



# Extrawell Pharmaceutical Holdings Limited 精優藥業控股有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock code 股份代號 : 858

## INTERIM REPORT 中期報告 2019/20

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# Condensed Consolidated Statement of Financial Position

## 簡明綜合財務狀況表

The board of directors (the “Board”) of Extrawell Pharmaceutical Holdings Limited (the “Company”) announces the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 September 2019 together with the comparative figures as follows:

精優藥業控股有限公司(「本公司」)董事會(「董事會」)宣佈，本公司及其附屬公司(「本集團」)截至二零一九年九月三十日止六個月之未經審核綜合業績連同比較數字如下：

		At 30 September 2019 於二零一九年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元	At 31 March 2019 於二零一九年 三月三十一日 (Audited) (經審核) HK\$'000 千港元
	Notes 附註		
<b>Non-current assets</b>			
Investment properties		1,348	1,378
Property, plant and equipment	5	128,837	140,740
Prepaid lease payments	2	—	9,236
Right-of-use assets		8,563	—
Intangible assets		1,807	1,807
Financial assets at fair value through profit or loss	6	500,173	469,737
Financial assets at fair value through other comprehensive income		—	—
Interest in an associate	3	329,643	330,062
Amount due from an associate		33,583	29,388
Loan to an associate	4	15,016	5,027
Deferred tax assets		69	69
		<b>1,019,039</b>	987,444
<b>Current assets</b>			
Inventories		6,125	5,824
Trade and bills receivables	7	18,128	20,047
Deposits, prepayments and other receivables		9,306	11,106
Financial assets at fair value through profit or loss		1,652	1,769
Pledged bank deposits		21,257	20,994
Bank balances and cash		131,434	148,902
		<b>187,902</b>	208,642
<b>Total assets</b>		<b>1,206,941</b>	1,196,086

**Condensed Consolidated Statement of Financial Position (Continued)**  
**簡明綜合財務狀況表(續)**

		At 30 September 2019 於二零一九年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元	At 31 March 2019 於二零一九年 三月三十一日 (Audited) (經審核) HK\$'000 千港元
		Notes 附註	
<b>Capital and reserves</b>	<b>股本及儲備</b>		
Share capital	股本	23,900	23,900
Reserves	儲備	1,060,393	1,042,752
Equity attributable to owners of the Company	本公司擁有人應佔權益	1,084,293	1,066,652
Non-controlling interests	非控股權益	(3,455)	(5,081)
<b>Total equity</b>	<b>權益總額</b>	<b>1,080,838</b>	1,061,571
<b>Non-current liabilities</b>	<b>非流動負債</b>		
Convertible bonds	可換股債券	54,092	49,635
Deferred income on government grants	政府補助之遞延收入	4,740	5,142
		<b>58,832</b>	54,777
<b>Current liabilities</b>	<b>流動負債</b>		
Trade and bills payables	貿易應付賬款及應付票據	8	7,932
Accruals, other payables and contract liabilities	預提費用、其他應付款項及合約負債	43,216	56,201
Deferred income on government grants	政府補助之遞延收入	121	125
Tax payable	應付稅項	16,002	15,287
		<b>67,271</b>	79,738
<b>Total equity and liabilities</b>	<b>總權益及負債</b>	<b>1,206,941</b>	1,196,086
<b>Net current assets</b>	<b>流動資產淨值</b>	<b>120,631</b>	128,904
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>	<b>1,139,670</b>	1,116,348

# Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

## 簡明綜合損益及其他全面收益表

		For the six months ended 30 September		
		截至九月三十日止六個月		
		2019		
		二零一九年		
		(Unaudited)		
		(未經審核)		
		二零一八年		
		(Unaudited)		
		(未經審核)		
		Notes	HK\$'000	HK\$'000
		附註	千港元	千港元
Revenue	收益	9	<b>40,695</b>	45,047
Cost of sales	銷售成本		<b>(17,281)</b>	(20,300)
Gross profit	毛利		<b>23,414</b>	24,747
Other income	其他收入	10	<b>6,400</b>	4,517
Other gains and losses, net	其他收益及虧損 淨額	11	<b>27,629</b>	33,306
Selling and distribution expenses	銷售及分銷費用		<b>(10,972)</b>	(18,221)
Administrative expenses	行政費用		<b>(13,338)</b>	(13,630)
Share of results of an associate	應佔一間聯營 公司業績		<b>(419)</b>	(142)
Effective interest expense on convertible bonds	可換股債券之 實際利息開支		<b>(4,457)</b>	(3,756)
Profit before taxation	除稅前溢利	12	<b>28,257</b>	26,821
Taxation	稅項	13	<b>(1,740)</b>	(253)
Profit for the period	期內溢利		<b>26,517</b>	26,568
<b>Other comprehensive income/ (expense)</b>	<b>其他全面收益/ (開支)</b>			
Item that may be reclassified subsequently to profit or loss	其後可能重新 分類至損益的 項目			
— Exchange differences arising on translation of foreign operations	— 換算海外 業務產生之 匯兌差額		<b>(7,250)</b>	(10,649)
Item that will not be reclassified subsequently to profit or loss	其後不會重新分類 至損益的項目			
— Change in fair value on financial assets through other comprehensive income	— 計入其他全面 收益之金融 資產公平值 變動		—	(41,967)
<b>Total comprehensive income/ (expense) for the period</b>	<b>期內全面收益/ (開支) 總額</b>		<b>19,267</b>	(26,048)

# Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (Continued)

簡明綜合損益及其他全面收益表(續)

		For the six months ended 30 September	
		截至九月三十日止六個月	
		2019	2018
		二零一九年	二零一八年
		<b>(Unaudited)</b>	(Unaudited)
		(未經審核)	(未經審核)
Notes		<b>HK\$'000</b>	HK\$'000
附註		千港元	千港元
<b>Profit for the period attributable to</b>	以下人士應佔 期內溢利		
Owners of the Company	本公司擁有人	<b>25,043</b>	26,404
Non-controlling interests	非控股權益	<b>1,474</b>	164
		<b>26,517</b>	26,568
<b>Total comprehensive income/(expense) for the period attributable to</b>	以下人士應佔期內 全面收益/(開支) 總額		
Owners of the Company	本公司擁有人	<b>17,641</b>	(26,431)
Non-controlling interests	非控股權益	<b>1,626</b>	383
		<b>19,267</b>	(26,048)
		<b>(Unaudited)</b>	(Unaudited)
		(未經審核)	(未經審核)
		<b>HK cents</b>	HK cents
		港仙	港仙
<b>Earnings per share for the period attributable to owners of the Company</b>	本公司擁有人應佔 期內每股盈利		
— Basic	— 基本	15	<b>1.05</b>
— Diluted	— 攤薄		1.10
			<b>0.90</b>
			0.92

# Condensed Consolidated Statement of Changes in Equity

## 簡明綜合權益變動表

		Attributable to owners of the Company 本公司擁有人應佔										
		Share capital	Share premium	Capital reserve	Contributed surplus	Foreign currency translation reserve	Convertible bonds equity reserve	Fair value through other comprehensive income reserve	Retained earnings	Total	Non-controlling interests	Total
		股本	股份溢價	資本儲備	繳入盈餘	外幣匯兌儲備	可換股債券權益儲備	計入其他全面收益儲備	保留盈利	合計	非控股權益	合計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 April 2018 (Audited)	於二零一八年四月一日 (經審核)	23,900	191,738	6,542	4,839	34,970	512,359	—	297,225	1,071,573	(4,494)	1,067,079
Initial application of HKFRS 9	首次應用香港財務報告準則第9號	—	—	—	—	—	—	(24,039)	21,160	(2,879)	(25)	(2,904)
At 1 April 2018 (Restated)	於二零一八年四月一日 (重列)	23,900	191,738	6,542	4,839	34,970	512,359	(24,039)	318,385	1,068,694	(4,519)	1,064,175
Profit for the period (Unaudited)	期內溢利 (未經審核)	—	—	—	—	—	—	—	26,404	26,404	164	26,568
Change in fair value on financial assets through other comprehensive income	計入其他全面收益之金融資產公平值變動	—	—	—	—	—	—	(41,967)	—	(41,967)	—	(41,967)
Exchange differences on translation of foreign operations	換算海外業務產生之匯兌差額	—	—	—	—	(10,868)	—	—	—	(10,868)	219	(10,649)
Total comprehensive income (expense)	全面收益(開支)總額	—	—	—	—	(10,868)	—	(41,967)	26,404	(26,431)	383	(26,048)
At 30 September 2018 (Unaudited)	於二零一八年九月三十日 (未經審核)	23,900	191,738	6,542	4,839	24,102	512,359	(66,006)	344,789	1,042,263	(4,136)	1,038,127
At 1 April 2019 (Audited)	於二零一九年四月一日 (經審核)	23,900	191,738	6,542	4,839	27,945	512,359	(83,086)	382,415	1,066,652	(5,081)	1,061,571
Profit for the period (Unaudited)	期內溢利 (未經審核)	—	—	—	—	—	—	—	25,043	25,043	1,474	26,517
Exchange differences on translation of foreign operations	換算海外業務產生之匯兌差額	—	—	—	—	(7,402)	—	—	—	(7,402)	152	(7,250)
Total comprehensive income (expense)	全面收益(開支)總額	—	—	—	—	(7,402)	—	—	25,043	17,641	1,626	19,267
At 30 September 2019 (Unaudited)	於二零一九年九月三十日 (未經審核)	23,900	191,738	6,542	4,839	20,543	512,359	(83,086)	407,458	1,084,293	(3,455)	1,080,838

# Condensed Consolidated Statement of Cash Flows

## 簡明綜合現金流量表

		For the six months ended 30 September	
		截至九月三十日止六個月	
		2019	2018
		二零一九年	二零一八年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Net cash (used in) operating activities	經營活動(使用)之現金淨額	<b>(7,799)</b>	(10,343)
Net cash (used in) generated from investing activities	投資活動(使用)產生之現金淨額	<b>(8,453)</b>	20,920
Net (decrease) increase in cash and cash equivalents	現金及現金等值項目(減少)增加淨額	<b>(16,252)</b>	10,577
Effect on foreign exchange rate changes	外幣匯率變動之影響	<b>(1,216)</b>	(1,504)
Cash and cash equivalents at beginning of the period	期初之現金及現金等值項目	<b>148,902</b>	161,765
Cash and cash equivalents at end of the period — represented by bank balances and cash	期終之現金及現金等值項目 — 以銀行結餘及現金列示	<b>131,434</b>	170,838



# Notes to the Condensed Consolidated Financial Information

## 簡明綜合財務資料附註

### 1. General Information

The Company is a limited liability company incorporated in Bermuda whose shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The address of its principal place of business is Suites 2206–08, 22/F, Devon House, Taikoo Place, 979 King’s Road, Quarry Bay, Hong Kong.

