



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

(於開曼群島註冊成立的有限公司)

(Incorporated in the Cayman Islands with limited liability)

Stock Code 股份代號: 503



2018 年報 Annual Report



健朗人生 活力無限
Caring For Health Cherishing Life



2	五年財務摘要 FIVE-YEAR FINANCIAL SUMMARY
3	財務摘要 FINANCIAL HIGHLIGHTS
6	主席報告 CHAIRMAN'S STATEMENT
11	管理層討論及分析 MANAGEMENT DISCUSSION AND ANALYSIS
20	環境、社會及管治報告 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT
41	董事及高級管理人員履歷 BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT
46	董事會報告 REPORT OF THE DIRECTORS
61	企業管治報告 CORPORATE GOVERNANCE REPORT
83	獨立核數師報告 INDEPENDENT AUDITOR'S REPORT
89	綜合損益及其他全面收益表 CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
91	綜合財務狀況表 CONSOLIDATED STATEMENT OF FINANCIAL POSITION
93	綜合權益變動表 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
94	綜合現金流量表 CONSOLIDATED STATEMENT OF CASH FLOWS
96	綜合財務報表附註 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
207	企業資料 CORPORATE INFORMATION

五年財務摘要

Five-Year Financial Summary



截至十二月三十一日止年度

For the year ended 31 December

		二零一四年	二零一五年	二零一六年	二零一七年	二零一八年
		2014	2015	2016	2017	2018
		千美元	千美元	千美元	千美元	千美元
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
業績	RESULTS					
收入	Revenue	116,817	93,349	94,824	89,484	56,872
毛利	Gross profit	62,471	47,963	53,776	51,889	30,271
除所得稅前溢利	Profit before income tax	18,068	4,331	7,026	17,045	2,090
所得稅開支	Income tax expense	(4,088)	(2,260)	(3,190)	(1,416)	(1,930)
年內溢利	Profit for the year	13,980	2,071	3,836	15,629	160

於十二月三十一日

As at 31 December

		二零一四年	二零一五年	二零一六年	二零一七年	二零一八年
		2014	2015	2016	2017	2018
		千美元	千美元	千美元	千美元	千美元
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
資產及負債	ASSETS AND LIABILITIES					
總資產	Total assets	232,275	218,286	222,762	227,745	201,913
總負債	Total liabilities	(117,670)	(116,839)	(132,386)	(125,726)	(113,462)
資產淨值	Net assets	114,605	101,447	90,376	102,019	88,451

財務摘要

Financial Highlights



		二零一八年 2018	二零一七年 2017	變動 Change
業績(千美元)：	Results (US\$'000):			
收入	Revenue	56,872	89,484	-36.4%
毛利	Gross profit	30,271	51,889	-41.7%
經營(虧損)/溢利	(Loss)/Profit from operations	(587)	9,456	-106.2%
除所得稅前溢利	Profit before income tax	2,090	17,045	-87.7%
本公司擁有人應佔溢利	Profit attributable to owners of the Company	160	15,629	-99.0%
盈利能力：	Profitability:			
毛利率	Gross profit margin	53.2%	58.0%	-4.8%
純利率	Net profit margin	0.3%	17.5%	-17.2%
每股基本盈利(美仙)	Basic earnings per share (US cents)	0.04	3.77	-3.73
財務狀況(千美元)：	Financial Position (US\$'000):			
總資產	Total assets	201,913	227,745	-11.3%
本公司擁有人應佔權益	Equity attributable to owners of the Company	88,451	102,019	-13.3%
總負債	Total liabilities	113,462	125,726	-9.8%
現金及銀行結餘	Cash and bank balances	33,578	41,522	-19.1%
流動資金狀況：	Liquidity:			
流動比率(倍)	Current ratio (times)	1.0	1.0	—
淨負債權益比率*	Net debt-to-equity ratio*	60.7%	56.5%	+4.2%

* 淨負債權益比率 = (借款 - 現金及銀行結餘) / 總權益

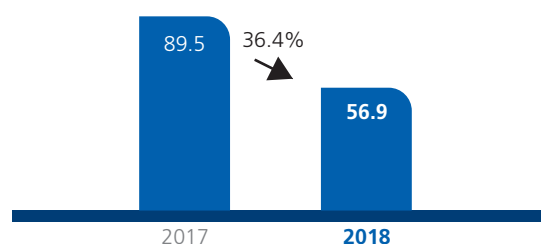
* Net debt-to-equity ratio = (Borrowings - cash and bank balances) / Total equity

財務摘要

Financial Highlights

收入 Revenue

收入
Revenue
(百萬美元)
(US\$ million)



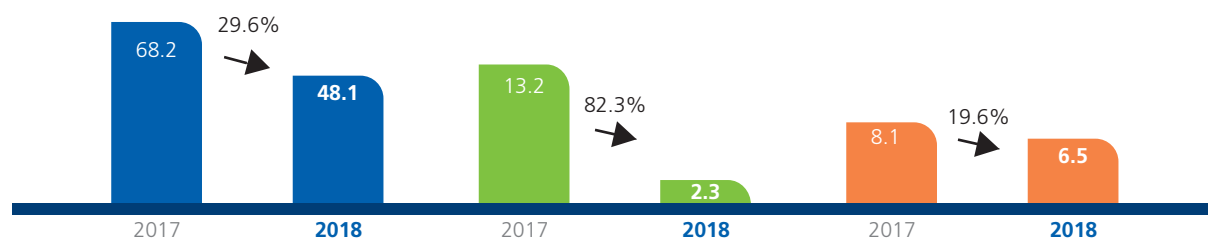
- 收入下降36.4%
- Revenue decreased by 36.4%

分部收入 Segment Revenue

醫藥
Pharmaceuticals
(百萬美元)
(US\$ million)

醫療美容產品
Medical cosmetic products
(百萬美元)
(US\$ million)

健康產品
Healthcare products
(百萬美元)
(US\$ million)

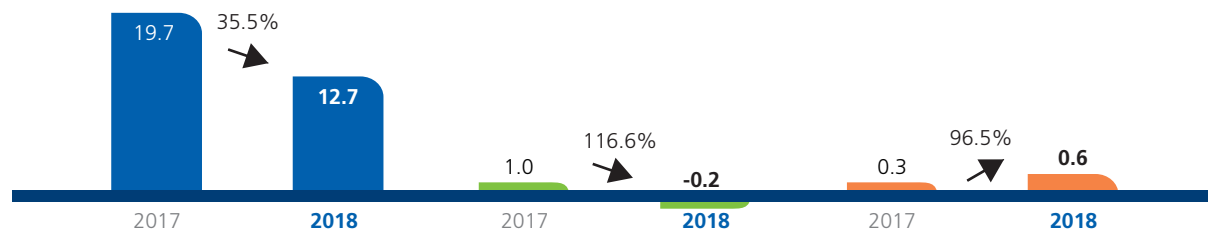


分部溢利 Segment Profit

醫藥
Pharmaceuticals
(百萬美元)
(US\$ million)

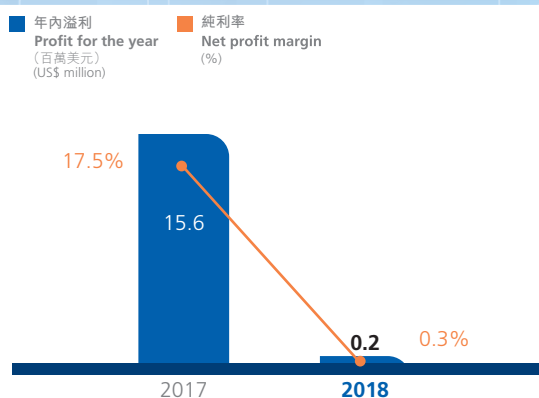
醫療美容產品
Medical cosmetic products
(百萬美元)
(US\$ million)

健康產品
Healthcare products
(百萬美元)
(US\$ million)



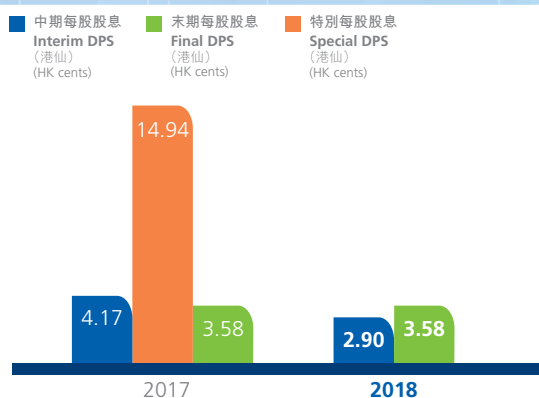


年內溢利及純利率
Profit for the year and Net profit margin



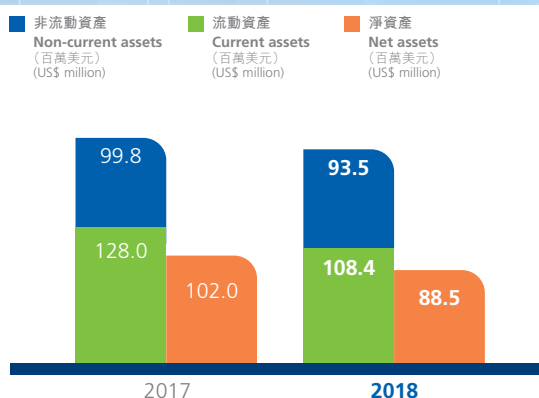
- 年內溢利下降99.0%
純利率下降17.2%
- Profit for the year decreased by 99.0%
Net profit margin decreased by 17.2%

每股股息
Dividend per share (DPS)



- 中期股息為每股2.90港仙
建議末期股息為每股3.58港仙
- Interim dividend of HK2.90 cents per share
Proposed final dividend of HK3.58 cents per share

總資產及淨資產
Total assets and Net assets



- 總資產下降11.3%
淨資產下降13.3%
- Total assets decreased by 11.3%
Net assets decreased by 13.3%

主席報告

Chairman's Statement



本人謹代表朗生醫藥控股有限公司(「本公司」)及其附屬子公司(「朗生」或「本集團」)董事會(「董事會」)欣然向全體股東提呈本集團截至二零一八年十二月三十一日期止財政年度的年度報告。

二零一八年回顧

二零一八年本集團內部及外部經營環境充滿挑戰。隨著國家醫改進程的不斷深入，各項規章制度進入實質性的執行階段：藥物質量的一致性評價、公立醫院控費、按病種醫保支付、4+7城市集中採購、「兩票制」全面推開、輔助用藥國家目錄建立。中國醫藥市場的生態環境發生了巨大的轉變，讓行業面臨新的機遇與挑戰。本集團及時跟進國家政策法規，在「大健康，大發展」戰略的支持下，積極調整了管理策略，重點明確了三優工作原則：產品推廣資源優化；績效、利潤優化；人員、流程優化。

二零一八年本集團收入總額錄得約56.9百萬美元，較去年下降36.4%；二零一八年本集團錄得淨利潤0.2百萬美元，較去年有顯著下降。主要歸於：(1)二零一八年年度因出售浙江司太立製藥股份有限公司(「司太立」)的股份受到延遲，所以錄得的稅前淨收益較二零一七年度大幅減少；(2)二零一七年年錄得一筆一次性水災保險賠償收入，二零一八年年度並沒有該項收入；(3)代理產品的銷售收入較二零一七年年顯著下降；及(4)公司決策降低分銷渠道庫存，因而暫時性減低了醫藥產品的當期銷售收入及毛利。

On behalf of the board (the "Board") of directors (the "Directors") of Lansen Pharmaceutical Holdings Limited (the "Company") and its subsidiaries ("Lansen" or the "Group"), I am pleased to present the annual report of the Group for the financial year ended 31 December 2018 to all shareholders of the Company.

Review of 2018

In 2018, the internal and external operating environment posed challenges to the Group. With the deepening of medical reform in China, various rules and regulations have been substantially implemented: consistency of quality and efficacy evaluation, control on proportion of drugs and medical expenditure of public hospitals, medical insurance payments by the disease category, 4+7 urban centralised procurement, comprehensive implementation of the "two-invoices" system, and the establishment of the national list of adjuvant drugs. The environment of China's pharmaceutical market has experienced significant changes, creating new opportunities and challenges for the industry. In active response to national policies and regulations, with the support of the "Comprehensive Health and Comprehensive Development" strategy, the Group proactively made adjustments in its management strategy mainly based on the principle of three optimisations: namely, the optimisation of resources for product promotion, performance and profit, and personnel and process.

In 2018, the Group recorded a total revenue of approximately US\$56.9 million, representing a decrease of 36.4% compared with last year; the net profit amounted to US\$0.2 million, representing a significant decrease compared with last year. The main reasons are as follows: (1) the recorded pre-tax net profit experienced a significant decrease compared with 2017 due to the delayed disposal of shares of Zhejiang Starry Pharmaceutical Co., Ltd. ("Starry") in 2018; (2) the Group received compensation from flood insurance in 2017, but no compensation was received in 2018; (3) the revenue from agency product sales experienced a major decrease compared with 2017; (4) the Company's decision to reduce the inventory in the distribution channel temporarily reduced the current sales revenue and gross profit of pharmaceutical products.



二零一八年「兩票制」政策的進一步實施，對於本集團代理產品銷售產生重大影響，因此本集團年內調整策略：集中發展及加速研發自有產品，替代或彌補由於代理產品的銷售下降導致的銷售收入及利潤的降低。儘管代理產品的銷售收入較二零一七年年末顯著下降，但本集團有信心自有產品的發展會優化本集團的產品組合，產品的研發會有效替代代理產品減少所導致的收入和利潤的空缺。與此同時本集團聚焦自研自產醫藥業務，著力於風濕、皮膚免疫領域專科藥業務拓展，為未來業務的增長打下良好基礎。

本集團為了提高管理效率，減少流程，對現有醫藥板塊管理架構和流程進行調整：裁減低產出和非關鍵崗位人員，增加對重點自營產品的銷售投入，並合理控制銷售費用支出，使得年內銷售費用下跌13.8百萬美元，人均產出提升，力求在保證現金流和利潤的同時維持銷售額。為更有效管理營運資金，本集團調整經營策略：以加強現金流優先為考慮降低分銷渠道庫存量，因而導致了暫時性醫藥產品的當期銷售收入及毛利，但經營策略調整並不會對終端銷售造成重大影響。

在上述幾項策略調整及大幅減低銷售費用和分銷管道庫存的情況下，根據終端市場統計，朗生主要產品帕夫林的終端銷售數字只下調了4.7%或2.4百萬美元，然而，銷售部門的架構精簡及費用節約令帕夫林的銷售費用與終端銷售佔比由37.2%大幅下降至25.4%。

The further implementation of the “two-invoices system” policy in 2018 had significant impact on the agency product sales of the Group, and therefore, the Group adjusted strategies within the year as follows: realising centralised development and speeding up the research and development of self-owned products to make up for the reduction in sales revenue and profit due to the decrease in agency product sales. Despite the major decrease in the revenue from agency product sales compared with 2017, the Group firmly believed that, the development of self-owned products could optimise its product combinations, and the product research and development will in time effectively make up for the deficient revenue and profit caused by the decrease in the agency product sales. Meanwhile, the Group focused on the independent development of the pharmaceutical business, and expansion of the specialty pharmaceuticals for the rheumatology, autoimmune and dermatology market segments, in order to lay good foundation for future business growth.

In order to enhance the management efficiency and streamline processes, the Group adjusted the existing management structure and processes of the pharmaceutical segment by streamlining low-output and non-key positions, increasing investment in the sales of key self-operated products, and reasonably controlling selling expenses, which reduced the selling expenses within the year by US\$13.8 million, raised per capita output and maintained sales volume while guaranteeing cash flow and profit. In order to manage the working capital more effectively, the Group adjusted its business strategy by reducing the inventory levels of the distributors, which resulted in the temporary decrease in the current sales revenue and gross profit of pharmaceutical products. However, the adjustment of business strategies will not have significant impact on the market consumption.

Thanks to the aforesaid strategic adjustments and drastically reducing selling expenses and inventory in distribution channels, the market consumption of its key product, Pafulin, reduced by 4.7% or US\$2.4 million according to market consumption statistics. The streamline of the sales organisation and related spending did, however, significantly lower Pafulin's selling and marketing expenses to market consumption ratio from 37.2% to 25.4%.

主席報告

Chairman's Statement



二零一八年本集團繼續推進醫療美容業務探索、佈局，發展模式。本集團入股天津強微特生物科技有限公司（「強微特」），並與其合作開發朗生自有產品聖博睿生物抗衰老系列產品；在北京成功收購一家自營醫美機構，並著手建立生美聯盟，逐步實現生活美容和醫療美容聯盟的全鏈覆蓋；為完善醫美產品系列，本集團著手研製開發聖博睿功能護膚系列（琅博滋系列）並計劃與強微特研發聖博睿青春運動系列，為下一步發展醫美產業提供堅實基礎。

此外，本集團繼續以萃健控股有限公司（「萃健」）為健康業務發展平台，利用其產能和成本優勢，發揮朗生和萃健的互補優勢同時，集團試點「朗系列」健康食品，並繼續積極推進多款保健品的開發申報和落地工作，預計將在二零一九年上半年始陸續在國內及海外市場推出，為壯大健康業務打下結實基礎。

本集團於二零一八年六月六日，合共出售2,400,000股之司太立股份（佔司太立2.0%股權），出售價格為每股司太立股份人民幣27.22元，出售所得款項總額合共為人民幣65.33百萬元（相當於約9.85百萬美元）。集團獲得部分出售聯營公司收益（稅後淨額）5.1百萬美元。該次出售后，朗生仍持有司太立股份12,775,000股（約佔司太立10.6%股權）。二零一八年十二月三十一日之賬面值為24.0百萬美元（相對司太立於二零一八年十二月三十一日收市價人民幣26.38元計算，該持股市值約49.1百萬美元）。集團將視司太立股份市價、股市總體情況以及股份減持計劃中的出售限制可能進一步根據股份減持計劃來出售司太立股份。集團將遵守香港聯合交易所有限公司證券上市規則（「上市規則」）之適用規定，並就此適時另行刊發公告。

In 2018, the Group continued the exploration, deployment and development of the medical cosmetic business. The Group became a shareholder of Tianjin Robustnique Biotechnology Co., Limited ("Robustnique"), and realised cooperation in the development of self-owned San Parietti biological anti-aging series. The Group successfully acquired a medical cosmetic institute in Beijing, and aims to establish alliance with cosmetology institutes and gradually achieve full chain coverage of services that include cosmetology and medical cosmetics. In order to improve its medical cosmetic products, the Group commenced the research and development of San Parietti functional skin care series (Langbozi series) and planned to cooperate with Robustnique in the research and development of a San Parietti youth sport series, in order to lay solid foundation for the further development of the medical cosmetic business.

The Group continues to develop the healthcare business with Natural Dailyhealth Holdings Limited ("Natural Dailyhealth") as a platform by making use of its production capacity and cost advantage and exploiting the complementary development strengths of Lansen and Natural Dailyhealth. Meanwhile, it will also pilot "Lansen Health" food product series, actively push forward applications for the approval of several healthcare products. It is anticipated that such products will be successively launched into the local and overseas markets in the first half of 2019, in order to lay a solid foundation for the sound development of the business.

On 6 June 2018, the Group totally disposed of 2,400,000 shares in Starry (representing approximately 2.0% equity interest of Starry), at a price of RMB27.22 per share, pursuant to which, an aggregate disposal proceeds of RMB65.33 million (equivalent to approximately US\$9.85 million) were obtained, and the Group recorded a gain on partial disposal of an associate of US\$5.1 million (net of tax). After the disposal, Lansen still held 12,775,000 shares in Starry (accounting for approximately 10.6% equity interest of Starry). The carrying amount of these shares as at 31 December 2018 was US\$24.0 million (as compared with the market value of US\$49.1 million calculated based on the closing price of Starry of RMB26.38 as at 31 December 2018). The Group may further dispose of the shares of Starry under the share reduction plan, subject to prevailing market price of the shares of Starry and general conditions of the stock market, as well as the restrictions set out in the share reduction plan. The Group will comply with the applicable requirements under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") accordingly and make further announcements in this regard as and when appropriate.



二零一九年展望

二零一九年仍是充滿挑戰的一年，更是富含商機的一年，本集團將以高效的執行力堅守質量規範，積極塑造變革的企業文化，以共進、共贏、共用的工作理念，繼續積極推進業務發展和執行既定的戰略：通過深耕風濕免疫，重整皮科銷售團隊，建立和保持朗生產品在該領域基礎用藥優先品牌地位，同時積極佈局醫美、保健品領域的產品研發和上市，加速成為一家優秀的大健康產業集團。

醫藥業務上，本集團將繼續聚焦於風濕、皮膚免疫領域專科藥業務，通過大醫院、基層醫院並舉的原則，組建同城團隊，增加終端小醫院覆蓋，提高處方率和代表的人均產出，同時提升團隊專業化素質和推廣的有效性，恢復銷售增長，並加大新產品開發及老產品線延伸研發投入，保持在疾病治療領域的領先地位。與此同時，集團將充分發掘擁有的豐富中成藥產品資源，加大特色藥產品的推廣投入，擴大自營產品覆蓋面，全產品全渠道推廣，進一步提升集團醫藥業務的銷售規模與盈利能力。

本集團將策略並慎重地加快發展醫療美容業務：二零一九年集團將繼續完善朗生醫美產業，上市聖博睿生物抗衰老系列產品，在建立北京自營醫美機構的成功模式的基礎上有序擴大生美聯盟的數量，通過自營醫美中心與吸引生美加盟店合營的經營模式，開拓公司的醫美業務領域；與此同時加快開發琅博滋系列和青春運動系列，為更多的消費者提供優質高效產品。

Outlook for 2019

2019 will be filled with challenges and business opportunities. The Group will consistently maintain high quality standard on its products, proactively build the corporate culture of reform, and proactively promote business development and execute established strategies following the work concept of mutual progress, mutual benefits and sharing: to further develop its business in autoimmune rheumatic and dermatology sector, rebuild the dermatology sales team, establish and maintain the leading position of Lansin products in the field, proactively deploy product research and development and launch of medical cosmetic and healthcare products, and strive to become an outstanding major health provider.

In terms of the pharmaceutical business, the Group will continue to focus on the specialty pharmaceuticals for the rheumatology and dermatology and autoimmune market segments. It will build the same-city sales teams following the principle of integration for large and grassroots hospitals, increase the coverage of small hospitals, improve the prescription rate and the per capita output of representatives. Efforts will be made to enhance team professionalism and the effectiveness of promotion, restore sales growth, increase the investment in the development of new products and extension of old product lines, and maintain its leading position in the disease treatment field. Meanwhile, the Group will fully explore the rich resources of its Chinese patent medicine products, increase the promotion of and investment in featured pharmaceutical products, enhance the coverage of self-operated products, and realise the promotion of all products via all channels, in order to further improve the sales scale and profitability of the pharmaceutical business of the Group.

The Group will strategically and prudently accelerate the development of medical cosmetic business: in 2019, the Group will continue to develop medical cosmetics, launch San Parietti biological anti-aging product series into the market, increase the number of cosmetology alliance on the basis of the successful operation of the medical cosmetic institute in Beijing, and expand the medical cosmetic business of the Company by operating medical cosmetic institutes and attracting medical cosmetic franchises. Meanwhile, it will expedite the development of Langbozi and the youth sport series, in order to provide high-quality products for more consumers.

主席報告

Chairman's Statement



二零一九年本集團繼續以萃健為健康業務發展平台，創建優質植提產品品牌。在策略上，本集團將透過建立植提產品大客戶長期及首選合作地位，優先推廣高利潤以及有特色產品，同時繼續推進產品研發，提高市場及醫學的策劃及支持能力，有效向終端客戶進行推廣。本集團的大產品大客戶策略經過幾年的努力，預計二零一九將見到成果。新產品經過多年的申報，料將於二零一九年準備就緒，初步反饋令人鼓舞。同時萃健三款藥食同源「朗系列」健康食品目前市場準備工作已就緒，預計第一款產品計劃在四月底進入市場。

本集團將人才戰略放在更加重要的位置，將通過提供更積極的績效考核體系，通過節約成本、改進品質及提高生產率、提升銷量等途徑，讓員工能分享公司發展的紅利。

展望未來，本集團將積極把握健康中國國家戰略及中醫藥振興所帶來的契機，開發和推廣有特色的醫藥、健康和醫美產品，通過對行業的併購整合、國際合作和持續創新，促進業務的持續穩定增長，實現股東、客戶和員工的價值共贏。

吳鎮濤

主席

香港，二零一九年三月二十六日

In 2019, the Group will continue to create high-quality plant extract product brands with Natural Dailyhealth as the health business development platform. In terms of the strategy, the Group will give priority to the promotion of high-profit and featured products by establishing the long-term and preferred cooperation status of plant extract products. Meanwhile, it will continue to promote product research and development, enhance the planning and supporting capability of marketing functions, and make effective promotion among ultimate customers. After several years' endeavour, the large product and large client strategy of the Group is anticipated to make achievements in 2019. After several years' application, the new products will be ready in 2019 with encouraging preliminary feedback. Meanwhile, three types of "Lansen Health" food series of Natural Dailyhealth, which are both medicinal and edible are ready for launching into the market. It is anticipated that the first product will be launched into the market at the end of April.

Attaching great importance to attracting talent, the Group will share the benefits of the Company's development with employees by providing an enhanced performance assessment system, saving cost, improving product quality and productivity, and increasing sales volume.

Looking forward to the future, the Group will actively grasp the opportunities brought by the strategy of Healthy China and the revitalisation of Chinese medicine, develop and promote the distinctive products of pharmaceutical, healthcare and medical cosmetics, and promote the continuous and steady growth of its business through merger and acquisition, integration, international cooperation and continuous innovation, and realise the win-win value for shareholders, customers and employees.

Wu Zhen Tao

Chairman

Hong Kong, 26 March 2019

管理層討論及分析

Management Discussion and Analysis



業務回顧

二零一八年，國家新的醫藥政策給行業帶來了劇變，與此同時，國家也推行並正在落實一系列慢病管理及治療的政策、新藥註冊政策優化給行業發展帶來了新的機遇。在此背景下，本集團於二零一八年三月一日任命陳力先生為本集團常務執行董事、執行委員會成員及集團行政總裁職務。應董事會要求，在陳力先生及管理層的領導下，本集團及時調整了管理策略，重點明確了三優工作原則：產品及推廣資源優化；績效及利潤優化；人員及流程優化；在這一高效指導的經營方針：本集團聚焦發展自有核心產品和高毛利產品，提升銷售人員人均產出及績效，優化費用結構和投向，致力執行新的經營策略以增加利潤及現金流，同時更有效地控制商業風險，儘管這修正對短期業績造成一定的影響，但對集團長期業務發展、經營風險降低及戰略目標實現都將產生積極和正面的影響。

二零一八年集團錄得收入56.9百萬美元(二零一七年：89.5百萬美元)，較二零一七年同期下降36.4%。年內的銷售費用為17.1百萬美元(二零一七年：30.9百萬美元)，較二零一七年年下降44.6%。二零一八年期內溢利約達0.2百萬美元(二零一七年：15.6百萬美元)。溢利下降主要受以下因素影響：(1)二零一八年因出售浙江司太立製藥股份有限公司(「司太立」)股份獲得5.1百萬美元的部分出售聯營公司收益(稅後)，較二零一七年15.4百萬美元大幅減少10.3百萬美元；(2)二零一七年有一筆2.6百萬美元因為水災保險賠償的一次性收入；(3)因應集團策略調整，重點發展集團自有核心產品和高毛利產品，代理產品(包括可復美、玉澤、赫派等)的銷售收入較二零一七年年顯著下降，約下降14.3百萬美元；及(4)為更有效管理營運資金，以加強現金流優先為考慮降低分銷渠道庫存量，因而導致了暫時性醫藥產品的當期銷售收入及毛利，但經營策略調整並不會對終端銷售造成重大影響。

Business Review

In 2018, new national medical policies brought drastic changes to the industry. At the same time, the State has also been promoting and implementing a series of policies for chronic diseases management and treatment, and the optimisation of a new drug registration policy has brought new opportunities to the development of the industry. Against this background, on 1 March 2018, the Group appointed Mr. Chen Li as the Executive Managing Director, a member of the Executive Committee and Chief Executive Officer of the Group. At the request of the Board, under the leadership of Mr. Chen Li and management, the Group adjusted its management strategy in a timely manner, and mainly determined the principle of three optimisations, namely, the optimisation of product and promotion resources, optimisation of performance and profit, and optimisation of personnel and process. Under this highly effective management guideline, the Group has focused on developing its own core products and products with high gross profit, improving the per capita output and performance of salesmen, optimising the cost structure and investment, as well as implementing new business strategies to increase profit and cash flow, while more effectively controlling business risks. Although these initiatives have had some negative impact on the short-term performance, they should have an active and positive impact on the Group's long-term business development, reduce operational risks and assist in achieving strategic goals.

In 2018, the Group recorded a revenue of US\$56.9 million (2017: US\$89.5 million), representing a decrease of 36.4% over the corresponding period in 2017. The selling expenses for the year amounted to US\$17.1 million (2017: US\$30.9 million), representing a decrease of 44.6% over last year. The profit for the year reached approximately US\$0.2 million (2017: US\$15.6 million) in 2018. The decrease in profit was mainly due to the following factors: (1) a gain on partial disposal of an associate of US\$5.1 million (after tax) by dispose of shares of Zhejiang Starry Pharmaceutical Co., Ltd. ("Starry") in 2018, representing a substantial decrease of US\$10.3 million compared with US\$15.4 million in 2017; (2) an one-off income of US\$2.6 million from insurance claims for flood in 2017; (3) sales revenue of agency products (including Kefumei, Yuze, Hepai, etc.) declined significantly from 2017 by approximately US\$14.3 million, due to the Group focused on developing its own core products and products with high gross profit in response to the adjustment of strategy; and (4) in order to manage the working capital more effectively, the Group adjusted its business strategies by reducing the inventory in distribution channels to increase cash flow, which resulted in the temporary decrease in the current sales revenue and gross profit of pharmaceutical products, but the adjustment of business strategies will not have significant impact on the market consumption of the Company's products.

管理層討論及分析

Management Discussion and Analysis



其中醫藥分部的收入為48.1百萬美元(二零一七年：68.2百萬美元)較二零一七年下降29.6%；毛利27.6百萬美元(二零一七年：45.8百萬美元)，較二零一七年下降39.7%；分部利潤12.7百萬美元(二零一七年：19.7百萬美元)，較二零一七年下降35.5%。醫藥分部的收入及利潤下降主要受到減少代理產品銷售收入及降低分銷渠道庫存量的影響。

醫療美容產品分部的收入2.3百萬美元(二零一七年：13.2百萬美元)，較二零一七年下降82.3%，主要受到代理產品銷售收入減少的影響；毛利1.4百萬美元(二零一七年：4.9百萬美元)，較二零一七年下降70.8%；該分部虧損為0.2百萬美元(二零一七年：分部利潤1.0百萬美元)。

本集團以萃健控股有限公司(「萃健」)為平台發展健康業務。健康產品分部因對架構及產能的持續調整，優先推廣高利潤以及有特色產品，收入6.5百萬美元(二零一七年：8.1百萬美元)，較二零一七年下降19.6%；毛利1.2百萬美元(二零一七年：1.1百萬美元)，較二零一七年上升7.0%；分部利潤0.6百萬美元(二零一七年：0.3百萬美元)，較去年上升96.5%。

醫藥領域

在中國醫藥行業整體增長放緩、各項醫藥醫療新規不斷出台，以及「兩票制」政策全面實施的背景下，中國醫藥市場的生態環境發生了巨大的轉變。本集團提高管理效率，減少流程，對現有醫藥分部管理架構和流程進行調整，裁減低產出和非關鍵崗位人員，並擴大重點醫院及重點科室覆蓋提高人均產出，優化銷售人員的激勵政策使其發揮更有效的激勵作用；大幅度降低銷售費用，同時集中資源專注於重點自有產品銷售和市場；強調帕夫林是風濕免疫的必備良藥，早用早有效，長用常安全的特色；加強新適應症得消炎抑菌，雙效合一；整體朝向學術化、品牌化、多覆蓋

Revenue of the pharmaceutical segment amounted to US\$48.1 million (2017: US\$68.2 million), representing a decrease of 29.6% over 2017; gross profit amounted to US\$27.6 million (2017: US\$45.8 million), representing a decrease of 39.7% over 2017; and the segment profit amounted to US\$12.7 million (2017: US\$19.7 million), representing a decrease of 35.5% over 2017. The decrease in revenue and profit of the pharmaceuticals segment was mainly due to the decrease in income from the sale of agency products and the reduction of inventory in the distribution channels.

Revenue of the medical cosmetic segment amounted to US\$2.3 million (2017: US\$13.2 million), representing a decrease of 82.3% over 2017, which was mainly affected by the decrease in income from the sale of agency products; gross profit amounted to US\$1.4 million (2017: US\$4.9 million), representing a decrease of 70.8% over 2017; and the segment loss amounted to US\$0.2 million (2017: segment profit of US\$1.0 million).

The Group has developed its healthcare business via the platform of Natural Dailyhealth Holdings Limited ("Natural Dailyhealth"). Due to the continuous structural and capacity adjustments and a priority of promoting high profit and featured products, the revenue from the healthcare segment amounted to US\$6.5 million (2017: US\$8.1 million), representing a decrease of 19.6% over 2017; gross profit amounted to US\$1.2 million (2017: US\$1.1 million), representing an increase of 7.0% over 2017; and the segment profit amounted to US\$0.6 million (2017: US\$0.3 million), representing an increase of 96.5% over last year.

Pharmaceutical segment

With the slow growth of the pharmaceutical industry, continuous introduction of various new medical regulations and the full implementation of the "two-invoices system" policy, the environment of China's pharmaceutical market has experienced significant change. The Group improved management efficiency and reduced processes by adjusting the management structure and processes of its existing pharmaceutical segment, reducing low-output and non-key positions, raising per capita output by expanding the coverage of key hospitals and key departments and optimising its incentive policy for sales staff to enhance its effect. The Group also significantly reduced selling expenses and resources were concentrated on sales and marketing of key self-owned products. For Pafulin, the emphasis is that it is an essential rheumatoid immune medicine with the following characteristics: effectiveness comes with early use and it is safe for long-term use. For Sicorten Plus, we strengthen its double-effect of both anti-inflammatory and antibacterial. The overall orientation is towards academicisation, branding, and multi-coverage strategy. The



的策略前進；同時集團也加大對帕夫林等核心產品在作用機制和新適應症及產品國際化等方面的研發投入。

二零一八年公司繼續聚焦醫藥業務，致力於風濕、皮膚免疫領域專科藥業務，同時積極推進口腔科、兒科領域推廣。與此同時公司繼續發掘擁有的豐富醫藥產品資源，比如重新上市氣血康口服液，進一步提升集團醫藥業務的銷售規模與盈利能力。

雖然醫藥行業面臨諸多挑戰，但管理層相信隨著醫改的不斷深化，行業將進一步優化，從中長期來看，醫藥行業仍然是一個朝陽行業，市場規模將持續增長。本集團將堅持大免疫大健康戰略，在充滿挑戰的行業環境，不斷穩固和提升本集團在市場的地位，達到健康可持續發展。

醫療美容領域

本集團將策略並慎重地加快醫美業務發展，繼續堅定加快醫美平台發展的步伐，高度重視並積極豐富醫美架構及產品線，上市聖博睿生物抗衰老系列，同時膚美達新推出0.5ml規格，細化醫療美容的精准應用。通過二零一八年七月集團在北京成功收購了一家自營醫美機構，經過重新裝修後已經正式開始運營，在此基礎上有序擴大生美聯盟的數量，通過自營醫美中心與吸引生美加盟店合營的經營模式，開拓公司的醫美業務領域；與此同時加快開發琅博滋系列和青春運動系列，為更多的消費者提供優質高效產品，以保證醫美平台長期快速的發展及良好利潤回報。

二零一八年集團重點開發非醫療類美容產品線，透過與第三方合作、代理及自主研發等方式，開發包括面膜及系列護膚品等在內的美容產品，預計二零一九將陸續上市。本集團二零一八年年底以1,400萬元人民幣（相當於約2.0百萬美元）現金作交易對價購入天津強微特生物科技有限公司20%股權，該公司主要

Group also increased its research and development investment in core products such as Pafulin in terms of their action mechanisms, new indications, and internationalisation of products.

In 2018, the Company continued to focus on the pharmaceutical business, particularly specialty pharmaceuticals for the rheumatology, dermatology, and autoimmune market segments, and facilitated the promotion in the field of stomatology and pediatrics. At the same time, the Company continued to explore its rich resources of medical products, such as the relaunched Qixuekang Oral Solution, to further enhance the sales volume and profitability of the Group's pharmaceutical business.

Despite of challenges in the pharmaceutical industry, management believes that with the deepening of medical reform, the industry will be further optimised and remains a sunrise industry with growing market size in the medium and long term. By adhering to the immune and healthcare strategy, the Group will further strengthen and enhance its market position in this challenging environment to achieve healthy and sustainable development.

Medical cosmetic segment

The Group will strategically and cautiously promote the development of the medical cosmetic segment and firmly accelerate the pace of developing its medical cosmetic platform and put great effort into proactively enriching its medical cosmetic structure and product line by launching a series of San Parietti biological anti-aging products and a new 0.5 ml specification Fillderm to refine the precise application of medical cosmetics. Based on this approach, a self-operated medical cosmetic institute acquired by the Group in Beijing in July 2018 officially started operation after renovation. The Group also increased the number of business alliances in cosmetology in an orderly way and expanded the scope of its medical cosmetic business via the business model of self-operated medical cosmetic centres and cosmetology franchises. At the same time, the Group also promoted the development of Langbozi series and a youth sport series to provide consumers with high quality and effective products so as to ensure the rapid and long-term development of and good returns from the medical cosmetic platform.

The Group emphasised on developing non-medical cosmetic product lines in 2018. By way of cooperating with third parties, or acting as an agency and conducting independent research and development, the Group developed cosmetic products including facial masks and a series of skin care products, which are expected to be launched successively into the market in 2019. The Group acquired a 20% equity interest in Tianjin Robustnique Biotechnology Co., Limited at

管理層討論及分析

Management Discussion and Analysis



從事新型工業酶製劑、分子生物學工具酶、化妝品生物活性因數和生物護膚品的研發和產業化；透過加強研發能力及結合生美聯盟逐步實現生活美容和醫療美容聯盟的全鏈覆蓋。收購於二零一九年二月十八日完成。

健康領域

為增強本集團在中國植物提取和保健品領域的核心競爭力，二零一六年，本集團向萃健增資，共同以萃健為平台發展植提及保健品業務。在「濃縮自然、延展人生」的品牌推廣下，二零一八年深挖合作客戶潛力，同時加大新客戶開發，繼續堅持大客戶大產品為銷售方向，發揮朗生和萃健的互補優勢，加速植提產品新工藝研發，拉大與競品區隔及展現獨有特色，為健康平台的長遠發展打下堅實基礎。

萃健的業務對朗生的大健康發展策略至關重要，集團將繼續共同以萃健為平台發展植提及保健品業務。萃健的大產品大客戶策略經過幾年的努力，二零一九年預計將見到成果。新產品經過多年的申報，將在二零一九年準備就緒，初步回饋令人鼓舞。同時萃健三款藥食同源產品將率先進入市場，第一款產品計劃在二零一九年四月底上市。公司將在植物提取和保健品兩條線同時發力，形成品牌效應。

投資

本集團於二零一八年六月六日出售2,400,000股之司太立股份（約佔司太立2.0%股權），出售價格為每股司太立股份人民幣27.22元，出售所得款項總額合共為人民幣65.33百萬元（相當於約9.85百萬美元）。集團獲得部分出售聯營公司收益（稅後淨額）5.1百萬美元。

a cash consideration of RMB14 million (approximately US\$2.0 million) at the end of the 2018. It mainly engages in the research and development and production of new industrial enzyme preparations, molecular biology tool enzymes, and bioactive factors for cosmetics and biological skincare products; and gradually realised the full chain coverage from cosmetology to medical cosmetics by enhancing research and development ability and combining business alliances of cosmetology. The acquisition was completed on 18 February 2019.

Healthcare segment

In order to enhance the core competitiveness of the Group in the PRC plant extract and healthcare product segments, in 2016, the Group announced an additional capital contribution to Natural Dailyhealth to jointly develop plant extract and healthcare product business using Natural Dailyhealth as a platform. Along with the brand promotion themed as “Natural Extract for Better Life”, the Company fully explored the potential of existing customers and strengthened its efforts in developing new customers, continually focusing on sales of its key products and major customers in 2018. The Company leveraged on the complementary strengths of Lansen and Natural Dailyhealth to expedite the research and development on new production processes of plant extract products and create further differentiation from competing products with unique features, laying a solid foundation for the long-term development of our healthcare platform.

As the business of Natural Dailyhealth is vital to Lansen's strategy to develop in the comprehensive health industry, the Group will continue to develop plant extract and healthcare product business using Natural Dailyhealth as a platform. After years of effort, Natural Dailyhealth's strategy of focusing on key products and major customers is going to yield fruits in 2019. And the new products, following registration procedures in the past years, will be ready for launch in 2019 and the initial market feedback is encouraging. Meanwhile, Natural Dailyhealth will first launch three products made from ingredients that are both medicinal and edible, with the first one planned at the end of April 2019. The Company will vigorously develop both the plant extract and healthcare product lines to achieve brand effect.

Investment

On 6 June 2018, the Group disposed of 2,400,000 shares in Starry (representing approximately 2.0% equity interest of Starry), at a price of RMB27.22 per share, pursuant to which, an aggregate disposal proceeds of RMB65.33 million (equivalent to approximately US\$9.85 million) were obtained, and the Group recorded a gain on partial disposal of an associate of US\$5.1 million (net of tax).



該次出售後，朗生仍持有司太立股份12,775,000股（約佔司太立10.6%股權）。二零一八年十二月三十一日之賬面值為24.0百萬美元（相對司太立於二零一八年十二月三十一日收市價人民幣26.38元計算，該持股市值約49.10百萬美元）。

誠如本集團標題為《可能進行的非常重大出售事項：有關出售司太立股份》之公告，本集團將視司太立股份市價、股市總體情況進一步出售司太立股份。集團將遵守香港聯合交易所有限公司證券上市規則（「上市規則」）之適用規定，並就此適時另行刊發公告。

財務回顧

收入

截至二零一八年十二月三十一日止年度，本集團錄得收入為56.9百萬美元（二零一七年：89.5百萬美元），較去年同期減少36.4%。

截至二零一八年十二月三十一日止年度，醫藥收入為48.1百萬美元（二零一七年：68.2百萬美元），較去年同期減少29.6%。醫療美容產品收入為2.3百萬美元（二零一七年：13.2百萬美元），較去年減少82.3%。健康產品的收入為6.5百萬美元（二零一七年：8.1百萬美元），較去年同期下降19.6%。

核心專科藥產品帕夫林錄得收入32.4百萬美元（二零一七年：50.5百萬美元）。嗎替麥考酚酯分散片和來氟米特片共錄得收入約3.8百萬美元（二零一七年：約6.5百萬美元），較去年下降41.4%。

毛利

截至二零一八年十二月三十一日止年度，本集團錄得毛利30.3百萬美元（二零一七年：51.9百萬美元），較去年同期減少41.7%。截至二零一八年十二月三十一日止年度的整體毛利率為53.2%（二零一七年：58.0%），較去年同期減少4.8%。

After the disposal, Lansen still held 12,775,000 shares in Starry (accounting for approximately 10.6% equity interest of Starry). The carrying amount of these shares as at 31 December 2018 was US\$24.0 million (as compared with the market value of US\$49.10 million calculated based on the closing price of Starry of RMB26.38 as at 31 December 2018).

The Group may further dispose of the shares of Starry as disclosed in an announcement headed "Possible Very Substantial Disposal In Relation to Disposal of Starry Shares", subject to prevailing market price of the shares of Starry and general conditions of the stock market. The Group will comply with the applicable requirements under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") accordingly and make further announcement(s) in this regard as and when appropriate.

Financial Review

Revenue

The Group recorded a revenue of US\$56.9 million (2017: US\$89.5 million) for the year ended 31 December 2018, representing a decrease of 36.4% over the corresponding period of last year.

For the year ended 31 December 2018, revenue from pharmaceuticals amounted to US\$48.1 million (2017: US\$68.2 million), representing a decrease of 29.6% over the corresponding period last year. Revenue from medical cosmetics products amounted to US\$2.3 million (2017: US\$13.2 million), representing a decrease of 82.3% over last year. Revenue from healthcare products amounted to US\$6.5 million (2017: US\$8.1 million), representing a decrease of 19.6% over the corresponding period last year.

Pafulin, the core specialty pharmaceutical product, recorded a revenue of US\$32.4 million (2017: US\$50.5 million). Mycophenolate mofetil dispersible tablets and leflunomide tablets recorded a revenue of US\$3.8 million (2017: approximately US\$6.5 million), representing a decrease of 41.4% over last year.

Gross profit

For the year ended 31 December 2018, the Group recorded a gross profit of US\$30.3 million (2017: US\$51.9 million), representing a decrease of 41.7% over the corresponding period last year. For the year ended 31 December 2018, the overall gross profit margin was 53.2% (2017: 58.0%), representing a decrease of 4.8% over the corresponding period last year.

管理層討論及分析

Management Discussion and Analysis



整體毛利率相比去年減少之主要原因為產品銷售結構改變，毛利率較低的健康產品銷售比重上升，由二零一七年佔收入總額的9%，上升至二零一八年佔收入總額的11.4%。

其他收入

其他收入於截至二零一八年十二月三十一日止年度為2.2百萬美元(二零一七年：1.3百萬美元)，較去年上升75.7%，上升原因主要因為二零一八年政府補貼比去年上升0.4百萬美元。本集團收到的政府補貼主要來自地方政府，部分用於嘉許本集團開發高科技藥品的表現。

銷售及分銷開支

截至二零一八年十二月三十一日止年度，本集團銷售及分銷開支下降44.6%，達到17.1百萬美元，去年同期為30.9百萬美元。本集團銷售及分銷開支佔本集團總收入下降4.4%，截至二零一八年十二月三十一日止年度為30.1%，去年同期則為34.5%。下降原因主要為執行幾項控制銷售開支的措施。

管理層相信醫藥與醫療美容產品的營銷模式及學術推廣優勢，是其保持市場領先地位的重要因素。本集團致力提高醫藥與醫療美容產品的知名度，積極開展教育活動。透過在全國各地舉行學術推廣座談會，使醫生和用戶都能對此類產品的藥理、功效和優點等有更清晰的概念。

行政開支

截至二零一八年十二月三十一日止年度的行政開支為15.9百萬美元(二零一七年：12.8百萬美元)，較去年上升23.7%。本集團行政開支佔本集團總收入上升13.6%，二零一八年十二月三十一日止年度為27.9%，去年同期則為14.3%。以人民幣計算，總行政開支上升約18.8百萬人民幣。主要原因包括匯兌虧損1.2百萬人民幣(二零一七年：匯兌收益3.1百萬人民幣)及陳舊存貨減值撥備上升約8.9百萬人民幣。

The decrease in overall gross profit margin as compared to last year was mainly attributable to the changes in product sales mix. The sales proportion of healthcare products, which have lower gross profit margins, to the total revenue increased from 9.0% in 2017 to 11.4% in 2018.

Other income

Other income amounted to US\$2.2 million (2017: US\$1.3 million) for the year ended 31 December 2018, representing an increase of 75.7% over last year, which was mainly because the government grants received in 2018 increased by US\$0.4 million over last year. Government grants received by the Group primarily came from the local government and were partly used as recognition of the Group's efforts in developing high-technology pharmaceutical products.

Selling and distribution expenses

For the year ended 31 December 2018, the selling and distribution expenses of the Group decreased by 44.6% to US\$17.1 million from US\$30.9 million in the corresponding period last year. The proportion of the selling and distribution expenses of the Group to the total revenue of the Group decreased by 4.4% to 30.1% for the year ended 31 December 2018 from 34.5% in the corresponding period last year. The decrease was mainly the implementation of several measures to control selling expenses.

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

Administrative expenses

For the year ended 31 December 2018, administrative expenses amounted to US\$15.9 million (2017: US\$12.8 million), representing an increase of 23.7% over last year. The proportion of the administrative expenses of the Group to the total revenue of the Group increased by 13.6% to 27.9% for the year ended 31 December 2018 from 14.3% in the corresponding period last year. Calculated in RMB, administrative expenses in general increased by approximately RMB18.8 million, which was mainly due to exchange losses of RMB1.2 million (2017: exchange gains of RMB3.1 million) and the increase of provision for impairment of obsolete inventory by approximately RMB8.9 million.

管理層討論及分析

Management Discussion and Analysis



財務成本

截至二零一八年十二月三十一日止年度，本集團財務成本增加0.3百萬美元。主要由於集團平均銀行借款增加及實際年利率從二零一七年的3.86%增加到二零一八年的4.71%。

應佔聯營公司的除稅後業績

截至二零一八年十二月三十一日止年度，應佔聯營公司的除稅後業績為0.9百萬美元(二零一七年：1.3百萬美元)。

所得稅開支

寧波立華製藥有限公司(「寧波立華」)獲高新技術企業認證，享有15%所得稅優惠政策。根據中華人民共和國企業所得稅法(「企業所得稅法」)及所得稅法實施細則，除寧波立華外，其他中國附屬公司的企業所得稅稅率為25%。

本公司擁有人應佔溢利

截至二零一八年十二月三十一日止年度，本公司股東應佔溢利為0.2百萬美元，較去年同期的15.6百萬美元下降15.4百萬美元。

流動資金、財務資源及資本架構

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

於二零一八年十二月三十一日，本集團之流動負債淨值約為2.6百萬美元(二零一七年十二月三十一日：流動資產淨值約為4.3百萬美元)，流動比率為1.0(二零一七年十二月三十一日：1.0)。

於二零一八年十二月三十一日，本集團的現金及現金等價物為11.6百萬美元(二零一七年十二月三十一日：8.9百萬美元)。於二零一八年十二月三十一日，本集團擁有已抵押銀行存款22.0百萬美元(二零一七年十二月三十一日：32.6百萬美元)作為銀行借款的擔保。

Finance costs

For the year ended 31 December 2018, finance costs of the Group increased by US\$0.3 million. This was mainly due to the increase of average bank borrowings and the effective interest rate per annum increasing from 3.86% in 2017 to 4.71% in 2018.

Share of post-tax result of associates

Share of post-tax result of associates for the year ended 31 December 2018 amounted to US\$0.9 million (2017: US\$1.3 million).

Income tax expense

Ningbo Liwah Pharmaceutical Company Limited ("Ningbo Liwah") has obtained the certification as a high-technology enterprise and enjoys a preferential income tax rate of 15%. According to the Enterprise Income Tax Law of the PRC and the implementation rules of the income tax law, except for Ningbo Liwah, the enterprise income tax rate for other PRC subsidiaries was 25%.

Profit attributable to owners of the Company

The profit attributable to owners of the Company for the year ended 31 December 2018 amounted to US\$0.2 million, representing a decrease by US\$15.4 million from US\$15.6 million in the corresponding period last year.

Liquidity, financial resources and capital structure

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

As at 31 December 2018, net current liabilities and current ratio of the Group were approximately US\$2.6 million (31 December 2017: net current assets of US\$4.3 million) and 1.0 (31 December 2017: 1.0) respectively.

As at 31 December 2018, the Group's cash and cash equivalents amounted to US\$11.6 million (31 December 2017: US\$8.9 million). As at 31 December 2018, the Group had pledged bank deposits of US\$22.0 million (31 December 2017: US\$32.6 million) to secure bank borrowings.

管理層討論及分析

Management Discussion and Analysis



本集團於二零一八年十二月三十一日的借款為87.2百萬美元(二零一七年十二月三十一日: 99.1百萬美元)。

於二零一八年十二月三十一日, 本集團之淨負債權益比率為60.7% (二零一七年十二月三十一日: 56.5%), 乃按年末的淨負債(借款減去現金及銀行結餘)除以總權益計算得出。

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

資產抵押

於二零一八年十二月三十一日, 若干銀行存款面值合計22.0百萬美元(二零一七年十二月三十一日: 若干銀行存款及應收票據面值合計36.1百萬美元)及司太立上市股票市值40.7百萬美元(二零一七年十二月三十一日: 44.3百萬美元), 已就本集團取得銀行融資及銀行借貸及同系附屬公司取得銀行借款作出抵押。

資本承擔

於二零一八年十二月三十一日, 本集團有已訂約但尚未於綜合財務報表中撥備的資本開支為3.6百萬美元(二零一七年十二月三十一日: 1.8百萬美元)。

已發行財務擔保

本集團已就本集團同系附屬公司吉林海資生物工程技術有限公司(「吉林海資」)作出的借款向銀行發出擔保。於該擔保下, 本集團須承擔吉林海資自銀行提取的最多人民幣130,000,000元(相等於18,942,000美元)的借款。於二零一八年十二月三十一日, 本集團須承擔的擔保負債上限為吉林海資所提取的金額人民幣107,460,000元(相等於15,657,000美元)(二零一七年十二月三十一日: 人民幣122,460,000元(相等於18,741,000美元))。

除此之外, 於二零一八年十二月三十一日, 本集團並無任何重大或然負債。

The Group's borrowings as at 31 December 2018 amounted to US\$87.2 million (31 December 2017: US\$99.1 million).

As at 31 December 2018, the Group's net debt-to-equity ratio was 60.7% (31 December 2017: 56.5%), calculated by net debt (borrowings minus cash and bank balances) at the end of the year over total equity.

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

Charges on assets

As at 31 December 2018, certain bank deposits of US\$22.0 million (31 December 2017: certain bank deposits and bills receivables in an aggregate carrying amount of US\$36.1 million) and Starry's listed shares with market value amounting to US\$40.7 million (31 December 2017: US\$44.3 million) were pledged to secure banking facilities and banking borrowings of the Group and bank borrowings of a fellow subsidiary.

Capital commitment

As at 31 December 2018, the Group's capital expenditure contracted for but not provided in the consolidated financial statements amounted to US\$3.6 million (31 December 2017: US\$1.8 million).

