

Annual Report 年報 2021



天大藥業有限公司

TIANDA PHARMACEUTICALS LIMITED

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

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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Fang Wen Quan
(Chairman and Managing Director)
Mr. Lui Man Sang

Non-Executive Directors

Mr. Shen Bo
Mr. Feng Quanming
Dr. Lam Lee G.

Independent Non-Executive Directors

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

AUDITOR

Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditor
27th Floor, One Taikoo Place
979 King's Road
Quarry Bay
Hong Kong

HONG KONG LEGAL ADVISER

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

COMPANY SECRETARY

Mr. Lo Tai On

董事會

執行董事

方文權先生
(董事長兼董事總經理)
呂文生先生

非執行董事

沈波先生
馮全明先生
林家禮博士

獨立非執行董事

林日輝先生
趙崇康先生
趙帆華先生

核數師

安永會計師事務所
執業會計師
註冊公眾利益實體核數師
香港
鰂魚涌
英皇道979號
太古坊一座27樓

香港法律顧問

胡關李羅律師行
香港
中環康樂廣場1號
怡和大廈25樓

公司秘書

羅泰安先生

CORPORATE INFORMATION

公司資料

AUDIT COMMITTEE

Mr. Lam Yat Fai (*Chairman*)
Mr. Chiu Sung Hong
Mr. Chiu Fa Wa
Mr. Shen Bo

REMUNERATION COMMITTEE

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

NOMINATION COMMITTEE

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

RISK MANAGEMENT COMMITTEE

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

PRINCIPAL BANKERS

Bank of Communications
Industrial and Commercial Bank of China
China Merchants Bank
Bank of China
Agricultural Bank of China

REGISTERED OFFICE

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

審核委員會

林日輝先生 (*主席*)
趙崇康先生
趙帆華先生
沈波先生

薪酬委員會

趙崇康先生 (*主席*)
方文權先生
林日輝先生
趙帆華先生

提名委員會

方文權先生 (*主席*)
林日輝先生
趙崇康先生

風險管理委員會

趙崇康先生 (*主席*)
方文權先生
林日輝先生

主要往來銀行

交通銀行
中國工商銀行
招商銀行
中國銀行
中國農業銀行

註冊辦事處

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

CORPORATE INFORMATION 公司資料

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

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

HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE

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

PLACE OF LISTING

The Stock Exchange of Hong Kong Limited

STOCK CODE

00455

CORPORATE WEBSITE

www.tiandapharma.com

總辦事處及主要營業地點

香港
中環
添美道1號
中信大廈
24樓2405-2410室

香港股份過戶及轉讓登記處

卓佳秘書商務有限公司
香港
皇后大道東183號
合和中心54樓

上市地點

香港聯合交易所有限公司

股份代號

00455

公司網站

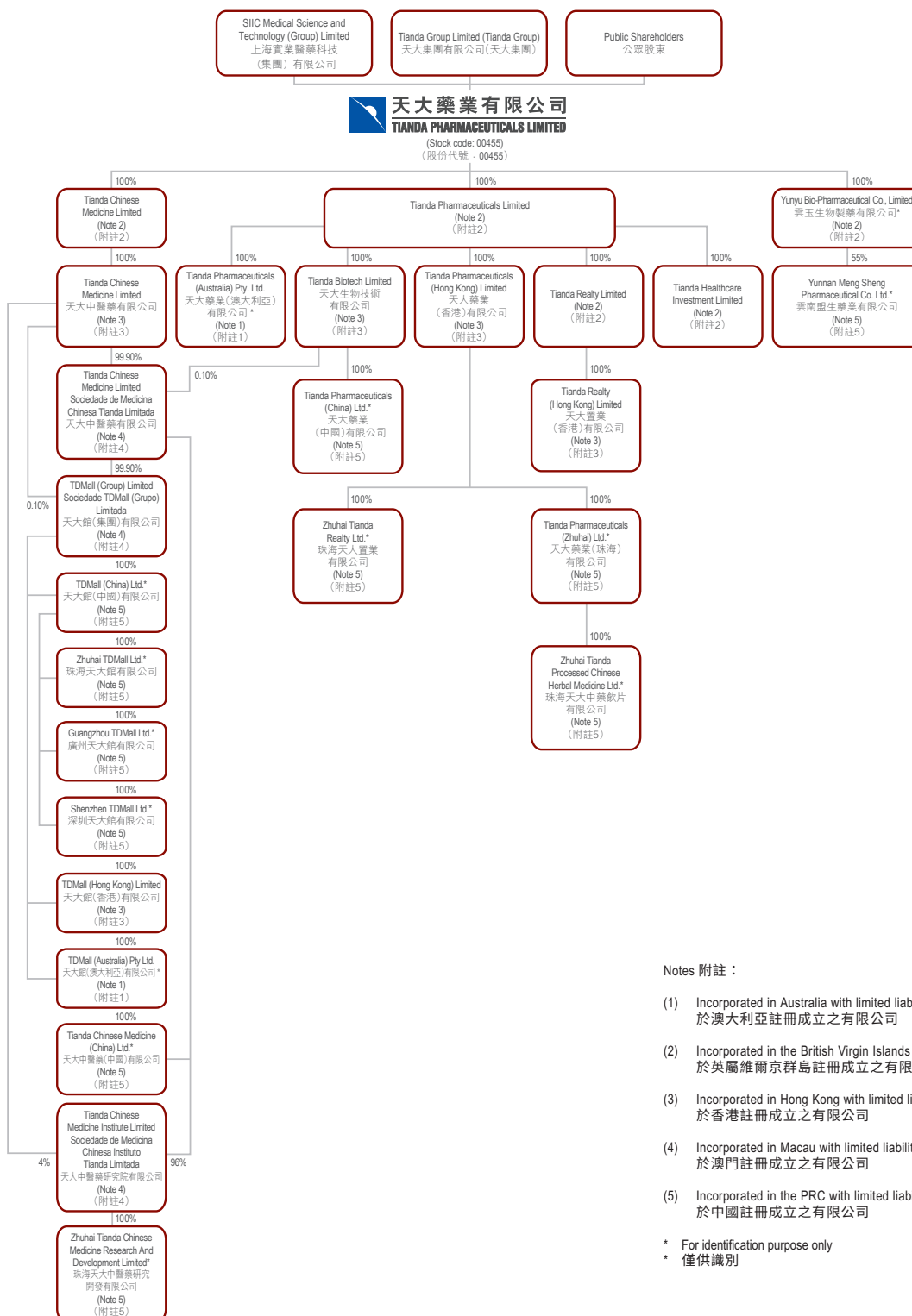
www.tiandapharma.com

CORPORATE STRUCTURE

企業架構

Below is the structure chart of Tianda Pharmaceuticals Limited (the Company) and its subsidiaries (the Group) as at 31 March 2021:

以下為天大藥業有限公司(本公司)及其附屬公司(本集團)於2021年3月31日之架構圖：



Notes 附註：

- (1) Incorporated in Australia with limited liability 於澳大利亞註冊成立之有限公司
- (2) Incorporated in the British Virgin Islands with limited liability 於英屬維爾京群島註冊成立之有限公司
- (3) Incorporated in Hong Kong with limited liability 於香港註冊成立之有限公司
- (4) Incorporated in Macau with limited liability 於澳門註冊成立之有限公司
- (5) Incorporated in the PRC with limited liability 於中國註冊成立之有限公司

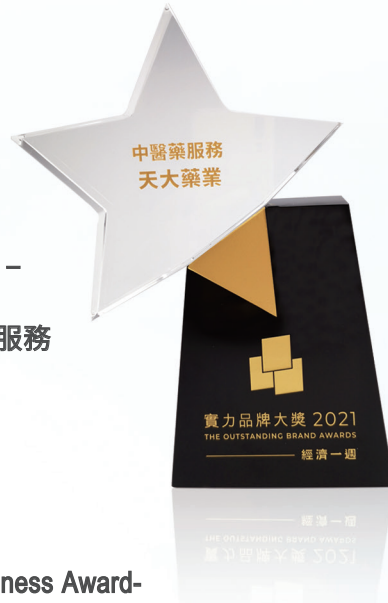
* For identification purpose only
* 僅供識別

您的健康是天大的事! Tianda for Health!

Awards 獎項2020-2021

The Outstanding Awards 2021 –
Chinese Medicine Services
實力品牌大獎2021 – 中醫藥服務

Economic Digest
經濟一週



The Greater Bay Area Sustainable Business Award-
Sustainable Development of Society (Health and Wellness)
灣區·企業可持續發展大獎 – 社會可持續發展大獎 (良好健康與福祉)

Metro Finance and Hong Kong Quality Assurance Agency
新城財經台及香港品質保證局



Caring Company
商界展關懷2020/2021

The Hong Kong Council of Social Service
香港社會服務聯會



R&D and Production Base
(Kunming, China)
研發及製藥基地(昆明)



R&D and Production Base
(Xiangzhou District, Zhuhai)
研發及製藥基地(珠海香洲)



R&D and Production Base
(Jinwan District, Zhuhai)
新研發及製藥基地(珠海金灣)



Zhuhai TDMall
珠海天大館



TDMall (Causeway Bay)
天大館(銅鑼灣)



TDMall (Sydney)
悉尼天大館



Anti-flu and Respiratory Drugs
感冒及呼吸系統用藥



Anti-infection Drugs
抗感染用藥



Cardio-cerebrovascular Drugs
心脑血管用藥



Paediatric Drugs
兒科用藥



Chinese Medicine Products
中藥產品



"Herb Valley" & "Tuokang" Healthcare Products
“和谷”及“托康”健康產品

BIOGRAPHICAL DETAILS OF DIRECTORS

董事簡歷

Mr. FANG Wen Quan, aged 52, was appointed as an Executive Director since 6 October 2003. He is currently the Chairman, the Managing Director, the chairman of the nomination committee and a member of the remuneration committee and the risk management committee of the Company, and a director of the Group's certain subsidiaries. Mr. Fang is the founder, chairman and beneficial owner of Tianda Group Limited (the controlling shareholder of the Company holding 1,194,971,370 Shares). Mr. Fang currently is the chairman of the board of directors, general manager and authorized representative of Tianda Culture Holdings (China) Limited* (listed on the National Equities Exchange and Quotations Systems, company code: 837889). Mr. Fang studied International Relations in the University of Sydney and Tsinghua University. He has ample experience in corporate strategy and management. He established a non-profit strategic studies think tank named "Tianda Institute". Upholding the mission of "Caring for a Better World", Mr. Fang always shows his greater commitment to community services, including donations to the poverties, education and talent development, healthcare, scientific research and environmental protection, culture and arts.

Mr. LUI Man Sang, aged 57, was appointed as an Executive Director of the Company on 30 September 2013 and is a director of the Group's certain subsidiaries. Mr. Lui joined Tianda Group, the controlling shareholder of the Company in 2007 and is the deputy general manager of Tianda Group. He is responsible for the financial issues of Tianda Group and the Company. Mr. Lui is a director of Tianda Culture Holdings (China) Limited (listed on the National Equities Exchange and Quotations, company code: 837889). Mr. Lui possesses enriched financial management experience covering a variety of industries including auditing in one of the big four accounting firms in Hong Kong and overseeing the finance department of a Hong Kong listed company. He holds an Executive MBA granted by City University of Hong Kong. He is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants.

方文權先生，52歲，於2003年10月6日起獲委任為執行董事。方先生現任本公司董事長、董事總經理、提名委員會主席、薪酬委員會及風險管理委員會成員，以及本集團若干附屬公司之董事。方先生乃天大集團有限公司（本公司之控股股東，持有1,194,971,370股股份）創始人、董事長及實益擁有人。方先生現任天大文化控股（中國）股份有限公司（在全國中小企業股份轉讓系統掛牌，公司代號：837889）董事長、總經理兼法定代表人。方先生先後於悉尼大學和清華大學學習國際關係專業，彼具有豐富企業戰略及管理方面之經驗，並創辦了公益性戰略研究智庫“天大研究院”。一直以來，方先生秉承“關心社會，共同發展”的使命，熱誠資助社會公益，包括捐資扶貧事業、教育和人才發展、醫療衛生、科學研究和環境保護、文化藝術等。

呂文生先生，57歲，於2013年9月30日獲委任為本公司之執行董事，以及為本集團若干附屬公司之董事。呂先生於2007年加入本公司控股股東天大集團，現為天大集團副總經理，全面負責天大集團及本公司的財務管理。呂先生亦為天大文化控股（中國）股份有限公司（在全國中小企股份轉讓系統掛牌，公司代號：837889）之董事。呂先生擁有豐富財務管理經驗，涵蓋不同行業，當中曾在香港四大會計師事務所之一擔任審核工作以及管理一間香港上市公司的財務部門。呂先生持有香港城市大學行政人員工商管理碩士學位，目前為英國特許公認會計師公會及香港會計師公會資深會員。

* For identification purpose only

* 僅供參考

BIOGRAPHICAL DETAILS OF DIRECTORS

董事簡歷

Mr. SHEN Bo, aged 48, was appointed as a Non-executive Director and a member of the audit committee of the Company on 10 August 2015. He is a non-practicing member of certified public accountant of the People's Republic of China. He received his bachelor degrees majoring in accounting and economics from Shanghai Institute of Construction Materials Industry and master of accountancy from Chinese University of Hong Kong. Mr. Shen is the executive director, vice president and chief financial officer of Shanghai Pharmaceuticals Holding Co., Ltd.* (a company listed on the Shanghai Stock Exchange with stock code 601607, and The Stock Exchange of Hong Kong Limited (Hong Kong Stock Exchange, with stock code 02607), the chairman of SPH Changzhou Pharmaceutical Co., Ltd., the chairman of Shanghai Medical Instruments Co., Ltd., the chairman of Shanghai Hefeng Pharmaceuticals Limited, the chairman of Shanghai Traditional Chinese Medicine Co., Ltd. and an executive director of China International Pharmaceutical (Holding) Corporation Limited. Mr. Shen is a non-executive director of Shanghai Fudan-Zhangjiang Bio-Pharmaceutical Co., Ltd.* (a company listed on the Science and Technology Innovation Board of the Shanghai Stock Exchange with stock code 688505 and Hong Kong Stock Exchange with stock code 1349). Mr. Shen served as manager of finance department and chief financial officer in several large companies in mainland China so has extensive experience in corporate management, financial control, and governance of pharmaceutical companies. From April 2001 to March 2010, Mr. Shen served as the head of financial planning department, general manager of finance department and chief financial officer in Shanghai Industrial Pharmaceutical Investment Co, Ltd.* (a company formerly listed on the Shanghai Stock Exchange with stock code 600607). During the same period, Mr. Shen also served as the general manager of finance department of Shanghai Pharmaceuticals (Group) Co., Ltd.

Mr. FENG Quanming, aged 44, was appointed as a Non-executive Director on 23 March 2016. Mr. Feng is the head of the finance department of Hongta Tobacco (Group) Limited (Hongta), which holds 9.66% equity interest in the Company. He has extensive experience in corporate financial accounting and asset management. Mr. Feng joined Hongta in July 2001. During the period from August 2007 to September 2014, he took various positions in the finance department of Hongta, including deputy head of industrial finance division, head and deputy head of asset management division and head of general management division. He was also the head of financial planning division of Yunnan Hongta Group Co., Ltd*, a wholly-owned subsidiary of Hongta, during the period from June 2013 to August 2014. Mr. Feng obtained his bachelor degree in accounting at Southwestern University of Finance and Economics in 2001 and master in business administration at Renmin University of China in 2009. Mr. Feng possesses the qualification of practising certified public accountant in mainland China.

* For identification purpose only

沈波先生，48歲，於2015年8月10日獲委任為本公司之非執行董事及審核委員會成員。彼為中華人民共和國註冊會計師非執業會員，擁有上海建材學院會計學、經濟學學士學位及香港中文大學會計學碩士學位。沈先生現任上海醫藥集團股份有限公司（一家於上海證券交易所（股份代號：601607）及香港聯合交易所有限公司上市的公司（香港聯交所，股份代號：02607）之執行董事、副總裁兼財務總監，同時也兼任上藥集團常州藥業股份有限公司董事長；上海醫療器械股份有限公司董事長；上海禾豐製藥有限公司董事長；上海市藥材有限公司董事長及中國國際醫藥（控股）有限公司之執行董事。沈先生為上海復旦張江生物醫藥股份有限公司（一家於上海證券交易所科創板（股份代號：688505）及於香港聯交所上市的公司，股份代號為1349）之非執行董事。沈先生曾先後在多家國內大型企業擔任財務部經理和財務總監之職，在企業管理、財務管控及醫藥公司治理等方面具有豐富的經驗。2001年4月至2010年3月期間，沈先生在上海實業醫藥投資股份有限公司（一家曾於上海證券交易所上市的公司，股份代號：600607）任職，先後擔任計劃財務部主管、財務部總經理、財務總監，在此期間，沈先生亦擔任上海醫藥（集團）有限公司財務部總經理。

馮全明先生，44歲，於2016年3月23日獲委任為非執行董事。馮先生現任紅塔煙草（集團）有限責任公司（紅塔，持有本公司9.66%股權之股東）財務部部長。彼於企業財務會計和資產管理擁有豐富的工作經驗。馮先生於2001年7月加入紅塔，並曾於2007年8月至2014年9月期間於紅塔財務部擔任多個職位，包括工業財務科副科長、資產管理科副科長、資產管理科科長和綜合管理科科長，以及於2013年6月至2014年8月，擔任紅塔全資子公司雲南紅塔集團有限公司財務部計劃財務科科長。馮先生於2001年獲西南財經大學會計學學士學位，以及於2009年獲中國人民大學工商管理學碩士學位。馮先生具備中國註冊會計師執業資格。

* 僅供參考

BIOGRAPHICAL DETAILS OF DIRECTORS

董事簡歷

Dr. LAM Lee G., aged 61, was appointed as a Non-executive Director of the Company with effect from 1 January 2018. Dr. Lam holds a BSc in sciences and mathematics, an MSc in systems science and an MBA from the University of Ottawa in Canada, a post-graduate diploma in public administration from Carleton University in Canada, a post-graduate diploma in English and Hong Kong Law and an LLB (Hons) in law from Manchester Metropolitan University in the UK, a LLM in law from the University of Wolverhampton in the UK, a PCLL in law from the City University of Hong Kong, a Certificate in Professional Accountancy from the Chinese University of Hong Kong SCS, an MPA and a PhD from the University of Hong Kong. A former member of the Hong Kong Bar, Dr. Lam is a Solicitor of the High Court of Hong Kong, an Accredited Mediator of the Centre for Effective Dispute Resolution (CEDR), a Fellow of Certified Management Accountants (CMA) Australia, the Hong Kong Institute of Arbitrators, the Hong Kong Institute of Directors and the Institute of Corporate Directors Malaysia (ICDM) and an Honorary Fellow of Certified Public Accountants (CPA) Australia, the Hong Kong Institute of Facility Management and the University of Hong Kong School of Professional and Continuing Education. In 2019, Dr. Lam was awarded by the Hong Kong Government a Bronze Bauhinia Star for serving the public.

Dr. Lam has over 30 years of international experience in general management, strategy consulting, corporate governance, direct investment, investment banking and fund management. He is Chairman of Hong Kong Cyberport, a member of the Committee on Innovation, Technology and Re-Industrialization, the Governance Committee of the Hong Kong Growth Portfolio, and the Development Bureau Common Spatial Data Advisory Committee of the Hong Kong Special Administrative Region Government, Convenor of the Panel of Advisors on Building Management Disputes of the HKSAR Government Home Affairs Department, a member of the Court of the City University of Hong Kong and the Tencent Finance Academy (Hong Kong) Advisory Board, Chairman of the United Nations Economic and Social Commission for Asia and the Pacific (UN ESCAP) Sustainable Business Network (ESBN), Vice Chairman of Pacific Basin Economic Council (PBEC), and a member of the Hong Kong Trade Development Council Belt and Road and Greater Bay Area Committee and the Sir Murray MacLehose Trust Fund Investment Advisory Committee.

林家禮博士，61歲，於2018年1月1日獲委任為本公司之非執行董事。林博士持有加拿大渥太華大學之科學及數學學士、系統科學碩士及工商管理碩士學位、加拿大加爾頓大學之國家行政研究院文憑、英國曼徹斯特城市大學之香港及英國法律深造文憑及法律榮譽學士學位、香港城市大學之法學專業證書、香港中文大學專業進修學院專業會計證書、英國胡佛漢頓大學之法律碩士學位、香港大學之公共行政碩士及哲學博士學位。他亦為香港高等法院律師（前大律師）、CEDR認可調解員、澳洲管理會計師公會（CMA）、香港仲裁司學會、香港董事學會及馬來西亞企業董事學會（ICDM）資深會員、澳洲會計師公會（CPA）及香港設施管理學會榮譽資深會員以及香港大學專業進修學院榮譽院士。林博士於2019年獲香港特別行政區政府頒授銅紫荊星章，以表揚他積極參與社會服務工作。

林博士於企業管理、策略諮詢、公司管治、直接投資、投資銀行及基金管理方面擁有逾30年國際經驗。林博士現為香港數碼港主席、香港特別行政區政府創新、科技及再工業化委員會委員及「香港增長組合」管治委員會成員及發展局空間數據共享諮詢委員會非官方成員、香港特別行政區政府民政事務總署大廈管理糾紛顧問小組召集人、香港城市大學及騰訊金融學院（香港）顧問委員會成員、聯合國亞洲及太平洋經濟社會公署（UN ESCAP）可持續企業網絡（ESBN）主席、太平洋地區經濟理事會（PBEC）副主席、香港貿易發展局一帶一路及大灣區委員會委員及麥理浩爵士信託基金投資顧問委員會成員。

BIOGRAPHICAL DETAILS OF DIRECTORS

董事簡歷

Mr. LAM Yat Fai, aged 55, was appointed as an Independent Non-executive Director, a member of the remuneration committee and a member of audit committee of the Company in 2004. On 26 November 2013, he was appointed as the chairman of the audit committee. He was appointed as a member of nomination committee and risk management committee on 22 July 2009. He is a Certified Public Accountant (Practising). He is also a fellow member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants. Mr. Lam worked with Kwan Wong Tan & Fong and Deloitte Touche Tohmatsu for over 10 years. Mr. Lam has accumulated rich experience in auditing, taxation, corporate finance and accounting over the years. Mr. Lam is an independent non-executive director of Oriental Press Group Limited (stock code: 0018), which is listed on the Main Board of the Hong Kong Stock Exchange.

Mr. CHIU Sung Hong, aged 74, was appointed as an Independent Non-executive Director, the chairman of the audit committee of the Company with effect from 10 April 2008. Mr. Chiu ceased to act as the chairman of the audit committee and remained as a member of the committee on 26 November 2013. Mr. Chiu was appointed as the chairman of risk management committee on 22 July 2009. On 1 April 2012, he was appointed as the chairman of the remuneration committee and a member of the nomination committee. He received an LL.B. degree from the University of Sydney. He is admitted as a solicitor of the Supreme Court of New South Wales and the High Court of Australia. He has over 40 years of experience in legal practice. Mr. Chiu is the founding member of the Board of Trustees of the Australian Nursing Home Foundation and a senior research fellow of Centre for Law & Globalization of Renmin University of China. He also served as the General Secretary of Australian Chinese Community Association of New South Wales. Mr. Chiu is an independent non-executive director of CNOOC Limited (stock code: 0883), which is listed on the Main Board of the Hong Kong Stock Exchange and Bank of China (Australia) Limited.