This unaudited condensed consolidated interim financial information of the Group (the “**Interim Financial Information**”) was approved for issue by the Board on 29 November 2019.

### 2. Basis of Preparation and Changes in Accounting Policies

The Interim Financial Information has been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on the Stock Exchange, and the Hong Kong Accounting Standard (“**HKAS**”) 34 “**Interim Financial Reporting**” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”).

### 1. 一般資料

本公司乃於百慕達註冊成立之有限公司，其股份於香港聯合交易所有限公司（「**聯交所**」）主板上市。其註冊辦事處地址位於Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。其主要營業地點位於香港 鯉魚涌英皇道 979 號太古坊德宏大廈 22 樓 2206–08 室。

此份本集團之未經審核簡明綜合中期財務資料（「**中期財務資料**」）於二零一九年十一月二十九日獲董事會批准刊發。

### 2. 編製基準及會計政策變動

中期財務資料已遵照聯交所證券上市規則（「**上市規則**」）附錄十六之適用披露規定及香港會計師公會（「**香港會計師公會**」）頒佈的香港會計準則（「**香港會計準則**」）第 34 號「**中期財務報告**」而編製。

## 2. Basis of Preparation and Changes in Accounting Policies (Continued)

This Interim Financial Information should be read in conjunction with the Group's audited financial statements for the year ended 31 March 2019 (the "2019 Audited Financial Statements") as prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs"). Other than changes as described below, the accounting policies adopted in this Interim Financial Information are consistent with the 2019 Audited Financial Statements.

The Group has adopted the new and amended standards to HKFRSs as issued by the HKICPA that are first effective for the current interim period and considered that there was no significant impact on the Group's results and financial position or any substantial changes in the Group's accounting policies, except for HKFRS 16 Leases, as discussed below.

## 2. 編製基準及會計政策變動(續)

此中期財務資料應與本集團按照香港財務報告準則(「香港財務報告準則」)編製之截至二零一九年三月三十一日止年度經審核財務報表(「二零一九年經審核財務報表」)一併閱讀。除下文所述的變動外，本中期財務資料採用的會計政策與二零一九年經審核財務報表一致。

本集團已採納香港會計師公會頒布之香港財務報告準則的新訂及經修訂準則，該等準則於本中期期間首次生效，本集團又認為，除下文所闡述採納香港財務報告準則第16號「租賃」之影響外，採納該等新訂及經修訂香港財務報告準則對本集團業績及財務狀況概無產生重大影響或對本集團會計政策概無產生重大變動。

## 2. Basis of Preparation and Changes in Accounting Policies (Continued)

### HKFRS 16 Leases

HKFRS 16 Leases replaces HKAS 17 Leases and related interpretations. It introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Specifically, under HKFRS 16, a lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. Accordingly, a lessee should recognise depreciation of the right-of-use asset and interest on the lease liability, and also classifies cash repayments of the lease liability into a principal portion and an interest portion and presents them in the statement of cash flows. Also, the right-of-use asset and the lease liability are initially measured on a present value basis. The measurement includes non-cancellable lease payments and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or to exercise an option to terminate the lease. In respect of the lessor accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17.

## 2. 編製基準及會計政策變動(續)

### 香港財務報告準則第16號—租賃

香港財務報告準則第16號取代香港會計準則第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十二個月之所有租賃確認資產及負債，除非相關資產為低價值資產則另作別論。具體而言，根據香港財務報告準則第16號，承租人須確認使用權資產(表示其有權使用相關租賃資產)及租賃負債(表示其有責任支付租賃款項)。因此，承租人應確認使用權資產折舊及租賃負債利息，並將租賃負債之現金還款分類為本金部分及利息部分，並於現金流量表內呈列。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行使選擇權終止租賃之情況下，將於選擇權期間內作出之付款。就出租人會計處理而言，香港財務報告準則第16號大致繼承了香港會計準則第17號之出租人會計處理規定。

## 2. Basis of Preparation and Changes in Accounting Policies (Continued)

### HKFRS 16 Leases (Continued)

The adoption of HKFRS 16 has resulted in changes of accounting policies. In accordance with its transition provisions, the Group has adopted the modified retrospective approach for existing leases at 1 April 2019 with certain reliefs, and under which comparative information is not restated. Under the approach, the Group has applied the following practical expedients on transition to HKFRS 16 to leases previously classified as operating leases under HKAS 17:

- (i) reliance on previous assessments on whether leases are onerous;
- (ii) applying the recognition exemption for leases of low value assets or short-term leases that ends within 12 months of the date of initial application; and
- (iii) the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

## 2. 編製基準及會計政策變動(續)

### 香港財務報告準則第16號—租賃(續)

採納香港財務報告準則第16號導致會計政策變更。根據該準則的過渡條款，本集團於二零一九年四月一日對現有租賃採納作了某些寬減而修訂的追溯法，在此基礎上未重述比較資料。根據該方法，本集團已應用香港財務報告準則第16號的過渡條文將以下早前根據香港會計準則第17號歸類為經營租賃的租賃以可行權宜方法處理過渡：

- (i) 依賴先前關於租賃是否虧損的評估；
- (ii) 就低價值資產租賃或短期租賃(於首次應用日期起計剩餘租期少於十二個月)採用確認豁免；及
- (iii) 當合約包含延長或終止租約的選擇時，以事後分析結果釐定租期。

2. Basis of Preparation and Changes in Accounting Policies (Continued)

HKFRS 16 Leases (Continued)

Upon the adoption of HKFRS 16, the Group reclassified the “prepaid lease payments” to right-of-use assets for presentation as below:

2. 編製基準及會計政策變動(續)

香港財務報告準則第16號—租賃(續)

應用香港財務報告準則第16號後，本集團已重新分類「預付租賃付款」至使用權資產，並作以下呈報方式：

	As originally presented 31 March 2019 如於二零一九年 三月三十一日 原本呈報 HK\$'000 千港元	Reclassification under HKFRS 16 根據香港財務報 告準則第16號 重新分類 HK\$'000 千港元	Restated 1 April 2019 於二零一九年 四月一日 (重列) HK\$'000 千港元
<b>Non-current assets (extract)</b>			
<b>非流動資產 (摘錄)</b>			
Prepaid lease payments			
預付租賃付款	9,236	(9,236)	—
Right-of-use assets	—	9,236	9,236
使用權資產			

## 2. Basis of Preparation and Changes in Accounting Policies (Continued)

### HKFRS 16 Leases (Continued)

As a lessee, the Group's leases are mainly rentals of offices with initial period of three years. At the date of transition to HKFRS 16, the Group has applied the recognition exemption not to recognise right-of-use assets and lease liabilities for leases whose remaining lease term ending on or before 31 March 2020. Accordingly, lease payments associated with those leases are recognised as expense on a straight-line basis over the lease term in the current interim period. The following table reconciles the operating lease commitments as disclosed in note 36 to the 2019 Audited Financial Statements to the opening balance for lease liabilities recognised as at 1 April 2019:

## 2. 編製基準及會計政策變動(續)

### 香港財務報告準則第16號—租賃(續)

作為承租人，本集團的租賃主要為初始租賃期為三年的辦公室租金。於過渡至香港財務報告準則第16號日期，本集團已應用確認豁免，就其剩餘租賃期於二零二零年三月三十一日或之前終止的租賃，不確認其使用權資產和租賃負債。因此，與該等租賃相關的租賃付款在本中期期間按直線法在租賃期內確認為開支。下表載列於二零一九年經審核財務報表附註36披露的經營租賃承擔與於二零一九年四月一日確認的租賃負債期初結餘之對賬：

		HK\$'000 千港元
Operating lease commitments at 31 March 2019	於二零一九年三月三十一日的經營租賃承擔	1,601
Less: Recognition exemption — short-term leases	減：確認豁免—短期租賃	(1,601)
Lease liabilities recognised as at 1 April 2019	於二零一九年四月一日確認的租賃負債	—

### 3. Qualified Opinion — 2019 Audited Financial Statements

In the 2019 Audited Financial Statements, a qualified opinion was expressed in the Independent Auditor's Report in relation to prior year's audit scope limitation affecting opening balances and comparative figures arising from the carrying amount of the Group's interest in an associate, Smart Ascent Limited, which is now extracted as below:

"The auditor's report on the consolidated financial statements of the Group for the year ended 31 March 2018 contained a disclaimer of opinion on the limitation on the audit scope in relation to the interest in an associate. Details of which had been set out in the auditor's report dated 29 June 2018.

As the consolidated financial statements of the Group for the year ended 31 March 2018 formed the basis for the comparative figures presented in the current year's consolidated financial statements, any adjustments found to be necessary in respect of the carrying amount of the interest in an associate would have a significant effect on the comparative figures and the opening balances and the related disclosures thereof for the year ended 31 March 2019.

### 3. 保留意見—二零一九年經審核財務報表

於二零一九年經審核財務報表中，就獨立核數師報告有關本集團於一間聯營公司進生有限公司的權益賬面值，而影響期初結餘及比較數字之上一年度審核範圍限制提出保留意見，現摘錄如下：

「就貴集團截至二零一八年三月三十一日止年度之綜合財務報表之核數師報告中，載述就於一間聯營公司之權益之審核範圍限制無法表示意見。有關詳情載於日期為二零一八年六月二十九日之核數師報告。

由於貴集團截至二零一八年三月三十一日止年度之綜合財務報表構成本年度綜合財務報表所呈列相關數字之基礎，就於一間聯營公司之權益賬面值發現之任何須作出之調整將對期初結餘造成重大影響及對截至二零一九年三月三十一日止年度之業績及相關披露事項產生重大影響。

### 3. Qualified Opinion — 2019 Audited Financial Statements (Continued)

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

The management of the Company and the Audit Committee, having considered the progress of the In-process R&D, the prevailing market conditions and reasonableness of assumptions used for the cash flow projections for the purpose of impairment assessment, do not identify any indication on the carrying amount of interest in the associate as at 30 September 2019 that may need to be impaired. Accordingly, no impairment is considered necessary as at 30 September 2019.