Financial guarantee issued

The Group has issued a guarantee to a bank in respect of borrowings made by Jilin Haizi Bio-Engineering Technology Company Limited ("Jilin Haizi"), a fellow subsidiary of the Group. Under the guarantee, the Group is liable for a maximum of RMB130,000,000 (equivalent to US\$18,942,000) borrowings drawn by Jilin Haizi from the bank. The maximum liability of the Group at 31 December 2018 under the guarantee issued represents the amount drawn down by Jilin Haizi of RMB107,460,000 (equivalent to US\$15,657,000) (31 December 2017: RMB122,460,000 (equivalent to US\$18,741,000)).

Save as mentioned above, the Group did not have any material contingent liability as at 31 December 2018.

管理層討論及分析

Management Discussion and Analysis



重大收購及出售

於二零一八年六月六日，本集團透過上海證券交易所的場內大宗交易合共出售司太立2,400,000股股份。出售所得款項總額合共為人民幣65.33百萬元，集團獲得部分出售聯營公司收益(稅後淨額)5.1百萬美元。本集團於司太立的股權因出售由12.6%減少至10.6%。

人力資源

於二零一八年十二月三十一日，本集團有逾622名員工。截至二零一八年十二月三十一日止年度，員工成本為14.5百萬美元。本集團之員工薪酬經參考個人工作表現、專業資格、行業經驗及相關市場趨勢而釐定，當中包括薪金、津貼、醫療保險及公積金。

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

Material acquisitions and disposals

On 6 June 2018, the Group has disposed of a total of 2,400,000 shares in Starry via on-market block trade sales on the Shanghai Stock Exchange. The gross proceeds from the disposal were in an aggregate RMB65.33 million, and the Group recorded a gain on partial disposal of an associate of US\$5.1 million (net of tax). As a result of the disposal, the Group's holding in Starry has reduced from 12.6% to 10.6%.

Human resources

The Group had over 622 employees as at 31 December 2018 with the employee costs of US\$14.5 million for the year ended 31 December 2018. Staff remuneration of the Group, including salary, allowances, medical insurance and provident fund, is determined with reference to individual performance, professional qualifications, experience in the industry and relevant market trends.

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

環境、社會及管治報告

Environmental, Social and Governance Report



前言

為符合香港聯合交易所有限公司證券上市規則附錄二十七《環境、社會及管治報告指引》所載的要求，朗生醫藥控股股份有限公司（「本公司」，連同其附屬公司統稱「本集團」）謹此呈報二零一八年一月一日至二零一八年十二月三十一日的年度環境、社會及管治報告（「環境、社會及管治報告」），旨在向股東、員工、客戶、合作夥伴等各利益相關方公開報告本集團二零一八年度在履行企業社會責任方面的實踐、績效與發展情況。

環境、社會及管治的戰略與管理

隨著企業規模的不斷壯大發展，本集團正逐步融入可持續發展戰略於整體發展戰略體系之中。

Introduction

In order to be in compliance with the requirements as set out in the Environmental, Social and Governance Reporting Guide under Appendix 27 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, Lanssen Pharmaceutical Holdings Limited (the "Company", together with its subsidiaries as the "Group") herein report the environmental, social and governance report ("ESG Report") for the year from 1 January 2018 to 31 December 2018, to report practices, performance and development of the Group in corporate social responsibility in 2018 to our shareholders, staff, clients, partners and other stakeholders.

Strategy and Management of Environmental, Social and Governance Matters

With the continuous development and expansion of the scale of enterprise, the Group is gradually integrating the sustainable development strategy into its overall development strategy system.



我們的使命：

為向客戶提供優質產品和服務，提高人們健康水平和生活質量，實現對股東的投資回報最大化和對員工的個人發展需要的最大滿足。



我們的願景：

成為大健康行業受人尊敬的知名企業。



我們的戰略：

開發和推廣有特色的醫藥、健康和醫美產品，通過對行業的併購整合、國際合作和持續創新，促進業務的持續穩定增長，實現股東、客戶和員工的價值共贏。

Our mission:

Provide customers with quality products and services to improve people's health and quality of life, while maximising the investment return to shareholders and satisfy the personal development needs of the staff.

Our vision:

To become a reputable enterprise in the healthcare industry.

Our strategy:

To develop and promote the distinctive products of pharmaceutical, healthcare and medical cosmetics, and promote the continuous and steady growth of its business through merger and acquisition, integration, international cooperation and continuous innovation, and realise the win-win value of shareholders, customers and employees.

環境、社會及管治報告

Environmental, Social and Governance Report



利益相關方參與

根據企業營運的實際情況，我們的利益相關方主要為政府與行業監管機構、投資者、客戶與消費者、供應商、員工、社區、同行業者、媒體與社會公眾。二零一八年，我們主要通過以下方式與各利益相關方進行交流，以更好地向社會履責：

利益相關方

Stakeholders

政府與行業監管機構

Governmental and industrial regulators

投資者

Investors

客戶與消費者

Customers and consumers

供應商

Suppliers

Participation of stakeholders

According to the operation situation of the Company, our stakeholders are mainly governmental and industrial regulators, investors, customers and consumers, suppliers, employees, the community, industry peers, media and the general public. In 2018, we communicated with stakeholders mainly by the following methods to better fulfill our social responsibilities:

利益相關方溝通方式

Methods of communication with stakeholders

政府參觀考察、支持政府項目與行業協作

Government visits, supporting government projects and industry collaboration

董事會、信息披露、會議交流、日常來訪、網站、郵件、電話

Board of directors, information disclosure, conference exchange, ordinary visits, website, mail, telephone

學術研討會、新產品上市會、客戶服務、電話諮詢

Academic seminars, new product launching conferences, customer service, telephone consultations

供應商管理制度、採購招標機制、年度評價

Supplier management system, procurement tender mechanism, annual evaluation

環境、社會及管治報告

Environmental, Social and Governance Report



利益相關方

Stakeholders

員工

Employees

社區

Community

同業者

Industry peers

媒體與社會公眾

Media and general public

利益相關方溝通方式

Methods of communication with stakeholders

工會、職工代表大會、多類型培訓、安全管理、文體活動、健康體檢、帶薪年假

Trade union, employee congress, multi-type training, safety management, cultural and sports activities, health examination, paid annual leave

公益活動、志願者活動

Community activities, volunteer work

行業組織、行業論壇與會議

Trade organisations, forums and conferences

信息披露、輿情監測、媒體溝通機制、網站

Information disclosure, public opinion monitoring, media communication mechanism, website

環境

本集團持續關注生產運營中的污染物排放問題，嚴格遵守國家各項法律法規，並制定了以下措施，最大限度控制各類污染物排放：

1. 寧波立華積極推進能源結構調整。於二零一三年起，將生產用鍋爐燃料由燃油改為天然氣，較當地政策提前了兩年。並增加餘熱回收裝置，隨時關注蒸汽使用情況，如發現蒸汽回流量過大，寧波立華即刻聯繫使用蒸汽的各部門，安排人員檢查各設備的蒸汽閥門關閉情況，減少不必要的蒸汽浪費，節約天然氣的使用，減少二氧化碳之排放量。
2. 對生活垃圾、工業垃圾、危險廢物等進行強制性分類，引導員工自覺、科學地開展垃圾分類。定期會請外部處理公司進行運輸以及處理。

Environment

The Group pays attention to the issue of pollutant emissions in the course of production on an ongoing basis. It strictly observes the laws and regulations of the country and has formulated the following measures in an effort to combat the emission of various pollutants:

1. Ningbo Liwah actively promotes energy restructuring. Since 2013, it has substituted oil with natural gas as the fuel for its boilers used for production two years earlier than required by the local policy. Ningbo Liwah also added residual heat recovery units and paid attention to the use of steam at all times. When excessive steam flow was identified, Ningbo Liwah will contact all departments that use steam and arrange staff to check if the steam valves of equipment are properly closed to reduce unnecessary steam waste, natural gas usage and carbon dioxide emissions.
2. Compulsory categorisation of domestic, industrial and hazardous wastes is introduced and staff is encouraged to categorise wastes autonomously and scientifically. An external treatment company is regularly engaged to transport and dispose of such wastes.



3. 本集團注重對「危廢」管理，從產生、暫存、轉移、入庫、處理、存盤有一系列的管理流程，並且有專用的「危廢倉庫」。為防止危險廢物存放處發生廢物洩漏進入河道，對存放處進行相關改造，防止危險廢物洩漏進入河道。
4. 污水處理方面，有一套專用的污水處理裝置，對下水管實行雨污分離，確保進入河道的水質為天然降水，污水經過污水站處理能完全達到市政管道排放標準。
5. 廢氣處理方面，在寧波立華製藥有限公司鎮海分公司（「立華鎮海分公司」），原料存儲、輸送環節，以集中儲存、管道輸送的方式，降低有機廢氣在存儲、輸送環節的產生。此外，在尾氣、廢水處理環節，安裝多種裝置用以消除企業生產工程中工藝廢氣外排對環境的影響。並且通過聘請第三方單位，企業每年制訂工作計劃，定期檢測、及時修復，有效減少有機廢氣排放，及監控企業VOCs減排措施運行效率。
6. 在管理方面，立華鎮海分公司根據地方環保局要求，持續改進企業在VOCs減排方面的工作。同時每年通過ISO14001企業內審和年度外審，以年度目標指針方案的形式多角度改進有機廢氣回收設備、尾氣吸收裝置的運行效率。
3. The Group stresses the importance of hazardous wastes management and puts in place a series of management procedures for production, temporary storage, transfer, warehousing, handling and filing as well as a dedicated warehouse for hazardous wastes. In order to prevent the leakage of hazardous wastes from the warehouse into the river, the warehouse has been renovated to avoid the wastes leaking into the river.
4. As for sewage treatment, Ningbo Liwah has installed a dedicated sewage treatment facility. By separating rainwater and sewage, Ningbo Liwah has ensured that water directly discharged to the river is rainfall. Sewage disposed of by treatment plant would entirely meet the discharge standard of municipal pipelines.
5. Regarding waste gas treatment, raw materials storage and transmission segments, Ningbo Liwah Pharmaceutical Company Limited Zhenhai Branch (“Liwah Zhenhai Branch”) reduces the production of organic waste gas in the storage and transmission segments through centralised storage and pipe transmission. Furthermore, in the exhaust gas and sewage treatment segments, various devices have been installed to mitigate the impact of waste gas produced on the environment. In addition, by engaging independent third parties, a work plan is developed every year, conducting regular examinations and timely repair, thereby effectively reducing the emission of organic waste gas and monitoring the effectiveness of VOCs emission reduction measures.
6. In connection with management, Liwah Zhenhai Branch has complied with the requirements of local environmental bureaus to continue to enhance enterprise VOCs emission reduction measures. Meanwhile, ISO14001 internal and external audits are conducted annually to improve the effectiveness of organic waste gas recovery equipment and exhaust gas absorption devices from different perspectives based on the annual performance targets.

環境、社會及管治報告

Environmental, Social and Governance Report



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| <p>7. 固體廢棄物方面，立華鎮海分公司加強與資源循環利用企業之間的合作，通過增設有機肥料生產、生物質燃料顆粒製作等多元化處置方式，減輕企業一般固廢處置對環境的壓力，提升資源綠色循環利用。</p> <p>8. 專門成立環境保護及能源管理辦公室，時刻監控公司的日常能耗及環保情況。本集團嚴格依照相關法律法規中對排放量及排放標準的要求，對自身排放數據進行監管，相關法律法規主要包括：</p> <ul style="list-style-type: none">• 《中華人民共和國環境保護法》• 《中華人民共和國大氣污染防治法》• 《中華人民共和國固體廢物污染環境防治法》• 《中華人民共和國水污染防治法》• 《中華人民共和國環境雜訊污染防治法》• 《水污染綜合排放標準》(寧波市地方標準)• 《鍋爐大氣污染物排放標準》(寧波市地方標準)• 《突發環境事件的應急預案》(寧波市環保局備案) | <p>7. Regarding solid wastes, Liwah Zhenhai Branch has strengthened the cooperation between recycling enterprises to alleviate the pressure of general solid wastes disposal on the environment and recycle more resources by adopting diversified disposal methods such as organic fertilisers and biomass fuel granules production.</p> <p>8. The Group specially sets up an environmental protection and energy management office to constantly monitor the Company's daily energy consumption and environmental protection. The Group monitors its emission indicators stringently according to the requirements of emission volume and standards under relevant laws and regulations, which primarily include:</p> <ul style="list-style-type: none">• Environmental Protection Law of the PRC• Air Pollution Prevention and Control Law of the PRC• Prevention and Control of Environmental Pollution by Solid Wastes of the PRC• Water Pollution Prevention and Control Law of the PRC• The Law on the Prevention and Control of Noise Pollution of the PRC• Integrated Wastewater Discharge Standards (Ningbo local standards)• Air Pollutant Emission Standards for Boilers (Ningbo local standards)• Contingency Plans for Environmental Emergencies (filed to Ningbo Environmental Protection Bureau) |
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環境、社會及管治報告

Environmental, Social and Governance Report



本集團用於生產的主要原材料為各類提取物與中草藥，其生產經營對於環境及天然資源或有極輕微影響。本集團積極履行社會責任，始終堅持發展與環境保護並重的理念，合理利用各類資源，以實踐環境保護。集團嚴格遵照《中華人民共和國清潔生產促進法》，並制定相關制度，進一步達到節能降耗、減污增效的目的，盡可能將生產經營過程中對生態系統造成的影響降低。本集團也加強與資源循環利用企業的合作，提升藥渣固體廢棄物再生資源價值。

本集團倡導綠色生產理念，達到節能、降耗、減污的目的。本集團在生產過程中通過完善工藝流程、提升技術含量，亦採取LED節能照明、安裝蒸汽定時開關、純化水濃水回收、大型設備採用變頻控制、鍋爐用水採用餘熱回收等措施，節約各類資源。本集團亦鼓勵員工積極參與各類節能降耗方案設計，不斷提升員工環保意識。本集團廢水、鍋爐廢氣及噪聲等項目皆進行過檢測，所有檢測項目均符合相關標準要求。本集團廠區空調和鍋爐系統已經進行了自動化升級，用自動感應控制取代人為調節，在釋放了勞動力的同時又減少了人為調節造成的能源浪費。空調系統及鍋爐系統能耗同比節省20%。

本集團亦倡導綠色辦公，將低碳經營的理念融入到生產運營中，努力向辦公低碳化、無紙化、節能化方向邁進，減少化石燃料、水、電、樹木等自然資源及能源的使用。

Raw materials used by the Group for production primarily include various extracts and Chinese herbal medicines, and the production of which may have very minor impact on the environment and natural resources. The Group actively fulfills its social responsibilities and always follows the philosophy of maintaining the balance between development and environment protection by employing various resources reasonably to protect the environment. The Group abides by the Cleaner Production Promotion Law of the PRC stringently and has established relevant systems to further the goals of energy saving, consumption reduction, pollution mitigation and effectiveness enhancement with the aim of minimising the impact of its production and operation on the ecological system. The Group also deepens its collaboration with recycling enterprises to increase the recycling value of solid dreg wastes.

The Group advocates green production with the goals of energy saving, consumption reduction and pollution mitigation in mind. The Group reduces the use of resources by optimising its production process and improving its technologies, together with the use of LED lighting, installation of steam timers, recovery of purified and concentrated water, adoption of variable frequency control for large equipment and implementation of residual heat recovery for boiler water. In addition, the Group also encourages its staff to participate in the design of energy saving solutions and continues to raise their awareness of environmental protection. Waste water, waste gas from boilers and noise produced by the Group are all tested against relevant standards and requirements. The Group has carried out automation upgrading on the air conditioning and boiler systems of its plants. The substitution of human adjustment by auto-induction has released the labour force as well as reduced the energy waste caused by human adjustment. Air conditioning and boiler systems recorded a year-on-year decrease of 20% in terms of energy consumption.

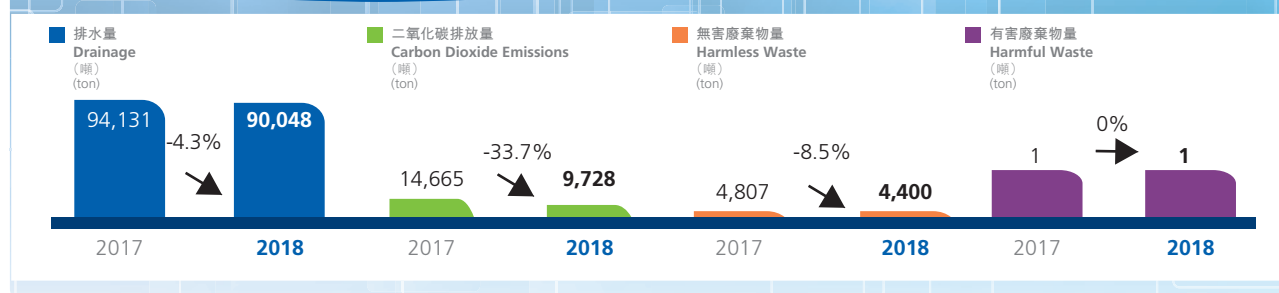
The Group also supports a green office objective by merging low-carbon operation into its production process and aims at low carbonisation, paperless and energy saving by reducing the use of natural resources and energy such as fossil fuels, water, electricity and timbers.

環境、社會及管治報告

Environmental, Social and Governance Report

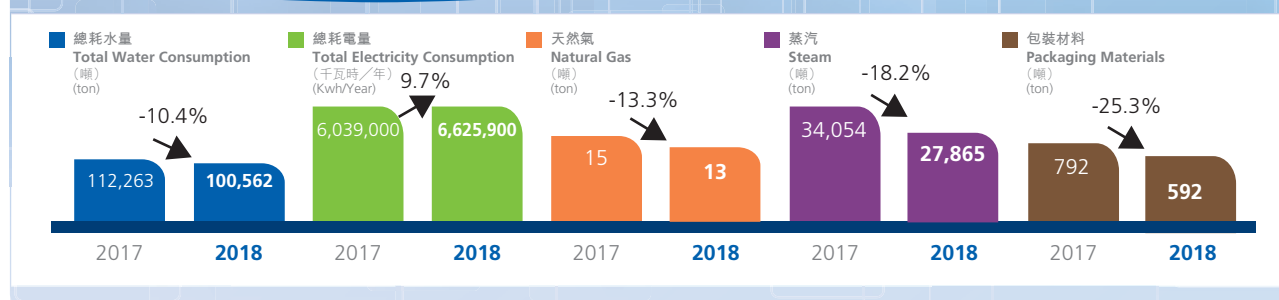
本報告期內主要排放物數據如下：

Major emissions during the reporting period are as follows:



本報告期內主要資源消耗數據：

Major resources during the reporting period are as follows:



企業文化

本集團以深耕風濕免疫處方藥領域，成為該領域基礎用藥第一品牌為目標。同時積極佈局醫美、保健品、精準醫療等領域，努力成為優秀的多元化大健康產業集團。專業、國際化、不斷創新、充滿活力是我們的企業文化，讓快樂和健朗的人生開始是我們的不懈追求。本集團提倡團隊合作，明確個人職責，樹立責任及務實、開放、共用的價值觀。為客戶提供高品質的產品，為員工創造高品質的生活，為股東取得高品質的投資，為社會回饋高品質的企業責任。傳承並創新傳統醫藥理論，打造並領導未來健康事業。

Corporate Culture

The Company aims to continue its business in prescription drugs for autoimmune rheumatic diseases and become the number one brand for basic medication in this field. It will also have an active presence in medical cosmetics, healthcare products, precision medicine and other fields and strive to become a diversified outstanding major health provider. Professionalism, internationalisation, continuous innovation, and vitality are our corporate culture, and it is our relentless pursuit to help people live a happy and healthy life. The Company promotes team cooperation, and has defined clear individual responsibilities and established values of responsibility, pragmatism, open-mindedness and sharing. It aims to provide its customers with high-quality products, to create high-quality life for its employees, to obtain high-quality investments for its shareholders and to diligently perform its corporate responsibilities for the society. It inherits and introduces innovations on traditional medicine theory in order to develop and lead the future healthcare business.

環境、社會及管治報告

Environmental, Social and Governance Report



員工準則

公司遵循尊重、公平的原則，致力於打造和諧、健康的工作環境及公平、發展的職場氛圍。在提供就業機會、薪酬、培訓、績效考核、晉升等事務上均遵循以上原則，從未因性別、年齡、民族、宗教、文化及教育背景等因素而存在歧視，致力於為所有員工提供平等的發展平台，保障員工的各項合法權益，努力營造健康、和諧的工作環境。

本集團的勞動合同以國家頒佈的《勞動法》和地方相關勞動法規為依據，一經簽署立即具有法律效力，本集團嚴格按相關法規執行本集團的員工招聘及使用標準均嚴格遵照中國相關勞動法律、法規執行。本集團主要遵守的法律法規包括：

- 《中華人民共和國勞動法》
- 《中華人民共和國勞動合同法》
- 《中華人民共和國未成年人保護法》
- 《禁止使用童工規定》(國務院令第364號)
- 《浙江省女職工勞動保護特別規定》
- 《浙江省高溫補貼發放標準》

二零一八年內，本集團未出現違反上述法律、法規之情形。

Employee Guidelines

On the principle of respect and fairness, the Company is committed to creating a harmonious and healthy working environment, and fair and developmental workplace atmosphere, and also follows the above principles in providing employment opportunities, remuneration, training, performance assessment and promotion, and has never discriminated on the grounds of gender, age, ethnicity, religion, culture and educational background. It is committed to providing all employees with an equal development platform and protecting their lawful interests, and strives to create a healthy and harmonious working environment.

The labour contract of the Group is based on the Labour Law promulgated by the state and the relevant labour laws and regulations of the local governments, and it shall have immediate legal effect once signed. The Group's standards for staff recruitment and deployment are in strict compliance with the relevant labour laws and regulations of the PRC. The Company is mainly subject to the following laws and regulations:

- Labour Law of the PRC
- Labour Contract Law of the PRC
- Law of the PRC on the Protection of Minors
- Provisions on the Prohibition against the Use of Child Labour (State Council Order No. 364)
- Special Provisions on Labour Protection of Female Workers in Zhejiang Province
- Standards for Distribution of High-temperature Subsidies in Zhejiang Province

In 2018, the Company did not violate any of the above laws and regulations.

環境、社會及管治報告

Environmental, Social and Governance Report



用工政策

本集團招聘選拔旨在引進優秀人才加入本集團，為內部員工提供多種職業發展機會，共同為本集團的發展作出貢獻。本集團注意和瞭解每個人才的職業發展和特長，最高程度地將合適的人才安排在合適的崗位上，關愛員工，達到員工與本集團共同發展的目標。

公司對每一位員工實施科學的績效及發展管理。有效地將本集團的戰略目標和個人及團隊的目標聯繫在一起，進行量化管理，並且在完成業績目標的同時，確保員工個人的發展和成長。

本集團每年根據員工綜合業績、目前薪酬、市場酬資水準、業務環境、通貨膨脹率等資料進行薪酬的調整，並確保公司的整體薪酬具有一定的市場競爭力。並按國家規定為員工繳納養老保險、醫療保險、失業保險、工傷保險、生育保險及住房公積金。本集團奉行不分民族、宗教信仰、性別，與所有員工簽訂了書面形式的勞動合同，為保護員工集體權益，由工會組織和本集團協調簽訂《工資集體協議》、《勞動集體協議》。

本集團一直致力於如何前瞻性的選拔、激勵和保留優秀員工。本集團的組織發展與人才管理著力於不斷為員工提供完善的培訓發展體系，合理的績效評估，制訂科學的職務發展通道，同時關注員工認可及激勵，從而使員工具有長期學習與發展的推動力，最終達到構建整個組織能力的長遠目標。

本集團獲得的每一個進步都與廣大員工的努力密切相關，本集團發展的同時也讓員工分享成功的果實，確保員工能夠公平的獲得價值並按貢獻程度分享價值。

Employment Policy

The Group aims to attract excellent talent to the Group through recruitment and selection and provides multiple career development opportunities for internal employees, jointly contributing to the development of the Group. The Group pays attention to and understands professional development and expertise of each talent, assigns talent to appropriate posts to the extent possible and cares for its employees to achieve the goal of joint development of the employees and the Group.

The Company provides scientific performance and development management to each employee, effectively links strategic objectives of the Group to the objectives of the individual and the team for quantitative management, and ensures individual development and growth of the employee as well as achievement of performance target.

The Group annually adjusts the remuneration of the employees according to comprehensive performance, current remuneration, remuneration level in the market, business environment, and inflation rate and other information to ensure the Company's overall compensation has certain market competitiveness. The Company also makes contributions to pension, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance and housing fund for its employees in accordance with national regulations. Regardless nationality, religious belief and gender, the Group signs written labour contracts with all employees. In order to protect collective rights and interests of the employees, *Collective Wage Agreement and Collective Labour Agreement* are signed by labour union and the Group through coordination.

The Group has been committed to selecting, motivating and retaining excellent employees in a forward-looking way. Organisational development and talent management of the Group focus on continuously providing employees with a sound training development system and reasonable performance evaluation, formulating a scientific career development channel, and concerning about staff recognition and motivation, so as to provide long-term impetus for learning and development, and ultimately achieve the long-term goal of building the capacity of the whole organisation.

Every progress made by the Group is closely related to the efforts of its employees. The Group also allows its employees to share the fruits of success in its development in order to ensure that employees can receive values fairly based on their contributions.

環境、社會及管治報告

Environmental, Social and Governance Report



工作時間

為保護員工勞動及休息權益及幫助員工獲得工作和生活的平衡，本集團員工之工作時間符合《中華人民共和國勞動法》及《中華人民共和國勞動合同法》中的有關要求。本集團行政、管理職能員工實行每周40小時工作時間的制度；生產員工實行輪班、輪休制度。銷售人員實行不定時工作制。若需要員工超時工作本集團會依照國家相關勞動法律、法規的有關規定，向員工支付相應的工作報酬。員工的休息日及法定節日與國家勞動法規定一致。

人員結構

我們鼓勵和尊重多元化。集團包括不同性別、年齡、技能、教育背景、行業經驗及其他質素的員工，以達致最適合之結構和平衡。

員工權益及福利

本集團在創造企業經濟效益的同時也積極保障並維護員工權益，提高員工的各項福利待遇，重視提升員工的歸屬感，增強企業的凝聚力。

本集團員工均享受帶薪休假，除享有國家規定的法定節假日外，員工之獎金、津貼、補貼、福利等按國家及集團有關制度發放。本集團除了為員工繳納基本醫療保險外，還為員工提供意外商業保險及補充養老保險，工會互助住院重疾保險及女職工安康保險，與基本醫療養老保險互為補充。同時，本集團還為滿足條件的員工提供一定比例的醫療費用報銷，以減輕員工負擔。於報告期內，本集團走訪慰問病困及離退休員工，並以慰問金、慰問物品等形式給予其關心與資助。

Working Hours

In order to protect labour and rest rights and interests of the employees and help its employees strike a balance between work and life, the working hours of the Group's employees is in compliance with the requirements of the *Labour Law of the PRC* and the *Labour Contract Law of the PRC*. Under the working system of the Company, administrative and managerial staff work 40 hours per week and production staff work in shifts and take turns to have holidays. Sales staff work irregular hours. If any employee is required to work overtime, he/she will be compensated correspondingly by the Group in accordance with the relevant PRC labour laws and regulations. The employees' days off and statutory holidays are in compliance with the requirements of the national labour laws.

Staff Structure

We encourage and respect diversity. The Group has employees of different genders, ages, skills, educational background, industry experience and other qualities to achieve an optimum structure and balance.

Rights and Benefits of Employees

While creating economic benefits, the Group also actively protects and safeguards the interests of its employees and improves the welfare of its employees. It attaches great importance to improving the sense of belonging of its employees and increasing its cohesion.

All employees of the Group are entitled to paid leaves. In addition to the statutory holidays, its employees also receive bonuses, allowances, subsidies and benefits provided by the Group in accordance with the relevant systems of the PRC and the Group. In addition to basic medical insurance contributions, the Group also makes commercial accident insurance and supplementary pension contributions as well as provides unionised mutual aid hospitalisation insurance for critical illness for its employees and medical insurance cover for its female staff so as to complement the basic medical and pension insurance contributions. Furthermore, the Group reimburses those employees who meet specified conditions for a certain proportion of their medical expenses to reduce their burden. During the reporting period, the Group visited its sick and retired employees and provided them with care and assistance in the form of money and supplies.

環境、社會及管治報告

Environmental, Social and Governance Report



本集團依法成立工會組織及職工代表大會制度，旨在保障全體員工的各項合法權益，為員工提供了暢通開放的溝通管道。同時，集團通過自動化辦公平台（「OA辦公平台」）、企業郵箱、內部期刊、宣傳欄、調查問卷等形式及時將集團的最新動態傳遞給每一位員工，並積極聽取員工的意見與建議，針對員工關注度較高的問題及時採取相應的改進措施，保障廣大員工的利益。

本集團為豐富員工業餘生活，成立有羽毛球協會、足球協會、籃球協會，每週為員工提供了籃球場、羽毛球館等運動場地及娛樂設施，並不定期舉辦和兄弟公司、業務合作單位、社區的團體業餘比賽。此外，亦定期發行《新立華》內部月刊，開通〈彙聚朗生〉微信公眾號，豐富員工的文化生活。報告期內，集團共組織包括籃球比賽、羽毛球賽、爬山運動、非洲鼓等在內的豐富多彩的活動，在幫助員工舒緩壓力、豐富業餘生活的同時也為員工搭建了展現自我及相互溝通融合的平台。

員工健康與安全

員工是集團最重要的財富和資源，因此集團始終把員工的健康與安全放在首位，集團以安全生產保護員工，致力於為員工提供健康關懷，亦為員工提供安全、健康及受保障的工作環境。

集團生產車間均裝有除塵、除噪、除濕等設備，並規範設置危險品識別標誌，規範使用。對於有可能造成職業傷害的特種設備，定期保養，專人使用，定期年檢。對於有可能出現危害的有毒、有害工作場所，設置醒示標誌、制訂應急預案。為生產員工提供防護用品等勞保用品，最大限度地降低對員工健康的傷害。同時，集團每年定期舉行消防疏散、自救、急救、逃生等演練，強化員工的安全意識以及自我保護意識，避免員工於工作中發生意外。

The Group has established a labour union and a workers' representative assembly in accordance with the law, aiming to protect the lawful interests of all of its employees and provide free-flowing communication channels for its employees. In addition, the Group keeps every employee informed of its latest development and actively listens to their opinions and suggestions through its office automation platform (the "OA Platform"), corporate emails, internal periodicals, bulletin boards and questionnaires, and takes relevant remedial measures to tackle problems that are of concerns to its employees in order to protect their interests.

In order to enrich the leisure activities of its employees, the Group has established a badminton association, a football association and a basketball association, providing its employees with sports venues and entertainment facilities including basketball courts and badminton halls for weekly activities, and holds amateur team competitions with Group companies, business partners and communities from time to time. Moreover, it publishes the "New Liwah" (《新立華》) internal monthly magazine, and operates a Wechat public account named "Gather at Lansen" (〈彙聚朗生〉) to enrich the cultural life of its employees. During the reporting period, the Group had organised activities including basketball games, badminton games, hiking, African drum activity, which have built a platform for its employees to exhibit themselves and conduct communication while relieving their pressure and enriching their leisure time.

Staff Health and Safety

Employees are the most important assets and resources of the Group. As such, the Group always puts the health and safety of its employees in the first place. It protects the production safety of its staff, and is committed to providing its employees with healthcare as well as a safe, healthy and protected working environment.

The Group's production workshops are all installed with equipment for dust, noise and poison protection. Signs of dangerous goods are set up, and the use of those goods is regulated. For special equipment which may cause occupational injuries, periodic maintenance and annual check-up would be performed and those equipment can only be used by authorised personnel. For toxic and harmful workplaces that may cause danger, warning signs are set up and contingency plans are formulated. Its production staff members are provided with appliances for labour protection including protection equipment to minimise the damages to the health of its employees. Besides, the Group holds annual drills for fire evacuation, self-help, first aid and escape on a regular basis to enhance the awareness of safety and self-protection of its employees and prevent accidents at work.

環境、社會及管治報告

Environmental, Social and Governance Report



集團制定了《企業職工健康管理規程》及《衛生和人員健康狀況管理規程》，每年定期組織全體員工進行全面健康體檢。對於從事具有職業危害的員工，集團嚴格執行《中華人民共和國職業病防治法》和相關勞動保護條例等有關規定，通過定期進行健康檢查、療養等方式降低職業疾病發生率。

集團盡全力改善員工的工作環境及設施，致力於為全體員工提供溫馨、舒適的辦公環境。集團宣導無煙化辦公，廠區嚴格禁煙。此外，集團在不同工作場所設有配套餐廳，每天提供營養豐富、品種多樣的健康餐品。

員工培訓與發展

本集團尊重人才，期以發展。本著組織與個人融合發展的理念，二零一八年集團繼續朝著構建學習型組織方向進行，持續推進全方位的人才培訓體系，並取得良好的效果。包括新員工入職系列培訓、生產管理專項培訓、市場銷售專項培訓、通用技能培訓、領導力發展計劃、團隊建設培訓等。

二零一八年本集團根據不同需要開展各類面授培訓30餘期，涵蓋60多個課程，累計參與人數達2,300餘人次，人均培訓時長超過20小時，員工能力和素質得到明顯提升，後備梯隊人員不斷拓展，集團將更加適應新形勢下各類人才的培養需求。

The Group has formulated the Employee Health Management Procedures (《企業職工健康管理規程》) and the Hygiene and Personal Health Condition Management Procedures (《衛生和人員健康狀況管理規程》), and organises all employees to receive regular comprehensive health examinations every year. For its employees at positions with occupational hazards, the Group strictly implements the requirements of the Law of the PRC on Prevention of Occupational Diseases and relevant labour protection regulations, and strives to lower the incidence of occupational diseases through regular health examinations and resting.

The Group made every effort to improve its employees' working environment and facilities and had been dedicated to providing a warm and comfortable working environment for all of its employees. The Group advocates smoke-free office and strictly prohibits smoking in the factory area. In addition, the Group has canteens at different workplaces, providing various healthy food with rich nutrients every day.

Staff Training and Development

The Group values talent and provides a platform for its development by conforming to the philosophy of common development of the Group and employees. In 2018, it continued to build a learning-oriented organisation and promote an all-round talent training system covering new employee induction, special production management training, special sales and marketing training, general skills training, a leadership development plan, team building training, etc, which had produced positive results.

In 2018, the Group, according to the different needs, held more than 30 phases of face-to-face training covering over 60 courses, with totally over 2,300 participants and over 20 hours of training per person. Employees' ability and quality were obviously enhanced. As the backup talent pool continues to expand, the Group will be able to meet the training needs of all kinds of talent under the new situation.



案例：管理層的轉型與變革管理培訓

二零一八年集團為幫助管理層快速適應公司進行的組織架構、銷售策略等調整，減少因變化而帶來的不適或困惑，快速積極的參與變革中並堅定地執行公司的策略，特進行了二場為期二天的《轉型與變革管理》學習。首先瞭解變革的本質，理解不變帶來的危害是什麼？是主動變革還是被動變革？通過許多大家熟悉的企業案例分析，讓管理人員理解變革的必要性和緊迫性。從理解變革到擁抱變革，需要管理期望，做好預案，思考如何縮短每個轉變階段的時間，大家都從基於自身的工作崗位談了很多的體會和方案，熱烈討論各自帶領團隊應對變革的策略、步驟和技巧。通過此次系統的學習，為管理層從理解變革到擁抱變革到領導變革提供了理論知識和技能。

本集團根據自身發展規則及需要設立雙通道職位發展體系。雙通道發展規定了人才晉級的評定標準，並與薪酬、學習發展緊密結合，為每一位員工創造了公平、健康、廣闊的發展平台，鼓勵員工不斷提高自身的業務素質。本集團依照各崗位性質及工作特點劃分出經營管理、市場銷售、專業技術、技能操作四種職系晉升路徑。

Case: Management Training on Management Transformation and Change

To facilitate management to quickly adapt to the Company's organisational structure, sales strategies and other adjustments, reduce the discomfort or confusion caused by the changes, and to quickly and actively participate in the change and firmly implement the Company's strategies, the Group arranged two two-day-long special learning courses themed "Transformation and Change Management" in 2018. Management learned about the nature of change, and understood the downside caused by acting conservatively. It is better to be active in changing than being passive. Through lots of familiar business case studies, management understood the need and urgency of change. From understanding change to embracing change, management needs to manage expectations and make plans, and think about how to shorten the time of each transitional stage. Participants shared their experience and plans from their own jobs, and discussed their strategies, steps and techniques to lead respective teams to cope with change. Through this systematic study, theoretical knowledge and skills were provided for management to shift from understanding change to embracing change, and to leading change.

The Company has established a dual-channel career development system in view of the rules and needs of its development. The dual-channel development system stipulates assessment standards for staff promotion and is closely related to the remuneration, learning and development of its employees. It has built a fair, healthy and broad development platform for all employees and encourages them to constantly improve their own job skills. Based on the nature and features of positions, the Group designs four career paths for staff holding positions in operation and management, marketing, specialised technique and skilled operations respectively.

環境、社會及管治報告

Environmental, Social and Governance Report



供應鏈管理

供應鏈管理是本集團質量控制體系重要環節之一，集團均按照藥物監管部門批准的經營範圍經營藥品、器械、醫療美容產品。相關經營許可證照齊全而有效。採購和銷售均嚴格審核供貨商和客戶資質，無超限經營。

本集團所有產品的供應商、客戶均經過集團品質部門牽頭的審計小組的嚴格審核。審核標準按照產品類別，根據與之相關的法律、法規建立首營企業、首營產品、首營客戶審核的相關制度、流程。並對供應商、客戶及產品相關資料在國家藥監局網站核實，經審核合格的供應商、客戶和產品才能進入公司《合格供應商目錄》、《合格客戶目錄》、《合格產品檔案》。

本集團所有產品的進、銷、存以及相應原料、輔料、包材及產品的供應品質，均符合《中華人民共和國藥品管理法》、《藥品生產質量管理規範》、《中華人民共和國藥典》、《藥品經營質量管理規範》、《醫療器械監督管理條例》、《醫療器械經營質量管理規範》等相關法律、法規要求，並嚴格按照藥品監督管理部門批准的經營範圍經營藥品、醫療器械和醫療美容產品。集團按照GSP法規要求制定了《供貨單位及產品的審核管理制度》、《首營企業審核程式》、《首營品種審核程式》、《採購管理制度》、《銷售出庫管理制度》等一系列制度，並根據實際情況不斷完善之。

Supply Chain Management

Supply chain management is an important element of the Group's quality control system. The Group conducts its pharmaceuticals, devices and medical cosmetic products operations according to the business scope approved by the drug administration authorities and has obtained all relevant and valid business licences. Qualifications of suppliers and customers will be scrutinised rigorously during our procurement and sales processes to ensure they all operate within their business scope.

Every supplier and customer of all products offered by the Group must pass the strict selection conducted by the audit team led by our Quality Control Department. The audit is conducted according to product category, relevant audit systems and process for newly-operated suppliers, new products and new customers, which are formulated according to relevant laws and regulations. All relevant information of the suppliers, customers and products must pass the verification on the website of the State Food and Drug Administration. Only those suppliers, customers and products that have gone through our audit could be listed on the Qualified Suppliers List, the Qualified Customers List and the Qualified Products Directory, respectively.

The quality of all purchasing, selling and storing products and all relevant raw materials, auxiliary materials, packaging materials and products of the Group on the supply side meets relevant laws and regulatory requirements of the Drug Administration Law of the PRC, Good Manufacture Practice of Medical Products, Pharmacopoeia of the PRC, Good Supply Practice for Pharmaceutical Products, Regulation on the Supervision and Administration of Medical Devices, and Good Supply Practice for Medical Devices. The Group conducts its pharmaceuticals, devices and cosmetics operations strictly according to the business scope approved by the drug administration authorities. The Group follows regulatory requirements of GSP and formulates various systems, including Suppliers and Products Selection and Management System, Newly-operated Suppliers Selection and Management System, New Products Selection and Management System, Procurement Management System, and Selling and Retrieval Management System, and also improves those systems based on the actual situation.

環境、社會及管治報告

Environmental, Social and Governance Report



本集團亦會對所有經營的產品進行年度品質評審，分別和藥品供應商以及其他產品的相關供應商和服務公司簽訂《品質保證協議》，對供應商、客戶品質管制體系進行年度評價，同時密切關注國家藥監局網站公佈的品質資訊，對評價不合格或出現嚴重品質問題的客商，本集團會立即停止該供應商之供貨和下游客戶發貨，在系統內凍結涉事客商，確保本集團經營產品的品質安全。

本集團於二零一八年加強了對於供應鏈管理工作的內部審計，並根據審計報告及時發現和更正日常管理工作的疏漏，以保證供應鏈管理體系的良性運行。

截止二零一八年十二月三十一日，本集團共向165家供應商採購原材料、輔料及包材。主要分佈情況：華東114家；華南9家；華北12家；華中14家；西南7家；西北2家；東北4家；進口3家。此外本集團亦與4家合格供應商合作，其中藥品供應商3家，化妝品供應商1家；主要分佈情況：華東3家及華中1家。4家均經過供應商和產品資質審核和供應商品質管制體系評價合格。

The Group also conducts annual quality appraisal on all of its products. It has signed Quality Assurance Agreement with pharmaceutical suppliers and other related product suppliers as well as service companies, respectively. It also assesses the quality control systems of suppliers and customers every year, and pays close attention to quality information on the website of China's Food and Drug Administration. If the supplier does not pass the assessment or serious quality issues are identified, the Group will suspend the supplier's product provisions and its downstream customers' product delivery immediately and freeze their qualification in its system to ensure the quality and safety of our products.

The Group has enhanced the internal audit of its supply chain management and has rectified the identified deficiencies and omissions in the daily management according to audit reports to ensure the efficient operation of the supply chain management system.

For the year ended 31 December 2018, the Company procured raw materials, auxiliary materials and packaging materials from 165 suppliers with geographical distribution as follows: 114 in East China; 9 in South China, 12 in North China; 14 in Central China; 7 in Southwest China, 2 in Northwest China; 4 in Northeast China and 3 from abroad. Furthermore, there were 4 qualified cooperative suppliers, among which 3 and 1 were pharmaceuticals and cosmetics suppliers respectively, with geographical distribution as follows: 3 in East China and 1 in Central China. The 4 suppliers all passed our supplier and product qualification assessment and supplier quality management system appraisal.

環境、社會及管治報告

Environmental, Social and Governance Report



產品品質

行業政策法規

本集團所經營的產品主要包括藥品、醫療器械、醫療美容產品等，嚴格遵照國家有關產品安全的法律法規，相關法律法規主要包括：

- 《中華人民共和國藥品管理法》
- 《中華人民共和國藥品管理法實施條例》
- 《中華人民共和國產品品質法》
- 《藥品生產品質管制規範》(國家藥品監督管理局)
- 《藥品不良反應報告和監測管理辦法》(衛生部令第81號)
- 《藥品經營品質管制規範》
- 《醫療器械監督管理條例》
- 《醫療器械經營品質管制規範》
- 《化妝品衛生監督管理條例》

本集團依法進行廣告宣傳，進一步保障消費者權益、維護品牌形象。集團嚴格執行《中華人民共和國廣告法》、《醫療廣告管理辦法》、《中華人民共和國藥品管理法》、《藥品廣告審查辦法》等法律法規，保證集團廣告宣傳合法合規，遏制違法廣告等有損集團及品牌形象的情形發生。

Product Quality

Policies, Laws and Regulations Concerning the Industry

The main products operated by the Group including pharmaceutical products, medical devices and medical cosmetics, etc. are all in strict compliance with the applicable laws and regulations of the PRC regarding product safety, which mainly include:

- Drug Administration Law of the PRC
- Rules for Implementation of Drug Administration Law of the PRC
- Law of the PRC on Product Quality
- Good Manufacture Practice of Medical Products (China Food and Drug Administration)
- Measures for the Reporting and Monitoring of Adverse Drug Reactions (Ministry of Health Order No. 81)
- Good Supply Practice for Pharmaceutical Products
- Regulations on the Supervision and Administration of Medical Devices
- Good Supply Practice for Medical Devices
- Regulations on Cosmetics Hygiene Supervision

The Group markets and promotes its products in compliance with applicable laws and regulations in order to further protect the rights and interests of consumers and our brand image. The Group strictly abides by relevant laws and regulations such as the Advertisement Law of the PRC, Measures for the Administration of Medical Advertisements, the Drug Administration Law of the PRC, Measures on the Examination and Approval of Medical Advertisements, so as to ensure the advertisement and marketing activities meet the requirements of such laws and regulations and to prevent the occurrence of illegal advertisement which may bring adverse impact to the Group and its brand image.

環境、社會及管治報告

Environmental, Social and Governance Report



品質管制體系

本集團致力於確保產品品質及安全，本著「認真真做藥，踏踏實實做人」的原則為社會提供安全有效的產品。特別是集團的產品大多屬於藥品，保證產品品質及安全是集團工作的重中之重。嚴格遵守相關法律法規，規範管理，避免出現任何違法違規的事件。集團組織結構完整，明確各部門崗位的品質職責，並配備符合崗位資質要求的品質管制人員，對相關崗位人員進行培訓與考核。按照國家相關法律、法規要求制定產品經營品質管制制度、操作規程檔，並根據法律、法規及集團實際情況進行修訂。

本集團配備符合GSP要求的倉儲物流設施設備及電腦資訊管理系統，對冷鏈等相關設備進行定期驗證。

作為一個集產品研發、生產、銷售於一體的大型醫藥公司，本集團一直以來，以「品質第一，規範至上，持續改進，顧客滿意」為品質方針，嚴格遵守藥品GMP管理規範的相關要求，在生產過程中，始終嚴把品質關。二零一八年本集團產品外部抽樣合格率为100%。

本集團建立了品質風險管理制度，確保從產品研發階段、供應商選擇、採購程序控制、驗收儲存管理、生產過程、檢驗過程、銷售過程等方面均進行全面的品質風險評估，確保產品整個生命週期（產品研發到產品退市）的穩定。生產過程中若出現不合格產品，質量管理人員均有權實行一票否決，確保出廠產品完全符合質量要求。

Quality Management System

The Group is committed to ensuring the quality and safety of its products. It provides safe and effective products for the society based on the principle of producing medicine conscientiously and steadfastly. Especially most of the products of the Group are medicines. To ensure the quality and safety of products is the top priority of the Group. It will strictly comply with relevant laws and regulations, standardise its management, and avoid any violations of laws and regulations. The Group is properly organised with various departments, each of which has its own responsibility for quality and has quality control personnel with appropriate qualification who will be responsible for the training and appraisal of relevant staff. We have formulated a product management quality control system and operation code for our products in accordance with the relevant laws and regulations of the PRC and will make relevant amendments according to applicable laws and regulations and the actual practice of the Group.

The Group is equipped with storage and logistics equipment and facilities and computer management system which meet the requirements of GSP, and would regularly checks such cold chain equipment.

As a large pharmaceutical company integrating product research and development, production and sales, the Group has always taken “quality oriented, standardisation first, continuous improvement, customer satisfaction” as its quality approach. The Group strictly complies with the relevant requirements of GMP management standard of drugs and strictly controls the quality throughout the production process. In 2018, the qualified rate of external sampling of the Group's products was 100%.

The Group has established a quality risk management system to ensure a comprehensive quality risk assessment for various aspects, including product research and development, supplier selection, procurement process control, acceptance and storage management, production process, inspection process and sales process, to ensure the stability of the product life cycle (from research and development to pulling off shelf of product). Quality control personnel has absolute discretion to refuse any unqualified products identified during the manufacturing process so as to ensure all products met relevant quality requirements before leaving the factory.

環境、社會及管治報告 Environmental, Social and Governance Report



集團通過認證：

認證類型

Certification Category

藥品生產品質管制規範認證(GMP)
GMP
HACCP
HACCP
韓國藥品生產品質管制規範認證(KGMP)
KGMP
NSF
NSF

經營環節品質控制

本集團實施從原料採購，供應商管理到產品銷售的全線GMP管理模式，從原料採購、進貨直到入庫均採用嚴格的驗收制度。定期進行供應商審計，確保原料來源可靠；生產過程嚴格遵照GMP規範管理，對產品執行內控標準管理，確保出廠產品完全符合品質要求。本集團建立了相關的產品召回程式，對存在品質隱患可能危及或傷害使用者健康的產品能確保及時召回，保障人民用藥安全有效。二零一八年一月至今未發生因產品品質原因的召回。

公司通過有價值的體系認證來不斷完善自己的品質體系，跟上國際化發展趨勢，確保與國際接軌。

The Group has obtained the following certifications:

發證機構

Issuing Agency

國家食品藥品監督管理局
China Food and Drug Administration
SGS
SGS
MFDS
MFDS
上海禾邦認證有限公司
NSF Shanghai Co, Ltd.

Quality Control in Operation

The Group has implemented a GMP management model for raw material procurement, supplier management and product sales, and has adopted a strict inspection and acceptance system for the processes of procurement, delivery and storage of raw materials. Regular supplier audit is performed to ensure reliable source of raw materials. The production process strictly abides by GMP standard management, and internal control standard management is implemented for products, ensuring products leaving the factory fully meet the quality requirements. The Group has formulated relevant product recall procedures to make sure that products which have safety defects and may endanger or adversely impact the users' health can be recalled in a timely manner so as to ensure the safety and effectiveness of the products for the consumers. No recall due to product quality issue has occurred since January 2018.

Through the valuable system certification, the Company continuously improves its quality system, keeps up with the trend of internationalisation, and ensures that it is in line with international standards.

環境、社會及管治報告

Environmental, Social and Governance Report



產品品質查詢、投訴、收回管理

質量管理部負責產品質量查詢、投訴問題處理，消費者或下游客戶可通過集團業務人員或客服部回饋查詢、投訴問題。質量管理部根據回饋情況，調查核實問題原因，調查清楚後給予答覆；對於涉及生產方面問題，質量管理部回饋供貨商或生產企業，由後者給予調查、答覆。對於容易重複出現的問題，制定預防措施並跟進。

維護及保障智慧財產權

本集團經營產品中，藥品附有電子監管碼，醫療器械產品附有防串碼，可對產品進行追溯，同時可防止假冒產品冒用集團品牌。同時，本集團一直非常重視知識產權維護和保障，多年來持續不斷的註冊自己商標品牌，積極申報專利保護，一般每年都會新申報發明專利，至今已經擁有註冊商標52件，有效授權發明專利19項。公司通過提升企業智慧財產權意識，提高創新創造活力，從而增強市場競爭力，為企業持續發展護航。

消費者隱私保障

本集團尊重消費者隱私，對消費者回饋的問題如實解答，同時承諾對於消費者的聯繫方式、住址、隱私等個人資訊不向外洩漏。

Enquiry, complaint and recall management in relation to product quality

Our quality management department is responsible for enquiries and complaints handling regarding product quality. Consumers or downstream customers may give feedback and make complaints through the Company's sales personnel or customer service department. The quality management department will inspect and verify the causes based on the feedback before making a reply. As for production issues, the quality management department will forward the issues to suppliers or manufacturing enterprises for their inspection and reply. Preventive and follow-up measures will be formulated for repetitive issues.

Intellectual Property Rights Protection

For the products of the Group, pharmaceuticals and medical devices come with electronic monitoring codes and anti-tampering codes respectively, which can be used to track the products and prevent counterfeit products from using the Company's brand. Meanwhile, the Group has always attached great importance to the maintenance and protection of intellectual property rights. The Group has been registering its trademarks and brands and actively declaring patent protection for years. Generally, the Group applied for new patents every year and possesses 52 registered trademarks and 19 valid patented inventions to date. The Company has enhanced its market competitiveness through enhancing the awareness of intellectual property rights and innovation and creativity, with an aim to escort the sustainable development of enterprise.

Consumer Privacy Protection

The Group respects consumer privacy and would answer consumers' enquiries truthfully while committed to keeping the contact information, addresses and personal information of consumers confidential.

環境、社會及管治報告

Environmental, Social and Governance Report



反腐敗

集團規定決不可以提供或給予任何人士賄賂款項、佣金、回扣、非法政治捐獻或其他不正當的款項。商業應酬要合法、合理並符合客戶及所在部門的守則。為避免利益衝突，在集團本職工作以外從事的財務活動或其他交往必須合法，不得與作為集團員工所承擔的本職工作發生利益衝突。不准濫用集團的財力、物力、或影響力，或損壞集團的良好聲譽。凡是有涉嫌犯罪的人員，集團將及時向相關部門檢舉、報告。

集團除了在制度建設上保證員工的廉潔自律以外，建立的內部監督體系也從另一層面約束了員工的違法行為。董事會下設有內審委員會，全面並獨立的負責集團的內部審計監督；亦設有內部審計部門，從風險控制角度對集團的財務賬實相符、資產的安全、經濟效益及其他有關經濟活動，進行監督和風險提示，從而有效控制並降低經營風險。本年度集團內審部門從制度執行的角度出發，不定時抽查員工是否嚴格按照集團制度規定的反腐條款來約束自己，給員工以警示作用。嚴格遏制賄賂、詐騙、貪污等各類違法經營行為的發生，促進集團的依法合規經營。

於報告期內，該等制度及體系對集團風險控制及反腐敗管理方面起到了較好的控制與防範作用，未發現重大缺陷。

Anti-corruption

The Group has established rules that no bribes, commissions, rebates, illegal political donations or other improper payments shall be provided or given to any person. Business entertainment shall be legal, reasonable and in compliance with the codes for customers and the relevant departments. In order to avoid conflicts of interest, any financial activities or other activities not conducted in the course of performing duties for the Group must be legal and shall not conflict with the performance of duties for the Group's employees. None of the Group's financial resources, assets or influence shall be abused, and its good reputation shall not be tarnished. The Company will promptly report any person suspected of a crime to the relevant departments.