林日輝先生，55歲，於2004年獲委任為本公司之獨立非執行董事、薪酬委員會成員及審核委員會成員。林先生於2013年11月26日獲委任為審核委員會主席。林先生於2009年7月22日獲委任為提名委員會及風險管理委員會成員。彼現為執業會計師，亦為香港會計師公會及英國特許公認會計師公會資深會員。林先生曾於關黃陳方會計師行及德勤·關黃陳方會計師行工作逾10年。林先生於審計、稅務、企業融資及會計等方面累積多年經驗。林先生為於香港聯交所主板上市之東方報業集團有限公司（股份代號：0018）之獨立非執行董事。

趙崇康先生，74歲，於2008年4月10日獲委任為本公司之獨立非執行董事及審核委員會主席。趙先生於2013年11月26日不再擔任審核委員會主席，惟仍留任該委員會之成員。趙先生於2009年7月22日獲委任為風險管理委員會主席。於2012年4月1日，彼獲委任為薪酬委員會主席及提名委員會成員。趙先生擁有悉尼大學法學學士學位，目前擔任澳大利亞新南威爾斯高等法院律師和澳大利亞高等法院律師。趙先生在法律行業累積逾40年經驗。趙先生乃澳華療養院基金信託委員會創始會員及中國人民大學法律與全球化研究中心高級研究員。彼亦曾擔任澳大利亞新南威爾斯中國社區協會秘書長。趙先生現為於香港聯交所主板上市之中國海洋石油有限公司（股份代號：0883）之獨立非執行董事及中國銀行（澳大利亞）有限公司之獨立非執行董事。

BIOGRAPHICAL DETAILS OF DIRECTORS

董事簡歷

Mr. CHIU Fan Wa, aged 56, was appointed as an Independent Non-executive Director, a member of the remuneration committee and audit committee of the Company on 31 March 2009. Mr. Chiu is a founder and the managing director of Chiu, Choy & Chung C.P.A. Limited, and a partner of F. S. Li & Co. He graduated from City University of Hong Kong and obtained a Bachelor of Arts (Honours) degree with major in accountancy in 1992 and was awarded a Master of Professional Accounting from The Hong Kong Polytechnic University in 2002. He is a Certified Public Accountant (Practising) in Hong Kong, a fellow member of the Hong Kong Institute of Certified Public Accountants, a fellow member of the Association of Chartered Certified Accountants, a fellow member of the Institute of the Chartered Accountants in England and Wales, a fellow member of The Society of Chinese Accountants & Auditors, an associate of The Hong Kong Institute of Chartered Secretaries and an associate of The Chartered Governance Institute, a fellow member of The Taxation Institute of Hong Kong and a Chartered Tax Advisor.

趙帆華先生，56歲，於2009年3月31日獲委任為本公司之獨立非執行董事、薪酬委員會及審核委員會成員。趙先生為蔡鍾趙會計師有限公司的創辦人兼常務董事，亦為李福樹會計師事務所的合夥人。彼於1992年畢業於香港城市大學，獲榮譽文學學士學位，主修會計，並於2002年獲香港理工大學頒發專業會計碩士學位。彼為香港執業會計師、香港會計師公會資深會員、英國特許公認會計師公會資深會員、英格蘭及威爾士特許會計師公會資深會員、香港華人會計師公會資深會員、香港特許秘書公會會員及特許公司治理公會會員、香港稅務學會資深會員及特許稅務師。

REPORT OF THE CHAIRMAN

董事長報告

With the deepening of healthcare reform in China and the impact of the COVID-19 pandemic on the business model, the pharmaceutical industry is facing both challenges and opportunities. Adhering to the strategies of “development of Chinese medicine as foundation, development of innovative drugs and medical technologies, as well as development of quality medical and healthcare services”, the Group has increased its investment in research and development (“R&D”), strengthened product development and introduction, while accelerating comprehensively the development of its Chinese medicine business and medical and healthcare services in line with relevant national policies. At the same time, the Group has implemented a “two-pronged” development model of “promoting organic growth alongside increased efforts in inorganic growth” actively considering merger and acquisition opportunities so as to create maximum value for shareholders.

For the Chinese medicine business, in line with the national policies supporting the Traditional Chinese Medicine (TCM) industry, the Group has in the last five years forged a complete TCM industrial chain layout, covering the supply of Chinese medicinal materials, production of Chinese medicine products, R&D of Chinese medicine, a comprehensive Chinese medicine product portfolio, as well as domestic and overseas marketing network. Emphasizing authentic source, upholding professionalism and prioritizing standards, the Group has attached great importance to the quality of both medicinal materials and products and established the “Tianda Standard”, which exceeds the national quality standards for Chinese medicinal materials, to ensure the quality, reliability, controllability and traceability of our Chinese medicinal materials from the very beginning. The Group has also implemented the strategy of constructing Chinese medicinal materials base and conducting trading business, covering the main production areas in China, so as to build a nationwide and global business network for the Chinese medicinal materials business.

國內醫療改革持續深化，加上新冠肺炎疫情對經營模式的衝擊，醫藥行業挑戰和機遇並存。本集團遵循「以發展中醫藥產業為基礎，發展創新藥物和醫療科技，發展優質醫療和保健服務」的戰略，加大研發投入，加強產品開發和引進，並對接國家產業政策，加速全面推進中醫藥業務及醫療和保健服務的發展。同時，本集團實施「促進內源性增長、加大外延性拓展力度」的「雙輪驅動」發展模式，內源性增長與外延性拓展共進，積極審視併購機會，為股東創造最大價值。

中醫藥業務方面，順應國家對中醫藥產業的支持政策，本集團經過近五年的努力已基本形成中醫藥全產業鏈佈局，涵蓋中藥材供應、中藥生產、中藥研發、中藥全產品線、及國內外行銷。道地為源，專業為本，標準先行，本集團高度重視藥材品質和產品品質，建立起中藥材品質控制優於國家標準的「天大標準」，從根本上確保中藥材品質可靠，可控，可追溯。並實施中藥材基地建設和經營貿易的策略，佈局全國主產區，構建面向全國全球的中藥材業務網絡。

REPORT OF THE CHAIRMAN

董事長報告

For the Pharmaceuticals and medical technologies business, the Group has actively responded to the changes in the healthcare reform policy by strengthening the R&D of new products and new product collaboration, innovating the sales model and further developing domestic hospitals, OTC markets and overseas markets to strengthen the Pharmaceuticals and medical technologies business while promoting the growth of the innovative drugs business. During the second half of 2020, our major product, Valsartan capsules succeeded in securing first place in the nation's Third Round of Centralized Drug Procurement with Target Quantity for a term of three years. Taking advantage of the successful experience of Valsartan capsules, the Group will endeavour to secure the inclusion of its other products into the centralized drug procurement schemes to further expand the sales to hospitals and to drive the development of OTC markets and overseas markets. The Group's new R&D and production base in Jinwan District of Zhuhai will be completed and put into production within this year, set to become a first class modern pharmaceutical and health industrial base in China meeting international quality control standards.

For the Medical and healthcare services, the modern Chinese medical clinic chain "TDMall" is based in the Guangdong-Hong Kong-Macau Greater Bay Area, expanding into the rest of China and foreign markets. TDMalls have been opened in Zhuhai, Hong Kong and Sydney successively since 2019 with the aim to build the chain operation model under three different local laws and regulations for Chinese medicine, which accomplished the first step of the "three-step" development plan. Next, TDMall will take the second step to further the development of the Guangdong-Hong Kong-Macao Greater Bay Area and explore domestic and foreign markets in due course. At the same time, it will build a cloud technology based Chinese medicine platform - "TDMall on Cloud", which will provide online intelligent Chinese medicine consultation and treatment services supported by cross-region joint expert consultation services and other salient features, so as to realize Chinese medicine consultation and treatment beyond borders. The third step is for TDMall to expand nationally and globally in accordance with the strategic plan of "one clinic in every county, one mini-clinic in every town" and "one clinic in every nation, many in every major nation", with the aim to open 10,000 TDMalls worldwide through self-funding, mergers and acquisitions, franchising and partnerships, while actively integrating modern medicine and other innovative technologies to become the leading brand of Chinese medical clinic.

藥物和醫療科技業務方面，本集團積極應對醫改政策變化，通過加強新產品研發及新產品合作、銷售模式創新、及進一步開拓國內醫院、OTC市場和海外市場等手段，來鞏固擴大藥物和醫療科技業務和促進創新藥業務成長。主力產品巔沙坦膠囊於2020年下半年在國家第三次集中帶量採購中第一順位中標，標期三年。借鑒巔沙坦膠囊的成功經驗，本集團正努力爭取旗下其它產品進入集採，進一步拓展醫院銷售市場，並由此帶動OTC市場及海外市場發展。本集團位於珠海金灣的新研發及製藥基地將於今年內竣工和投產，銳意將之建設為國內一流、品質管制水準與國際同步的現代醫藥健康產業基地。

醫療和保健服務方面，新型中醫館「天大館」立足粵港澳大灣區，佈局全國全球。自2019年起，「天大館」已於珠海、香港和悉尼開館，在三種不同的中醫藥管理法規下開館，打造連鎖運營模式，完成了「三步走」發展規劃的第一步。隨之，天大館將邁出第二步，深耕粵港澳大灣區，適時開拓國內外市場，同時構建中醫雲端科技平臺「雲上天大館」，提供線上智能診症服務及開創跨地域專家會診等功能，實現中醫診療無國界。在夯實第二步的基礎上，天大館將邁開第三步，拓展全國全球，按照「一縣一館，一鎮一點」、「一國一館，大國多館」的戰略規劃，通過自建、併購、加盟、合作等形式，目標在全國全球開辦10,000間中醫館，並積極融合現代醫學和其它創新技術，發展成為中醫館第一品牌。

REPORT OF THE CHAIRMAN

董事長報告

The Group pays attention to the development and latest achievements of pharmaceutical and health technologies globally, continuously increases investment in R&D, strengthens innovation capabilities, accelerates technological progress, optimizes product mix and service standards to gain sustainable competitive advantages. The Group is actively pushing forward R&D of innovative drugs for treating tumors, viral infections, diabetes, and cardiovascular and pediatrics medications. At the same time, the Group is in close discussion with leading research institutes such as the China Academy of Chinese Medical Sciences to focus on the collaborative development of innovative Chinese medicines with clinical values applying modern scientific technologies and inheriting the advantages and theoretical characteristics of Chinese medicine.

Looking ahead to 2021, the global economy is expected to get back on track as the pandemic will be brought under control. The deepening of healthcare reform in Mainland China presents both challenges and opportunities. The Group will continue to implement the “Three Developments” strategy, and respond proactively to the changing and challenging environment, adhere to tradition and pursue innovation, seize the opportunities brought by the macro environment and industrial policies, committed to become a leading pharmaceutical enterprise that sets its footholds in China while seeking to expand its presence around the world.

Last but not least, I would like to express my sincere gratitude to our clients, staff, business partners and shareholders for their unremitting confidence in and support for the Group, and also the Board of Directors for their efforts and contributions to the Group's expeditious business growth.

Fang Wen Quan
Chairman

Hong Kong, 25 June 2021

本集團關注全球醫藥健康科技發展和最新成果，不斷加大研發投入，加強創新力度，加快技術進步，優化產品結構和提升服務水準，形成可持續的競爭優勢。本集團正積極部署推進創新藥物研發，聚焦抗腫瘤、抗病毒、糖尿病、心腦血管及兒科等領域。同時，本集團正與中國中醫科學院等一流科研院所加強交流，聚焦以臨床價值為導向、應用現代科學技術手段、傳承中醫藥優勢和中醫藥理論特色的創新中藥合作開發。

展望2021年，隨著疫情受控，全球經濟有望迎來復甦的曙光。中國內地醫療改革的深化，既有挑戰又有機遇。本集團將貫徹實施「三個發展」的戰略，一如既往，在充滿變化與挑戰的環境中積極應對，守正創新，牢牢把握住宏觀環境和產業政策帶來的機遇，發展成為立足中國，輻射全球的領先醫藥企業。

最後，本人謹此感謝客戶、員工、業務合作夥伴及股東多年來的支援、貢獻及信任，以及董事會成員為本集團發展所做的努力和付出。

方文權
董事長

香港，2021年6月25日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

BUSINESS REVIEW

Adhering to the strategies of “development of Chinese medicine as foundation, development of innovative drugs and medical technologies, as well as development of quality medical and healthcare services”, the Group has increased its investment in research and development (“R&D”), strengthened product development and introduction, while accelerating comprehensively the development of its Chinese medicine business and medical and healthcare services in line with relevant national policies. For the purpose of reflecting the latest business development, the Group has redefined and renamed its business segments as Chinese medicine business (formerly known as Chinese medical business), Pharmaceuticals and medical technologies business (formerly known as pharmaceutical and biotechnology business) and Medical and healthcare services.

Revenue of the Chinese medicine business increased significantly from approximately HK\$46.20 million for the year ended 31 March 2020 (FYE 2020) to approximately HK\$112.00 million for the year ended 31 March 2021 (the Current Financial Year). In line with the national policies supporting the Traditional Chinese Medicine (TCM) industry, the Group has in the last five years forged a complete TCM industrial chain layout, covering the supply of Chinese medicinal materials, production of Chinese medicine products, R&D of Chinese medicine, a comprehensive Chinese medicine product portfolio, as well as domestic and overseas marketing network. Emphasizing authentic source, upholding professionalism and prioritizing standards, the Group has attached great importance to the quality of medicinal materials and products and has established the “Tianda Standard”, which exceeds the national quality standards for Chinese medicinal materials, to ensure the quality, reliability, controllability and traceability of our Chinese medicinal materials from the very beginning. The Group has also implemented the strategy of constructing Chinese medicinal materials base and conducting trading business, covering the main production areas in China, expanding domestic and overseas markets and utilizing various feasible ways to achieve mutually beneficial cooperation with partners such as medicinal materials farmers, cooperatives, distributors and pharmaceutical enterprises, so as to build a nationwide and global business network for the Chinese medicinal materials business.

業務回顧

本集團遵循「以發展中醫藥產業為基礎，發展創新藥物和醫療科技，發展優質醫療和保健服務」的戰略，加大研發投入，加強產品開發和引進，並對接國家產業政策，加速全面推進中醫藥業務及醫療和保健服務的發展。為反映最新的業務發展，本集團業務板塊重新界定和命名為中醫藥業務（前稱中醫業務）、藥物和醫療科技業務（前稱醫藥生物業務）、醫療和保健服務。

中醫藥業務方面，收入從2020年3月31日止全年（2020財政年度）的約4,620萬港元大幅增加至2021年3月31日止年度（本財政年度）的約1億1,200萬港元。順應國家對中醫藥產業的支持政策，本集團經過近五年的努力已基本形成中醫藥全產業鏈佈局，涵蓋中藥材供應、中藥生產、中藥研發、中藥全產品線和國內外營銷。道地為源，專業為本，標準先行，本集團高度重視藥材和產品品質，建立起中藥材品質控制優於國家標準的“天大標準”，從根本上確保中藥材品質可靠、可控、可追溯。並實施中藥材基地建設和經營貿易的策略，佈局全國主產區，拓展國內外市場，運用多種可行方式，實現和藥農、合作社、經銷商、藥企等夥伴的互惠合作，構建面向全國全球的中藥材業務網絡。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

For the Pharmaceuticals and medical technologies business, the Group's products include biological and chemical drugs and proprietary Chinese medicines, mainly cardiovascular and pediatric drugs for treating flu and respiratory disorders, infections, addictions, tumors and other therapeutic areas, as well as a series of healthcare products under the brand names of "Herb Valley" (和谷) and "Tuokang" (托康). The revenue decreased from approximately HK\$443.60 million in FYE 2020 to approximately HK\$357.70 million in the Current Financial Year, mainly due to the impact of the adjustment in the new national medical insurance catalog and precautionary measures against the COVID-19 pandemic adversely affecting the revenue from our major products Cerebroprotein hydrolysate and pediatric anti-flu and respiratory drugs respectively. The Group actively responded to the changes in the healthcare reform policy by strengthening the R&D of new products and new product collaboration, innovating the sales model, participating in national centralized drug procurement scheme, and further developing domestic hospitals, OTC markets and overseas markets to strengthen the Pharmaceuticals and medical technologies business while promoting the growth of the innovative drugs business. During the Current Financial Year, Valsartan capsules, another major product of the Group, succeeded in securing first place in the nation's Third Round of Centralized Drug Procurement with Target Quantity for a term of three years. Taking advantage of the successful experience of Valsartan capsules, the Group will endeavour to secure the inclusion of its other products into the centralized drug procurement schemes to further expand the sales to hospitals and to drive the development of OTC markets and overseas markets. The Group's new R&D and production base in Jinwan District of Zhuhai will be completed and put into production within this year, set to become a first class modern pharmaceutical and healthcare industrial park in China meeting international quality control standards.

藥物和醫療科技業務方面，本集團產品包括生化藥、中成藥等，以心腦血管、兒科用藥為主、涵蓋感冒及呼吸系統、抗感染、抗成癮、抗腫瘤和其它治療領域，以及「和谷」和「托康」品牌系列健康產品等。收入從2020財政年度的約4億4,360萬港元減少至本財政年度的約3億5,770萬港元，主要歸因於主要產品腦蛋白水解物的收入和兒科感冒及呼吸系統用藥的收入分別受新版醫保藥品目錄的調整和新冠肺炎疫情的防疫措施所影響。本集團積極應對醫改政策變化，通過加強新產品研發及新產品合作、銷售模式創新、參與國家集中帶量採購、進一步開拓國內醫院、OTC市場和海外市場等手段來鞏固擴大藥物和醫療科技業務和促進創新藥業務成長。本財政年度，本集團另一主力產品巔沙坦膠囊於2020年下半年在國家第三次集中帶量採購中第一順位中標，標期三年。借鑒巔沙坦膠囊的成功經驗，本集團正努力爭取旗下其它產品進入集採，進一步拓展醫院銷售市場，並由此帶動OTC市場及海外市場發展。本集團位於珠海金灣的新研發及製藥基地將於今年內竣工和投產，銳意將之建設為國內一流、質量管理水平與國際同步的現代醫藥健康產業園區。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

As a platform for Medical and healthcare services, the modern Chinese medical clinic chain “TDMall” is based in the Guangdong-Hong Kong-Macau Greater Bay Area, expanding into the rest of China and foreign markets. TDMalls have been opened in Zhuhai, Hong Kong and Sydney successively since 2019 with the aim to build the chain operation model under three different local laws and regulations for Chinese medicine. The “TDMall” business is still in the investment stage and continues to grow, with revenue increased from approximately HK\$1.70 million in FYE 2020 to approximately HK\$4.70 million in the Current Financial Year. In line with changes in consumption patterns in the new era and leveraging Internet technology, big data, AI and other innovative technologies, the Group strives to build and accelerate the development of the cloud technology based Chinese medicine platform – “TDMall on Cloud”, which is committed to providing one-stop online intelligent remote Chinese medicine consultation and treatment services, supported by salient features such as cross-region joint expert consultation services and Chinese medicine delivery service. As “TDMall” continues to expand in the domestic, overseas and international markets as well as on cloud, it will greatly contribute to the long-term development of the Group’s Chinese medicine business as a whole.

In terms of innovation and R&D, the Group’s R&D team continued their efforts in accordance with the Group’s strategies and market demands, with steady progress achieved in the Current Financial Year: 1) Valsartan capsules passed the conformity assessment, Q&A and obtained application approval, and subsequently came in first place in the nation’s Third Round of Centralized Drug Procurement with Target Quantity; 2) Of the TCM anti-epidemic formulae including “Anti-Epidemic Formula 1” (for prevention), “Anti-Epidemic Formula 2” (for remedy) and “Anti-Epidemic Formula 3” (for rehabilitation) developed in collaboration with authoritative Chinese medicine expert teams in the early days of the COVID-19 outbreak, the “Anti-Epidemic Formula 1” granules were approved for entry into the Australian Register of Therapeutic Goods as a listed medicine during the Current Financial Year; while the pharmacological study and clinical trials and observations for “Anti-Epidemic Formula 1” as TDMall’s first pharmaceutical preparation of medical institutions was launched and applied for domestic and foreign patent protection; 3) established the project for the conformity assessment of Ibuprofen suspension and Ibuprofen suspension drops, and signed the contract for commissioned research; 4) established the Nicorandil project, and signed the contract for commissioned R&D; 5) completed the development of the prescription process for the project of montelukast sodium granules for pediatric asthma, and completed the investigation and established the project of

作為醫療和保健服務的平臺，新型中醫館連鎖「天大館」立足粵港澳大灣區，佈局全國全球。自2019年起，天大館先後於珠海、香港和悉尼開館，在三種不同的中醫藥管理法規下開館，打造連鎖運營模式。「天大館」業務仍處於投資階段，業績持續增長，收入從2020財政年度的約170萬港元增加至本財政年度的約470萬港元。順應新時代消費模式的轉變，本集團充分利用互聯網信息技術、大數據、人工智能及其它創新科技，構建並加速發展中醫雲端科技平臺「雲上天大館」，提供一站式線上智能診症服務，開發跨地域專家會診、速遞送藥等功能，並拓展中藥材及中藥飲片電商、線上健康管理、中醫教育等服務，實現中醫館O2O模式，推動中醫診療無國界進程。「天大館」已形成境內、境外、國際三地及雲端佈局，有力拉動本集團中醫藥業務的長足發展。

創新和研發方面，研發團隊圍繞集團戰略及市場需求攻堅克難，研發工作繼續穩步推進，本財政年度的進展包括：一) 緬甸沙坦膠囊通過一致性評價審評、答辯和審批，取得批件，繼而在國家第三次集採中第一順位中標；二) 在新冠肺炎疫情爆發初期會同中國內地中醫藥權威專家組研定形成「抗疫一方」(預防方)、「抗疫二方」(治療方)、「抗疫三方」(康復方)中藥抗疫方劑，其中「抗疫一方」顆粒劑於本財政年度成功以登記類藥物納入澳大利亞醫療用品登記表，並啟動了天大館首個醫療機構製劑「抗疫一方」的藥學研究及臨床試藥觀察，以及國內外專利申請保護；三) 完成布洛芬混懸液和布洛芬混懸滴劑一致性評價的立項，已簽訂委託研究合同；四) 立項注射用尼可地爾項目，已簽訂委託研發合同；五) 完成兒科哮喘藥孟魯司特鈉顆粒項目處方工藝開發，完成氨溴特羅口服溶液調研及立項；六) 引進已上市中成藥小兒清熱止咳顆粒，正進行技術完整所有權和智慧財產權相關的批文轉讓；七) 繼續推進古代經典名方中藥複方製劑產品的研發；八) 啟動了名醫名

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aminoglutethimide oral solution; 6) acquired the Xiaoe Qingre Zhike Granule (小兒清熱止咳顆粒), a Chinese patent medicine on the market, and is in the process of transferring the complete ownership of the technology and intellectual property rights; 7) continued to promote the R&D of Classic Ancient Prescription Chinese medicine compound preparations; 8) initiated the screening and introduction of new drugs based on the selection of clinical and classical prescriptions of famous doctors and medicine practitioners; 9) initiated the in-depth exploration and design of new drug development of improved Chinese medicine for Yi An Huisheng Decoction (益安回生口服液) based on the clinical value; 10) applied cerebroprotein extraction patent technology in the development of anti-aging daily chemical and healthy food series; and (11) developed Chinese medicine healthcare products such as tea bags, soup packages and Chinese medicine paste, medicine and food homologous health product series, facial masks series, disinfectant gel, Zhikang health series products, instant bird's nest and antiviral throat lozenge in line with TDMall's business development and market demands.