### 3. 保留意見—二零一九年經審核財務報表(續)

吾等已根據香港會計師公會頒佈之香港審計準則(「香港審計準則」)進行審核。吾等在該等準則下之責任已在本報告「核數師就審核綜合財務報表須承擔之責任」一節中進一步闡述。根據香港會計師公會頒佈之專業會計師道德守則(「守則」)，吾等獨立於貴集團，且已根據守則履行其他道德責任。吾等相信所獲取之審核憑證為充足，且適當地為吾等之審核意見提供基礎。」

本公司管理層及審核委員會經考慮進行中之研發的進展、當前市況以及現金流量預測使用之假設之合理性作減值評估，並無發現有任何跡象顯示於二零一九年九月三十日於聯營公司之權益的賬面值需作出減值，故認為於二零一九年九月三十日無須作出減值。



#### 4. Loan to an Associate

On 27 July 2018, the Company and Innovative Pharmaceutical Biotech Limited (“**Innovative Pharm**”, together with its subsidiaries “**Innovative Pharm Group**”) through their respective wholly-owned subsidiaries as lenders and Smart Ascent Limited (“**Smart Ascent**”, together with its subsidiaries “**Smart Ascent Group**”) as borrower entered into a shareholders’ loan agreement for a loan to Smart Ascent amounting to HK\$30 million in total (the “**Loan**”), to be contributed as to 49% i.e. HK\$14.7 million by the Group and as to 51% i.e. HK\$15.3 million by the Innovative Pharm Group, which would be used to finance the working capital requirements of Smart Ascent Group for the oral insulin project. The Loan is unsecured, interest bearing at 5% per annum and has a repayment term fixed at 60 months after each drawdown of the Loan.

In August 2019, Smart Ascent had drawn down in aggregate of HK\$20 million, and together with the HK\$10 million drawn down in September 2018, Smart Ascent had fully drawn down the Loan of HK\$30 million as provided by the Group and Innovative Pharm Group. The balance as at 30 September 2019 represents the Group’s 49% contribution of HK\$14.7 million and the interest receivable.

#### 4. 授予一間聯營公司之貸款

於二零一八年七月二十七日，本公司及領航醫藥及生物科技有限公司(「**領航醫藥**」，連同其附屬公司「**領航醫藥集團**」)透過各自之全資附屬公司(作為貸款方)與進生有限公司(「**進生**」，連同其附屬公司「**進生集團**」)(作為借款方)訂立一份股東貸款協議予進生總額為30,000,000港元之貸款(「**該貸款**」)，該貸款由本集團提供49%款項(即14,700,000港元)，由領航醫藥集團提供51%款項(即15,300,000港元)，該貸款將用於支付進生集團的口服胰島素項目的營運資金需求。該貸款為無抵押貸款，年利率為5%，並且還款期限固定(需於每次提取貸款後的60個月內償還)。

於二零一九年八月，進生合共提取20,000,000港元，連同二零一八年九月提取的10,000,000港元，進生已全數提取本集團及領航醫藥集團提供該貸款的30,000,000港元。而截至二零一九年九月三十日的結餘為本集團分擔的49%款項(即14,700,000港元)及應收利息。

## 5. Property, Plant and Equipment

In the period under review, there were no material additions and disposals, and the net change mainly related to depreciation, amortisation and exchange difference arising on translation.

## 6. Financial assets at fair value through profit or loss (“FVTPL”)

The balance represents the fair value of the Group’s investments in convertible bonds issued by Innovative Pharm on 28 July 2014 with principal amount of HK\$715,000,000, which bears interest at 3.5% per annum payable in arrears annually with maturity on the 7th anniversary of the date of issue (the “**Bonds**”).

On 26 July 2019, the Company and Innovative Pharm, a then substantial shareholder of the Company entered into, amongst others, the deed of amendment to amend and vary certain terms and conditions in the Bonds (the “**Proposed Amendments**”), whereby the dates for annual interest payment of HK\$25,025,000 (the “**Interest**”) each for the periods from 28 July 2018 to 27 July 2019 (“**2019 Interest Period**”) and 28 July 2019 to 27 July 2020 (“**2020 Interest Period**”) will both be extended to 28 July 2021 and an additional interest in the amount of HK\$11,261,250 shall be paid on the even date. The additional interest represents 15% per annum on the Interest for 2-year extension for payment of interest for 2019 Interest Period and 1-year extension for payment of interest for 2020 Interest Period.

## 5. 物業、廠房及設備

回顧期內，概無重大添置及出售，而變動淨額主要有關折舊、攤銷及換算產生之匯兌差額。

## 6. 按公平值計入損益(「按公平值計入損益」)之金融資產

結餘指本集團於領航醫藥於二零一四年七月二十八日發行的可換股債券投資之公平值，本金額為715,000,000港元，按年利率3.5%計息，須於每年的到期日支付，並於發行日起計第七周年屆滿(「**債券**」)。

於二零一九年七月二十六日，本公司與領航醫藥簽立修訂契約(其中包括)，以修訂及更改債券的若干條款及條件(「**建議修訂**」)，據此，每年支付利息25,025,000港元(該「**利息**」)的日期分別為自二零一八年七月二十八日至二零一九年七月二十七日(「**二零一九年利息期**」)和自二零一九年七月二十八日至二零二零年七月二十七日(「**二零二零年利息期**」)的各自年度利息支付期均延期至二零二一年七月二十八日，及額外利息11,261,250港元須於同一日期支付。額外利息為就該利息的二零一九年利息期延長兩年及二零二零年利息期延長一年，按年息15%計算的利息。

## 6. Financial assets at fair value through profit or loss (“FVTPL”) (Continued)

The transaction contemplated under the Proposed Amendments constitutes a major and connected transaction for the Company under Chapter 14 and Chapter 14A of the Listing Rules, which was approved by the Company’s independent shareholders at its special general meeting held on 17 October 2019 and completed on 28 October 2019.

Details regarding the Proposed Amendments, the results of the special general meeting and the completion are respectively disclosed in the Company’s announcement dated 26 July 2019 and the circular dated 16 September 2019, and the Company’s announcements dated 17 October 2019 and 28 October 2019.

## 7. Trade and Bills Receivables

The Group’s trading terms with its customers are mainly based on credit, except for new customers, where payment in advance is normally required. The credit period is generally ranging from 120 to 180 days, extending up to one year for some major customers.

## 6. 按公平值計入損益(「按公平值計入損益」)之金融資產(續)

根據上市規則第14章和第14A章，建議修訂項下擬進行的交易構成本公司的主要及關連交易，該交易已在於二零一九年十月十七日舉行的本公司股東特別大會上獲批准並於二零一九年十月二十八日完成。

有關建議修訂、股東特別大會結果及完成的詳情，分別披露於本公司日期為二零一九年七月二十六日的公告及二零一九年九月十六日的通函，以及本公司日期為二零一九年十月十七日及二零一九年十月二十八日的公告。

## 7. 貿易應收賬款及應收票據

本集團與其客戶之貿易條款主要為除銷，惟新客戶一般需要預先付款。在一般情況下，客戶可獲得為期120日至180日之信貸期，而若干主要客戶可延期至最多一年。

## 7. Trade and Bills Receivables (Continued)

The aging analysis of trade and bills receivables (net of provision of impairment loss on trade receivables), based on invoice dates are as follows:

## 7. 貿易應收賬款及應收票據(續)

貿易應收賬款及應收票據(扣除貿易應收賬款減值虧損撥備)基於發票日期之賬齡分析如下:

		At 30 September 2019 於二零一九年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元	At 31 March 2019 於二零一九年 三月三十一日 (Audited) (經審核) HK\$'000 千港元
Within 90 days	90日內	9,208	10,932
91–180 days	91日至180日	2,322	5,170
181–365 days	181日至365日	6,598	3,945
		<b>18,128</b>	20,047

## Notes to the Condensed Consolidated Financial Information (Continued)

### 簡明綜合財務資料附註(續)

#### 8. Trade and Bills Payables

The aging analysis of trade and bills payables, based on invoice dates are as follows:

#### 8. 貿易應付賬款及應付票據

貿易應付賬款及應付票據基於發票日期之賬齡分析如下：

		At <b>30 September</b> <b>2019</b> 於二零一九年 九月三十日 <b>(Unaudited)</b> (未經審核) <b>HK\$'000</b> 千港元	At 31 March 2019 於二零一九年 三月三十一日 (Audited) (經審核) HK\$'000 千港元
Within 90 days	90日內	<b>4,008</b>	3,202
91–180 days	91日至180日	<b>520</b>	4,186
181–365 days	181日至365日	<b>2,759</b>	44
1–2 years	1年至2年	<b>162</b>	176
Over 2 years	2年以上	<b>483</b>	517
		<b>7,932</b>	8,125

## 9. Revenue and Segment Information

The Group's revenue comprises the following:

		For the six months ended 30 September	
		截至九月三十日止六個月	
		2019	2018
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Manufacturing of pharmaceutical products	製造藥品	40,695	37,241
Trading of pharmaceutical products	藥品貿易	—	7,806
		<b>40,695</b>	<b>45,047</b>

The Group's operating businesses are structured and managed separately, according to the nature of their operations and the products they provide. Each of the Group's operating segments represents a strategic business unit that offers products which are subject to risks and returns that are different from those of the other business segments. Summarised details of the reportable and operating segments are as follows:

- (a) the manufacturing segment engages in the development, manufacture and sales of pharmaceutical products ("Manufacturing");

本集團收益包括以下各項：

本集團之經營業務乃按照其業務性質及所提供之產品作出獨立分類及管理。本集團各經營分類乃提供產品之策略性業務單位，各經營分類之風險及回報不盡相同。可呈報經營分類之概要詳情如下：

- (a) 製造分類從事開發、製造及銷售醫藥產品（「製造」）；

## Notes to the Condensed Consolidated Financial Information (Continued)

### 簡明綜合財務資料附註(續)

#### 9. Revenue and Segment Information (Continued)

- (b) the trading segment engages in the marketing and distribution of imported pharmaceutical products (“**Trading**”);
- (c) the gene development segment engages in the commercial exploitation and development of genome-related technology (“**Gene Development**”).