In addition to ensuring the staff's integrity and discipline in system development, the established internal supervision system also produces restraint to employees' unlawful acts. An internal audit committee has been established under the board of directors, which is fully and independently responsible for supervising the internal audit of the Group. An internal audit department has also been established to monitor the reconciliation of book accounts and actual situations, safety of assets, economic benefits as well as other related economic activities and provide risk alert from the perspective of risk control, so as to effectively control and lower operational risks. During the year, for the sake of system implementation, the internal audit department of the Group from time to time conducts random inspections on whether employees have exercised self-restraint in light of the Group's anti-corruption rules and regulations for serving as a warning to the staff. In addition, the Group strictly prevents unlawful operations including bribery, fraud and corruption and facilitates the operation of the Group in accordance with relevant laws and regulations.

During the reporting period, these rules and systems played a positive role of control and prevention in risk control and anti-corruption management of the Group, and no major defects were identified.



社會公益

成為有社會責任感的企業公民是集團一以貫之的文化理念，扶危濟困，襄助公益事業是企業履行的重要社會責任之一。集團在不斷發展的同時積極回饋社會。社會公益活動不只是義務，更是集團成長與發展之路的必備條件。集團將經營發展與社會責任高度融合，以「承擔責任」為宗旨積極投身社會公益活動之中。

集團成立至今，已設立冠名基金及專項助學基金，積極參與「同城陽光」活動，每年用來幫助外來務工子女的學習、生活、就醫等。積極參與環境改善、五水共治等綠色環保公益活動。集團在反哺社會的同時，還積極引導集團員工參加各類公益組織，開創出爭當志願者為榮的精神風貌。

二零一八年，集團面向社會發起的一項公益環保活動——「打造綠色立華」，通過「開展植樹活動」，呼籲社會各界人士共同關注地球生態環境保護，從堅持垃圾入箱的小行為做起，共同攜手保護地球生態環境健康和美麗的平衡。

Social Welfare

Becoming a corporate citizen with a sense of social responsibility is the cultural philosophy that the Group has been following. Helping the poor and supporting the public welfare undertakings are also one of the significant social responsibilities. The Group corporate actively contributes to the society during its continuous development. To promote social welfare is not just an obligation of the Group, but also necessary for its growth and development. The Group has achieved a high degree of integration of its operation with its social responsibilities, and actively participates in promoting social welfare with the aim of "taking responsibility".

Since its inception, the Group has established funds under its name and special scholarship funds, and has actively participated in "city sunshine" (同城陽光) activities, which were utilised to help with the learning, life and medical treatment of the children of migrant workers each year. It vigorously participates in environment protection and green public welfare activities including environmental improvement, sewage treatment, flood prevention, water drainage, water supply and water saving. While repaying the society, the Group also actively guides its employees to participate in various charity organisations and create a spirit of taking pride in becoming volunteers.

In 2018, the Group socially initiated a public welfare activity, "Building green Liwah". Through activities of "tree planting", the Group appealed to people from all walks of life to protect the ecological environment and jointly safeguard the healthy and beautiful balance of ecological environment starting from little things, such as throwing rubbish into dustbins.

董事及高級管理人員履歷

Biographical Details of Directors and Senior Management



常務執行董事

陳力先生，57歲，為本公司常務執行董事兼集團行政總裁。陳先生在醫藥行業擁有超過25年經驗。於二零一四年七月至加入本集團前，陳先生在中國Alfa Wassermann擔任總經理。陳先生以前曾在多家國際知名醫藥企業工作。二零零九年六月至二零一二年十一月，他在美國雅培擔任中國部總經理；二零零四年至二零零九年六月，他在惠氏製藥公司中國上海擔任助理副總裁。一九九二年至二零零四年期間，分別在葛蘭素史克、赫斯特醫藥中國、拜耳製藥中國、巴斯夫科諾中國、羅素中國工作。陳先生於一九八三年在同濟醫科大學取得醫學學士（內科醫生）學位。

非執行董事

吳鎮濤先生，65歲，為本公司非執行董事兼主席。他也為Cathay International Holdings Limited（「Cathay」）（一間在倫敦證券交易所上市的公司）的執行主席，同時兼任該公司執行委員會及薪酬委員會主席。吳先生為Cathay集團創始人。在過去的二十幾年裡，Cathay集團主要在中華人民共和國經商及投資。吳先生生於北京並在當地接受教育。他於一九八二年畢業於北京工業大學，並持有工商管理學位。吳先生於一九八二年至一九八五年在國家科研機構擔任高級行政人員後，於一九八六年至一九八九年先後出任兩家新成立的國有金融機構董事總經理職務。自一九八八年起，吳先生通過一些公司投資及發展了深圳富苑酒店（現為深圳富苑皇冠假日套房酒店），成立了國泰國際水務有限公司集團公司，大規模投資中國公用事業及基礎設施。當時的策略性股東包括摩根大通、新加坡科技、瑞銀集團、西班牙國際銀行及野村集富亞洲投資公司。此項業務曾經是中國自來水及污水處理項目最大的外方投資者，淨資產額超過十億美元。

Executive Managing Director

Mr. CHEN Li, age 57, is the Executive Managing Director and Chief Executive officer of the Group. Mr. Chen has over 25 years of experience in the pharmaceutical industry. Prior to joining the Group, Mr. Chen has been General Manager of Alfa Wassermann China since July 2014. Mr. Chen worked for a number of internationally renowned pharmaceutical companies in the past. He was previously General Manager of China with Abbot from June 2009 to November 2012 and Assistant Vice President of Wyeth Pharmaceuticals Shanghai from 2004 to June 2009. During the period from 1992 to 2004, Mr. Chen also worked in GlaxoSmithKline, Hoechst China, Bayer China, BASF Knoll China and Roussel China. Mr. Chen obtained a bachelor's degree in Medicine (Doctor of Internal Medicine) from Tongji Medical University in 1983.

Non-executive Directors

Mr. WU Zhen Tao, age 65, is a non-executive Director and chairman of our Company. He is also executive Chairman and is the Chairman of the Executive and Remuneration Committees of Cathay International Holdings Limited（「Cathay」），a company listed on the London Stock Exchange and founder of the Cathay Group, which has over 20 years' history of business and investment focused on the PRC. He was born and educated in Beijing. He graduated from the Beijing University of Technology in 1982. He also has a degree in Business Administration. Mr. Wu acted as a senior executive in government scientific institutes in the PRC from 1982 to 1985 and as managing director of two newly established state owned financial institutions in the PRC from 1986 to 1989. Since 1988 Mr. Wu has, through companies, invested in and developed the Landmark Hotel (now called Crowne Plaza Hotel & Suites Landmark Shenzhen) in Shenzhen and established the Cathay International Water Limited group of companies, which made substantial investments in public utilities and infrastructure in the PRC. Strategic shareholders were JP Morgan, Singapore Technologies, UBS, Banco Santander and Nomura JAFCO, and this business was once the largest foreign investor in water and waste water treatment projects in the PRC with net assets of over US\$1 billion.

董事及高級管理人員履歷

Biographical Details of Directors and Senior Management



Stephen Burnau HUNT 先生，79歲，為本公司非執行董事兼前任主席。Hunt先生於一九九二年加盟國泰國際集團。他為Cathay International Holdings Limited（一間在倫敦證券交易所上市的公司）的副主席兼非執行董事，曾任香港一家投資公司Aliant Capital的董事總經理。Hunt先生為美國人，曾在美國銀行工作24年，擔任國際性管理及借貸職位，並擔任香港美國銀行的高級副總裁及區域總經理。一九八九年，彼出任香港美國商會主席；一九九零年，彼獲委任加入香港政府的國際商業委員會；一九八九年至一九九一年，彼出任香港政府的自由貿易顧問委員會成員。Hunt先生目前出任香港美國商會慈善基金的受託人，由二零零四年十一月至二零一一年六月亦為聯交所主板及創業板上市委員會成員。Hunt先生由二零一二年至二零一五年擔任一家在香港成立的私人投資公司Solar Plus (HK) Limited的董事兼行政總裁。彼於一九六一年於杜克大學取得文學士學位，於一九六三年於哥倫比亞大學取得國際事務碩士學位。

李晉頤 先生，61歲，為本公司非執行董事兼副主席。李先生於二零一零年一月加盟CIH集團，並為CIH的行政總裁。李先生於銀行業饒富經驗，在過去20年曾擔任主要金融機構的多個高級管理職位。李先生曾擔任廈門市商業銀行的董事。於加盟CIH集團前，李先生曾擔任富邦銀行(香港)有限公司董事總經理兼行政總裁共五年半，亦曾擔任富邦金融控股股份有限公司董事。在此之前，李先生為摩根大通公司董事總經理以及中國事務部高級主管、摩根大通公司香港管理委員會主席。李先生於二零一一年六月二十二日獲台中銀行委任為獨立董事，台中銀行於台灣證券交易所上市。李先生於一九八四年取得哈佛大學工商管理碩士學位。

劉雪姿 女士，42歲，為本公司非執行董事。劉女士於二零零二年加盟國泰國際控股有限公司，任職於企業發展部及資產管理部，現為國泰副總裁及資產管理部聯席主管。劉女士對企業併購及資產管理擁有超過14年經驗。在加盟國泰前，劉女士為一家美國基建網絡公司的亞太地區區域負責人，負責開發及拓展該公司在亞洲地區的業務。劉女士於一九九九年於美國三藩市大學經濟學院取得工商管理學士學位。

Mr. Stephen Burnau HUNT, age 79, is a non-executive Director and former chairman of our Company. Mr. Hunt joined the Cathay International Group in 1992. He is the deputy chairman and a non-executive director of Cathay International Holdings Limited, a company listed on the London Stock Exchange. Mr. Hunt was formerly the managing director of Aliant Capital, an investment company in Hong Kong. Mr. Hunt, a US citizen, spent 24 years with Bank of America in international management and lending positions. Mr. Hunt was senior vice president and area general manager for Bank of America located in Hong Kong. Mr. Hunt was president of the American Chamber of Commerce in Hong Kong in 1989. In 1990, Mr. Hunt was appointed to the Hong Kong Government's International Business Committee, and from 1989 to 1991 was a member of the Hong Kong Government's Advisory Committee on Free Trade. Mr. Hunt is currently a trustee of the American Chamber of Commerce's Charitable Foundation. Mr. Hunt also served as a member of the Main Board and GEM Listing Committee of the Stock Exchange from November 2004 to June 2011. From 2012 to 2015, Mr. Hunt was a director and Chief Executive Officer of Solar Plus (HK) Limited, a private investment company incorporated in Hong Kong. Mr. Hunt obtained a bachelor of arts degree from Duke University in 1961 and a master's degree in international affairs from Columbia University in 1963.

Mr. LEE Jin Yi, age 61, is a non-executive Director and deputy chairman of our Company. Mr. Lee joined the CIH Group in January 2010 and is the chief executive officer of CIH. Mr. Lee has extensive experience in the banking industry and held various senior management positions with major financial institutions over the past 20 years. Mr. Lee has been a director of Xiamen City Commercial Bank. Prior to joining the CIH Group, Mr. Lee was the managing director and chief executive officer of Fubon Bank (Hong Kong) Limited for five and a half years and a director of Fubon Financial Holding Company Limited. Prior to that, Mr. Lee was the managing director and China senior country officer of J.P. Morgan Chase & Co. and chairman of the Hong Kong Management Committee of J.P. Morgan Chase & Co. Mr. Lee was appointed as an independent director of Taichung Bank on 22 June 2011. Taichung Bank is listed on Taiwan Stock Exchange. Mr. Lee obtained a master's degree in business administration from Harvard University in 1984.

Ms. LIU Xuezi, age 42, is a non-executive Director of our Company. Ms. Liu joined Cathay International Holdings Limited in 2002 and has been working in the corporate development department and asset management department. She is currently vice president and co-head of asset management of Cathay. Ms. Liu have over 14 years of experience in mergers and acquisitions and asset management. Before joining Cathay, Ms. Liu was head of the Asia-Pacific region of a US network infrastructure company, responsible for the start-up and expansion of the company's business in Asia. Ms. Liu graduated from the School of Economics of University of San Francisco, majoring in business administration, in 1999.



獨立非執行董事

陳記煊先生，67歲，為本公司獨立非執行董事。陳先生於二零一零年四月九日加盟本集團。彼在外聘審核、訊息科技審核、培訓、會計及金融、公司秘書及公司行政管理、資訊系統管理、內部審核、訊息安全、風險管理及合規等專業領域有超過三十年的經驗。陳先生是香港會計師公會（「香港會計師公會」）、英國特許公認會計師公會資深會員及澳洲會計師公會資深會員及訊息科技專家。彼亦是國際資訊系統審計與控制協會認可訊息系統審計師及香港董事學會資深會員。陳先生是思與智顧問有限公司的行政總裁、新里程電腦系統有限公司的高級顧問，於二零一零年九月一日至二零一四年八月三十一日為香港理工大學會計及金融學院的兼任教授。陳先生於二零一六年六月十日獲委任為華融投資股份有限公司（股票代號：2277）的獨立非執行董事及審計委員會主席。陳先生於二零一七年八月十八日獲委任為中國實力科技控股有限公司（股票代號：0164）的獨立非執行董事，並於二零一七年九月二十六日獲委任為審核委員會主席。彼並於二零一八年九月二十一日獲委任為美臻集團控股有限公司（股票代號：1825）的獨立非執行董事，並於同日獲委任為審核委員會主席。陳先生於一九九一年至一九九六年在康聯人壽保險有限公司（前稱怡和人壽保險有限公司）任職，離職前為合規總經理。彼於一九九六年至二零零零年在道亨銀行／國浩集團有限公司擔任內部審核主管，於二零零一年至二零零三年在星展銀行（香港）有限公司擔任大中華地區合規主管及董事總經理，於二零零四年至二零零五年在南順（香港）有限公司擔任集團財務總監，於二零零六年擔任香港會計師公會專業水平審核總監，並於二零零六年十二月至二零零九年四月擔任中國平安保險（集團）股份有限公司集團合規部主管。陳先生於一九七六年畢業於香港理工學院，獲得高級會計文憑。

鄧昭平先生，70歲，為本公司獨立非執行董事。鄧先生於二零一零年四月九日加盟本集團。彼自一九八五年加入Russell Reynolds Associates香港辦事處起一直在獵頭領域任職。鄧先生曾任Russell Reynolds Associates大中華區的主席，直至二零零八年年底從該行業退休為止。鄧先生在美國麻省波士頓的Tufts University接受教育，於一九七二年獲文學士學位，並於一九七五年畢業於位於康涅狄格州紐黑文的耶魯大學醫學院，取得公共衛生的碩士學位。彼為非公營機構如香港學術及職業資歷評審局成員。

Independent non-executive Directors

Mr. CHAN Kee Huen, Michael, age 67, is an independent non-executive Director of the Company. Mr. Chan joined our Group on 9 April 2010. He has over 33 years' experience in external audit, IT audit, training, accounting and finance, company secretarial and corporate administration, MIS management, internal audit, information security, risk management and compliance. Mr. Chan is a fellow of The Hong Kong Institute of Certified Public Accountants ("HKICPA"), The Association of Chartered Certified Accountants; and a fellow and specialist in information technology of CPA Australia. He is also a certified information systems auditor with the Information Systems Audit and Control Association and a fellow of the Hong Kong Institute of Directors. Mr. Chan is the chief executive of C&C Advisory Services Limited, senior advisor of New Frontier Computer Systems Limited and was an adjunct professor in the School of Accounting and Finance of the Hong Kong Polytechnic University from 1 September 2010 to 31 August 2014. Mr. Chan was appointed as an independent non-executive director and Chairman of the Audit Committee of Huarong Investment Stock Corporation Ltd. (stock code: 2277) on 10 June 2016. Mr. Chan was appointed as an independent non-executive director of China Baoli Technologies Holdings Limited (stock code: 0164) on 18 August 2017 and Chairman of the Audit Committee on 26 September 2017. He was also appointed as an independent non-executive director and Chairman of the Audit Committee of Sterling Group Holdings Limited (stock code: 1825) on 21 September 2018. Mr. Chan has worked at CMG Life Assurance Limited (formerly Jardine CMG Life Assurance Limited) from 1991 to 1996 and his last position was general manager, compliance. He was the head of internal audit of Dao Heng Bank/Guoco Group Limited from 1996 to 2000, the head of compliance in Greater China, managing director of DBS Bank (Hong Kong) Limited from 2001 to 2003, the group financial controller of Lam Soon (Hong Kong) Limited from 2004 to 2005, the director of Quality Assurance of HKICPA in 2006 and the head of group compliance of Ping An Insurance (Group) Company of China, Limited from December 2006 to April 2009. Mr. Chan graduated with a higher diploma in accountancy from Hong Kong Polytechnic in 1976.

Mr. TANG Chiu Ping, Raymond, age 70, is an independent non-executive Director of our Company. Mr. Tang joined our Group on 9 April 2010. He has been in the executive search field since 1985 when he joined the Hong Kong office of Russell Reynolds Associates. Mr. Tang was formerly chairman, Greater China at Russell Reynolds Associates until late 2008 when he retired from the industry. Mr. Tang was educated in the United States at Tufts University in Boston, Massachusetts where he obtained a bachelor of arts degree in 1972; and he graduated with a master's degree in public health from the Yale University School of Medicine in New Haven, Connecticut in 1975. Mr. Tang has served as a member of non-governmental organisations such as the Hong Kong Council of Academic Accreditation and Vocational Qualifications.

董事及高級管理人員履歷

Biographical Details of Directors and Senior Management



Fritz Heinrich HORLACHER 先生，69歲，為本公司獨立非執行董事。Horlacher先生於二零一一年二月十日加盟本集團。彼於醫藥行業擁有超過三十年的經驗。Horlacher先生於一九七四年開始在羅氏澳洲從事醫藥工作。其後由一九八一年至二零零八年於裕利醫藥亞太（「裕利醫藥」）工作，並由一九九五年至二零零八年擔任裕利醫藥的行政總裁，負責提供服務予亞太地區逾125個以研究為主的國際醫藥製造商的業務。Horlacher先生於二零零八年退任裕利醫藥行政總裁一職。由二零零五年至二零零七年，彼為Invida Group Pte Ltd的替任董事。由二零零二年至二零零四年，彼為Australian Pharmaceutical Industries Limited（於澳洲證券交易所上市的公司）的非執行董事。由二零零二年至二零零八年，彼為國際藥物批發商聯合會（International Federation of Pharmaceutical Wholesalers）董事會的亞洲代表。彼為Alliance Boots之醫藥批發部門之亞洲區域董事，並於二零一一年至二零一三年擔任廣州醫藥有限公司之董事兼董事會主席。Horlacher先生由二零一三年一月至二零一五年八月擔任總部設在德國漢堡的全球醫療器械公司BSN Medical顧問委員會的非執行委員。Horlacher先生於一九六九年畢業於瑞士的Montana Institute及於一九七二年畢業於南非的Union College。

楊德斌 先生，52歲，為本公司獨立非執行董事。楊先生於二零一八年十月六日加盟本集團。楊先生曾擔任政府資訊科技總監，負責制定香港資訊業在數碼經濟、電子政府、網絡安全及制定香港成為世界領先的智慧城市發展藍圖的政策及策略。他曾擔任香港科技园公司的首席企業發展總監，負責制定科學園的發展策略、培育和支援生物科技、綠色科技、資訊科技及電子企業。楊先生在美國矽谷開展事業，曾任職多家高科技公司。此後，他曾於數家業務遍及亞洲的跨國公司、香港上市公司和私募股權基金擔任高級管理職位。楊先生持有德（克薩斯）州大學奧斯汀總校電機工程理學士學位，普渡大學電機工程理學碩士學位，以及西北大學凱洛管理學院及香港科技大學聯辦的行政人員工商管理碩士學位。

Mr. Fritz Heinrich HORLACHER, age 69, is an independent non-executive Director of our Company. Mr. Horlacher joined our Group on 10 February 2011. He has over 30 years' experience in the pharmaceutical industry. Mr. Horlacher started his pharmaceutical career with Roche Australia in 1974. Mr. Horlacher worked at Zuellig Pharma Asia Pacific ("Zuellig Pharma") from 1981 to 2008 and was the chief executive officer of Zuellig Pharma from 1995 to 2008. He was responsible for its operations servicing more than 125 international research-based pharmaceutical manufacturers in the Asia Pacific region. Mr. Horlacher retired as chief executive officer of Zuellig Pharma in 2008. From 2005 to 2007, Mr. Horlacher was an alternate director of Invida Group Pte Ltd. Mr. Horlacher was a non-executive director of Australian Pharmaceutical Industries Limited (a company listed on the Australian Securities Exchange) from 2002 to 2004. Mr. Horlacher was the Asia representative on the board of directors of the International Federation of Pharmaceutical Wholesalers from 2002 to 2008. He was regional director of Asia for the Pharmaceutical Wholesale Division of Alliance Boots and was also a director and chairman of the Board of Guangzhou Pharmaceutical Corporation from 2011 to 2013. Mr. Horlacher was a non-executive member of the Advisory Board of BSN Medical, a global medical device company based in Hamburg, Germany, from January 2013 to August 2015. Mr. Horlacher graduated in 1969 from Montana Institute in Switzerland and from Union College in South Africa in 1972.

Mr. YEUNG Tak Bun, Allen, age 52, is an independent non-executive Director of our Company. Mr. Yeung joined our Group on 6 October 2018. He served as the former Government Chief Information Officer, responsible for formulation of policies and strategies for Hong Kong's information industry in the development of digital economy, e-government, cyber-security, and formulation of the blueprint for developing Hong Kong into the world's leading smart city. He was the Chief Corporate Development Officer at the Hong Kong Science and Technology Parks Corporation, responsible for the development strategy of the science park, nurturing and supporting bio-tech, green-tech, IT and electronics enterprises. Mr. Yeung started his career in Silicon Valley and had worked for several high-tech companies. Thereafter, he held several senior management positions in multinational corporations, Hong Kong listed companies and private equity funds, with operations throughout Asia. Mr. Yeung holds a Bachelor of Science degree in Electrical Engineering from the University of Texas (Austin), a Master of Science in Electrical Engineering from Purdue University, and an Executive MBA from the Kellogg School of Management of the University of Northwestern in conjunction with the Hong Kong University of Science and Technology.

Biographical Details of Directors and Senior Management**高級管理人員**

南建設先生，53歲，為集團業務發展總監。南先生於二零零七年七月加盟本公司控股股東國泰國際集團，擔任國泰國際醫藥有限公司的投資總監，負責國泰國際集團業務發展及投資。南先生至今在投資併購方面擁有超過20年經驗。在加盟國泰國際集團前，由一九九六年至二零零五年，南先生曾在信託投資公司、製藥／生物工程公司及石油／化工／礦產公司擔任證券部及／或投資部負責人；二零零六年三月至二零零七年六月，在上海復星醫藥(集團)股份有限公司任投資部總監。南先生擁有中國證券經紀及證券諮詢職業資格，南先生於一九八六年在北京工業學院(現北京理工大學)取得工學學士學位，於一九九六年在復旦大學獲得經濟學碩士學位。

李華先生，34歲，為本公司財務中心總監。李先生於二零零七年八月加入本集團，歷任寧波立華財務主管、寧波立華財務部長、本集團營運副總監、本集團財務副總監及本集團財務總監等職。李先生為中國註冊會計師、中國高級會計師，李先生在二零零七年獲得寧波大學會計學學士學位。

洪舟先生，50歲，為寧波立華總經理。洪先生於二零一五年十一月加入本集團，在醫藥界工作超過25年，曾經在江西省藥檢所、諾華製藥、拜耳製藥、雅培製藥公司工作。洪先生在一九八九年年獲得江西大學(現為南昌大學)化學系分析化學專業學士學位。

Senior Management

Mr. NAN Jianshe, age 53, is the head of business development of the Group. Mr. Nan joined our company's controlling shareholder Cathay International Group in July 2007 as investment director of Cathay International Pharmaceutical Limited, responsible for the business development and investment of the Cathay International Group. Mr. Nan has over 20 years of experience in investment M&A. Before joining the Cathay International Group, Mr. Nan worked as head of the securities department and/or investment department in trust and investment companies, pharmaceutical/bioengineering companies and petroleum/chemical/mining companies from 1996 to 2005, and acted as the director of the investment department at Shanghai Fosun Pharma (Group) Co., Ltd. from March 2006 to June 2007. Mr. Nan has qualifications for Chinese securities brokerage and securities consulting. Mr. Nan obtained a bachelor of engineering degree from Beijing Institute of Technology in 1986 and a master's degree in economics from Fudan University in 1996.

Mr. LI Hua, age 34, is the head of the finance management centre of the Group. Mr. Li joined the Group in August 2007 and has held various positions including the supervisor of the finance department, the manager of the finance department of Ningbo Liwah, deputy operating director, the deputy head of finance management centre and head of finance management centre of the Group. Mr. Li is a Chinese Certified Public Accountant, China Senior Accountant and holds a bachelor's degree in accounting from Ningbo University.

Mr. HONG Zhou, age 50, is the general manager of Ningbo Liwah. Mr. Hong joined our Group in November 2015 and has over 25 years' experience in the pharmaceutical industry. Mr. Hong previously worked for Jiangxi Food and Drug Administration, Novartis, Bayer and Abbott. Mr. Hong obtained his bachelor's degree in analytical chemistry from Jiangxi University (now Nanchang University) in 1989.

董事會報告

Report of the Directors



董事會（「董事會」）欣然提呈彼等之年度報告連同截至二零一八年十二月三十一日止年度之經審核綜合財務報表。

主要業務

本公司作為投資控股公司。其主要附屬公司及聯營公司之業務分別載於綜合財務報表附註32及19。

業績及分派

本集團截至二零一八年十二月三十一日止年度之業績載於第89頁至90頁之綜合損益及其他全面收益表。

年內共向股東派付每股2.90港仙（相當於約0.37美仙）之中期股息，合計12,035,000港元（相當於約1,534,000美元）。

董事現建議向於二零一九年六月十七日名列本公司股東名冊之股東派付每股3.58港仙（相當於約0.46美仙）之末期股息，合計14,823,000港元（相當於約1,893,000美元），惟須待股東於即將舉行的股東大會批准後，方可作實。

物業、廠房及設備

本集團之物業、廠房及設備於年內之變動詳情載於綜合財務報表附註15。

借款

本集團之借款詳情載於綜合財務報表附註26。

股本

本公司股本於年內之變動詳情載於綜合財務報表附註24。

The board (the “Board”) of directors (the “Directors”) are pleased to present their annual report together with the audited consolidated financial statements for the year ended 31 December 2018.

Principal Activities

The Company acts as an investment holding company. The activities of its principal subsidiaries and associates are set out in Notes 32 and 19 to the consolidated financial statements respectively.

Results and Appropriations

The results of the Group for the year ended 31 December 2018 are set out in the consolidated statement of profit or loss and other comprehensive income on pages 89 to 90.

An interim dividend of HK2.90 cents (equivalent to approximately US0.37 cents) per share amounting to HK\$12,035,000 (equivalent to approximately US\$1,534,000) in aggregate was paid to the shareholders during the year.

The Directors now recommend the payment of a final dividend of HK3.58 cents (equivalent to approximately US0.46 cents) per share to the shareholders on the register of members of the Company on 17 June 2019, amounting to HK\$14,823,000 (equivalent to approximately US\$1,893,000) in aggregate, subject to approval by the shareholders in the forthcoming general meeting.

Property, Plant and Equipment

Details of the movements in the property, plant and equipment of the Group during the year are set out in Note 15 to the consolidated financial statements.

Borrowings

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

Share Capital

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



購買、出售或贖回上市證券

下表概述於二零一八年本公司每月購回股份的詳情。年內已購回股份總數為25,000股，佔已發行股份的0.01%。

Purchase, sale or redemption of listed securities

The table below outlines details of the shares purchased by the Company on a monthly basis during 2018. The total number of shares purchased during the year was 25,000, representing 0.01% of the shares in issue.

Month	月份	股份數目 Number of shares	已付每股最高價 Highest price paid per share 港元 HK\$	已付每股最低價 Lowest price paid per share 港元 HK\$	已付每股平均價 Average price paid per share 港元 HK\$	已付總價 Aggregate price paid 港元 HK\$
December 2018	二零一八年十二月	25,000	0.92	0.92	0.92	23,000
		25,000				23,000

除上述披露外，於截至二零一八年十二月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2018.

本公司之可分派儲備

於二零一八年十二月三十一日，按照開曼群島公司法計算，本公司之可分派儲備金額為27,685,000美元。本公司儲備於年內之變動詳情載於綜合財務報表附註25。

Distributable Reserves of the Company

As at 31 December 2018, the Company's reserves available for distribution, calculated in accordance with the Companies Law of the Cayman Islands, amounted to US\$27,685,000. Details of the movements in the reserves of the Company during the year are set out in Note 25 to the consolidated financial statements.

主要客戶及供應商

年內，本集團之五大客戶銷售總額佔本集團銷售總額約25.2%（二零一七年：31.9%），而其中最大之客戶佔本集團銷售總額5.7%（二零一七年：10.2%）。

Major Customers and Suppliers

During the year, the aggregate sales attributable to the Group's five largest customers accounted for approximately 25.2% (2017: 31.9%) of the Group's total sales and sales from the largest customer included therein amounted to 5.7% (2017: 10.2%).

年內，本集團之五大供應商採購總額佔本集團採購總額46.2%（二零一七年：35.1%），而其中最大之供應商佔本集團採購總額18.7%（二零一七年：11.8%）。

During the year, the aggregate purchases attributable to the Group's five largest suppliers accounted for 46.2% (2017: 35.1%) of the Group's total purchases and purchases from the largest supplier included therein amounted to 18.7% (2017: 11.8%).

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

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

董事會報告

Report of the Directors



董事

於年內及直至本報告日期，本公司之董事如下：

常務執行董事：

陳力先生(行政總裁)

執行董事：

劉幫民先生(於二零一八年一月三十一日辭任)
侯淞先生(財務總監)
(於二零一八年十月二十日辭任)

非執行董事：

吳鎮濤先生(主席)
Stephen Burnau Hunt先生
李晉頤先生(副主席)
劉雪姿女士

獨立非執行董事：

陳記煊先生
鄧昭平先生
Fritz Heinrich Horlacher先生
楊德斌先生
(於二零一八年十月六日獲委任)

按照本公司之章程細則第108條，李晉頤先生、陳記煊先生及楊德斌先生將輪值退任，並符合資格重選連任。

董事之服務合約

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

董事及最高行政人員於股份、相關股份及債權證之權益及淡倉

於二零一八年十二月三十一日，董事及其聯繫人於本公司及其相聯法團之股份、相關股份及債權證中擁有記錄於本公司根據證券及期貨條例(「證券及期貨條例」)第352條須存置之登記冊內之權益及淡倉，或根據上市發行人董事進行證券交易的標準守則已知會本公司及香港聯合交易所有限公司(「聯交所」)之權益及淡倉如下：

Directors

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

Executive Managing Director:

Mr. Chen Li (*Chief Executive Officer*)

Executive Directors:

Mr. Liu Bang Min (resigned on 31 January 2018)
Mr. Hou Song (*Chief Financial Officer*)
(resigned on 20 October 2018)

Non-executive Directors:

Mr. Wu Zhen Tao (*Chairman*)
Mr. Stephen Burnau Hunt
Mr. Lee Jin Yi (*Deputy Chairman*)
Ms. Liu Xuezi

Independent non-executive Directors:

Mr. Chan Kee Huen, Michael
Mr. Tang Chiu Ping, Raymond
Mr. Fritz Heinrich Horlacher
Mr. Yeung Tak Bun, Allen
(appointed on 6 October 2018)

In accordance with article 108 of the Company's articles of association, Mr. Lee Jin Yi, Mr. Chan Kee Huen, Michael and Mr. Yeung Tak Bun, Allen will retire by rotation and, being eligible, will offer themselves for re-election.

Directors' Service Contracts

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

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 31 December 2018, the interests and short positions of the Directors and their associates in the shares, underlying shares and debentures of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance (the "SFO"), or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to The Model Code for Securities Transactions by Directors of Listed Issuers, were as follows:

董事會報告

Report of the Directors



於本公司普通股中持有之好倉：

Long positions in ordinary shares of the Company:

董事姓名	身分	權益性質	持有已發行 普通股數目	佔本公司已發行 股本之百分比
Name of Director	Capacity	Nature of interest	Number of issued ordinary shares held	Percentage of the issued share capital of the Company
吳鎮濤先生 Mr. Wu Zhen Tao	全權信託創辦人及 信託受益人 Founder of discretionary trusts and beneficiary of a trust	其他權益 Other interest	209,820,000 ^(a) (好倉) (Long position)	50.56%
李晉頤先生 Mr. Lee Jin Yi	實益擁有人 Beneficial owner	個人權益 Personal interest	500,000 (好倉) (Long position)	0.12%
Stephen Burnau Hunt先生 Mr. Stephen Burnau Hunt	實益擁有人 Beneficial owner	個人權益 Personal interest	100,000 (好倉) (Long position)	0.02%

附註：

Note:

(a) 於209,820,000股本公司已發行普通股之權益，乃透過Cathay International Holdings Limited全資擁有之公司持有，吳先生於Cathay International Holdings Limited間接持有61.74%股份權益。

(a) The interests in 209,820,000 issued ordinary shares of the Company were held through companies wholly owned by Cathay International Holdings Limited, in which Mr. Wu indirectly held 61.74% shareholding interests.

除上文所披露者外，於二零一八年十二月三十一日，概無董事、最高行政人員及其聯繫人於本公司或其任何相聯法團之任何股份、相關股份或債權證中擁有根據證券及期貨條例第352條須予以記錄之任何權益或淡倉，或根據上市發行人董事進行證券交易的標準守則須知會本公司及聯交所之任何權益或淡倉。

Save as disclosed above, none of the Directors, Chief Executive nor their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations as at 31 December 2018 which was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers.

董事於Cathay International Holdings Limited的購股權

本公司之最終控股公司Cathay International Holdings Limited (「CIH」)設有購股權計劃，旨在將行政人員及僱員與CIH股東的利益緊密相聯，透過吸引、挽留及鼓勵具適當技能的人材以促進CIH及其附屬公司之業務發展。本公司董事李晉頤先生及劉雪姿女士作為CIH僱員而獲授予購股權。CIH之購股權計劃於二零一零年六月三日獲採納，除非另行被註銷或修訂，否則自該日起十年內維持有效。

Directors' Share Options in Cathay International Holdings Limited

Cathay International Holdings Limited (「CIH」), the Company's ultimate holding company, operates share option plan for the purpose of aligning the interests of executives and employees with those of shareholders of CIH and to enable the development of CIH and its subsidiaries' business by attracting, retaining and motivating personnel with appropriate skills. Mr. Lee Jin Yi and Ms. Liu Xuezi, the directors of the Company, were granted share options in the capacity as employees of CIH. The share option plan of CIH was adopted on 3 June 2010 and unless otherwise cancelled or amended, will remain in force for 10 years from that date.

董事會報告

Report of the Directors



授予本公司董事認購CIH股份之購股權計劃詳情如下：

Details of the share options granted to the Company's directors to subscribe for shares in CIH were as follows:

董事姓名	購股權數目		購股權授出日期		購股權行使期間	購股權行使價
	於二零一八年一月一日	於二零一八年十二月三十一日	At 1 January 2018	At 31 December 2018		
Name of Director	At 1 January 2018	Lapsed during the year (附註a) (Note a)	At 31 December 2018	Date of grant of share options	Exercise period of share options	Exercise price of share options (便士) (pence)
李晉頤先生 Mr. Lee Jin Yi	2,250,000	(2,250,000)	—	二零一五年三月三十一日 31 March 2015	二零一八年三月三十一日至 二零二零年三月三十日 31 March 2018 to 30 March 2020	20.00
劉雪姿女士 Ms. Liu Xue Zi	330,000	(330,000)	—	二零一五年三月三十一日 31 March 2015	二零一八年三月三十一日至 二零二零年三月三十日 31 March 2018 to 30 March 2020	20.00

附註：

(a) 購股權在二零一五年三月授出，由於行使條件未能在期內滿足，該等購股權在二零一八年三月失效。

Note:

(a) Those options were granted in March 2015 as the exercise condition was not met and that the vesting period expired in March 2018.

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

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

董事於重大合約中之權益

吳鎮濤先生，於二零一七年三月三十日獲委任為非執行董事兼主席，截至二零一八年十二月三十一日，持有CIH約61.74%普通股及A股權益。除本報告「關連交易」一節下與CIH有關之交易所披露外，概無本公司、其控股公司、同系附屬公司或附屬公司為其訂約方及董事或與董事有關連的實體直接或間接擁有其重大權益之重大交易、安排及合約，於年末或年內任何時間仍然有效。

Directors' Interests in Contracts of Significance

Mr. Wu Zhen Tao, appointed as a non-executive Director and chairman of our Company on 30 March 2017, holds approximately 61.74% of Common and A Shares interests in CIH as at 31 December 2018. Save as disclosed in the transactions in relation to CIH under the section headed "Connected Transactions" of this Annual Report, no transaction, arrangement and contract of significance, to which the Company, its holding company, fellow subsidiaries or subsidiaries was a party and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.



管理合約

於本年度內，並無與本公司全部或任何重大部分業務的管理或行政事宜相關的合約訂立或存在。

Management Contracts

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

主要股東

於二零一八年十二月三十一日，本公司根據證券及期貨條例第336條存置之主要股東名冊顯示，除以上披露有關若干董事之權益外，以下股東亦已知會本公司其於本公司已發行股本中擁有之相關權益及淡倉。

Substantial Shareholders

As at 31 December 2018, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that other than the interests disclosed above in respect of certain Directors, the following shareholders had notified the Company of relevant interests and short positions in the issued share capital of the Company.

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

董事會報告

Report of the Directors



附註：

- (1) 該等股份由國泰國際醫藥(中國)持有。國泰國際醫藥(中國)由國泰國際長春擁有18%權益及由國泰國際生物技術及藥業(中國)擁有82%權益。國泰國際長春則由國泰國際生物技術及藥業(中國)擁有100%權益。國泰國際生物技術及藥業(中國)則由國泰國際醫藥全資擁有，而國泰國際醫藥乃由國泰國際生物技術全資擁有，後者由CIH全資擁有。因此，國泰國際長春、國泰國際生物技術及藥業(中國)、國泰國際醫藥、國泰國際生物技術及CIH被視為擁有該等股份之權益。
- (2) CIH約61.74%普通股及A股權益由CIE持有。因此，CIE被視為於國泰國際醫藥(中國)所持有之股份中擁有權益。
- (3) CIE之全部已發行股本由吳鎮濤先生及其家族成員之利益成立之信託(「Wu氏家人信託」)持有。作為Wu氏家人信託之創辦人，吳鎮濤先生被視為於CIE所持有之股份中擁有權益。

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

獨立性確認

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

關連交易

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

Notes:

- (1) These shares are held by CI Pharma China. CI Pharma China is owned as to 18% by CIC and 82% by CI Biotech & Pharma China. CIC is in turn owned as to 100% by CI Biotech & Pharma China. CI Biotech & Pharma China is in turn wholly owned by CIP. CIP is wholly owned by CIB, which in turn is wholly owned by CIH. Therefore, CIC, CI Biotech & Pharma China, CIP, CIB, and CIH are deemed to be interested in these shares.
- (2) CIH is held as to approximately 61.74% of Common and A Shares by CIE. Therefore, CIE is deemed to be interested in the shares held by CI Pharma China.
- (3) The entire issued share capital of CIE is held by a trust set up by Mr. Wu Zhen Tao for the benefit of Mr. Wu Zhen Tao and members of his family ("Wu Family Trust"). Mr. Wu Zhen Tao as founder of the Wu Family Trust is deemed to be interested in the shares held by CIE.

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

Confirmation of Independence

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

Connected Transactions

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

**不獲豁免之持續關連交易**

於二零一六年六月二十四日，寧波立華製藥有限公司（「寧波立華」）、吉林海資生物工程技術有限公司（「吉林海資」）及朗生醫藥控股有限公司（「朗生(BVI)」）已訂立相互擔保協議，據此，於協議有效期內就協議各方的銀行貸款提供擔保或促使其子公司提供擔保。

於二零一六年九月二十日，朗生(BVI)與萃健控股有限公司（「萃健」）訂立了委託加工框架協議（「委託加工框架協議」）。根據委託加工框架協議，朗生(BVI)同意協助或促使其附屬公司協助萃健進行植物提取產品的生產加工。

在二零一七年三月三十一日，寧波朗生醫美科技有限公司（「寧波朗生醫美」）與長春博泰醫藥生物技術有限責任公司（「博泰」）簽訂了經銷合同。根據該合同，博泰同意向寧波朗生醫美出售並指定寧波朗生醫美為膠原填充劑產品在中國的代理經銷商。經銷合同的有效期限從二零一七年三月三十一日至二零一八年三月三十一日（經雙方同意可以提前終止或延長合同）。

在二零一八年五月二日，寧波朗生醫美與博泰訂立了新一份經銷合同。根據該合同，博泰同意向寧波朗生醫美出售並指定寧波朗生醫美為膠原填充劑在中國的代理經銷商。經銷合同的有效期限從二零一八年五月二日至二零二零年五月二日（經雙方同意可延長）。

Non-Exempt Continuing Connected Transactions

On 24 June 2016, Ningbo Liwah Pharmaceutical Company Limited ("Ningbo Liwah"), Jilin Haizi Bio-Engineering Technology Company Limited ("Jilin Haizi") and Lansen Pharmaceutical Holdings Limited ("Lansen (BVI)") entered into the cross guarantee agreement, pursuant to which the parties may, provide or procure its subsidiaries to provide certain guarantees to banks in relation to the bank facilities of each other during the effective period.

On 20 September 2016, Lansen (BVI) entered into an entrusted processing framework agreement (the "Entrusted Processing Framework Agreement") with Natural Dailyhealth Holdings Limited ("Natural Dailyhealth"). According to the Entrusted Processing Framework Agreement, Lansen (BVI) agreed to assist or procure its subsidiaries to assist Natural Dailyhealth to process the plant extract products.

On 31 March 2017, Ningbo Lansen Medibeauty Tech Limited ("Ningbo Lansen Beauty") entered into a distribution agreement with Changchun Botai Medicine & Biological Technology Company Limited ("Botai") pursuant to which, Botai agrees to sell and appoint Ningbo Lansen Beauty as the distributor of the Collagen Injectable Fillers in the PRC. The term of the distribution agreement runs from 31 March 2017 to 31 March 2018 (subject to any early termination or extension which may be agreed by the Parties).

On 2 May 2018, Ningbo Lansen Beauty entered into a new distribution agreement with Botai pursuant to which, Botai agrees to sell and appoint Ningbo Lansen Beauty as the distributor of Collagen Injectable Filler in the PRC. The term of the distribution agreement runs from 2 May 2018 to 2 May 2020 (subject to extension which may be agreed by the Parties).

董事會報告

Report of the Directors



相互擔保協議

日期

二零一六年六月二十四日

協議各方

- (a) 吉林海資，為CIH的間接全資附屬公司；
- (b) 寧波立華，為本公司的間接全資附屬公司；及
- (c) 朗生(BVI)，為本公司的直接全資附屬公司。

交易性質

根據相互擔保協議，吉林海資已同意於有效期(定義見下文)內為寧波立華現時或未來新增的銀行融資提供擔保(「吉林海資擔保」)。根據相互擔保協議，出於對等原則的考慮，朗生(BVI)已同意於有效期內促使其認為合適的附屬公司為吉林海資未來新增的銀行融資提供擔保(「朗生(BVI)擔保」)(吉林海資擔保及朗生(BVI)擔保統稱「擔保」)。

佣金費用

年度佣金費用0.5%乃參考擔保服務供應商收取的當前佣金市場費率(約為每年2%)而釐定及商定，並已考慮於相互擔保協議的理由及裨益的多個因素。

有效期

相互擔保協議的有效期於二零一六年七月一日開始，並將於二零一九年六月三十日屆滿(「有效期」)。

Cross Guarantee Agreement

Date

24 June 2016

Parties

- (a) Jilin Haizi, an indirect wholly-owned subsidiary of CIH;
- (b) Ningbo Liwah, an indirect wholly-owned subsidiary of the Company; and
- (c) Lansen (BVI), a direct wholly-owned subsidiary of the Company.

Transaction Nature

Pursuant to the Cross Guarantee Agreement, Jilin Haizi has agreed, during the Effective Period (as defined below), to provide guarantees for the obligations under the bank facilities obtained or to be obtained by Ningbo Liwah (the "Jilin Haizi Guarantees"). Pursuant to the Cross Guarantee Agreement, on a reciprocal basis, Lansen (BVI) has agreed, during the Effective Period, to procure its subsidiary, as appropriate, to provide guarantees for the obligation under the bank facilities to be obtained by Jilin Haizi (the "Lansen (BVI) Guarantees") (the Jilin Haizi Guarantees and the Lansen (BVI) Guarantees, collectively, the "Guarantees").

Guarantee Commission

The annual guarantee commission rate of 0.5% is determined and agreed with reference to the prevailing market rate of the commission charged by guarantee service providers, which is around 2% per annum, after taking into account of the factors such as reasons for, and benefits of the Cross Guarantee Agreement.

Effective Period

The effective period of the Cross Guarantee Agreement commenced on 1 July 2016 and will expire on 30 June 2019 (the "Effective Period").



年度上限

截至二零一八年十二月三十一日止年度，根據相互擔保協議進行的不獲豁免持續關連交易的批准年度上限及實際交易金額載列如下：

Annual Caps

For the year ended 31 December 2018, the approved annual caps and the actual transaction amounts of the non-exempt continuing connected transactions under the Cross Guarantee Agreement are set out below:

截至二零一八年十二月三十一日止年度的年度上限 Annual caps for the year ended 31 December 2018	截至二零一八年十二月三十一日止年度的實際交易金額 Actual transaction amounts for the year ended 31 December 2018
吉林海資擔保 Jilin Haizi Guarantee 人民幣130,000,000元 (相當於約18,942,000美元) RMB130,000,000 (equivalent to approximately US\$18.9 million)	吉林海資擔保 Jilin Haizi Guarantee 人民幣130,000,000元 (相當於約18,942,000美元) RMB130,000,000 (equivalent to approximately US\$18.9 million)
朗生(BVI)最高應付佣金 The maximum commission fee payable by Lansen (BVI) 人民幣650,000元 (相當於約95,000美元) RMB650,000 (equivalent to approximately US\$95,000)	朗生(BVI)應付佣金 The commission fee payable by Lansen (BVI) 約人民幣650,000元 (相當於約95,000美元) approximately RMB650,000 (equivalent to approximately US\$95,000)
朗生(BVI)擔保 Lansen (BVI) Guarantee 人民幣130,000,000元 (相當於約18,942,000美元) RMB130,000,000 (equivalent to approximately US\$18.9 million)	朗生(BVI)擔保 Lansen (BVI) Guarantee 人民幣130,000,000元 (相當於約18,942,000美元) RMB130,000,000 (equivalent to approximately US\$18.9 million)
吉林海資最高應付佣金 The maximum commission fee payable by Jilin Haizi 人民幣650,000元 (相當於約95,000美元) RMB650,000 (equivalent to approximately US\$95,000)	吉林海資應付佣金 The commission fee payable by Jilin Haizi 約人民幣650,000元 (相當於約95,000美元) approximately RMB650,000 (equivalent to approximately US\$95,000)

根據上市規則第14A.56條，董事會已聘請本公司核數師就本集團之持續關連交易進行若干經協定之程序。核數師已向董事會匯報該等程序之事實結果。獨立非執行董事已審閱持續關連交易及核數師報告，並確認該等交易乃本公司於一般及日常業務過程按照一般商業條款及規管該等交易之協議條款訂立，而有關條款屬公平合理並符合本公司股東之整體利益。

Pursuant to Rule 14A.56 of the Listing Rules, the Board engaged the auditor of the Company to perform certain agreed-upon procedures in respect of the continuing connected transactions of the Group. The auditor has reported the factual findings on these procedures to the Board. The independent non-executive Directors have reviewed the continuing connected transactions and the report of the auditor and have confirmed that the transactions have been entered into by the Company in the ordinary and usual course of its business on normal commercial terms, and in accordance with the terms of the agreement governing such transactions that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

董事會報告

Report of the Directors



委託加工框架協議

日期

二零一六年九月二十日

協議各方

- (a) 朗生(BVI)，本公司的全資附屬公司；及
- (b) 萃健，一家由CI Biotechnology及朗生(BVI)分別持有70%及30%股權的公司。

交易性質

根據委託加工框架協議，萃健可於協議期內，委託朗生(BVI)按逐筆訂單要求加工植物提取產品。

定價基礎

加工費將以成本加成方式為定價基礎，金額相當於朗生(BVI)加工產品的全部成本外加上述成本10%的加成(「加工費」)。

加工費乃經過考慮下列各項後釐定：(1)成本加成定價基礎是植提市場普遍採取的定價標準之一；以及(2)朗生(BVI)集團於委託加工框架協議項下擬進行的交易中無需發生營銷費用。

有效期

委託加工框架協議的有效期於二零一六年九月二十日開始，並於二零一八年十二月三十一日到期(經雙方同意可以提前終止或延長)，任何一方如提前終止協議，必須至少於終止生效前一個月以書面形式通知對方。

Entrusted Processing Framework Agreement

Date

20 September 2016

Parties

- (a) Lansen (BVI), a wholly-owned subsidiary of the Company; and
- (b) Natural Dailyhealth, a company which is 70% owned by CI Biotechnology and 30% owned by Lansen (BVI).

Transaction Nature

Pursuant to the Entrusted Processing Framework Agreement, Natural Dailyhealth may, during the term entrusted Lansen (BVI) with the processing of the plant extract products on an order-by-order basis.

Pricing basis

The process fee will be charged on a cost-plus basis, representing all costs incurred by Lansen (BVI) in relation to the processing of the product plus a mark-up rate of 10% of such costs (the "Processing Fee").

The Processing Fee was arrived after taking into consideration that (1) the cost-plus basis is one of the common pricing standards adopted in plant extract markets; and (2) the Lansen (BVI) Group does not need to incur marketing expenses in the transactions contemplated under the Entrusted Processing Framework Agreement.

Term

The term of the Entrusted Processing Framework Agreement will commence on 20 September 2016 and will expire on 31 December 2018 (subject to any extension which may be agreed by the Parties), unless terminated by either Party by giving the other written notice of termination at least one month prior to the effective date of such termination.

董事會報告

Report of the Directors



年度上限

截至二零一八年十二月三十一日止年度，根據委託加工框架協議進行的不獲豁免持續關連交易的批准年度上限及實際交易金額載列如下：

截至二零一八年十二月三十一日止年度的年度上限 Annual caps for the year ended 31 December 2018 人民幣30,000,000元 (相當於約4,500,000美元) RMB30,000,000 (equivalent to approximately US\$4.5 million)	截至二零一八年十二月三十一日止年度的實際交易金額 Actual transaction amounts for the year ended 31 December 2018 約人民幣17,490,000 (相當於約2,636,000美元) approximately RMB17,490,000 (equivalent to approximately US\$2.6 million)
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有關簽署經銷合同的持續關連交易

日期

二零一七年三月三十一日
(新經銷合同於二零一八年五月二日簽訂)

協議各方

- (a) 本公司間接全資附屬公司寧波朗生醫美；及
- (b) CIH (本公司控股股東)間接全資附屬公司博泰。

交易性質

根據總經銷合同，在有效期(定義見下文)內，寧波朗生醫美將成為博泰膠原填充劑產品的代理經銷商，並可在有效期內，以訂單的方式從博泰購買膠原填充劑產品。

定價基礎

根據經銷合同，寧波朗生醫美在有效期內向博泰購買膠原填充劑產品的採購單價為固定的價格。該採購單價是雙方經過公平磋商後確定，並參照了以下各項：

- (i) 在中國市場上兩個與膠原填充劑同類產品的價格；
- (ii) 博泰膠原填充劑產品的規格及競爭優勢；及
- (iii) 在產品推廣期內，博泰提供給寧波朗生醫美的購買膠原填充劑產品的優惠。

此外，為確保膠原填充劑產品的採購單價不遜於可從獨立第三方獲得的同類產品的價格，寧波朗生醫美的市場部已按其一貫程序進行相關市場調研，調研包括非手術美容市場的

Annual Caps

For the year ended 31 December 2018, the approved annual caps and the actual transaction amounts of the non-exempt continuing connected transactions under the Entrusted Processing Framework Agreement are set out below:

The execution of a distribution agreement

Date

31 March 2017
(A new Distribution Agreement signed on 2 May 2018)

Parties

- (a) Ningbo Lansen Beauty, an indirect wholly-owned subsidiary of the Company; and
- (b) Botai, an indirect wholly-owned subsidiary of CIH, a controlling shareholder of the Company.

Transaction Nature

Pursuant to the exclusive distribution agreement, Ningbo Lansen Beauty will act as the distributor of Botai in respect of the Collagen Injectable Fillers during the Term (as defined below) and it may, during the Term, acquire from Botai, the Collagen Injectable Fillers on an order-by-order basis.

Pricing Basis

The unit purchase price of the Collagen Injectable Fillers to be purchased by Ningbo Lansen Beauty under the distribution agreement is agreed at a fixed price throughout the Term and is arrived at after arm's length negotiation between the Parties. Such unit purchase price is determined with reference to:

- (i) the prices of two comparable collagen injectable fillers products in the PRC market;
- (ii) the product feature and competitive advantage of the Collagen Injectable Fillers; and
- (iii) the procurement benefits given by Botai to Ningbo Lansen Beauty in promoting and marketing the Collagen Injectable Fillers during its product launch cycle.

Further, to ensure that the unit purchase price of the Collagen Injectable Fillers is no less favourable than those comparable products available from independent third parties, the marketing department of Ningbo Lansen Beauty has followed its standard market research procedures by conducting the relevant research on factors, such as

董事會報告

Report of the Directors



產品需求及同類產品的銷量趨勢。此外，還參考了在市場上由其他獨立第三方提供的與膠原填充劑產品同類產品的價格及規格。

膠原填充劑產品最終採購單價經雙方公平磋商後商定。但在任何情況下，膠原填充劑產品的採購單價不遜於市場上現有同類產品的價格，以及寧波朗生醫美按總經銷合同購入膠原填充劑產品的條款不遜於其他同類產品的典型總經銷合同中約定的條款。

有效期

總經銷合同的期限，從二零一七年三月三十一日開始到二零一八年三月三十一日（經雙方同意可以延長），惟任何一方以書面形式通知另一方終止者除外。

新一份經銷合同的期限，從二零一八年五月二日開始到二零二零年五月二日（經雙方同意可以延長）。

年度上限

截至二零一八年十二月三十一日止年度，根據總經銷合同進行的不獲豁免持續關連交易的批准年度上限及實際交易金額載列如下：

the market demand within the non-surgical cosmetic market and the trend of the sales volume of comparable products. It has also taken reference of the prices and specifications of comparable collagen injectable fillers products from other independent third parties in the market.

