,808	35,021,808
Exchange difference arising on translation	換算產生之 匯兌差額	-	-	-	(11,972,794)	-	(11,972,794)
Total comprehensive income (expense) for the year	本年度全面收益 (支出)總額	-	-	-	(11,972,794)	35,021,808	23,049,014
Issue of shares upon subscription (note 24)	認購時發行新股 (附註24)	81,350,140	-	-	-	-	81,350,140
Transaction costs attributable to issue of new shares	發行新股應佔 交易成本	(123,092)	-	-	-	-	(123,092)
<b>At 31 March 2016</b>	<b>於2016年3月31日</b>	<b>339,066,948</b>	<b>8,000</b>	<b>105,239,603</b>	<b>(11,375,745)</b>	<b>139,796,152</b>	<b>572,734,958</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 33. PARTICULARS OF PRINCIPAL SUBSIDIARIES

A. Details of the principal subsidiaries of the Company at 31 March 2016 and 2015 are as follows:

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operation 註冊成立/ 註冊及 營業地點	Issued and fully paid ordinary share capital/ registered capital 已發行及繳足 普通股本/ 註冊資本	Proportion of nominal value of issued ordinary share capital/registered capital held by the Company 本公司所持已發行普通股本 面值/註冊資本比例				Proportion of voting power held by the Company 本公司所持 投票權比例		Principal activities 主要業務
			Directly 直接		Indirectly 間接				
			2016 %	2015 %	2016 %	2015 %	2016 %	2015 %	
Meng Sheng Pharmaceutical*	PRC	RMB36,000,000	-	-	55	55	55	55	Research, development, manufacture and sales of pharmaceutical and biotechnology products 醫藥生物產品之研究、開 發、製造及銷售
盟生藥業*	中國	人民幣 36,000,000元							
Yunyu Bio-Pharmaceutical Company Limited	British Virgin Islands/ Hong Kong 英屬維爾京 群島/ 香港	US\$1 1美元	100	100	-	-	100	100	Investment holding 投資控股
Tianda Pharmaceuticals (Zhuhai)**	PRC	RMB160,000,000	-	-	100	100	100	100	Research, development, manufacture and sales of pharmaceutical and biotechnology products 醫藥生物產品之研究、開 發、製造及銷售
天大藥業(珠海)**	中國	人民幣 160,000,000元							
Tianda Pharmaceuticals (Australia)	Australia	AUS\$1,000,000	-	-	100	100	100	100	Marketing, sales and distribution of healthcare products 保健產品之行銷、銷售及 分銷
天大藥業(澳大利亞)	澳大利亞	1,000,000澳元							
Tianda Pharmaceuticals (China) Limited	PRC	HK\$50,000,000	-	-	100	100	100	100	Research and development of pharmaceutical products, provision of intra-group consultation service marketing sales and distributable of healthcare products 醫藥產品之研究及開發， 提供集團內部諮詢 服務以及保健產品之 行銷、銷售及分銷
天大藥業(中國)有限公司	中國	50,000,000港元							

\* Company incorporated as cooperative enterprise.

\*\* Company established as foreign invested limited liability company.

### 33. 主要附屬公司之詳情

A. 本公司主要附屬公司於2016年及2015年3月31日之詳情如下：

\* 以合作企業形式成立之公司。

\*\* 成立為外資有限責任公司之公司。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 33. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

#### A. (continued)

The Directors are of the opinion that a complete list of the particulars of all subsidiaries would be of excessive length and therefore the above list contains only those subsidiaries which principally affect the results or assets and liabilities of the Group.

None of the subsidiaries had issued any debt securities at the end of the reporting period or at any time during the year.

#### B. Details of non-wholly owned subsidiary that have material non-controlling interest

The table below shows details of non-wholly owned subsidiary of the Group that have material non-controlling interest:

Name of subsidiary 附屬公司名稱	Place of incorporation and principal place of business 註冊成立地點及主要營業地點	Proportion of ownership interests and voting rights held by non-controlling interests 非控股權益所持擁有權益與投票權比例		Profit (loss) allocated to non-controlling interests 分配至非控股權益之溢利(虧損)		Accumulated non-controlling interests 累計非控股權益	
		2016	2015	2016 HK\$ 港元	2015 HK\$ 港元	2016 HK\$ 港元	2015 HK\$ 港元
Meng Sheng Pharmaceutical 盟生藥業	PRC 中國	45%	45%	6,798,657	(5,074,317)	32,985,468	59,064,188

Summarised financial information in respect of the Group's subsidiary that has material non-controlling interest is set out below. The summarised financial information below represents amounts before intragroup eliminations.