The following is an analysis of the Group’s revenue and results from operation by reportable and operating segment for the six months ended 30 September 2019:

#### 9. 收益及分類資料(續)

- (b) 貿易分類從事推廣及經銷進口醫藥產品(「**貿易**」);
- (c) 基因開發分類從事基因相關技術之商業開發及研發(「**基因開發**」)。

以下為於截至二零一九年九月三十日止六個月按可呈報經營分類劃分的本集團來自經營業務之收益及業績分析：

		Unaudited — For the six months ended 30 September							
		未經審核一截至九月三十日止六個月							
		Manufacturing		Trading		Gene Development		Total	
		製造		貿易		基因開發		總計	
		2019	2018	2019	2018	2019	2018	2019	2018
		二零一九年	二零一八年	二零一九年	二零一八年	二零一九年	二零一八年	二零一九年	二零一八年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Revenue	收益								
Sales to external customers	向外間客戶銷售	40,695	37,241	—	7,806	—	—	40,695	45,047
Segment results	分類業績	7,003	417	(6,285)	(3,268)	(37)	(37)	681	(2,888)
Unallocated other income	未分配之其他收入							6,400	4,517
Unallocated other gains and losses, net	未分配之其他收益及虧損淨額							30,436	33,380
Corporate expenses	企業開支							(4,384)	(4,290)
Effective interest expense on convertible bonds	可換股債券之實際利息開支							(4,457)	(3,756)
Share of results of an associate	應佔一間聯營公司業績							(419)	(142)
Profit before taxation	除稅前溢利							28,257	26,821
Taxation	稅項							(1,740)	(253)
Profit for the period	期內溢利							26,517	26,568

Notes to the Condensed Consolidated Financial Information (Continued)  
 簡明綜合財務資料附註(續)

10. Other Income

10. 其他收入

		For the six months ended 30 September	
		截至九月三十日止六個月	
		2019	2018
		二零一九年	二零一八年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Interest income	利息收入	1,954	1,253
Government grants	政府補助	61	46
Imputed interest income from amount due from an associate	應收一間聯營公司款項之估算利息收入	4,195	3,213
Interest income from loan to an associate	授予一間聯營公司之貸款之利息收入	190	5
		<b>6,400</b>	<b>4,517</b>



11. Other Gains and Losses, Net

11. 其他收益及虧損淨額

		For the six months ended 30 September	
		截至九月三十日止六個月	
		2019	2018
		二零一九年	二零一八年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	—	3
Impairment loss on deposits, prepayments and other receivables	按金、預付款項及其他應收款項減值虧損	(510)	(33)
Impairment loss on trade receivables, net	貿易應收賬款之減值虧損淨額	(2,323)	(77)
Change in fair value on financial assets at FVTPL — investments in convertible bonds*	按公平值計入損益之金融資產之公平值變動—可換股債券投資*	30,436	33,380
Change in fair value on financial assets at FVTPL — short term investments	按公平值計入損益之金融資產之公平值變動—短期投資	26	33
		<b>27,629</b>	<b>33,306</b>

\* Effective interest income of HK\$12,547,000 on investments in convertible bonds was reported as "Other Income" in the 6-month period ended 30 September 2018. To conform to the current period presentation, this balance has been reclassified and disclosed as change in fair value on financial assets at FVTPL — investments in convertible bonds.

\* 於截至二零一八年九月三十日的六個月期間，可換股債券投資的實際利息收入為12,547,000港元，被呈報為「其他收入」。為與本期間之呈報方式一致，該結餘已重新分類，並披露於按公平值計入損益之金融資產之公平值變動—可換股債券投資。

## 12. Profit before Taxation

The Group's profit before taxation has been arrived at after charging:

## 12. 除稅前溢利

本集團之除稅前溢利已扣除以下各項：

		For the six months ended 30 September	
		截至九月三十日止六個月	
		2019	2018
		二零一九年	二零一八年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Depreciation of right-of-use assets	使用權資產折舊	113	—
Amortisation of prepaid lease payments	預付租賃付款攤銷	—	116
Depreciation of investment properties	投資物業折舊	30	29
Depreciation of property, plant and equipment	物業、廠房及設備折舊	2,930	3,160
Cost of inventories recognised as expenses	確認為費用之存貨成本	17,281	20,300
Operating lease charges in respect of land and buildings	有關土地及樓宇之經營租賃費用	913	913
Staff cost (including directors' emoluments)	員工成本(包括董事薪酬)		
Salaries, bonus and allowances	薪金、花紅及津貼	10,073	10,024
Retirement benefits scheme contributions	退休福利計劃供款	1,190	1,393

### 13. Taxation

### 13. 稅項

		For the six months ended 30 September	
		截至九月三十日止六個月	
		2019	2018
		二零一九年	二零一八年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Current tax:	即期稅項：		
Hong Kong	香港	—	29
Other jurisdictions	其他司法權區	1,818	224
		1,818	253
Overprovision:	稅項之超額撥備：		
Hong Kong	香港	(38)	—
Other jurisdictions	其他司法權區	(40)	—
		(78)	—
Taxation	稅項	1,740	253

Hong Kong Profits Tax has been provided at the rate of 8.25% (2018:16.5%) of the estimated assessable profits for the first HK\$2 million under the two-tiered profits tax rates regime effective on 1 April 2018.

Under the Law of the People's Republic of China (the "PRC" or "China") on Enterprise Income Tax (the "EIT") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

根據於二零一八年四月一日生效的利得稅兩級制，首2,000,000港元估計應課稅溢利按利得稅率8.25%（二零一八年：16.5%）計提撥備。

根據中華人民共和國（「中國」）企業所得稅法（「企業所得稅法」）及企業所得稅法實施條例，由二零零八年一月一日起，中國附屬公司之稅率為25%。

### 13. Taxation (Continued)

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

### 14. Interim Dividends

The directors do not recommend the payment of an interim dividend in respect of the six months ended 30 September 2019 (six months ended 30 September 2018: HK\$ Nil).

### 15. Earnings Per Share

The calculation of the basic earnings per share is based on the profit attributable to owners of the Company of HK\$25,043,000 (2018: HK\$26,404,000) and 2,390,000,000 ordinary shares in issue.

The calculation of the diluted earnings per share is based on adjusted profit of HK\$29,500,000 (2018: HK\$30,160,000) for effective interest expense on convertible bonds of HK\$4,457,000 (2018: HK\$3,756,000) and the weighted average number of 3,290,000,000 ordinary shares outstanding.

### 13. 稅項(續)

於其他司法權區產生之稅項乃按有關司法權區現行稅率計算。

### 14. 中期股息

董事不建議派付截至二零一九年九月三十日止六個月之中期股息(截至二零一八年九月三十日止六個月：零港元)。

### 15. 每股盈利

每股基本盈利的計算方法乃基於本公司擁有人應佔溢利25,043,000港元(二零一八年：26,404,000港元)及2,390,000,000股已發行普通股。

每股攤薄盈利的計算方法乃基於可換股債券實際利息開支4,457,000港元(二零一八年：3,756,000港元)之經調整溢利29,500,000港元(二零一八年：30,160,000港元)·以及3,290,000,000股已發行在外普通股加權平均數。

**Notes to the Condensed Consolidated Financial Information (Continued)**  
**簡明綜合財務資料附註(續)**

**16. Commitments**

The Group had future aggregate minimum lease payable under non-cancellable operating lease with respect to office premises rental as follows:

	<b>At</b>	<b>At</b>
	<b>30 September</b>	<b>31 March</b>
	<b>2019</b>	<b>2019</b>
	<b>於二零一九年</b>	<b>於二零一九年</b>
	<b>九月三十日</b>	<b>三月三十一日</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>(未經審核)</b>	<b>(經審核)</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>千港元</b>	<b>千港元</b>
Not later than one year 一年內	<b>688</b>	<b>1,601</b>

The Group's operating lease commitment represents rental of its office with initial period of three years. Rentals are fixed over the lease terms and none of the leases included contingent rentals.

本集團根據不可撤銷經營租賃就辦公場地之日後最低應付租金總額如下：

本集團之經營租賃承擔指其辦公室租金，最初租約期限為三年。於租約期內租金固定，且概無租賃包括或然租金。

**17. Connected and Related Party Transactions**

In addition to the disclosures elsewhere in this Interim Financial Information, the Group had the following transactions with its related parties during the period ended 30 September 2019:

**17. 關連及關聯方交易**

除本中期財務資料其他部分所披露者外，於截至二零一九年九月三十日止期間，本集團與其關聯方有以下交易：

## 17. Connected and Related Party Transactions (Continued)

Compensation for key management personnel, including amounts paid to the Company's directors is as follows:

## 17. 關連及關聯方交易 (續)

主要管理人員之補償(包括向本公司董事支付之款項)如下:

		For the six months ended 30 September	
		截至九月三十日止六個月	
		2019	2018
		二零一九年	二零一八年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Salaries, fees and other benefits	薪金、袍金及其他福利	2,912	2,810
Retirement benefit scheme contributions	退休福利計劃供款	18	18
		<b>2,930</b>	2,828

## 18. Fair Value Measurement of Financial Instruments

There was no transfer between different levels of the fair value hierarchy during the period ended 30 September 2019, and there was no change in valuation techniques for the following Group's financial assets that are measured at fair value on a recurring basis at the end of the reporting period:

## 18. 金融工具之公平值計量

截至二零一九年九月三十日止期間，不同公平值架構級別之間概無任何轉移，於報告期末，對以下根據經常性基準按公平值計量之本集團金融資產之估值技術亦概無變動：

		As at 30 September 2019 (Unaudited)			
		於二零一九年九月三十日(未經審核)			
		Level 1	Level 2	Level 3	Total
		第一級	第二級	第三級	總值
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Financial assets at fair value through other comprehensive income ("FVTOCI")	按公平值計入其他全面收益(「按公平值計入其他全面收益」)之金融資產	—	—	—	—
Financial assets at FVTPL	按公平值計入損益之金融資產	—	1,652	500,173	501,825
		—	1,652	500,173	501,825

## 18. Fair Value Measurement of Financial Instruments (Continued)

The financial assets at FVTOCI in Level 2 hierarchy include unlisted investment fund and unlisted equity investment, and the fair values of which are determined by the net asset value (“NAV”) of the investment fund with reference to observable quoted prices of underlying investment portfolio in active markets with certain adjustments made to reflect the interest of the fund holder and the NAV of the PRC entity respectively. As to the short-term highly liquid investments placed in a PRC state-owned financial institution included in Level 2 hierarchy that is measured at FVTPL, the fair value is determined based on a non-fixed rate of return.