The final unit purchase price of the Collagen Injectable Fillers is mutually agreed by the Parties after arm's length negotiation, but in any event, the unit purchase price of the Collagen Injectable Fillers is no less favourable than those of the comparable collagen injectable fillers products in the market, and the purchase of the Collagen Injectable Fillers by Ningbo Lansen Beauty under the Exclusive Distribution Agreement is on terms which are no less favourable to Ningbo Lansen Beauty than those under a typical exclusive distribution agreement of similar products.

Term

The term of the distribution agreement commenced on 31 March 2017 and will expire on 31 March 2018 (subject to any extension which may be agreed by the Parties), unless terminated by either Party giving the other written notice of termination.

The term of the new distribution agreement commenced on 2 May 2018 and will expire on 2 May 2020 (subject to any extension which may be agreed by the Parties).

Annual Caps

For the year ended 31 December 2018, the approved annual caps and the actual transaction amounts of the non-exempt continuing connected transactions under the distribution agreement are set out below:

截至二零一八年一月一日至 二零一八年三月三十一日止期間的年度上限 Annual caps for the period from 1 January 2018 to 31 March 2018 人民幣11,700,000元 (相當於約1,700,000美元) RMB11,700,000 (equivalent to approximately US\$1.70 million)	截至二零一八年一月一日至 二零一八年三月三十一日止期間的實際交易金額 Actual transaction amounts for the period from 1 January 2018 to 31 March 2018 無 Nil
截至二零一八年五月二日至 二零一八年十二月三十一日止期間的年度上限 Annual caps for the period from 2 May 2018 to 31 December 2018 人民幣20,000,000元 (相當於約3,160,000美元) RMB20,000,000 (equivalent to approximately US\$3.2 million)	截至二零一八年五月二日至 二零一八年十二月三十一日止期間的實際交易金額 Actual transaction amounts for the period from 2 May 2018 to 31 December 2018 約人民幣633,000元 (相當於約95,000美元) approximately RMB633,000 (equivalent to approximately US\$95,000)



本公司核數師已向董事會發出函件，確認上述持續關連交易：

- (i) 已獲得董事會批准；
- (ii) 已按照本集團定價政策定價；
- (iii) 已按照規限該等交易之有關協議訂立；及
- (iv) 並無超越各自之年度上限限額。

除上文所披露者外，截至二零一八年十二月三十一日止年度，綜合財務報表附註35所披露之關連方交易並不構成根據上市規則第14A章之關連交易或持續關連交易，或僅根據上市規則第14A章的最低限額豁免而構成獲全面豁免之關連交易或持續關連交易。本公司已遵守根據上市規則第14A章的披露規定。

薪酬政策

本集團僱員之薪酬乃按彼等之表現、專業資歷、行業經驗及相關市場趨勢而釐定。

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

優先購買權

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

股息政策

本公司採納了一個股息政策（「股息政策」），根據股息政策，本公司優先考慮以現金方式分派股息，與股東分享溢利。派息派付之比率將由董事會考慮以下因素後全權酌情釐定或建議（視乎情況而定）：

- 本公司之組織章程細則；
- 開曼群島法律下的適用限制及要求；

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

- (i) have received the approval of the Board;
- (ii) have been priced in accordance with the pricing policies of the Group;
- (iii) have been entered into in accordance with the relevant agreements governing the transactions; and
- (iv) did not exceed the respective annual caps.

Save as disclosed above, for the year ended 31 December 2018, the related party transactions disclosed in Note 35 to the consolidated financial statements either did not constitute connected transactions or continuing connected transactions under Chapter 14A of the Listing Rules, or only constituted fully exempted connected transactions or continuing connected transactions by virtue of the de minimis exemption under Chapter 14A of the Listing Rules. The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

Emolument Policy

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

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

Pre-emptive Rights

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

DIVIDEND POLICY

The Company has adopted a dividend policy ("Dividend Policy"), pursuant to which the Company gives priority to distributing dividend in cash and shares its profit with its shareholders. The dividend payout ratio shall be determined or recommended, as appropriate, by the Board at its absolute discretion after taking into account the following issues:

- the Articles of Association of the Company;
- the applicable restrictions and requirements under the laws of the Cayman Islands;

董事會報告

Report of the Directors



- 公司經營業績，財務狀況及現金流量；
 - 本公司的經營，資本開支及投資需求；及
 - 董事會認可的其他相關因素。
- the Company's results of operations, financial condition and cash flows;
 - operating, capital expenditure and investment requirements of the Company; and
 - other factors that the Board may consider relevant.

足夠之公眾持股量

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

五年財務摘要

本集團業績與資產及負債於過去五個財政年度之摘要載於第2頁。

董事彌償

本公司已就董事及執行人員因處理公司活動而對其提出之法律行動安排適當的責任保險。

就董事及本集團執行人員所招致的責任而提供彌償的批准彌償條文(定義見香港法例第622章香港公司條例第469條)於董事根據香港公司條例第391(1)(a)條編製的董事會報告獲批准時仍然生效，並於截至二零一八年十二月三十一日止年度內持續有效且惠及董事。

核數師

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

代表董事會

朗生醫藥控股有限公司

主席

吳鎮濤

香港

二零一九年三月二十六日

Sufficiency of Public Float

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

Five-Year Financial Summary

A summary of the results and the assets and liabilities of the Group for the last five financial years is set out on page 2.

Indemnity of Directors

The Company has arranged for appropriate insurance cover for the liabilities of the Directors and executive officers in respect of legal actions against its Directors and senior management arising out of corporate activities.

A permitted indemnity provision (within the meaning in Section 469 of the Hong Kong Companies Ordinance (Chapter 622 of the Laws of Hong Kong)) that provides for indemnity against liability incurred by Directors and executive officers of the Group is currently in force when the Report of the Directors prepared by the Directors is approved in accordance with section 391(1)(a) of the Hong Kong Companies Ordinance and was in force throughout the year ended 31 December 2018 for the benefit of the Directors.

Auditor

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

ON BEHALF OF THE BOARD

Lansen Pharmaceutical Holdings Limited

Wu Zhen Tao

Chairman

Hong Kong

26 March 2019

企業管治報告

Corporate Governance Report



企業管治常規

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

於截至二零一八年十二月三十一日止年度，本公司亦一直遵守上市規則附錄14所載企業管治守則及企業管治報告（「守則」）的所有守則條文，惟偏離守則第A.5條者除外。根據守則第A.5條，本公司應成立提名委員會，並訂有書面職權範圍，清楚列明其權力及職務。目前，本公司並無成立提名委員會，並將有關職能保留予薪酬委員會。自本公司於二零一零年在聯交所主板上市起，薪酬委員會獲授予提名委員會的職能。因此，董事會認為薪酬委員會成員擁有必要的經驗及知識，履行提名委員會的職能。董事會將不時檢討董事委員會的組成及運作，並於有需要時考慮成立提名委員會。

董事進行證券交易

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

董事會

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

本公司的章程細則列明須由董事會決策的事宜。

Corporate Governance Practices

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

For the year ended 31 December 2018, the Company has also complied with all the code provisions of the Corporate Governance Code and Corporate Governance Report (the "Code") set out in Appendix 14 of the Listing Rules, except with a deviation from paragraph A.5 of the Code. Under paragraph A.5 of the Code, the Company should establish a Nomination Committee with specific written terms of reference which deal clearly with its authority and duties. Currently, the Company had not established a Nomination Committee and had retained the functions with the Remuneration Committee. The Remuneration Committee has been delegated the functions of a Nomination Committee since its listing on the Main Board of the Stock Exchange in 2010. As such, the Board is of the view that the members of the Remuneration Committee possess the necessary experience and knowledge to discharge the functions of a Nomination Committee. The Board shall review the composition and operation of the Board Committees from time to time and shall consider establishing a Nomination Committee if such need arises.

Directors' Securities Transactions

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

The Board of Directors

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

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

企業管治報告

Corporate Governance Report



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

於二零一八年十二月三十一日及於本報告日期，董事會成員包括一名常務執行董事、四名非執行董事及四名獨立非執行董事。董事詳情載於第41至第45頁「董事及高級管理人員履歷」一節及本公司網站。

於二零一八年十二月三十一日及於本報告日期，董事會包括下列成員：

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

As at 31 December 2018 and at the date of this report, the Board was comprised of one executive managing Director, four non-executive Directors and four independent non-executive Directors. A description of the Directors is set out in the "Biographical Details of Directors and Senior Management" section from pages 41 to 45 and on the Company's website.

As at 31 December 2018 and at the date of this report, the Board was comprised of the following members:

董事	Directors	首次獲委任 為董事會成員的日期 Date of first appointment to the Board	最近一次重選連任 為董事的日期 Date of last re-election as Director
常務執行董事：	Executive Managing Director:		
陳力先生(行政總裁)	Mr. Chen Li (Chief Executive Officer)	二零一八年三月一日 1 March 2018	二零一八年六月十五日 15 June 2018
非執行董事：	Non-executive Directors:		
吳鎮濤先生(主席)	Mr. Wu Zhen Tao (Chairman)	二零一七年三月三十日 30 March 2017	二零一七年六月十九日 19 June 2017
Stephen Burnau Hunt先生	Mr. Stephen Burnau Hunt	二零一零年四月九日 9 April 2010	二零一七年六月十九日 19 June 2017
李晉頤先生(副主席)	Mr. Lee Jin Yi (Deputy Chairman)	二零一零年四月九日 9 April 2010	二零一六年六月二十一日 21 June 2016
劉雪姿女士	Ms. Liu Xuezi	二零一六年三月三十日 30 March 2016	二零一八年六月十五日 15 June 2018
獨立非執行董事：	Independent non-executive Directors:		
陳記煊先生	Mr. Chan Kee Huen, Michael	二零一零年四月九日 9 April 2010	二零一六年六月二十一日 21 June 2016
鄧昭平先生	Mr. Tang Chiu Ping, Raymond	二零一零年四月九日 9 April 2010	二零一六年六月二十一日 21 June 2016
Fritz Heinrich Horlacher先生	Mr. Fritz Heinrich Horlacher	二零一一年二月十日 10 February 2011	二零一七年六月十九日 19 June 2017
楊德斌先生 (於二零一八年十月六日 獲委任)	Mr. Yeung Tak Bun, Allen (appointed on 6 October 2018)	二零一八年十月六日 6 October 2018	—



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

獨立非執行董事

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

根據上市規則第3.10(1)條，四名獨立非執行董事超過董事會的三分之一。四名獨立非執行董事中，其中一名擁有上市規則第3.10(2)條所規定的會計或相關財務管理專門技術的適當專業資格。

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

主席及行政總裁

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

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

Independent Non-executive Directors

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

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

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

Chairman and Chief Executive Officer

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



委任、重選及罷免

常務執行董事陳力先生與本公司訂立服務協議，由二零一八年三月一日開始為期三年。各非執行董事及獨立非執行董事均與本公司訂立委任書，由二零一六年四月九日開始為期三年，惟吳鎮濤先生、Fritz Heinrich Horlacher 先生、劉雪姿女士及楊德斌先生除外，其委任日期分別於二零一七年三月三十日、二零一七年二月十日、二零一六年三月三十日及二零一八年十月六日開始。董事會委任的所有董事（不論為填補臨時空缺或屬董事會新增成員）均須於獲委任後首個股東週年大會退任並符合資格重選連任。

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

根據本公司的章程細則條文，李晉頤先生、陳記煊先生及楊德斌先生將輪值退任，並符合資格及願意於應屆股東週年大會上重選連任。

截至二零一八年十二月三十一日止年度，本公司並無成立提名委員會，但將此功能保留在薪酬委員會。薪酬委員會成員不時物色合適的合資格人士出任董事會成員，並挑選或在挑選提名董事或高級管理層人選的過程中向董事會作出推薦建議。於考慮提名新任董事或高級管理層時，薪酬委員會將考慮候選人的資歷、能力、工作經驗、領導才能及專業操守以及（就獨立非執行董事而言）獨立性規定。薪酬委員會已採納新任董事或高級管理層的提名程序，據此，(1)將與候選人進行面試；及(2)薪酬委員會將考慮並酌情向董事會提出合適的推薦意見。

Appointment, Re-election and Removal

The executive managing Director Mr. Chen Li has entered into a service agreement with the Company for a term of three years commencing 1 March 2018. Each of the non-executive Directors and the independent non-executive Directors has entered into a letter of appointment with the Company for a term of three years commencing 9 April 2016 except for Mr. Wu Zhen Tao, Mr. Fritz Heinrich Horlacher, Ms. Liu Xuezi and Mr. Yeung Tak Bun, Allen whose commencement date were 30 March 2017, 10 February 2017, 30 March 2016 and 6 October 2018 respectively. All Directors appointed by the Board either to fill a casual vacancy or as addition to the Board shall retire and be eligible for re-appointment at the first general meeting after appointment.

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

In accordance with the provisions of the Company's articles of association, Mr. Lee Jin Yi, Mr. Chan Kee Huen, Michael and Mr. Yeung Tak Bun, Allen will retire by rotation and, being eligible, offer themselves for re-election in the forthcoming AGM.

For the year ended 31 December 2018, the Company had not established a Nomination Committee but had retained the functions with the Remuneration Committee. The Remuneration Committee members from time to time identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships or senior management. In considering the nomination of new Directors or senior management, the Remuneration Committee will take into account the qualification, ability, working experience, leadership and professional ethics of the candidates as well as the independence requirement in the case of an independent non-executive Director. The Remuneration Committee has adopted procedures for nomination of a new Director or senior management, pursuant to which (1) an interview will be conducted with the prospective candidates; and (2) the Remuneration Committee will consider and, if thought fit, make suitable recommendations to the Board.



董事及高級管理層變動

薪酬委員會及執行委員會已批准：

- 侯淞先生辭任執行董事、執行委員會成員、集團財務總監及授權代表，自二零一八年十月二十日生效；及
- 委任楊德斌先生為獨立非執行董事，自二零一八年十月六日生效。

持續專業發展

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

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

於截至二零一八年十二月三十一日止年度，本公司舉行了一次培訓環節，內容有董事之責任及主板上市規則修訂之內容。全體董事均已出席該次培訓。此外，個別董事亦已出席有關上市公司董事職務、職能及責任的其他課程，或透過參與培訓課程，或利用在線協助或閱讀相關資料進一步加強彼等的專業發展。

企業管治職能

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

- 制定及檢討本公司的企業管治政策及常規，並向董事會提出推薦意見；

Changes of Directors and Senior Management

The Remuneration and Executive Committees have approved:

- the resignation of Mr. Hou Song as an Executive Director, a member of the executive committee of the Company, the Chief Financial Officer and an Authorised Representative of the Group, effective from 20 October 2018; and
- the appointment of Mr. Yeung Tak Bun, Allen as an Independent Non-executive Director, effective from 6 October 2018.

Continuing professional development

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

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

During the year ended 31 December 2018, the Company has organised a training session covering the topic of directors' duty and amendments to main board listing roles. All Directors attended the training. In addition, individual directors also participated in other courses relating to the roles, functions and duties of a listed company director or further enhancement of their professional development by way of attending training courses or via online aids or reading relevant materials.

Corporate Governance Functions

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

- to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;

企業管治報告

Corporate Governance Report



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| — 檢討及監察董事及高級管理人員的培訓及持續專業發展； | — to review and monitor the training and continuous professional development of Directors and senior management; |
| — 檢討及監察本公司遵守法例及監管規定的政策及慣例； | — to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements; |
| — 制定、檢討及監察行為守則以及遵守本公司僱員及董事適用的合規手冊(如有)；及 | — to develop, review and monitor the code of conduct and compliance manual (if any) applicable to the Company's employees and the Directors; and |
| — 檢討本公司遵守守則的情況及在其年報內企業管治報告內的披露。 | — to review the Company's compliance with the code and disclosure in the Corporate Governance Report in its Annual Report. |

董事會多元化政策

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

Board Diversity Policy

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

董事會會議

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

Board Meetings

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

企業管治報告

Corporate Governance Report



截至二零一八年十二月三十一日止年度，董事會舉行了六次會議，而各董事的出席情況如下：

The Board held six meetings during the year ended 31 December 2018 with the attendance of each Director as follows:

董事	Directors	出席會議次數／ 舉行會議次數 No. of meetings attended/No. of meetings held	出席率 Attendance rate
常務執行董事：	Executive Managing Director:		
陳力先生(行政總裁) (於二零一八年 三月一日獲委任)	Mr. Chen Li (appointed on 1 March 2018)	5/5	100%
執行董事：	Executive Directors:		
劉幫民先生(行政總裁) (於二零一八年 一月三十一日辭任)	Mr. Liu Bang Min (<i>Chief Executive Officer</i>) (resigned on 31 January 2018)	0/1	—
侯淞先生(財務總監) (於二零一八年 十月二十日辭任)	Mr. Hou Song (<i>Chief Financial Officer</i>) (resigned on 20 October 2018)	5/5	100%
非執行董事：	Non-executive Directors:		
吳鎮濤先生(主席)	Mr. Wu Zhen Tao (<i>Chairman</i>)	6/6	100%
Stephen Burnau Hunt先生	Mr. Stephen Burnau Hunt	6/6	100%
李晉頤先生(副主席)	Mr. Lee Jin Yi (<i>Deputy Chairman</i>)	6/6	100%
劉雪姿女士	Ms. Liu Xuezi	6/6	100%
獨立非執行董事：	Independent non-executive Directors:		
陳記煊先生	Mr. Chan Kee Huen, Michael	6/6	100%
鄧昭平先生	Mr. Tang Chiu Ping, Raymond	6/6	100%
Fritz Heinrich Horlacher先生	Mr. Fritz Heinrich Horlacher	6/6	100%
楊德斌先生 (於二零一八年 十月六日獲委任)	Mr. Yeung Tak Bun, Allen (appointed on 6 October 2018)	1/1	100%



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

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

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

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

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

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

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

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

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

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



董事委員會

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

審核委員會

本公司的審核委員會由四名獨立非執行董事及一名非執行董事組成。獨立非執行董事陳記煊先生現為審核委員會主席。審核委員會預期定期會晤，每年最少三次。

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

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

Board Committees

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

Audit Committee

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

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

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

企業管治報告

Corporate Governance Report



截至二零一八年十二月三十一日止年度，審核委員會舉行了三次會議，而各成員的出席情況如下：

The Audit Committee held three meetings during the year ended 31 December 2018 with the attendance of each member as follows:

審核委員會成員姓名	Name of Audit Committee members	出席會議次數／ 舉行會議次數 No. of meetings attended/No. of meetings held	出席率 Attendance rate
陳記煊先生(主席)	Mr. Chan Kee Huen, Michael (Chairman)	3/3	100%
李晉頤先生	Mr. Lee Jin Yi	3/3	100%
鄧昭平先生	Mr. Tang Chiu Ping, Raymond	3/3	100%
Fritz Heinrich Horlacher先生	Mr. Fritz Heinrich Horlacher	3/3	100%
楊德斌先生(於二零一八年 十月六日獲委任)	Mr. Yeung Tak Bun, Allen (appointed on 6 October 2018)	1/1	100%

截至二零一八年十二月三十一日止年度，審核委員會已：

During the year ended 31 December 2018, the Audit Committee had:

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

薪酬委員會

本公司的薪酬委員會由四名獨立非執行董事及兩名非執行董事組成。獨立非執行董事鄧昭平先生現為薪酬委員會主席。薪酬委員會預期定期會晤，每年至少一次。

Remuneration Committee

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



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

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

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

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

企業管治報告

Corporate Governance Report



截至二零一八年十二月三十一日止年度，薪酬委員會舉行了兩次會議，而各成員的出席情況如下：

The Remuneration Committee held two meetings during the year ended 31 December 2018 with the attendance of each member as follows:

薪酬委員會成員姓名	Name of Remuneration Committee members	出席會議次數／ 舉行會議次數 No. of meetings attended/No. of meetings held	出席率 Attendance rate
鄧昭平先生(主席)	Mr. Tang Chiu Ping, Raymond (<i>Chairman</i>)	2/2	100%
Stephen Burnau Hunt先生	Mr. Stephen Burnau Hunt	2/2	100%
李晉頤先生	Mr. Lee Jin Yi	2/2	100%
陳記煊先生	Mr. Chan Kee Huen, Michael	2/2	100%
Fritz Heinrich Horlacher先生	Mr. Fritz Heinrich Horlacher	2/2	100%
楊德斌先生(於二零一八年 十月六日獲委任)	Mr. Yeung Tak Bun, Allen (appointed on 6 October 2018)	0/0	—

截至二零一八年十二月三十一日止年度，薪酬委員會：

During the year ended 31 December 2018, the Remuneration Committee:

- | | |
|---|---|
| — 對執行董事及高級管理層的表現進行評估； | — assessed the performance of the executive Director and the senior management; |
| — 根據守則B1.2(c)(ii)規定，檢討董事及高級管理層的薪酬架構／待遇以及就其薪酬向董事會提供推薦建議； | — pursuant to provision B.1.2(c)(ii) of the Code, reviewed the remuneration structure/package of the Directors and the senior management, and made recommendation to the Board on their remuneration; |
| — 釐定提名董事的政策； | — determined policy for the nomination of Directors; |
| — 討論董事會多元化政策的實行情況；及 | — discussed the implementation of the Board diversity policy; and |
| — 就於下屆股東週年大會建議重選退任董事向董事會作出推薦建議。 | — made recommendation to the Board on the proposed re-election of the retiring Directors at the forthcoming annual general meeting. |



提名政策

本公司已為薪酬委員會採納提名政策，以考慮及推薦股東於股東大會上選舉董事或委任填補臨時空缺的董事。

甄選標準

於評估建議候選人適合與否時，薪酬委員會將使用下列因素作為參考：

- (1) 誠信聲譽；
- (2) 於本集團所從事業務方面的成就及經驗；
- (3) 可投入的時間及對相關利益的承擔；
- (4) 董事會多元化政策內所述之條件；及
- (5) 其他適用於本公司業務的有關因素。

上述因素只供參考，並不旨在涵蓋所有因素，也不具決定性作用。薪酬委員會可決定提名任何其認為適當的人士。

提名程序

- (1) 薪酬委員會將要求推薦的候選人按指定的形式提交必要的個人資料；
- (2) 薪酬委員會召開會議，審閱候選人的提名；
- (3) 對於任何建議的董事會候選人的任命，薪酬委員會應對有關人士進行充分的盡職調查，並提出建議，供董事會審議和批准；
- (4) 就重新委任董事會任何現有成員而言，薪酬委員會須提交建議供董事會考慮及作出推薦，讓候選人可於股東大會上膺選連任；及
- (5) 對推薦候選人於股東大會上參選的所有事宜，董事會擁有最終決定權。

Nomination Policy

The Company has adopted a Nomination Policy for the Remuneration Committee to consider and make recommendations to Shareholders for election as Directors at general meetings or appoint as Directors to fill casual vacancies.

Selection Criteria

The factors listed below would be used as reference by the Remuneration Committee in assessing the suitability of a proposed candidate:

- (1) reputation for integrity;
- (2) accomplishment and experience in the business in which the Group is engaged in;
- (3) commitment in respect of available time and relevant interest;
- (4) factors in accordance with the Board Diversity Policy;
- (5) such other perspectives appropriate to the Company's business.

These factors are for reference only, and not meant to be exhaustive and decisive. The Remuneration Committee has the discretion to nominate any person, as it considers appropriate.

Nomination Procedures

- (1) The proposed candidates will be asked to submit the necessary personal information in a prescribed form by the Remuneration Committee ;
- (2) The Remuneration Committee shall convene a meeting to consider the nomination of candidates ;
- (3) For the appointment of any proposed candidate to the Board, the Remuneration Committee shall undertake adequate due diligence in respect of such individual and make recommendations for the Board's consideration and approval ;
- (4) For the re-appointment of any existing member(s) of the Board, the Remuneration Committee shall make recommendations to the Board for its consideration and recommendation, for the proposed candidates to stand for re-election at a general meeting ; and
- (5) The Board shall have the final decision on all matters relating to its recommendation of candidates to stand for election at a general meeting.

企業管治報告

Corporate Governance Report



截至二零一八年十二月三十一日止年度董事酬金明細如下：

The following table shows the breakdown of Directors' remuneration for the year ended 31 December 2018:

		其他薪酬				
		Other emoluments				
	袍金	薪金、津貼 和實物福利	酌情獎金	退休福利 計劃供款	總計	
	Salaries, allowances and benefits		Discretionary	Retirement benefit plans		
	Fees	in kind	bonus	contributions	Total	
	千美元	千美元	千美元	千美元	千美元	
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	
<hr/>						
截至二零一八年十二月三十一日止年度	Year ended 31 December 2018					
常務執行董事：	Executive managing director:					
陳力(於二零一八年三月一日獲委任)	Chen Li (appointed on 1 March 2018)	—	368	121	13	502
執行董事：	Executive directors:					
劉幫民(於二零一八年一月三十一日辭任)	Liu Bang Min (resigned on 31 January 2018)	—	17	—	1	18
侯淞(於二零一八年十月二十日辭任)	Hou Song (resigned on 20 October 2018)	—	130	55	2	187
非執行董事：	Non-executive directors:					
吳鎮濤	Wu Zhen Tao	—	—	—	—	—
Stephen Burnau Hunt	Stephen Burnau Hunt	38	—	—	—	38
李晉頤	Lee Jin Yi	—	—	—	—	—
劉雪姿	Liu Xuezi	—	—	—	—	—
獨立非執行董事：	Independent non-executive directors:					
陳記煊	Chan Kee Huen, Michael	35	—	—	—	35
鄧昭平	Tang Chiu Ping, Raymond	35	—	—	—	35
Fritz Heinrich Horlacher	Fritz Heinrich Horlacher	32	—	—	—	32
楊德斌(於二零一八年十月六日獲委任)	Yeung Tak Bun, Allen (appointed on 6 October 2018)	8	—	—	—	8
		148	515	176	16	855

企業管治報告

Corporate Governance Report



截至二零一八年十二月三十一日止年度高級管理人員的成員按組別劃分的酬金：

The remuneration of the members of the senior management by band for the year ended 31 December 2018:

二零一八年
2018
人數

No of individuals

零至1,000,000港元	Nil – HK\$1,000,000	2
1,000,001港元至1,500,000港元	HK\$1,000,001 to HK\$1,500,000	—
1,500,001港元至2,000,000港元	HK\$1,500,001 to HK\$2,000,000	1
2,000,001港元至2,500,000港元	HK\$2,000,001 to HK\$2,500,000	—

執行委員會

本公司的執行委員會由一名執行董事、三名非執行董事及一名非董事組成，非執行董事吳鎮濤先生現為執行委員會主席。

Executive Committee

The Executive Committee of the Company consists of one executive Director, three non-executive Directors and one non-Director. Mr. Wu Zhen Tao, a non-executive Director, currently serves as the chairman of the Executive Committee.

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

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

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

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

企業管治報告

Corporate Governance Report



截至二零一八年十二月三十一日止年度，執行委員會舉行了七次會議，而各成員的出席情況如下：

The Executive Committee held seven meetings during the year ended 31 December 2018 with the attendance of each member as follows:

執行委員會成員姓名	Name of Executive Committee members	出席會議次數／ 舉行會議次數 No. of meetings attended/No. of meetings held	出席率 Attendance rate
吳鎮濤先生(主席) (於二零一八年 一月三十一日獲委任)	Mr. Wu Zhen Tao (Chairman) (appointed on 31 January 2018)	6/6	100%
李晉頤先生	Mr. Lee Jin Yi	7/7	100%
陳力先生(於二零一八年 三月一日獲委任)	Mr. Chen Li (appointed on 1 March 2018)@	6/6	100%
侯淞先生(於二零一八年 十月二十日辭任)	Mr. Hou Song (resigned on 20 October 2018)	7/7	100%
劉雪姿女士	Ms. Liu Xuezi	5/5	100%
陶芳芳女士	Ms. Tao Fang Fang	7/7	100%

問責及審核

財務報告

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

Accountability and Audit

Financial Reporting

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

香港立信德豪會計師事務所有限公司知悉其於截至二零一八年十二月三十一日止年度之綜合財務報表的核數師報告內之報告責任。

BDO Limited acknowledges its reporting responsibilities in the auditor's report on the consolidated financial statements for the year ended 31 December 2018.

董事及核數師有關財務報表的責任載列於本報告第83至88頁「獨立核數師報告」。

The Directors' and auditor's responsibilities in respect of the financial statements are set out in the "Independent Auditor's Report" on pages 83 to 88 in this report.

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

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

核數師酬金

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

Auditor's Remuneration

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

企業管治報告

Corporate Governance Report



於截至二零一八年十二月三十一日止年度，就香港立信德豪會計師事務所有限公司提供之核數及非核數服務而已付／應付之費用如下：

During the year ended 31 December 2018, the fees paid/payable to BDO Limited in respect of audit and non-audit services were as follows:

服務性質	Services rendered	已付／應付費用 Fee paid/payable 千美元 US\$'000
核數服務	Audit services	275
非核數服務	Non-audit services	131

非核數服務主要包括中期審閱及關於持續關連交易及主要交易的其他專業服務。

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

公司秘書

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

Company Secretary

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

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

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

於截至二零一八年十二月三十一日止年度，公司秘書已進行不少於15小時的專業培訓，符合上市規則第3.29條的規定。

During the year ended 31 December 2018, the Company Secretary has undertaken no less than 15 hours of relevant professional training in compliance with Rule 3.29 of the Listing Rules.

內部監控及風險評估

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

Internal Control and Risk Assessment

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

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

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



本公司的風險管理及內部監控系統旨在管理而非消除未能達成業務目標的風險，而且只能就所有風險問題作出合理而非絕對的保證。我們已採取由下而上的方法以識別、評估及減低在所有業務層面及各功能範疇上的風險。

在風險評估過程中，董事會連同管理層負責識別本集團的風險並決定有關的風險水平。聘請外部顧問提供建議及支援風險評估過程。董事會也負責評估及釐定本集團於實現其策略目標時可接受的風險性質和程度。經過討論及考慮有關的風險應對措施後，相關部門和業務單位將根據其職能及職責獲指派執行相應的風險管理解決方案。已識別之風險連同有關的風險應對措施將記錄於風險登記冊，而該等風險之更新及維護須受董事會監督。

本公司風險管理及內部監控系統的主要元素包括設立風險登記冊以跟進及記錄已識別之風險、評估及檢討風險、制定及不時更新應對措施，以及持續測試內部監控程序以確保其成效。

根據企業管治守則第C.2條的規定，基於審核委員會同意及批准的檢討範圍，內部審核部門已就某些重要監控領域（涉及財務、營運及合規監控以及風險管理功能）進行年度性內部監控審閱（涵蓋二零一八年一月一日至二零一八年十二月三十一日期間）。

此外，管理層已經分析監控環境及風險評估，評估各項所實行的監控措施，並與董事會協定內部監控制度的檢討範圍。檢討方式包括與有關管理層及職員進行討論、審閱有關內部監控系統的文件、對內部監控設計上任何不足之處的結果進行評估，以及提供改善建議（如適用）。

The risk management and internal control system of the Group are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against all risk issues. We have employed a bottom-up approach for the identification, assessment and mitigation of risk at all business unit levels and across all functional areas.

During the process of risk assessment, the Board together with management is responsible for identifying the risks of the Group and deciding on the risk levels. An external consultant was engaged to provide advice and support to the risk assessment process. The Board is also responsible for assessing and determining the nature and extent of the risks that are acceptable to the Group when achieving its strategic objectives. After discussing and taking into consideration the risk responses, the relevant departments and business units have been assigned to implement the risk management solutions in accordance with their respective roles and responsibilities. The identified risks together with the risk responses have been recorded in the risk register and the updating and maintenance of which is subject to the supervision of the Board.

The key elements of the risk management and internal control systems of the Company include the establishment of a risk register to keep track of and document identified risks, the assessment and evaluation of risks, the development and continuous updating of responsive procedures, and the ongoing testing of internal control procedures to ensure their effectiveness.

The internal audit department has performed annual internal control reviews on certain important areas of monitoring including the functions of finance, operations, compliance and risk management respectively covering the period of 1 January 2018 to 31 December 2018 in compliance with the requirements under Code Provision C.2 of the CG Code, according to the scope of review agreed and approved by the Audit Committee.

Also, management has analysed the control environment and risk assessment, assessed the various controls implemented and agreed with the Board on the scope of review over the system of internal controls. The approach of the review includes discussing with relevant management and staff members, reviewing relevant documentation of the internal control system, evaluating findings on any deficiencies in the design of internal controls and developing recommendations for improvement, where appropriate.



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

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

內幕消息

本公司對於有關處理及發放內幕消息的程序及內部監控措施：

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

Inside Information

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

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

董事及高級職員的責任

於二零一八年／二零一九年年度，本公司已為所有董事及高級管理人員更新董事及高級職員的責任保險。該等保險就企業活動上所產生的成本、費用、開支及責任為該等董事及高級管理人員提供保障。

Directors' and Officers' Liability

The Company has renewed Directors' and Officers' liabilities insurance for all the Directors and senior management of the Company for the year 2018/2019. The insurance covers them against costs, charges, expenses and liabilities incurred arising out of corporate activities.

與股東的溝通

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

Communications with Shareholders

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

企業管治報告

Corporate Governance Report



本公司的投資者關係活動包括：

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

於截至二零一八年十二月三十一日止年度，本公司之組織章程大綱及章程細則並無變動。

股東權利

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

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

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

本公司上屆股東週年大會為於二零一八年六月十五日在香港金鐘夏慤道18號海富中心一座十八樓1804A室金鐘會議中心的二零一八年股東週年大會（「二零一八年股東週年大會」）。全體董事及本公司外聘核數師香港立信德豪會計師事務所有限公司均有出席二零一八年股東週年大會。

Our investor relations activities include:

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

There is no change in the Company's memorandum and articles of association during the year ended 31 December 2018.

Shareholder's Rights

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

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

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

The last annual general meeting of the Company was the 2018 annual general meeting ("2018 AGM"), held on 15 June 2018 at Admiralty Conference Centre (ACC), 1804A, 18/F, Tower 1, Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong. All Directors and the external auditor of the Company, BDO Limited, attended the 2018 AGM.



本公司於二零一八年股東週年大會上提呈獨立決議案，包括建議宣派末期股息、重選董事、續聘核數師、授權發行及回購股份的一般授權。本公司採用按股數投票方式表決所有決議案。

所有於二零一八年股東週年大會上向股東提呈的決議案已獲通過。本公司香港股份過戶登記處卓佳證券登記有限公司獲委任為監票人，監察及點算於大會的表決票數。按股數投票表決的結果於大會上宣佈以及於本公司及聯交所網站登載。

股東可召開股東特別大會（「股東特別大會」）的途徑

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

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

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

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

向董事會提問的程序

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

At the 2018 AGM, separate resolutions including declaration of final dividend, the re-election of Directors, the re-appointment of auditor, the authorisation to grant the general mandate to issue and repurchase of shares were proposed. The Company adopted poll voting for all resolutions.

All resolutions put to shareholders at the 2018 AGM were passed. The Company's Hong Kong Share Registrar, Tricor Investor Services Limited, was appointed as scrutineers to monitor and count the poll votes cast at that meeting. The results of the voting by poll were declared at the meeting and published on the websites of the Company and the Stock Exchange.

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

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

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

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

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

The procedures for sending enquiries to the Board

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



於股東大會動議的程序

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

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

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

投資者關係的聯絡事宜

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

香港

請按以下方式聯絡我們的公司秘書：

電話：(852) 2828 9294
郵件：香港德輔道中189號李寶椿大廈
12樓1203-4室
電郵：ir@lansen.com.cn

中國

請按以下方式聯絡我們的投資者關係部：

電話：(86) 574 8804 6316
郵件：浙江省寧波市海曙區
高橋工業園區新豐路228號
(郵編：315174)
電郵：ir@lansen.com.cn

於本公司網站www.lansen.com.cn可提供最新的投資者關係資料。

The procedures for making proposals at Shareholders' Meetings

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

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

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

Investor Relations Contacts

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

Hong Kong

Please contact our Company Secretary at:

By phone：(852) 2828 9294
By post：Suite 1203-4, 12/F, Li Po Chun Chambers,
189 Des Voeux Road Central, Hong Kong
By e-mail：ir@lansen.com.cn

The PRC

Please contact our Investor Relations Department at:

By phone：(86) 574 8804 6316
By post：228 Xinfeng Road, Gaoqiao Industrial Park,
Haishu District, Ningbo City, Zhejiang Province, PRC
(Postal code: 315174)
By e-mail：ir@lansen.com.cn

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

獨立核數師報告 Independent Auditor's Report



Tel : +852 2218 8288
Fax: +852 2815 2239
www.bdo.com.hk

25th Floor Wing On Centre
111 Connaught Road Central
Hong Kong

電話 : +852 2218 8288
傳真 : +852 2815 2239
www.bdo.com.hk

香港干諾道中111號
永安中心25樓

致朗生醫藥控股有限公司股東
(於開曼群島註冊成立的有限公司)

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

意見

本核數師(以下簡稱「我們」)已審計列載於第89至206頁朗生醫藥控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此綜合財務報表包括於二零一八年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及包括主要會計政策概要的綜合財務報表附註。

我們認為，該等綜合財務報表已根據《國際財務報告準則》真實而公平地反映 貴集團於二零一八年十二月三十一日的綜合財務狀況及貴集團截至該日止年度的綜合財務表現及綜合現金流量，並已按照香港《公司條例》的披露規定妥為編製。

意見基礎

我們已根據《國際審計準則》(「國際審計準則」)進行審計。我們於該等準則下的責任，將於我們的報告中「核數師就綜合財務報表的審計須承擔的責任」一節中進一步詳述。根據香港會計師公會「專業會計師道德守則」(「守則」)，我們獨立於 貴集團，並已根據守則滿足我們其他的道德責任。我們相信，我們所獲得的審計憑證能充足和適當地為我們的意見提供基礎。

Opinion

We have audited the consolidated financial statements of Lansen Pharmaceutical Holdings Limited (the "Company") and its subsidiaries (together the "Group") set out on pages 89 to 206, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2018, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Opinion

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

BDO Limited
香港立信德豪會計師事務所有限公司

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

獨立核數師報告

Independent Auditor's Report



關鍵審計事項

關鍵審計事項是指根據我們的專業判斷，於審計當前期間綜合財務報表中最重要的事項。我們在審計整體綜合財務報表和就此形成意見時處理此等事項，而不會就此等事項單獨發表意見。

可使用年期無限的無形資產及商譽的減值評估

(請參閱綜合財務報表附註5、17及18)

於二零一八年十二月三十一日，本集團的商譽為6,825,000美元，而可使用年期無限的無形資產為23,703,000美元。管理層已根據《國際會計準則》第36號「資產減值」進行減值審查。現金產生單位的可收回金額根據在用價值計算釐定。在用價值計算包括管理層對估計未來現金流量作出的重大假設及判斷。

我們視可使用年期無限的無形資產商譽的減值評估為關鍵審計事項，原因是該評估對綜合財務報表的重要性，以及本範疇涉及管理層作出重大程度的判斷及估計，特別是對未來現金流量及折現率作出的估計。

有關減值模型所使用的主要假設已於綜合財務報表附註17及18中披露。

我們的回應：

就管理層及可使用年期無限的無形資產及商譽進行的減值評估，我們所採取的程序包括：

- 正就現金流量預測與高級管理人員進行討論；
- 正根據我們對業務及行業的認知，並考慮預算過往的準確程度，對主要假設的合理性進行評估；及
- 正進行敏感度分析，包括評估折現率及現金流合理可能變動的影響。

Key Audit Matters

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

Impairment assessment of intangible assets with indefinite useful lives and goodwill

(Refer to Notes 5, 17 and 18 to the consolidated financial statements)

The Group had intangible assets with indefinite useful lives of US\$23,703,000 and goodwill of US\$6,825,000 as at 31 December 2018. Management have performed an impairment review under International Accounting Standard 36 "Impairment of Assets". Recoverable amounts of cash-generating units are determined based on value in use calculations, which include significant assumptions and judgements made by management concerning the estimated future cash flows.

We identified the impairment assessment of intangible assets with indefinite useful lives and goodwill as a key audit matter because of its significance to the consolidated financial statements and because this area involves a significant degree of judgement and estimation made by management, in particular the estimation of future cash flows and discount rate.

See Notes 17 and 18 to the consolidated financial statements where the key assumptions used in the impairment model have been disclosed.

Our response:

Our procedures in relation to management's impairment assessment of intangible assets with indefinite useful lives and goodwill included:

- Discussing cash flow projections with senior management;
- Assessing the reasonableness of key assumptions based on our knowledge of the business and industry and by considering the historical accuracy of budgeting; and
- Performing sensitivity analysis including assessing the effect of a reasonably possible change in discount rate and cash flows.



估計存貨撥備

(請參閱綜合財務報表附註5及20)

於二零一八年十二月三十一日，存貨之賬面值為11,965,000美元(經扣除存貨撥備2,558,000美元)。

我們視估計存貨撥備為本年度關鍵審計事項，原因是存貨的重要性及於二零一八年十二月三十一日的存貨的可變現淨值涉及重大判斷及估計。

管理層根據存貨水平並經考慮該等存貨的到期日及售出之估計可能性後釐定存貨撥備。

我們的回應：

我們就估計存貨撥備採取的程序包括：

- 於參加實地存貨盤點時識別及評估陳舊及過時存貨；
- 了解及評估管理層釐定滯銷或過時存貨以及評估存貨可變現淨值的根據；
- 抽樣測試存貨賬齡的準確性並評估是否為陳舊存貨或接近到期日的存貨計提適當撥備；
- 參考當前及隨後的售價及出售數量測試存貨的可變現淨值，並評估是否已計提適當撥備(如有必要)；及
- 測試存貨撥備計算所得數值之準確性。

Estimated provision for inventories

(Refer to Notes 5 and 20 to the consolidated financial statements)

As at 31 December 2018, the carrying amount of inventories is US\$11,965,000 (net of provision for inventories of US\$2,558,000).

We identified the estimated provision for inventories as a key audit matter for the current year due to the magnitude of the inventories and the significant judgement and estimates with respect to the net realisable value of inventories as at 31 December 2018.

Management determined the provision for inventory based on the level of inventories taking into consideration of the inventories' expiration dates and the estimated probability of selling.

Our response:

Our procedures in relation to the estimated provision for inventories included:

- Identifying and assessing aged and obsolete inventories when attending physical inventory counts;
- Understanding and evaluating the basis of how slow-moving or obsolete inventories are identified by the management and their assessment of the net realisable value of inventories;
- Testing the accuracy of the inventory ageing on sampling basis and assessing whether allowance is properly provided for aged inventories or inventories close to expiry dates;
- Testing the net realisable values of inventories by reference to current and subsequent selling price and quantity sold and assessing whether allowance is properly provided for, if required, and
- Testing the mathematical accuracy of the calculations of inventory provisions.

獨立核數師報告

Independent Auditor's Report



本年報的其他資料

董事須負責其他資料。其他資料包括 貴公司年報所載的資料，但不包括綜合財務報表及我們就此編製的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他資料，我們亦對其他資料作出的結論概不表示任何形式的保證。

就我們審計綜合財務報表而言，我們的責任為閱覽其他資料，並就此考慮其他資料與綜合財務報表或我們於審計時獲得的認知是否出現重大不一致情況，或出現重大錯誤陳述。倘根據我們已進行的工作，我們得出本其他資料出現重大錯誤陳述的結論，我們須就此事實作出匯報。就此方面我們並無事項須予匯報。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據《國際財務報告準則》及香港《公司條例》的披露規定編製及公平呈列此等綜合財務報表，及落實其認為編製綜合財務報表所必要的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

於編製綜合財務報表時，董事負責評估 貴集團持續經營的能力，同時於適當時披露與持續經營相關的事項，並使用會計的持續經營基準，除非董事計劃對 貴集團進行清盤或結束其營運，或現實並無替代方案。

董事亦負責監控 貴集團的財務報告過程。審核委員會協助董事履行此方面的責任。

核數師就綜合財務報表的審計須承擔的責任

我們的目標為就綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理確定，並出具載有我們的意見的核數師報告。本報告按照審計業務約定書的條文僅向整體股東報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

Other Information in the Annual Report

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

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

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

Directors' Responsibilities for the Consolidated Financial Statements

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

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

The directors are also responsible for overseeing the Group's financial reporting process. The Audit Committee assists the directors in discharging their responsibility in this regard.

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

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

獨立核數師報告

Independent Auditor's Report



合理確定為一項高水平的確定，但並非保證於存在重大錯誤陳述時，根據《國際審計準則》進行的審計能恒常檢測出重大錯誤陳述。錯誤陳述可因欺詐或錯誤引致，對採納此等綜合財務報表為基準的使用者而言，倘可合理預期該等錯誤陳述個別或整體會對他們採取的經濟決定產生影響，則該等錯誤陳述將被視為重大錯誤陳述。

作為根據《國際審計準則》進行的審計的一部分，我們於審計中作出專業的判斷，並抱持專業的懷疑態度。我們亦：

- 識別及評估由欺詐或錯誤導致綜合財務報表出現重大錯誤陳述的風險，設計及執行回應該等風險的審計程序，並獲得充足和適當的審計憑證為我們的意見提供基礎。未能檢測出因欺詐導致的重大錯誤陳述，其風險高於未能檢測出因錯誤所導致者，原因是欺詐可能涉及串謀、偽造、故意遺漏、失實陳述，或凌駕內部監控。
- 了解與審計相關的內部監控，以設計適合此一情況的審計程序，但其目的並非就貴集團內部監控的有效性發表意見。
- 評估所使用的會計政策的合適性，以及董事作出的會計估計及相關披露的合理性。
- 就董事使用會計的持續經營基準的合適性作出結論，並基於所獲得的審計憑證，對貴集團繼續持續經營的能力可構成重大疑問的事件或情況，是否存在與之相關的重大不確定性作出結論。倘我們的結論為存在重大不確定性，我們須於核數師報告中，就綜合財務報表中的相關披露提請使用者垂注，或倘該等披露並不充份，則修改我們的意見。我們的結論乃基於截至我們的核數師報告日期所獲得的審計憑證。然而，未來事件或情況可導致貴集團停止繼續持續經營。

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

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

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

獨立核數師報告

Independent Auditor's Report



- 就綜合財務報表的整體陳述、結構及內容(包括披露)進行評估，並就綜合財務報表是否以達致公平陳述的方式呈列相關交易及事件進行評估。
- 對 貴集團內的實體或業務活動的財務資料獲得充足適當的審計憑證，以就綜合財務報表發表意見。我們就 貴集團的審計方向、監督及履行情況承擔責任。我們為審計意見承擔全部責任。

除其他事項外，我們就審計的計劃範圍及時間，以及重大審計發現(包括於審計期間我們識別的任何內部監控重大缺陷)與審核委員會溝通。

我們亦向審核委員會提供聲明，以說明我們已遵守有關獨立性的相關道德要求，並就有可能合理地認為影響我們的獨立性的所有關係及其他事項，以及(如適用)相關的防範措施與全體審核委員會成員進行溝通。

我們認為與董事溝通的事項對審計當前期間的綜合財務報表最為重要，因此屬關鍵審計事項。除非法律或法規禁止我們披露有關事項，或在極端罕見的情況下，我們認為於報告中溝通某事項，可合理預期其負面後果將大於公眾利益，因而決定不應於報告中進行溝通，否則我們會於核數師報告內描述此等事項。

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

香港立信德豪會計師事務所有限公司
執業會計師

梁子慧
執業證書編號：P06158

香港，二零一九年三月二十六日

BDO Limited
Certified Public Accountants

Leung Tze Wai
Practising Certificate Number: P06158

Hong Kong, 26 March 2019

綜合損益及其他全面收益表

Consolidated Statement of Profit or Loss and Other Comprehensive Income

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



		附註 Notes	二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
收入	Revenue	6	56,872	89,484
銷售成本	Cost of sales		(26,601)	(37,595)
毛利	Gross profit		30,271	51,889
其他收入	Other income	6	2,232	1,270
銷售及分銷開支	Selling and distribution expenses		(17,110)	(30,873)
行政開支	Administrative expenses		(15,875)	(12,830)
金融資產的預期信貸虧損	Expected credit loss on financial assets		(105)	—
經營(虧損)/溢利	(Loss)/Profit from operations		(587)	9,456
其他非經營性收入及開支	Other non-operating income and expenses	8	5,904	10,874
衍生金融工具的公平值 收益/(虧損)	Fair value gain/(loss) on derivative financial instrument		73	(564)
其他金融負債的 公平值收益	Fair value gain on other financial liabilities		100	—
財務成本	Finance costs	9	(4,277)	(4,016)
應佔聯營公司之除稅後 業績	Share of post-tax result of associates		877	1,295
除所得稅前溢利	Profit before income tax	10	2,090	17,045
所得稅開支	Income tax expense	12	(1,930)	(1,416)
年度溢利	Profit for the year		160	15,629

綜合損益及其他全面收益表

Consolidated Statement of Profit or Loss and Other Comprehensive Income

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
	附註 Note		
其他全面收益	Other comprehensive income		
其後可能重新分類至損益之項目：	Item that may be reclassified subsequently to profit or loss:		
— 換算海外業務產生之匯兌差額	— Exchange differences arising on translation of foreign operations	(4,634)	7,777
出售一間聯營公司的部分權益時重新分類至損益的匯兌差額	Exchange differences reclassified to profit or loss upon partial disposal of an associate	(107)	355
年度其他全面收益（扣除稅項）	Other comprehensive income for the year, net of tax	(4,741)	8,132
年度全面收益總額	Total comprehensive income for the year	(4,581)	23,761
本公司擁有人應佔溢利	Profit attributable to owners of the Company	160	15,629
本公司擁有人應佔全面收益總額	Total comprehensive income attributable to owners of the Company	(4,581)	23,761
		美仙 US cents	美仙 US cents
每股盈利 — 基本及攤薄	Earnings per share — basic and diluted	0.04	3.77

綜合財務狀況表

Consolidated Statement of Financial Position

於二零一八年十二月三十一日 As at 31 December 2018

		附註 Notes	二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
資產	ASSETS			
非流動資產	Non-current assets			
物業、廠房及設備	Property, plant and equipment	15	28,262	31,432
預付土地租賃款項	Prepaid land lease payment	16	1,869	2,024
預付收購一間公司部份權益之款項	Prepayment for acquisition of partial equity interest in a company		612	—
無形資產	Intangible assets	17	25,810	24,056
商譽	Goodwill	18	6,825	6,824
於聯營公司之權益	Interests in associates	19	30,138	35,417
			93,516	99,753
流動資產	Current assets			
存貨	Inventories	20	11,965	13,059
貿易及其他應收款項	Trade and other receivables	21	54,060	63,997
向一間聯營公司的貸款	Loan to an associate	22	6,807	7,519
應收稅金	Tax recoverable		25	—
預付土地租賃款項	Prepaid land lease payment	16	52	55
衍生金融工具	Derivative financial instrument	36	1,910	1,840
已抵押銀行存款	Pledged bank deposits	23	22,014	32,631
現金及現金等價物	Cash and cash equivalents	23	11,564	8,891
			108,397	127,992
總資產	Total assets		201,913	227,745
權益及負債	EQUITY AND LIABILITIES			
資本及儲備	Capital and reserves			
本公司擁有人應佔權益	Equity attributable to owners of the Company			
股本	Share capital	24	4,150	4,150
股份溢價	Share premium	25	18,945	18,945
庫存股份	Treasury shares	25	(3)	—
外匯儲備	Foreign exchange reserve		(2,610)	2,131
法定儲備	Statutory reserve		9,564	9,233
保留溢利	Retained profits		58,405	67,560
總權益	Total equity		88,451	102,019

綜合財務狀況表

Consolidated Statement of Financial Position

於二零一八年十二月三十一日 As at 31 December 2018



		附註 Notes	二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
非流動負債	Non-current liabilities			
遞延稅項負債	Deferred tax liabilities	27	2,445	2,000
流動負債	Current liabilities			
借款	Borrowings	26	87,224	99,135
流動稅項負債	Current tax liabilities		512	1,096
貿易及其他應付款項	Trade and other payables	28	21,487	22,219
合約負債	Contract liabilities	29	560	—
其他金融負債	Other financial liabilities	30	1,234	1,276
			111,017	123,726
總負債	Total liabilities		113,462	125,726
總權益及負債	Total equity and liabilities		201,913	227,745
流動(負債)/資產淨值	Net current (liabilities)/assets		(2,620)	4,266
總資產減流動負債	Total assets less current liabilities		90,896	104,019

第89至206頁的綜合財務報表已於二零一九年三月二十六日獲董事會批准及授權刊發，並由以下人士代表簽署：

The consolidated financial statements on pages 89 to 206 were approved and authorised for issue by the Board of Directors on 26 March 2019 and are signed on its behalf by:

董事
Director
陳力
CHEN Li

董事
Director
劉雪姿
LIU Xuezi

綜合權益變動表

Consolidated Statement of Changes in Equity

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



		股本	股份溢價	庫存股份	外匯儲備	法定儲備	保留溢利	總權益
		Share capital	Share premium	Treasury shares	Foreign exchange reserve	Statutory reserve	Retained profits	Total equity
		千美元	千美元	千美元	千美元	千美元	千美元	千美元
		US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
		(附註24)	(附註25)	(附註25)	(附註25)	(附註25)	(附註25)	(附註25)
		(Note 24)	(Note 25)	(Note 25)	(Note 25)	(Note 25)	(Note 25)	(Note 25)
截至二零一七年	Year ended 31 December 2017							
十二月三十一日止年度								
於二零一七年一月一日之結餘	Balance at 1 January 2017							
股息(附註13)	Dividends (Note 13)	4,150	18,945	—	(6,001)	8,927	64,355	90,376
		—	—	—	—	—	(12,118)	(12,118)
與擁有人進行交易	Transactions with owners	—	—	—	—	—	(12,118)	(12,118)
年度溢利	Profit for the year	—	—	—	—	—	15,629	15,629
年度其他全面收益	Other comprehensive income for the year							
— 換算海外業務產生之匯兌差額	— Exchange differences arising on translation of foreign operations	—	—	—	7,777	—	—	7,777
— 於出售一間聯營公司的部分權益時重新分類至損益的匯兌差額	— Exchange differences reclassified to profit or loss upon partial disposal of an associate	—	—	—	355	—	—	355
年度全面收益總額	Total comprehensive income for the year	—	—	—	8,132	—	15,629	23,761
註銷一間附屬公司	Deregistration of a subsidiary	—	—	—	—	(185)	185	—
轉撥至法定儲備	Appropriations to statutory reserve	—	—	—	—	491	(491)	—
於二零一七年十二月三十一日之結餘	Balance at 31 December 2017	4,150	18,945	—	2,131	9,233	67,560	102,019
截至二零一八年	Year ended 31 December 2018							
十二月三十一日止年度								
按原定呈列於二零一七年十二月三十一日之結餘	Balance at 31 December 2017 as originally presented	4,150	18,945	—	2,131	9,233	67,560	102,019
會計政策變動(附註3.1(i))	Changes in accounting policies (Note 3.1(i))	—	—	—	—	—	(5,541)	(5,541)
於二零一八年一月一日之經重列結餘	Restated balance at 1 January 2018	4,150	18,945	—	2,131	9,233	62,019	96,478
股息(附註13)	Dividends (Note 13)	—	—	—	—	—	(3,443)	(3,443)
股份回購	Share repurchase	—	—	(3)	—	—	—	(3)
與擁有人進行交易	Transactions with owners	—	—	(3)	—	—	(3,443)	(3,446)
年度溢利	Profit for the year	—	—	—	—	—	160	160
年度其他全面收益	Other comprehensive income for the year							
— 換算海外業務產生之匯兌差額	— Exchange differences arising on translation of foreign operations	—	—	—	(4,634)	—	—	(4,634)
— 於出售一間聯營公司的部分權益時重新分類至損益的匯兌差額	— Exchange differences reclassified to profit or loss upon partial disposal of an associate	—	—	—	(107)	—	—	(107)
年度全面收益總額	Total comprehensive income for the year	—	—	—	(4,741)	—	160	(4,581)
轉撥至法定儲備	Appropriations to statutory reserve	—	—	—	—	331	(331)	—
於二零一八年十二月三十一日之結餘	Balance at 31 December 2018	4,150	18,945	(3)	(2,610)	9,564	58,405	88,451

綜合現金流量表

Consolidated Statement of Cash Flows

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
來自經營業務之現金流量	Cash flows from operating activities		
除所得稅前溢利	Profit before income tax	2,090	17,045
調整：	Adjustments for:		
已確認財務成本	Finance costs recognised	4,277	4,016
利息收入	Interest income	(466)	(595)
應佔聯營公司之除稅後業績	Share of post-tax result of associates	(877)	(1,295)
無形資產減值撥備	Provision for impairment of intangible assets	468	1,821
物業、廠房及設備減值撥備	Provision for impairment of property, plant and equipment	154	—
金融資產的預期信貸虧損	Expected credit loss on financial assets	105	—
貿易應收款項減值撥備	Provision for impairment of trade receivables	—	1,218
其他應收款項減值撥備	Provision for impairment of other receivables	—	277
物業、廠房及設備折舊	Depreciation of property, plant and equipment	3,096	3,056
衍生金融工具的公平值收益／(虧損)	Fair value gain/(loss) on derivative financial instrument	(73)	564
其他金融負債的公平值收益	Fair value gain on other financial liabilities	(100)	—
預付土地租賃款項攤銷	Amortisation of prepaid land lease payment	59	58
出售物業、廠房及設備的虧損	Loss on disposals of property, plant and equipment	72	37
無形資產撇銷	Write off of intangible assets	744	655
存貨撇銷	Write off of inventories	170	465
金融資產撇銷	Write off of financial assets	1,159	—
出售一間聯營公司部份權益的收益(扣除稅項)	Gain on partial disposal of an associate, net of tax	(5,066)	(15,422)
無形資產攤銷	Amortisation of intangible assets	583	574
陳舊存貨減值撥備	Provision for impairment of obsolete inventories	1,955	610
營運資金變動前之經營溢利	Operating profit before working capital changes	8,350	13,084
存貨(增加)／減少	(Increase)/Decrease in inventories	(350)	1,266
貿易及其他應收款項減少	Decrease in trade and other receivables	78	3,666
貿易及其他應付款項增加／(減少)	Increase/(Decrease) in trade and other payables	587	(1,861)
合約負債增加	Increase in contract liabilities	5	—
經營產生之現金	Cash generated from operations	8,670	16,155
已付利息	Interest paid	(4,118)	(3,908)
已付所得稅	Income tax paid	(1,991)	(1,693)
經營活動產生之現金淨額	Net cash generated from operating activities	2,561	10,554

綜合現金流量表

Consolidated Statement of Cash Flows

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018

	附註 Notes	二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
來自投資活動之現金流量	Cash flows from investing activities		
已抵押銀行存款 減少／(增加)	Decrease/(Increase) in pledged bank deposits	9,541	(3,746)
購買物業、廠房及設備	Purchase of property, plant and equipment	(1,742)	(2,204)
購買無形資產	Purchase of intangible assets	(3,179)	(1,862)
來自出售一間聯營公司部 分權益之所得款項	Proceeds from partial disposal of an associate	9,848	26,087
與出售一間聯營公司部分 權益相關的交易成本及 預扣稅	Transaction costs and withholding tax in connection with partial disposal of an associate	(355)	(3,195)
收取聯營公司股息	Dividends received from an associate	122	225
出售物業、廠房及設備所 得款項	Proceeds from disposals of property, plant and equipment	68	388
一間聯營公司還款 (向一間聯營公司提供 之墊款)	Repayment from/(Advance to) an associate	72	(7,335)
收購一間附屬公司之淨現 金流出	Cash outflows from acquisition of a subsidiary, net	(992)	—
預付收購一間公司部份 權益之款項	Prepayment for acquisition of partial equity interest in a company	(612)	—
已收利息	Interest received	466	595
投資活動產生現金淨額	Net cash generated from investing activities	13,237	8,953
來自融資活動之現金流量	Cash flows from financing activities		
借款所得之款項	Proceeds from borrowings	113,029	118,628
償還借款之款項	Repayment of borrowings	(122,295)	(127,683)
已付股息	Dividends paid	(3,443)	(12,118)
股份回購	Share repurchase	(3)	—
融資活動所用之現金淨額	Net cash used in financing activities	(12,712)	(21,173)
現金及現金等價物之淨 增加／(減少)	Net increase/(decrease) in cash and cash equivalents	3,086	(1,666)
年初現金及現金等價物	Cash and cash equivalents at beginning of year	8,891	10,102
匯率變動之影響	Effects of exchange rate changes	(413)	455
年末現金及現金等價物	Cash and cash equivalents at end of year	11,564	8,891

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



1. 公司資料

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

本公司的主要業務活動為投資控股。本公司附屬公司(連同本公司，統稱「本集團」)的主要業務活動為製造及買賣藥品。本集團主要在中華人民共和國(「中國」)進行業務，詳情載於附註32。年內，本集團業務概無重大變動。

本公司為Cathay International Holdings Limited (「CIH」)的附屬公司，該公司在百慕達註冊成立，其股份在倫敦證券交易所上市。董事認為直接控股公司和最終控股公司分別為國泰國際醫藥生產及銷售(中國)有限公司及CIH。

2. 綜合財務報表編製基準及持續經營假設

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

綜合財務報表根據歷史成本基準編製，惟於各報告期末按公平值計量的若干金融負債及衍生金融工具則除外。除另有註明外，綜合財務報表以美元(「美元」)(即等同本公司的功能貨幣)呈列，而所有價值均調整至最接近千位。

本集團截至二零一八年十二月三十一日止年溢利共160,000美元，而於該日，其流動負債較其流動資產高出2,620,000美元。綜合財務報表的編製已假設本集團可按持續經營基準及將有足夠營運資金滿足其自二零一八年十二月三十一日起十二個月的營運資金需求。

1. Corporate Information

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

The principal activity of the Company is investment holding. The principal activities of the Company's subsidiaries (together with the Company referred to as the "Group") are manufacturing and trading of pharmaceutical products. The principal activities of the Group are carried out in the People's Republic of China (the "PRC") and are set out in Note 32. There were no significant changes in the Group's operations during the year.

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

2. Basis of Preparation of Consolidated Financial Statements and Going Concern Assumption

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

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

During the year ended 31 December 2018, the Group has a profit of US\$160,000 and, as of that date, its current liabilities exceeded its current assets by US\$2,620,000. The consolidated financial statements have been prepared based on the assumption that the Group can be operated as a going concern and will have sufficient working capital to finance its operation in the next twelve months from 31 December 2018.



2. 綜合財務報表編製基準及持續經營假設(續)

一如既往，本集團將於到期日前數個月開始與相關銀行就延長或重續銀行借款進行磋商，並於彼等相關到期日前取得相關銀行的批准。儘管擁有來自其若干附屬公司的營運現金流，於報告期末，本集團並無預見銀行借款將於到期日前不獲重續或延長。因此，本集團應能夠完全滿足其自二零一八年十二月三十一日起十二個月到期的財務責任，而無需大幅縮減業務。本公司董事信納，綜合財務報表按持續經營基準編製乃屬恰當。

倘本集團未能繼續按持續經營基準營運，則將可能對綜合財務報表作出調整以將資產價值減至其可變現淨額，為可能產生之任何未來負債計提撥備，並將非流動資產及非流動負債重新歸類為流動資產及流動負債。該等調整之影響並未於綜合財務報表中反映。

3. 採納新訂或經修訂國際財務報告準則

3.1 採納新訂或經修訂國際財務報告準則 — 自二零一八年一月一日起生效

國際財務報告準則
的二零一四年至
二零一六年週期
的年度改進

國際財務報告準則第1號「首次採用國際財務報告準則」的修訂

國際財務報告準則
的二零一四年至
二零一六年週期
的年度改進

國際會計準則第28號「於聯營公司及合營企業之投資」的修訂

國際財務報告準則
第9號

金融工具

國際財務報告準則
第15號

與客戶合約所得
收益

國際財務報告準則
第15號的修訂

與客戶合約所得
收益(國際財務
報告準則第15
號的澄清)

國際財務報告詮釋
委員會第22號

外幣交易及墊付
對價

除以下所述外，採納此等新訂或經修訂國際財務報告準則對本集團的綜合財務報表並無重大影響。

2. Basis of Preparation of Consolidated Financial Statements and Going Concern Assumption (Continued)

As in the past, the Group will start negotiation with the relevant banks on extension or renewal of the bank borrowings a few months prior to their maturities and obtain the approvals from the relevant banks before their respective maturities. Notwithstanding the operating cash flow from certain of its subsidiaries, as at the end of the reporting period, the Group does not foresee that the bank borrowings will not be renewed or extended before maturity. Accordingly, the Group should be able to meet in full its financial obligations as and when they fall due for the next twelve months from 31 December 2018 without significant curtailment of operations and the directors of the Company are satisfied that it is appropriate the consolidated financial statements on a going concern basis.

Should the Group be unable to continue in business as a going concern, adjustments would have to be made to the consolidated financial statements to reduce the values of the assets to their net realisable amounts and to provide for any further liabilities which might arise and to reclassify non-current assets and non-current liabilities to current assets and current liabilities respectively. No such adjustments were reflected in the consolidated financial statements.

3. Adoption of New or Revised IFRSs

3.1 Adoption of new or revised IFRSs — effective 1 January 2018

Annual Improvements
to IFRSs 2014–2016
Cycle

Amendments to IFRS 1, First-time
adoption of International Financial
Reporting Standards

Annual Improvements
to IFRSs 2014–2016
Cycle

Amendments to IAS 28, Investments
in Associates and Joint Ventures

IFRS 9

Financial Instruments

IFRS 15

Revenue from Contracts with
Customers

Amendments to
IFRS 15

Revenue from Contracts with
Customers (Clarifications to
IFRS 15)

IFRIC 22

Foreign Currency Transactions and
Advance Consideration

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

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



3. 採納新訂或經修訂國際財務報告準則(續)

3.1 採納新訂或經修訂國際財務報告準則 — 自二零一八年一月一日起生效(續)

國際財務報告準則的二零一四年至二零一六年週期的年度改進 — 國際財務報告準則第1號「首次採用國際財務報告準則」的修訂

年度改進過程中頒佈的修訂是對多項準則目前尚不明確的部分進行小幅的、非緊急的修訂。其中包括對國際財務報告準則第1號「首次採用國際財務報告準則」的修訂，該修訂刪去了與已結束會計期間有關的因而不再適用的過渡條文豁免。

採納該等修訂並無對該等綜合財務報表產生影響，原因為過渡條文豁免相關之期間已經結束。

國際財務報告準則的二零一四年至二零一六年週期的年度改進 — 國際會計準則第28號「於聯營公司及合營企業之投資」的修訂

年度改進過程中頒佈的修訂是對多項準則目前尚不明確的部分進行小幅的、非緊急的修訂。其中包括國際會計準則第28號「於聯營公司及合營企業之投資」的修訂，該修訂澄清風險資本組織可選擇按公平值計量聯營公司或合營企業，而該選擇以逐間聯營公司或合營企業為基礎作出。

採納該等修訂並無對該等綜合財務報表產生影響，原因為本集團並無風險資本組織。

3. Adoption of New or Revised IFRSs (Continued)

3.1 Adoption of new or revised IFRSs — effective 1 January 2018 (Continued)

Annual Improvements to IFRSs 2014–2016 Cycle, “Amendments to IFRS 1, First-time Adoption of International Financial Reporting Standards”

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to IFRS 1, “First-time Adoption of International Financial Reporting Standards”, removing transition provision exemptions relating to accounting periods that had already passed and were therefore no longer applicable.

The adoption of these amendments has no impact on these consolidated financial statements as the periods to which the transition provision exemptions related have passed.

Annual Improvements to IFRSs 2014–2016 Cycle, “Amendments to IAS 28, Investments in Associates and Joint Ventures”

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to IAS 28, “Investments in Associates and Joint Ventures”, clarifying that a Venture Capital organisation’s permissible election to measure its associates or joint ventures at fair value is made separately for each associate or joint venture.

The adoption of these amendments has no impact on these consolidated financial statements as the Group is not a venture capital organisation.



3. 採納新訂或經修訂國際財務報告準則(續)

3.1 採納新訂或經修訂國際財務報告準則 — 自二零一八年一月一日起生效(續)

國際財務報告準則第9號「金融工具」

(i) 金融工具的分類及計量

國際財務報告準則第9號於二零一八年一月一日或以後開始的年度期間取代國際會計準則第39號「金融工具：確認及計量」，合併金融工具會計之所有三個方面：(1)分類及計量；(2)減值及(3)對沖會計處理。自二零一八年一月一日起採納國際財務報告準則第9號已導致本集團會計政策及綜合財務報表所確認的金額產生變動。

下表概述國際財務報告準則第9號過渡期間對於二零一八年一月一日的保留盈利有如下影響：

3. Adoption of New or Revised IFRSs (Continued)

3.1 Adoption of new or revised IFRSs — effective 1 January 2018 (Continued)

IFRS 9, “Financial Instruments”

(i) Classification and measurement of financial instruments

IFRS 9 replaces IAS 39 “Financial Instruments: Recognition and Measurement”, for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: (1) classification and measurement; (2) impairment and (3) hedge accounting. The adoption of IFRS 9 from 1 January 2018 has resulted in changes in accounting policies of the Group and the amounts recognised in the consolidated financial statements.

The following tables summarised the impact, net of tax, of transition to IFRS 9 on the opening balance of retained profits as at 1 January 2018 as follows:

		千美元 US\$'000
保留盈利	Retained profits	
於二零一七年十二月三十一日之結餘	Balance at 31 December 2017	67,560
根據預期信貸虧損(「預期信貸虧損」)模式重新計量減值	Remeasurement of impairment under expected credit losses (“ECLs”) model	
(下文附註3.1(ii))	(Note 3.1(ii) below)	(5,541)
於二零一八年一月一日之經重列結餘	Restated balance at 1 January 2018	62,019

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



3. 採納新訂或經修訂國際財務報告準則(續)

3.1 採納新訂或經修訂國際財務報告準則 — 自二零一八年一月一日起生效(續)

國際財務報告準則第9號「金融工具」(續)

(i) 金融工具的分類及計量(續)

國際財務報告準則第9號大致保留了現有國際會計準則第39號有關金融負債之分類及計量的規定。然而，其取消了原來國際會計準則第39號中持至到期金融資產、貸款及應收款項以及可供出售金融資產的金融資產類別。採納國際財務報告準則第9號並不會對本集團有關金融負債及衍生金融工具的會計政策造成重大影響。國際財務報告準則第9號對本集團金融資產分類及計量的影響載列如下。

根據國際財務報告準則第9號，除若干貿易應收款項(根據國際財務報告準則第15號，貿易應收款項並無包括重大的融資成分)外，實體於初步確認時，將按公平值計量金融資產，倘並非按公平值變動列入損益(「按公平值變動列入損益」)的金融資產，則另加交易成本。金融資產分類為：(i)按攤銷成本(「攤銷成本」)計量的金融資產；(ii)按公平值計入其他全面收益(「按公平值計入其他全面收益」)的金融資產；或(iii)按公平值變動列入損益(如上述定義)。根據國際財務報告準則第9號的金融資產分類一般根據兩個準則：(i)管理金融資產的業務模式及(ii)其合約現金流量特徵(「僅為支付本金及利息」準則，亦稱為「SPPI準則」)。根據國際財務報告準則第9號，內含衍生工具無須與主體金融資產分開列示。取而代之，混合式金融工具分類時須整體評估。

3. Adoption of New or Revised IFRSs (Continued)

3.1 Adoption of new or revised IFRSs — effective 1 January 2018 (Continued)

IFRS 9, “Financial Instruments” (Continued)

(i) Classification and measurement of financial instruments (Continued)

IFRS 9 basically retains the existing requirements in IAS 39 for the classification and measurements of financial liabilities. However, it eliminates the previous IAS 39 categories for financial assets of held to maturity financial assets, loans and receivables and available-for-sale financial assets. The adoption of IFRS 9 has no material impact on the Group's accounting policies related to financial liabilities and derivative financial instruments. The impact of IFRS 9 on the Group's classification and measurement of financial assets is set out below.

Under IFRS 9, except for certain trade receivables (that the trade receivables do not contain a significant financing component in accordance with IFRS 15), an entity shall, at initial recognition, measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (“FVTPL”), transaction costs. A financial asset is classified as: (i) financial assets at amortised cost (“amortised cost”); (ii) financial assets at fair value through other comprehensive income (“FVOCI”); or (iii) FVTPL (as defined in above). The classification of financial assets under IFRS 9 is generally based on two criteria: (i) the business model under which the financial asset is managed and (ii) its contractual cash flow characteristics (the “solely payments of principal and interest” criterion, also known as “SPPI criterion”). Under IFRS 9, embedded derivatives is no longer required to be separated from a host financial asset. Instead, the hybrid financial instrument is assessed as a whole for the classification.



3. 採納新訂或經修訂國際財務報告準則(續)

3.1 採納新訂或經修訂國際財務報告準則 — 自二零一八年一月一日生效(續)

國際財務報告準則第9號「金融工具」(續)

(i) 金融工具的分類及計量(續)

當金融資產同時符合以下條件，且並非指定按公平值變動列入損益，則該金融資產按攤銷成本計量：

- 該金融資產由一個旨在通過持有金融資產收取合約現金流量的業務模式所持有；及
- 該金融資產的合約條款於特定日期可提高現金流量，而該現金流量符合僅為支付本金及利息準則。

倘債務投資同時符合以下條件，且並非指定按公平值變動列入損益，則該債務投資按公平值計入其他全面收益：

- 該債務投資由一個旨在通過收取合約現金流量及銷售金融資產的業務模式所持有；及
- 該金融資產的合約條款於特定日期可提高現金流量，而該現金流量符合僅為支付本金及利息準則。

3. Adoption of New or Revised IFRSs (Continued)

3.1 Adoption of new or revised IFRSs — effective 1 January 2018 (Continued)

IFRS 9, “Financial Instruments” (Continued)

(i) Classification and measurement of financial instruments (Continued)

A financial asset is measured at amortised cost if it meets both of the following conditions are met and it has not been designated as at FVTPL:

- It is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that meet the SPPI criterion.

A debt investment is measured at FVOCI if it meets both of the following conditions and it has not been designated as at FVTPL:

- It is held within a business model whose objective is to achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that meet the SPPI criterion.



3. 採納新訂或經修訂國際財務報告準則(續)

3.1 採納新訂或經修訂國際財務報告準則 — 自二零一八年一月一日起生效(續)

國際財務報告準則第9號「金融工具」(續)

(i) 金融工具的分類及計量(續)

於初次確認並非持作買賣用途的股本投資時，本集團可不可撤回地選擇於其他全面收益中呈列投資公平值的後續變動，並且於取消確認時產生的損益不能轉至損益表。該選擇乃按投資逐項作出。所有其他上述並非分類為攤銷成本計量或按公平值計入其他全面收益的金融資產，均分類為按公平值變動列入損益。此包括所有衍生金融資產。於初次確認時，本集團可不可撤回地指定金融資產(於其他方面符合按攤銷成本計量或按公平值計入其他全面收益的規定)為按公平值變動列入損益，前提是有關指定可消除或大幅減少會計錯配發生。

以下會計政策將適用於本集團的金融資產如下：

按公平值變動列入損益	按公平值變動列入損益其後按公平值計量。公平值、股息及利息收入的變動均於損益確認。
攤銷成本	按攤銷成本計量的金融資產其後採用實際利率法計量。利息收入、匯兌收益及虧損以及減值於損益確認。終止確認的任何收益於損益確認。

3. Adoption of New or Revised IFRSs (Continued)

3.1 Adoption of new or revised IFRSs — effective 1 January 2018 (Continued)

IFRS 9, “Financial Instruments” (Continued)

(i) Classification and measurement of financial instruments (Continued)

On initial recognition of an equity investment that is not held for trading, the Group could irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income, also no recycling of gain or loss to profit or loss on derecognition. This election is made on an investment-by-investment basis. All other financial assets not classified at amortised cost or FVOCI as described above are classified as FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or FVOCI at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

The following accounting policies would be applied to the Group's financial assets as follows:

FVTPL	FVTPL is subsequently measured at fair value. Changes in fair value, dividends and interest income are recognised in profit or loss.
Amortised cost	Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



3. 採納新訂或經修訂國際財務報告準則(續)

3.1 採納新訂或經修訂國際財務報告準則 — 自二零一八年一月一日起生效(續)

國際財務報告準則第9號「金融工具」(續)

(i) 金融工具的分類及計量(續)

下表就本集團於二零一八年一月一日各金融資產類別概述國際會計準則第39號之原始計量之類別及國際財務報告準則第9號之新訂計量之類別：

金融資產	根據國際會計準則第39號原有類別	根據國際財務報告準則第9號的新類別	根據國際會計準則第39號於二零一八年一月一日的賬面值 Carrying amount as at 1 January 2018 under IAS 39 千美元 US\$'000	重新計量	根據國際財務報告準則第9號於二零一八年一月一日的賬面值 Carrying amount as at 1 January 2018 under IFRS 9 千美元 US\$'000
Financial assets	Original classification under IAS 39	New classification under IFRS 9	IAS 39	Remeasurement	IFRS 9
貿易及其他應收款項 Trade and other receivables	貸款及應收款項 Loans and receivables	攤銷成本 Amortised cost	55,134	(5,203)	49,931
向一間聯營公司的貸款 Loan to an associate	貸款及應收款項 Loans and receivables	攤銷成本 Amortised cost	7,519	(338)	7,181
已抵押銀行存款 Pledged bank deposits	貸款及應收款項 Loans and receivables	攤銷成本 Amortised cost	32,631	—	32,631
現金及現金等價物 Cash and cash equivalents	貸款及應收款項 Loans and receivables	攤銷成本 Amortised cost	8,891	—	8,891

本集團於二零一八年一月一日並沒有指定或解除指定任何按公平值變動列入損益的金融資產或金融負債變動。

The Group did not designate or de-designate any financial assets or financial liabilities at FVTPL as at 1 January 2018.

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



3. 採納新訂或經修訂國際財務報告準則(續)

3.1 採納新訂或經修訂國際財務報告準則 — 自二零一八年一月一日起生效(續)

國際財務報告準則第9號「金融工具」(續)

(ii) 金融資產減值

採納國際財務報告準則第9號更改本集團的減值模式，將由國際會計準則第39號「已產生虧損模式」更改為「預期信貸虧損模式」。國際財務報告準則第9號規定本集團以較國際會計準則第39號為先就貿易應收款項及按攤銷成本計量的金融資產確認預期信貸虧損。已抵押銀行存款和現金及現金等價物須受預期信貸虧損模式所限，惟本年度減值並不重大。

根據國際財務報告準則第9號，虧損撥備按以下其中一項基準計量：(1)12個月的預期信貸虧損：其為於報告期末後12個月內發生的潛在違約事件導致的預期信貸虧損；及(2)存續期預期信貸虧損：此乃於金融工具預計年期內所有可能的違約事件將產生的預期信貸虧損。

預期信貸虧損的計量

預期信貸虧損乃基於根據合約應付的合約現金流量與本集團預期收取的所有現金流量之間的差額。該差額其後按資產原有實際利率相近的差額貼現。

3. Adoption of New or Revised IFRSs (Continued)

3.1 Adoption of new or revised IFRSs — effective 1 January 2018 (Continued)

IFRS 9, “Financial Instruments” (Continued)

(ii) Impairment of financial assets

The adoption of IFRS 9 has changed the Group’s impairment model by replacing the IAS 39 “incurred loss model” to the “ECLs model”. IFRS 9 requires the Group to recognise ECLs for trade receivables and financial assets at amortised cost earlier than IAS 39. Pledged bank deposits and cash and cash equivalents are subject to ECLs model but the impairment is immaterial for the current year.

Under IFRS 9, the losses allowances are measured on either of the following bases: (1) 12 months ECLs: these are the ECLs that result from possible default events within the 12 months after the end of the reporting period and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Measurement of ECLs

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets’ original effective interest rate.



3. 採納新訂或經修訂國際財務報告準則(續)

3.1 採納新訂或經修訂國際財務報告準則 — 自二零一八年一月一日起生效(續)

國際財務報告準則第9號「金融工具」(續)

(ii) 金融資產減值(續)

預期信貸虧損的計量(續)

本集團採用國際財務報告準則第9號簡化法計量貿易應收款項虧損撥備，並根據存續期預期信貸虧損計算預期信貸虧損。本集團已設立根據本集團過往信貸虧損經驗計算的撥備矩陣，並按債務人特定的前瞻性因素及經濟環境作出調整。

就其他金融工具而言，本集團會以基於12個月的預期信貸虧損金額確認虧損撥備，除非自初始確認後該金融工具之信貸風險顯著增加，在此情況下，虧損撥備會基於整個存續期之預期信貸虧損金額計量。當釐定金融資產之信貸風險是否自初步確認後大幅增加，並於估計預期信貸虧損時，本集團考慮到相關及毋須付出過多成本或努力後即可獲得之合理及可靠資料。此包括根據本集團之過往經驗及已知信貸評估得出定量及定性之資料及分析，並包括前瞻性資料。由於近期並無違約記錄，本集團的其他金融工具被視為具有低信貸風險。

當合約付款逾期超過30日，本集團假設金融資產的信貸風險顯著增加。

3. Adoption of New or Revised IFRSs (Continued)

3.1 Adoption of new or revised IFRSs — effective 1 January 2018 (Continued)

IFRS 9, “Financial Instruments” (Continued)

(ii) Impairment of financial assets (Continued)

Measurement of ECLs (Continued)

The Group has elected to measure loss allowances for trade receivables using IFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group’s historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For all other financial instruments, the Group recognises a loss allowance based on the 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured based on the lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group’s historical experience and informed credit assessment and including forward-looking information. The Group’s other financial instruments are considered to have low credit risk since there was no recent history of default.

The Group assumes that the credit risk on a financial asset has increased significantly when contractual payment are more than 30 days past due.



3. 採納新訂或經修訂國際財務報告準則(續)

3.1 採納新訂或經修訂國際財務報告準則 — 自二零一八年一月一日起生效(續)

國際財務報告準則第9號「金融工具」(續)

(ii) 金融資產減值(續)

預期信貸虧損的計量(續)

本集團將合約付款逾期90日的金融資產視作違約。然而，於若干情況下，在並無計及本集團作出的任何信貸提升安排前，本集團亦可於本集團不大可能悉數收取未支付合約金額時將金融資產視作違約。

於評估預期信貸虧損時考慮的最長期間為本集團面臨信貸風險的最長合約期間。

預期信貸虧損之呈列

按攤銷成本計量的金融資產虧損撥備自資產賬面總值扣除。

預期信貸虧損模式的影響

(a) 貿易應收款項減值

如上所述，本集團應用國際財務報告準則第9號簡化法計量預期信貸虧損，於所有貿易應收款項採用存續期預期信貸虧損。為計量預期信貸虧損，貿易應收款項已根據應佔信貸風險特點及逾期日數分類。

3. Adoption of New or Revised IFRSs (Continued)

3.1 Adoption of new or revised IFRSs — effective 1 January 2018 (Continued)

IFRS 9, “Financial Instruments” (Continued)

(ii) Impairment of financial assets (Continued)

Measurement of ECLs (Continued)

The Group considers a financial asset in default when contractual payment are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancement held by the Group.

The maximum period considered when assessing ECLs is the maximum contractual period and which the Group is exposed to credit risk.

Presentation of ECLs

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Impact of the ECLs model

(a) Impairment of trade receivables

As mentioned above, the Group applies the IFRS 9 simplified approach to measure ECLs which adopts a life time ECLs for all trade receivables. To measure the ECLs, trade receivables have been grouped based on shared credit risk characteristics and the days past due.



3. 採納新訂或經修訂國際財務報告準則(續)

3.1 採納新訂或經修訂國際財務報告準則 — 自二零一八年一月一日起生效(續)

國際財務報告準則第9號「金融工具」(續)

(ii) 金融資產減值(續)

預期信貸虧損模式的影響(續)

(a) 貿易應收款項減值(續)

於二零一八年一月一日的貿易應收款項按發票日期的虧損撥備乃釐定如下：

二零一八年一月一日	1 January 2018	0至90日 0-90 days	91至180日 91-180 days	181至365日 181-365 days	超過365日 Over 365 days	總額 Total
預期信貸虧損率(%)	Expected credit loss rate (%)	0.25	0.88	3.97	72.84	15.53
賬面總值(千美元)	Gross carrying amount (US\$'000)	26,828	3,788	3,900	8,909	43,425
虧損撥備(千美元)	Loss allowance (US\$'000)	66	33	155	6,489	6,743

於二零一七年十二月三十一日貿易應收款項的虧損撥備與於二零一八年一月一日的期初虧損撥備對賬如下：

The loss allowances for trade receivables as at 31 December 2017 reconcile to the opening loss allowances as at 1 January 2018 as follows:

		千美元 US\$'000
於二零一七年十二月三十一日	As at 31 December 2017	
— 根據國際會計準則第39號計算	— calculated under IAS 39	1,723
透過期初保留溢利重列金額	Amounts restated through opening retained profits	5,020
於二零一八年一月一日期初虧損撥備	Opening loss allowance as at 1 January 2018	
— 根據國際財務報告準則第9號計算	— calculated under IFRS 9	6,743

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



3. 採納新訂或經修訂國際財務報告準則(續)

3.1 採納新訂或經修訂國際財務報告準則 — 自二零一八年一月一日起生效(續)

國際財務報告準則第9號「金融工具」(續)

(ii) 金融資產減值(續)

預期信貸虧損模式的影響(續)

(a) 貿易應收款項減值(續)

於二零一八年一月一日，於過渡至國際財務報告準則第9號後貿易應收款項虧損撥備增加5,020,000美元。截至二零一八年十二月三十一日止年度，貿易應收款項虧損撥備減少5,604,000美元(已扣除匯兌調整)。

(b) 按攤銷成本計量的其他金融資產減值
本集團其他按攤銷成本計量的金融資產包括其他應收款項及向一間聯營公司的貸款。應用預期信貸虧損模式導致於二零一八年一月一日確認預期信貸虧損521,000美元，及截至二零一八年十二月三十一日止年度虧損撥備減少377,000美元(扣除匯兌調整)。

(iii) 對沖會計處理

國際財務報告準則第9號項下對沖會計處理對本集團並無影響，此乃由於本集團並未在對沖關係中應用對沖會計處理。

3. Adoption of New or Revised IFRSs (Continued)

3.1 Adoption of new or revised IFRSs — effective 1 January 2018 (Continued)

IFRS 9, “Financial Instruments” (Continued)

(ii) Impairment of financial assets (Continued)

Impact of the ECLs model (Continued)

(a) Impairment of trade receivables (Continued)

The increase in loss allowance for trade receivables upon the transition to IFRS 9 as at 1 January 2018 were US\$5,020,000. The loss allowances decreased by US\$5,604,000 (net of exchange realignment) for trade receivables during the year ended 31 December 2018.

(b) Impairment of other financial assets at amortised cost

Other financial assets at amortised cost of the Group include other receivables and loan to an associate. Applying the ECLs model results in the recognition of ECLs of US\$521,000 as at 1 January 2018 and the loss allowance decreased by US\$377,000 (net of exchange realignment) during the year ended 31 December 2018.

(iii) Hedge accounting

Hedge accounting under IFRS 9 has no impact on the Group as the Group does not apply hedge accounting in its hedging relationships.



3. 採納新訂或經修訂國際財務報告準則(續)

3.1 採納新訂或經修訂國際財務報告準則 — 自二零一八年一月一日起生效(續)

國際財務報告準則第9號「金融工具」(續)

(iv) 過渡安排

本集團已應用國際財務報告準則第9號的過渡性條文，以使國際財務報告準則第9號全面獲採納而毋須重列比較資料。因此，新預期信貸虧損規則產生的重新分類及調整並無於二零一七年十二月三十一日的綜合財務狀況表中反映，惟已於二零一八年一月一日的綜合財務狀況表中確認。其指於二零一八年一月一日採納國際財務報告準則第9號確認保留盈利產生的金融資產與金融負債的賬面值的差異。因此，二零一七年呈列的資料並不反映國際財務報告準則第9號的規定，惟反映國際會計準則第39號的規定。

以下評估乃根據於國際財務報告準則第9號初次應用日期(「初次應用日期」)存在的事實及情況而作出：

釐定持有的金融資產的業務模式；

指定和撤銷先前指定某些金融資產和金融負債按公平值變動列入損益計量；及

指定對按公平值計入其他全面收益且並非持有作買賣的股本投資的若干投資。

倘於債務投資的投資在初次應用日期具有較低的信貸風險，則本集團假設該資產的信貸風險自其初始確認起並無顯著增加。

3. Adoption of New or Revised IFRSs (Continued)

3.1 Adoption of new or revised IFRSs — effective 1 January 2018 (Continued)

IFRS 9, “Financial Instruments” (Continued)

(iv) Transition

The Group has applied the transitional provision in IFRS 9 such that IFRS 9 was generally adopted without restating comparative information. The reclassifications and the adjustments arising from the new ECLs rules are therefore not reflected in the consolidated statement of financial position as at 31 December 2017, but are recognised in the consolidated statement of financial position on 1 January 2018. This means that differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of IFRS 9 are recognised in retained profits as at 1 January 2018. Accordingly, the information presented for 2017 does not reflect the requirements of IFRS 9 but rather those of IAS 39.

The following assessments have been made on the basis of the facts and circumstances that existed at the date of initial application of IFRS 9 (the “DIA”):

The determination of the business model within which a financial asset is held;

The designation and revocation of previous designations of certain financial assets and financial liabilities as measured at FVTPL; and

The designation of certain investments in equity investments not held for trading as at FVOCI.

If an investment in a debt investment had low credit risk at the DIA, then the Group has assumed that the credit risk on the asset had not increased significantly since its initial recognition.

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



3. 採納新訂或經修訂國際財務報告準則(續)

3.1 採納新訂或經修訂國際財務報告準則 — 自二零一八年一月一日生效(續)

國際財務報告準則第15號「與客戶合約所得收益」

國際財務報告準則第15號取代國際會計準則第11號「建築合約」、國際會計準則第18號「收益」及相關詮釋。國際財務報告準則第15號建立五步模式，以將客戶合約收益列賬。根據國際財務報告準則第15號，收益按能反映實體預期就向客戶交換轉讓的商品或服務所得代價之金額確認。

本集團已自二零一八年一月一日起採納國際財務報告準則第15號「與客戶合約所得收益」，故會計政策有所變更。根據國際財務報告準則第15號的過渡條文，本集團已就新準則進行追溯調整。本集團已評估採納國際財務報告準則第15號對其綜合財務報表的影響。根據該評估，採納國際財務報告準則第15號對於本集團的收入確認並無重大影響。可是，由於比較資料乃根據國際會計準則第18號、國際會計準則第11號及相關詮釋編製，故未必能比較若干比較資料。來自銷售商品的收入於有證據顯示商品的控制權已轉移至客戶、客戶對商品擁有足夠控制權及本集團並無未履行義務以致影響客戶接納商品時確認。

採納國際財務報告準則第15號後，倘存有任何履行履約責任而本集團並無擁有代價之無條件權利，本集團應確認合約資產。同樣，在本集團確認相關收入前，當客戶支付代價或合約需要支付代價且金額已到期時，確認合約負債而非應付負債。過渡後及於報告期末並無確認合約資產。

3. Adoption of New or Revised IFRSs (Continued)

3.1 Adoption of new or revised IFRSs — effective 1 January 2018 (Continued)

IFRS 15, “Revenue from Contracts with Customers”

IFRS 15 supersedes IAS 11 “Construction Contracts”, IAS 18 “Revenue” and related interpretations. IFRS 15 has established a five-steps model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at the amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The Group has adopted IFRS 15 “Revenue from Contracts with Customers” from 1 January 2018 which resulted in changes in accounting policies. In accordance with the transition provisions in IFRS 15, the Group has adopted the new rules retrospectively. The Group assessed the impacts of adopting IFRS 15 on its consolidated financial statements. Based on the assessment, the adoption of IFRS 15 has no significant impact on the Group’s revenue recognition. However, certain comparative information may not be comparable as those information was prepared under IAS 18, IAS 11 and the related interpretations. Revenue for sales of goods are recognised at a point of time as when there is evidence that the control of the goods has been transferred to the customer, the customer has adequate control over the goods and the Group has no unfulfilled obligations that affect customer accepting the goods.

Upon the adoption of IFRS 15, if there is any satisfied performance obligation but where the Group does not have an unconditional right to consideration, the Group should recognise a contract asset. Similarly, a contract liability, rather than a payable, is recognised when a customer pays consideration, or is contractually required to pay consideration and the amount is already due, before the Group recognised the related revenue. No contract asset is recognised upon transition and at the end of the reporting period.



3. 採納新訂或經修訂國際財務報告準則 (續)

3.1 採納新訂或經修訂國際財務報告準則 — 自二零一八年一月一日生效 (續)

國際財務報告準則第15號「與客戶合約所得收益」(續)

為反映該等呈列的變動，於採納國際財務報告準則第15號後，先前已計入貿易及其他應付款項的「客戶墊款」583,000美元，現時乃於二零一八年一月一日重新分類至合約負債(附註29)。

國際財務報告準則第15號的修訂「與客戶合約所得收益(國際財務報告準則第15號的澄清)」

國際財務報告準則第15號的修訂包括澄清履約義務的識別；主事人和代理人的應用；知識產權許可；及過渡規定。

採納該等修訂並無對該等綜合財務報表產生影響，原因為本集團過往並無採用國際財務報告準則第15號，且為首年採用該準則之澄清。

3. Adoption of New or Revised IFRSs (Continued)

3.1 Adoption of new or revised IFRSs — effective 1 January 2018 (Continued)

IFRS 15, “Revenue from Contracts with Customers” (Continued)

To reflect these changes in presentation, “advance from customers” amounting to US\$583,000, which was previously included in trade and other payables are now reclassified as contract liabilities (Note 29) as at 1 January 2018, as a result of the adoption of IFRS 15.

Amendments IFRS 15, “Revenue from Contracts with Customers (Clarifications to IFRS 15)”

The amendments to IFRS 15 included clarifications on identification of performance obligations; application of principal versus agent; licenses of intellectual property; and transition requirements.

The adoption of these amendments has no impact on these consolidated financial statements as the Group had not previously adopted IFRS 15 and took up the clarifications in this, its first, year.

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



3. 採納新訂或經修訂國際財務報告準則(續)

3.2 已頒佈但尚未生效的新訂或經修訂國際財務報告準則

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

國際財務報告準則
的二零一五年至
二零一七年週期
的年度改進

國際會計準則第12號
「所得稅」；國際會
計準則第23號「借
貸費用」；國際財務
報告準則第3號「業
務合併」；國際財務
報告準則第11號「合
營安排」的修訂¹

國際財務報告準則
第9號的修訂

具有負補償之提前還
款特性¹

國際財務報告準則
第10號及國際會
計準則第28號的
修訂

投資者與其聯營公司
或合資企業之資產
銷售或貢獻³

國際會計準則第1號
(經修訂)及國際
會計準則第8號
的修訂

重大的定義²

國際財務報告準則
第3號的修訂

業務的定義²

國際會計準則
第28號的修訂

於聯營公司或合營企
業之長期權益¹

國際財務報告準則
第16號

租賃¹

國際財務報告詮釋
委員會第23號

所得稅處理之
不確定性¹

國際會計準則
第19號的修訂

計劃修正、縮減或
清償¹

1 於二零一九年一月一日或之後開始之
年度期間生效。

2 於二零二零年一月一日或之後開始之
年度期間生效。

3 該等修訂原訂於二零一七年一月一
日或之後開始之年度期間生效。生
效日期現已延遲／刪除。繼續允許
提前應用有關修訂。

3. Adoption of New or Revised IFRSs (Continued)

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

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

Annual Improvements
to IFRSs 2015-2017
Cycle

Amendments to IAS 12, Income Tax;
IAS 23, Borrowing Costs; IFRS 3,
Business Combinations; IFRS 11, Joint
Arrangements¹

Amendments to IFRS 9

Prepayment Features with Negative
Compensation¹

Amendments to
IFRS 10 and IAS 28

Sale or Contribution of Assets between
an Investor and its Associate or Joint
Venture³

Amendments to IAS 1
(Revised) and IAS 8

Definition of Material²

Amendments to IFRS 3

Definition of Business²

Amendments to IAS 28

Long-term Interests in Associates and Joint
Ventures¹

IFRS 16

Leases¹

IFRIC 23

Uncertainty over Income Tax Treatments¹

Amendments to IAS 19

Plan Amendment, Curtailments or
Settlement¹

1 Effective for annual periods beginning on or after 1 January
2019.

2 Effective for annual periods beginning on or after 1 January
2020.

3 The amendments were originally intended to be effective for
periods beginning on or after 1 January 2017. The effective
date has now been deferred/removed. Early application of the
amendments of the amendments continue to be permitted.



3. 採納新訂或經修訂國際財務報告準則(續)

3.2 已頒佈但尚未生效的新訂或經修訂國際財務報告準則(續)

國際財務報告準則第16號「租賃」

國際財務報告準則第16號由生效當日起將取代國際會計準則第17號「租賃」及相關詮釋，其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則作別論。具體而言，根據國際財務報告準則第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，以於綜合現金流量表內呈列。此外，使用權資產及租賃負債初步按現值基準計量。計量包括不可撤銷租賃付款，亦包括承租人合理地肯定將行使選擇權延續租賃或不行使選擇權終止租賃的情況下，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，後者適用於根據舊有準則國際會計準則第17號分類為經營租賃的租賃。

就出租人會計法而言，國際財務報告準則第16號大致繼承國際會計準則第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。

3. Adoption of New or Revised IFRSs (Continued)

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

IFRS 16, "Leases"

IFRS 16, which upon the effective date will supersede IAS 17 "Leases" and related interpretations, 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 IFRS 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 consolidated 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, IAS 17.

In respect of the lessor accounting, IFRS 16 substantially carries forward the lessor accounting requirements in IAS 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.

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



3. 採納新訂或經修訂國際財務報告準則(續)

3.2 已頒佈但尚未生效的新訂或經修訂國際財務報告準則(續)

國際財務報告準則第16號「租賃」(續)

國際財務報告準則第16號將主要影響本集團作為現時分類為經營租賃之辦公室租賃之承租人之會計處理。應用新的會計模型預期將導致資產及負債增加並影響開支在租賃期間於綜合損益及其他全面收益表確認的時間。誠如附註34所載，於二零一八年十二月三十一日，本集團於不可撤銷經營租賃承擔項下之未來最低租賃付款總額為1,161,000美元。國際財務報告準則第16號項下租賃負債之利息開支及使用權資產的折舊開支將替代國際會計準則第17號項下之租賃開支。初步的評估顯示該等安排將符合國際財務報告準則第16號項下租賃之定義，因此本集團將於應用國際財務報告準則第16號後就全部租賃確認使用權資產及相應的租賃負債，除非彼等合資格為低價值或短期租賃。此外，應用新規定可能會導致以上所述的計量、呈列及披露變化。

國際財務報告詮釋委員會第23號「所得稅處理之不確定性」

該詮釋是針對國際會計準則第12號「所得稅」的規定，就如何反映所得稅會計處理中的不確定性影響提供指引。

根據該詮釋，實體必須確定是單獨考慮每項稅務處理的不確定性，還是結合一項或多項其他稅務處理的不確定性一併考慮，這取決於哪種方法能夠更好地預測不確定性的解決方式。實體還應假設稅務機關會核查其有權核查的金額並在核查時完全知悉所有相關資料。倘實體釐定稅務機關很可能會接受不確定的稅務處理，則實體應按與其稅務申報一致的方式計量即期及遞延稅項。否則，釐定稅項涉及的不確定性應採用「最可能金額」或「預期值」兩種方法中能更好地預測不確定性解決方式的方法來反映。

3. Adoption of New or Revised IFRSs (Continued)

3.2 New or revised IFRSs that have been issued but are not yet effective (Continued) IFRS 16, "Leases" (Continued)

IFRS 16 will primarily affect the Group's accounting as a lessee of leases for offices which are currently classified as operating leases. The application of the new accounting model is expected to lead an increase in both assets and liabilities and to impact on the timing of the expense recognition in the consolidated statement of profit or loss and other comprehensive income over the period of the lease. As at 31 December 2018, the Group's total future minimum lease payments under non-cancellable operating lease commitment of US\$1,161,000 as set out in Note 34. The interest expense on the lease liability and the depreciation expense on the right-of-use asset under IFRS 16 will replace the rental charge under IAS 17. A preliminary assessment indicates that these arrangements will meet the definition of a lease under IFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding lease liability in respect of all the leases unless they qualify for low value or short-term leases upon the application of IFRS 16. In addition, the application of new requirement may result changes in measurement, presentation and disclosure as indicated above.

IFRIC 23, "Uncertainty over Income Tax Treatments"

The interpretation supports the requirements of IAS 12, "Income Taxes", by providing guidance over how to reflect the effects of uncertainty in accounting for income taxes.

Under the interpretation, the entity shall determine whether to consider each uncertain tax treatment separately or together based on which approach better predicts the resolution of the uncertainty. The entity shall also assume the tax authority will examine amounts that it has a right to examine and have full knowledge of all related information when making those examinations. If the entity determines it is probable that the tax authority will accept an uncertain tax treatment, then the entity should measure current and deferred tax in line with its tax filings. If the entity determines it is not probable, then the uncertainty in the determination of tax is reflected using either the "most likely amount" or the "expected value" approach, whichever better predicts the resolution of the uncertainty.



3. 採納新訂或經修訂國際財務報告準則(續)

3.2 已頒佈但尚未生效的新訂或經修訂國際財務報告準則(續)

國際財務報告詮釋委員會第23號「所得稅處理之不確定性」(續)

董事預期採納國際財務報告詮釋委員會第23號將不會對本集團綜合財務報表的金額有重大影響。

其他已頒佈但尚未生效的新訂或經修訂國際財務報告準則於應用時不大可能會對本集團綜合業績及綜合財務狀況造成重大影響。

4. 主要會計政策概要

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

綜合基準

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

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

有關本集團成員之間交易的所有集團內公司間的資產及負債、權益、收入、支出及現金流量均於綜合入賬時悉數對銷。未變現虧損亦已對銷，除非該交易提供被轉讓資產出現減值之證據，而在該情況下，虧損乃在損益確認。

當本集團失去附屬公司控制權時，出售的損益以下列的差額計量：(i)所收取代價的公平值及任何保留權益的公平值總額及(ii)該附屬公司的資產(包括商譽)及負債與任何非控股權益的過往賬面值。以往於其他全面收入確認與附屬公司有關的金額，入賬方式相同，猶如相關資產或負債已經出售。

3. Adoption of New or Revised IFRSs (Continued)

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

IFRIC 23, "Uncertainty over Income Tax Treatments" (Continued)

The directors do not expect the adoption of IFRIC 23 would result in significant impact on the amounts reported on the Group's consolidated financial statements.

Other new or revised IFRSs that have been issued but are not yet effective are unlikely to have material impact on the Group's consolidated results and consolidated financial position upon application.

4. Summary of Significant Accounting Policies

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

Basis of consolidation

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

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

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of.



4. 主要會計政策概要(續)

附屬公司

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

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

商譽

收購業務所產生的商譽按收購業務當日所確定成本減累計減值虧損(如有)列賬。

就減值測試而言，商譽乃分配予預期會從合併的協同效益中受惠的各現金產生單位。現金產生單位(「現金產生單位」)乃可識別之最小資產組合，其產生的現金流入基本上獨立於其他資產或者資產組組合之現金流入。已獲分配商譽的現金產生單位每年通過對比其賬面值及可收回金額進行減值測試，無論是否有跡象顯示可能出現單位減值。

就於一個財政年度進行收購所產生商譽而言，經分配商譽的現金產生單位會於該財政年度年結前進行減值檢測。倘現金產生單位的可收回金額低於其賬面值，則減值虧損會先用作減低任何分配至該單位的商譽的賬面值，其後則按該單位內各項資產賬面值的比例分配至該單位的其他資產。然而，分配至各資產的虧損不會減少個別資產的賬面值至低於其公平值減出售成本(倘可計量)或其使用價值(倘已釐定)(以較高者為準)。商譽的任何減值虧損將直接於損益表確認。就商譽確認的減值虧損不會於往後期間撥回。

出售相關現金產生單位時，商譽的應佔金額乃計入於出售時釐定的損益金額。

本集團有關收購聯營公司所產生商譽的政策於下文「聯營公司」一節詳述。

4. Summary of Significant Accounting Policies (Continued)

Subsidiaries

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

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

Goodwill

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

For the purpose of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units that are expected to benefit from the synergies of the acquisition. A cash-generating unit ("CGU") is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. A CGU to which goodwill has been allocated is tested for impairment annually, by comparing its carrying amount with its recoverable amount, and whenever there is an indication that the unit may be impaired.

For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the CGU is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro-rata on the basis of the carrying amount to each asset in the unit. However, the loss allocated to each asset will not reduce the individual asset's carrying amount to below its fair value less cost of disposal (if measurable) or its value in use (if determinable), whichever is the higher. Any impairment loss for goodwill is recognised in profit or loss and is not reversed in subsequent periods.

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

The Group's policy for goodwill arising on the acquisition of an associate is described below in the section heading "Associates".



4. 主要會計政策概要(續)

聯營公司

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

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

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

國際財務報告準則第9號的規定乃用於釐定是否需要就本集團於聯營公司的權益確認任何減值虧損。如有需要，投資的全部賬面值(包括商譽)乃根據國際會計準則第36號「資產減值」作為單一資產，並通過比較可收回金額(即使用價值與公平值減出售成本的較高者)與其賬面值進行減值測試。已確認的任何減值虧損構成有關投資賬面值的一部分。該減值虧損的任何撥回乃根據國際會計準則第36號予以確認，惟增加後的賬面值不得超過聯營公司的權益於過往年度倘無確認減值虧損時應釐定的賬面值。

4. Summary of Significant Accounting Policies (Continued)

Associates

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

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

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

The requirements of IFRS 9 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's interest in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had impairment loss been recognised for the interests in associates in prior years.