OUTLOOK

The COVID-19 pandemic has made the Group more determined to demonstrate its responsibility and accountability through actions. Thus, the Group will continue to implement the "Three Developments" strategy, and actively review merger and acquisition opportunities for promising innovative drugs, medical technologies and healthcare projects, so as to accelerate the business growth and scale expansion, thereby driving the Group's overall development.

藥臨床驗方、經方，向新藥轉化品種篩選與成果引進；九) 啟動了基於臨床價值深入挖掘的益安回生口服液中醫改良型新藥開發探討與方案設計；十) 運用腦蛋白專利提取工藝延伸開發抗衰系列日化產品和健康食品；和十一) 圍繞市場需求，結合天大館業務，開發茶包、湯包、膏滋等傳統中醫養生產品、藥食同源健康產品、系列面膜產品、消毒凝膠、脂康健康系列產品、即食燕窩、抗疫潤喉糖等。

展望

新冠肺炎疫情促使本集團堅定決心，以行動詮釋責任與擔當。為此，本集團將貫徹實施「三個發展」的戰略，積極審視併購機會以吸納具潛力的創新藥物、醫療科技及醫療保健項目，加快業務增長和規模擴大步伐，加快推動本集團整體發展。

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FINANCIAL REVIEW

For the Current Financial Year, the Group recorded a consolidated revenue of approximately HK\$474.30 million (FYE 2020: approximately HK\$491.50 million) from its principal activities, gross profit of approximately HK\$259.00 million (FYE 2020: approximately HK\$361.00 million) and gross profit margin of 54.6% (FYE 2020: 73.5%). Loss attributable to owners of the parent for the Current Financial Year was approximately HK\$27.10 million (FYE 2020: profit attributable to owners of the parent of approximately HK\$3.10 million). The decline in results for the Current Financial Year as compared to FYE 2020 was mainly due to higher R&D expenses and lower gross profit in the Pharmaceuticals and medical technologies business, offsetting the growth in gross profit in the Chinese medicine business and Medical and healthcare services.

Revenue of the Chinese medicine business increased from approximately HK\$46.20 million in FYE 2020 to approximately HK\$112.00 million in the Current Financial Year while the gross profit increased from HK\$5.10 million in FYE 2020 to HK\$11.00 million in the Current Financial Year, benefiting from the national policy supporting the TCM industry and the Group's efforts to cover the main production areas of Chinese medicinal materials in China, to expand domestically and abroad, as well as to form mutually beneficial cooperation with partners such as medicinal materials farmers, cooperatives, distributors and pharmaceutical companies.

財務回顧

本財政年度，本集團綜合主營業務收入約4億7,430萬港元（2020財政年度：約4億9,150萬港元），毛利約2億5,900萬港元（2020財政年度：約3億6,100萬港元），毛利率54.6%（2020財政年度：73.5%）。本財政年度的母公司股東應佔虧損約2,710萬港元（2020財政年度：母公司股東應佔溢利約310萬港元）。與2020財政年度比較，本財政年度業績倒退的主要原因是研發費用增加及藥物和醫療科技業務毛利下降，抵消了中醫藥業務及醫療和保健服務的毛利增長。

中醫藥業務方面，收入由2020財政年度的約4,620萬港元增加至本財政年度的約1億1,200萬港元，毛利由2020財政年度的510萬港元增加至本財政年度的1,100萬港元。這受惠於國家對中醫藥產業的支持政策，也受惠於本集團佈局全國中藥材主產區，拓展國內外市場，努力實現和藥農、合作社、經銷商、藥企等夥伴的互惠合作。

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Revenue of the Pharmaceuticals and medical technologies business decreased from approximately HK\$443.60 million in FYE 2020 to approximately HK\$357.70 million in the Current Financial Year while the gross profit decreased from approximately HK\$354.80 million in FYE 2020 to approximately HK\$244.30 million in the Current Financial Year. Tuoping (Valsartan capsules), a major product of the Group, secured first place in the nation's Third Round of Centralized Drug Procurement with Target Quantity, with its sales revenue increased from approximately HK\$116.10 million in FYE 2020 to approximately HK\$174.30 million in the Current Financial Year. The revenue of Aceglutamide, another major product for Cardio-Cerebrovascular disorders, increased from approximately HK\$49.90 million in FYE 2020 to approximately HK\$70.40 million in the Current Financial Year. However, the revenue of the higher-gross-margin Cerebroprotein hydrolysate injection product decreased from approximately HK\$140.00 million in FYE 2020 to approximately HK\$37.40 million in the Current Financial Year following its removal from the national medical insurance catalog since early 2020. Revenue from sales of the pediatric anti-flu and respiratory drugs, Ibuprofen suspension and suspension drops, decreased from approximately HK\$86.20 million in FYE 2020 to approximately HK\$41.90 million in the Current Financial Year due to the impact of the COVID-19 pandemic prevention measures.

In respect of Medical and healthcare services, with the opening of the modern Chinese medical clinic chain "TDMall" in Zhuhai, Hong Kong and Sydney from 2019 onwards, the revenue of "TDMall" increased from approximately HK\$1.70 million in FYE 2020 to approximately HK\$4.70 million in the Current Financial Year while gross profit increased from HK\$1.10 million in FYE 2020 to HK\$3.70 million in the Current Financial Year. The Group will continue to roll out physical "TDMalls" steadily and perfect "TDMall on Cloud" to realize the O2O model of Chinese medicine clinics.

藥物和醫療科技業務方面，收入由2020財政年度的約4億4,360萬港元減至本財政年度的約3億5,770萬港元，毛利由2020財政年度的約3億5,480萬港元減少至本財政年度的約2億4,430萬港元。本集團主力產品托平纈沙坦膠囊在國家第三批集中帶量採購中第一順位中標，其銷售收入由2020財政年度的約1億1,610萬港元增加至本財政年度的約1億7,430萬港元。另一主力產品心腦血管用藥乙酰谷酰胺的銷售收入由2020財政年度的約4,990萬港元增加至本財政年度的約7,040萬港元。惟毛利較高的注射用腦蛋白水解物產品在2020年初被調出醫保藥品目錄，其銷售收入由2020財政年度的約1億4,000萬港元減至本財政年度的3,740萬港元。受新冠肺炎疫情的防疫措施影響，兒科感冒及呼吸系統用藥布洛芬混懸液及滴劑的銷售收入由2020財政年度的約8,620萬港元減少至本財政年度的約4,190萬港元。

醫療和保健服務方面，隨著「天大館」自2019年起先後於珠海、香港和悉尼開館，收入由2020財政年度的約170萬港元增加至本財政年度的約470萬港元，毛利由2020財政年度的110萬港元增加至本財政年度的370萬港元。「天大館」繼續穩步開辦實體館，並精心打造「雲上天大館」，實現中醫館O2O模式。

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In terms of innovation and R&D, the Group continued to increase investment in R&D, strengthen innovation efforts, accelerate technological advancement and optimize product structure. R&D expenses increased significantly from approximately HK\$1.50 million in FYE 2020 to approximately HK\$11.80 million in the Current Financial Year.

Selling and distribution expenses decreased from approximately HK\$282.20 million in FYE 2020 to approximately HK\$211.70 million in the Current Financial Year, mainly due to the decrease in sales of Cerebroprotein hydrolysate injection products and pediatric anti-flu and respiratory drugs. Administrative expenses increased from approximately HK\$67.80 million in FYE 2020 to approximately HK\$69.80 million in the Current Financial Year, mainly due to the increase in wages and salaries as the Group continued to expand its team for the Chinese medicine business and Medical and healthcare services. While striving for business growth, the Group has kept costs and expenses under tight control.

For the Current Financial Year, the Group recorded other income and net gains (excluding impairment of goodwill) of approximately HK\$7.50 million (FYE 2020: approximately HK\$9.70 million). Of which, interest income from bank deposits and structured deposits decreased from approximately HK\$8.70 million in FYE 2020 to approximately HK\$4.50 million in the Current Financial Year. The impact of the decrease in interest income was partially offset by government subsidies of approximately HK\$3.20 million (FYE 2020: approximately HK\$0.4 million) in the Current Financial Year.

LIQUIDITY AND FINANCIAL RESOURCES

The Group's liquidity continued to stay in a healthy position. As at 31 March 2021, the Group had structured deposits, short term bank deposits and cash of approximately HK\$235.00 million (31 March 2020: HK\$302.00 million), of which approximately 15.2% and 84.1% were denominated in Hong Kong dollar and Renminbi (RMB) respectively with the remaining in Australian dollar, Euro, Macau pataca and United States dollar, as well as unutilised bank loan facilities of approximately HK\$93.70 million. With this strong financial position, the Group has sufficient financial resources to meet its obligations and to finance its operational and capital expenditures.

創新和研發方面，本集團不斷加大研發投入，加強創新力度，加快技術進步，優化產品結構。研發費用由2020財政年度約150萬港元大幅增加至本財政年度的約1,180萬港元。

銷售及分銷支出由2020財政年度約2億8,220萬港元下跌至本財政年度約2億1,170萬港元，主要是由於注射用腦蛋白水解物產品和兒科感冒及呼吸系統用藥的銷售下跌所致。行政費用由2020財政年度的約6,780萬港元增至本財政年度的約6,980萬港元，主要由於本集團正增加中醫藥業務及醫療和保健服務的團隊，使員工薪酬費用有所上升。在促進業務增長的同時，本集團一直嚴控成本和開支。

本財政年度，本集團錄得其它收入及淨收益（撇除商譽減值）約750萬港元（2020財政年度：約970萬港元）。其中，銀行存款及結構性存款利息收入由2020財政年度約870萬港元減少至本財政年度的約450萬港元。本財政年度，約320萬港元政府補貼收入（2020年：約40萬港元）部分抵銷了利息收入下跌的影響。

流動資金及財務資源

本集團之流動資金狀況維持穩健。於2021年3月31日，本集團有結構性存款、短期銀行存款及現金約2億3,500萬港元（2020年3月31日：3億200萬港元），其中約15.2%及84.1%分別以港元及人民幣（人民幣）計值，餘額則以澳元、歐元、澳門元及美元計值，並有未動用的銀行貸款額度約9,370萬港元。於此穩固之財務狀況下，本集團具備充足財務資源以應付其責任、日常營運開支及資本開支。

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EXCHANGE RATE EXPOSURE

The Group's assets, liabilities and transactions are substantially denominated in Hong Kong dollar, RMB, United States dollar and Australian dollar.

The Group has sales which use currencies other than its functional currency RMB. As such, the Group has some exposures to foreign currency risks. The management from time to time determines suitable measures, such as entering into forward currency contracts, to lessen exposure to exchange rate fluctuations in material transactions denominated in currencies other than RMB. The Group did not enter into any forward currency contracts to hedge its foreign currency risks as at 31 March 2021.

CHARGES ON ASSETS

As at 31 March 2021, the Group has pledged certain right-of-use assets, property, plant and equipment and assets of a disposal group held for sale with carrying value approximately HK\$436.30 million (2020: HK\$272.80 million) in aggregate to secure a bank loan facility grant to the Group.

EMPLOYMENT AND REMUNERATION POLICY

As at 31 March 2021, the Group employed approximately 650 employees in Hong Kong, the PRC and Australia. The Group remunerates its employees based on market terms and the qualifications and experience of the employees concerned.

匯率風險

本集團之資產、負債及交易大部份以港元、人民幣、美元及澳元計值。

本集團設有海外銷售，乃以其功能貨幣人民幣以外之貨幣計算。因此，本集團面對若干外匯風險。管理層不時釐定適當措施，例如訂立外幣遠期合約，以減低以人民幣以外貨幣計值之重大交易所面臨之匯率波動風險。於2021年3月31日，本集團概無訂有任何外幣遠期合約以對沖其外幣風險。

資產抵押

於2021年3月31日，本集團已就本集團獲授之一項銀行貸款融資抵押若干使用權資產、物業、廠房及設備以及持作出售組別之資產，賬面金額合共約4億3,630萬港元（2020年：2億7,280萬港元）。

僱員及薪酬政策

於2021年3月31日，本集團於香港、中國及澳大利亞聘有約650名僱員。本集團根據市場條款以及有關僱員之資歷及經驗向僱員釐定薪酬。

CORPORATE GOVERNANCE REPORT

企業管治報告

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

The Company has complied with the code provisions of the Corporate Governance Code (the CG Code) in Appendix 14 of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the Listing Rules) during the FYE2021 except as mentioned below.

Mr. Fang Wen Quan is the Chairman of the Board and the Managing Director of the Company. Pursuant to code provision of A.2.1 of the CG Code, the roles of the chairman and chief executive officer of an issuer should be separated and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing. Having considered the current business operation and the size of the Group, the Board is of the view that Mr. Fang Wen Quan has been the key leader of the Group, who has been primarily involved in formulation of business strategies and determination of the overall direction of the Group. He has also been chiefly responsible for the Group's operations as he directly supervises the management team of the Group. Taking into account the continuation of the implementation of the Group's business plans, the Directors (including the Independent Non-executive Directors) consider that Mr. Fang Wen Quan acting as both the Chairman of the Board and the Managing Director of the Company is acceptable and in the best interest of the Group. The Board has reviewed this situation periodically.

BOARD OF DIRECTORS

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

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

於2021財政年度，本公司已遵守在香港聯交所證券上市規則（上市規則）附錄十四所載企業管治守則之守則條文，惟下文所述之情況除外。

方文權先生為本公司董事長兼董事總經理。根據企業管治守則之守則條文第A.2.1條，發行人董事長及行政總裁之職務應分開及不應由同一人士擔任，並應以書面明確界定董事長與行政總裁各自之職責。經考慮本集團目前業務運作及規模，董事會認為由方文權先生一直為本集團之主要領導人，主要負責制訂本集團之業務策略及釐定本集團之整體方針。由於彼直接監督本集團管理層，故彼亦一直為本集團之最高營運負責人。考慮到實施本集團業務計劃之連續性，董事（包括獨立非執行董事）認為，方文權先生同時出任本公司之董事長及董事總經理屬可接受情況，且符合本集團最佳利益。董事會已定期檢討有關情況。

董事會

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

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board currently consists of 8 Directors, comprising 2 Executive Directors, 3 Non-executive Directors and 3 Independent Non-executive Directors (INEDs) namely:

Executive Directors:

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

Non-executive Directors:

Mr. Shen Bo
Mr. Feng Quanming
Dr. Lam Lee G.

INEDs:

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

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

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

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

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

董事會現由八名董事組成，包括兩名執行董事、三名非執行董事及三名獨立非執行董事，即：

執行董事：

方文權先生 (*董事長兼董事總經理*)
呂文生先生

非執行董事：

沈波先生
馮全明先生
林家禮博士

獨立非執行董事：

林日輝先生
趙崇康先生
趙帆華先生

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

獨立非執行董事及非執行董事之任期為2年，並須根據本公司之章程細則告退。

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

本公司之章程細則規定於每次股東週年大會上所有董事之三分之一須輪值告退，獨立非執行董事均受此條文規限。本公司已收到三名獨立非執行董事根據上市規則第3.13條所規定之有關獨立性之年度確認。

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

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

Corporate Governance Functions

The Board is responsible for performing the corporate governance duties including the following matters attended by the Board during the FYE2021:

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

Directors' training and professional development

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

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

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

企業管治職能

董事會負責履行企業管治職責，包括於2021財政年度所處理之下列事宜：

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

董事培訓及專業發展

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

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

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

Based on the training records provided to the Company by the Directors, all the Directors have participated in the trainings by reading newspapers, journals and updates and/or attending seminars relating to corporate governance, regulatory updates, economy, general business or director's duties and responsibilities, etc. during the FYE2021.

Directors' meeting

During the FYE2021, the Board held 4 full board meetings. The attendances of the Directors at the meetings are as follows:

Directors	董事	Number of Meetings Attended/Held 出席／舉行會議次數
Executive Directors:	執行董事：	
Mr. Fang Wen Quan (Chairman and Managing Director)	方文權先生 (董事長兼董事總經理)	4/4
Mr. Lui Man Sang	呂文生先生	4/4
Non-executive Directors:	非執行董事：	
Mr. Shen Bo	沈波先生	3/4
Mr. Feng Quanming	馮全明先生	4/4
Dr. Lam Lee G.	林家禮博士	4/4
INEDs:	獨立非執行董事：	
Mr. Lam Yat Fai	林日輝先生	3/4
Mr. Chiu Sung Hong	趙崇康先生	4/4
Mr. Chiu Fan Wa	趙帆華先生	4/4

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

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

根據各董事向本公司提供之培訓記錄，全體董事於2021財政年度內透過閱覽報章、期刊及最新資訊及／或出席講座參與培訓，內容有關企業管治、最新監管規例、經濟、一般商業或董事職責等。

董事會會議

於2021財政年度內，董事會舉行四次董事會會議。董事出席會議之情況如下：

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

REMUNERATION COMMITTEE

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

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

The remuneration committee held 1 meeting during the FYE2021 to review and make recommendations to the Board on the remuneration packages of Individual Executive Directors, the Non-executive Directors, the INEDs and senior management; and to review the bonus to senior management.

Details of individual attendance of its members during the FYE2021 are as follows:

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

薪酬委員會

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

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

於2021財政年度，薪酬委員會舉行一次會議，以審閱個別執行董事、非執行董事及獨立非執行董事以及高級管理人員之薪酬待遇並就此作出推薦意見；及檢討高級管理人員之花紅。

於2021財政年度內個別成員之出席詳情如下：

		Number of Meetings Attended/Held 出席／舉行會議次數
Mr. Chiu Sung Hong (<i>Chairman</i>)	趙崇康先生 (<i>主席</i>)	1/1
Mr. Fang Wen Quan	方文權先生	1/1
Mr. Lam Yat Fai	林日輝先生	1/1
Mr. Chiu Fan Wa	趙帆華先生	1/1

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Particulars regarding Directors' remuneration and the five highest paid employees as required to be disclosed pursuant to Appendix 16 to the Listing Rules are set out in notes 8 and 9 to the consolidated financial statements, respectively.

NOMINATION COMMITTEE

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

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

During the FYE2021, the nomination committee held 1 meeting. Details of individual attendance of its members are as follows:

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

During the FYE2021, the nomination committee had reviewed the structure, size and composition of the Board, assessed the independence of the INEDs and made recommendation to the Board on the re-election of retiring Directors.

根據上市規則附錄十六須披露之有關董事薪酬及五名最高薪酬僱員之詳情，分別載於綜合財務報表附註8及9。

提名委員會

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

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

於2021財政年度內，提名委員會舉行一次會議。個別成員之出席詳情如下：

Number of Meetings Attended/Held 出席／舉行會議次數
--

1/1
1/1
1/1

於2021財政年度內，提名委員會亦已檢討董事會架構、規模及組合，評核獨立非執行董事之獨立性，及就重選退任董事向董事會提出建議。

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Board Diversity Policy

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

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

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

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

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

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

董事會成員多元化政策

本公司已制訂一項董事會成員多元化政策，以載列本公司多元化董事會成員之措施。

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

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

提名委員會亦負責檢討董事會成員多元化，並向董事會匯報。

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

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

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Nomination Policy

The Board has also adopted a nomination policy (the “Nomination Policy”) which sets out the selection criteria and procedure of appointing and re-appointing a Director. The selection criteria used in assessing the suitability of a candidate include, inter alia, such candidate’s academic background and professional qualifications, relevant experience in the industry, character and integrity etc.

Pursuant to the Nomination Policy, the nomination committee reviews the structure, size and composition of the Board periodically and make recommendation on any proposed changes to the Board to complement the Company’s corporate strategy. When it is necessary to fill a casual vacancy or appoint an additional director, the nomination committee identifies or selects candidates as recommended to the committee pursuant to the criteria set out in the Nomination Policy. Based upon the recommendation of the nomination committee, the Board deliberates and decides on the appointment. In addition, pursuant to the articles of association of the Company, every director shall be subject to retirement by rotation or re-election at least once every three years and shall be eligible for re-election at each annual general meeting. The nomination committee shall review the overall contribution and service to the Company, expertise and professional qualifications of the retiring directors, who offered himself/herself for re-election at the annual general meeting, to determine whether such director continues to meet the criteria as set out in the Nomination Policy.

提名政策

董事會亦已採納一項提名政策（“提名政策”），其載列選舉標準及委任及重新委任董事的程序。評估候選人的適當性所用的選舉標準包括（其中包括）其學術背景及專業資格、相關行業經驗、個性及誠信等。

根據提名政策，提名委員會定期檢討董事會架構、人數及組成，並就任何為配合本公司的發展策略而擬對董事會架構作出的變動提出建議。當有必要填補空缺或增加額外董事時，提名委員根據提名政策所載的準則物色人選或甄選向委員會推薦的人選。根據提名委員會的推薦建議，董事會審議並決定任命。此外，根據本公司的章程細則，每名董事須至少每三年輪值退任或膺選連任一次，並合資格於各股東週年大會上膺選連任。提名委員會須審視願意在股東週年大會上膺選連任之退任董事為本公司作出的整體貢獻及服務、專業知識及專業資格，以釐定有關董事是否繼續符合提名政策所載列的準則。

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AUDIT COMMITTEE

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

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

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

During the FYE2021, the audit committee held 2 meetings. Details of individual attendance of its members are as follows:

審核委員會

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

審核委員會之職責及功能包括以下各項：

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

於2021財政年度內，審核委員會舉行兩次會議。個別成員之出席詳情如下：

		Number of Meetings Attended/Held 出席／舉行會議次數
Mr. Lam Yat Fai (<i>Chairman</i>)	林日輝先生 (<i>主席</i>)	2/2
Mr. Chiu Sung Hong	趙崇康先生	2/2
Mr. Chiu Fan Wa	趙帆華先生	2/2
Mr. Shen Bo	沈波先生	1/2

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The work performed by the audit committee during the FYE2021 includes the followings:

- review the financial statements for the year ended 31 March 2020 and for the six months ended 30 September 2020;
- consider and approve of the remuneration and terms of engagement of the external auditor; and
- review the internal control and financial reporting matters of the Company.