The investments in convertible bonds in Level 3 hierarchy is measured at FVTPL. The fair value is determined based on the valuation conducted by an independent qualified valuer using the binomial option pricing model and the significant unobservable input used in the fair value measurement is the expected volatility. The fair value measurement is positively correlated to the share price of the issuer and its expected volatility, in which an increase in share price and expected volatility will result in the increase in fair value measurement and vice versa.

## 18. 金融工具之公平值計量(續)

第二級的按公平值計入其他全面收益的金融資產包括非上市投資基金和非上市股本投資，其公平值分別由投資基金的淨資產值(「淨資產值」)(其經參考相關投資組合按於活躍市場的可觀察報價，並作出若干調整以反映基金持有人的權益)和中國實體的淨資產值釐定。至於納入第二級的按公平值計入損益的於中國國有金融機構的短期高流動性投資，該公平值根據非固定收益率確定。

第三級的可換股債券投資乃以按公平值計入損益計量，該公平值根據獨立合資格估值師使用二項期權定價模型進行的估值釐定，按公平值計量的過程中，使用的重大不可觀察輸入數據為預期的波動。公平值計量與發行人的股份價格及其預期波動成正相關，其中股份價格及預期波動增加將導致公平值增加，反之亦然。



**18. Fair Value Measurement of Financial Instruments (Continued)**

The movements in fair value of investments in convertible bonds during the period are as follows:

		HK\$'000 千港元
At 1 April 2019 (Audited)	於二零一九年四月一日 (經審核)	469,737
Fair value change recognised in profit or loss	於損益確認的公平值變動	30,436
At 30 September 2019 (Unaudited)	於二零一九年九月三十日 (未經審核)	500,173

The directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair values.

**18. 金融工具之公平值計量(續)**

期內可換股債券投資的公平值變動載列如下：

董事認為，於簡明綜合財務報表中按攤銷成本記錄的金融資產及金融負債的賬面值與該金融資產及金融負債的公平值相若。

**19. Comparative Figures**

Certain comparative figures have been reclassified and restated in order to conform to the current period presentation and to reflect the impact on initial application of HKFRS 9 Financial Instruments as disclosed in Note 2 to the 2019 Audited Financial Statements.

**19. 比較數字**

若干比較數字已重新分類及重列，以符合本期間之呈報方式，並反映對二零一九年經審核財務報表附註2披露的香港財務報告準則第9號「金融工具」初始應用的影響。

## Management Discussion and Analysis

### Business Review

#### Overall Performance

In the period under review, the global economy was slowing down amid on-going trade war between China and the US. The persistence of trade war with the US weighed on the Chinese economy, which recorded its weakest growth in almost three decades at 6% in the third quarter, slower than that of 6.2% in the second quarter of this year. Despite China's slowing economic growth, the favorable growth dynamics driven by factors such as natural population growth and aging population, accelerating urbanisation and the people's rising living standards accompanied by higher healthcare demands, and the Chinese government's increased investment under the healthcare reforms have supported the growth of the pharmaceutical industry. Following last year's institutional reshuffle to the government bodies, including the reorganisation of the drug regulator, namely the National Medical Products Administration, various policies have been promulgated including adjustment of reimbursement drug list, issue of key monitored drug list, and extension of centralised drug procurement initiative to more cities and provinces, with the aim of rationalising drug prices, promoting market access of quality drugs, optimising the approval process for new drug registration while encouraging research and development of innovative drugs to meet unmet medical demand. The pharmaceutical industry is undergoing transformation toward high-quality and innovation driven development alongside the deepening of the healthcare reforms, which have created a profound impact on the industry.

## 管理層討論及分析

### 業務回顧

#### 整體表現

回顧期內，中美貿易戰持續，全球經濟放緩。與美國的貿易戰持續為中國經濟帶來壓力，中國在今年第三季度錄得近三十年來最弱的經濟增長6%，較第二季度的6.2%有所放緩。儘管中國經濟增長放緩，但受惠於有利的增長動力，包括自然人口增長和人口老齡化、城市化進程加快、人民生活水平提升以及醫療需求增加等因素，且中國政府在醫療改革下投資增加，推動醫藥行業的增長。繼去年政府機構的架構重整後，包括對藥物監管機構（即國家藥品監督管理局）的重組，政府又頒布多項政策，包括調整報銷藥品目錄、發布藥品重點監測清單以及將藥品集中採購計劃擴大到更多的省市，藉以理順藥品價格，促進優質藥品進入市場，同時優化新藥註冊的審批程序，並鼓勵研發創新藥物以應對亟待解決的醫療需求。隨著醫療改革的深化，醫藥行業朝著高質量和創新驅動的發展方向演進，為醫藥行業帶來深遠的影響。

During the six months period ended 30 September 2019 (the “**2019 Interim Period**”), the Group’s revenue was about HK\$40.7 million, representing a decrease of about HK\$4.4 million or 9.7% when compared to about HK\$45.0 million as reported in the six months period ended 30 September 2018 (the “**2018 Interim Period**”). The continuous improvement in performance of the Group’s manufacturing segment of revenue growth by about HK\$3.5 million, partly outweighed the negative impact in the Group’s revenue resulting from temporary suspension of sales in China suffered by the trading segment of imported pharmaceuticals as reported in the 2019 Annual Report. An improvement in gross profit and gross margin by the manufacturing segment had contributed positively such that the Group recorded an improved gross margin from 54.9% to 57.5%; whereas the gross profit decreased slightly from about HK\$24.7 million to about HK\$23.4 million, representing a decrease of about HK\$1.3 million or 5.4%.

The Group’s profit for the period was about HK\$26.5 million in the 2019 Interim Period, representing a decrease of about HK\$0.1 million when compared to the profit of about HK\$26.6 million in the 2018 Interim Period. Such decrease was mainly due to a large reduction in selling and marketing expenses of about HK\$7.2 million, which reduced the negative impact of decrease in gross profit of about HK\$1.3 million, an increase in impairment provision in receivables of about HK\$2.7 million and a decrease in fair value gain of the Group’s investments in convertible bonds of about HK\$2.9 million.

比較截至二零一八年九月三十日止六個月期間(「二零一八中期」)的收益錄得約45,000,000港元，本集團截至二零一九年九月三十日止六個月期間(「二零一九中期」)的收益約40,700,000港元，收益下跌約4,400,000港元或9.7%。本集團製造分類業績持續改善，收益增長約3,500,000港元，並抵銷部分如於二零一九年年報中闡述，進口藥品之貿易分類因受於中國的暫停銷售事項影響而對本集團收益產生負面影響。製造分類的毛利和毛利率的改善為集團帶來了正面貢獻，以致本集團的毛利率改善，由54.9%上升至57.5%；而毛利由約24,700,000港元微略下降至約23,400,000港元，跌幅約1,300,000港元或5.4%。

比較二零一八年中中期溢利約26,600,000港元，本集團於二零一九年中中期期內溢利約26,500,000港元，減少約100,000港元。有關減少乃主要由於銷售及營銷開支大幅減少約7,200,000港元，減輕若干負面影響(毛利下跌約1,300,000港元，應收賬款減值撥備增加約2,700,000港元及本集團於可換股債券投資之公平值收益減少約2,900,000港元)。

## Revenue and Operating Results

### Manufactured Pharmaceutical Sector

In the period under review, the segment continued to make progress in gaining market share through developing market channels and strengthen its foundation to drive revenue growth and profitability. Segment revenue increased to about HK\$40.7 million, representing an increase of about HK\$3.5 million or 9.3% when compared to revenue of about HK\$37.2 million in the 2018 Interim Period. The increase reflected the effective implementation of sound strategic initiatives, which included adjusting distribution channels, expanding market coverage through collaboration with distributors and outsourcing service providers to promote product awareness in rural areas and communities. In addition, the management remained vigilant in controlling costs and improving production efficiency which compensated rising labour and material costs and achieved a slight increase in gross profit margin by about 1.9%.

As a result of concerted efforts made by management to continue focusing on the key initiatives to drive revenue growth and profitability, segment profit increased from about HK\$0.4 million in the 2018 Interim Period to about HK\$7.0 million in the 2019 Interim Period, representing an increase of about HK\$6.6 million. Such increase was mainly the combination of positive impact of increase in gross profit contribution by about HK\$2.6 million that accompanying with increases in revenue and gross profit margin and a write-back of provision for marketing and promotion expenses of about HK\$3.7 million upon adopting effective marketing strategies and the initiatives to control those budgeted costs and expenses.