4. 主要會計政策概要(續)

聯營公司(續)

當投資不再作為聯營公司當日或當投資(或其一部分)獲分類為持作出售起，本集團乃終止使用權益法。當本集團保留於前聯營公司的權益，且有關的保留權益為金融資產時，則本集團於該日按公平值計量保留權益，而公平值則被視為根據國際財務報告準則第9號首次確認時的公平值。聯營公司於終止使用權益法當日的賬面值與任何保留權益的公平值及出售聯營公司部分權益所得任何所得款項之間的差額，乃計入於部分出售時所釐定聯營公司的損益。此外，倘該等聯營公司直接出售相關資產或負債，則本集團將需要按相同基準將該等聯營公司以往於其他全面收益確認的所有金額入賬。因此，倘該等聯營公司以往於其他全面收益確認的損益將重新分類為出售相關資產或負債的損益，則本集團乃於終止使用權益法時將來自權益的盈虧重新分類至損益(列作重新分類調整)。

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

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

4. Summary of Significant Accounting Policies (Continued)

Associates (Continued)

The Group discontinues the use of the equity method from the date when the investment ceases to be associates, or when the investment (or a portion thereof) is classified as held for sale. When the Group retains interests in the former associates and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IFRS 9. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a partial interests in the associates is included in the determination of the gain or loss on disposal of the associates. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associates on the same basis as would be required if that associates had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associates would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

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

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



4. 主要會計政策概要(續)

物業、廠房及設備

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

物業、廠房及設備成本包括其購買價及收購該等項目的直接應計成本。

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

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

樓宇及廠房	20-50年
機器	3-10年
汽車	5-12年
傢具及設備	5-15年

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

4. Summary of Significant Accounting Policies (Continued)

Property, plant and equipment

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

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

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

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

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

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

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



4. 主要會計政策概要(續)

物業、廠房及設備(續)

倘資產的賬面值高於其估計可收回金額，則資產乃即時撇減至其可收回金額。

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

預付土地租賃款項

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

無形資產(商譽除外)及研發成本

無形資產(商譽除外)

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

可使用年期無限的無形資產會按成本減其後任何累計減值虧損列賬。

無形資產於出售時或當預期使用或出售無形資產不會產生將來經濟利益時終止確認。終止確認無形資產所產生的損益按出售收益淨額及該資產賬面值的差額計量，並於終止確認該資產時於損益中確認。

4. Summary of Significant Accounting Policies (Continued)

Property, plant and equipment (Continued)

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

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

Prepaid land lease payment

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

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

Intangible assets (other than goodwill)

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

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

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



4. 主要會計政策概要(續)

無形資產(商譽除外)及研發成本(續)

研發成本

個別項目開發開支產生的無形資產在符合以下確認規定時確認：

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

不符上述標準的開發開支及內部項目研究階段的開支於產生時在損益確認。

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

有形及無形資產(商譽除外)的減值

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

4. Summary of Significant Accounting Policies (Continued)

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

Research and development costs

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

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

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

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

Impairment of tangible and intangible assets (other than goodwill)

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



4. 主要會計政策概要(續)

有形及無形資產(商譽除外)的減值(續)

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

可收回金額指公平值減出售成本與在用價值兩者間的較高者。在用價值乃基於預期由資產(或現金產生單位)產生的估計未來現金流量，並以稅前折現率折現至現值，而稅前折現率反映現時市場評估的貨幣時間價值及資產或現金產生單位特定風險。

倘資產(或現金產生單位)的可收回金額估計少於其賬面值，則資產(或現金產生單位)的賬面值將調低至其可收回金額。倘因重估而令資產的賬面值出現減值，則減幅應於損益內確認。然而，倘充足結餘加上資產的任何信貸結餘，減幅應於其他收益中確認。於其他收益表確認的減幅減去重估儲備項下權益累計的金額。

4. Summary of Significant Accounting Policies (Continued)

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

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

The recoverable amount is the higher of fair value less costs of disposal and value in use. Value in use is based on the estimated future cash flows expected to be derived from the asset (or cash-generating unit), discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the assets or cash-generating unit.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. If an asset's carrying amount is decreased as a result of a revaluation, the decrease shall be recognised in profit or loss. However, the decrease shall be recognised in other comprehensive income to the extent of any credit balance existing in the revaluation surplus in respect of that asset. The decrease recognised in other comprehensive income reduces the amount accumulated in the equity under the heading of revaluation reserve.



4. 主要會計政策概要(續)

有形及無形資產(商譽除外)的減值(續)

倘有形及無形資產(商譽除外)的減值虧損其後撥回，則資產(或現金產生單位)的賬面值會調高至經修訂的估計可收回金額，惟已增加的賬面值不得超越在資產於過往年度並無確認減值虧損的情況下釐定的賬面值(扣除任何折舊或攤銷)。所有撥回應立即在損益表內確認，除非相關資產按重估金額列值，於此情況下，減值撥回應視作重估，並計入其他全面收入。然而，倘重估資產減值先前已在損益表內確認為開支，則撥回減值虧損應於損益內確認為收益。

金融工具(自二零一八年一月一日起應用的會計政策)

(i) 金融資產

金融資產(並無重大融資部份的貿易應收款項除外)首次按公平值加上收購或發行直接應佔的交易成本計量(倘屬並非以公平值變動列入損益的金融資產)。並無重大融資部份的貿易應收款項初步按交易價格計量。

所有按常規方式購買和出售的金融資產於交易日(即本集團承諾購買或銷售該資產之日)確認。按常規方式購買或出售指購買或出售須在一般按市場規則或慣例確定的期間內交付的金融資產。

附帶嵌入衍生工具的金融資產於釐定其現金流量是否純粹為支付本金及利息時以整體作出考慮。

4. Summary of Significant Accounting Policies (Continued)

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

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

Financial instruments (accounting policies applied from 1 January 2018)

(i) Financial assets

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.



4. 主要會計政策概要(續)

金融工具(自二零一八年一月一日起應用的會計政策)(續)

(i) 金融資產(續)

攤銷成本：為收取合約現金流量而持有，且現金流量僅為支付本金及利息之資產按攤銷成本計量。按攤銷成本計量的金融資產其後採用實際利率法計量。利息收入、匯兌收益及虧損以及減值於損益確認。終止確認的任何收益於損益確認。

按公平值變動列入損益：按公平值變動列入損益的金融資產包括持作買賣的金融資產，於初始確認時指定按公平值變動列入損益的金融資產，或強制要求按公平值計量的金融資產。倘為於近期出售或購回而收購金融資產，則該等金融資產分類為持作買賣。衍生工具(包括獨立嵌入式衍生工具)亦分類為持作買賣，惟該等衍生工具被指定為有效對沖工具則除外。現金流量並非純粹支付本金及利息的金融資產，不論其業務模式如何，均按公平值變動列入損益分類及計量。儘管如上文所述債務工具可按攤銷成本或按公平值計入其他全面收益分類，但於初始確認時，倘能夠消除或顯著減少會計錯配，則債務工具可指定為按公平值變動列入損益。

權益工具

於初次確認並非持作買賣的權益投資時，本集團可不可撤回地選擇將投資公平值的後續變動列報於其他全面收益中。該選擇乃按逐項投資基準作出。按公平值計入其他全面收益的權益投資按公平值計量。股息收入於損益內確認，除非該股息收入明確代表了對投資成本的部分償還。其他收益及虧損淨額於其他全面收益確認且不會重新分類至損益。所有其他權益工具分類為按公平值變動列入損益，其公平值變動、股息及利息收入於損益內確認。

4. Summary of Significant Accounting Policies (Continued)

Financial instruments (accounting policies applied from 1 January 2018) (Continued)

(i) Financial assets (Continued)

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

FVTPL: Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through other comprehensive income, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Equity instruments

On initial recognition of an equity investment that is not held for trading, the Group could irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Equity investments at fair value through other comprehensive income are measured at fair value. Dividend income are recognised in profit or loss unless the dividend income clearly represents a recovery of part of the cost of the investments. Other net gains and losses are recognised in other comprehensive income and are not reclassified to profit or loss. All other equity instruments are classified as FVTPL, whereby changes in fair value, dividends and interest income are recognised in profit or loss.



4. 主要會計政策概要(續)

金融工具(自二零一八年一月一日起應用的會計政策)(續)

(ii) 金融資產減值虧損

本集團就貿易應收款項、合約資產、按攤銷成本計量的金融資產及按公平值計入其他全面收益的債務投資的預期信貸虧損確認虧損撥備。預期信貸虧損按以下其中一項基準計量：(1)12個月的預期信貸虧損：即於報告日期後12個月內可能發生的違約事件導致的預期信貸虧損；及(2)全期預期信貸虧損：即於金融工具預計年期內所有可能發生的違約事件導致的預期信貸虧損。於估計預期信貸虧損時考慮的最長期間為本集團承受信貸風險的最長合約期間。

預期信貸虧損是信貸虧損的概率加權估計。信貸虧損乃基於本集團根據合約應收的所有合約現金流量與本集團預期將收到的所有現金流量之間的差額計量。該差額其後按與資產原實際利率相近的折現率折現。

對於貿易應收款項及合約資產的虧損撥備計量，本集團選擇應用國際財務報告準則第9號的簡化方法，並根據全期預期信貸虧損計算預期信貸虧損。本集團已建立以本集團過往信貸虧損經驗為基礎，並根據有關債務人及經濟環境的前瞻性因素加以調整的撥備矩陣。

對於其他債務金融資產，乃根據12個月預期信貸虧損計算預期信貸虧損。然而，倘自初次確認後信貸風險有顯著增加，則會根據全期預期信貸虧損計量撥備。

4. Summary of Significant Accounting Policies (Continued)

Financial instruments (accounting policies applied from 1 January 2018) (Continued)

(ii) Impairment loss on financial assets

The Group recognises loss allowances for ECL on trade receivables, contract assets, financial assets measured at amortised cost and debt investments measured at FVOCI. The ECLs are measured on either of the following bases: (1) 12 months ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

The Group has elected to measure loss allowances for trade receivables and contract assets using IFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other debt financial assets, the ECLs are based on the 12-months ECLs. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECLs.

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



4. 主要會計政策概要(續)

金融工具(自二零一八年一月一日起應用的會計政策)(續)

(ii) 金融資產減值虧損(續)

於釐定金融資產的信貨風險自初次確認後是否有顯著增加及於估計預期信貸虧損時，本集團會考慮相關及毋須付出過多成本或努力即可獲得的合理及可靠資料。此包括基於本集團過往經驗及知情信貸評估且包括前瞻性資料的定量及定性資料分析。

本集團假定金融資產逾期超過30日則信貸風險顯著增加。

本集團認為金融資產於下列情況下出現信貸減值：(1)在本集團不具有追索權(如變現抵押(如持有))的情況下，借款人不大可能向本集團悉數償付其信貸責任；或(2)金融資產逾期超過90日。

出現信貸減值的金融資產利息收入乃按金融資產的攤銷成本(即賬面總值減虧損撥備)計算。並無出現信貸減值的金融資產利息收入按賬面總值計算。

(iii) 金融負債

本集團根據產生有關負債的目的對金融負債進行分類。按公平值變動列入損益的金融負債初步按公平值計量，而按攤銷成本計量的金融負債初步按公平值減直接應佔的已產生成本計量。

按公平值變動列入損益的金融負債

按公平值變動列入損益的金融負債包括持作買賣的金融負債及於初次確認時指定為按公平值變動列入損益的金融負債。

4. Summary of Significant Accounting Policies (Continued)

Financial instruments (accounting policies applied from 1 January 2018) (Continued)

(ii) Impairment loss on financial assets (Continued)

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be credit-impaired when: (1) the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (2) the financial asset is more than 90 days past due.

Interest income on credit-impaired financial assets is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset. For non credit-impaired financial assets interest income is calculated based on the gross carrying amount.

(iii) Financial liabilities

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at fair value through profit or loss are initially measured at fair value and financial liabilities at amortised costs are initially measured at fair value, net of directly attributable costs incurred.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.



4. 主要會計政策概要(續)

金融工具(自二零一八年一月一日起應用的會計政策)(續)

(iii) 金融負債(續)

按公平值變動列入損益的金融負債(續)

金融負債若符合以下標準則可於初次確認時指定為按公平值變動列入損益：(i)如此指定可消除或顯著減少計量或確認的不一致，即如果不做指定，會因不同的基礎計量負債或者確認其產生的收益和虧損而產生這種不一致；(ii)根據書面記載的風險管理策略，有關負債為以公平值為基準進行管理及表現評估的金融負債的一部分；或(iii)該金融負債中包含需分拆入賬的嵌入式衍生工具。

於初次確認後，按公平值變動列入損益的金融負債按公平值計量，而公平值的變動於其產生期間於損益確認，惟因本集團自身的信貸風險產生的收益及虧損除外，該等收益及虧損於其他全面收益確認，而後續不會重新分類至損益表。於損益表確認的公平值收益或虧損淨額不包括就該等金融負債收取的任何利息。

按攤銷成本計量的金融負債

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

當負債終止確認以及在攤銷過程中，收益或虧損於損益內確認。

4. Summary of Significant Accounting Policies (Continued)

Financial instruments (accounting policies applied from 1 January 2018) (Continued)

(iii) Financial liabilities (Continued)

Financial liabilities at fair value through profit or loss (Continued)

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

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value recognised in profit or loss in the period in which they arise, except for the gains and losses arising from the Group's own credit risk which are presented in other comprehensive income with no subsequent reclassification to the statement of profit or loss. The net fair value gain or loss recognised in the statement of profit or loss does not include any interest charged on these financial liabilities.

Financial liabilities at amortised cost

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

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



4. 主要會計政策概要(續)

金融工具(自二零一八年一月一日起應用的會計政策)(續)

(iv) 財務擔保合約

財務擔保合約為因指定債務人未能按債務工具之原有或經修訂條款如期付款時，發行人需支付指定金額予持有人以補償其所遭受損失之合約。本集團已發行及並非指定按公允值減發行財務擔保合約直接應佔交易成本的財務擔保合約。於初步確認後，本集團以(i)虧損撥備金額，即按上述會計政策原則計量的預期信貸虧損撥備；及(ii)初步確認金額減(如適當)根據國際財務報告準則第15號的原則確認的累計攤銷。

(v) 實際利率法

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

利息開支按實際利率基準確認。

(vi) 權益工具

權益工具為證明本集團於扣減所有負債後在資產中有剩餘權益的任何合約。

本公司所發行的權益工具按已收所得款項減直接發行成本列賬。

4. Summary of Significant Accounting Policies (Continued)

Financial instruments (accounting policies applied from 1 January 2018) (Continued)

(iv) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of debt instrument. A financial guarantee contract issued by the Group and not designated as at fair value less transaction costs that are directly attributable to the issue of the financial guarantee contract. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of the loss allowance, being the ECL provision measured in accordance with principles of the accounting policy set out in above; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the principles of IFRS 15.

(v) Effective interest method

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

Interest expense is recognised on an effective interest basis.

(vi) Equity instruments

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

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



4. 主要會計政策概要(續)

金融工具(自二零一八年一月一日起應用的會計政策)(續)

(vii) 終止確認

本集團在與金融資產有關的未來現金流量合約權利屆滿，或金融資產已轉讓，且該轉讓根據國際財務報告準則第9號符合終止確認標準時，終止確認金融資產。

金融負債於有關合約所訂明責任解除、註銷或屆滿時終止確認。

倘本集團因重新磋商負債條款而向債權人發行本身的權益工具以償付全部或部分金融負債，所發行的權益工具即所付代價，乃初步按有關金融負債(或當中部分)註銷當日的公平值確認及計量。倘已發行權益工具的公平值無法可靠計量，則權益工具按已註銷金融負債的公平值計量。已註銷金融負債(或當中部分)的賬面值與所付代價間的差額乃於年內在損益內確認。

金融工具(截至二零一七年十二月三十一日前應用的會計政策)

當本集團成為工具合約條文的訂約方時，會確認金融資產及金融負債。

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

4. Summary of Significant Accounting Policies (Continued)

Financial instruments (accounting policies applied from 1 January 2018) (Continued)

(vii) Derecognition

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with IFRS 9.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

Where the Group issues its own equity instruments to a creditor to settle a financial liability in whole or in part as a result of renegotiating the terms of that liability, the equity instruments issued are the consideration paid and are recognised initially and measured at their fair value on the date the financial liability or part thereof is extinguished. If the fair value of the equity instruments issued cannot be reliably measured, the equity instruments are measured to reflect the fair value of the financial liability extinguished. The difference between the carrying amount of the financial liability or part thereof extinguished and the consideration paid is recognised in profit or loss for the year.

Financial instruments (accounting policies applied until 31 December 2017)

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

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



4. 主要會計政策概要(續)

金融工具(截至二零一七年十二月三十一日前應用的會計政策)(續)

金融資產

本集團視乎所收購資產於初步確認時將金融資產分類。本集團的金融資產分類為按公平值變動列入損益的金融資產以及貸款及應收款項。按公平值變動列入損益的金融資產初步按公平值計量，而所有其他金融資產初步按公平值加收購金融資產直接應佔的交易成本計量。從一般途徑購買或出售的金融資產按交易日基準確認及終止確認。從一般途徑購買或出售指須按市場規例或慣例訂立的時限內交付資產的金融資產購買或出售。

按公平值變動列入損益的金融資產

倘金融資產並非持作買賣，則可能按以下情況在初步確認後指定為按公平值變動列入損益：

- 有關指定消除或很大程度上削減了可能導致的計量或確認不一致性；或
- 該金融資產構成金融資產或金融負債或兩者的一部分，彼等根據本集團已制定的風險管理或投資策略按公平值基準管理及評估其表現，而有關編組的資料亦按該基準由內部提供；或
- 其構成含有一項或多項嵌入式衍生工具的合約的一部分，而國際會計準則第39號允許整份合併合約(資產或負債)指定為按公平值變動列入損益。

按公平值變動列入損益的金融資產以公平值計量，重新計量所產生的公平值變動於其產生期間直接於損益確認。在損益中確認的收益或虧損淨額不包括金融資產賺取的任何股息或利息。公平值乃按附註36所述的方式釐定。

4. Summary of Significant Accounting Policies (Continued)

Financial instruments (accounting policies applied until 31 December 2017) (Continued)

Financial assets

The Group classifies its financial assets at initial recognition, depending on the purpose for which the asset was acquired. The Group's financial assets are classified into financial assets at fair value through profit or loss and loans and receivables. Financial assets at fair value through profit or loss are initially measured at fair value and all other financial assets are initially measured at fair value plus transaction costs that are directly attributable to the acquisition of the financial assets. Regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. A regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace concerned.

Financial assets at fair value through profit or loss

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IAS 39 permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are stated at fair value, with changes in fair value arising from remeasurement directly recognised in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets. Fair value is determined in the manner described in Note 36.



4. 主要會計政策概要(續)

金融工具(截至二零一七年十二月三十一日前應用的會計政策)(續)

金融資產(續)

貸款及應收款項

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

實際利率法

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

金融資產減值

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

減值的客觀證據包括：

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

4. Summary of Significant Accounting Policies (Continued)

Financial instruments (accounting policies applied until 31 December 2017) (Continued)

Financial assets (Continued)

Loans and receivables

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

Effective interest method

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

Impairment of financial assets

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

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 debtor will enter bankruptcy or other financial re-organisation; or
- the disappearance of an active market for that financial asset because of financial difficulties; or
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



4. 主要會計政策概要(續)

金融工具(截至二零一七年十二月三十一日前應用的會計政策)(續)

金融資產(續)

金融資產減值(續)

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

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

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

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

金融負債及權益

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

4. Summary of Significant Accounting Policies (Continued)

Financial instruments (accounting policies applied until 31 December 2017) (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

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

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

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

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

Financial liabilities and equity

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



4. 主要會計政策概要(續)

金融工具(截至二零一七年十二月三十一日前應用的會計政策)(續)

金融負債及權益(續)

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

按攤銷成本計量的金融負債

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

當負債終止確認以及在攤銷過程中，收益或虧損於損益內確認。

按公平值變動列入損益的金融負債

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

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

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

實際利率法

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

利息開支按實際利率基準確認。

4. Summary of Significant Accounting Policies (Continued)

Financial instruments (accounting policies applied until 31 December 2017) (Continued)

Financial liabilities and equity (Continued)

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

Financial liabilities at amortised cost

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

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

Financial liabilities at fair value through profit or loss

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

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

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

Effective interest method

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

Interest expense is recognised on an effective interest basis.

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



4. 主要會計政策概要(續)

金融工具(截至二零一七年十二月三十一日前應用的會計政策)(續)

金融負債及權益(續)

權益工具

權益工具為證明本集團於扣減所有負債後在資產中有剩餘權益的任何合約。

本公司所發行的權益工具按已收所得款項減直接發行成本列賬。

財務擔保合約

財務擔保合約為因指定債務人未能按債務工具之原有或經修訂條款如期付款時，發行人需支付指定金額予持有人以補償其所遭受損失之合約。本集團已發行及並非指定按公允值減發行財務擔保合約直接應佔交易成本的財務擔保合約。於初步確認後，本集團以(i)按照國際會計準則第37號「撥備、或然負債及或然資產」的金額；及(ii)根據國際會計準則第18號「收入」，初步確認的金額減(當合適)累計攤銷。

終止確認

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

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

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

4. Summary of Significant Accounting Policies (Continued)

Financial instruments (accounting policies applied until 31 December 2017) (Continued)

Financial liabilities and equity (Continued)

Equity instruments

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

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

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of debt instrument. A financial guarantee contract issued by the Group and not designated as at fair value less transaction costs that are directly attributable to the issue of the financial guarantee contract. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount determined in accordance with IAS 37, Provisions, Contingent Liabilities and Contingent Assets; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with IAS 18, Revenue.

Derecognition

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

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

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



4. 主要會計政策概要(續)

存貨

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

現金及現金等價物

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

收入確認(自二零一八年一月一日起應用的會計政策)

與客戶合約所得收益於貨品或服務轉讓予客戶時按反映本集團為交換該等貨品或服務而預期有權獲取的代價之金額(不包括代表第三方收取的金額)確認。收入不包括增值稅或其他銷項稅並已扣除任何貿易折扣。

視乎合約條款與適用於合約的法律規定，貨品或服務的控制權可隨時間或於某一時間點轉移。倘本集團之履約符合以下情況，則貨品或服務的控制權隨時間轉移：

- 提供客戶同時收取及消耗的所有利益；
- 於本集團履約時創建或優化客戶控制的一項資產；或
- 並無產生對本集團有替代用途的資產，且本集團可強制執行其權利以收取累計至今已完履約部分的款項。

利息收入乃按尚未償還本金額以適用利率按時間比例基準累計。

4. Summary of Significant Accounting Policies (Continued)

Inventories

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

Cash and cash equivalents

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

Revenue recognition (accounting policies applied from 1 January 2018)

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

Depending on the terms of the contract and the laws that apply to the contract, control of the goods or service may be transferred over time or at a point in time. Control of the goods or service is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates or enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

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

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



4. 主要會計政策概要(續)

收入確認(截至二零一七年十二月三十一日前應用的會計政策)

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

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

利息收入根據結存本金及時間基準按實際利率累計。

合約資產及負債(自二零一八年一月一日起應用的會計政策)

合約資產指本集團就換取本集團已向客戶轉讓的服務而收取代價的權利(尚未成為無條件)。相反，應收款項指本集團收取代價的無條件權利，即代價到期付款前僅需時間推移。

合約負債指本集團因已向客戶收取代價(或已到期收取代價)，而須向客戶轉讓服務的責任。

所得稅

年內所得稅包括當期稅項及遞延稅項。

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

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

4. Summary of Significant Accounting Policies (Continued)

Revenue recognition (accounting policies applied until 31 December 2017)

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

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

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

Contract assets and liabilities (accounting policies applied from 1 January 2018)

A contract asset represents the Group's right to consideration in exchange for services that the Group has transferred to a customer that is not yet unconditional. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

Income taxes

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

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

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



4. 主要會計政策概要(續)

所得稅(續)

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

外幣

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

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

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

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

4. Summary of Significant Accounting Policies (Continued)

Income taxes (Continued)

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

Foreign currencies

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

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

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

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



4. 主要會計政策概要(續)

租賃

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

本集團作為承租人

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

退休福利成本

僱員退休福利透過定額供款計劃提供。

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

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

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

4. Summary of Significant Accounting Policies (Continued)

Leases

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

The Group as lessee

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

Retirement benefit costs

Retirement benefits to employees are provided through defined contribution plans.

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

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

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



4. 主要會計政策概要(續)

借貸成本

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

所有其他借貸成本於產生期間在損益確認。

政府補助金

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

與收入相關的政府補助金於綜合損益及其他全面收益表「其他收入」項下合計呈列。

撥備及或然負債

如本集團因過往事件產生法定或推定責任而出現時間或金額未確定之負債，並可合理估計將可能導致經濟利益流出時，即會確認撥備。

如有關債務可能不會導致經濟利益流出，或未能可靠地估計金額，則有關債務會披露為或然負債，除非經濟利益流出之可能性很低。純粹視乎日後有否出現一個或多個情況而可能產生之債務，亦披露為或然負債，除非經濟利益流出之可能性很低。

4. Summary of Significant Accounting Policies (Continued)

Borrowings costs

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

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

Government grants

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

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

Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a legal or constructive obligation arising as a result of a past event, which it is probable will result in an outflow of economic benefits that can be reliably estimated.

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

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



4. 主要會計政策概要(續)

關連方

(a) 倘屬以下人士，則該人士或該人士的近親為本集團關連方：

- (i) 控制或共同控制本集團；
- (ii) 對本集團有重大影響；或
- (iii) 為本集團或本公司母公司的主要管理層成員。

(b) 倘符合下列任何條件，則該實體為本集團關連方：

- (i) 該實體與本集團屬同一集團的成員公司(即各自的母公司、附屬公司及同系附屬公司乃互相關連)；
- (ii) 一間實體為另一實體的聯營公司或合營企業(或集團成員公司的聯營公司或合營企業，而另一實體亦為該集團的成員公司)；
- (iii) 該等實體均為同一第三方的合營企業；
- (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司；
- (v) 實體為本集團或與本集團有關連的實體就僱員利益設立的離職福利計劃；
- (vi) 實體受(a)內所識別人士控制或共同控制；
- (vii) (a)(i)內所識別人士對實體有重大影響或屬該實體(或該實體的母公司)的主要管理層成員；及
- (viii) 身為其中一方的實體或本集團任何其他成員公司，為本集團或本公司母公司提供管理人員服務。

4. Summary of Significant Accounting Policies (Continued)

Related parties

(a) A person or a close member to that person's family is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or the Company's parent.

(b) An entity is related to the Group if any of the following conditions apply:

- (i) the entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
- (iii) both entities are joint ventures of the same third party;
- (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) the entity is a post-employment benefit plan for the benefit of employees of the Group or an entity related to the Group;
- (vi) the entity is controlled or jointly controlled by a person identified in (a);
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Company's parent.



4. 主要會計政策概要(續)

關連方(續)

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

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

分部呈報

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

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

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

4. Summary of Significant Accounting Policies (Continued)

Related parties (Continued)

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

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

Segment reporting

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

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

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



5. 重要會計估計及判斷

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

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

貿易應收款項之預期信貸虧損撥備

本集團使用撥備矩陣以計算貿易商款項之預期信貸虧損。撥備率乃基於具有類似虧損模式（即按客戶類型等）的各類客戶組別的逾期天數。

撥備矩陣最初基於本集團過往觀察到的違約率。本集團將通過校準矩陣以調整歷史信貸虧損經驗與前瞻性資訊。例如，倘預測經濟狀況預期將在未來一年內惡化，這可能導致製造業違約數量增加，歷史違約率將予調整。於各報告期末，過往觀察到的違約率都會被更新，並分析前瞻性估計的變化。

對過往觀察到的違約率、預測經濟狀況及預期信貸虧損之間的相關性的評估是一項重要的估計。預期信貸虧損的金額對環境的變化和預測經濟狀況較為敏感。本集團的歷史信貸虧損經驗和對經濟狀況的預測也可能無法代表客戶未來的違約情況。有關本集團貿易應收款項的預期信貸虧損資料於附註36披露。

5. Critical Accounting Estimates and Judgements

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

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

Provision for expected credit losses of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for grouping of various customers that have similar loss patterns (i.e., by customer type etc).

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default are adjusted. At the end of each reporting period, the historical observed default rates are updated and changes in forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customers' default in the future. The information about the ECLs on the Group's trade receivables is disclosed in Note 36.



5. 重要會計估計及判斷(續)

存貨之估計撥備

當有事件或情況改變顯示結餘可能無法變現，本集團即將其存貨撇減至可變現淨值。識別過時存貨需使用判斷和估計。當估計與原有金額有差異，該差異將影響該估計改變期間存貨的賬面值及可變現淨值。管理層評估該等存貨的可變現淨值，並認為於各報告期末存貨減值的撥備乃屬足夠及合理。

無形資產的可使用年期

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

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

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

5. Critical Accounting Estimates and Judgements (Continued)

Estimated provision for inventories

The Group writes down its inventories to net realisable value when events or changes in circumstances indicate that the balances may not be realised. The identification of obsolescence requires the use of judgement and estimates. Where the estimate is different from the original amount, such difference will impact the carrying value of inventories and net realisable value for the periods in which such estimate is changed. Management assesses the net realisable value of the inventories and considers that the provision for inventories impairment is adequate and reasonable at the end of each reporting period.

Useful lives of intangible assets

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

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

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

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



5. 重要會計估計及判斷(續)

當期所得稅及遞延稅項

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

商譽減值

釐定商譽是否減值需要評估獲分配商譽的現金產生單位的在用價值。計算在用價值需要本集團估計預期源自現金產生單位的未來現金流量及合適的折現率以計算現值。當實際未來現金流量低於預期，則可能出現重大減值虧損。於二零一八年十二月三十一日，商譽賬面值為6,825,000美元。可收回金額計算詳情於附註18披露。

無形資產減值

無形資產的減值虧損乃就賬面值超出其可收回金額的數額確認。可收回金額為公平值減售出成本及在用價值的較高者，乃參考於截至報告期末現有最佳資料釐定。倘本集團管理層改變評估減值的假設(包括現金流量預測中採用的折現率或經營及增長率假設)，或會對減值測試所用淨現值構成重大影響，因而影響本集團的財務狀況及財務表現。於二零一八年十二月三十一日，無形資產賬面值為25,810,000美元(附註17)。

5. Critical Accounting Estimates and Judgements (Continued)

Current income tax and deferred tax

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

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the CGUs to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, a material impairment loss may arise. As at 31 December 2018, the carrying amount of goodwill is US\$6,825,000. Details of the recoverable amount calculation are disclosed in Note 18.

Impairment of intangible assets

Impairment losses for intangible assets are recognised for the amount by which the carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value less costs of disposal and value in use, are determined with reference to the best information available at the end of the reporting period. Changing the assumptions selected by the Group's management in assessing impairment, including the discount rates or the operating and growth rate assumptions in the cash flow projections, could materially affect the net present value used in the impairment test and as a result affect the Group's financial position and financial performance. As at 31 December 2018, the carrying amount of intangible assets is US\$25,810,000 (Note 17).



5. 重要會計估計及判斷(續)

或然代價的公平值

本集團根據附註30及36所披露對相關藥品未來表現結果的預計以及收購協議的條款釐定有關購入無形資產或然代價的公平值。或然代價的公平值將於未來表現結果與此前預測不相符時向上或向下調整，因此，或然代價公平值的變動會影響本集團的財務狀況及財務表現。

衍生金融工具的公平值

本集團根據對收購公司未來表現的預計以及收購協議的條款釐定有關認沽期權的公平值。認沽期權的公平值將於未來表現與此前預測不相符時向上或向下調整，因此，認沽期權公平值的變動會影響本集團的財務狀況及財務表現。

6. 收入及其他收入

本集團於年內的收入及其他收入的分析如下：

5. Critical Accounting Estimates and Judgements (Continued)

Fair value of contingent consideration

The Group determines the fair value of contingent consideration of purchase of intangible assets as disclosed in Notes 30 and 36 based on the forecast of future performance results of the related pharmaceutical product and terms of acquisition agreement. The fair value of contingent consideration will be revised upward or downward where future performance results are different from previous forecast and as a result, the change of fair value of contingent consideration will affect the Group's financial position and financial performance.

Fair value of derivative financial instrument

The Group determines the fair value of put option based on the forecast of future performance of acquired company and terms of acquisition agreement. The fair value of put option will be revised upward or downward where future performance are different from previous forecast and as a result, the change of fair value of put option affect the Group's financial position and financial performance.

6. Revenue and Other Income

An analysis of the Group's revenue and other income for the years are as follows:

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
銷售貨品的收入	Revenue from sales of goods	56,872	89,484
其他收入	Other income		
銀行利息	Bank interest income	466	595
政府補助金	Government grants	567	203
其他	Others	1,199	472
		2,232	1,270

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

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

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



7. 分部資料

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

本集團根據國際財務報告準則第8號的須予呈報及經營分部如下：

- 醫藥：開發、生產及銷售主要用於風濕及皮膚科領域的專科藥品及其他藥品
- 醫療美容產品：銷售醫療美容產品
- 健康產品：開發、生產及銷售健康產品

以下為本集團按須予呈報及經營分部劃分的持續經營所產生的收入及業績分析。

截至二零一八年十二月三十一日止年度

		醫藥 Pharmaceuticals 千美元 US\$'000	醫療美容產品 Medical cosmetic products 千美元 US\$'000	健康產品 Healthcare products 千美元 US\$'000	總計 Total 千美元 US\$'000
須予呈報分部收入	Reportable segment revenue	48,055	2,338	6,479	56,872
須予呈報分部溢利／ (虧損)	Reportable segment profit/ (loss)	12,710	(166)	617	13,161

截至二零一七年十二月三十一日止年度

		醫藥 Pharmaceuticals 千美元 US\$'000	醫療美容產品 Medical cosmetic products 千美元 US\$'000	健康產品 Healthcare products 千美元 US\$'000	總計 Total 千美元 US\$'000
須予呈報分部收入	Reportable segment revenue	68,229	13,196	8,059	89,484
須予呈報分部溢利	Reportable segment profit	19,699	1,003	314	21,016

上文所呈報分部收入指來自外在客戶所得的收入。本年度及過往年度並無分部間銷售。

7. Segment Information

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

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

- Pharmaceuticals: development, production and sale of specialty pharmaceuticals mainly used in the field of rheumatology and dermatology and other pharmaceuticals
- Medical cosmetic products: sale of medical cosmetic products
- Healthcare products: development, production and sale of healthcare products

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

For the year ended 31 December 2018

		醫藥 Pharmaceuticals 千美元 US\$'000	醫療美容產品 Medical cosmetic products 千美元 US\$'000	健康產品 Healthcare products 千美元 US\$'000	總計 Total 千美元 US\$'000
須予呈報分部收入	Reportable segment revenue	48,055	2,338	6,479	56,872
須予呈報分部溢利／ (虧損)	Reportable segment profit/ (loss)	12,710	(166)	617	13,161

For the year ended 31 December 2017

		醫藥 Pharmaceuticals 千美元 US\$'000	醫療美容產品 Medical cosmetic products 千美元 US\$'000	健康產品 Healthcare products 千美元 US\$'000	總計 Total 千美元 US\$'000
須予呈報分部收入	Reportable segment revenue	68,229	13,196	8,059	89,484
須予呈報分部溢利	Reportable segment profit	19,699	1,003	314	21,016

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the current year and prior year.

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



7. 分部資料(續)

本集團經營分部業績的總額與綜合財務報表呈報的本集團主要財務數據的對賬如下：

7. Segment Information (Continued)

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

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
溢利或虧損	Profit or loss		
須予呈報分部溢利總額	Total of results of reportable segment profit	13,161	21,016
應佔聯營公司的除稅後業績	Share of post-tax result of associates	877	1,295
其他非經營性收入及開支	Other non-operating income and expenses	5,904	10,874
其他未分配收入	Other income not allocated	2,332	1,270
未分配開支	Expenses not allocated	(15,907)	(13,394)
財務成本	Finance costs	(4,277)	(4,016)
除所得稅前溢利	Profit before income tax	2,090	17,045

經營分部的會計政策與附註4所述本集團的會計政策一致。須予呈報分部溢利／(虧損)指各分部的毛利／(毛虧)減銷售及分銷開支，乃向主要營運決策人匯報作資源分配及表現評估用途的計量方法。

沒有外部客戶的銷售佔本集團於截至二零一八年十二月三十一日止年度之收入之10%或以上。收入約9,112,000美元來自向一個外部客戶銷售醫藥，該銷售佔本集團於截至二零一七年十二月三十一日止年度之收入之10%或以上。

本集團已實際上應用國際財務報告準則第15號，並無披露原定預計年期為一年或以下之合約之餘下履約責任。

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

No external customer contributed 10% or more of the Group's revenue for the year ended 31 December 2018. Revenue of approximately US\$9,112,000 was derived from sales of pharmaceuticals segment to an external customer, which contributed 10% or more of the Group's revenue for the year ended 31 December 2017.

The Group has applied the practical expedient in IFRS 15 not to disclose the remaining performance obligations under the contracts that has an original expected duration of one year or less.

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018

7. 分部資料(續)

在下表中，與客戶合約所得收益按主要地區市場及收入確認時點分類：

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
主要地區市場	Primary geographical markets		
中國(常駐)	The PRC (domicile)	53,329	83,065
海外	Overseas	3,543	6,419
		56,872	89,484
收入確認之時點	Timing of revenue recognition		
在特定時間點	At a point in time	56,872	89,484

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

於兩個年度，本集團的所有非流動資產幾乎均位於中國。

由於並無定期向主要營運決策人提供分部資產或分部負債資料，故並無呈列有關資料。

7. Segment Information (Continued)

In the following table, revenue from contracts with customers is disaggregated by primary geographical market and timing of revenue recognition:

	二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
主要地區市場		
中國(常駐)	53,329	83,065
海外	3,543	6,419
	56,872	89,484
收入確認之時點		
在特定時間點	56,872	89,484

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

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

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

8. 其他非經營性收入及開支

8. Other Non-Operating Income and Expenses

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
無形資產減值撥備(附註17)	Provision for impairment of intangible assets (Note 17)	(468)	(1,821)
無形資產撇銷(附註17)	Write off of intangible assets (Note 17)	(744)	(655)
出售一間聯營公司部分權益的收益(扣除稅項)(附註(a))	Gain on partial disposal of an associate, net of tax (Note (a))	5,066	15,422
出售一間聯營公司部份權益的退稅款(附註(b))	Tax refund in relation to a partial disposal of an associate (Note (b))	2,050	—
水災保險索賠	Insurance claims for flood	—	2,565
銀杏葉產品的相關賠償	Ginkgo products related compensation	—	(4,637)
		5,904	10,874

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



8. 其他非經營性收入及開支

附註：

- (a) 於二零一七年三月十五日，本集團於上海證券交易所透過市場大宗交易出售合共4,175,000股浙江司太立製藥股份有限公司（「司太立」）股份，價格為每股人民幣（「人民幣」）43.11元，產生出售部分權益的收益（扣除稅項）15,422,000美元。於出售部分權益後，本集團於司太立的股權由二零一六年十二月三十一日的16.1%降低至二零一七年十二月三十一日的12.6%。

於二零一八年六月六日，本集團於上海證券交易所透過市場大宗交易進一步出售合共2,400,000股司太立股份，價格為每股人民幣27.22元，產生出售部分權益的收益（扣除稅項）5,066,000美元。於出售部分權益後，本集團於司太立的股權進一步由二零一七年十二月三十一日的12.6%降低至二零一八年十二月三十一日的10.6%。

- (b) 如上所述，於二零一七年，本集團已就第一次出售部分司太立權益已付的稅款提出退稅申請。截止二零一八年十二月三十一日止年度，本集團已達到退稅要求並已收到退稅款人民幣13,597,000元（相等於2,050,000美元）。因此該退稅款於「其他非經營性收入及開支」中確認。

8. Other Non-Operating Income and Expenses

Notes:

- (a) On 15 March 2017, the Group had disposed of a total of 4,175,000 shares in Zhejiang Starry Pharmaceutical Co., Ltd. ("Starry") via on-market block trade sales on the Shanghai Stock Exchange, at the price of Renminbi ("RMB") 43.11 per share and resulting in a gain on partial disposal, net of tax of US\$15,422,000. After the partial disposal, the Group's equity interest in Starry has been reduced from 16.1% as at 31 December 2016 to 12.6% as at 31 December 2017.

On 6 June 2018, the Group had further disposed of a total of 2,400,000 shares in Starry via on-market block trade sales on the Shanghai Stock Exchange, at the price of RMB27.22 per share and resulting in a gain on partial disposal, net of tax of US\$5,066,000. After the partial disposal, the Group's equity interest in Starry has been further reduced from 12.6% as at 31 December 2017 to 10.6% as at 31 December 2018.

- (b) In 2017, the Group had applied for refund of the tax paid in relation to the first partial disposal of shares in Starry as explained above. During the year ended 31 December 2018, the Group had fulfilled the relevant requirements of refund and received tax refund amounting to RMB13,597,000 (equivalent to approximately US\$2,050,000). The tax refund is therefore recognised under "Other non-operating income and expenses".

9. 財務成本

9. Finance Costs

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
銀行借款利息	Interest on bank borrowings	4,118	3,908
應付同系附屬公司的相互擔保佣金費用(附註35(d))	Cross guarantee commission fee payable to a fellow subsidiary (Note 35(d))	98	49
或然代價折現(附註30)	Unwinding of discount on contingent consideration (Note 30)	61	59
		4,277	4,016

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



10. 除所得稅前溢利

本集團的除所得稅前溢利乃經扣除／(計入)下列各項得出：

10. Profit before Income Tax

The Group's profit before income tax has been arrived at after charging/(crediting):

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
核數師酬金	Auditors' remuneration		
— 核數服務	— Audit services	275	301
— 非核數服務	— Non-audit services	131	55
確認為開支的存貨成本	Cost of inventories recognised as expenses	15,578	26,233
物業、廠房及設備折舊	Depreciation of property, plant and equipment	3,096	3,056
無形資產減值撥備(附註17)	Provision for impairment of intangible assets (Note 17)	468	1,821
物業、廠房及設備減值撥備	Provision for impairment of property, plant and equipment	154	—
陳舊存貨減值撥備	Provision for impairment of obsolete inventories	1,955	610
金融資產的預期信貸虧損	Expected credit loss on financial assets	105	—
匯兌虧損／(收益)淨額	Net exchange loss/(gain)	179	(457)
土地及樓宇的經營租賃開支	Operating lease charges in respect of land and building	636	583
研發成本	Research and development costs	610	441
出售物業、廠房及設備的虧損	Losses on disposals of property, plant and equipment	72	37
存貨撇銷	Write off of inventories	170	465
無形資產撇銷(附註17)	Write off of intangible assets (Note 17)	744	655
金融資產撇銷	Write off of financial assets	1,159	—
貿易應收款項減值撥備	Provision for impairment of trade receivables	—	1,218
其他應收款項減值撥備	Provision for impairment of other receivables	—	277
預付土地租賃款項攤銷	Amortisation of prepaid land lease payment	59	58
無形資產攤銷(計入行政開支)	Amortisation of intangible assets (included in administrative expenses)	583	574
員工成本(包括董事薪酬(附註11))	Employee costs (including directors' remuneration (Note 11))		
— 工資及薪金	— Wages and salaries	12,372	13,718
— 定額供款計劃	— Defined contribution plan	2,095	2,599
		14,467	16,317

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



11. 董事和五名最高薪人士的薪酬

董事薪酬

已付或應付予本公司董事的薪酬總額如下：

11. Emoluments of Directors and Five Highest Paid Individuals

Directors' emoluments

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

		其他薪酬				總計
		袍金	薪金、津貼 和實物福利	酌情獎金	退休福利 計劃供款	
		Fees	Salaries, allowances and benefits in kind	Discretionary bonus	Retirement benefit plans contributions	Total
		千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	千美元 US\$'000	千美元 US\$'000
截至二零一八年十二月三十一日止年度	Year ended 31 December 2018					
常務執行董事：	Executive managing director:					
陳力(於二零一八年三月一日獲委任)	Chen Li (appointed on 1 March 2018)	—	368	121	13	502
執行董事：	Executive directors:					
劉幫民(於二零一八年一月三十一日辭任)	Liu Bang Min (resigned on 31 January 2018)	—	17	—	1	18
侯淞(於二零一八年十月二十日辭任)	Hou Song (resigned on 20 October 2018)	—	130	55	2	187
非執行董事：	Non-executive directors:					
吳鎮濤	Wu Zhen Tao	—	—	—	—	—
Stephen Burnau Hunt	Stephen Burnau Hunt	38	—	—	—	38
李晉頤	Lee Jin Yi	—	—	—	—	—
劉雪姿	Liu Xuezi	—	—	—	—	—
獨立非執行董事：	Independent non-executive directors:					
陳記煊	Chan Kee Huen, Michael	35	—	—	—	35
鄧昭平	Tang Chiu Ping, Raymond	35	—	—	—	35
Fritz Heinrich Horlacher	Fritz Heinrich Horlacher	32	—	—	—	32
楊德斌(於二零一八年十月六日獲委任)	Yeung Tak Bun, Allen (appointed on 6 October 2018)	8	—	—	—	8
		148	515	176	16	855

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018

11. 董事和五名最高薪人士的薪酬 (續)

董事薪酬 (續)

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

Directors' emoluments (Continued)

		其他薪酬 Other emoluments				總計 Total
		袍金 Fees 千美元 US\$'000	薪金、津貼 和實物福利 Salaries, allowances and benefits in kind 千美元 US\$'000	酌情獎金 Discretionary bonus 千美元 US\$'000	退休福利 計劃供款 Retirement benefit plans contributions 千美元 US\$'000	
截至二零一七年 十二月三十一日止年度	Year ended 31 December 2017					
常務執行董事：	Executive managing director:					
陳力 (於二零一八年 三月一日獲委任)	Chen Li (appointed on 1 March 2018)	—	—	—	—	—
執行董事：	Executive directors:					
劉幫民 (於二零一八年 一月三十一日辭任)	Liu Bang Min (resigned on 31 January 2018)	—	196	—	15	211
侯淞	Hou Song	—	137	110	2	249
非執行董事：	Non-executive directors:					
吳鎮濤 (於二零一七年 三月三十日獲委任)	Wu Zhen Tao (appointed on 30 March 2017)	—	—	—	—	—
Stephen Burnau Hunt	Stephen Burnau Hunt	38	—	—	—	38
李晉頤	Lee Jin Yi	—	—	—	—	—
湯軍 (於二零一七年 三月三十日辭任)	Tang Jun (resigned on 30 March 2017)	—	—	—	—	—
劉雪姿	Liu Xuezi	—	—	—	—	—
獨立非執行董事：	Independent non-executive directors:					
陳記煊	Chan Kee Huen, Michael	35	—	—	—	35
鄧昭平	Tang Chiu Ping, Raymond	35	—	—	—	35
Fritz Heinrich Horlacher	Fritz Heinrich Horlacher	33	—	—	—	33
		141	333	110	17	601

概無董事放棄或同意放棄截至二零一八年及二零一七年十二月三十一日止年度任何酬金的安排。

截至二零一八年及二零一七年十二月三十一日止年度，本集團概未向任何董事或任何五名最高薪人士支付任何酬金，作為加入本集團或加入本集團後的獎勵。

There was no arrangement under which a director waived or agreed to waive any emoluments for the years ended 31 December 2018 and 2017.

During the years ended 31 December 2018 and 2017, no emolument was paid by the Group to the directors or any of the five highest paid individuals as an inducement to join or upon joining the Group.

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



11. 董事和五名最高薪人士的薪酬 (續)

五名最高薪人士

五名最高薪人士包括本公司兩名董事(二零一七年：兩名)，彼等酬金詳情於上文所示分析內反映。餘下三名(二零一七年：三名)最高薪人士的薪酬詳情如下：

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

Five highest paid individuals

The five highest paid individuals consisted of two (2017: two) directors of the Company, details of whose emoluments are reflected in the analysis presented above. Details of emoluments of the remaining three (2017: three) highest paid individuals were as follows:

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
薪金、津貼和實物福利	Salaries, allowances and benefits in kind	253	272
酌情獎金	Discretionary bonus	177	431
退休福利計劃供款	Retirement benefit plans contributions	41	40
總計	Total	471	743

支付予上述各非董事人士的薪酬介乎以下範疇：

The emoluments paid to each of the above non-director individuals were within the following band:

		二零一八年 2018 人數 No of individuals	二零一七年 2017 人數 No of individuals
零至1,000,000港元(「港元」)	Nil – Hong Kong Dollars (“HK\$”) 1,000,000	2	—
1,000,001港元至1,500,000港元	HK\$1,000,001 to HK\$1,500,000	—	—
1,500,001港元至2,000,000港元	HK\$1,500,001 to HK\$2,000,000	1	2
2,000,001港元至2,500,000港元	HK\$2,000,001 to HK\$2,500,000	—	1

12. 所得稅開支

12. Income Tax Expense

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
當期稅項	Current tax		
— 年度稅項	— tax for the year	1,599	1,592
— 過往年度超額撥備	— over provision in respect of prior years	(205)	(202)
遞延稅項(附註27)	Deferred tax (Note 27)	1,394 536	1,390 26
所得稅開支	Income tax expense	1,930	1,416

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018

12. 所得稅開支(續)

應課稅溢利稅項已按本集團經營所在稅務司法權區的適用稅率計算。

香港利得稅乃按照年內估計應課稅溢利依稅率16.5% (二零一七年：16.5%)計算。於二零一八年三月二十一日，香港立法會通過《2017年稅務(修訂)(第7號)條例草案》(「條例草案」)，該條例草案引入兩級利得稅率體制。該條例草案於二零一八年三月二十八日獲簽署成為法律，並於翌日於憲報上刊登。

根據兩級利得稅率體制，合資格企業將就首2,000,000港元溢利按8.25%的稅率繳納稅項，並將按16.5%的稅率繳納2,000,000港元以上溢利之稅項。不符合兩級利得稅率體制的企業溢利將繼續按16.5%的稅率納稅。年度兩級利得稅率體制適用於本集團。

根據中國企業所得稅法(「企業所得稅法」)及其實施細則，中國附屬公司的稅率為25% (二零一七年：25%)。

本集團一間附屬公司已獲認證為中國高新科技企業，享有15%的優惠企業所得稅率(二零一七年：15%)。

年內所得稅開支與綜合損益及其他全面收益表所示除所得稅前溢利的對賬如下：

12. Income Tax Expense (Continued)

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

Hong Kong profits tax is calculated at 16.5% (2017: 16.5%) on the estimated assessable profits for the year. On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day.

Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of qualifying corporations will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5%. The profits of corporations not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. The two-tiered profits tax rates regime was applicable to the Group for the year.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% (2017: 25%).

A subsidiary of the Group has been certified as new high technology enterprise in the PRC and enjoyed a preferential enterprise income tax rate of 15% (2017: 15%).

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

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
除所得稅前溢利	Profit before income tax	2,090	17,045
按適用於有關司法權區的溢利稅率計算的稅項	Tax on profit at the rates applicable to the jurisdictions concerned	256	2,466
不可扣稅開支的稅務影響	Tax effect on non-deductible expenses	3,846	1,893
毋須課稅收入的稅務影響	Tax effect of non-taxable income	(2,884)	(2,879)
應佔聯營公司除稅後業績的稅務影響	Tax effect of share of post-tax result of associates	(278)	(286)
過往年度超額撥備	Over provision in respect of prior years	(205)	(202)
未確認稅率虧損	Tax effect of tax losses not recognised	500	656
其他	Others	695	(232)
所得稅開支	Income tax expense	1,930	1,416

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



13. 股息

13. Dividends

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
年內確認為分派的股息：	Dividends recognised as distribution during the year:		
二零一八年中中期股息 — 每股2.90港仙(每股約0.37美仙)	2018 interim dividend — HK2.90 cents per share (approximately US0.37 cents per share)	1,534	—
二零一七年末期股息 — 每股3.58港仙(每股約0.46美仙)	2017 final dividend — HK3.58 cents per share (approximately US0.46 cents per share)	1,909	—
二零一七年中中期股息 — 每股4.17港仙(每股約0.53美仙)	2017 interim dividend — HK4.17 cents per share (approximately US0.53 cents per share)	—	2,217
特別股息 — 每股14.94港仙 (每股約1.91美仙)	Special dividend — HK14.94 cents per share (approximately US1.91 cents per share)	—	7,942
二零一六年末期股息 — 每股3.66港仙(每股約0.47美仙)	2016 final dividend — HK3.66 cents per share (approximately US0.47 cents per share)	—	1,959
		3,443	12,118

於報告期末後，董事建議派付截至二零一八年十二月三十一日止年度的末期股息每股3.58港仙(每股相當於約0.46美仙)，總計14,823,000港元(相當於約1,893,000美元)(二零一七年：截至二零一七年十二月三十一日止年度的末期股息為每股3.58港仙(每股約0.46美仙))，惟須待股東於應屆股東大會批准後，方可作實。建議末期股息於報告期末尚未確認為負債。

Subsequent to the end of the reporting period, a final dividend of HK3.58 cents per share (approximately US0.46 cents per share), totally amounting to HK\$14,823,000 (equivalent to approximately US\$1,893,000) in respect of the year ended 31 December 2018 (2017: final dividend of HK3.58 cents per share (equivalent to approximately US0.46 cents per share) in respect of the year ended 31 December 2017) has been proposed by the directors and is subject to approval by the shareholders in the forthcoming general meeting. The proposed final dividends have not been recognised as a liability at the end of the reporting period.

14. 每股盈利

每股基本盈利按本公司擁有人應佔綜合溢利160,000美元(二零一七年：15,629,000美元)及調整於年內本公司所持庫存股份後的加權平均普通股414,999,454股(二零一七年：415,000,000股)計算。

本集團於年內及上一年度並無潛在攤薄股份。

14. Earnings per Share

The calculation of the basic earnings per share is based on the consolidated profit attributable to owners of the Company of US\$160,000 (2017: US\$15,629,000) and the weighted average number of ordinary shares of 414,999,454 (2017: 415,000,000), after adjusting the treasury shares held by the Company, outstanding during the year.

The Group had no potential dilutive shares during the year and prior year.