RISK MANAGEMENT COMMITTEE

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

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

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

During the FYE2021, the risk management committee held 1 meeting. Details of individual attendance of its members are as follows:

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

於2021財政年度內，審核委員會履行之工作包括以下各項：

- 審閱截至2020年3月31日止年度及截至2020年9月30日止六個月之財務報表；
- 考慮及批准外聘核數師之酬金及聘用條款；及
- 審閱本公司之內部監控及財務匯報事宜。

風險管理委員會

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

風險管理委員會之職責及功能包括以下各項：

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

於2021財政年度內，風險管理委員會委員會舉行一次會議。個別成員之出席詳情如下：

Number of Meetings Attended/Held 出席／舉行會議次數

Mr. Chiu Sung Hong (<i>Chairman</i>)	趙崇康先生 (<i>主席</i>)	1/1
Mr. Fang Wen Quan	方文權先生	1/1
Mr. Lam Yat Fai	林日輝先生	1/1

CORPORATE GOVERNANCE REPORT

企業管治報告

DIVIDEND POLICY

The Board has adopted a dividend policy (the “Dividend Policy”) which does not have any pre-determined dividend payout ratio. In considering dividend payment, the Board will take into account factors such as depending on results of operations, working capital, financial position, future prospects, and capital requirements, as well as any other factors which the directors of the Company may consider relevant from time to time. The Board will review the Dividend Policy from time to time and the Dividend Policy does not constitute any commitment or obligation of the Company to declare dividends.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors (the Model Code) of Listed Issuers as set out in Appendix 10 of the Listing Rules as the code of conduct regarding Directors’ securities transactions. Having made specific enquiry of all the Directors of the Company, they all confirm that they have complied with the Model Code throughout the FYE2021.

AUDITOR’S REMUNERATION

The fees in relation to the audit and other services, including reviewing interim results and taxation services for the year provided by Messrs. Ernst & Young, Certified Public Accountants, the external auditor of the Company, amounted to HK\$1,445,000 and HK\$417,350 respectively.

DIRECTORS’ RESPONSIBILITY FOR PREPARING THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors of the Company acknowledge that it is their responsibilities for preparing the financial statements. The Directors of the Company consider that the Group’s financial statements have been properly prepared in accordance with relevant regulations and applicable accounting principles. The Directors of the Company are not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Company’s ability to continue as a going concern. The statement of the auditor about its reporting responsibilities on the financial statements is set out in the Independent Auditor’s Report on pages 57 to 63.

股息政策

董事會已採納股息政策（“股息政策”），股息政策沒有設定任何預定的派息率。在考慮審議股息時，董事會將考慮下列因素如取決於經營業績、營運資金、財務狀況、未來前景及資本要求，以及本公司董事可能不時考慮相關的任何其它因素。董事會將不時檢討股息政策，股息政策並不構成本公司任何宣派股息的承諾或義務。

董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則（標準守則），作為董事進行證券交易之操守準則。經向本公司之全體董事作出具體查詢後，彼等確認其於2021財政年度內均已遵守標準守則。

核數師酬金

本公司之外聘核數師安永會計師事務所（執業會計師）於年內所提供核數服務及其它服務（包括審閱中期業績及稅務服務）之費用分別為1,445,000港元及417,350港元。

董事就編製綜合財務報表之責任

本公司董事認定編製財務報表為彼等之責任。本公司董事認為，本集團之財務報表已根據有關規例及適用會計原則妥為編製。本公司董事並不知悉有任何重要不明朗事件或情況可能令本公司持續經營之能力受到重大質疑。有關核數師就財務報表之報告責任之陳述載於第57至63頁之獨立核數師報告內。

CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

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

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

Risk Management Framework

1. Each business unit is responsible for identifying, assessing and managing risks within its business, ensuring that appropriate internal controls for effective risk management are implemented — principal risks are identified and assessed in the yearly business planning process with action plans to manage those risks;
2. The management is responsible for overseeing the risk management and internal control activities of the Group — regular meetings with each business unit to ensure principals risk are properly managed, and new or changing risks are identified;
3. The Board is responsible for reviewing and approving the effectiveness and adequacy of the Group's risk management and internal controls — review of the annual internal audit report and consideration of the Audit Committee's recommendation.

The risk management framework, coupled with our internal controls, ensures that the risks associated with our different business units are effectively controlled in line with the Group's risk appetite.

風險管理及內部監控

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

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

風險管理框架

1. 各業務單位負責識別、評估及管理其業務內之風險，確保已為有效風險管理實施適當內部監控—於年度業務規劃過程中識別及評估主要風險，並制訂行動計劃管理該等風險；
2. 管理層負責監察本集團之風險管理及內部監控活動—與各業務單位進行定期會議，確保已妥善管理主要風險及已識別新發現或正在變化之風險；
3. 董事會負責檢討及核准本集團風險管理及內部監控之有效及充足程度—審閱年度內部審核報告及考慮審核委員會之推薦意見。

風險管理框架(連同內部監控)確保不同業務單位之相關風險在本集團之風險偏向內得到有效控制。

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The risk management system of the Group is designed to facilitate effective and efficient operations, to ensure the maintenance of proper accounting records, to ensure compliance with applicable laws and regulations, to identify and manage potential risks and to safeguard assets of the Group. The management is responsible for the design, implementation and maintenance of internal controls, while the Audit Committee and the Board review the effectiveness of the Group's systems of risk management and internal controls through the assistance of the internal audit function.

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

During the FYE2021, the Board has reviewed the effectiveness of the risk management and internal control systems through the audit committee and the internal audit department of the Company. The Board has also reviewed the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget.

The Board formed its own view on the effectiveness of the systems based on the review of the internal audit report and the recommendation of the Audit Committee.

In respect of the FYE2021, the Board considered the risk management and internal control systems of the Group effective and adequate. No significant areas of concern that may affect the financial, operational, compliance controls, and risk management of the Group have been identified. The Board also considered the resources, qualification and experience, training programs and budget of the Group's accounting, internal audit and financial reporting functions adequate. Nevertheless, the Group would take further steps to continually improve its risk management and internal control systems.

本集團之風險管理制度設計為促進有效及高效營運、確保保存妥善會計記錄、確保遵守適用法例及法規、識別及管理潛在風險及保障本集團資產。管理層負責設計、執行及維持內部監控，而審核委員會及董事會則在內部審核職能之協助下檢討本集團的風險管理及內部監控制度之有效性。

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

於2021財政年度，董事會亦透過審核委員會及本公司內部審核部門審閱內部監控制度之成效。董事會亦已檢討本公司在會計及財務匯報職能方面之資源、員工資歷及經驗，以及員工所接受之培訓課程及有關預算是否足夠。

董事會根據內部審核報告之審核及審核委員會之推薦意見達致對制度有效程度之意見。

就2021財政年度而言，本集團認為本集團之風險管理及內部監控制度有效及充足。概無所關注之重大範疇識別到可能影響本集團之財務、經營、合規監控及風險管理之問題。董事會亦認為在本集團在會計、內部審核及財務報告職能方面之資源、資歷及經驗、培訓計劃及預算充足。此外本集團將採取進一步行動持續改善風險管理及內部監控制度。

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DISSEMINATION OF INSIDE INFORMATION

The Company is committed to a consistent practice of timely, accurate and sufficiently detailed disclosure of material information about the Group. The Company has adopted a Policy on Disclosure of Inside Information which sets out the obligations, guidelines and procedures for handling and dissemination of inside information. With these guidelines and procedures, the Group has management controls in place to ensure that potential inside information can be promptly identified, assessed and escalated for the attention of the Board to decide about the need for disclosure.

COMPANY SECRETARY

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

CONSTITUTIONAL DOCUMENTS

In order to bring the constitution of the Company to comply with the requirement under the Listing Rules relating to the minimum level of members' support of the Company required to convene a general meeting, a special resolution was passed at the annual general meeting of the Company held on 28 August 2020 to amend the articles of association of the Company.

An updated memorandum of association and articles of association of the Company was published on the websites of the Hong Kong Stock Exchange and the Company.

發佈內幕消息

本公司致力貫徹執行及時、準確及充足地詳細披露本集團之重大消息。本公司已採納內幕消息披露政策，當中載有處理及發佈內幕消息之責任、指引及程序。在該等指引及程序之基礎下，本集團已設有管理監控，確保可即時識別、評估及提交潛在內幕消息以供董事會決定是否需要作出披露。

公司秘書

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

憲章文件

為使本公司的章程符合上市規則有關召開股東大會所必須取得的最低股東支持比例的規定，本公司於2020年8月28日召開股東周年大會通過了一項修改本公司公司章程的特別決議案。

本公司最新的組織章程大綱及章程細則已於香港聯交所及本公司網站刊載。

CORPORATE GOVERNANCE REPORT

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SHAREHOLDER COMMUNICATION

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

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

The 2020 AGM of the Company was held on 28 August 2020. A notice convening the AGM contained in the circular dated 29 July 2020 was dispatched to the shareholders together with the 2020 annual report. A separate resolution was proposed by the chairman of the meeting in respect of each separate issue, including re-election of Directors.

Mr. Fang Wen Quan, the Chairman, Mr. Lui Man Sang, the Executive Director, Dr. Lam Lee G., the Non-executive Director and three INEDs, namely Mr. Lam Yat Fai, Mr. Chiu Sung Hong and Mr. Chiu Fan Wa attended the AGM to answer questions raised from shareholders. Mr. Shen Bo and Mr. Feng Quanming, the Non-executive Directors, were unable to attend the 2020 AGM due to their other business commitment. No other general meeting was held during the year.

股東通訊

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

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

本公司於2020年8月28日舉行2020股東週年大會，召開股東週年大會之通告(載於日期為2020年7月29日之通函內)已連同2020年年報寄發予股東。大會主席就每個單獨議題(包括重選董事)提呈個別之決議案。

董事長方文權先生、執行董事呂文生先生、非執行董事林家禮博士及三名獨立非執行董事林日輝先生、趙崇康先生及趙帆華先生均有出席股東週年大會解答股東提問。非執行董事沈波先生和馮全明先生因其它事務而未能出席2020年股東週年大會。於年內並無舉行其它股東大會。

CORPORATE GOVERNANCE REPORT

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INVESTOR RELATIONS

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

Ensuring high corporate transparency is a key emphasis in the Group's investor relations activities. During the FYE2021, the Group promoted investor relations through different channels. Regular meetings were held between the management and investors. Latest information regarding the Group and its business is proactively disclosed to investors so that the best investment decisions can be made. Whenever announcements on annual results, interim results and material transactions are made, the Group will capitalise such opportunities to enhance communications with investors, explaining to them the Group's latest operational situations and direction of development.

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

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

Address: Suites 2405–2410, 24th Floor, CITIC Tower,
No. 1 Tim Mei Avenue, Central, Hong Kong
Fax: (852) 2541 6558
Email: ir@tianda.com

投資者關係

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

在投資者關係活動中，確保企業高透明度乃本集團相當重視之一環。於2021財政年度，本集團透過不同渠道推動投資者關係。管理層定期與投資者會面，積極向投資者披露有關本集團最新資訊及業務消息，讓投資者作出最佳投資決定。每當作出全年業績、中期業績及重大交易公告時，本集團均會抓緊良機，加強與投資者之溝通，解釋本集團最新業務情況及發展方向。

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

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

地址：香港中環添美道1號
中信大廈24樓2405–2410室
傳真：(852) 2541 6558
電郵：ir@tianda.com

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企業管治報告

SHAREHOLDERS' RIGHTS

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

(1) Procedures for shareholders to convene the EGM

Any shareholder or shareholders holding at the date of the deposit of the requisition in aggregate not less than 10 per cent of such of the paid up capital of the Company as at the date of the deposit carries the right of voting at general meetings of the Company.

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

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

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

股東權利

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

(1) 股東召開股東特別大會之程序

股東特別大會亦可應任何1名或以上股東之書面要求召開，惟該等股東於送交要求之日須合共持有不少於本公司於送交要求之日附帶本公司股東大會投票權之10%繳足股本。

有關請求必須列明會議之目標以及須經由請求人簽署，並送交本公司於香港之主要辦事處，地址為香港中環添美道1號中信大廈24樓2405-2410室。

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

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

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(2) Procedures to put forward enquiries to the Board

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

(3) Procedures to put forward proposals at general meetings

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

The procedures for shareholder of the Company to propose a person for election as director is posted on the Company website at www.tiandapharma.com.

(2) 向董事會提出查詢之程序

股東可隨時向董事會直接提出查詢。所有查詢須以書面作出，並連同請求人之詳細聯絡資料，一併郵寄往本公司之香港主要營業地點，地址為香港中環添美道1號中信大廈24樓2405-2410室，或以電郵發送至direct_enquiries@tianda.com，註明收件人為董事會。

(3) 在股東大會上提呈議案之程序

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

本公司股東提名候選董事之程序登載於本公司網站www.tiandapharma.com。

REPORT OF THE DIRECTORS

董事會報告

The Directors present their annual report and the audited consolidated financial statements for the FYE 2021.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The principal activities of its subsidiaries are R&D, manufacture and sales of pharmaceutical, biotechnology and healthcare products. The Group also engages in R&D of Chinese medicine and manufacture and sales of Chinese medicine products, and the provision of Chinese medical services.

BUSINESS REVIEW

The business review of the Group for the year ended 31 March 2021 containing a fair review of the business during the year and discussion of future business development of the Group and the principal risks and uncertainties facing the Group is set out in the sections headed “Report of the Chairman” and “Management Discussion and Analysis” from pages 13 to 15 and pages 16 to 23 respectively of this Annual Report.

The financial risk management objectives and policies of the Group are shown in note 36 to the consolidated financial statements.

RELATIONSHIP WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

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

董事呈列2021財政年度之年報及經審核綜合財務報表。

主要業務

本公司為一間投資控股公司，其附屬公司主要從事醫藥、生物科技及保健產品之研發、生產和銷售。本集團亦從事中醫藥研發、中醫藥產品生產和銷售，銷售和生產以及提供中醫服務。

業務回顧

本集團截至2021年3月31日止年度的業務回顧載有對本年度本集團業務之公正回顧及未來業務發展之討論以及本集團所面臨之主要風險及不確定性因素，分別載於本年報第13至15頁之“董事長報告”及第16至23頁之“管理層討論與分析”。

本集團的財務風險管理目標及政策載於綜合財務報表附註36。

與僱員、客戶及供應商的關係

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

REPORT OF THE DIRECTORS

董事會報告

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to the sustainable development of the environment and our society. The Group has endeavoured to comply with laws and regulations regarding environmental protection and adopted effective environmental practices to ensure our business meet the required standards and ethics in respect of environmental protection. Further discussions on the Group's environmental policies and the relationships with various stakeholders will be covered in a separate "Environmental, Social and Governance (ESG) Report". The ESG Report will be published in the due course.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

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

SEGMENTAL INFORMATION

An analysis of the Group's revenue and contribution to results by segment for the FYE2021 is set out in note 4 to the consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

For the FYE2021, the five largest customers of the Group accounted for approximately 21.4% of the Group's total revenue while the largest customer of the Group accounted for approximately 6.6% of the Group's total revenue. In addition, for the year ended 31 March 2021, the five largest suppliers of the Group accounted for approximately 32.6% of the Group's total purchases while the largest supplier of the Group accounted for approximately 17.2% of the Group's total purchases.

During the FYE2021, to the knowledge of the Directors, Tianda Group and Hongta Tobacco (Group) Limited indirectly hold the respective of 60% and 40% equity interest in 珠海經濟特區誠成印務有限公司 (Zhuhai S.E.Z. Cheng Cheng Printing Company Ltd.) (Cheng Cheng Printing) which is one of the five major suppliers of the Group.

環境政策及表現

本集團致力於環境及社會之可持續發展。本集團盡力遵守有關環保之法律及法規，並採取有效環保措施確保我們的業務符合環保所需標準及操守。有關本集團的環境政策及與多個持份者的關係會於一份單獨的“環境、社會及管治報告”中進一步討論。該環境、社會及管治報告將會適時發布。

遵守相關法律及法規

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

分部資料

本集團2021財政年度之收入及分部對業績貢獻之分析載於綜合財務報表附註4。

主要客戶及供應商

於2021財政年度，本集團之五大客戶及最大客戶分別佔本集團之總收入約21.4%及約6.6%。此外，截至2021年3月31日止年度，本集團之五大供應商及最大供應商分別佔本集團之採購總額約32.6%及約17.2%。

於2021財政年度，據董事所知，天大集團和紅塔煙草(集團)有限責任公司分別間接持有珠海經濟特區誠成印務有限公司(誠成印務)(本集團五大供應商之一)60%和40%股本權益。

REPORT OF THE DIRECTORS

董事會報告

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

RESULTS

The results of the Group for the year ended 31 March 2021 are set out in the consolidated statement of profit or loss and other comprehensive income pages 64 to 65.

DIVIDEND

The Board has recommended the payment of a final dividend of HK0.26 cent (2020: HK0.13 cent) per share for the FYE2021, subject to shareholders' approval at the forthcoming 2021 annual general meeting (the AGM). The final dividend is expected to be paid on or before Thursday, 23 September 2021 to the shareholders whose names appear on the register of members of the Company on Friday, 10 September 2021.

The register of members of the Company will be closed from Tuesday, 7 September 2021 to Friday, 10 September 2021 (both day inclusive), whereby no transfer of shares will be registered. In order to qualify for the proposed final dividend, all completed forms of transfers with the relevant share certificate(s) must be lodged with the Company's Hong Kong Branch share registrar, Tricor Secretaries Limited, Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on Monday, 6 September 2021.

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

業績

本集團截至2021年3月31日止年度之業績載於第64至65頁之綜合損益及其它全面收益表。

股息

董事會建議就2021財政年度派發末期股息每股0.26港仙（2020年：0.13港仙），須待股東於應屆2021年股東週年大會（股東週年大會）上通過後方可作實。預期將於2021年9月23日（星期四）或之前向名列本公司於2021年9月10日（星期五）之股東名冊上的股東支付末期股息。

自2021年9月7日（星期二）起至2021年9月10日（星期五）（包括首尾兩日），本公司將暫停辦理股份過戶登記手續，期間將不會進行股份過戶登記。為符合資格獲發建議末期股息，必須於2021年9月6日（星期一）下午四時三十分前將所有填妥之轉讓表格連同相關股票送達本公司的香港股份過戶登記分處卓佳秘書商務有限公司（地址為香港皇后大道東183號合和中心54樓）以作登記。

REPORT OF THE DIRECTORS

董事會報告

SUMMARY FINANCIAL INFORMATION

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out page 168 of this annual report.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the FYE2021 are set out in note 14 to the consolidated financial statements.

SHARE CAPITAL

Details of the Company's share capital are set out in note 28 to the consolidated financial statements.

RESERVES

Details of movements in the reserves of the Group during the FYE2021 are set out in the consolidated statement of changes in equity set out on page 68 of this annual report.

DISTRIBUTABLE RESERVES

As at 31 March 2021, the Company had retained profits available for cash distribution and/or distribution in specie as computed in accordance with the Companies Law of the Cayman Islands of approximately HK\$100,460,977. Moreover, the share premium account of the Company may be distributed, provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as and when they fall due in the ordinary course of business. As at 31 March 2021, the Company's share premium account amounted to HK\$355,702,578.

財務資料概要

本集團於過往五個財政年度之業績以及資產及負債之概要載於本年報第168頁。

物業、廠房及設備

本集團之物業、廠房及設備於2021財政年度之變動詳情載於綜合財務報表附註14。

股本

本公司之股本詳情載於綜合財務報表附註28。

儲備

本集團於2021財政年度內之儲備變動詳情載於本年報第68頁之綜合權益變動表。

可供分派儲備

於2021年3月31日，本公司根據開曼群島公司法計算之可供現金分派及／或實物分派之保留溢利約為100,460,977港元。此外，本公司之股份溢價賬可作派發，惟本公司須於緊隨建議派發股息日期後，在一般營商情況下於其債項到期時償還債項。於2021年3月31日，本公司之股份溢價賬為355,702,578港元。

REPORT OF THE DIRECTORS 董事會報告

DIRECTORS

The Directors of the Company during the FYE2021 and up to the date of this report were:

Executive Directors:

Mr. Fang Wen Quan
(Chairman and Managing Director)
Mr. Lui Man Sang

Non-executive Directors:

Mr. Shen Bo
Mr. Feng Quanming
Dr. Lam Lee G.

INEDs:

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

In accordance with Article 99 of the Company's articles of association, Mr. Shen Bo, Dr. Lam Lee G. and Mr. Lam Yat Fai shall retire from their office by rotation at the forthcoming annual general meeting of the Company. Dr. Lam Lee G. will not stand for re-election at the forthcoming annual general meeting and Mr. Shen Bo and Mr. Lam Yat Fai, being eligible, will offer themselves for re-election at the forthcoming AGM.

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

董事

於2021財政年度內及截至本報告日期之本公司董事為：

執行董事：

方文權先生
(董事長兼董事總經理)
呂文生先生

非執行董事：

沈波先生
馮全明先生
林家禮博士

獨立非執行董事：

林日輝先生
趙崇康先生
趙帆華先生

根據本公司之章程細則第99條，沈波先生、林家禮博士及林日輝先生將於本公司應屆股東週年大會上輪值告退。林家禮博士將不會膺選連任，而沈波先生及林日輝先生合資格並願意於應屆股東週年大會上膺選連任。

獨立非執行董事及非執行董事之任期為2年，並須根據本公司之章程細則告退。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' SERVICE CONTRACTS

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

DIRECTORS' INTERESTS IN SHARES AND UNDERLYING SHARES

At 31 March 2021, the interests of the Company's Directors, chief executives and their associates in the shares and underlying shares of the Company and its associated corporations as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) (SFO), were as follows:

Shares of the Company

Name of Director 董事姓名	Capacity 身份	Number of shares held 所持股份數目	% 百分比
Mr. Fang Wen Quan	Held by controlled corporation	1,194,971,370	55.58
方文權先生	受控法團持有	(Note) (附註)	

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

董事服務合約

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

董事於股份及相關股份之權益

於2021年3月31日，根據證券及期貨條例(香港法例第571章)(證券及期貨條例)第352條本公司所存置登記冊之記錄，本公司之董事、最高行政人員及彼等之聯繫人於本公司及其相聯法團之股份及相關股份中擁有之權益如下：

本公司股份

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

REPORT OF THE DIRECTORS

董事會報告

SHARE OPTION SCHEME

At an annual general meeting held on 28 August 2020, the Company approved the adoption of a new share option scheme (the Scheme).

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

The Scheme is for a period of 10 years from the date of adoption on 28 August 2020. The Directors may, at their discretion, make an offer to any participant to take up options. An option is deemed to have been granted and accepted by the grantee upon his or her signing the duplicate letter comprising acceptance of the option and paying HK\$1 by way of consideration for the grant thereof.