### 33. 主要附屬公司之詳情(續)

#### A. (續)

董事認為列出所有附屬公司之詳情會令有關資料過於冗長，故此，上表所列僅包括對本集團業績或資產及負債有重大影響之附屬公司。

於報告期末或年內任何時間，概無附屬公司發行任何債務證券。

#### B. 擁有重大非控股權益之非全資附屬公司之詳情

下表列示擁有重大非控股權益之本集團非全資附屬公司之詳情：

有關擁有重大非控股權益之本集團附屬公司之財務資料概要載列如下。下文財務資料概要指集團內部對銷前之金額。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 33. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

#### B. Details of non-wholly owned subsidiary that have material non-controlling interest (continued) Meng Sheng Pharmaceutical

		2016 HK\$ 港元	2015 HK\$ 港元
Current assets	流動資產	22,053,012	99,868,528
Non-current assets	非流動資產	69,866,003	78,420,649
Total liabilities	負債總額	(21,097,009)	(47,035,426)
Net assets	資產淨值	70,822,006	131,253,751
Equity attributable to owners of the Company	本公司股東應佔權益	37,836,538	72,189,563
Non-controlling interests	非控股權益	32,985,468	59,064,188

### 33. 主要附屬公司之詳情(續)

#### B. 擁有重大非控股權益之非全資附屬公司之詳情(續) 盟生藥業

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 33. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

### 33. 主要附屬公司之詳情(續)

#### B. Details of non-wholly owned subsidiary that have material non-controlling interest (continued) Meng Sheng Pharmaceutical (continued)

#### B. 擁有重大非控股權益之非全資附屬公司之詳情(續) 盟生藥業(續)

		2016 HK\$ 港元	2015 HK\$ 港元
Revenue	收入	65,537,843	16,430,212
Expenses	支出	(50,429,717)	(27,706,470)
Profit (loss) for the year	本年度溢利(虧損)	15,108,126	(11,276,258)
Profit (loss) attributable to owners of the Company	本公司股東應佔溢利(虧損)	8,309,469	(6,201,941)
Profit (loss) attributable to the non-controlling interests	非控股權益應佔溢利(虧損)	6,798,657	(5,074,317)
Profit (loss) for the year	本年度溢利(虧損)	15,108,126	(11,276,258)
Other comprehensive (expense) income attributable to owners of the Company	本公司股東應佔其它全面(支出)收益	(2,292,968)	272,989
Other comprehensive (expense) income attributable to the non-controlling interests	非控股權益應佔其它全面(支出)收益	(2,055,407)	223,356
Other comprehensive (expense) income for the year	本年度其它全面(支出)收益	(4,348,375)	496,345
Total comprehensive income (expense) attributable to owners of the Company	本公司股東應佔全面收益(支出)總額	6,016,501	(5,928,952)
Total comprehensive income (expense) attributable to the non-controlling interests	非控股權益應佔全面收益(支出)總額	4,743,250	(4,850,961)
Total comprehensive income (expense) for the year	本年度全面收益(支出)總額	10,759,751	(10,779,913)
Net cash outflow from operating activities	經營活動之現金流出淨額	(5,035,092)	(2,701,153)
Net cash inflow (outflow) from investing activities	投資活動之現金流入(流出)淨額	24,105	(31,261,061)
Net cash (outflow) inflow from financing activities	融資活動之現金(流出)流入淨額	(62,261,881)	1,260,398
Net cash outflows	現金流出淨額	(67,272,868)	(32,701,816)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 34. IMPAIRMENT ASSESSMENT ON GOODWILL AND INTANGIBLE ASSETS

For the purpose of impairment testing, the goodwill and intangible assets has been allocated to three (2015: three) CGUs, namely, (1) Meng Sheng Pharmaceutical, (2) Tianda Pharmaceuticals (Zhuhai) and (3) Tianda Pharmaceuticals (Australia), which amounting to HK\$6,422,294 (2015: HK\$6,699,306), HK\$150,923,663 (2015: HK\$169,147,321) and HK\$8,717,139 (2015: HK\$8,808,386), respectively at 31 March 2016. All of which are engaged in the sales of pharmaceuticals and biotechnology products and healthcare products.

#### CGU for Meng Sheng Pharmaceutical

The recoverable amount of the CGU arising from Meng Sheng Pharmaceutical was determined based on value in use calculations. The value in use calculations use cash flow projection based on financial budgets approved by management covering a five-year period and a post-tax discount rate of 12.66% (2015: 12.32%). Cash flows beyond the 5-year period are extrapolated using a steady 3% growth rate for this CGU. The key assumption is budgeted revenue and gross margins determined based on past performance and the management's expectations for the market development.