## 收益及經營業績

### 自產藥品業務

於回顧期內，該分類繼續通過擴大市場渠道，在市場覆蓋度方面取得進展，並鞏固其推動收益增長及盈利能力之基礎。比較二零一八年中中期收益約37,200,000港元，該分類收益增加至約40,700,000港元，增加約3,500,000港元或9.3%。有關增長反映有效的戰略實施，其中包括調整分銷渠道、透過與分銷商及外判服務供應商合作，擴大市場覆蓋範圍，並提升本集團產品於農村及社區的知名度。此外，管理層在控制成本及提高生產效率上仍保持警惕，補償上升的勞工及材料成本，毛利率因此微略增長約1.9%。

由於管理層同心協力，持續專注推動收益增長及盈利能力的主要戰略，該分類溢利由二零一八年中中期約400,000港元增加至二零一九年中中期約7,000,000港元，增加約6,600,000港元。有關增加主要是由於收益及毛利率增加以致對毛利產生貢獻約2,600,000港元，以及採納有效的營銷策略及控制預算之成本和開支舉措後，撥回營銷及推廣費用撥備約3,700,000港元所帶來的綜合正面影響。

Although the implementation of strategic initiatives have resulted in signs of improvement in operating results, the stepping up healthcare reforms with more frequent policies roll-out will post significant challenges to the segment. The management will continue to work on these key initiatives, promptly react to the challenging market conditions and strive to achieve sustainable performance.

### Imported Pharmaceutical Sector

In the period under review, the segment continued to be affected by the issues pertaining to temporary sales suspension of the Group's imported products due to manufacturing practices, in particular, the skin treatment product which is the segment's major revenue contributor, since January 2019 as reported in the 2019 Annual Report. As a result, no revenue was generated in the segment, which resulted in the loss of revenue and gross profit contribution by about HK\$7.8 million and HK\$4.0 million respectively when compared to the 2018 Interim Period.

Although there was a corresponding reduction of selling and marketing expenses as well as operating expenses by about HK\$2.7 million and HK\$0.3 million respectively, the loss in gross profit contribution together with the increase in impairment provision for trade and other receivables of about HK\$1.9 million aggravated the segment loss to about HK\$6.3 million, representing an increase of about HK\$3.0 million when compared to loss of about HK\$3.3 million in the 2018 Interim Period.

儘管戰略舉措的實施已在經營業績種種的改善跡象中反映，但隨著醫療改革擴大，將有更頻繁的政策出台，對該分類構成重大挑戰。管理層將繼續致力於這些關鍵舉措，及時應對具挑戰的市場環境，並努力實現可持續的業績表現。

### 進口藥品業務

於回顧期內，該分類繼續受到因製造慣例問題而暫停銷售本集團進口產品事項的影響，猶如二零一九年年報闡述，自二零一九年一月，受影響的尤其為該分類主要收益來源的皮膚治療產品。因此，該分類並無產生收益，導致收益及毛利貢獻之損失，而比較二零一八年中中期，有關損失分別約7,800,000港元及4,000,000港元。

儘管銷售及營銷費用以及經營費用分別相應減少約2,700,000港元及300,000港元，但毛利貢獻損失以及貿易及其他應收賬款減值撥備增加約1,900,000港元，以致分類虧損增加至約6,300,000港元，比較二零一八年中中期約3,300,000港元，增加約3,000,000港元。

Against this difficult situation, the Group has been making persistent efforts with its business partners in order to resolve the regulatory issues in the long term so as to bring the imported products back to the China market. Given that the performance and profitability of the segment will be affected by the above unfavorable factors, in light of the ever-increasingly competitive landscape and pressure of regular operating expenses, apart from deploying resources to work with its business partners to rectify the issues, management has been actively exploring other potential product opportunities in order to restore the segment performance and profitability.

### Gene Development Sector

In the period under review, gene development remained inactive and no revenue was recorded.

### Other Income and Other Gains and Losses, Net

Other income and other gains and losses, net were in total a decrease of about HK\$3.8 million, which mainly came from the non-cash items resulted from a decrease of about HK\$2.9 million in fair value gain from the Group's investments in convertible bonds, an increase in impairment provision for receivables of about HK\$2.7 million, and an increase in total of about HK\$1.8 million of bank interest income as well as loan and imputed interest income from loan to and amount due from an associate.

在艱難的環境下，本集團一直與業務夥伴共同努力，以達致長遠解決監管問題，以使進口產品重回中國市場。鑑於上述不利因素，該分類的業績表現及盈利能力將受影響。又由於競爭格局升溫及經常性營運費用的壓力，本集團除部署資源與業務夥伴共同解決問題外，管理層已積極探索其他潛在的產品商機，以恢復該分類的業績及盈利能力。

### 基因開發業務

於回顧期內，基因開發業務仍未開展，故並無錄得任何收益。

### 其他收入及其他收益及虧損淨額

其他收入及其他收益及虧損淨額合計錄得下跌約3,800,000港元，主要歸因於非現金項目，受本集團可換股債券投資之公平值產生之收益減少約2,900,000港元影響，又因應收賬款的減值撥備增加約2,700,000港元，而銀行利息收入以及授予一間聯營公司之貸款與應收一間聯營公司款項之貸款和估算利息收入合共增加約1,800,000港元所致。

## Selling and Distribution Expenses

Selling and distribution expenses decreased by about HK\$7.2 million to HK\$11.0 million as compared to HK\$18.2 million in the 2018 Interim Period. This was mainly the result of no promotional expenses incurred in the trading segment of imported pharmaceuticals when compared to about HK\$2.6 million recorded in the 2018 Interim Period and a write-back of provision for marketing and promotion expenses of about HK\$3.7 million in the manufacturing segment upon adopting effective marketing strategies and the initiatives to control budgeted costs and expenses.

## Administrative Expenses

Administrative expenses slightly decreased by about HK\$0.3 million or 2.1% from HK\$13.6 million in the 2018 Interim Period to about HK\$13.3 million in the 2019 Interim Period. Such decrease was primarily due to a decrease of professional and consultancy fees incurred in the period under review.

## Seasonal or Cyclical Factors

The Group's business operations were not significantly affected by any seasonal and cyclical factors, except extended statutory holidays in the PRC that may lead to lower Group's revenue and profit for the months in which these holidays are declared. There is no seasonal and cyclical factor for its borrowing requirements.

## 銷售及分銷費用

銷售及分銷費用較二零一八年中期的18,200,000港元下跌約7,200,000港元至11,000,000港元。這主要是由於比較二零一八年中中期錄得約2,600,000港元，進口藥品之貿易分類並無錄得推廣費用所致，以及製造分類採取有效的營銷策略，加上監控預算成本及開支舉措後，撥回營銷及推廣費用撥備約3,700,000港元。

## 行政費用

行政費用由二零一八年中期的13,600,000港元輕微下跌約300,000港元或2.1%至二零一九年中期的13,300,000港元。有關下降主要是由於回顧期間專業及顧問費用減少所致。

## 季節性或週期性因素

除中國較長的法定假期可能導致本集團於此等假期所屬月份的收益及溢利下降外，本集團的業務營運並無受到任何季節性及週期性因素的重大影響，其借款需求亦無涉及任何季節性及週期性因素。



## Financial Review

The Group generally finances its operations with internally generated cash flow and facilities granted by its principal banker in Hong Kong, Industrial and Commercial Bank of China (Asia) Limited. As at 30 September 2019, the Group had total cash and bank balances (including pledged bank deposits of HK\$21.3 million) of HK\$152.7 million (31 March 2019: HK\$169.9 million), representing a decrease by approximately HK\$17.2 million or 10.1%. Such decrease was mainly due to provision of a shareholder's loan of about HK\$9.8 million to Smart Ascent Limited and the extension the date of annual interest payment of HK\$25.0 million from investments in convertible bonds until 28 July 2021.

The Group did not have bank borrowings as at 30 September 2019 (31 March 2019: HK\$ Nil) but had banking facilities on trade finance, which were supported by the pledge of the Group's fixed deposits of about HK\$21.3 million (31 March 2019: HK\$21.0 million) and corporate guarantees from the Company and certain subsidiaries of the Company. In general, there is no significant seasonality fluctuation on trade finance requirement of the Group.

The Group's total borrowing over total assets ratio as at 30 September 2019 was 0.045 (31 March 2019: 0.041), calculated based on the Group's total assets of HK\$1,206.9 million (31 March 2019: HK\$1,196.1 million) and total debts relating to convertible bonds of about HK\$54.1 million (31 March 2019: HK\$49.6 million).

## 財務回顧

本集團一般以內部產生之現金流量及其於香港主要往來銀行-中國工商銀行(亞洲)有限公司所提供融資撥付其營運所需資金。於二零一九年九月三十日,本集團之現金及銀行結餘總額(包括已抵押銀行存款21,300,000港元)為152,700,000港元(二零一九年三月三十一日:169,900,000港元),相當於下降約17,200,000港元或10.1%。該下降主要是由於向進生有限公司提供股東貸款約9,800,000港元以及延長可換股債券投資年度利息為25,000,000港元的利息支付日期至二零二一年七月二十八日所致。

本集團於二零一九年九月三十日並無銀行借款(二零一九年三月三十一日:零港元),惟擁有貿易融資之銀行信貸融資,其乃以本集團的定期存款約21,300,000港元(二零一九年三月三十一日:21,000,000港元)以及本公司與其若干附屬公司提供之公司擔保作抵押。一般而言,本集團之貿易融資需求並無重大季節性波動。

於二零一九年九月三十日,本集團總借款與總資產之比率為0.045(二零一九年三月三十一日:0.041),乃按本集團總資產1,206,900,000港元計算(二零一九年三月三十一日:1,196,100,000港元)及有關可換股債券的總債項約54,100,000港元(二零一九年三月三十一日:49,600,000港元)。



## Foreign Exchange Exposure

Save for certain purchases are denominated in Euros, the Group's business transactions, assets and liabilities are principally denominated in Hong Kong dollars, United States dollars and Renminbi. The Group manages the foreign currency exposure by closely monitoring the foreign currency movements and may purchase foreign currencies at spot rate, when and where appropriate for meeting its payment obligation. No hedge on foreign currencies was made during the period but the Group will use financial instruments for hedging purpose when considered appropriate.

## Outlook

Looking forward, the global economy continues to present challenges and uncertainties amid trade tensions between China and the US. However, it is expected that the Chinese economy will continue to maintain an overall stable development trend, which underpins the deepening healthcare reform in 2019. And against the backdrop of the Thirteenth Five-Year Plan (2016–2020) and Healthy China 2030, the Chinese authorities have stepped up its reform to rationalise drug price, tighten control over drug quality and usage and foster market competition. The accelerated speed and scale of new policies rollout have posed significant challenges to the pharmaceutical sector, and the Group will endeavor to adopt flexible strategies in response to the market changes.