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

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

購股權計劃

本公司於2020年8月28日舉行之股東週年大會上批准採納新購股權計劃（該計劃）。

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

該計劃自2020年8月28日採納當日起為期十年。董事可酌情邀請任何參與者接納購股權。承授人於簽署有關接納購股權之複印函件，並支付獲授購股權之代價1港元後，有關購股權即被視為已授出及獲接納。

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

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

REPORT OF THE DIRECTORS

董事會報告

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

No Share Option has been granted since the adoption of the Scheme on 28 August 2020.

DIRECTORS' INTERESTS IN TRANSACTIONS, AGREEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in note 33 to the consolidated financial statements, no transaction, agreement or contract of significance to which the Company, its holding company or any of its subsidiaries was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

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

PERMITTED INDEMNITY PROVISION

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

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

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

自於2020年8月28日採納該計劃以來，並無授出任何購股權。

董事於重大交易、協議或合約之權益

除於綜合財務報表附註33所披露者外，本公司、其控股公司或其任何附屬公司概無於年終存續或年內任何時間訂立任何本公司董事於其中擁有重大權益（不論直接或間接）之重大交易、協議或合約。

董事收購股份或債券之權利

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

獲准許之彌償條文

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

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

REPORT OF THE DIRECTORS

董事會報告

SUBSTANTIAL SHAREHOLDERS

At 31 March 2021, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that the following shareholders had notified the Company of the relevant interests in 5% or more of the issued share capital of the Company:

Name of Shareholder 股東名稱	Capacity 身份	Number of shares held 所持有之股份數目	% 百分比
Tianda Group 天大集團	Beneficial owner 實益擁有人	1,194,971,370 (Note 1) (附註1)	55.58
Mr. Fang Wen Quan 方文權先生	Held by controlled corporation 受控法團持有	1,194,971,370 (Note 1) (附註1)	55.58
SIIC Medical Science and Technology (Group) Limited (SMST) 上海實業醫藥科技(集團) 有限公司(上實醫藥)	Beneficial owner 實益擁有人	280,517,724 (Note 2) (附註2)	13.05
Shanghai Pharmaceuticals Holding Co., Ltd. (SPHL) 上海醫藥集團股份有限公司 (上海醫藥)	Held by controlled corporation 受控法團持有	280,517,724 (Note 2) (附註2)	13.05
Shanghai Industrial Investment (Holdings) Co., Ltd. (SIIC) 上海實業(集團)有限公司 (上實集團)	Held by controlled corporation 受控法團持有	280,517,724 (Note 2) (附註2)	13.05
Hongta Tobacco (Group) Limited (Hongta) 紅塔煙草(集團)有限 責任公司	Beneficial owner 實益擁有人	207,616,264	9.66

Notes:

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

主要股東

於2021年3月31日，根據證券及期貨條例第336條本公司所存置之主要股東登記冊所示，下列股東已知會本公司其已持有本公司5%或以上已發行股本之相關權益：

附註：

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

REPORT OF THE DIRECTORS

董事會報告

All the interests stated above represent long positions. As at 31 March 2021, no short position was recorded in the register kept by the Company under section 336 of the SFO.

Save as disclosed above, the Company has not been notified of any other interest representing 5% or more in the Company's issued share capital as at 31 March 2021.

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

During the FYE2021, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

ANNUAL CONFIRMATION OF INDEPENDENCE

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

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

Major and Connected Transactions

On 22 February 2019, Tianda Pharmaceuticals (Hong Kong) Limited ("TPHK"), a wholly-owned subsidiary of the Company and Tianda Group, the controlling shareholder of the Company, entered into an agreement, pursuant to which, among other things, Tianda Group grants a conditional disposal right ("Disposal Right") to TPHK. Pursuant to the Disposal Right, upon fulfilment of all of the triggering conditions, TPHK shall inform Tianda Group to acquire, either by Tianda Group itself or through its wholly-owned subsidiary, and Tianda Group shall, without any discretion, acquire the entire equity interest in Zhuhai Tianda Realty Ltd. ("Zhuhai Realty") from TPHK at a consideration of RMB125 million (equivalent to approximately HK\$145 million) plus the cash at bank of Zhuhai Realty as at the Closing Date, which the consideration shall not be more than RMB145 million (equivalent to approximately HK\$168.2 million) in any event. The transactions were approved by independent shareholders at the extraordinary general meeting held on 7 May 2019. Details of the transactions are set out in the Company's circular dated 12 April 2019.

上述全部權益皆為好倉。於2021年3月31日，本公司根據證券及期貨條例第336條所存置之登記冊並無任何淡倉記錄。

除上文披露者外，本公司並無獲知會任何人士於2021年3月31日持有本公司5%或以上已發行股本之任何其它權益。

購買、出售及贖回本公司之上市證券

本公司或其任何附屬公司於2021財政年度內概無購買、出售或贖回本公司任何上市證券。

年度獨立性確認

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

關連交易及持續關連交易

主要及關連交易

於2019年2月22日，本公司全資附屬公司天大藥業(香港)有限公司("天大藥業(香港)")與本公司控股股東天大集團訂立該協議，據此(其中包括)天大集團向天大藥業(香港)授予一項附帶條件之出售權("出售權")。根據出售權，待達成所有觸發條件後，天大藥業(香港)須通知天大集團進行收購(由天大集團本身或透過其全資附屬公司進行)，而天大集團須(無任何酌情權)向天大藥業(香港)收購珠海天大置業有限公司("珠海置業")之全部股權，代價為人民幣125,000,000元(相當於約145,000,000港元)加上珠海置業在交割日期之銀行現金(無論如何代價不得超過人民幣145,000,000元(相當於約168,200,000港元))。交易於2019年5月7日舉行之股東特別大會獲獨立股東批准。交易詳情載於本公司日期為2019年4月12日之通函。

REPORT OF THE DIRECTORS

董事會報告

The above transactions constitute a major transaction for the Company under Chapter 14 of the Listing Rules. Tianda Group, in which its entire equity interests are owned by Mr. Fang Wen Quan, the Chairman and Managing Director of the Company, is interested in approximately 55.58% of the issued share capital of the Company. As such, Tianda Group is a connected person of the Company and the abovementioned transactions also constitute non-exempted connected transactions of the Company under Chapter 14A of the Listing Rules.

Continuing Connected Transactions

During the FYE2021, the Group conducted certain transactions with connected persons which constituted “continuing connected transactions” under the Listing Rules. Details of this continuing connected transaction which is subject to the reporting requirements under Rule 14A.71 of the Listing Rules are summarised as follows:

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

On 16 May 2018, a Framework Agreement was entered into between the Company and Tianda Culture Holdings (China) Limited* (“TCH (China)”) for governing the transactions of purchasing printed instruction leaflets, packaging boxes and related products and designing services from TCH (China) and its subsidiaries by the Group for a term of three years for commencing from 1 April 2018 to 31 March 2021.

On 28 February 2020, the Company and TCH (China) entered into a Supplemental Agreement to extend the contract period of the Framework Agreement till 31 March 2022.

TCH (China) is a subsidiary of Tianda Group, the controlling shareholder of the Company, so it is a connected person of the Company under the Listing Rules. Accordingly, the Framework Agreement, the Supplemental Agreement and the transactions contemplated under these Framework Agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. Details of the transactions are set out in the Company’s announcements dated 16 May 2018 and 28 February 2020, respectively.

* For identification purpose only

根據上市規則第14章，上述交易合計構成本公司之重大交易。本公司董事長兼董事總經理方文權先生擁有全部股本權益之天大集團，於本公司已發行股本之約55.58%中擁有權益。因此，根據上市規則第14A章，天大集團為本公司之關連人士，且上述交易亦構成本公司之非豁免關連交易。

持續關連交易

於2021財政年度內，本集團與關連人士進行若干交易，該等交易根據上市規則構成“持續關連交易”。該持續關連交易須遵守上市規則第14A.71條項下之申報規定，其詳情概述如下：

採購說明書、包裝盒及相關產品及服務

於2018年5月16日，本公司與天大文化控股(中國)有限公司(“天大文控(中國)”)訂立框架協議，以監管本集團向天大文控(中國)及其附屬公司採購印刷說明書、包裝盒及相關產品及設計服務之該等交易，年期由2018年4月1日至2021年3月31日為期三年。

於2020年2月28日，本公司與天大文控(中國)訂立一份補充協議就該框架協議的期限延長至2022年3月31日。

天大文控(中國)為本公司控股股東天大集團之附屬公司，故根據上市規則屬本公司之關連人士。據此，根據上市規則第14A章，框架協議、補充協議及據此擬進行之交易構成本公司之持續關連交易。有關交易詳情分別載於本公司日期為2018年5月16日及2020年2月28日之公告。

* 僅供參考

REPORT OF THE DIRECTORS

董事會報告

The annual cap and the actual amount of the above continuing connected transactions for the FYE2021 as shown as follows:

上述持續關連交易於2021財政年度之年度上限及實際金額列示如下：

Business type 業務種類	The annual cap 年度上限	The actual transaction amount 實際交易金額
	HK\$ 港元	HK\$ 港元
Purchasing printed instruction leaflets, packaging boxes and related products and services	18,000,000	6,447,918
採購印刷說明書、包裝盒及相關產品及服務		

PROVIDING PRODUCTS AND LOGISTICS SERVICES

On 26 March 2018, the Company entered into a Framework Agreement with Shanghai Pharmaceuticals Holding Co., Ltd.* (SPHL) for a 3-year term commencing from 1 April 2018 to 31 March 2021 and it is expected that the Group and SPHL Group will from time to time enter into transactions by providing products (including pharmaceutical products, Chinese medicines and healthcare products) and logistics services to each other during the ordinary and usual course of business.

As SPHL is a substantial shareholder of the Company, which indirectly holds 13.05% interest in the issued share capital of the Company. SPHL is therefore a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the Framework Agreement and the transactions contemplated under the Framework Agreement constitute continuing connected transactions of the Company. Details of the transactions are set out in the Company's announcements dated 26 March 2018 and 31 January 2019, respectively.

提供產品及物流配送服務

於2018年3月26日，本公司與上海醫藥集團股份有限公司（上海醫藥）簽訂一份三年期的框架協議，期限於2018年4月1日開始至2021年3月31日。及預期本集團與上海醫藥集團在一般及日常業務過程中，將會不時互相向對方銷售產品（包括成藥、中藥及保健產品）及提供物流配送服務。

上海醫藥為本公司的主要股東，間接持有本公司已發行股本的13.05%之權益，根據上市規則第14A章，上海醫藥因此為本公司的關連人士。因此，框架協議及其項下所擬進行的該等交易構成本公司在上市規則下的持續關連交易。有關交易詳情分別載於本公司日期為2018年3月26日及2019年1月31日之公告。

* For identification purpose only

* 僅供參考

REPORT OF THE DIRECTORS

董事會報告

The annual cap and the actual amount of the above continuing connected transactions for the FYE2021 as shown as follows:

上述持續關連交易於2021財政年度之年度上限及實際金額列示如下：

Business type 業務種類		The annual cap 年度上限 HK\$ 港元	The actual transaction amount 實際交易金額 HK\$ 港元
Products and logistics services provided by SPHL Group to the Group	上海醫藥向本集團提供的產品及物流配送服務	8,000,000	-
Products and logistics services provided by the Group to SPHL Group	本集團向上海醫藥提供的產品及物流配送服務	18,000,000	15,247,015

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

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

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

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

The Company's auditor, Ernst & Young have provided a letter to the Board confirming that the above continuing connected transactions:

本公司之核數師安永會計師事務所已向董事會提供一份函件，確認上述持續關連交易：

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

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

REPORT OF THE DIRECTORS

董事會報告

RELATED PARTY TRANSACTIONS

Details of the material related party transactions undertaken by the Group in its normal course of business are set out in note 33 to the consolidated financial statements. Those related party transactions which constituted continuing connected transactions/connected transactions under the Listing Rules which are set out in the section headed “Connected Transactions and Continuing Connected Transactions” above and complied with Chapter 14A.

EMOLUMENT POLICY

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

PRE-EMPTIVE RIGHTS

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

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of its Directors, the Company has maintained the prescribed public float under the Listing Rules throughout the FYE2021.

關連人士交易

本集團於日常業務過程中進行之重大關連人士交易之詳情載列於綜合財務報表附註33。構成上市規則項下之持續關連交易／關連交易之關連人士交易已載於上述“關連交易及持續關連交易”章節，並已遵守上市規則第14A章之規定。

薪酬政策

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

優先購買權

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

足夠之公眾持股量

就本公司可獲之公開資料及其董事所知，於2021財政年度內，本公司一直維持上市規則所指定之公眾持股量。

REPORT OF THE DIRECTORS 董事會報告

AUDITOR

Deloitte Touche Tohmatsu (Deloitte) resigned as auditor of the Company on 12 October 2017 and Ernst & Young was appointed as auditor of the Company to fill the vacancy arising from the resignation of Deloitte on 27 October 2017. Save as the disclosed above, there was no change in auditor during the past 3 years.

The financial statements of the Company and its subsidiaries for the FYE2021 have been audited by Ernst & Young who retire and, being eligible, offer themselves for re-appointment. A resolution will be submitted to the forthcoming AGM to re-appoint Ernst & Young as auditors of the Company.

On behalf of the Board
Tianda Pharmaceuticals Limited

Fang Wen Quan
Chairman

Hong Kong, 25 June 2021

核數師

德勤·關黃陳方會計師行(德勤)已於2017年10月12日辭任本公司核數師，而安永會計師事務所已於2017年10月27日獲委任為本公司核數師，以填補德勤辭任產生的空缺。隨上文所披露以外，於過去三年核數師概無變動。

本公司及其附屬公司於2021財政年度之財務報表已經由安永會計師事務所審核，安永會計師事務所將任滿告退，並合資格及願意重選連任。於應屆股東週年大會上將提呈一項決議案以續聘安永會計師事務所為本公司之核數師。

代表董事會
天大藥業有限公司

方文權
董事長

香港，2021年6月25日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



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

OPINION

We have audited the consolidated financial statements of Tianda Pharmaceuticals Limited (the “Company”) and its subsidiaries (the “Group”) set out on pages 64 to 167, which comprise the consolidated statement of financial position as at 31 March 2021, 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 March 2021, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

致：天大藥業有限公司股東
(於開曼群島註冊成立之有限公司)

意見

我們已審核載於第64頁至167頁天大藥業有限公司（“貴公司”）及其附屬公司（“貴集團”）之綜合財務報表，包括於2021年3月31日之綜合財務狀況表與截至該日止年度之綜合損益及其它全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，綜合財務報表已根據香港會計師公會頒佈的香港財務報告準則真實公平地反映 貴集團於2021年3月31日之綜合財務狀況及 貴集團截至該日止年度之綜合財務表現及綜合現金流量，並已按照香港公司條例之披露要求妥為編製。

意見的基礎

我們已根據香港會計師公會頒佈之《香港審計準則》進行審計。我們在該等準則下承擔的責任已於本報告“核數師就審計綜合財務報表承擔之責任”一節作進一步闡述。根據香港會計師公會頒佈之《專業會計師道德守則》（“守則”），我們獨立於 貴集團，並已履行守則中的其它道德責任。我們相信，我們所獲得之審計憑證能充足及適當地為我們之意見提供基礎。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matter 關鍵審計事項

Impairment assessment of goodwill and other intangible assets 商譽及其它無形資產減值評估

As at 31 March 2021, the Group had goodwill on acquisition of subsidiaries and other intangible assets with carrying amounts of HK\$103.3 million and HK\$27.8 million, respectively. 於2021年3月31日，貴集團因收購附屬公司及其它無形資產而產生的商譽賬面金額分別為103,300,000港元及27,800,000港元。

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。就下文各事項而言，我們於文內提供我們的審計如何處理關鍵審計事項的詳情。

我們已履行本報告“核數師就審計綜合財務報表承擔的責任”章節所述的責任，包括有關該等事項的責任。因此，我們的審計包括執行為應對綜合財務報表重大錯報風險的評估而設的程序。審計程序的結果包括處理以下事項的程序，為我們就隨附的綜合財務報表的審計意見提供基礎。

How our audit addressed the key audit matter 我們的審計如何處理關鍵審計事項

Our procedures in relation to the impairment assessment of goodwill and other intangible assets included:

我們就商譽及其它無形資產減值之評估程序包括：

- (i) engaging our internal valuation expert to evaluate the valuation methodologies adopted by management and the terminal growth rates and discount rates applied;
- (ii) 委託我們的內部估值專家評估管理層採用之估值方法及應用之永久增長率及折現率；

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

Key audit matter 關鍵審計事項

How our audit addressed the key audit matter 我們的審計如何處理關鍵審計事項

Impairment assessment of goodwill and other intangible assets (continued) 商譽及其它無形資產減值評估 (續)

The Group's management performed impairment assessment of goodwill and other intangible assets related to the cash-generating units ("CGUs") by estimating the recoverable amount based on value-in-use calculation. The value-in-use of the CGUs was determined by management based on the operating cash flows forecast of the CGUs, which required the use of key assumptions including the budgeted revenue, budgeted gross margin and expected growth rate based on management's business plan on operation of the CGUs, the current market circumstances and management's expectation of the market development, as well as suitable discount rates.

貴集團管理層根據使用價值計算估計可收回金額而對與現金產生單位有關的商譽及其它無形資產進行減值評估。現金產生單位的使用價值由管理層根據現金產生單位的經營現金流量預測釐定，其中需要使用的主要假設包括基於管理層對現金產生單位的經營業務計劃的預算收入、預算毛利率和預期增長率、當前市場情況和管理層對市場發展的預期，以及適當的貼現率。

Given the subjectivity of estimates and management judgement in the impairment assessment and the material amounts involved, we considered this area to be important to our audit.

鑑於估計的主觀性及減值評估涉及管理層的高水平判斷以及所涉及的重大金額，我們認為此範疇對我們的審計非常重要。

The significant accounting judgements and estimates and the disclosure of the balances of goodwill and other intangible assets are included in notes 3, 16 and 17 to the consolidated financial statements.

主要會計判斷及估計以及商譽和其它無形資產結餘的披露載於綜合財務報表附註3、16和17。

- (ii) enquiring of management in relation to the key assumptions, and evaluating them by benchmarking against historical results and/or independent data;
- (ii) 就關鍵假設諮詢管理層，並通過與過往業績及／或獨立數據比較以測試關鍵假設；
- (iii) evaluating the historical accuracy of the financial budgets and the growth rates used in the discounted cash flows by comparing the historical budgets to actual results;
- (iii) 通過比較過往預算與歷史表現，評價折現現金流量的財務預算的過往準確性及所應用之增長率；
- (iv) testing a selection of data inputs used in the cash flow forecasts against supporting evidence, such as historical financial information, latest market information and benchmarking companies' financial information; and
- (iv) 根據支持性證據，如過往財務信息、最新市場信息和基準公司的財務信息，測試現金流預測中使用的部分數據輸入；及
- (v) assessing the adequacy of the disclosures of impairment assessment in the consolidated financial statements.
- (v) 評估綜合財務報表中有關減值評估的披露是否足夠。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The directors of the Company are responsible for the other information. The other information comprises the information included in the Annual Report, other than the consolidated financial statements and our auditor's report thereon.

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

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

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

In preparing the consolidated financial statements, the directors of the Company 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 of the Company either intend to liquidate the Group or to cease operations or have no realistic alternative but to do so.

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

年報所載的其它信息

貴公司董事需對其它信息負責。其它信息包括刊載於年報內的信息（綜合財務報表及我們的核數師報告除外）。

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

結合我們對綜合財務報表的審計，我們的責任是閱讀其它信息，在此過程中，考慮其它信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其它信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們就此並無任何報告。

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香港會計師公會頒佈的《香港財務報告準則》及香港《公司條例》的披露規定擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在因欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，貴公司董事負責評估貴集團持續經營的能力，並在適用情況披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非貴公司董事有意將貴集團清盤或停止經營，或別無其它實際的替代方案。

審核委員會協助貴公司董事履行監督貴集團的財務報告程序的責任。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's 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 HKSA's, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在因欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅向閣下（作為整體）作出報告，除此以外，我們的報告不可用作其它用途。我們並不就本報告之內容對任何其它人士承擔任何責任或接受任何義務。

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

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

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

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就 貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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, actions taken to eliminate threats or safeguards applied.

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

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其它事項，以及在適用的情況，為消除對獨立性的威脅所採取的行動或防範措施。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

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

The engagement partner on the audit resulting in this independent auditor's report is Lam, Wai Ming, Ada.