No impairment on this CGU is made for both years as the recoverable amount, which is the value in use, exceeded the carrying amount (comprising goodwill). The directors of the Company believe that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount of the CGU to exceed the aggregate recoverable amounts of CGU.

### 34. 對商譽及無形資產之減值評估

就減值測試而言，商譽及無形資產已分配至三個現金產生單位(2015年：三個)，即(1)盟生藥業；(2)天大藥業(珠海)；及(3)天大藥業(澳大利亞)，於2016年3月31日分別為數6,422,294港元(2015年：6,699,306港元)、150,923,663港元(2015年：169,147,321港元)及8,717,139港元(2015年：8,808,386港元)。該等公司均從事銷售醫藥生物科技產品及保健產品。

#### 盟生藥業之現金產生單位

來自盟生藥業之現金產生單位可收回金額按使用價值計算方法釐定。使用價值計算方法採用之現金流量預測以管理層所批准涵蓋五年期間之財務預算及除稅後折現率12.66%(2015年：12.32%)計算。該現金產生單位於五年期間後之現金流量均採用3%之穩定增長率推算。主要假設為按以往表現及管理層對市場發展之預期釐定之預算收入及毛利率。

由於該現金產生單位之可收回金額(即使用價值)超過賬面值(包括商譽)，故兩個年度均沒有就該現金產生單位計提減值。董事相信，任何該等假設可能出現之任何合理變動不會導致現金產生單位之賬面總值超出其可收回金額總額。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 March 2016 截至2016年3月31日止年度

### 34. IMPAIRMENT ASSESSMENT ON GOODWILL AND INTANGIBLE ASSETS (continued)

#### CGU for Tianda Pharmaceuticals (Zhuhai)

The recoverable amount of the CGU arising from Tianda Pharmaceuticals (Zhuhai) was determined based on value in use calculations. The value in use calculations use cash flow projection based on financial budget approved by management covering a ten-year period and a post-tax discount rate of 13.66% (2015: 13.66%). Cash flow beyond the 10-year period are extrapolated using a steady 3% growth rate for the CGU. The key assumption is budgeted revenue and gross margins determined based on past performance and the management's expectations for the market development.

No impairment on this CGU is made for both years as the recoverable amount, which is the value in use, exceeded the carrying amount (comprising goodwill and intangible assets). The Directors believe that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount of the CGU to exceed the aggregate recoverable amount of CGU.

#### CGU for Tianda Pharmaceuticals (Australia)

The recoverable amount of the CGU arising from Tianda Pharmaceuticals (Australia) was determined based on value in use calculations. The value in use calculations use cash flow projection based on financial budgets approved by management covering five-year period and a post-tax discount rate of 15.67% (2015: 15.67%). Cash flows beyond the 5-year period are extrapolated using a steady 3% growth rate for the CGU. The key assumption is budgeted revenue and gross margins determined based on the past performance and the management's expectations for the market development.

No impairment on this CGU is made for both years as the recoverable amount, which is the value in use, exceeded the carrying amount (comprising goodwill and intangible assets). The Directors believe that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount of the CGU to exceed the aggregate recoverable amount of CGU.

### 34. 對商譽及無形資產之減值評估(續)

#### 天大藥業(珠海)之現金產生單位

來自天大藥業(珠海)之現金產生單位可收回金額按使用價值計算方法釐定。使用價值計算方法採用之現金流量預測以管理層所批准涵蓋十年期間之財務預算及除稅後折現率13.66%(2015年:13.66%)計算。該現金產生單位於十年期間後之現金流量均採用3%之穩定增長率推算。主要假設為按以往表現及管理層對市場發展之預期釐定之預算收入及毛利率。

由於該現金產生單位之可收回金額(即使用價值)超過賬面值(包括商譽及無形資產),故兩個年度均沒有就該現金產生單位計提減值。董事相信,任何該等假設可能出現之任何合理變動不會導致現金產生單位之賬面總值超出其可收回金額總額。

#### 天大藥業(澳大利亞)之現金產生單位

來自天大藥業(澳大利亞)之現金產生單位可收回金額按使用價值計算方法釐定。使用價值計算方法採用之現金流量預測以管理層所批准涵蓋五年期間之財務預算及除稅後折現率15.67%(2015年:15.67%)計算。該現金產生單位於五年期間後之現金流量均採用3%之穩定增長率推算。主要假設為按以往表現及管理層對市場發展之預期釐定之預算收入及毛利率。

由於該現金產生單位之可收回金額(即使用價值)超過賬面值(包括商譽及無形資產),故兩個年度均沒有就該現金產生單位計提減值。董事相信,任何該等假設可能出現之任何合理變動不會導致現金產生單位之賬面總值超出其可收回金額總額。

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