## 外匯風險

除部分採購是以歐元計價外，本集團之業務交易、資產及負債主要以港元、美元及人民幣列值。本集團透過密切監察外幣變動和於適時購買即期外匯以履行付款責任等措施來執行外匯風險管理。本集團於期內並無進行外幣對沖活動，然而，本集團在適時會以金融工具作風險對沖用途。

## 前景

展望未來，在中美貿易戰緊張氣候當中，全球經濟將繼續充斥挑戰和不確定性。然而，預計中國經濟將繼續維持總體穩定的發展趨勢，將有助二零一九年醫療改革不斷深化。在「第十三個五年」規劃（二零一六至二零二零年）和「健康中國2030」規劃綱要的大環境下，中國當局已加大改革力度，以理順藥品價格，加強對藥品質量及使用的監管，並促進市場競爭。新政策的加快出台及擴大規模對醫藥行業構成了重大挑戰，本集團將努力採取靈活的策略來應對市場變化。

In light of the progress achieved in the manufacturing segment, the Group will continue to focus on enhancing its core competitiveness by advancing its production technology thereby reinforcing the fundamentals for development of quality products and executing the strategic priorities to expand market share for its manufactured products. The Group believes that enhancement of production efficiency and manufacturing capability will facilitate a more sustainable growth in revenue and profitability in the long term.

As to the trading segment of imported pharmaceuticals, the suspension of sales and regular operating expenses have affected the Group's revenue and profitability, however, the loss position will not have material adverse impact on the Group's financial position, which remains sound. In the meantime, the Group has been working closely with its business partners in order to speed up the rectification process and deploying resources to exploit new products to improve the situation.

Further still, embraced with both challenges and opportunities in China's pharmaceutical market, the Group will continue to stay focused in improving its business performance and at the same time stay alert for business opportunities which may diversify its revenue stream.

鑑於製造分類取得的進展，本集團將繼續聚焦於透過提升其生產技術以提高其核心競爭力，從而鞏固開發優質產品的基礎，並實施戰略規劃，從而擴大其自產產品的市場份額。本集團相信，提高生產效率和製造能力可促進收益和盈利能力長遠的更可持續的增長。

就進口藥品之貿易分類而言，暫停銷售及經常性營運費用將影響本集團的收益及盈利能力，然而，其虧損的狀況不會對本集團穩健的財務狀況產生重大不利影響。同時，本集團一直與業務夥伴緊密合作以加快整改過程，並調配資源開發新產品以改善現有狀況。

此外，面向中國醫藥市場的挑戰與機遇，本集團將繼續專注改善業績表現，同時關注可使其收入來源多元化的商機。

## Employment and Remuneration Policy

As at 30 September 2019, the Group had 176 employees (30 September 2018: 179). Staff costs (including directors' emoluments) for the six months ended 30 September 2019 amounted to approximately HK\$11.3 million (six months ended 30 September 2018: approximately HK\$11.4 million). The decrease was mainly due to a reduction in headcount of the manufacturing segment.

The Group remunerates its employees based on industry practices. Its staff benefits, welfare and statutory contributions, if any, are made in accordance with prevailing labour laws of its operating entities.

On 24 August 2012, shareholders of the Company had approved the adoption of a share option scheme (the "Scheme"), which became effective on 29 August 2012 after obtaining approval from the Listing Committee of The Stock Exchange of Hong Kong Limited and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The Scheme will enable the Group to reward the employees, the directors and other selected participants for their contribution to the Group and will also assist the Group in its recruitment and retention of high caliber professionals, executives and employees who are instrumental to the growth of the Group.

During the period ended 30 September 2019, no share option has been granted under the Scheme.

## 僱傭和薪酬政策

於二零一九年九月三十日，本集團共聘用僱員176名(二零一八年九月三十日：179名)。截至二零一九年九月三十日止六個月之員工成本(包括董事薪酬)為約11,300,000港元(截至二零一八年九月三十日止六個月：約11,400,000港元)，有關減少主要因製造分類員工人數減少所致。

本集團乃根據行業慣例向僱員支付薪酬。其員工利益、福利和法定供款(如有)乃按照其營運實體之現行勞動法實行。

於二零一二年八月二十四日，本公司股東已批准採納一項購股權計劃(「計劃」)，於獲得香港聯合交易所有限公司上市委員會批准後，該計劃已於二零一二年八月二十九日生效，除非被另行註銷或修訂，否則將自該日起十年內維持有效。

該計劃將讓本集團可獎勵為本集團作出貢獻的僱員、董事及其他經挑選之參與者，亦有助本集團招聘及挽留有利本集團增長的優秀專才、主管及僱員。

於截至二零一九年九月三十日止期間，概無根據該計劃授出任何購股權。

## Corporate Governance

The Group recognises the importance of achieving and monitoring the high standard of corporate governance consistent with the need and requirements of its business and the best interest of all its shareholders. The Group is fully committed to doing so.

In the opinion of the directors, the Company has complied with the code provisions of the Corporate Governance Code and Corporate Governance Report (“**Code Provisions**”) as set out in Appendix 14 of the Listing Rules throughout the six months ended 30 September 2019, except for certain deviations from Code Provisions (i) A.1.3 and A.7.1 (notice, agenda as well as accompanying board papers should be given to directors in a timely manner for committee’s and board’s meeting), (ii) A.2.1 (the roles of chairman and chief executive officer should be separate and should not be performed by the same person), (iii) A.4.1 (non-executive directors should be appointed for a specific term), and (iv) A.4.2 (all directors should be subject to retirement by rotation at least once every three years, and directors appointed to fill a casual vacancy be subject to election at the first general meeting after appointment) and (v) E.1.5 (no dividend policy has been established). Details of deviations as set forth in (i) to (v) and considered reasons in relation thereof have been duly set out in the corporate governance report contained in the 2019 annual report of the Company published in July 2019.

The Company will continue to review and monitor the situation as stated above, and to improve the practices as and when the circumstances demand.

## 企業管治

本集團認同達致及監控高水平企業管治之重要性，務求符合業務需要及規定以及其全體股東之最佳利益。本集團承諾竭盡所能達致高水平之企業管治。

董事認為，於截至二零一九年九月三十日止六個月整段期間，本公司已遵守上市規則附錄十四所載之企業管治守則及企業管治報告之守則條文（「守則條文」），惟偏離若干守則條文除外：(i) 第A.1.3及A.7.1條（委員會及董事會會議的通告、議程連同相關會議文件應適時送交董事）；(ii) 第A.2.1條（主席與行政總裁之角色應分開，且不應由同一人兼任）；(iii) 第A.4.1條（非執行董事應按特定任期委任）；(iv) 第A.4.2條（所有董事應至少每三年一次輪席告退，為填補臨時空缺而獲委任的董事須於獲委任後首個股東大會上選出），及(v) 第E.1.5條（並無設立股息政策）。第(i)至(v)項所載偏離的詳情以及所考慮的相關因素已妥為載於本公司於二零一九年七月刊發的二零一九年年報所載之企業管治報告內。

本公司將繼續審閱及監控上述情況，如情況需要，將會對有關常規作出改善。

## Changes in Information to Directors

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in information of directors are set out below:

Mr. Cheng Yong's monthly salary has been revised from HK\$37,500 to HK\$49,500 effective from 1 April 2019. Since 1 July 2019, he has been appointed as the deputy chief executive officer of the Company to provide support in the execution of the Company's plans and strategies.

Ms. Wong Sau Kuen's monthly salary has been revised from HK\$60,500 to HK\$65,500 effective from 1 April 2019.

## Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as the Company's code of conduct for dealings in securities of the Company by the directors. Based on specific enquiry of the Company's directors, the directors have complied with the required standards set out in the Model Code throughout the interim period.

## 董事資料變更

根據上市規則第13.51B(1)條，董事之資料變更載列如下：

程勇先生的月薪由37,500港元調整為49,500港元，自二零一九年四月一日起生效。自二零一九年七月一日起，彼被委任為本公司副行政總裁，為執行本公司計劃及策略提供協助。

王秀娟女士女士的月薪由60,500港元調整為65,500港元，自二零一九年四月一日起生效。

## 證券交易標準守則

本公司已採納上市規則附錄十所載之上市發行人之董事進行證券交易的標準守則（「標準守則」）作為本公司有關董事買賣本公司證券之操守守則。經向本公司董事作出特定查詢後，董事於整段中期期間一直遵照標準守則所載之規定準則。

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

At 30 September 2019, the interests and short positions of the directors in the shares, underlying shares or debentures of the Company or its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), as recorded in the register required to be kept by the Company pursuant to Section 352 of 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 were as follows:

## 董事於股份、相關股份及債權證之權益及淡倉

於二零一九年九月三十日，董事於本公司或其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份或債權證中，擁有須記錄於本公司根據證券及期貨條例第352條所存置之登記冊之權益及淡倉，或根據標準守則須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：

## Long positions in the ordinary shares of the Company

## 於本公司普通股之好倉

Name of director	Capacity and nature of interest	Number of ordinary shares of HK\$0.01 each held	Approximate percentage of interests held
董事姓名	身份及權益性質	所持每股面值0.01港元之普通股數目	所持之權益概約百分比
Cheng Yong 程勇	Directly beneficially owned	830,000	0.03%
	Through a controlled corporation (Note)	1,060,000	0.05%
	Held by spouse	5,090,000	0.21%
	由配偶持有		
		6,980,000	0.29%

Note:

The shares are held by Merchandise Holdings Limited (a company incorporated in the British Virgin Islands) which is wholly owned by Mr. Cheng Yong.

Save as disclosed above, as at 30 September 2019, none of the directors had registered an interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporations that 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.

## Directors' Rights to Acquire Shares and Debentures

At no time during the period were rights to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate granted to any directors or their respective spouses or minor children, or were any such rights exercised by them, or was the Company or any of its subsidiaries a party to any arrangement to enable the directors, their respective spouses or minor children to acquire such rights in any other body corporate.