Ernst & Young
Certified Public Accountants
 27/F, One Taikoo Place
 979 King's Road
 Quarry Bay, Hong Kong

Hong Kong
 25 June 2021

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

出具本獨立核數師報告的審計專案合夥人是林慧明。

安永會計師事務所
 執業會計師
 香港鰂魚涌
 英皇道979號
 太古坊一座27樓

香港
 2021年6月25日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其它全面收益表

Year ended 31 March 2021 截至2021年3月31日止年度

		Notes 附註	2021 HK\$ 港元	2020 HK\$ 港元
REVENUE	收入	5	474,332,111	491,475,099
Cost of sales	銷售成本		(215,344,576)	(130,461,240)
Gross profit	毛利		258,987,535	361,013,859
Other income, gains and losses, net	其它收入、收益及虧損淨額	5	7,490,554	6,830,824
Selling and distribution expenses	銷售及分銷支出		(211,732,717)	(282,232,399)
Administrative expenses	行政支出		(69,791,661)	(67,806,657)
Research and development expenses	研發支出		(11,825,920)	(1,503,925)
Finance costs	融資成本	7	(569,351)	(373,944)
(LOSS)/PROFIT BEFORE TAX	除稅前(虧損)/溢利	6	(27,441,560)	15,927,758
Income tax credit/(expense)	所得稅抵免/(支出)	10	1,523,754	(7,127,552)
(LOSS)/PROFIT FOR THE YEAR	本年度(虧損)/溢利		(25,917,806)	8,800,206
OTHER COMPREHENSIVE INCOME/(LOSS)	其它全面收益/(虧損)			
<i>Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:</i>	<i>於往後期間將不會重新分類為損益之其它全面收益/(虧損):</i>			
Changes in fair value of equity investments designated at fair value through other comprehensive income	指定為按公允價值計入其它全面收益之股本投資之公允價值變動		5,463,369	(7,684,127)
Exchange differences on translation of the Company's financial statements	換算本公司財務報表所產生之匯兌差額		12,115,901	(9,347,577)
			17,579,270	(17,031,704)
<i>Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:</i>	<i>於往後期間或會重新分類為損益之其它全面收益/(虧損):</i>			
Exchange differences on translation of subsidiaries' financial statements	換算附屬公司財務報表所產生之匯兌差額		48,807,837	(40,606,598)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	本年度其它全面收益/(虧損)		66,387,107	(57,638,302)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	本年度全面收益/(虧損)總額		40,469,301	(48,838,096)

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其它全面收益表

Year ended 31 March 2021 截至2021年3月31日止年度

	Notes 附註	2021 HK\$ 港元	2020 HK\$ 港元
(Loss)/profit for the year attributable to:	應佔本年度(虧損)/溢利：		
Owners of the parent	母公司股東	(27,142,070)	3,142,995
Non-controlling interests	非控股權益	1,224,264	5,657,211
		(25,917,806)	8,800,206
Total comprehensive income/(loss) attributable to:	應佔全面 收益/(虧損)總額：		
Owners of the parent	母公司股東	36,727,015	(52,060,984)
Non-controlling interests	非控股權益	3,742,286	3,222,888
		40,469,301	(48,838,096)
		HK cent 港仙	HK cent 港仙
(LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	母公司普通權益持有人 應佔每股(虧損)/盈利		
Basic and diluted	基本及攤薄	13 (1.26)	0.15

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 March 2021 於2021年3月31日

		Notes 附註	2021 HK\$ 港元	2020 HK\$ 港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	324,350,054	169,904,578
Right-of-use assets	使用權資產	15(a)	53,428,596	40,689,342
Goodwill	商譽	16	103,269,153	95,014,628
Other intangible assets	其它無形資產	17	27,784,868	30,506,557
Deposits	按金	21	11,345,519	1,882,893
Equity investments designated at fair value through other comprehensive income	指定為按公允價值計入其它全面收益之股本投資	18	6,872,385	1,306,520
Total non-current assets	非流動資產總值		527,050,575	339,304,518
CURRENT ASSETS	流動資產			
Inventories	存貨	19	64,392,952	48,374,124
Trade and bills receivables	應收賬款及應收票據	20	145,208,965	91,365,463
Prepayments, deposits and other receivables	預付款項、按金及其它應收款	21	14,049,661	14,053,622
Structured deposits	結構性存款	22	–	3,904,728
Cash and cash equivalents	現金及現金等值項目	23	234,984,677	302,018,369
			458,636,255	459,716,306
Assets of a disposal group classified as held for sale	分類為持作出售之出售組別之資產	11	147,774,161	134,101,692
Total current assets	流動資產總值		606,410,416	593,817,998
CURRENT LIABILITIES	流動負債			
Trade payables	應付賬款	24	87,911,627	28,797,036
Other payables and accruals	其它應付款及應計費用	25	81,127,855	90,710,463
Interest-bearing bank borrowings	計息銀行借款	26	18,894,201	607,735
Lease liabilities	租賃負債	15(b)	4,177,767	4,331,556
Due to a fellow subsidiary	應付一間同系附屬公司款項	33(b)	3,628,289	589,478
Tax payable	應付稅項		3,731,131	6,369,883
			199,470,870	131,406,151
Liabilities directly associated with the assets classified as held for sale	與分類為持作出售之資產直接有關之負債	11	14,763,580	13,592,266
Total current liabilities	流動負債總額		214,234,450	144,998,417
NET CURRENT ASSETS	流動資產淨值		392,175,966	448,819,581
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		919,226,541	788,124,099

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 March 2021 於2021年3月31日

			2021	2020
		Notes	HK\$	HK\$
		附註	港元	港元
NON-CURRENT LIABILITIES	非流動負債			
Interest-bearing bank borrowings	計息銀行借款	26	110,804,078	19,609,029
Lease liabilities	租賃負債	15(b)	11,653,956	685,188
Deferred income	遞延收入		303,734	388,878
Deferred tax liabilities	遞延稅項負債	27	5,970,009	7,678,216
Total non-current liabilities	非流動負債總額		128,731,777	28,361,311
NET ASSETS	資產淨值		790,494,764	759,762,788
EQUITY	權益			
Equity attributable to owners of the parent	母公司股東應佔權益			
Share capital	股本	28	215,004,188	215,004,188
Reserves	儲備	29	541,704,328	507,772,367
			756,708,516	722,776,555
Non-controlling interests	非控股權益		33,786,248	36,986,233
TOTAL EQUITY	權益總額		790,494,764	759,762,788

Fang Wen Quan
方文權
Chairman
董事長

Lui Man Sang
呂文生
Executive Director
執行董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

Year ended 31 March 2021 截至2021年3月31日止年度

		Attributable to owners of the parent 母公司股東應佔											Non-controlling interests		Total equity
		Share capital	Share premium	Capital redemption reserve	Capital contribution reserve	Special reserve	Statutory reserve	Fair value reserve	Exchange fluctuation reserve	Retained profits	Total				
		股本	股份溢價	贖回儲備	供款儲備	特別儲備	法定儲備	價值儲備	波動儲備	保留溢利	總額	非控股權益	權益總額		
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$		
		港元	港元	港元	港元	港元	港元	港元	港元	港元	港元	港元	港元		
At 1 April 2019	於2019年4月1日	215,004,188	355,702,578	67,400	8,959,307	3,460,016	30,785,044	(2,631,475)	(44,652,309)	210,507,836	777,202,585	33,763,345	810,965,930		
Profit for the year	本年度溢利	-	-	-	-	-	-	-	-	3,142,995	3,142,995	5,657,211	8,800,206		
Other comprehensive loss for the year:	本年度其它全面虧損:														
Changes in fair value of equity investments designated at fair value through other comprehensive income	指定為按公允價值計入其它全面收益之股本投資之公允價值變動	-	-	-	-	-	-	(7,684,127)	-	-	(7,684,127)	-	(7,684,127)		
Exchange differences on translation of financial statements	換算財務報表所產生之匯兌差額	-	-	-	-	-	-	-	(47,519,852)	-	(47,519,852)	(2,434,323)	(49,954,175)		
Total comprehensive loss for the year	本年度全面虧損總額	-	-	-	-	-	-	(7,684,127)	(47,519,852)	3,142,995	(52,060,984)	3,222,888	(49,838,096)		
Utilisation of reserve	使用儲備	-	-	-	-	-	(38,453)	-	-	38,453	-	-	-		
Final 2019 dividends declared	已宣派2019年末期股息	-	-	-	-	-	-	-	-	(2,365,046)	(2,365,046)	-	(2,365,046)		
At 31 March 2020 and 1 April 2020	於2020年3月31日及2020年4月1日	215,004,188	355,702,578*	67,400*	8,959,307*	3,460,016*	30,746,591*	(10,315,602)*	(92,172,161)*	211,324,238*	722,776,555	36,986,233	759,762,788		
Loss for the year	本年度虧損	-	-	-	-	-	-	-	-	(27,142,070)	(27,142,070)	1,224,264	(25,917,806)		
Other comprehensive income for the year:	本年度其它全面收益:														
Changes in fair value of equity investments designated at fair value through other comprehensive income	指定為按公允價值計入其它全面收益之股本投資之公允價值變動	-	-	-	-	-	-	5,463,369	-	-	5,463,369	-	5,463,369		
Exchange differences on translation of financial statements	換算財務報表所產生之匯兌差額	-	-	-	-	-	-	-	58,405,716	-	58,405,716	2,518,022	60,923,738		
Total comprehensive income for the year	本年度全面收益總額	-	-	-	-	-	-	5,463,369	58,405,716	(27,142,070)	36,727,015	3,742,286	40,469,301		
Transfer to reserve	轉撥至儲備	-	-	-	-	-	135,200	-	-	(135,200)	-	-	-		
Final 2020 dividends declared	已宣派2020年末期股息	-	-	-	-	-	-	-	-	(2,795,054)	(2,795,054)	-	(2,795,054)		
Dividend paid to non-controlling interests	已付非控股權益之股息	-	-	-	-	-	-	-	-	-	-	(6,942,271)	(6,942,271)		
At 31 March 2021	於2021年3月31日	215,004,188	355,702,578*	67,400*	8,959,307*	3,460,016*	30,881,791*	(4,852,233)*	(33,766,445)*	181,251,914*	756,708,516	33,786,248	790,494,764		

* These reserve accounts comprise the consolidated reserves of HK\$541,704,328 (2020: HK\$507,772,367) in the consolidated statement of financial position.

* 此等儲備賬包含綜合財務狀況表內的綜合儲備541,704,328港元(2020年: 507,772,367港元)。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

Year ended 31 March 2021 截至2021年3月31日止年度

	Notes 附註	2021 HK\$ 港元	2020 HK\$ 港元
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動所得現金流量		
(Loss)/profit before tax	除稅前(虧損)/溢利	(27,441,560)	15,927,758
Adjustments for:	就下列各項作出之調整:		
Finance costs	融資成本	7 569,351	373,944
Interest income	利息收入	5 (3,234,319)	(5,292,467)
Loss on disposal/write-off of property, plant and equipment	出售/撇銷物業、廠房及設備之虧損	5 74,027	72,295
Gain on termination of leases	租賃終止之收益	5 (51,906)	-
(Reversal of impairment)/impairment of financial assets, net	金融資產之(撥回減值)/減值, 淨額	6 (28,930)	138,016
Fair value losses/(gains), net:	公允價值虧損/(收益), 淨額:		
Derivative instruments - transactions not qualifying as hedges	衍生工具 - 不符合對沖資格之交易	5 85,782	-
Structured deposits	結構性存款	5 (1,260,982)	(3,444,666)
Depreciation of property, plant and equipment	物業、廠房及設備折舊	6 8,971,827	9,030,568
Depreciation of right-of-use assets	使用權資產折舊	6 5,756,557	6,047,220
Amortisation of other intangible assets	其它無形資產攤銷	6 5,889,481	4,442,168
Recognition of government grants	確認政府補助	(114,402)	(112,200)
Impairment of goodwill	商譽減值	5 -	2,881,666
		(10,785,074)	30,064,302
Increase in inventories	存貨增加	(11,386,006)	(2,936,697)
Increase in trade and bills receivables	應收賬款及應收票據增加	(45,100,825)	(19,618,978)
Increase in prepayments, deposits and other receivables	預付款項、按金及其它應收款增加	(7,966,715)	(6,439,942)
Increase/(decrease) in trade payables	應付賬款增加/(減少)	55,159,715	(1,032,111)
Decrease in other payables and accruals	其它應付款及應計費用減少	(16,328,791)	(12,264,574)
Increase/(decrease) in an amount due to a fellow subsidiary	應付一間同系附屬公司款項增加/(減少)	2,908,991	(58,967)
Cash used in operations	經營所用現金	(33,498,705)	(12,286,967)
PRC taxes paid	已付中國稅項	(3,566,765)	(7,241,394)
Interest paid	已付利息	(569,351)	(373,944)
Net cash flows used in operating activities	經營活動所用之現金流量淨額	(37,634,821)	(19,902,305)

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CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

Year ended 31 March 2021 截至2021年3月31日止年度

	Notes 附註	2021 HK\$ 港元	2020 HK\$ 港元
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動所得現金流量		
Interest received	已收利息	3,234,319	5,292,467
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備項目之所得款項	3,387	2,608
Purchases of property, plant and equipment	購買物業、廠房及設備	(145,683,203)	(93,938,854)
Additions to other intangible assets	添置其它無形資產	(765,795)	(8,407,138)
Additions to equity investments designated at fair value through other comprehensive income	添置指定為按公允價值計入其它全面收益之股本投資	(102,496)	-
Proceeds from maturity of derivative instruments	衍生工具到期所得款項	37,262,060	-
Investments in derivative instruments	於衍生工具之投資	(37,058,013)	-
Proceeds from structured deposits	來自結構性存款之所得款項	231,787,599	608,691,999
Investments in structured deposits	於結構性存款之投資	(226,410,393)	(552,705,958)
Net cash flows used in investing activities	投資活動所用之現金流量淨額	(137,732,535)	(41,064,876)
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動所得現金流量		
Dividends paid	已付股息	(2,527,560)	(2,134,823)
Dividends paid to non-controlling interests	已付非控股權益之股息	(6,942,271)	(14,505,712)
New bank loans	新造銀行貸款	110,607,339	20,901,531
Repayment of bank loans	償還銀行貸款	(5,720,110)	-
Repayment of lease liabilities	償還租賃負債	(4,664,232)	(5,073,113)
Net cash flows from/(used in) financing activities	融資活動所得／(所用)之現金流量淨額	90,753,166	(812,117)
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值項目減少淨額	(84,614,190)	(61,779,298)
Cash and cash equivalents at beginning of year	於年初之現金及現金等值項目	311,962,660	393,168,421
Effect of foreign exchange rate changes, net	外匯匯率變動之影響(淨額)	20,898,971	(19,426,463)
CASH AND CASH EQUIVALENTS AT END OF YEAR	於年終之現金及現金等值項目	248,247,441	311,962,660
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值項目結餘之分析		
Cash and cash equivalents as stated in the statement of financial position	於財務狀況表列賬之現金及現金等值項目	23 234,984,677	302,018,369
Cash and short term deposits attributable to a disposal group	出售組別應佔之現金及短期存款	11 13,262,764	9,944,291
Cash and cash equivalents as stated in the statement of cash flows	於現金流量表列賬之現金及現金等值項目	248,247,441	311,962,660

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Year ended 31 March 2021 截至2021年3月31日止年度

1. CORPORATE AND GROUP INFORMATION

Tianda Pharmaceuticals Limited (the “Company”) is a limited liability company incorporated in the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The registered office address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

During the year, the Company and its subsidiaries (the “Group”) were involved in the research and development, manufacture and sale of pharmaceuticals, biotechnology and healthcare products and wholesale of Chinese herbal medicines, traditional Chinese medicine decoction pieces, Chinese medicines and the provision of Chinese medical services.

In the opinion of the directors, the immediate holding company and the ultimate holding company of the Company is Tianda Group Limited, a private limited company incorporated in Hong Kong.

Information about subsidiaries

Particulars of the Company’s principal subsidiaries are as follows:

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及經營地點	Issued ordinary/ registered share capital 已發行 普通股/ 註冊資本	Percentage of equity attributable to the Company		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Yunnan Meng Sheng Pharmaceutical Co. Ltd. [#] 雲南盟生藥業有限公司 [#]	People’s Republic of China (“PRC”)/ Mainland China 中華人民共和國 (“中國”)/中國大陸	RMB36,000,000 人民幣36,000,000元	–	55	Research and development, manufacture and sale of pharmaceutical and biotechnology products 醫藥及生物科技產品 之研究、開發、 生產及銷售

1. 公司及集團資料

天大藥業有限公司 (“本公司”) 為於開曼群島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”) 上市。本公司之註冊辦事處位於Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands。

年內，本公司及其附屬公司 (“本集團”) 從事醫藥、生物科技及保健產品之研發、生產及銷售，中藥材、中藥飲片及中藥的批發以及提供中醫服務。

董事認為，本公司的直接控股公司及最終控股公司為天大集團有限公司 (於香港註冊成立的私人有限公司)。

有關附屬公司之資料

本公司主要附屬公司之資料如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Year ended 31 March 2021 截至2021年3月31日止年度

1. CORPORATE AND GROUP INFORMATION (continued)

1. 公司及集團資料 (續)

Information about subsidiaries (continued)

有關附屬公司之資料 (續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及經營地點	Issued ordinary/ registered share capital 已發行 普通股/ 註冊資本	Percentage of equity attributable to the Company 本公司應佔 權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Yunyu Bio-Pharmaceutical Co., Limited	British Virgin Islands ("BVI")/ Mainland China 英屬維爾京群島 / 中國大陸	US\$1 1美元	100	-	Investment holding 投資控股
Tianda Pharmaceuticals (Zhuhai) Limited* 天大藥業(珠海)有限公司*	PRC/ Mainland China 中國/ 中國大陸	RMB93,000,000 人民幣93,000,000元	-	100	Research and development, manufacture and sale of pharmaceutical and biotechnology products 醫藥及生物科技產品 之研究、開發、 生產及銷售
Tianda Pharmaceuticals (Australia) Pty Limited 天大藥業(澳大利亞)有限公司	Australia 澳大利亞	AUD1,000,000 1,000,000澳元	-	100	Marketing, sale and distribution of healthcare products 保健產品之行銷、 銷售及分銷
Tianda Pharmaceuticals (China) Limited* 天大藥業(中國)有限公司*	PRC/ Mainland China 中國/ 中國大陸	HK\$50,000,000 50,000,000港元	-	100	Research and development of pharmaceutical products and provision of intra- group consultation services and marketing, sale and distribution of healthcare products 醫藥產品之研究及 開發, 提供集團內部 諮詢服務以及保健 產品之行銷、 銷售及分銷

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Year ended 31 March 2021 截至2021年3月31日止年度

1. CORPORATE AND GROUP INFORMATION (continued)

Information about subsidiaries (continued)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及經營地點	Issued ordinary/ registered share capital 已發行 普通股/ 註冊資本	Percentage of equity attributable to the Company		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Zhuhai Tianda Realty Limited* 珠海天大置業有限公司*	PRC/ Mainland China 中國/中國大陸	RMB67,000,000 人民幣67,000,000元	-	100	Property holding 物業控股
Tianda Chinese Medicine (China) Ltd.* 天大中醫藥(中國)有限公司*	PRC/ Mainland China 中國/中國大陸	RMB30,000,000/ 人民幣30,000,000元/ RMB50,000,000 人民幣50,000,000元	-	100	Wholesale of Chinese herbal medicines, traditional Chinese medicine decoction pieces and Chinese medicines 中藥材、中藥飲片及 中藥的批發
Zhuhai Tianda Processed Chinese Herbal Medicine Ltd.* 珠海天大中藥飲片有限公司*	PRC/ Mainland China 中國/中國大陸	RMB8,000,000/ 人民幣8,000,000元/ RMB10,000,000 人民幣10,000,000元	-	100	Production and sale of traditional Chinese medicine decoction pieces and trading of agricultural by-products 中藥飲片生產及 銷售以及 農副產品的買賣

* Registered as wholly-foreign-owned enterprises under PRC law

Incorporated as a cooperative enterprise

^ A limited liability company established under PRC law

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

1. 公司及集團資料 (續)

有關附屬公司之資料 (續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及經營地點	Issued ordinary/ registered share capital 已發行 普通股/ 註冊資本	Percentage of equity attributable to the Company		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Zhuhai Tianda Realty Limited* 珠海天大置業有限公司*	PRC/ Mainland China 中國/中國大陸	RMB67,000,000 人民幣67,000,000元	-	100	Property holding 物業控股
Tianda Chinese Medicine (China) Ltd.* 天大中醫藥(中國)有限公司*	PRC/ Mainland China 中國/中國大陸	RMB30,000,000/ 人民幣30,000,000元/ RMB50,000,000 人民幣50,000,000元	-	100	Wholesale of Chinese herbal medicines, traditional Chinese medicine decoction pieces and Chinese medicines 中藥材、中藥飲片及 中藥的批發
Zhuhai Tianda Processed Chinese Herbal Medicine Ltd.* 珠海天大中藥飲片有限公司*	PRC/ Mainland China 中國/中國大陸	RMB8,000,000/ 人民幣8,000,000元/ RMB10,000,000 人民幣10,000,000元	-	100	Production and sale of traditional Chinese medicine decoction pieces and trading of agricultural by-products 中藥飲片生產及 銷售以及 農副產品的買賣

* 根據中國法律註冊之外商獨資企業

註冊成立為合作企業

^ 根據中國法律成立的有限公司

上表列出董事認為對本年度本集團業績有主要影響或構成本集團資產淨值主要部份的本公司附屬公司。董事認為將其它附屬公司之資料列出會令篇幅過於冗長。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Year ended 31 March 2021 截至2021年3月31日止年度

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for equity investments designated at fair value through other comprehensive income, certain bills receivable and structured deposits which have been measured at fair value. The disposal group held for sale is stated at the lower of its carrying amount and fair value less costs to sell as further explained in note 2.4 to the financial statements. These financial statements are presented in Hong Kong dollars (“HK\$”).

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 March 2021. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

2.1 編製基準

該等財務報表乃根據香港會計師公會頒佈之香港財務報告準則(包括全部香港財務報告準則、香港會計準則及詮釋)及香港公認會計準則及香港公司條例的披露規定編製。該等財務報表採用歷史成本法編製，惟指定為按公允價值計入其它全面收益之股本投資、若干應收票據及結構性存款按公允價值計量。持作出售之出售組別按其賬面值與公允價值減出售成本之較低者列賬(如財務報表附註2.4所進一步說明)。該等財務報表以港元(“港元”)呈列。

綜合基準

綜合財務報表包括本公司及其附屬公司截至2021年3月31日止年度之財務報表。附屬公司為本公司直接或間接控制之實體(包括結構性實體)。當本集團對參與投資對象業務的浮動回報承擔風險或享有權利以及能透過對投資對象之權力(即本集團獲賦予現有能力以主導投資對象相關活動之既存權利)影響該等回報時，即取得控制權。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Year ended 31 March 2021 截至2021年3月31日止年度

2.1 BASIS OF PREPARATION (continued)

Basis of consolidation (continued)

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. 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.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.1 編製基準 (續)

綜合基準 (續)

倘本公司直接或間接擁有少於投資對象大多數投票或類似權利的權利，則本集團於評估其是否擁有對投資對象之權力時會考慮一切相關事實及情況，包括：

- (a) 與投資對象其它投票持有人之合約安排；
- (b) 其它合約安排所產生之權利；及
- (c) 本集團之投票權及潛在投票權。

附屬公司的財務報表乃按與本公司相同的報告期間及一致的會計政策編製而成。附屬公司之業績自本集團取得控制權當日起綜合入賬，直至該項控制權終止為止。

損益及其它全面收益之各組成部分歸屬於本集團母公司股東及非控股權益，即使此舉引致非控股權益結餘出現虧絀。所有本集團內公司間之資產及負債、權益、收入、開支以及與本集團成員公司之間交易有關之現金流量均於綜合賬目時悉數對銷。

倘事實及情況顯示上文附屬公司會計政策所述的三項控制因素中一項或多項出現變動，本集團會重新評估其是否仍然控制投資對象。倘於附屬公司的擁有權權益變動並無失去控制權，則按權益交易入賬。

倘本集團失去對一間附屬公司之控制權，則終止確認(i)該附屬公司之資產(包括商譽)及負債；(ii)任何非控股權益之賬面值；及(iii)於權益內記錄之累計匯兌差額，並確認(i)已收代價之公允價值；(ii)所保留任何投資之公允價值；及(iii)損益內任何因此產生之盈餘或虧絀。先前於其它全面收益內確認之本集團應佔部份則按倘本集團直接出售有關資產或負債所規定之相同基準重新分類至損益或保留溢利(如適用)。

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the *Conceptual Framework for Financial Reporting 2018* (the "Conceptual Framework") and the following revised HKFRSs for the first time for the current year's consolidated financial statements.

Amendments to HKFRS 3	<i>Definition of a Business</i>
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	<i>Interest Rate Benchmark Reform</i>
Amendments to HKFRS 16	<i>Covid-19-Related Rent Concessions (early adopted)</i>
Amendments to HKAS 1 and HKAS 8	<i>Definition of Material</i>

The nature and the impact of the *Conceptual Framework* and revised HKFRSs are described below:

- (a) The Conceptual Framework sets out a comprehensive set of concepts for financial reporting and standard setting, and provides guidance for preparers of financial statements in developing consistent accounting policies and assistance to all parties to understand and interpret the standards. The Conceptual Framework includes new chapters on measurement and reporting financial performance, new guidance on the derecognition of assets and liabilities, and updated definitions and recognition criteria for assets and liabilities. It also clarifies the roles of stewardship, prudence and measurement uncertainty in financial reporting. The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The Conceptual Framework did not have any significant impact on the financial position and performance of the Group.