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



15. 物業、廠房及設備

15. Property, Plant and Equipment

		樓宇及廠房 Building and plant 千美元 US\$'000	機器 Machineries 千美元 US\$'000	汽車 Motor vehicles 千美元 US\$'000	傢具及設備 Furniture and equipment 千美元 US\$'000	在建工程 Construction in progress 千美元 US\$'000	總計 Total 千美元 US\$'000
於二零一七年一月一日	At 1 January 2017						
成本	Cost	26,703	14,026	829	2,754	13	44,325
累計折舊	Accumulated depreciation	(5,443)	(5,558)	(582)	(1,835)	—	(13,418)
賬面淨值	Net carrying amount	21,260	8,468	247	919	13	30,907
截至二零一七年 十二月三十一日止年度	Year ended 31 December 2017						
年初賬面淨值	Opening net carrying amount	21,260	8,468	247	919	13	30,907
匯兌調整	Exchange adjustment	1,279	525	12	48	1	1,865
添置	Additions	—	1,732	64	408	—	2,204
折舊	Depreciation	(1,043)	(1,417)	(65)	(531)	—	(3,056)
處置	Disposals	(5)	(368)	(51)	(64)	—	(488)
轉入／(出)	Transfer in/(out)	—	14	—	—	(14)	—
年末賬面淨值	Closing net carrying amount	21,491	8,954	207	780	—	31,432
於二零一七年 十二月三十一日	At 31 December 2017						
成本	Cost	28,328	15,769	686	3,047	—	47,830
累計折舊	Accumulated depreciation	(6,837)	(6,815)	(479)	(2,267)	—	(16,398)
賬面淨值	Net carrying amount	21,491	8,954	207	780	—	31,432
截至二零一八年 十二月三十一日止年度	Year ended 31 December 2018						
年初賬面淨值	Opening net carrying amount	21,491	8,954	207	780	—	31,432
匯兌調整	Exchange adjustment	(1,013)	(508)	(10)	(28)	—	(1,559)
添置	Additions	579	778	75	310	—	1,742
收購一間附屬公司	Acquisition of a subsidiary	—	3	—	34	—	37
折舊	Depreciation	(1,058)	(1,429)	(53)	(556)	—	(3,096)
減值	Impairment	—	(154)	—	—	—	(154)
處置	Disposals	—	(110)	(20)	(10)	—	(140)
年末賬面淨值	Closing net carrying amount	19,999	7,534	199	530	—	28,262
於二零一八年 十二月三十一日	At 31 December 2018						
成本	Cost	27,473	15,161	531	3,096	—	46,261
累計折舊及減值	Accumulated depreciation and impairment	(7,474)	(7,627)	(332)	(2,566)	—	(17,999)
賬面淨值	Net carrying amount	19,999	7,534	199	530	—	28,262

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



16. 預付土地租賃款項

16. Prepaid Land Lease Payment

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
期初賬面淨值	Opening net carrying amount	2,079	2,015
年內攤銷	Amortisation for the year	(59)	(58)
匯兌調整	Exchange adjustment	(99)	122
期末賬面淨值	Closing net carrying amount	1,921	2,079
賬面總值	Gross carrying amount	2,577	2,707
累計攤銷	Accumulated amortisation	(656)	(628)
賬面淨值	Net carrying amount	1,921	2,079
對賬：	Reconciliation:		
計入流動資產的流動部分	Current portion included in current assets	52	55
計入非流動資產的非流動部分	Non-current portion included in non-current assets	1,869	2,024
賬面淨值	Net carrying amount	1,921	2,079

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018

17. 無形資產

17. Intangible Assets

		獨家分銷權	技術專業知識	開發成本	具無限使用 年期的技術 專業知識 Indefinite- lived technical know-how	許可證	總計
		Exclusive distribution rights 千美元 US\$'000 (附註(a)) (Note (a))	Technical know-how 千美元 US\$'000 (附註(b)) (Note (b))	Development costs 千美元 US\$'000 (附註(c)) (Note (c))	千美元 US\$'000 (附註(d)) (Note (d))	License 千美元 US\$'000 (附註(e)) (Note (e))	Total 千美元 US\$'000
於二零一七年一月一日	At 1 January 2017						
成本	Cost	288	6,007	12,081	9,078	—	27,454
累計攤銷	Accumulated amortisation	(86)	(2,911)	(115)	—	—	(3,112)
賬面淨值	Net carrying amount	202	3,096	11,966	9,078	—	24,342
截至二零一七年 十二月三十一日 止年度	Year ended 31 December 2017						
年初賬面淨值	Opening net carrying amount	202	3,096	11,966	9,078	—	24,342
匯兌調整	Exchange adjustment	12	170	720	—	—	902
添置	Additions	—	—	1,862	—	—	1,862
攤銷	Amortisation	(30)	(544)	—	—	—	(574)
減值	Impairment	—	—	(1,821)	—	—	(1,821)
撤銷	Write off	—	(101)	(554)	—	—	(655)
年末賬面淨值	Closing net carrying amount	184	2,621	12,173	9,078	—	24,056
於二零一七年 十二月三十一日	At 31 December 2017						
成本	Cost	306	6,274	12,296	9,078	—	27,954
累計攤銷	Accumulated amortisation	(122)	(3,653)	(123)	—	—	(3,898)
賬面淨值	Net carrying amount	184	2,621	12,173	9,078	—	24,056
截至二零一八年 十二月三十一日 止年度	Year ended 31 December 2018						
年初賬面淨值	Opening net carrying amount	184	2,621	12,173	9,078	—	24,056
匯兌調整	Exchange adjustment	(8)	(107)	(649)	—	—	(764)
添置	Additions	—	—	3,179	—	—	3,179
收購一間附屬公司 (附註33)	Acquisition of a subsidiary (Note 33)	—	—	—	—	1,134	1,134
攤銷	Amortisation	(30)	(553)	—	—	—	(583)
減值	Impairment	—	—	(468)	—	—	(468)
撤銷	Write off	—	—	(744)	—	—	(744)
年末賬面淨值	Closing net carrying amount	146	1,961	13,491	9,078	1,134	25,810
於二零一八年 十二月三十一日	At 31 December 2018						
成本	Cost	291	5,973	14,061	9,078	1,134	30,537
累計攤銷	Accumulated amortisation	(145)	(4,012)	(570)	—	—	(4,727)
賬面淨值	Net carrying amount	146	1,961	13,491	9,078	1,134	25,810

**17. 無形資產(續)**

截至二零一八年十二月三十一日止年度，本集團決定終止若干正在進行的研發項目，主要是由於原料藥成本不斷攀升所致。撇銷744,000美元(二零一七年：655,000美元)已確認為其他非經營性收入及開支(附註8)一部分(計入損益)，以將無形資產的賬面值撇減至可收回金額。

可使用年期無限的無形資產的可收回金額以在用價值計算法釐定。該計算法使用基於獲管理層批准未來五年期的財務預算的現金流量預測以17%的稅前折現率(二零一七年：介乎13%至17%)。超過五年期的現金流量採用增長率0%預測，此增長率乃根據醫藥行業增長預測而定。在用價值計算法的其他主要假設乃關於現金流入／流出的估計，當中包括預算銷售及毛利率。有關估計乃基於該單位過往表現以及管理層對市場發展的預期。管理層相信，任何此等假設可能出現的合理變動將不會導致總賬面值超過其可收回總額。

截至二零一八年十二月三十一日止年度，可使用年期無限的無形資產減值撥備為468,000美元(二零一七年：1,821,000美元)，並已確認為其他非經營性收入及開支(附註8)一部分(計入損益)，以將無形資產的賬面值減值至可收回金額。

17. Intangible Assets (Continued)

For the year ended 31 December 2018, the Group decided to terminate several research and development projects which were under development, mainly due to the surging bulk pharmaceutical costs. Write off of US\$744,000 (2017: US\$655,000) was recognised as part of other non-operating income and expenses (Note 8) included in profit or loss to write down the carrying amount of the intangible assets to its recoverable amount.

The recoverable amount of intangible assets with indefinite useful lives has been determined based on value in use calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a five-year period, and pre-tax discount rate of 17% (2017: ranged from 13% to 17%). The growth rate used to extrapolate the cash flows beyond the five-year period is 0% which is based on pharmaceutical industry growth forecast. Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted sales and gross margin, such estimation is based on the unit's past performance and management's expectations for the market development. Management believes that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount to exceed the aggregate recoverable amount.

During the year ended 31 December 2018, provision for impairment of intangible assets with indefinite useful lives of US\$468,000 (2017: US\$1,821,000) was recognised as part of other non-operating income and expenses (Note 8) included in profit or loss to impair the carrying amount of the intangible assets with indefinite useful lives to its recoverable amount.

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



17. 無形資產(續)

附註：

- (a) 於二零一三年十二月，本集團與一名供應商訂立獨家協議，以取得一種藥品在中國為期10年的分銷權。此分銷權將按直線基準按10年年期(即自二零一四年一月一日開始的分銷權期間)攤銷。
- (b) 技術專業知識主要指就開發及生產若干藥品而收購的技術及配方。

自二零一一年七月一日起，有關口腔崩解片的技術專業知識人民幣40,993,000元按直線基準按十一年年期攤銷。

於二零一三年，本公司之全資附屬公司寧波立華製藥有限公司(「寧波立華」)與CIH的間接附屬公司天津市隆佰生物工程科技有限公司(「隆佰」)訂立藥品技術轉讓協議(「協議」)。根據協議，寧波立華同意以現金代價2,279,000美元(相當於約人民幣14,800,000元)向隆佰收購米索前列醇開發項目。米索前列醇開發項目包括專有技能、相關材料和技術、知識產權、專利、許可證和執照及若干配套設備(「米索前列醇開發項目」)。代價將在多個里程碑付款時由寧波立華以現金支付予隆佰。截至二零一五年十二月三十一日止年度，寧波立華已支付719,170美元(相當於約人民幣4,670,000元)。於二零一六年九月十二日，寧波立華作為索償人向隆佰提出法律訴訟。於該訴訟中，寧波立華指稱隆佰無法指導寧波立華根據協議生產合格樣品。故寧波立華追討已支付人民幣4,670,000元的里程碑付款。於二零一七年四月十四日，寧波市鄞州區人民法院判決隆佰須向寧波立華返還里程碑付款人民幣4,670,000元。於報告期末後，寧波立華收到就相關訴訟的人民幣3,394,000。

- (c) 開發成本主要指製藥技術當中內部產生的知識產權(「知識產權」)。

董事認為該等知識產權具無限使用年期，原因在於醫藥業的知識產權預期可提供現金流量的期間並無可見限制。此等知識產權可於一段時間以極低成本重續，而產品亦可繼續應市。

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

17. Intangible Assets (Continued)

Notes:

- (a) In December 2013, the Group entered into an exclusive agreement with a supplier to secure the distribution rights of 10 years for one pharmaceutical product in the PRC. This exclusive right will be amortised on a straight-line basis over 10 years, being the period of the distribution rights, starting from 1 January 2014.
- (b) Technical know-how mainly represents techniques and formulae acquired for the development and production of certain pharmaceutical products.

With effect from 1 July 2011, technical know-how in relation to the oral disintegrating tablets amounting to RMB40,993,000 had been amortised on a straight-line basis over 11 years.

In 2013, Ningbo Liwah Pharmaceutical Company Limited ("Ningbo Liwah"), a wholly-owned subsidiary of the Company, entered into a pharmaceutical technology transfer agreement (the "Agreement") with Tianjin Longbai Biological Engineering and Technology Company Limited ("Longbai"), an indirect subsidiary of CIH. Pursuant to the Agreement, Ningbo Liwah agreed to acquire from Longbai the misoprostol development project for a cash consideration of US\$2,279,000 (equivalent to approximately RMB14,800,000). The misoprostol development project comprised the know-how and related materials and technology, intellectual properties, patent, permit(s) and license(s), and certain supporting equipment ("Misoprostol Development project"). The consideration is paid by Ningbo Liwah to Longbai in cash in several milestone payments. Up to the year ended 31 December 2015, Ningbo Liwah had paid US\$719,170 (equivalent to approximately RMB4,670,000). On 12 September 2016, Ningbo Liwah, as claimant, had initiated legal proceedings against Longbai. In this litigation, Ningbo Liwah alleged that Longbai was unable to guide Ningbo Liwah to produce qualified samples according to the Agreement. Ningbo Liwah is therefore seeking the return of the milestone payment of RMB4,670,000 that had been paid. On 14 April 2017, Yinzhou District People's Court in Ningbo City judged that Longbai has to return the milestone payment of RMB4,670,000 to Ningbo Liwah. Subsequent to the end of the reporting period, an amount of RMB3,394,000 was received as the settlement of the litigation.

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

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

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

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



17. 無形資產(續)

附註：(續)

- (d) 具無限使用年期的技術專業知識指不會終止的永久免專利費許可。

於二零一四年三月二十八日，本公司的間接全資附屬公司朗生藥業(香港)有限公司(「朗生藥業」)與Novartis AG和Novartis Pharma AG(統稱「諾華」)訂立資產購買協議，據此諾華同意向朗生藥業轉讓受讓資產(包括與醫藥產品相關的技術、書籍及記錄、特定商標、商業信息及醫療信息)；及(ii)訂立許可協議，以便發出關於醫藥產品在國內(即中國(不包括香港、澳門及台灣))的許可，總現金代價為8,000,000美元首期付款，加總額最高為1,500,000美元的額外里程碑付款(與朗生藥業取得的銷售額掛鉤)(「或然代價」)。或然代價於報告期末之賬面值為1,234,000美元(二零一七年：1,276,000美元)，並已計入綜合財務狀況表內的其他金融負債。有關或然代價的進一步詳情載於附註30。

該醫藥產品包含特定的活性藥物成分，是以新適確得商標在國內推廣及銷售的一款乳膏，主要用於治療某些糖皮質類固醇反應性的炎性皮膚病的繼發感染。

- (e) 許可證主要指本年度透過收購一間附屬公司所收購之醫療許可證。有關收購一間附屬公司的進一步詳情載於附註33。

董事認為該許可證具無限使用年期，原因在於醫療美容業的許可證預期可提供現金流量的期間並無可見限制。

18. 商譽

本集團收購寧波立華及朗生醫藥(深圳)有限公司(「深圳朗生」)。該等交易以收購會計法入賬。

本集團於每個財政年度年末就商譽進行年度減值測試，倘有跡象顯示商譽可能減值，將更頻密地進行減值測試。

17. Intangible Assets (Continued)

Notes: (Continued)

- (d) Indefinite-lived technical know-how represents a perpetual royalty-free licence with no termination.

On 28 March 2014, Lansen Medicine (Hong Kong) Limited ("LMHK"), an indirect wholly-owned subsidiary of the Company, entered into (i) the asset purchase agreement with Novartis AG and Novartis Pharma AG (collectively known as "Novartis") pursuant to which Novartis agrees to transfer to LMHK the transferred assets (including know-how, books and records, specified trademarks, commercial information and medical information relating to the pharmaceutical product), and (ii) the licence agreement to grant the licences, relating to the pharmaceutical product in the territory (i.e. the PRC, excludes Hong Kong, Macau and Taiwan) for a total cash consideration comprising an upfront payment of US\$8,000,000, plus additional milestone payments of a total maximum US\$1,500,000, linked to sales achieved by LMHK (the "contingent consideration"). The carrying value of the contingent consideration at the end of the reporting period was US\$1,234,000 (2017: US\$1,276,000) and has been included under other financial liabilities in the consolidated statement of financial position. Further details of contingent consideration are set out in Note 30.

The pharmaceutical product contains specific active pharmaceutical ingredients and it is marketed and sold as a cream under trademark Sicorten Plus in the territory. It will primarily be used to treat certain corticosteroid-responsive inflammatory skin diseases secondary infection.

- (e) License mainly represents medical license acquired through the acquisition of a subsidiary during the year. Further details of the acquisition are set out in Note 33.

The directors consider that this license has indefinite useful lives as there is no foreseeable limit on the period of time over which the license in medical cosmetic industry is expected to provide cash flows.

18. Goodwill

	二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
賬面值 Carrying amount	6,825	6,824

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

The Group tests goodwill annually for impairment at each financial year end, or more frequently if there are indications that goodwill might be impaired.

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



18. 商譽(續)

就減值測試而言，商譽及有關專科藥品的開發成本已分配至一個現金產生單位，包括主要業務為製造及買賣專科藥品的附屬公司，其獲納入類至經營分部的「醫藥」。

上述現金產生單位可收回金額的基準及其主要相關假設概述如下：

該現金產生單位的可收回金額以在用價值計算法釐定。該計算法使用基於獲管理層批准未來五年期的財務預算的現金流量預測以及17%的稅前折現率(二零一七年：17%)。超過五年期的現金流量採用增長率0%預測，此增長率乃根據醫藥行業增長預測而定。在用價值計算法的其他主要假設乃關於現金流入／流出的估計，當中包括預算銷售及毛利率。有關估計乃基於該單位過往表現以及管理層對市場發展的預期。管理層相信，任何此等假設可能出現的合理變動將不會導致總賬面值超過其可收回總額。

於二零一八年，本集團收購北京依儷薩醫療美容診所有限公司(「北京依儷薩」)(前稱北京嘉和尚億醫療美容診所有限公司)。該交易以收購會計法入賬。因收購產生的商譽賬面值約1,000美元。有關收購一間附屬公司的進一步詳情載於附註33。

截至二零一八年十二月三十一日止年度，本集團管理層決定，任何包含商譽的現金產生單位並無減值(二零一七年：零)。

19. 於聯營公司之權益

18. Goodwill (Continued)

For the purpose of impairment testing, goodwill and development costs related to specialty pharmaceuticals have been allocated to one CGU, including subsidiaries with principal activities of manufacturing and trading of specialty pharmaceuticals which is including in the “Pharmaceuticals” under operating segment.

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

The recoverable amount of this CGU has been determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a five-year period, and pre-tax discount rate of 17% (2017: 17%). The growth rate used to extrapolate the cash flows beyond the five-year period is 0% which is based on pharmaceutical industry growth forecast. Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted sales and gross margin, such estimation is based on the unit's past performance and management's expectations for the market development. Management believes that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount to exceed the aggregate recoverable amount.

In 2018, the Group acquired Beijing Eliza Medical and Beauty Clinic Company Limited (“Beijing Eliza”) (formerly known as Beijing Jiahe Shangyi Medical and Beauty Clinic Company Limited). This transaction has been accounted for by the acquisition method of accounting. The carrying amount of goodwill arising from the acquisition amounting to approximately US\$1,000. Further details of the acquisition are set out in Note 33.

During the year ended 31 December 2018, management of the Group determines that there are no impairments of any of its CGU containing goodwill (2017: Nil).

19. Interests in Associates

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
應佔資產淨值	Share of net assets	17,136	20,690
商譽	Goodwill	13,002	14,727
		30,138	35,417

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



19. 於聯營公司之權益(續)

有關本集團於截至報告日期止的聯營公司詳情如下：

19. Interests in Associates (Continued)

Details of the Group's associates at the end of the reporting date is as follows:

名稱	註冊成立地點 及營業地點 Place of incorporation and operation	主要 經營地點 Principal place of business	本集團所持擁有權權益及 投票權的比例 Proportion of ownership interest and voting power held by the Group		主要業務
Name			二零一八年 2018	二零一七年 2017	Principal activity
司太立	中國	中國	10.6%*	12.6%*	生產及買賣原料藥 和 intermediates
Starry	The PRC	The PRC			Production and trading of bulk pharmaceuticals and intermediates
萃健控股有限公司(「萃健」)	英屬處女群島 (「英屬處女 群島」)	中國	30.0%	30.0%	生產及買賣植物提取及 保健產品
Natural Dailyhealth Holdings Limited (「Natural Dailyhealth」)	The British Virgin Islands (The "BVI")	The PRC			Production and trading of plant extract and healthcare products

* 儘管本集團於司太立擁有權權益少於20%，本公司董事認為，由於司太立的其中一名董事為本集團附屬公司的董事，故彼等仍有權對司太立行使重大的影響，因此，將於司太立的權益分類為聯營公司權益。

* Although the Group's ownership interest in Starry is less than 20%, the directors of the Company consider that they still have the power to exercise significant influence on Starry as one of the directors of Starry is the director of the Group's subsidiaries, and therefore have classified the interest in Starry as an associate.

上述聯營公司乃採用權益法於本集團之綜合財務報表入賬。

The above associates were accounted for using the equity method in the Group's consolidated financial statements.

司太立已於二零一六年三月九日成功在上海證券交易所首次公開發售。於截至二零一八年及二零一七年十二月三十一日止年度內，本集團分別出售司太立2%及3.48%股權(附註8(a)及(b))。於二零一八年十二月三十一日，本集團所持的司太立權益的公平值約為49,103,000美元(二零一七年：67,233,000美元)。

Starry successfully launched an initial public offering on the Shanghai Stock Exchange on 9 March 2016. During the years ended 31 December 2018 and 2017, the Group disposed of 2% and 3.48% equity interest in Starry, respectively (Note 8(a) and (b)). The fair value of the interests in Starry held by the Group was approximately US\$49,103,000 as at 31 December 2018 (2017: US\$67,233,000).

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



19. 於聯營公司之權益(續)

於二零一八年十二月三十一日，本集團於司太立持有的市場價值為11,531,000美元(二零一七年：13,292,000美元)3,000,000股股份(二零一七年：3,000,000股股份)及本集團於司太立持有的市場價值為29,212,000美元(二零一七年：31,014,000美元)7,600,000股股份(二零一七年：7,000,000股股份)已質押予銀行以分別為本集團之銀行借款及銀行融資(附註26)及一間同系附屬公司之銀行借款(附註35(d))作抵押。於二零一八年十二月三十一日，賬面值為4,371,000美元(二零一七年：5,663,000美元)及11,656,000美元(二零一七年：14,539,000美元)之銀行借款已分別由本集團及該同系附屬公司提取。

- i) 本集團重要聯營公司的財務資料概要載列如下：

司太立

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
於十二月三十一日	As at 31 December		
流動資產	Current assets	141,215	120,073
非流動資產	Non-current assets	306,038	188,055
流動負債	Current liabilities	(183,788)	(96,740)
非流動負債	Non-current liabilities	(128,623)	(77,869)
資產淨值	Net assets	134,842	133,519
截至十二月三十一日止年度	Year ended 31 December		
收入	Revenue	134,232	105,445
年度溢利	Profit for the year	14,496	12,328
年度其他全面收益	Other comprehensive income for the year	(18)	—
年度全面收益總額	Total comprehensive income for the year	14,478	12,328
年度自聯營公司收取的股息	Dividends received from the associate during the year	122	225

19. Interests in Associates (Continued)

As at 31 December 2018, 3,000,000 shares (2017: 3,000,000 shares) in Starry held by the Group with market values of US\$11,531,000 (2017: US\$13,292,000) and 7,600,000 shares (2017: 7,000,000 shares) in Starry held by the Group with market value of US\$29,212,000 (2017: US\$31,014,000) have been pledged to banks to secure bank borrowings and banking facilities of the Group (Note 26) and bank borrowings of a fellow subsidiary (Note 35(d)) respectively. As at 31 December 2018, the bank borrowings with the carrying amounts of US\$4,371,000 (2017: US\$5,663,000) and US\$11,656,000 (2017: US\$14,539,000) were drawn down by the Group and the fellow subsidiary, respectively.

- i) Summarised financial information of the Group's material associate is set out below:

Starry

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
於十二月三十一日	As at 31 December		
流動資產	Current assets	141,215	120,073
非流動資產	Non-current assets	306,038	188,055
流動負債	Current liabilities	(183,788)	(96,740)
非流動負債	Non-current liabilities	(128,623)	(77,869)
資產淨值	Net assets	134,842	133,519
截至十二月三十一日止年度	Year ended 31 December		
收入	Revenue	134,232	105,445
年度溢利	Profit for the year	14,496	12,328
年度其他全面收益	Other comprehensive income for the year	(18)	—
年度全面收益總額	Total comprehensive income for the year	14,478	12,328
年度自聯營公司收取的股息	Dividends received from the associate during the year	122	225

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



19. 於聯營公司之權益(續)

- i) 本集團重要聯營公司的財務資料概要載列如下：(續)

司太立(續)

以上概述的財務資料與綜合財務報表所確認於聯營公司的權益賬面值的對賬：

19. Interests in Associates (Continued)

- i) Summarised financial information of the Group's material associate is set out below: (Continued)

Starry (Continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in an associate recognised in the consolidated financial statements:

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
資產淨值	Net assets	134,842	133,519
減：非控制性權益	Less: Non-controlling interests	4,651	2,335
司太立擁有人應佔權益	Equity attributable to owners of Starry	130,191	131,184
本集團於司太立的擁有權權益比例	Proportion of the Group's ownership interest in Starry	10.6%	12.6%
		13,800	16,529
商譽	Goodwill	8,746	10,256
於收購時公平值調整的影響	Effect of fair value adjustments at acquisition	1,273	1,337
其他調整	Other adjustments	135	42
本集團於司太立的權益賬面值	Carrying amount of the Group's interest in Starry	23,954	28,164

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018

19. 於聯營公司之權益(續)

- ii) 非重大聯營公司的財務資料概要載列如下：

萃健

19. Interests in Associates (Continued)

- ii) Summarised financial information of the immaterial associate is set out below:

Natural Dailyhealth

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
於十二月三十一日 綜合財務報表中的賬面值	As at 31 December Carrying amount in the consolidated financial statements	6,184	7,253
		截至 二零一八年 十二月三十一日 止年度 Year ended 31 December 2018	截至 二零一七年 十二月三十一日 止年度 Year ended 31 December 2017
集團應佔萃健金額	Amount of the Group's share of Natural Dailyhealth		
— 應佔虧損	— Share of loss	(768)	(481)
— 應佔其他全面收益	— Share of other comprehensive income	—	—
— 應佔全面收益總額	— Share of total comprehensive income	(768)	(481)

20. 存貨

20. Inventories

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
原材料	Raw materials	1,529	1,518
在製品	Work-in-progress	990	2,815
製成品	Finished goods	9,446	8,726
		11,965	13,059

於截至二零一八年十二月三十一日止年度內，已就原材料及製成品的賬面值作出2,558,000美元(二零一七年：862,000美元)的撥備。

During the year ended 31 December 2018, provision of US\$2,558,000 (2017: US\$862,000) against the carrying value of raw materials and finished goods were made.

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



21. 貿易及其他應收款項

21. Trade and Other Receivables

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
貿易應收款項	Trade receivables	24,977	43,425
減：貿易應收款項虧損撥備	Less: loss allowance on trade receivables	(1,139)	(1,723)
		23,838	41,702
應收票據	Bills receivables	13,624	7,372
貿易應收款項及應收票據	Trade and bills receivables	37,462	49,074
預付款項及其他應收款項	Prepayments and other receivables	16,598	14,923
		54,060	63,997

董事認為，貿易及其他應收款項的賬面值與其公平值相若。

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

本集團的政策是向其客戶提供平均90日(二零一七年：90日)的信貸期。

The Group has a policy of allowing an average credit period of 90 days to its customers (2017: 90 days).

本集團並無就該等結餘持有任何抵押品。

The Group does not hold any collateral over these balances.

根據發票日期，於報告期末，本集團的貿易應收款項及應收票據(扣除虧損撥備)賬齡分析如下：

Based on the invoice date, the ageing analysis of the trade and bills receivables (net of loss allowance) of the Group as at the end of the reporting period is as follows:

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
90日或以下	90 days or below	27,367	32,407
91至180日	91-180 days	5,327	5,581
181至365日	181-365 days	4,138	3,900
超過365日	Over 365 days	630	7,186
		37,462	49,074

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



21. 貿易及其他應收款項(續)

於截至二零一八年及二零一七年十二月三十一日止年度內，本集團向金融機構貼現其具完全追索權的部分應收票據。倘應收票據欠款，本集團有義務向金融機構支付拖欠款項。利息按每年從金融機構收取的所得款項3.5%至5.0%（二零一七年：4.1%至4.2%）計息，直至應收票據支付日期止。因此，本集團面臨貼現票據信貸虧損及延遲付款的風險。

由於本集團保留貼現應收票據的絕大部分風險及回報，故貼現交易並不符合國際財務報告準則第9號終止確認金融資產的規定。於二零一八年十二月三十一日，應收票據10,932,000美元（二零一七年：2,755,000美元）繼續於本集團綜合財務報表獲確認，儘管其已合法轉讓予金融機構。貼現交易的所得款項已作為資產擔保融資（附註26）計入借款內，直至已收取應收票據或本集團償付金融機構的所有虧損。於二零一八年十二月三十一日，與貼現票據相關的資產擔保融資負債為10,932,000美元（二零一七年：2,755,000美元）。

由於應收票據已合法轉讓予金融機構，故本集團無權釐定應收票據的處置。

於二零一七年十二月三十一日，賬面值為3,497,000美元的若干應收票據已抵押以取得本集團之銀行借款（附註26）。相關負債的賬面值為7,000,000美元。

22. 向一間聯營公司的貸款

該款項為無抵押、免息且須按要求償還。董事認為此結餘的賬面值與其公平值相若。

過渡至國際財務報告準則第9號後，於二零一八年一月一日分別作出338,000美元期初調整，以確認向一間聯營公司的貸款的額外預期信貸虧損（附註3.1(ii)）。截止二零一八年十二月三十一日止年度虧損撥備減少93,000美元（扣除匯兌調整）。

21. Trade and Other Receivables (Continued)

During the years ended 31 December 2018 and 2017, the Group discounted part of its bills receivables with full recourse to financial institutions. In the event of default by the bills receivables, the Group was obliged to pay the financial institutions the amount in default. Interest was charged at a range from 3.5% to 5.0% (2017: a range from 4.1% to 4.2%) per annum on the proceeds received from the financial institutions until the date the bills receivables pay. The Group was therefore exposed to the risks of credit losses and late payment in respect of the discounted bills.

The discounting transactions did not meet the requirements in IFRS 9 for de-recognition of financial assets as the Group retains substantially all of the risks and rewards of ownership of the discounted bills receivables. At 31 December 2018, bills receivables of US\$10,932,000 (2017: US\$2,755,000) continued to be recognised in the Group's consolidated financial statements even though they have been legally transferred to the financial institutions. The proceeds of the discounting transactions were included in borrowings as asset-backed financing (Note 26) until the bills receivables are collected or the Group settles any losses suffered by the financial institutions. At 31 December 2018, the asset-backed financing liability related to the discounted bills amounted to US\$10,932,000 (2017: US\$2,755,000).

Because the bills receivables have been transferred to the financial institutions legally, the Group did not have the authority to determine the disposition of the bills receivables.

As at 31 December 2017, certain bills receivables with carrying amount of US\$3,497,000 were pledged to secure the Group's bank borrowings (Note 26). The carrying amount of the associated liability was US\$7,000,000.

22. Loan to an Associate

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

Upon the transition to IFRS 9, an opening adjustment of US\$338,000 as at 1 January 2018 was made to recognise additional ECLs on loan to an associate (Note 3.1(ii)). The loss allowance decreased by US\$93,000 (net of exchange realignment) during the year ended 31 December 2018.

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



23. 已抵押銀行存款／現金及現金等價物

23. Pledged Bank Deposits/Cash and Cash Equivalents

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
現金及銀行結餘	Cash and bank balances	33,578	41,522
減：已抵押銀行存款	Less: pledged bank deposits	(22,014)	(32,631)
現金及現金等價物	Cash and cash equivalents	11,564	8,891

現金及銀行結餘包括銀行及手頭現金以及原到期日在三個月或以下的短期銀行存款。銀行現金根據每日銀行存款利率按浮動利率計息。短期定期存款存入銀行並按市場利率賺取利息。

Cash and bank balances comprise cash at banks and in hand, and short-term bank deposits with an original maturity of three months or less. Cash at banks earn interest at floating rates based on daily bank deposits rates. Short-term time deposits are placed with banks and earn interest at market interest rates.

於二零一八年及二零一七年十二月三十一日的已抵押銀行存款指本集團為取得本集團若干銀行融資及銀行借款(附註26)及一間同系附屬公司之銀行借款(附註35(d))而抵押的銀行存款。

Pledged bank deposits represent the Group's bank deposits pledged to secure certain banking facilities and bank borrowings of the Group (Note 26) and bank borrowings of a fellow subsidiary (Note 35(d)) as at 31 December 2018 and 2017.

於二零一八年十二月三十一日，本集團的現金及銀行結餘包括25,382,000美元(二零一七年：41,094,000美元)的銀行結餘，該結餘以人民幣計值及存於中國的銀行。人民幣並非為自由兌換的貨幣。

As at 31 December 2018, included in cash and bank balances of the Group was US\$25,382,000 (2017: US\$41,094,000) of bank balances denominated in RMB placed with banks in the PRC. RMB is not a freely convertible currency.

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



24. 股本

24. Share Capital

		股份數目 Number of shares	金額 Amount 千美元 US\$'000
股本：	Share capital:		
法定：	Authorised:		
於二零一七年一月一日、	At 1 January 2017,		
二零一七年十二月三十一日及	31 December 2017 and		
二零一八年十二月三十一日	31 December 2018	20,000,000,000	200,000
已發行及繳足：	Issued and fully paid:		
於二零一七年一月一日、	At 1 January 2017,		
二零一七年十二月三十一日及	31 December 2017 and		
二零一八年十二月三十一日	31 December 2018	415,000,000	4,150
庫存股份：	Treasury shares:		
於二零一七年一月一日及	At 1 January 2017 and		
二零一七年十二月三十一日	31 December 2017	—	—
股份回購	Share repurchase	25,000	3
於二零一八年十二月三十一日	At 31 December 2018	25,000	3

25. 儲備

本集團

股份溢價指超過已配發股份面值的差額。

外匯儲備指換算外國附屬公司財務報表的匯兌差額。

法定儲備指按照中國有關法例規定，將中國附屬公司的溢利分配至不可分派儲備金賬。

截至二零一八年十二月三十一日止年度，本公司於聯交所總代價23,000港元（相當於約3,000美元）回購25,000股本公司普通股（附註24）。

25. Reserves

Group

The share premium represents the excess over the nominal value for shares allotted.

The foreign exchange reserve represents exchange differences arising from the translation of the financial statements of foreign subsidiaries.

The statutory reserve represents appropriation of profits of the PRC subsidiaries to non-distributable reserve fund account as required by the relevant PRC statute.

Treasury shares represent the repurchase of the Company's own shares. During the year ended 31 December 2018, the Company repurchased 25,000 shares of its own ordinary shares on the Stock Exchange at an aggregate consideration of HK\$23,000 (equivalent to approximately US\$3,000) (Note 24).

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



25. 儲備(續)

本集團(續)

於報告期末後，本公司進一步於聯交所以總代價941,000港元(相當於約120,000美元)回購933,000股本公司普通股。

全部回購股份已於報告期末後註銷。

本公司

25. Reserves (Continued)

Group (Continued)

Subsequent to the end of the reporting period, the Company further repurchased 933,000 shares of its own ordinary shares on the Stock Exchange at an aggregate consideration of HK\$941,000 (equivalent to approximately US\$120,000).

All repurchased shares have been cancelled by the Company subsequent to the end of the reporting period.

Company

		股份溢價	庫存股份	(累計虧損)/ 保留溢利 (Accumulated losses)/ Retained profits	總計
		Share premium 千美元 US\$'000	Treasury shares 千美元 US\$'000	千美元 US\$'000	Total 千美元 US\$'000
於二零一七年一月一日	At 1 January 2017	18,945	—	(5,197)	13,748
股息(附註13)	Dividends (Note 13)	—	—	(12,118)	(12,118)
年度溢利	Profit for the year	—	—	18,460	18,460
年度其他全面收益	Other comprehensive income for the year	—	—	—	—
年度全面收益總額	Total comprehensive income for the year	—	—	18,460	18,460
於二零一七年 十二月三十一日	At 31 December 2017	18,945	—	1,145	20,090
股息(附註13)	Dividends (Note 13)	—	—	(3,443)	(3,443)
年度溢利	Profit for the year	—	—	11,038	11,038
年度其他全面收益	Other comprehensive income for the year	—	—	—	—
年度全面收益總額	Total comprehensive income for the year	—	—	11,038	11,038
股份回購	Share repurchase	—	(3)	—	(3)
於二零一八年 十二月三十一日	At 31 December 2018	18,945	(3)	8,740	27,682

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



26. 借款

26. Borrowings

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
定息銀行借款	Fixed-rate bank borrowings	46,274	45,420
浮息銀行借款	Variable-rate bank borrowings	30,018	50,960
資產擔保融資(附註21)	Asset-backed financing (Note 21)	10,932	2,755
		87,224	99,135
有抵押	Secured	45,303	58,578
無抵押	Unsecured	41,921	40,557
		87,224	99,135
		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
銀行借款	Bank borrowings	76,292	96,380
於一年內到期的資產擔保融資	Asset-backed financing due within one year	10,932	2,755
		87,224	99,135

於二零一八年及二零一七年十二月三十一日，若干銀行融資須待與本集團若干財務狀況比率相關的契諾獲履行後方可作實，有關安排於金融機構的借款安排中屬常見。倘本集團違反契諾，已提取的融資須按要求償還。

本集團定期監控有關契諾迄今的遵守情況，按照定期貸款的償還時間表還款。本集團認為只要本集團繼續符合該等規定，銀行不大可能行使其酌情權要求還款。於二零一八年及二零一七年十二月三十一日，並無違反已提取融資的相關契諾。

As at 31 December 2018 and 2017, certain banking facilities are subject to the fulfillment of covenants relating to certain financial position ratios of the Group, as are commonly found in lending arrangements with financial institutions. If the Group breaches the covenants, the drawn down facilities would become repayable on demand.

The Group regularly monitors its compliance with these covenants, up to date, makes repayments in accordance with the repayment schedule of the term loans. The Group does not consider it is probable that the bank will exercise its discretion to demand repayment for as long as the Group continues to meet these requirements. As at 31 December 2018 and 2017, none of the covenants relating to drawn down facilities had been breached.

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



26. 借款(續)

銀行借款的賬面值以下列貨幣計值：

26. Borrowings (Continued)

The carrying amounts of bank borrowings are denominated in the following currencies:

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
以下各項表示：	Represented by:		
人民幣借款	Borrowings in RMB	55,763	46,983
美元借款	Borrowings in US\$	30,000	50,160
港元借款	Borrowings in HK\$	1,461	1,992
		87,224	99,135
		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
實際年利率：	Effective interest rate per annum:		
銀行借款	Bank borrowings	4.71%	3.86%

本集團擁有已抵押銀行存款22,014,000美元及市值為11,531,000美元的司太立已上市股份(二零一七年：抵押銀行存款32,631,000美元，應收票據3,497,000美元及市值為13,292,000美元的司太立已上市股份)作為本集團銀行融資及銀行借款的擔保。

無抵押銀行借款41,921,000美元(二零一七年：40,557,000美元)由本公司或本集團若干附屬公司擔保。

資產擔保融資指不符合國際財務報告準則第9號終止確認規定的保理交易所獲得的融資款項。對應金融資產計入貿易及其他應收款項(附註21)。該等借款於一年內到期，並以人民幣計值。

The Group had pledged bank deposits of US\$22,014,000 and Starry's listed equity shares with market values of US\$11,531,000 (2017: pledged bank deposits of US\$32,631,000, bills receivables of US\$3,497,000 and Starry's listed equity shares with market value of US\$13,292,000) to secure the banking facilities and bank borrowings of the Group.

The unsecured bank borrowings of US\$41,921,000 (2017: US\$40,557,000) were guaranteed by the Company or certain subsidiaries of the Group.

The asset-backed financing represented the amount of financing obtained in factoring transactions which did not meet the de-recognition requirements in IFRS 9. The corresponding financial assets were included in trade and other receivables (Note 21). These borrowings mature within one year and are repayable in RMB.

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



26. 借款(續)

融資活動產生之負債對賬如下：

26. Borrowings (Continued)

Reconciliation of liabilities arising from financing activities:

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
於一月一日	At 1 January	99,135	105,098
現金流量變動：	Changes from cash flows:		
借款所得之款項	Proceeds from borrowings	113,029	118,628
償還借款之款項	Repayment of borrowings	(122,295)	(127,683)
		(9,266)	(9,055)
匯兌調整	Exchange adjustment	(2,645)	3,092
於十二月三十一日	At 31 December	87,224	99,135

27. 遞延稅項負債

27. Deferred Tax Liabilities

		未分派盈利的 中國預扣稅 PRC withholding tax on undistributed earnings 千美元 US\$'000	遞延開發成本 Deferred development costs 千美元 US\$'000	其他 Others 千美元 US\$'000	總計 Total 千美元 US\$'000
於二零一七年一月一日	At 1 January 2017	181	1,674	21	1,876
匯兌調整	Exchange adjustment	—	98	—	98
於損益扣除(附註12)	Charged to profit or loss (Note 12)	—	(147)	173	26
於二零一七年十二月三十一日	At 31 December 2017	181	1,625	194	2,000
於二零一八年一月一日	At 1 January 2018	181	1,625	194	2,000
匯兌調整	Exchange adjustment	—	(91)	—	(91)
於損益扣除(附註12)	Charged to profit or loss (Note 12)	—	367	169	536
於二零一八年十二月三十一日	At 31 December 2018	181	1,901	363	2,445

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



27. 遞延稅項負債(續)

根據中國企業所得稅法，自二零零八年一月一日起，就中國附屬公司所賺取溢利而宣派的股息須繳納預扣稅。綜合財務報表內並未就中國附屬公司的51,668,000美元(二零一七年：61,729,000美元)累計溢利所產生的暫時差額作出遞延稅項撥備，原因在於本集團可控制暫時差額的撥回時間，且該等暫時差額可能不會於可預見將來撥回。

因為稅項虧損在一段時間內一直在虧損的附屬公司出現，以及因為未來利潤不可預測的情況下，因此尚未對相關稅項虧損於合併財務報表列認為遞延稅收資產。本集團於中國附屬公司產生的未動用稅項虧損約為6,302,000美元(二零一七年：4,302,000美元)。稅項虧損可從虧損發生年起結轉5年。

27. Deferred Tax Liabilities (Continued)

Under the EIT Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by the PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries amounting to US\$51,668,000 (2017: US\$61,729,000) as the Group is able to control the timing of the reversal of the temporary differences, it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax asset in respect of tax losses has not been recognised in these consolidated financial statements as they have arisen in subsidiaries that have been loss-making for some time and the unpredictability of future profits. The Group has unused tax losses of approximately US\$6,302,000 (2017: US\$4,302,000) incurred by the subsidiaries in the PRC, which can be carried forward for 5 years from the year in which the losses were incurred.

28. 貿易及其他應付款項

28. Trade and Other Payables

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
貿易應付款項	Trade payables	4,209	4,980
應付票據	Bills payables	10,739	2,755
其他應付款項及應計款項	Other payables and accruals	6,539	14,484
		21,487	22,219

根據發票日期，於報告期末，本集團的貿易應付款項賬齡分析如下：

Based on invoice date, the ageing analysis of the trade payables of the Group as at the end of the reporting period is as follows:

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
90日或以下	90 days or below	2,591	3,871
91至180日	91-180 days	762	274
181至365日	181-365 days	32	75
超過365日	Over 365 days	824	760
		4,209	4,980

董事認為，貿易及其他應付款項的賬面值與其公平值相若。

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

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



29. 合約負債

29. Contract Liabilities

	二零一八年 十二月三十一日 31 December 2018 千美元 US\$'000	二零一八年 一月一日 1 January 2018 千美元 US\$'000	二零一七年 十二月三十一日 31 December 2017 千美元 US\$'000
以下項目產生的合約負債： 商品銷售	Contract liabilities arising from: Sale of goods	560	583

合約負債變動

Movements in contract liabilities

	二零一八年 2018 千美元 US\$'000
於一月一日的結餘	Balance as at 1 January
因年內確認收益而導致年初計入合約負債 的合約負債減少	Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year
因收取收益而導致的合約負債增加	Increase in contract liabilities as a result of receiving revenue
匯兌調整	Exchange adjustment
於十二月三十一日的結餘	Balance at 31 December

附註：本集團初步應用國際財務報告準則第15號利用累計影響法，並對二零一八年一月一日的期初結餘作出調整。採用國際財務報告準則第15號後，先前列作「貿易及其他應付款項」(附註28)的款項已重新分類至「合約負債」(附註29)。

Note: The Group has initially applied IFRS 15 using the cumulative effect method and adjusted the opening balance at 1 January 2018. Upon the adoption of IFRS 15, amounts previously included as "Trade and other payables" (Note 28) have been reclassified to "Contract liabilities" (Note 29).

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



30. 其他金融負債

30. Other Financial Liabilities

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
於一月一日	At 1 January	1,276	1,226
其他金融負債的公平值收益	Fair value gain on other financial liabilities	(100)	—
於損益扣除的或然代價折現 (附註9)	Unwinding of discount on contingent consideration charged to profit or loss (Note 9)	61	59
匯兌調整	Exchange adjustment	(3)	(9)
於十二月三十一日	At 31 December	1,234	1,276

誠如附註17(d)所述，於二零一四年三月二十八日，本集團與諾華達成協議，以收購醫藥產品。該交易的總現金代價包括8,000,000美元的首期付款，另加最高總額為1,500,000美元的里程碑付款（該款項將與本集團其後取得的銷售額掛鉤）。

本集團根據此或然代價安排可能須支付的全部未來付款的潛在未貼現金額介乎0美元至1,500,000美元。

As discussed in Note 17(d), the Group reached an agreement with Novartis to acquire a pharmaceutical product on 28 March 2014. The total cash consideration of the transaction comprised an upfront payment of US\$8,000,000, plus additional milestone payments of a total maximum amount of US\$1,500,000, which would be linked to the sales amount achieved by the Group subsequently.

The potential undiscounted amount of all future payments that the Group could be required to make under this contingent consideration arrangement is between US\$0 and US\$1,500,000.

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



31. 控股公司財務狀況表

31. Holding Company Statement of Financial Position

		附註 Notes	二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
資產	ASSETS			
非流動資產	Non-current assets			
於附屬公司的權益	Interest in a subsidiary		25,020	25,020
流動資產	Current assets			
應收附屬公司款項	Amount due from a subsidiary		31,740	49,699
已抵押銀行存款	Pledged bank deposits		5,054	—
現金及現金等價物	Cash and cash equivalents		630	99
			37,424	49,798
總資產	Total assets		62,444	74,818
權益及負債	EQUITY AND LIABILITIES			
資本及儲備	Capital and reserves			
本公司擁有人應佔權益	Equity attributable to owners of the Company			
股本	Share capital	24	4,150	4,150
股份溢價	Share premium	25	18,945	18,945
庫存股份	Treasury shares	25	(3)	—
保留溢利	Retained profits	25	8,740	1,145
總權益	Total equity		31,832	24,240
流動負債	Current liabilities			
借款	Borrowings		30,000	50,160
應計款項	Accruals		612	418
總負債	Total liabilities		30,612	50,578
總權益及負債	Total equity and liabilities		62,444	74,818
流動資產／(負債)淨值	Net current assets/(liabilities)		6,812	(780)
總資產減流動負債	Total assets less current liabilities		31,832	24,240

代表董事會

On behalf of the directors

董事
Director
陳力
CHEN Li

董事
Director
劉雪姿
LIU Xuezi

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



32. 本公司附屬公司詳情

附屬公司的一般資料

本公司附屬公司於報告期末的詳情如下：

32. Particulars of Subsidiaries of the Company

General information of the subsidiaries

Details of the Company's subsidiaries at the end of the reporting period are set out follows:

名稱 Name	註冊成立／ 成立國家／地點	主要營業地點	已註冊／ 發行股本詳情	本集團所持擁有權權益及 投票權的比例		主要業務
	Country/Place of incorporation/ establishment	Principal place of business	Particulars of registered/issued share capital	Proportion of ownership interest and voting power held by the Group		
				二零一八年 2018	二零一七年 2017	
直接持有權益						
Interests held directly						
朗生醫藥控股有限公司	英屬處女群島	香港	29,491,360股每股面值 1美元的普通股	100%	100%	投資控股
Lansen Pharmaceutical Holdings Limited	The “BVI”	Hong Kong	29,491,360 ordinary shares of US\$1 each	100%	100%	Investment holding
間接持有權益						
Interests held indirectly						
Brilliant Manufacture Limited	英屬處女群島	香港	1股面值1美元的普通股	100%	100%	投資控股
Brilliant Manufacture Limited	The BVI	Hong Kong	1 ordinary share of US\$1	100%	100%	Investment holding
Flash Universal Limited	英屬處女群島	香港	1股面值1美元的普通股	100%	100%	投資控股
Flash Universal Limited	The BVI	Hong Kong	1 ordinary share of US\$1	100%	100%	Investment holding
Horizon Network Limited	英屬處女群島	香港	1股面值1美元的普通股	100%	100%	投資控股
Horizon Network Limited	The BVI	Hong Kong	1 ordinary share of US\$1	100%	100%	Investment holding
Magnificent Worldwide Limited	英屬處女群島	香港	1股面值1美元的普通股	100%	100%	投資控股
Magnificent Worldwide Limited	The BVI	Hong Kong	1 ordinary share of US\$1	100%	100%	Investment holding
Beauty Sparkle Holdings Limited	英屬處女群島	香港	1股面值1美元的普通股	100%	100%	投資控股
Beauty Sparkle Holdings Limited	The BVI	Hong Kong	1 ordinary share of US\$1	100%	100%	Investment holding
豐勤有限公司	香港	香港	1股面值1港元的普通股	100%	100%	投資控股
Full Keen Limited	Hong Kong	Hong Kong	1 ordinary share of HK\$1	100%	100%	Investment holding
朗生投資(香港)有限公司	香港	香港	100股面值100港元的普 通股	100%	100%	投資控股
Lansen Investments (Hong Kong) Limited	Hong Kong	Hong Kong	100 ordinary shares of HK\$100	100%	100%	Investment holding
朗生醫藥(香港)有限公司	香港	香港	1股面值1港元的普通股	100%	100%	投資控股
Lansen Pharmaceutical (Hong Kong) Limited	Hong Kong	Hong Kong	1 ordinary share of HK\$1	100%	100%	Investment holding

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



32. 本公司附屬公司詳情(續)

附屬公司的一般資料(續)

32. Particulars of Subsidiaries of the Company (Continued)

General information of the subsidiaries (Continued)

名稱 Name	註冊成立／ 成立國家／地點	主要營業地點	已註冊／ 發行股本詳情	本集團所持擁有權權益及 投票權的比例		主要業務
	Country/Place of incorporation/ establishment	Principal place of business	Particulars of registered/issued share capital	Proportion of ownership interest and voting power held by the Group		
				二零一八年 2018	二零一七年 2017	
間接持有權益 Interests held indirectly						
立華植物提取(香港)有限公司 Liwah Plant Extract (Hong Kong) Limited	香港 Hong Kong	香港 Hong Kong	1股面值1港元的普通股 1 ordinary share of HK\$1	100% 100%	100% 100%	投資控股 Investment holding
萊丰國際有限公司 Point Kin International Limited	香港 Hong Kong	香港 Hong Kong	1股面值1港元的普通股 1 ordinary share of HK\$1	100% 100%	100% 100%	投資控股 Investment holding
朗生藥業 LMHK	香港 Hong Kong	香港 Hong Kong	1股面值1港元的普通股 1 ordinary share of HK\$1	100% 100%	100% 100%	醫藥業務 Pharmaceutical business
安美聯繫有限公司 Perfection Link Limited	香港 Hong Kong	香港 Hong Kong	1股面值1港元的普通股 1 ordinary share of HK\$1	100% 100%	100% 100%	投資控股 Investment holding
深圳朗生 Shenzhen Lansen [#]	中國(附註(a)) The PRC (Note (a))	中國 The PRC	人民幣29,498,000元 RMB29,498,000	100% 100%	100% 100%	醫藥業務 Pharmaceutical business
寧波立華 Ningbo Liwah [#]	中國(附註(b)) The PRC (Note (b))	中國 The PRC	人民幣236,000,000元 RMB236,000,000	100% 100%	100% 100%	醫藥業務 Pharmaceutical business
寧波立華植物提取技術有限公司 Ningbo Liwah Plant Extraction Technology Limited [#]	中國(附註(b)) The PRC (Note (b))	中國 The PRC	人民幣28,000,000元 RMB28,000,000	100% 100%	100% 100%	醫藥業務 Pharmaceutical business
寧波朗生醫藥有限公司 Ningbo Lansen Pharmaceutical Company Limited [#]	中國(附註(c)) The PRC (Note (c))	中國 The PRC	人民幣35,000,000元 RMB35,000,000	100% 100%	100% 100%	醫藥業務 Pharmaceutical business
寧波朗生醫藥科技有限公司 Ningbo Lansen Pharmaceutical Technology Company Limited [#]	中國(附註(b)) The PRC (Note (b))	中國 The PRC	人民幣1,000,000元 RMB1,000,000	100% 100%	100% 100%	醫藥業務 Pharmaceutical business
深圳東奇信息科技有限公司 Shenzhen Dongqi Technology Information Co. Ltd. [#]	中國(附註(b)) The PRC (Note (b))	中國 The PRC	人民幣500,000元 RMB500,000	100% 100%	100% 100%	醫藥業務 Pharmaceutical business

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



32. 本公司附屬公司詳情(續)

附屬公司的一般資料(續)

32. Particulars of Subsidiaries of the Company (Continued)

General information of the subsidiaries (Continued)

名稱 Name	註冊成立／ 成立國家／地點	主要營業地點	已註冊／ 發行股本詳情	本集團所持擁有權權益及 投票權的比例		主要業務
	Country/Place of incorporation/ establishment	Principal place of business	Particulars of registered/issued share capital	Proportion of ownership interest and voting power held by the Group		
				二零一八年 2018	二零一七年 2017	
間接持有權益 Interests held indirectly						
瀾聖國際貿易(上海)有限公司 Lansen (Shanghai) International Trading Co., Ltd.*	中國(附註(b)) The PRC (Note (b))	中國 The PRC	人民幣10,000,000元 RMB10,000,000	100% 100%	100% 100%	醫藥業務 Pharmaceutical business
瀾聖國際貿易(北京)有限公司 Lansen (Beijing) International Trading Co., Ltd.*	中國(附註(a)) The PRC (Note (a))	中國 The PRC	人民幣2,000,000元 RMB2,000,000	100% 100%	100% 100%	醫療美容業務 Medical cosmetic business
彩聯國際有限公司 Allied Choice International Limited	英屬處女群島 The BVI	香港 Hong Kong	1股面值1美元的普通股 1 ordinary share of US\$1	100% 100%	100% 100%	投資控股 Investment holding
樂泰健康科技(香港)有限公司 Letai Health Technology (Hong Kong) Limited	香港 Hong Kong	香港 Hong Kong	1股面值1港元的普通股 1 ordinary share of HK\$1	100% 100%	100% 100%	投資控股 Investment holding
朗生醫療美容科技(香港)有限公司 Lansen Medibeautech Tech (Hong Kong) Limited	香港 Hong Kong	香港 Hong Kong	股面值1港元的普通股 1 ordinary share of HK\$1	100% 100%	100% 100%	投資控股 Investment holding
寧波朗生醫療美容科技有限公司 Ningbo Lansen Medibeautech Tech Limited*	中國(附註(b)) The PRC (Note (b))	中國 The PRC	人民幣1,000,000元 RMB1,000,000	100% 100%	100% 100%	醫療美容業務 Medical cosmetic business
朗生(瑞士)醫藥諮詢有限公司 Lansen (Swiss) Medicine Consulting Limited	瑞士(附註(d)) Switzerland (Note (d))	瑞士 Switzerland	50,000瑞士法郎 Swiss Franc50,000	100% 100%	100% 100%	暫無營業 Inactive
北京依麗薩 Beijing Eliza*	中國(附註(a)) The PRC (Note (a))	中國 The PRC	人民幣500,000元 RMB500,000	100% 100%	— —	醫療美容業務 Medical cosmetic business

僅供識別之用

附註：

- (a) 於中國成立為有限公司
- (b) 於中國成立為外商獨資企業
- (c) 於中國成立為中外合資企業
- (d) 於瑞士成立為有限公司

For identification purpose only

Notes:

- (a) Established as a limited liability company in the PRC
- (b) Established as a wholly foreign owned enterprise in the PRC
- (c) Established as a sino-foreign equity joint venture in the PRC
- (d) Established as a limited liability company in Switzerland

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



32. 本公司附屬公司詳情(續)

附屬公司的一般資料(續)

年末概無任何附屬公司發行任何債務證券。

本集團的組成

主要業務

Principal activities

32. Particulars of Subsidiaries of the Company (Continued)

General information of the subsidiaries (Continued)

None of the subsidiaries had issued any debt securities at the end of the year.