附註：

該等股份由Merchandise Holdings Limited（一間於英屬處女群島註冊成立之公司）持有，而Merchandise Holdings Limited則由程勇先生全資擁有。

除上文所披露者外，於二零一九年九月三十日，概無任何董事於本公司或其任何相聯法團之股份、相關股份及債權證中，登記擁有根據證券及期貨條例第352條須予記錄之權益或淡倉，或根據標準守則須知會本公司及聯交所之權益或淡倉。

## 董事購入股份及債權證之權利

於期內任何時間，任何董事或彼等各自之配偶或未成年子女概無獲授可藉購入本公司或任何其他法團之股份或債權證而獲益之權利，或彼等並無行使任何該等權利，或本公司或其任何附屬公司亦無訂立任何安排，致使董事、彼等各自之配偶或未成年子女可於任何其他法團獲得該等權利。

## Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares, Underlying Shares and Debentures

At 30 September 2019, the following interests and short positions of 5% or more of the shares and underlying shares of the Company were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

## 主要股東及其他人士於股份、相關股份及債權證之權益及淡倉

於二零一九年九月三十日，根據本公司按照證券及期貨條例第336條須予保存之登記冊所記錄，登記擁有本公司股份及相關股份5%或以上權益及淡倉之人士如下：

Name of substantial shareholder	Capacity and nature of interest	Number of ordinary shares held/ entitled 所持／有權持有之普通股數目	Long (L) or Short (S) position 好倉(L)或淡倉(S)	Approximate percentage of interest held 所持權益概約百分比
主要股東名稱	身份及權益性質			
Innovative Pharmaceutical Biotech Limited ("Innovative Pharm") (Note) 領航醫藥及生物科技有限公司 (「領航醫藥」) (附註)	Directly beneficially owned 直接實益擁有	1,357,510,000	L	56.80%
	Directly beneficially owned 直接實益擁有	1,357,510,000	S	56.80%
Dr. Mao Yumin ("Dr. Mao") (Note) 毛裕民博士 (「毛博士」) (附註)	Directly beneficially owned 直接實益擁有	1,368,020,000	L	57.23%



Note:

Innovative Pharm is a listed company on the Main Board of the Stock Exchange and its interest in 1,357,510,000 shares of the Company represents (i) 457,510,000 shares or 19.14% of the Company's shares in issue and (ii) 900,000,000 shares to be allotted and issued to Innovative Pharm upon exercise in full by Innovative Pharm of the conversion rights at conversion price of HK\$0.6413 per share under the Company's 20-year zero coupon convertible bonds issued on 16 July 2013 with principal amount of HK\$577,170,000 outstanding. At 30 September 2019, there was a total of 2,390,000,000 shares issued by the Company, and assuming the exercise in full of the conversion rights attaching to the Company's convertible bonds, Innovative Pharm will hold approximately 41.26% of the enlarged share capital of the Company.

On 23 June 2019, Innovative Pharm and Dr. Mao entered into a sale and purchase agreement to dispose its interest in 1,357,510,000 shares of the Company as disclosed above. The disposal was completed on 8 October 2019.

Save as disclosed above, as at 30 September 2019, the register as maintained by the Company pursuant to Section 336 of the SFO recorded no other interests or short positions in the shares or underlying shares of the Company.

## Purchase, Redemption or Sale of Listed Securities

During the six months ended 30 September 2019, the Company and its subsidiaries did not purchase, redeem or sell any of the Company's listed securities.

附註：

領航醫藥為一間於聯交所主板上市的公司，而其於本公司1,357,510,000股股份之權益相當於(i)457,510,000股或19.14%之本公司已發行股份及(ii)根據本公司於二零一三年七月十六日發行之20年零息可換股債券(尚未償還之本金額為577,170,000港元)，於領航醫藥按換股價每股股份0.6413港元悉數行使換股權後，將向領航醫藥配發及發行900,000,000股股份。於二零一九年九月三十日，本公司已發行股份合共為2,390,000,000股。假設悉數行使附於本公司之可換股債券之換股權，領航醫藥將持有本公司經擴大股本約41.26%。

於二零一九年六月二十三日，領航醫藥與毛博士訂立買賣協議以出售其於上文所披露的本公司股份中1,357,510,000股權益。出售事項已於二零一九年十月八日完成。

除上文所披露者外，於二零一九年九月三十日，本公司根據證券及期貨條例第336條存置的登記冊並無記錄於本公司股份或相關股份中的其他權益或淡倉。

## 購買、贖回或出售上市證券

截至二零一九年九月三十日止六個月內，本公司及其附屬公司概無購買、贖回或出售本公司之任何上市證券。

## Audit Committee

The Audit Committee, which comprises three independent non-executive directors (“INEDs”) with terms of reference in compliance with Code Provision C.3.3, has reviewed the unaudited condensed consolidated interim financial information of the Group for the six months ended 30 September 2019, and was content that the accounting principles and practices adopted by the Group were in conformity with the current practices in Hong Kong.

## Remuneration Committee

The Remuneration Committee, which comprises three INEDs and Dr. Xie Yi, was formed with terms of reference in compliance with Code Provision B.1.2 to oversee the remuneration policies of the Group during the six months ended 30 September 2019.

## Nomination Committee

The Nomination Committee consists of four members including Dr. Xie Yi, Chairman of the Board and Chief Executive Officer and three INEDs, which was formed with terms of reference in compliance with Code Provision A.5.2 to formulate and implement the policy for nominating candidates for election by shareholders, and to assess the independence of non-executive directors.

By Order of the Board  
**Extrawell Pharmaceutical Holdings Limited**  
**Xie Yi**  
*Chairman*

Hong Kong, 29 November 2019

## 審核委員會

審核委員會由三名獨立非執行董事（「獨立非執董」）組成，職權範圍乃遵照守則條文第C.3.3條制定。審核委員會已審閱本集團截至二零一九年九月三十日止六個月之未經審核簡明綜合中期財務資料，並認為本集團所採納之會計原則及慣例與香港現行慣例相符。

## 薪酬委員會

薪酬委員會由三名獨立非執董及謝毅博士組成，並遵照守則條文第B.1.2條制定職權範圍，以監督本集團截至二零一九年九月三十日止六個月的薪酬政策。

## 提名委員會

提名委員會由四名成員組成，包括董事會主席兼行政總裁謝毅博士及三名獨立非執董，並遵照守則條文第A.5.2條制定職權範圍，以制定及實施有關提名董事人選供股東選任之政策，以及評估非執行董事之獨立性。

承董事會命  
**精優藥業控股有限公司**  
主席  
**謝毅**

香港，二零一九年十一月二十九日

# Corporate Information

## 公司資料

### Board of Directors

(As at the date of this interim report on  
29 November 2019)

### Executive Directors

Dr. XIE Yi (Chairman and Chief Executive Officer)  
Mr. CHENG Yong (Deputy Chief Executive Officer)  
Dr. LOU Yi  
Ms. WONG Sau Kuen  
Mr. LIU Kwok Wah  
Mr. LU Zhiqiang

### Independent Non-executive Directors

Mr. FANG Lin Hu  
Mr. XUE Jing Lun  
Ms. JIN Song

### Audit Committee

Mr. FANG Lin Hu (Chairman)  
Mr. XUE Jing Lun  
Ms. JIN Song

### Remuneration Committee

Mr. FANG Lin Hu (Chairman)  
Mr. XUE Jing Lun  
Ms. JIN Song  
Dr. XIE Yi

### Nomination Committee

Dr. XIE Yi (Chairman)  
Mr. FANG Lin Hu  
Mr. XUE Jing Lun  
Ms. JIN Song

### 董事會

(於本中期報告日期  
二零一九年十一月二十九日)

### 執行董事

謝毅博士 (主席兼行政總裁)  
程勇先生 (副行政總裁)  
樓屹博士  
王秀娟女士  
廖國華先生  
盧志強先生

### 獨立非執行董事

方林虎先生  
薛京倫先生  
金松女士

### 審核委員會

方林虎先生 (主席)  
薛京倫先生  
金松女士

### 薪酬委員會

方林虎先生 (主席)  
薛京倫先生  
金松女士  
謝毅博士

### 提名委員會

謝毅博士 (主席)  
方林虎先生  
薛京倫先生  
金松女士

## Joint Company Secretaries

Mr. LIU Kwok Wah  
Ms. WONG Sau Kuen

## Hong Kong Legal Advisers

Chiu & Partners Solicitors

## Independent Auditor

Elite Partners CPA Limited  
*Certified Public Accountants*

## Registered Office

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

## Head Office and Principal Place of Business in Hong Kong

Suites 2206–08, 22/F  
Devon House, Taikoo Place  
979 King's Road, Quarry Bay  
Hong Kong

## Principal Bankers

Industrial and Commercial Bank of China (Asia) Limited  
The Bank of East Asia, Limited

## Principal Share Registrar and Transfer Office

Conyers Corporate Services (Bermuda) Limited  
Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

## 聯席公司秘書

廖國華先生  
王秀娟女士

## 香港法律顧問

趙不渝 • 馬國強律師事務所

## 獨立核數師

開元信德會計師事務所有限公司  
執業會計師

## 註冊辦事處

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

## 總辦事處及香港主要營業地點

香港  
鰂魚涌英皇道979號  
太古坊德宏大廈  
22樓2206–08室

## 主要往來銀行

中國工商銀行(亞洲)有限公司  
東亞銀行有限公司

## 股份過戶登記處總處

Conyers Corporate Services  
(Bermuda) Limited  
Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

## Corporate Information (Continued)

公司資料(續)

### Hong Kong Branch Share Registrar and Transfer Office

Tricor Tengis Limited  
Level 54, Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

### Website

<http://www.extrawell.com.hk>

### Stock Code

The Stock Exchange of Hong Kong Limited: 00858

### 股份過戶登記處香港分處

卓佳登捷時有限公司  
香港  
灣仔  
皇后大道東183號  
合和中心54樓

### 網站

<http://www.extrawell.com.hk>

### 股份代號

香港聯合交易所有限公司：00858



# Extrawell Pharmaceutical Holdings Limited 精優藥業控股有限公司

(Incorporated in Bermuda with limited liability)  
(於百慕達註冊成立之有限公司)

Stock code 股份代號 : 858



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