2.2 會計政策及披露變更

本集團於本年度之綜合財務報表首次採納2018年財務報告概念框架("概念框架")及下列經修訂香港財務報告準則。

香港財務報告準則第3號之修訂	業務之定義
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號之修訂	利率基準改革
香港財務報告準則第16號之修訂	2019冠狀病毒病相關租金寬免(提前採納)
香港會計準則第1號及香港會計準則第8號之修訂	重要性之定義

概念框架及經修訂香港財務報告準則的性質和影響如下：

- (a) 概念框架載列一套完整財務報告概念及準則設定，並為制訂貫徹一致的會計政策的財務報表編製者提供指引以及協助各界了解及詮釋準則。概念框架包括計量及報告財務表現的新章節、資產及負債終止確認的新指引、以及最新資產及負債界定及確認準則。其亦釐清監管、審慎及計量不確定性於財務報告之作用。概念框架並非準則，且其載述的概念概不凌駕任何準則內的概念或規定。概念框架對本集團的財務狀況及表現並無造成任何重大影響。

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

- (b) Amendments to HKFRS 3 clarify and provide additional guidance on the definition of a business. The amendments clarify that for an integrated set of activities and assets to be considered a business, it must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. A business can exist without including all of the inputs and processes needed to create outputs. The amendments remove the assessment of whether market participants are capable of acquiring the business and continue to produce outputs. Instead, the focus is on whether acquired inputs and acquired substantive processes together significantly contribute to the ability to create outputs. The amendments have also narrowed the definition of outputs to focus on goods or services provided to customers, investment income or other income from ordinary activities. Furthermore, the amendments provide guidance to assess whether an acquired process is substantive and introduce an optional fair value concentration test to permit a simplified assessment of whether an acquired set of activities and assets is not a business. The Group has applied the amendments prospectively to transactions or other events that occurred on or after 1 April 2020. The amendments did not have any impact on the financial position and performance of the Group.

2.2 會計政策及披露變更(續)

- (b) 香港財務報告準則第3號之修訂澄清業務之定義，並提供額外指引。該有關修訂訂明可視為業務之一組整合活動和資產，必須至少包括一項投入和一項重要過程，而兩者必須對形成產出之能力有重大貢獻。業務毋須包括形成產出所需之所有投入或過程。該修訂取消了評估市場參與者是否有能力收購業務並能持續獲得產出之規定，轉為重點關注所取得之投入和重要過程共同對形成產出之能力有否重大貢獻。該修訂亦已收窄產出之定義範圍，重點關注為客戶提供之商品或服務、投資收入或日常活動產生之其它收入。此外，該等修訂亦提供有關評估所收購的過程是否重大的指引，並新增公允價值集中度測試選項，允許對所收購的一組活動和資產是否不屬於業務進行簡化評估。本集團已按前瞻基準對2020年4月1日或其後發生之交易或其它事件應用該等修訂。該等修訂並無對本集團的財務狀況及表現造成任何影響。

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

- (c) Amendments to HKFRS 9, HKAS 39 and HKFRS 7 address issues affecting financial reporting in the period before the replacement of an existing interest rate benchmark with an alternative risk-free rate (“RFR”). The amendments provide temporary reliefs which enable hedge accounting to continue during the period of uncertainty before introduction of the alternative RFR. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. The amendments did not have any impact on the financial position and performance of the Group as the Group does not have any interest rate hedging relationships.

2.2 會計政策及披露變更 (續)

- (c) 香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號之修訂在解決對以另一種無風險利率 (“無風險利率”) 取代現有利率基準前期間對財務報告之影響。有關修訂提供暫時舒緩措施，可於推出另一無風險利率前存在不確定性的期間能繼續使用對沖會計處理。此外，有關修訂要求公司向投資者提供有關直接受該等不確定性影響的對沖關係之額外資料。由於本集團並無任何利率對沖關係，故該等修訂並無對本集團的財務狀況及表現造成任何影響。

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2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

(continued)

- (d) Amendment to HKFRS 16 provides a practical expedient for lessees to elect not to apply lease modification accounting for rent concessions arising as a direct consequence of the covid-19 pandemic. The practical expedient applies only to rent concessions occurring as a direct consequence of the pandemic and only if (i) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change; (ii) any reduction in lease payments affects only payments originally due on or before 30 June 2021; and (iii) there is no substantive change to other terms and conditions of the lease. The amendment is effective for annual periods beginning on or after 1 June 2020 with earlier application permitted and shall be applied retrospectively. The amendments did not have any impact on the financial position and performance of the Group as the Group does not have any rent concessions.
- (e) Amendments to HKAS 1 and HKAS 8 provide a new definition of material. The new definition states that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments clarify that materiality will depend on the nature or magnitude of information, or both. The amendments did not have any significant impact on the financial position and performance of the Group.

2.2 會計政策及披露變更(續)

- (d) 香港財務報告準則第16號之修訂為承租人提供一個可行權宜之計，選擇不就直接由於2019冠狀病毒病疫情產生的租金寬免應用租賃修改會計處理。此可行權宜之計僅適用於直接由於疫情產生的租金寬免，且僅當：(i)租賃付款的變動使租賃代價有所修改，而經修改的代價與緊接變動前租賃代價大致相同，或少於緊接變動前租賃代價；(ii)租賃付款的任何減幅僅影響原到期日為2021年6月30日或之前的付款；及(iii)租賃的其它條款及條件並無實質變動。該修訂於2020年6月1日或之後開始的年度期間生效，允許提早應用並將追溯應用。由於本集團概無任何租金寬免，故該修訂並無對本集團的財務狀況及表現造成任何影響。
- (e) 香港會計準則第1號及香港會計準則第8號之修訂重新界定重要性。根據新定義，倘可合理預期漏報、錯報或掩蓋個別信息將可影響使用財務報表作一般目的之主要使用者基於相關財務報表作出之決定，則該信息為重要。有關修訂指明，重要性取決於信息之性質或牽涉範圍，或同時取決於兩者。該等修訂並無對本集團的財務狀況及表現造成任何重大影響。

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2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

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

Amendments to HKFRS 3	<i>Reference to the Conceptual Framework³</i>
Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16	<i>Interest Rate Benchmark Reform - Phase 2¹</i>
Amendments to HKFRS 10 and HKAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture⁵</i>
Amendments to HKFRS 16	<i>Covid-19 Related Rent Concessions beyond 30 June 2021²</i>
HKFRS 17	<i>Insurance Contracts⁴</i>
Amendments to HKFRS 17	<i>Insurance Contracts^{4,7}</i>
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current^{1,6}</i>
Amendments to HKAS 1	<i>Disclosure of Accounting Policies⁴</i>
Amendments to HKAS 8	<i>Definition of Accounting Estimates⁴</i>
Amendments to HKAS 12	<i>Deferred Tax related to Assets and Liabilities arising from a Single Transaction⁴</i>
Amendments to HKAS 16	<i>Property, Plant and Equipment: Proceeds before Intended Use³</i>
Amendments to HKAS 37	<i>Onerous Contracts – Cost of Fulfilling a Contract³</i>
Annual Improvements to HKFRSs 2018-2020	Amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 41 ³

¹ Effective for annual periods beginning on or after 1 January 2021

² Effective for annual periods beginning on or after 1 April 2021

³ Effective for annual periods beginning on or after 1 January 2022

⁴ Effective for annual periods beginning on or after 1 January 2023

⁵ No mandatory effective date yet determined but available for adoption

⁶ As a consequence of the amendments to HKAS 1, Hong Kong Interpretation 5 *Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause* was revised in October 2020 to align the corresponding wording with no change in conclusion

⁷ As a consequence of the amendments to HKFRS 17 issued in October 2020, HKFRS 4 was amended to extend the temporary exemption that permits insurers to apply HKAS 39 rather than HKFRS 9 for annual periods beginning before 1 January 2023

2.3 已頒佈但尚未生效之香港財務報告準則

本集團並未於該等財務報表中採納以下已頒佈但尚未生效之新訂及經修訂香港財務報告準則。

香港財務報告準則第3號之修訂	參考概念框架 ³
香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號之修訂	利率基準改革－第二階段 ¹
香港財務報告準則第10號及香港會計準則第28號(2011年)之修訂	投資者及其聯營公司或合營企業間的資產出售或注資 ⁵
香港財務報告準則第16號之修訂	2019冠狀病毒病相關租金寬免 ²
香港財務報告準則第17號	保險合約 ⁴
香港財務報告準則第17號之修訂	保險合約 ^{4,7}
香港會計準則第1號之修訂	負債分類為流動負債或非流動負債 ^{1,6}
香港會計準則第1號之修訂	會計政策的披露 ⁴
香港會計準則第8號之修訂	會計估計的定義 ⁴
香港會計準則第12號之修訂	單一交易產生的資產及負債相關遞延稅項 ⁴
香港會計準則第16號之修訂	物業、廠房及設備：作擬定用途前的所得款 ³
香港會計準則第37號之修訂	虧損性合約－履行合約的成本 ³
香港財務報告準則2018年至2020年週期之年度改進	香港財務報告準則第1號、香港財務報告準則第9號、香港財務報告準則第16號隨附之說明性示例及香港會計準則第41號之修訂 ³

¹ 於2021年1月1日或之後開始的年度期間生效

² 於2021年4月1日或之後開始的年度期間生效

³ 於2022年1月1日或之後開始的年度期間生效

⁴ 於2023年1月1日或之後開始的年度期間生效

⁵ 並無釐定強制生效日期但可供採納

⁶ 由於香港會計準則第1號之修訂，於2020年10月修訂了香港詮釋第5號財務報表的呈報－借款人對包含按帶還款條款的定期貸款的分類，以使相應措詞保持一致而結論不變

⁷ 由於2020年10月頒佈的香港財務報告準則第17號之修訂，香港財務報告準則第4號亦予修訂，以擴大臨時豁免範圍，允許保險公司於2023年1月1日之前開始的年度期間採用香港會計準則第39號而不是香港財務報告準則第9號

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2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Further information about those HKFRSs that are expected to be applicable to the Group is described below.

Amendments to HKFRS 3 are intended to replace a reference to the previous *Framework for the Preparation and Presentation of Financial Statements* with a reference to the *Conceptual Framework for Financial Reporting* issued in June 2018 without significantly changing its requirements. The amendments also add to HKFRS 3 an exception to its recognition principle for an entity to refer to the Conceptual Framework to determine what constitutes an asset or a liability. The exception specifies that, for liabilities and contingent liabilities that would be within the scope of HKAS 37 or HK(IFRIC)-Int 21 if they were incurred separately rather than assumed in a business combination, an entity applying HKFRS 3 should refer to HKAS 37 or HK(IFRIC)-Int 21 respectively instead of the Conceptual Framework. Furthermore, the amendments clarify that contingent assets do not qualify for recognition at the acquisition date. The Group expects to adopt the amendments prospectively from 1 April 2022. Since the amendments apply prospectively to business combinations for which the acquisition date is on or after the date of first application, the Group will not be affected by these amendments on the date of transition.

2.3 已頒佈但尚未生效之香港財務報告準則 (續)

預期適用於本集團之香港財務報告準則之進一步資料論述如下。

香港財務報告準則第3號之修訂旨在以2018年6月頒佈的*財務報告概念框架*之提述取代先前*財務報表編製及呈列框架*之提述，而毋須大幅更改其規定。該等修訂亦對香港財務報告準則第3號有關實體參考概念框架以釐定資產或負債之構成之確認原則加入一項例外情況。該例外情況規定，對於屬香港會計準則第37號或香港（國際財務報告詮釋委員會）—詮釋第21號範圍內的負債及或然負債而言，倘該等負債屬單獨產生而非於業務合併中產生，則應用香港財務報告準則第3號的實體應分別參考香港會計準則第37號或香港（國際財務報告詮釋委員會）—詮釋第21號而非概念框架。此外，該等修訂澄清或然資產於收購日期不符合確認條件。本集團預計自2022年4月1日起前瞻性採納該等修訂。由於該等修訂前瞻性應用於收購日期為首次應用日期或之後的業務合併，因此本集團於過渡日期將不會受該等修訂的影響。

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2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 address issues not dealt with in the previous amendments which affect financial reporting when an existing interest rate benchmark is replaced with an alternative RFR. The Phase 2 amendments provide a practical expedient to allow the effective interest rate to be updated without adjusting the carrying amount when accounting for changes in the basis for determining the contractual cash flows of financial assets and liabilities, if the change is a direct consequence of the interest rate benchmark reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis immediately preceding the change. In addition, the amendments permit changes required by the interest rate benchmark reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued. Any gains or losses that could arise on transition are dealt with through the normal requirements of HKFRS 9 to measure and recognise hedge ineffectiveness. The amendments also provide a temporary relief to entities from having to meet the separately identifiable requirement when an RFR is designated as a risk component. The relief allows an entity, upon designation of the hedge, to assume that the separately identifiable requirement is met, provided the entity reasonably expects the RFR risk component to become separately identifiable within the next 24 months. Furthermore, the amendments require an entity to disclose additional information to enable users of financial statements to understand the effect of interest rate benchmark reform on an entity's financial instruments and risk management strategy. The amendments are effective for annual periods beginning on or after 1 January 2021 and shall be applied retrospectively, but entities are not required to restate the comparative information. The amendments are not expected to have any significant impact on the Group's financial statements.

2.3 已頒佈但尚未生效之香港財務報告準則 (續)

香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號之修訂於現有利率基準被可替代無風險利率替換時解決先前修訂中未處理但影響財務報告之問題。第二階段之修訂提供一項實際可行權宜方法，允許對釐定金融資產及負債之合約現金流量之基準變動進行會計處理時更新實際利率而無需調整賬面值，前提是有關變動為利率基準改革之直接後果且釐定合約現金流量的新基準於經濟上等同於緊接變動前的先前基準。此外，該等修訂允許就對沖指定項目及對沖文件作出利率基準改革所要求的變動，而不會終止對沖關係。過渡期間可能產生的任何收益或虧損均通過香港財務報告準則第9號的正常規定進行處理，以衡量及確認對沖無效性。該等修訂亦為實體提供暫時寬免，於無風險利率被指定為風險成份時毋須滿足可單獨識別之規定。該寬免允許實體於指定對沖後假定已滿足可單獨識別之規定，惟實體須合理預期無風險利率風險成份於未來24個月內將可單獨識別。此外，該等修訂要求實體須披露額外資料，以使財務報表的使用者能夠了解利率基準改革對實體的金融工具及風險管理策略的影響。該等修訂於2021年1月1日或之後開始的年度期間生效，並應追溯應用，但實體毋須重列比較資料。該等修訂預期不會對本集團的財務報表造成任何重大影響。

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2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Amendments to HKAS 1 clarify the requirements for classifying liabilities as current or non-current. The amendments specify that if an entity's right to defer settlement of a liability is subject to the entity complying with specified conditions, the entity has a right to defer settlement of the liability at the end of the reporting period if it complies with those conditions at that date. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability. The amendments also clarify the situations that are considered a settlement of a liability. The amendments are effective for annual periods beginning on or after 1 January 2023 and shall be applied retrospectively. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKAS 12 narrow the scope of the recognition exemption in paragraphs 15 and 24 of HKAS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The amendments are effective for annual report periods beginning on or after 1 January 2023, with early application permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKAS 16 prohibit an entity from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling any such items, and the cost of those items, in profit or loss. The amendments are effective for annual periods beginning on or after 1 January 2022 and shall be applied retrospectively only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

2.3 已頒佈但尚未生效之香港財務報告準則 (續)

香港會計準則第1號之修訂澄清將負債分類為流動或非流動的規定。該等修訂指明，倘實體延遲償還負債的權利受限於該實體須符合特定條件，則倘該實體符合當日之有關條件，其有權於報告期末延遲償還負債。負債的分類不受該實體行使權利延遲償還負債的可能性所影響。該等修訂亦澄清被視為償還負債的情況。該等修訂於2023年1月1日或之後開始的年度期間生效，並應追溯應用。允許提早應用。該等修訂預期不會對本集團的財務報表造成任何重大影響。

香港會計準則第12號之修訂收窄香港會計準則第12號第15及24段(確認豁免)的確認豁免範圍，使其不再適用於在初始確認時產生相等的應課稅及可扣減暫時差額的交易。該等修訂於2023年1月1日或之後開始的年度期間生效，並允提前應用。該等修訂預期不會對本集團的財務報表造成任何重大影響。

香港會計準則第16號之修訂禁止實體從物業、廠房及設備項目的成本中扣除使資產達到管理層擬定之營運狀態所需位置與條件過程中產生的項目銷售之任何所得款項。相反，實體須於損益中確認銷售任何有關項目之所得款項及該等項目之成本。該等修訂於2022年1月1日或之後開始的年度期間生效，並僅追溯應用於實體首次應用該等修訂的財務報表中所呈列的最早期間開始或之後可供使用的物業、廠房及設備項目。允許提早應用。該等修訂預期不會對本集團的財務報表造成任何重大影響。

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2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Amendments to HKAS 37 clarify that for the purpose of assessing whether a contract is onerous under HKAS 37, the cost of fulfilling the contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract include both the incremental costs of fulfilling that contract (e.g., direct labour and materials) and an allocation of other costs that relate directly to fulfilling that contract (e.g., an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract as well as contract management and supervision costs). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The amendments are effective for annual periods beginning on or after 1 January 2022 and shall be applied to contracts for which an entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments. Earlier application is permitted. Any cumulative effect of initially applying the amendments shall be recognised as an adjustment to the opening equity at the date of initial application without restating the comparative information. The amendments are not expected to have any significant impact on the Group's financial statements.

2.3 已頒佈但尚未生效之香港財務報告準則(續)

香港會計準則第37號之修訂澄清，就根據香港會計準則第37號評估合約是否屬虧損性而言，履行合約的成本包括與合約直接相關的成本。與合約直接相關的成本包括履行該合約的增量成本(例如直接勞工及材料)及與履行合約直接相關的其它成本分配(例如分配履行合約所用物業、廠房及設備項目的折舊費用以及合約管理及監管成本)。一般及行政成本與合約並無直接關連，除非根據合約明確向對手方收取，否則不包括在內。該等修訂於2022年1月1日或之後開始的年度期間生效，並將應用於實體於其首次應用該等修訂的年度報告期間開始尚未履行其所有責任的合約。允許提早應用。初步應用該等修訂的任何累計影響將確認為對首次應用日期之期初權益的調整，而毋須重列比較資料。該等修訂預期不會對本集團的財務報表造成任何重大影響。

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2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (continued)

Annual Improvements to HKFRSs 2018-2020 sets out amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 41. Details of the amendments that are expected to be applicable to the Group are as follows:

- HKFRS 9 *Financial Instruments*: clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment. The amendment is effective for annual periods beginning on or after 1 January 2022. Earlier application is permitted. The amendment is not expected to have a significant impact on the Group's financial statements.
- HKFRS 16 *Leases*: removes the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 accompanying HKFRS 16. This removes potential confusion regarding the treatment of lease incentives when applying HKFRS 16.

2.3 已頒佈但尚未生效之香港財務報告準則 (續)

*香港財務報告準則2018年至2020年週期之年度改進*載列香港財務報告準則第1號、香港財務報告準則第9號、香港財務報告準則第16號隨附之說明性示例及香港會計準則第41號之修訂。預期將適用於本集團之該等修訂詳情如下：

- 香港財務報告準則第9號**金融工具**：澄清實體於評估一項新訂或經修訂金融負債之條款是否實質上不同於原金融負債之條款時所計入之費用。該等費用僅包括借款人與貸款人之間已付或已收之費用，其中包括借款人或貸款人代表另一方支付或收取之費用。實體對於該實體首次採用修訂的年度報告期間開始或之後經修訂或交換之金融負債應用該修訂。該修訂於2022年1月1日或之後開始的年度期間生效。允許提早應用。該修訂預期不會對本集團的財務報表造成重大影響。
- 香港財務報告準則第16號**租賃**：於香港財務報告準則第16號隨附之第13項說明性示例中移除出租人就租賃物業裝修作出之付款說明。此舉消除了應用香港財務報告準則第16號時對租賃優惠進行處理之潛在混淆。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 March. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

2.4 主要會計政策概要

商譽

商譽起初按成本計量，即已轉讓對價、非控股權益的確認金額及本集團先前持有的被收購方股本權益的任何公允價值總額，與所收購可識別淨資產及所承擔負債之間的差額。如對價與其它項目的總額低於所收購淨資產的公允價值，於重新評估後該差額將於損益賬內確認為議價收購收益。

於初始確認後，商譽按成本減任何累計減值虧損計量。商譽須每年作減值測試，若有事件發生或情況改變顯示賬面值有可能減值時，則會更頻密地進行測試。本集團於3月31日進行商譽的年度減值測試。為進行減值測試，因業務合併而購入的商譽自收購日期起被分配至預期可從合併產生的協同效益中獲益的本集團各現金產生單位或現金產生單位組別，而無論本集團其它資產或負債是否已分配至該等單位或單位組別。

減值乃通過評估與商譽有關的現金產生單位（或現金產生單位組別）的可收回金額釐定。當現金產生單位（或現金產生單位組別）的可收回金額低於賬面金額時，減值虧損便予以確認。已就商譽確認的減值虧損不得於隨後期間撥回。

如商譽分配至現金產生單位（或現金產生單位組別）而該單位的部分業務已出售，則在釐定出售損益時，與所出售業務相關的商譽會計入該業務的賬面金額。在該等情況出售的商譽乃根據所出售業務的相對價值及現金產生單位的保留份額進行計量。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurement

The Group measures its certain bills receivable, structured deposits and equity investments designated at fair value through other comprehensive income at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2.4 主要會計政策概要 (續)

公允價值計量

本集團於各報告期末按公允價值計量其若干應收票據、結構性存款以及指定為按公允價值計入其它全面收益之股本投資。公允價值為市場參與者於計量日期在有序交易中出售資產所收取或轉讓負債所支付之價格。公允價值計量乃基於假設出售資產或轉讓負債之交易於資產或負債之主要市場或(在無主要市場情況)資產或負債之最具優勢市場進行。主要或最具優勢市場須為本集團可進入之市場。資產或負債之公允價值乃按市場參與者於資產或負債定價時所使用之假設計量，並假設市場參與者會以最佳經濟利益行事。

非金融資產之公允價值計量須計及市場參與者透過使用該資產之最高及最佳用途或將該資產出售予將使用其最高及最佳用途之另一市場參與者而產生經濟效益之能力。

本集團採納適用於不同情況且具備充分數據以供計量公允價值之估值方法，以盡量使用相關可觀察輸入數據及盡量減少使用不可觀察輸入數據。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurement (continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.4 主要會計政策概要 (續)

公允價值計量 (續)

於財務報表中計量或披露公允價值之所有資產及負債乃按對公允價值計量整體而言屬重大之最低層輸入數據按以下公允價值等級分類：

- 第1級 – 基於相同資產或負債於活躍市場之報價 (未經調整)
- 第2級 – 基於對公允價值計量而言屬重大之可觀察 (直接或間接) 最低層輸入數據之估值方法
- 第3級 – 基於對公允價值計量而言屬重大之不可觀察最低層輸入數據之估值方法