Composition of the Group

Principal activities	註冊成立／成立地點 Place of incorporation/ establishment	全資附屬公司數目 Number of wholly-owned subsidiaries	
		二零一八年	二零一七年
		2018	2017
		千美元 US\$'000	千美元 US\$'000
醫藥業務	中國	7	9
Pharmaceutical business	The PRC		
醫藥業務	香港	1	1
Pharmaceutical business	Hong Kong		
醫療美容業務	中國	3	—
Medical cosmetic business	The PRC		
投資控股	香港	8	8
Investment holding	Hong Kong		
投資控股	英屬處女群島	7	7
Investment holding	The BVI		
暫無營業	瑞士	1	1
Inactive	Switzerland		
		27	26

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018

**33. 收購一間附屬公司**

於二零一八年五月十八日，本集團與獨立第三方就收購一間於中國從事醫美業務的公司北京依麗薩之全部權益訂立一份協議，收購金額為人民幣6,750,000元（相當於約993,000美元）。

本集團進行業務合併的主要原因為進一步擴大中國醫療美容業務。商譽約1,000美元（附註18）乃因包括中國醫療美容業務預期快速增長業務在內的多項因素所致。預期概無已確認商譽可扣所得稅。

收購已於二零一八年七月二十日完成，因此北京依麗薩成為本公司的間接全資附屬公司。

所轉讓代價**33. Acquisition of a Subsidiary**

On 18 May 2018, the Group has entered into a sale and purchase agreement with independent third parties to acquire the entire equity interest in Beijing Eliza for a consideration of RMB6,750,000 (equivalent to approximately US\$993,000) which is principally engaged in medical cosmetic business in the PRC.

The primary reason for the business combination of the Group is to further broaden the medical cosmetic business in the PRC. Goodwill of approximately US\$1,000 (Note 18) was arisen from a number of factors including the expected fast growing business of medical cosmetic business in the PRC. None of the goodwill recognised is expected to be deductible for income tax purpose.

The acquisition was completed on 20 July 2018 and accordingly, Beijing Eliza became an indirect wholly-owned subsidiary of the Company.

Consideration transferred

千美元
US\$'000

現金代價	Cash consideration	993
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於收購日期的收購事項已付代價、已收購資產及所承擔負債之公平值於下表概述：

The following table summarises the consideration paid for the acquisition, the fair value of assets acquired, liabilities assumed at the acquisition date:

千美元
US\$'000

物業、廠房及設備	Property, plant and equipment	37
無形資產	Intangible assets	1,134
存貨	Inventories	24
現金及現金等價物	Cash and cash equivalents	1
其他應付款項	Other payables	(204)
可識別資產總淨值	Total identifiable net assets	992

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



33. 收購一間附屬公司(續) 收購所產生的商譽

33. Acquisition of a Subsidiary (Continued) Goodwill arising on acquisition

		千美元 US\$'000
所轉讓代價	Consideration transferred	993
減：所收購的資產淨值	Less: net assets acquired	(992)
		1

收購之淨現金流出

Net cash outflow on acquisition

		千美元 US\$'000
已付現金代價	Cash consideration paid	993
減：所收購的現金及現金等價物	Less: cash and cash equivalents acquired	(1)
		992

截至二零一八年十二月三十一日止年度，收購相關成本約5,000美元已計入綜合損益及其他全面收益表內行政開支。

Acquisition-related costs of approximately US\$5,000 have been charged to administrative expenses in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2018.

自收購日期起，北京依麗薩並未對本集團收入作出任何貢獻，而虧損190,000美元則計入年內溢利。倘收購事項於二零一八年一月一日完成，本集團年度收入及溢利分別約為56,878,000美元及161,000美元。此備考資料僅供說明用途，並非表明本集團在收購事項已於二零一八年一月一日完成的假設下確實取得的收入及經營業績，亦不擬作為未來表現的預測。

Since the acquisition date, Beijing Eliza has not contribute any revenue to the Group and a loss of US\$190,000 was included in profit for the year. Had the acquisition been completed on 1 January 2018, the Group's revenue and profit for the year would have been approximately US\$56,878,000 and US\$161,000) respectively. This pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2018, nor is it intended to be a projection of future performance.

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



34. 財務承擔

經營租約承擔

34. Financial Commitments

Operating lease commitment

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
根據不可撤銷經營租約的 未來最低應付租金如下：	Future minimum rental payable under non-cancellable operating lease are as follows:		
1年內	Within one year	392	373
第2至5年	In the second to fifth year	769	119
		1,161	492

本集團以經營租約租用若干物業。租約年期介乎一至五年(二零一七年：一至三年)，可於屆滿日期或本集團和有關業主雙方協定的日期選擇重續租期。該等租約概不包括任何或然租金。

The Group leases certain properties under operating leases. The leases terms are between one and five years (2017: one and three years), with options to renew the lease terms at the expiry dates or at days as mutually agreed between the Group and the respective landlords. None of these leases includes any contingent rentals.

資本承擔

Capital commitment

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
收購以下各項的承擔：	Commitments for the acquisition of:		
無形資產	Intangible assets	2,162	1,634
建築及設備	Construction and equipments	—	169
一間公司部份權益	Partial equity interest in a company	1,428	—
		3,590	1,803

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



35. 關連方交易

年內，本集團與關連方訂立下列交易：

35. Related Party Transactions

During the year, the Group entered into the following transactions with related parties:

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
買賣交易：	Trading transactions:		
向同系附屬公司購買貨品	Purchase of goods from a fellow subsidiary	95	1,221
向聯營公司購買貨品(附註(a))	Purchase of goods from an associate (Note (a))	108	130
應付聯營公司委託費(附註(b))	Entrusted fee payable to an associate (Note (b))	478	606
應收聯營公司加工費(附註(c))	Processing fee receivable from an associate (Note (c))	2,159	3,109
其他交易：	Other transactions:		
已付同系附屬公司租金開支	Rental expenses paid to a fellow subsidiary	61	51
應付同系附屬公司的相互擔保佣金費用(附註(d))	Cross guarantee commission fee payable to a fellow subsidiary (Note (d))	98	49
應收同系附屬公司的相互擔保佣金收入(附註(d))	Cross guarantee commission income receivable from a fellow subsidiary (Note (d))	98	86

下列結餘於報告期末尚未清償：

The following balances were outstanding at the end of the reporting period:

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
聯營公司欠款(附註(e))	Amounts owed by an associate (Note (e))	3,245	1,938
向一間聯營公司的貸款(附註22)	Loan to an associate (Note 22)	6,807	7,519
同系附屬公司欠款(附註(e))	Amounts owed by fellow subsidiaries (Note (e))	6,781	5,994

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



35. 關連方交易(續)

附註：

- (a) 於二零一六年三月二十四日，朗生醫藥控股有限公司(「朗生(BVI)」，本公司全資附屬公司)收購萃健30.0%的股權。自該日起，萃健成為本公司的聯營公司。萃健於該日前為本公司的同系附屬公司。
- (b) 根據二零一六年九月二十日萃健和朗生(BVI)簽訂的委託加工框架協議(「委託加工框架協議」)，萃健可以要求朗生(BVI)及其附屬公司(「朗生(BVI)」集團)與客戶簽署加工訂單合同。年內，向客戶收取之費用與加工產品的全部成本加10%的加成後之差額支付萃健作為委託費。
- (c) 根據委託加工框架協議，萃健可委託朗生(BVI)集團加工植物提取產品。加工費以成本加成方式為定價基礎，金額相當於加工產品的全部成本加10%的加成。
- (d) 於二零一六年六月二十四日，寧波立華、吉林海資生物工程技術有限公司(「吉林海資」)，本公司同系附屬公司及朗生(BVI)訂立相互擔保協議，據此，於二零一六年七月一日至二零一九年六月三十日就協議各方的銀行貸款提供擔保或促使其附屬公司提供擔保。佣金費用將就另一方所擔保的貸款向各方收取。

於二零一八年十二月三十一日，吉林海資所提取賬面值為15,657,000美元(相當於約人民幣107,460,000元)(二零一七年：18,741,000美元(相當於約人民幣122,460,000元))的銀行借款乃由本集團以本集團所持市值為29,212,000美元(二零一七年：31,014,000美元)的7,600,000(二零一七年：7,000,000)股司太立股份擔保(附註19)及4,371,000美元(相當於人民幣30,000,000元)(二零一七年：4,591,000美元(相當於人民幣30,000,000元))銀行存款抵押。另一方面，二零一八年十二月三十一日，本集團並無提取由吉林海資擔保之人民幣130,000,000元之銀行融資(二零一七年：無)。

- (e) 欠款指就將購買貨品或將提供加工服務而給予供應商的墊款及銷售貨品所產生的貿易應收款項。欠款為無抵押、免息及須應要求償還。截至二零一八年及二零一七年十二月三十一日止年度內，本集團並無就有關該等結餘款項的減值作出任何虧損撥備，亦無就關連方交易提供或獲得任何擔保。

本公司董事認為，以上關連方交易乃按正常商業條款在一般日常業務中進行。

主要管理人員薪酬指附註11所披露支付予本公司董事的金額。

35. Related Party Transactions (Continued)

Notes:

- (a) On 24 March 2016, Lansen Pharmaceutical Holdings Limited ("Lansen (BVI)"), a wholly-owned subsidiary of the Company, acquired 30.0% equity interest in Natural Dailyhealth. Since that date, Natural Dailyhealth becomes an associate of the Company. Natural Dailyhealth was a fellow subsidiary of the Company before that date.
- (b) Pursuant to the entrusted processing framework agreement signed between Natural Dailyhealth and Lansen (BVI) on 20 September 2016 (the "Entrusted Processing Framework Agreement"), Natural Dailyhealth may request Lansen (BVI) and its subsidiaries (the "Lansen (BVI) Group") to enter into the processing order contracts with customers. During the year, an entrusted fee was payable to Natural Dailyhealth for the difference between the amounts received from customers and the costs incurred in relation to the processing of the products plus a mark-up rate of 10%.
- (c) Pursuant to the Entrusted Processing Framework Agreement, Natural Dailyhealth may entrust Lansen (BVI) Group for the processing of the plant extract products. The processing fee is charged on a cost-plus basis, representing all costs incurred in relation to the processing of the products plus a mark-up rate of 10%.
- (d) On 24 June 2016, Ningbo Liwah, Jilin Haizi Bio-Engineering Technology Company Limited ("Jilin Haizi"), a fellow subsidiary of the Company and Lansen (BVI) entered into a cross guarantee agreement, pursuant to which the parties may, provide or procure its subsidiaries to provide certain guarantees to banks in relation to the banking facilities of each other from 1 July 2016 to 30 June 2019. Commission fee would be charged to a party in respect of a loan which is guaranteed by another party.

As at 31 December 2018, the bank borrowings with carrying amount of US\$15,657,000 (equivalent to approximately RMB107,460,000) (2017: US\$18,741,000 (equivalent to approximately RMB122,460,000)) drawn by Jilin Haizi was guaranteed by the Group with 7,600,000 (2017: 7,000,000) shares in Starry held by the Group with market values of US\$29,212,000 (2017: US\$31,014,000) (Note 19) and bank deposit of US\$4,371,000 (equivalent to RMB30,000,000) (2017: US\$4,591,000 (equivalent to RMB30,000,000)) was pledged. On the other hand, banking facilities of RMB130,000,000 was guaranteed by Jilin Haizi but no drawn down was made by the Group as at 31 December 2018 (2017: Nil).

- (e) The amounts due represented the advances to suppliers on the goods to be purchased or processing services to be provided and trade receivables arisen from the sales of goods. The amounts due are unsecured, interest-free and repayable on demand. The Group has not made any loss allowance for impairment in respect of these balances nor has any guarantee been given or received during the years ended 31 December 2018 and 2017 regarding related party transactions.

The directors of the Company are of the opinion that the above related party transactions were conducted on normal commercial terms and in the ordinary and usual course of business.

Remuneration for key management personnel represents amounts paid to the Company's directors as disclosed in Note 11.



36. 風險管理

本集團面對來自其經營及投資活動的多項財務風險。本集團的風險管理於其總部協調，並與董事緊密合作，積極集中確保本集團的短期至中期現金流量。

信貸風險

本集團的信貸風險主要來自貿易及其他應收款項。綜合財務狀況表呈列的金額已扣除應收呆賬撥備，此乃經本集團管理層根據過往經驗及對當前經濟環境的評估得出。

為減低信貸風險，本集團管理層已訂立信貸政策，指派團隊負責釐定信貸限額、信貸審批及其他監控過程，以確保採取跟進行動收回逾期債項。

於二零一八年十二月三十一日，一位外部客戶佔貿易應收款項總額10%或以上（二零一七年：三位）。

流動資金信貸風險有限，皆因對手方是知名銀行。

本集團自過往年度以來一直遵守信貸政策，並認為該等信貸政策一直將本集團的信貸風險控制於合理程度。

貿易應收款項

本集團按相等於全期預期信貸虧損之金額計量貿易應收款項虧損撥備，有關金額乃使用撥備矩陣計算得出。鑑於本集團過往的信貸虧損並未就不同客戶分部顯示重大不同虧損模式，基於逾期狀態的虧損撥備不會進一步於本集團不同客戶基礎之間進一步區分。

36. Risk Management

The Group is exposed to a variety of financial risks which result from its operating and investing activities. The Group's risk management is coordinated at its headquarters in close cooperation with the directors and focuses on actively securing the Group's short to medium term cash flows.

Credit risk

The Group's credit risk is primarily attributable to its trade and other receivables. The amounts presented in the consolidated statement of financial position are net of allowances for doubtful receivables, estimated by the Group's management based on prior experience and their assessment of the current economic environment.

In order to minimise the credit risk, the management of the Group has formulated a credit policy and delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts.

There were one external customers contributed 10% or more of total trade receivables as at 31 December 2018 (2017: three).

The credit risk on liquid funds is limited because the counterparties are reputable banks.

The credit policies have been followed by the Group since prior years and are considered to have been effective in limiting the Group's exposure to credit risk to a desirable level.

Trade receivables

The Group measures loss allowances for trade receivables at an amount equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



36. 風險管理(續)

信貸風險(續)

貿易應收款項(續)

下表載列於二零一八年十二月三十一日本集團面臨信貸風險的資料及貿易應收款項的預期信貸虧損：

36. Risk Management (Continued)

Credit risk (Continued)

Trade receivables (Continued)

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables as at 31 December 2018:

		預期虧損率 (%)	賬面總值 (千美元) Gross carrying amount (US\$'000)	虧損撥備 (千美元) Loss allowance (US\$'000)
即期及逾期1至90日	Current and past due over 1-90 days	0.61	19,187	117
逾期91至275日	Past due over 91-275 days	1.49	4,201	63
逾期超過276日	Past due over 276 days	60.37	1,589	959
			24,977	1,139

預期虧損率乃根據過往3年的實際虧損經驗得出。該等比率會作出調整以反映已蒐集歷史數據的期間的經濟狀況、當前狀況及本集團對應收款項預期年期的經濟狀況的觀點的差異。

Expected loss rates are based on actual loss experience over the past 3 years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the group's view of economic conditions over the expected lives of the receivables.

於二零一八年一月一日前，減值虧損僅於出現客觀減值證據時確認(附註4)。於二零一七年十二月三十一日，貿易應收款項1,723,000美元釐定為已減值。並不被視為減值的應收賬款的賬齡分析如下：

Prior to 1 January 2018, an impairment loss was recognised only when there was objective evidence of impairment (Note 4). At 31 December 2017, trade receivables of US\$1,723,000 was determined to be impaired. The ageing analysis of trade debtors that were not considered to be impaired was as follows:

		二零一七年 2017 (千美元) US\$'000
既未逾期亦未減值	Neither past due nor impaired	33,046
逾期1至90日	Past due over 1-90 days	3,787
逾期91至275日	Past due over 91-275 days	3,900
逾期276日	Past due over 276 days	969
		8,656
		41,702

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



36. 風險管理(續)

信貸風險(續)

貿易應收款項(續)

既未逾期亦未減值的貿易應收款項與近期並無違約記錄的廣泛客戶有關。

已逾期但未減值的貿易應收款項與和本集團擁有良好往績記錄的若干獨立客戶有關。基於過往經驗，管理層相信毋須僅該等結餘作出減值撥備，原因為信貸質素並無發生重大變動且結餘仍被視為可全數收回。

年內有關貿易應收款項虧損撥備賬之變動如下：

36. Risk Management (Continued)

Credit risk (Continued)

Trade receivables (Continued)

Trade receivables that were neither past due nor impaired related to a wide range of customers for whom there was no recent history of default.

Trade receivables that were past due but not impaired related to a number of independent customers that had a good track record with the group. Based on past experience, management believed that no impairment allowance was necessary in respect of these balances as there had been no significant change in credit quality and the balances were still considered fully recoverable.

Movement in the loss allowance account in respect of trade receivables during the year as follows:

		千美元 US\$'000
於二零一七年一月一日之結餘	Balance at 1 January 2017	439
匯兌調整	Exchange adjustment	66
貿易應收款項減值	Impairment loss on trade receivables	1,218
於二零一七年十二月三十一日之結餘	Balance at 31 December 2017	1,723
按原定呈列於二零一七年十二月三十一日之結餘	Balance at 31 December 2017 as originally stated	1,723
會計政策變動(附註3.1(ii))	Changes in accounting policies (Note 3.1(ii))	5,020
於二零一八年一月一日之經重列結餘	Restated balance at 1 January 2018	6,743
匯兌調整	Exchange adjustment	(141)
貿易應收款項減值	Impairment loss on trade receivables	174
視作不可收回而撇銷	Written off as uncollectible	(5,637)
於二零一八年十二月三十一日之結餘	Balance at 31 December 2018	1,139

過渡至國際財務報告準則第9號後，於二零一八年一月一日分別作出5,020,000美元期初調整，以確認貿易應收款項的額外預期信貸虧損(附註3.1(ii))。

Upon the transition to IFRS 9, an opening adjustment of US\$5,020,000 as at 1 January 2018 was made to recognise additional ECLs on trade receivables (Note 3.1(ii)).

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



36. 風險管理(續)

信貸風險(續)

其他應收款項

其他應收款項乃經扣除減值撥備後呈列。於二零一八年十二月三十一日，由於預期若干長期未清償其他應收款項不會全數收回，故已就該等應收款項確認其他應收款項減值撥備總額185,000美元(二零一七年：286,000美元)。本集團並無就該等結餘持有任何抵押品。

過渡至國際財務報告準則第9號後，於二零一八年一月一日作出183,000美元期初調整，以確認其他應收款項的額外預期信貸虧損(附註3.1(ii))。

本集團其他應收款項的減值撥備變動如下：

36. Risk Management (Continued)

Credit risk (Continued)

Other receivables

Other receivables are shown net of impairment provisions. As at 31 December 2018, total provision for impairment against other receivables of US\$185,000 (2017: US\$286,000) was recognised for certain long outstanding other receivables as these receivables are not expected to be fully recovered. The Group does not hold any collateral over these balances.

Upon the transition to IFRS 9, an opening adjustment of US\$183,000 as at 1 January 2018 was made to recognise additional ECLs on other receivables (Note 3.1(ii)).

Movement on the Group's provision for impairment of other receivables is as follows:

		千美元 US\$'000
於二零一七年一月一日之結餘	Balance at 1 January 2017	22
匯兌調整	Exchange adjustment	9
視作不可收回而撇銷	Written off as uncollectible	(22)
其他應收款項減值	Impairment loss on other receivables	277
於二零一七年十二月三十一日之結餘	Balance at 31 December 2017	286
按原定呈列於二零一七年十二月三十一日之結餘	Balance at 31 December 2017 as originally stated	286
會計政策變動(附註3.1(ii))	Changes in accounting policies (Note 3.1(ii))	183
於二零一八年一月一日之經重列結餘	Restated balance at 1 January 2018	469
匯兌調整	Exchange adjustment	(13)
視作不可收回而撇銷	Written off as uncollectible	(282)
其他應收款項減值	Impairment loss on other receivables	11
於二零一八年十二月三十一日之結餘	Balance at 31 December 2018	185

除減值金額外，上述資產並未逾期或減值。上述結餘內包括的金融資產與近期並無欠款記錄的應收款項有關。

Except for the amount impaired, none of the above assets is either past due or impaired. The financial assets included in the above balances related to receivables for which there was no recent history of default.

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



36. 風險管理(續)

信貸風險(續)

財務擔保

於報告期末，有關本集團及本公司所發出財務擔保的最大信貸風險為人民幣107,460,000元(相當於約15,657,000美元)(二零一七年：人民幣122,460,000元(相當於約18,741,000美元))，此乃要求提供擔保時本集團及本公司須支付的最高金額(附註35(d))。

流動資金風險

本公司董事已建立適當的流動資金風險管理框架以管理本集團的短、中、長期資金及流動資金管理需求。

本集團通過維持充足儲備、銀行融通和儲備借款融資，持續監察預測及實際現金流量和配對金融資產及負債的到期情況以管理流動資金風險。

本集團自過往年度以來一直遵守流動資金政策，並認為該等流動資金政策在管控流動資金風險方面一直有效。

36. Risk Management (Continued)

Credit risk (Continued)

Financial guarantees

At the end of the reporting period, the maximum exposure to credit risk in respect of financial guarantees issued by the Group and Company was RMB107,460,000 (equivalent to approximately US\$15,657,000) (2017: RMB122,460,000 (equivalent to approximately US\$18,741,000)) which represented the maximum amount the Group and Company could be required to pay if the guarantees were called on (Note 35(d)).

Liquidity risk

The directors of the Company have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements.

The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The liquidity policies have been followed by the Group since prior years and are considered to have been effective in managing liquidity risk.

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



36. 風險管理(續)

流動資金風險(續)

下表詳述本集團非衍生金融負債的餘下合約到期詳情。下表乃根據本集團可被要求還款最早日期的金融負債未折現現金流量編製。具體而言，不論銀行是否可能選擇行使權利，附帶按要求償還條款的銀行借款均計入最早時間範圍。其他非衍生金融負債的到期日分析按已協定還款日期編製。

下表包含利息及本金現金流量。在利息流為按浮動利率計算的情況下，未貼現金額按於報告期末的利率計算。

36. Risk Management (Continued)

Liquidity risk (Continued)

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, bank borrowings with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates.

The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate at the end of the reporting period.

		二零一八年 2018				合約未折現 現金流量總計 Total contractual undiscounted cash flows
		1年內或 按要求 Within one year or on demand 千美元 US\$'000	1至2年 Between one and two years 千美元 US\$'000	2至5年 Between two and five years 千美元 US\$'000	5年以上 Over five years 千美元 US\$'000	千美元 US\$'000
借款	Borrowings	89,338	—	—	—	89,338
貿易應付款項及應付票據	Trade and bills payables	14,949	—	—	—	14,949
其他應付款項及應計款項	Other payables and accruals	6,139	—	—	—	6,139
其他金融負債	Other financial liabilities	—	500	1,000	—	1,500
		110,426	500	1,000	—	111,926
已發行財務擔保	Financial guarantee issued					
最高擔保額	Maximum amount guaranteed	15,657	—	—	—	15,657

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



36. 風險管理(續) 流動資金風險(續)

36. Risk Management (Continued) Liquidity risk (Continued)

		二零一七年 2017				合約未折現 現金流量總計 Total contractual undiscounted cash flows 千美元 US\$'000
		1年內或 按要求 Within one year or on demand 千美元 US\$'000	1至2年 Between one and two years 千美元 US\$'000	2至5年 Between two and five years 千美元 US\$'000	5年以上 Over five years 千美元 US\$'000	
借款	Borrowings	100,837	—	—	—	100,837
貿易應付款項及應付票據	Trade and bills payables	7,735	—	—	—	7,735
其他應付款項及應計款項	Other payables and accruals	13,308	—	—	—	13,308
其他金融負債	Other financial liabilities	—	—	500	1,000	1,500
		121,880	—	500	1,000	123,380
已發行財務擔保	Financial guarantee issued					
最高擔保額	Maximum amount guaranteed	18,741	—	—	—	18,741

附帶按要求償還條款的銀行借款計入上述到期分析的「一年內或按要求」時間範圍。

倘浮息變動有別於報告期末所釐定的利率估計，則上文就非衍生金融負債浮息工具所包含的款項或會有變。

外幣風險

本集團交易貨幣所承受的外幣風險輕微，原因在於本集團附屬公司持有的大部分金融資產及負債均以該等附屬公司的有關功能貨幣計值。

本集團目前並無外幣對沖政策。然而，管理層監察外匯風險，並將於有需要時考慮對沖重大外幣風險。

Bank borrowings with a repayment on demand clause are included in the “within one year” time band in the above maturity analysis.

The amounts included above for variable interest rate instruments for non-derivative financial liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

Foreign currency risk

The Group has minimal transactional currency exposure to foreign currency risk as most of the financial assets and liabilities held by the Group's subsidiaries are denominated in the respective functional currency of such subsidiaries.

The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arises.



36. 風險管理(續)

利率風險

本集團面對的市場利率變動風險主要與以浮動利率計息的本集團債項責任有關。本集團的銀行借款利率和還款條款已於附註26披露。本集團目前並無任何利率對沖政策。

下列敏感度分析乃根據報告期末非衍生工具的利率風險釐定。就浮動利率負債而言，有關分析乃假設報告期末的尚未償還負債金額於整個年度均未償還而編製。在向主要管理人員內部報告利率風險時使用50個基點上升或下降幅度，此亦為管理層對利率合理可能變動的評估。

倘利率下降／上升50個基點，而所有其他變數維持不變，本集團：

- 截至二零一八年十二月三十一日止年度的溢利及於二零一八年十二月三十一日的保留溢利將分別增加／減少150,000美元(二零一七年：增加／減少255,000美元)，此乃主要由於本集團浮息銀行借款面對的利率風險所致；及
- 本集團於二零一八年十二月三十一日的權益將增加／減少150,000美元(二零一七年：增加／減少255,000美元)。

36. Risk Management (Continued)

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates. The interest rate and terms of repayment of bank borrowings of the Group are disclosed in Note 26. The Group currently does not have an interest rate hedging policy.

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points lower/higher and all other variables were held constant, the Group's:

- Profit for the year ended 31 December 2018 and retained profits as at 31 December 2018 would increase/decrease by US\$150,000 (2017: increase/decrease by US\$255,000). This is mainly attributable to the Group's exposure to interest rates on its variable rate bank borrowings; and
- The Group's equity as at 31 December 2018 would increase/decrease by US\$150,000 (2017: increase/decrease by US\$255,000).

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



36. 風險管理(續)

按類別劃分的金融資產及負債概要

財務狀況表所呈列的賬面值與下列金融資產及金融負債類別有關。

36. Risk Management (Continued)

Summary of financial assets and liabilities by category

The carrying amounts presented in the statements of financial position relate to the following categories of financial assets and financial liabilities.

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
金融資產	Financial assets		
按攤銷成本計量的金融資產：	Financial assets at amortised cost:		
貿易及其他應收款項	Trade and other receivables	47,197	—
向一間聯營公司的貸款	Loan to an associate	6,807	—
已抵押銀行存款	Pledged bank deposits	22,014	—
現金及現金等價物	Cash and cash equivalents	11,564	—
		87,582	—
貸款及應收款項：	Loans and receivables:		
貿易及其他應收款項	Trade and other receivables	—	55,134
向一間聯營公司的貸款	Loan to an associate	—	7,519
已抵押銀行存款	Pledged bank deposits	—	32,631
現金及現金等價物	Cash and cash equivalents	—	8,891
		—	104,175
按公平值變動列入損益的金融資產：	Financial assets at fair value through profit or loss:		
衍生金融工具	Derivative financial instrument	1,910	1,840
		89,492	106,015
金融負債	Financial liabilities		
按攤銷成本列賬的金融負債：	Financial liabilities at amortised cost:		
借款	Borrowings	87,224	99,135
貿易及其他應付款項	Trade and other payables	21,088	21,043
		108,312	120,178
按公平值變動列入損益的金融負債：	Financial liabilities at fair value through profit or loss:		
其他金融負債	Other financial liabilities	1,234	1,276
		109,546	121,454
已發行財務擔保	Financial guarantee issued	15,657	18,741

**36. 風險管理(續)****(a) 並非按公平值計量的金融工具**

並非按公平值計量的金融工具包括貿易及其他應收款項、向一間聯營公司的貸款、已抵押銀行存款、現金及現金等價物、借款以及貿易及其他應付款項。

基於其年期較短的性質，故其賬面值與公平值相若。

(b) 按公平值計量的金融工具

按公允值計量的金融工具包括其他金融負債及衍生金融工具。公允值層級的分析如下。

其他金融負債的公平值計量

下表呈列於二零一八年十二月三十一日的綜合財務狀況表內，根據公平值層級及按照經常性基準以公平值計量的其他金融負債。公平值層級有以下級別：

第1級：相同資產於活躍市場的報價（未經調整）；

第2級：該資產於第1級所包含的報價以外可直接（即按價格）或間接（即自價格得出）觀察的輸入數據；及

第3級：該資產並非基於可觀察市場數據的輸入數據（不可觀察輸入數據）。

36. Risk Management (Continued)**(a) Financial instruments not measured at fair value**

Financial instruments not measured at fair value include trade and other receivables, loan to an associate, pledged bank deposits, cash and cash equivalents, borrowings and trade and other payables.

Due to their short term nature, their carrying values approximate their fair values.

(b) Financial instruments measured at fair value

Financial instruments measured at fair value include other financial liabilities and derivative financial instrument. Analysis on fair value hierarchy is presented as follows.

Fair Value Measurements of Other Financial Liabilities

The following tables present other financial liabilities included in the consolidated statement of financial position as at 31 December 2018 measured at fair value on a recurring basis according to the fair value hierarchy. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset that are not based on observable market data (unobservable inputs).

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



36. 風險管理(續)

(b) 按公平值計量的金融工具(續)

其他金融負債的公平值計量(續)

		第1級 Level 1 千美元 US\$'000	第2級 Level 2 千美元 US\$'000	第3級 Level 3 千美元 US\$'000	總計 Total 千美元 US\$'000
二零一八年十二月三十一日 31 December 2018					
負債	Liabilities				
按公平值變動列入損益的 金融負債	Financial liabilities at fair value through profit or loss				
— 其他金融負債	— Other financial liabilities	—	—	1,234	1,234

		第1級 Level 1 千美元 US\$'000	第2級 Level 2 千美元 US\$'000	第3級 Level 3 千美元 US\$'000	總計 Total 千美元 US\$'000
二零一七年十二月三十一日 31 December 2017					
負債	Liabilities				
按公平值變動列入損益的 金融負債	Financial liabilities at fair value through profit or loss				
— 其他金融負債	— Other financial liabilities	—	—	1,276	1,276

**36. 風險管理(續)****(b) 按公平值計量的金融工具(續)****其他金融負債的公平值計量(續)**

截至二零一八年十二月三十一日止年度，已確認其他金融負債的公平值收益100,000美元。

截至二零一七年十二月三十一日止年度並無就此或然代價於損益確認收益或虧損。

或然代價的公平值乃使用貼現現金流估算。公平值乃基於若干不可觀察的參數(包括貼現率、銷售額達標的概率及銷售額達標的期間)釐定。該等重大不可觀察輸入數據及該等輸入數據與或然代價公平值的關係顯示如下：

重大不可觀察輸入數據	不可觀察輸入數據與公平值的關係
------------	-----------------

5.0%的貼現率	貼現率越高，則公平值越低。
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銷售額達標的概率，即100%	銷售額達標的概率越高，則公平值越高。
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銷售額達標的期間，即二零二零年及二零二三年	銷售額達標的期間越早，則公平值越高。
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貼現率增加1%，則其他金融負債的公平值減少約46,000美元，而貼現率減少1%，則其他金融負債的公平值增加約49,000美元。

年內的估值技術並無變動。

年內各級之間並無轉撥。

36. Risk Management (Continued)**(b) Financial instruments measured at fair value (Continued)****Fair Value Measurements of Other Financial Liabilities (Continued)**

A fair value gain of US\$100,000 on other financial liabilities was recognised during the year ended 31 December 2018.

No gain or loss relating to this contingent consideration was recognised in profit or loss for the year ended 31 December 2017.

The fair value of the contingent consideration was estimated by applying the discounted cash flow. The determination of fair value is based on certain parameters including the discount rate, the probability of sales achievement and the period of sales achievement, which are unobservable. The significant unobservable inputs and relationship of these inputs to fair value contingent consideration are shown as below:

Significant unobservable input(s)	Relationship of unobservable inputs to fair value
-----------------------------------	---

Discount rate of 5.0%	The higher the discount rate, the lower the fair value.
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Probability of sales achievement, which is 100%	The higher the probability of sales achievement, the higher the fair value.
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Period of sales achievement, which are year 2020 and year 2023	The earlier the period of sales achievement, the higher the fair value.
--	---

Increased discount rate by 1% would decrease the fair value on other financial liabilities by approximately US\$46,000 whilst decreased discount rate by 1% would increase the fair value on other financial liabilities by approximately US\$49,000.

There were no changes in valuation techniques during the year.

There were no transfers between levels during the year.

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



36. 風險管理(續)

(b) 按公平值計量的金融工具(續)

其他金融負債的公平值計量(續)

分類為第3級的金融負債所使用的估值技術乃根據非基於可觀察市場數據的重大輸入值。此級的金融工具期初結餘與期末結餘的對賬如下：

36. Risk Management (Continued)

(b) Financial instruments measured at fair value (Continued)

Fair Value Measurements of Other Financial Liabilities (Continued)

The financial liabilities classified in level 3 use valuation techniques based on significant inputs that are not based on observable market data. The financial instruments within this level are reconciled from opening to closing balances as follows:

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
負債	Liabilities		
按公平值變動列入損益的金融負債：	Financial liabilities at fair value through profit or loss:		
於一月一日	At 1 January	1,276	1,226
其他金融負債的公平值收益	Fair value gain on other financial liabilities	(100)	—
於損益扣除的或然代價折現(附註9)	Unwinding of discount on contingent consideration charged to profit or loss (Note 9)	61	59
匯兌調整	Exchange adjustment	(3)	(9)
於十二月三十一日	At 31 December	1,234	1,276

按公平值計量的衍生金融工具

於二零一六年三月二十四日，朗生(BVI)簽訂一項買賣協議，收購萃健約19.1%股權，代價為人民幣33.0百萬元(相當於約5,085,000美元)，其中人民幣28.0百萬元為現金，人民幣5百萬元為萃健科技健康有限公司全部已發行股本。

根據認購協議，自二零一六年三月二十九日起15個月內任何時間，朗生(BVI)可全權酌情決定(而沒有義務)進行第二批股份認購，而萃健有義務發行及配發第二批認購股份，加上於二零一六年三月二十四日的已收購19.1%股權，合共擁有不超過萃健30%經擴大後已發行股本，即認購期權。於二零一六年八月二十二日，認購期權獲執行。基於本集團對萃健有重大影響，萃健自該日起成為本集團的聯營公司(附註19)。

Fair Value Measurement of Derivative Financial Instrument

On 24 March 2016, Lansan (BVI) signed a sale and purchase agreement to acquire approximately 19.1% equity interest in Natural Dailyhealth, at a consideration of RMB33.0 million (equivalent to approximately US\$5,085,000) of which RMB28.0 million is in cash and RMB5 million by way of consideration shares in entire issued share capital of Natural Dailyhealth Tech Limited.

Pursuant to the subscription agreement, and at any time within 15 months from 29 March 2016, Lansan (BVI) shall have the sole discretion but not the obligation to subscribe for, and Natural Dailyhealth shall have the obligation to issue and allot, the second tranche subscription shares, in aggregate with the acquired equity interest of 19.1% on 24 March 2016, own up to 30% of the enlarged issued share capital of Natural Dailyhealth, which is the call option. On 22 August 2016, the call option was executed. Accordingly, the Group holds 30% equity interest in Natural Dailyhealth. Having significant influence over Natural Dailyhealth, Natural Dailyhealth becomes an associate of the Group (Note 19) since that date.



36. 風險管理(續)

(b) 按公平值計量的金融工具(續)

按公平值計量的衍生金融工具(續)

另一方面，自二零一六年三月二十四日的第二個週年日開始的三個月期間(「行權期」)，萃健享有行使認沽期權的權利，要求萃健以期權協議價直接購買朗生(BVI)持有的全部認購股份(不能部分行權)。萃健應在行權之日起的六個月內，以現金方式向本集團支付期權協議價。朗生(BVI)享有行使認沽期權的絕對酌情權。如經朗生(BVI)和萃健雙方同意，認購方可在行權期之前任何時間提前行使認沽期權。

於二零一八年六月二十四日，朗生(BVI)及萃健就認購協議訂立一份有條件補充協議，據此，雙方同意延長認沽期權期限十二個月至二零一九年六月二十四日，條件是CIH已根據倫敦證券交易所上市規則就補充協議項下擬進行的交易取得相關簡單多數批准。合共持有多於50%CIH已發行股本之Circle Finance Limited及Mega Worldwide Services Limited已承諾投票贊成有關補充協議之決議案。除延長認沽期權期限外，認購協議所有其他條款維持不變。

於報告期後，本公司獲CIH告知，根據金融市場行為監管局(「監管局」)指引，Circle Finance Limited及Mega Worldwide Services Limited禁止於CIH的股東大會上進行投票，原因是根據倫敦上市規則(「監管局指引」)彼等被視為本公司的「聯繫人」。

36. Risk Management (Continued)

(b) Financial instruments measured at fair value (Continued)

Fair Value Measurement of Derivative Financial Instrument (Continued)

On the other hand, at any time during the period of three months commencing immediately after the second anniversary of 24 March 2016 (the "Put Option Period"), Natural Dailyhealth is entitled to exercise the put option to require Natural Dailyhealth to purchase all (but not part) of the subscription shares then held by Lansen (BVI) at the put option strike price. Natural Dailyhealth shall pay the put option strike price in cash to the Group within six months from the date of the exercise of the put option. The exercise of the put option is at the absolute discretion of Lansen (BVI). The put option can be exercised at any time prior to the commencement of the Put Option Period if mutually agreed by Lansen (BVI) and Natural Dailyhealth.

On 24 June 2018, Lansen (BVI) and Natural Dailyhealth entered into a supplemental conditional agreement to the subscription agreement pursuant to which the parties agreed that the expiry date of the Put Option Period shall be extended for twelve months to 24 June 2019 on the condition that CIH having obtained the relevant simple majority approvals in respect of the transactions contemplated under the supplemental agreement in accordance with the Listing Rules for the London Stock Exchange. Circle Finance Limited and Mega Worldwide Services Limited, the shareholders of CIH together holding more than 50% of the issued share capital of CIH, have given an undertaking to vote in favour of the resolution in respect of the supplemental agreement. Save for the extension of the Put Option Period, all other terms of the subscription agreement remain unchanged.

Subsequent to the reporting period, the Company was informed by CIH that there had been a guidance from the Financial Conduct Authority ("FCA") that Circle Finance Limited and Mega Worldwide Services Limited are not allowed to vote at the shareholder meeting of CIH as they are deemed to be "associates" of the Company under the London Listing Rules (the "FCA Guidance").



36. 風險管理(續)

(b) 按公平值計量的金融工具(續)

按公平值計量的衍生金融工具(續)

根據監管局指引，根據補充協議建議延長認沽期權期限目前將須由CIH的剩餘股東投票表決。關於能否自CIH的剩餘股東獲得過半數票批准或存在不確定性。

衍生金融工具乃使用二項式以公平值列值，下表呈列於二零一八年十二月三十一日的綜合財務狀況表內，根據公平值層級按照經常性基準以公平值計量的衍生金融工具。公平值層級有以下級別：

第1級：相同資產於活躍市場的報價（未經調整）；

第2級：該資產於第1級所包含的報價以外可直接（即按價格）或間接（即自價格得出）觀察的輸入數據；及

第3級：該資產並非基於可觀察市場數據的輸入數據（不可觀察輸入數據）。

36. Risk Management (Continued)

(b) Financial instruments measured at fair value (Continued)

Fair Value Measurement of Derivative Financial Instrument (Continued)

Based on the FCA Guidance, the proposal for the extension of the Put Option Period under the supplemental agreement will now need to be put to a vote by the remaining shareholders of CIH. There may be uncertainty as to whether a simple majority approval can be obtained from such remaining shareholders of CIH.

The derivative financial instrument is stated at fair value by using the binomial model, the following table presents derivative financial instrument included in the consolidated statement of financial position as at 31 December 2018 measuring at fair value on a recurring basis according to the fair value hierarchy. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets;

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset that are not based on observable market data (unobservable inputs).

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



36. 風險管理(續)

(b) 按公平值計量的金融工具(續)

按公平值計量的衍生金融工具(續)

36. Risk Management (Continued)

(b) Financial instruments measured at fair value (Continued)

Fair Value Measurement of Derivative Financial Instrument (Continued)

		第1級 Level 1 千美元 US\$'000	第2級 Level 2 千美元 US\$'000	第3級 Level 3 千美元 US\$'000	總計 Total 千美元 US\$'000
二零一八年十二月三十一日 31 December 2018					
資產： 按公平值變動列入損益的 金融資產	Assets: Financial assets at fair value through profit or loss				
— 衍生金融工具	— derivative financial instrument	—	—	1,910	1,910
		—	—	1,910	1,910

		第1級 Level 1 千美元 US\$'000	第2級 Level 2 千美元 US\$'000	第3級 Level 3 千美元 US\$'000	總計 Total 千美元 US\$'000
二零一七年十二月三十一日 31 December 2017					
資產： 按公平值變動列入損益的 金融資產	Assets: Financial assets at fair value through profit or loss				
— 衍生金融工具	— derivative financial instrument	—	—	1,840	1,840
		—	—	1,840	1,840

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



36. 風險管理(續)

(b) 按公平值計量的金融工具(續)

按公平值計量的衍生金融工具(續)

公平值乃基於若干不可觀察參數(包括相關股份價格，年化股息收益率及相關股份預期波幅)釐定。該等重大不可觀察輸入數據顯示如下：

重大不可觀察輸入數據	Significant unobservable input(s)	二零一八年 2018	二零一七年 2017
認沽期權	Put option		
相關股份價格人民幣(元)	Underlying share price of RMB (dollars)	52,778,300	49,373,652
年化股息收益率	Annualised dividend yield	0%	0%
相關股份預期波幅	Expected volatility of underlying share	38.325%	23.632%

相關股份價格上升5%，則衍生金融工具公平值收益會減少約272,000美元(二零一七年：公平值虧損會增加約317,000美元)，而相關股份價格下跌5%，則衍生金融工具公平值收益會增加約300,000美元(二零一七年：公平值虧損會減少約340,000美元)。

預期波幅上升5%，則衍生金融工具公平值收益會增加約97,000美元(二零一七年：公平值虧損會減少約52,000美元)，而預期波幅下跌5%，則衍生金融工具公平值收益會減少約89,000美元(二零一七年：公平值虧損會增加約33,000美元)。

年化股息收益率上升5%，則衍生金融工具公平值收益會增加約134,000美元(二零一七年：公平值虧損會減少約115,000美元)。

36. Risk Management (Continued)

(b) Financial instruments measured at fair value (Continued)

Fair Value Measurement of Derivative Financial Instrument (Continued)

The determination of fair value is based on certain parameters including underlying share price, annualised dividend yield and expected volatility, which are unobservable. The significant unobservable inputs are shown as below:

Increased underlying share price by 5% would decrease the fair value gain on derivative financial instrument by approximately US\$272,000 (2017: increase the fair value loss by approximately US\$317,000) whilst decreased underlying share price by 5% would increase the fair value gain on derivative financial instrument by approximately US\$300,000 (2017: decrease the fair value loss by approximately US\$340,000).

Increased expected volatility by 5% would increase the fair value gain on derivative financial instrument by approximately US\$97,000 (2017: decrease the fair value loss by approximately US\$52,000) whilst decreased expected volatility by 5% would decrease in fair value gain on derivative financial instrument by approximately US\$89,000 (2017: increase in fair value loss by approximately US\$33,000).

Increased annualised dividend yield by 5% would increase the fair value gain on derivative financial instrument by approximately US\$134,000 (2017: decrease the fair value loss by approximately US\$115,000).

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



36. 風險管理(續)

(b) 按公平值計量的金融工具(續)

按公平值計量的衍生金融工具(續)

年內各級之間並無轉撥。

分類為第3級的金融資產所使用的估值技術乃根據非基於可觀察市場數據的重大輸入值。此級的金融工具期初結餘與期末結餘的對賬如下：

36. Risk Management (Continued)

(b) Financial instruments measured at fair value (Continued)

Fair Value Measurement of Derivative Financial Instrument (Continued)

There were no transfers between levels during the year.

The financial assets classified in level 3 use valuation techniques based on significant inputs that are not based on observable market data. The financial instruments within this level are reconciled from opening to closing balances as follows:

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
資產	Assets		
按公平值變動列入損益的金融資產：	Financial assets at fair value through profit or loss:		
於一月一日	At 1 January	1,840	2,280
衍生金融工具的公平值收益/(虧損)	Fair value gain/(loss) on derivative financial instrument	73	(564)
匯兌調整	Exchange adjustment	(3)	124
於十二月三十一日	At 31 December	1,910	1,840

公平值收益73,000美元(二零一七年：公平值虧損564,000美元)於截止二零一八年十二月三十一日止年度之損益中確認。

Fair value gain of US\$73,000 (2017: Fair value loss of US\$564,000) has been recognised in profit or loss for the year ended 31 December 2018.

資本管理

本集團管理其資本，以確保本集團的實體可持續經營，同時藉著優化債務與權益平衡為股東帶來最大回報。本集團的整體策略由往年至今維持不變。

Capital Management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior years.

本集團的資本架構包括債務(包含附註26披露的借款)、現金及銀行結餘及本公司擁有人應佔權益(包含已發行資本、儲備及保留溢利)。

The capital structure of the Group consists of debt, which includes the borrowings as disclosed in Note 26, cash and bank balances and equity attributable to owners of the Company, comprising issued capital, reserves and retained profits.

綜合財務報表附註

Notes to the Consolidated Financial Statements

截至二零一八年十二月三十一日止年度 For the year ended 31 December 2018



36. 風險管理(續)

資本管理(續)

本集團按其整體融資架構釐定資本金額。本集團應經濟狀況變動及相關資產的風險特點，管理資本架構並作出調整。為維持或調整資本架構，本集團可能調整派付予股東的股息金額、退回資本予股東、發行新股份或出售資產以減債。

截至報告期末的淨資產負債比率如下：

36. Risk Management (Continued)

Capital Management (Continued)

The Group sets the amount of capital in proportion to its overall financing structure. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The net gearing ratio at the end of the reporting period was as follows:

		二零一八年 2018 千美元 US\$'000	二零一七年 2017 千美元 US\$'000
借款(附註26)	Borrowings (Note 26)	87,224	99,135
減：現金及現金等價物(附註23)	Less: Cash and cash equivalents (Note 23)	(11,564)	(8,891)
減：已抵押銀行存款(附註23)	Less: Pledged bank deposits (Note 23)	(22,014)	(32,631)
債務淨額	Net debt	53,646	57,613
權益	Equity	88,451	102,019
淨負債權益比率	Net debt to equity ratio	60.7%	56.5%

37. 報告期後事項

於二零一八年十二月二十九日，本集團已與獨立第三方訂立買賣協議，以收購天津強微特生物科技有限公司(「強微特」)20%股權，代價為人民幣14.0百萬元(相當於約2.0百萬美元)，其主要從事新型工業酶製劑、分子生物學工具酶、化妝品生物活性因子和生物護膚品的研發和產業化。該收購事項於二零一九年二月十八日完成，強微特因此成為本集團的聯營公司。

37. EVENT AFTER THE REPORTING PERIOD

On 29 December 2018, the Group has entered into a sale and purchase agreement with independent third parties to acquire the 20% equity interest in Tianjin Robustnique Biotechnology Co., Limited ("Robustnique") for a consideration of RMB14.0 million (equivalent to approximately US\$2.0 million) which is principally engaged in the research and development and industrialisation of new industrial enzyme preparations, molecular biology tool enzymes, and bioactive factors for cosmetic and biological skincare products. The acquisition was completed on 18 February 2019 and accordingly, Robustnique became an associate of the Group.



董事會

常務執行董事：

陳力先生(行政總裁)
(於二零一八年三月一日獲委任)

執行董事：

劉幫民先生(於二零一八年一月三十一日辭任)
侯淞先生(財務總監)
(於二零一八年十月二十日辭任)

非執行董事：

吳鎮濤先生(主席)
Stephen Burnau Hunt先生
李晉頤先生(副主席)
劉雪姿女士

獨立非執行董事：

陳記煊先生
鄧昭平先生
Fritz Heinrich Horlacher先生
楊德斌先生(於二零一八年十月六日獲委任)

審核委員會

陳記煊先生(主席)
李晉頤先生
鄧昭平先生
Fritz Heinrich Horlacher先生
楊德斌先生

薪酬委員會

鄧昭平先生(主席)
Stephen Burnau Hunt先生
李晉頤先生
陳記煊先生
Fritz Heinrich Horlacher先生
楊德斌先生

執行委員會

吳鎮濤先生(主席)
(於二零一八年一月三十一日獲委任)
李晉頤先生(副主席)
陳力先生(於二零一八年三月一日獲委任)
侯淞先生(於二零一八年十月二十日辭任)
劉雪姿女士
陶芳芳女士

BOARD OF DIRECTORS

Executive Managing Director:

Mr. Chen Li (*Chief Executive Officer*)
(appointed on 1 March 2018)

Executive Directors:

Mr. Liu Bang Min (resigned on 31 January 2018)
Mr. Hou Song (*Chief Financial Officer*)
(resigned on 20 October 2018)

Non-executive Directors:

Mr. Wu Zhen Tao (*Chairman*)
Mr. Stephen Burnau Hunt
Mr. Lee Jin Yi (*Deputy Chairman*)
Ms. Liu Xuezi

Independent non-executive Directors:

Mr. Chan Kee Huen, Michael
Mr. Tang Chiu Ping, Raymond
Mr. Fritz Heinrich Horlacher
Mr. Yeung Tak Bun, Allen (appointed on 6 October 2018)

AUDIT COMMITTEE

Mr. Chan Kee Huen, Michael (*Chairman*)
Mr. Lee Jin Yi
Mr. Tang Chiu Ping, Raymond
Mr. Fritz Heinrich Horlacher
Mr. Yeung Tak Bun, Allen

REMUNERATION COMMITTEE

Mr. Tang Chiu Ping, Raymond (*Chairman*)
Mr. Stephen Burnau Hunt
Mr. Lee Jin Yi
Mr. Chan Kee Huen, Michael
Mr. Fritz Heinrich Horlacher
Mr. Yeung Tak Bun, Allen

EXECUTIVE COMMITTEE

Mr. Wu Zhen Tao (*Chairman*)
(appointed on 31 January 2018)
Mr. Lee Jin Yi (*Deputy Chairman*)
Mr. Chen Li (appointed on 1 March 2018)
Mr. Hou Song (resigned on 20 October 2018)
Ms. Liu Xuezi
Ms. Tao Fang Fang

企業資料

Corporate Information



授權代表

侯淞先生(於二零一八年十月二十日辭任)
梁子俊先生(於二零一八年六月二十二日辭任)
陳力先生(於二零一八年十月二十日獲委任)
姚志鴻先生
(於二零一八年六月二十二日獲委任)

公司秘書

梁子俊先生(於二零一八年六月二十二日辭任)
姚志鴻先生
(於二零一八年六月二十二日獲委任)

註冊辦事處

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

總部及中國主要營業地點

中國
浙江省
寧波市
海曙區
高橋工業園區新豐路228號
郵編: 315174

香港主要營業地點

香港
德輔道中189號
李寶椿大廈12樓
1203-4室

核數師

香港立信德豪會計師事務所有限公司
執業會計師

法律顧問

羅夏信律師事務所(香港)
浙江和義觀達律師事務所(中國)
Ester Trust (開曼群島)

主要往來銀行

中國農業銀行
興業銀行
中國銀行
浦發銀行
富邦銀行
中國信託商業銀行
大華銀行

AUTHORISED REPRESENTATIVES

Mr. Hou Song (resigned on 20 October 2018)
Mr. Leung Tsz Chun (resigned on 22 June 2018)
Mr. Chen Li (appointed on 20 October 2018)
Mr. Yiu Chi Hung
(appointed on 22 June 2018)

COMPANY SECRETARY

Mr. Leung Tsz Chun (resigned on 22 June 2018)
Mr. Yiu Chi Hung
(appointed on 22 June 2018)

REGISTERED OFFICE

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

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

228 Xinfeng Road
Gaoqiao Industrial Park
Haishu District, Ningbo City
Zhejiang Province
PRC
Postal Code: 315174

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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

AUDITOR

BDO Limited
Certified Public Accountants

LEGAL ADVISORS

Stephenson Harwood (Hong Kong)
Harnest & Garner (China)
Ester Trust (Cayman Islands)

PRINCIPAL BANKERS

Agricultural Bank of China
Industrial Bank
Bank of China
SPD Bank
Fubon Bank
CTBC Bank
United Overseas Bank



健朗人生 活力無限
Caring For Health Cherishing Life