就按經常性基準於財務報表確認之資產及負債而言，本集團透過於各報告期末重新評估分類 (基於對公允價值計量整體而言屬重大之最低層輸入數據) 釐定是否發生不同等級轉移。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, financial assets, and non-current assets/a disposal group classified as held for sale), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value-in-use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

2.4 主要會計政策概要 (續)

非金融資產減值

倘出現減值跡象，或須就資產（不包括存貨、金融資產，以及分類為持作出售之非流動資產／出售組別）進行年度減值測試時，則會估計資產之可收回金額。資產之可收回金額乃按該資產或現金產生單位之使用價值及公允價值減銷售成本（以較高者為準）計算，並就個別資產予以釐定，惟倘該資產產生之現金流入不能大致獨立於其它資產或資產組合所產生之現金流入，則可收回金額按資產所屬現金產生單位釐定。

減值虧損僅於資產賬面值超過其可收回金額時確認。評估使用價值時，估計未來現金流量按除稅前貼現率折讓至其現值，該貼現率反映當時市場對貨幣時間價值及該項資產之特有風險之評估。減值虧損於產生期間自損益中與減值資產功能一致之支出類別中扣除。

於各報告期末會評估有否跡象顯示先前已確認減值虧損不再存在或已減少。倘出現該等跡象，則會估計可收回金額。除非用於釐定資產之可收回金額之估計有變，否則該資產（商譽除外）過往已確認減值虧損不予撥回，而撥回之減值虧損以假設過往年度並無確認減值虧損而應有之資產賬面值（經扣除任何折舊／攤銷）為限。有關減值虧損撥回於產生期間計入損益。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties

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

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

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);

2.4 主要會計政策概要 (續)

關連人士

在下列情況，一方將視為與本集團有關連：

- (a) 該方為一名人士或該人士之近親，而該人士
 - (i) 對本集團擁有控制權或共同控制權；
 - (ii) 對本集團具有重大影響力；或
 - (iii) 為本集團或其母公司之主要管理層人員；

或

- (b) 該人士為符合下列任何條件之實體：
 - (i) 該實體與本集團屬同一集團的成員公司；
 - (ii) 一實體為另一實體(或另一實體之母公司、附屬公司或同系附屬公司)之聯營公司或合營企業；
 - (iii) 該實體與本集團為同一第三方之合營企業；
 - (iv) 一實體為一名第三方實體之合營企業，而另一實體為該第三方實體之聯營公司；
 - (v) 該實體為本集團或與本集團有關連的實體為僱員福利而設的離職後福利計劃；
 - (vi) 該實體受(a)所述人士控制或共同控制；

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties (continued)

- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. When an item of property, plant and equipment is classified as held for sale or when it is part of a disposal group classified as held for sale, it is not depreciated and is accounted for in accordance with HKFRS 5, as further explained in the accounting policy for “Non-current assets and disposal groups held for sale”. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

2.4 主要會計政策概要 (續)

關連人士 (續)

- (vii) 於(a)(i)所述人士對該實體具有重大影響力，或為該實體（或該實體母公司）之主要管理層成員；及
- (viii) 該實體（或其所屬集團之任何成員公司）向本集團或本集團母公司提供主要管理層人員服務。

物業、廠房及設備與折舊

除在建工程外，物業、廠房及設備乃按成本扣除累計折舊及任何減值虧損列賬。倘物業、廠房及設備項目分類為持作出售或當其屬於分類為持作出售之出售組別之一部分，則不會計提折舊及按香港財務報告準則第5號入賬，如“持作出售之非流動資產及出售組別”之會計政策所進一步說明。物業、廠房及設備項目成本包括其買價及將該資產達至運作狀況及地點以作擬定用途之直接應佔費用。

於物業、廠房及設備項目投入運作後所產生之維修及保養等費用通常於產生期間於損益中扣除。倘符合確認標準，則相關重大檢查費用會於資產賬面值中撥作重置成本。倘須定期重置物業、廠房及設備的重大部分，則本集團會將該等部分確認為有特定可使用年期之個別資產，並相應地計提折舊。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation (continued)

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Buildings	3% to 10%
Leasehold improvements	10% to 33.3% or over the lease terms, whichever rate is higher
Plant and machinery	5% to 10%
Furniture, fixtures and equipment	10% to 20%
Motor vehicles	10% to 20%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress represents a building under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

2.4 主要會計政策概要 (續)

物業、廠房及設備與折舊 (續)

折舊按估計可使用年期以直線法攤銷每項物業、廠房及設備之成本至剩餘價值。採用之主要折舊年率如下：

樓宇	3%至10%
租賃物業裝修	10%至33.3%或按租期，以較高者為準
廠房及機器	5%至10%
傢俬、裝置及設備	10%至20%
汽車	10%至20%

倘物業、廠房及設備項目各部份之可使用年期不相同，則該項目之成本將按合理基礎於各部份分配，並個別計算折舊。剩餘價值、可使用年期及折舊方法至少於各財政年度結算日檢討，並在適當情況調整。

物業、廠房及設備項目(包括首次確認之任何重要部分)於出售或預期其使用或出售不會產生未來經濟利益時終止確認。於資產終止確認之年度在損益內確認之出售或廢棄資產之任何盈虧，為有關資產之出售所得款項淨額與其賬面值之差額。

在建工程指興建中之樓宇，按成本扣除任何減值虧損列賬，且不計算折舊。成本包括直接建築成本及建築期內產生之相關借貸之資本化借貸成本。在建工程於落成及可供使用時重列為物業、廠房及設備之適當類別。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Non-current assets and disposal groups held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sales transaction rather than through continuing use. For this to be the case, the asset or disposal group must be available for immediate sale in its present condition subject only to terms that are usual and customary for the sale of such assets or disposal groups and its sale must be highly probable. All assets and liabilities of a subsidiary classified as a disposal group are reclassified as held for sale regardless of whether the Group retains a non-controlling interest in its former subsidiary after the sale.

Non-current assets and disposal groups (other than investment properties and financial assets) classified as held for sale are measured at the lower of their carrying amounts and fair values less costs to sell. Property, plant and equipment and right-of-use assets classified as held for sale are not depreciated or amortised.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Intangible assets with indefinite lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

2.4 主要會計政策概要 (續)

持作出售之非流動資產及出售組別

持作出售之非流動資產及出售組別之賬面值將主要透過一項出售交易收回而該項出售被視為極可能時，分類為持作出售。為符合此分類，資產或出售組別必須在現況下僅於出售該資產或資產組別的一般和慣常條款下出售並極大可能售出。被處置附屬公司的所有的資產和負債再分類為持作出售，不論本集團在出售該附屬公司後是否保留對其非控股權益。

持作出售之非流動資產及出售組別（投資物業和金融資產除外）按賬面值與公允價值減去出售成本兩者之較低者列賬。持作出售之物業、廠房、設備和使用權資產不計提折舊或攤銷。

無形資產（商譽除外）

單獨取得的無形資產於初始確認時按成本計量。通過業務合併取得的無形資產的成本為收購日期的公允價值。無形資產的可使用年期評定為有限期或無限期。有限期的無形資產隨後按可使用經濟年期攤銷，於有跡象顯示無形資產可能出現減值時評估減值。有限可使用年期的無形資產的攤銷期及攤銷方法至少於各財政年度結算日檢查一次。

年期並無限定的無形資產每年單獨或按現金產生單位進行減值測試。有關無形資產不作攤銷。每年對年期並無限定的無形資產的使用年期進行檢討，以確定年期並無限定的評估是否繼續得到支持。否則，使用年期評估由並無限定改為有限之情況將按預期適用基準入賬。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Intangible assets (other than goodwill) (continued)

Licences and permits

Purchased patents and licences are stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives of 10 to 13 years.

Research and development costs

All research costs are charged to profit or loss as incurred.

Expenditure incurred on projects to develop new products is capitalised and deferred only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the project and the ability to measure reliably the expenditure during the development. Product development expenditure which does not meet these criteria is expensed when incurred.

Deferred development costs are stated at cost less any impairment losses and are amortised using the straight-line basis over the commercial lives of the underlying products not exceeding ten years, commencing from the date when the products are put into commercial production.

2.4 主要會計政策概要 (續)

無形資產 (商譽除外) (續)

執照和許可證

購入的專利和執照按成本減任何減值虧損列賬，並以直線法在其10至13年的估計可用年期攤銷。

研究與開發成本

所有研究成本於產生時在損益中扣除。

僅當本集團可證明完成無形資產以供使用或出售在技術上屬可行，且有意完成並有能力使用或出售該資產，能明確資產產生未來經濟利益的方法及擁有足夠的資源以完成項目，並能夠可靠計量開發期間的開支時，方會將開發新產品的項目開支資本化並遞延處理。不符合上述標準的產品開發支出於產生時列作費用開支。

遞延開發成本按成本減任何減值虧損列賬，並自產品投入商業生產當日起以直線法按相關產品不超過十年的商業年期攤銷。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) *Right-of-use assets*

Right-of-use assets are recognised at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities and are separately disclosed on the consolidated statement of financial position. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Leasehold land	Over the lease terms
Clinics, offices and warehouses	Over the lease terms

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

2.4 主要會計政策概要 (續)

租賃

本集團於合約開始時評估合約是否為或包含租賃。倘合約為換取代價而給予在一段時間內控制已識別資產使用的權利，則該合約為或包含租賃。

本集團作為承租人

本集團對所有租賃（惟短期租賃及低價值資產租賃除外）採取單一確認及計量方法。本集團確認租賃負債以作出租賃款項，而使用權資產指使用相關資產的權利。

(a) *使用權資產*

使用權資產於租賃開始日期確認（即相關資產可用之日期）。使用權資產按成本減任何累計折舊及任何減值虧損計量，並就租賃負債的任何重新計量作出調整以及在綜合財務狀況表內分別披露。使用權資產的成本包括已確認租賃負債金額、已發生初始直接成本及於開始日期或之前支付的租賃付款減已收取的任何租賃優惠。使用權資產按租賃期及估計可使用年期兩者之較短者按直線基準折舊如下：

租賃土地	按租期
診所、辦公室及倉庫	按租期

倘租賃資產之所有權於租賃期結束前轉移至本集團或成本反映了購買選擇權之行使，則使用該資產之估計可使用年期計算折舊。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (continued)

Group as a lessee (continued)

(b) Lease liabilities

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate the lease. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(c) Short-term leases

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as an expense on a straight-line basis over the lease term.

2.4 主要會計政策概要 (續)

租賃 (續)

本集團作為承租人 (續)

(b) 租賃負債

租賃負債於租賃開始日期按於租賃期內作出的租賃付款現值確認。租賃付款包括固定付款（包括實質固定付款）減任何應收租賃優惠、取決於一項指數或比率的可變租賃付款及預期根據在剩餘價值擔保支付的金額。租賃付款亦包括本集團合理確定行使購買選擇權的行使價，及倘租賃期反映本集團行使終止選擇權，則須就終止租賃支付罰款。並非取決於一項指數或比率的可變租賃付款於觸發付款的事件或狀況出現期間確認為開支。

於計算租賃付款現值時，因租賃中所隱含的利率並不易釐定，則本集團於租賃開始日期使用其增量借款利率。於開始日期後，租賃負債金額增加，以反映利息增加及就所付的租賃付款減少。此外，倘出現修改、租賃期變動、租賃付款變動（如因指數或利率變動產生之未來租賃付款變動）或購買相關資產的評估更改，租賃負債的賬面值將予重新計量。

(c) 短期租賃

本集團將短期租賃確認豁免應用於短期機器及設備租賃（即自租賃開始日期起計租期為12個月或以下，並且不包含購買選擇權的租賃）。短期租賃的租賃付款按直線法於租期內確認為開支。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets *Initial recognition and measurement*

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Group initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under HKFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

2.4 主要會計政策概要 (續)

投資及其它金融資產 *首次確認及計量*

金融資產於初步確認時分類為其後按攤銷成本計量、按公允價值計入其它全面收益及按公允價值計入損益。

金融資產於初步確認時之分類視乎金融資產合約現金流量之特徵及本集團管理該等資產之業務模式。除並無重大融資成分之應收賬款外，本集團初步按其公允價值加(倘並非按公允價值計入損益之金融資產)交易成本計量金融資產。如下文"收入確認"所載政策，並無重大融資成分之應收賬款按香港財務報告準則第15號釐定之交易價格計量。

為使金融資產按攤銷成本或按公允價值計入其它全面收益而分類及計量，需產生僅為支付本金及未償還本金利息("SPPI")之現金流量。現金流量並非為SPPI的金融資產以按公允價值計入損益分類及計量，而不論業務模式。

本集團管理金融資產之業務模式指為產生現金流量管理金融資產之方式。業務模式釐定現金流量會否來自收取合約現金流量、出售金融資產或以上兩者。按攤銷成本進行分類及計量的金融資產於旨在持有金融資產以收取合約現金流量的業務模式內持有，而按公允價值計入其它全面收入進行分類及計量的金融資產則於旨在同時持作收取合約現金流量及銷售的業務模式內持有。並非於上述業務模式內持有的金融資產按公允價值計入損益進行分類及計量。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Initial recognition and measurement (continued)

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 marketplace.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through other comprehensive income (debt instruments)

For debt investments at fair value through other comprehensive income, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

2.4 主要會計政策概要 (續)

投資及其它金融資產 (續)

首次確認及計量 (續)

所有以常規方式購買及出售之金融資產均於交易日(即本集團承諾購買或出售資產之日)確認,以常規方式購買或出售指需在市場規例或慣例規定之期限內交付之金融資產購買或出售。

其後計量

金融資產之其後計量視乎以下分類:

按攤銷成本計量之金融資產(債務工具)

按攤銷成本計量之金融資產其後按實際利率法計量及須檢視有否減值。收益及虧損於資產終止確認、修訂或減值時在損益確認。

按公允價值計入其它全面收益之金融資產(債務工具)

就按公允價值計入其它全面收益的債務投資而言,利息收入、外匯重估及減值虧損或撥回於損益中確認,並按照與按攤銷成本計量的金融資產相同的方式計算。其餘公允價值變動於其它全面收益中確認。終止確認後,在其它全面收益中確認的累計公允價值變動將轉回損益。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Subsequent measurement (continued)

Financial assets designated at fair value through other comprehensive income (equity investments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity investments designated at fair value through other comprehensive income when they meet the definition of equity under HKAS 32 *Financial Instruments: Presentation* and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to the statement of profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case such gains are recorded in other comprehensive income. Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss. This category includes bills receivable, derivative instruments and equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on equity investments classified as financial assets at fair value through profit or loss are also recognised as other income in profit or loss when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

2.4 主要會計政策概要 (續)

投資及其它金融資產 (續)

其後計量 (續)

指定為按公允價值計入其它全面收益之金融資產 (股本投資)

於首次確認時，本集團可選擇於股本投資符合香港會計準則第32號金融工具：呈列項下之股本定義且並非持作買賣時，將其股本投資不可撤回地分類為指定按公允價值計入其它全面收益之股本投資。分類乃按個別工具基準釐定。

該等金融資產之收益及虧損概不會被轉撥至損益表。當支付權確立、與股息有關之經濟利益可能流入本集團且股息金額能夠可靠計量時，股息於損益表中確認為其它收入，惟當本集團於作為收回金融資產一部分成本之所得款項中獲益時則除外，於此等情況，該等收益於其它全面收益入賬。指定按公允價值計入其它全面收益之股本投資不受減值評估影響。

按公允價值計入損益之金融資產

按公允價值計入損益之金融資產乃於財務狀況表按公允價值列賬，而公允價值變動淨額則於損益確認。該類別包括應收票據、衍生工具及本集團已不可撤銷地選擇分類為按公允價值計入其它全面收益之股本投資。倘股息付款權已確立，而股息相關經濟利益很可能流向本集團，且股息金額能可靠計量，則分類為按公允價值計入損益之股本投資之股息亦會於損益確認為其它收入。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2.4 主要會計政策概要 (續)

終止確認金融資產

金融資產(倘適用,則一項金融資產之一部份或一組類似金融資產之一部份)主要在下列情況將終止確認(即從本集團綜合財務狀況表中移除):

- 收取該項資產所得現金流量之權利經已屆滿;或
- 本集團已轉讓其收取該項資產所得現金流量之權利,或根據"轉手"安排承擔在無重大延誤下向第三方全數支付已收取之現金流量之責任;及(a)本集團已轉讓資產之絕大部分風險及回報,或(b)本集團並無轉讓或保留資產之絕大部分風險及回報,惟已轉讓資產之控制權。

倘本集團已轉讓其收取資產現金流量之權利或已訂立轉手安排,則評估有否保留資產所有權之風險及回報以及保留程度。倘並無轉讓或保留資產絕大部分風險及回報,亦無轉讓資產之控制權,則本集團繼續按本集團持續涉及之程度確認已轉讓資產。在此情況,本集團亦確認相關負債。已轉讓資產及相關負債按本集團所保留的相關權利及責任為基礎進行計量。

以擔保形式對已轉撥資產的持續參與,按資產原賬面值與本集團可能須償還最高代價兩者之較低者計量。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at fair value through profit or loss. 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, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General approach

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

The Group considers a financial asset in default when contractual payments are 60 to 180 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.4 主要會計政策概要 (續)

金融資產之減值

本集團就所有並非按公允價值計入損益持有之債務工具確認預期信貸虧損撥備。預期信貸虧損乃以根據合約應付之合約現金流量與本集團預期收取之所有現金流量之間之差額為基準，按原有實際利率相近之差額貼現。預期現金流量將包括來自銷售所持有抵押品或其它信用增級之現金流量，此乃合約條款不可或缺之部分。

一般方法

預期信貸虧損於兩個階段進行確認。對於自初步確認後並無顯著增加之信貸風險，預期信貸虧損就可能於未來12個月內（12個月預期信貸虧損）出現之違約事件計提撥備。對於自初步確認後有顯著增加之信貸風險，須在信貸虧損風險預期之剩餘年期計提虧損撥備，不論違約事件於何時發生（全期預期信貸虧損）。

於各報告日期，本集團於評估自初始確認後金融工具之信貸風險是否顯著增加時，本集團將於報告日期金融工具發生之違約風險與初始確認日起金融工具發生之違約風險進行比較，本集團會考慮合理且可支持之資料，包括無需付出不必要之成本或努力而可得之歷史及前瞻性資料。

本集團將合約付款逾期60至180天之金融資產視作違約。然而，於若干情況，當內部或外部資料顯示本集團不可能在本集團採取任何信貸提升安排前悉數收回未償還合約金額時，本集團亦可能認為該金融資產違約。當並無收回合約現金流量之合理預期時，金融資產予以撇銷。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

General approach (continued)

Financial assets at amortised cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables which apply the simplified approach as detailed below.

Stage 1 – Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2 – Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 – Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified approach

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has assessed the credit risk exposure that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

2.4 主要會計政策概要 (續)

金融資產之減值 (續)

一般方法 (續)

按攤銷成本計量之金融資產，在一般方法下可能會發生減值，並且除了採用簡化方法之應收賬款（以下詳述）外，其在以下階段分類用於預期信貸虧損計量。

第一階段 – 金融工具自初始確認以來信貸風險未顯著增加，且其虧損撥備相等於12個月預期信貸虧損

第二階段 – 金融工具自初始確認後信貸風險顯著增加，但並非信貸減值金融資產且其虧損撥備相等於全期預期信貸虧損

第三階段 – 於報告日期信貸減值之金融資產（但不是購買或原始信貸減值），其虧損撥備相等於全期預期信貸虧損

簡化方法

對於不包含重大融資成分之應收賬款，或本集團採用可行權宜方式，不會就重大融資成分之影響調整時，本集團採用簡化方法進行預期信貸虧損計量。根據簡化方法，本集團不會追蹤信貸風險之變化，而是於各報告日期進行全期預期信貸虧損確認虧損撥備。本集團已根據其歷史信貸虧損經驗評估面對之信貸風險，並根據債務人及經濟環境之前瞻性因素作出調整。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as loans and borrowings and payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement of financial liabilities at amortised cost (loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

Derecognition of financial liabilities

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

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.4 主要會計政策概要 (續)

金融負債

首次確認及計量

金融負債於首次確認時分類為貸款及借貸以及應付款(倘適用)。

所有金融負債首次按公允價值確認，而貸款及借貸及應付款則需在此基礎上扣除直接應佔交易成本。

按攤銷成本列值的金融負債(貸款及借款)的其後計量

於初步確認後，計息貸款及借款隨後以實際利率法按攤銷成本計量，除非貼現影響為微不足道，在該情況下則按成本列賬。當負債終止確認以及按實際利率法進行攤銷程序時，其收益及虧損在損益中確認。攤銷成本於計及收購事項任何折讓或溢價及屬實際利率不可或缺一部分的費用或成本後計算。實際利率攤銷計入損益的融資成本內。

終止確認金融負債

當負債之責任解除或取消或屆滿時，終止確認金融負債。

倘現有金融負債被來自同一借款人但條款極不相同之另一項負債所取代，或對現有負債之條款進行大幅修訂，上述更替或修訂將被視作終止確認原有負債及確認新負債，而有關賬面值之差額將在損益內確認。

抵銷金融工具

當具目前可執行法定權力抵銷已確認金額及計劃以淨額結算，或同時變現資產及清償負債時，金融資產與金融負債方可互相抵銷，並於財務狀況表內以淨額呈報。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average cost method and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

2.4 主要會計政策概要 (續)

存貨

存貨按成本或可變現淨值兩者中之較低者列賬。成本按加權平均成本法釐定。在製品及製成品之成本包括直接原材料、直接勞工及應佔適當比例之間接成本。可變現淨值則根據估計售價減估計完成及出售所產生之任何成本計算。

現金及現金等值項目

就綜合現金流量表而言，現金及現金等值項目包括庫存現金及活期存款，以及高度流通之短期投資（其價值變動風險不大，且一般於購入後三個月內到期，並可隨時轉換為已知現金金額）減須按要求償還且屬本集團現金管理部分之銀行透支。

就綜合財務狀況表而言，現金及現金等值項目為並無用途限制之庫存現金及存於銀行之現金（包括定期存款）以及性質與現金相若之資產。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2.4 主要會計政策概要 (續)

所得稅

所得稅包括即期及遞延稅項。於損益外確認之項目所得稅於損益外在其它全面收益或直接於權益確認。

即期稅項資產及負債按預期可獲稅務當局退回或支付予稅務當局之稅款，基於報告期末已頒佈或具體頒佈之稅率（及稅法），經計及本集團營運所在國家／地區現有詮釋及慣例計量。

遞延稅項乃以負債法就於報告期末資產及負債之稅基與其用作財務申報賬面值之所有暫時差額撥備。

遞延稅項負債就所有應課稅暫時差額予以確認，惟：

- 倘遞延稅項負債源於首次確認商譽或交易（並非業務合併，且於交易時不影響會計溢利亦不影響應課稅溢利或虧損）之資產及負債除外；及
- 有關於附屬公司投資之應課稅暫時差額，而可控制暫時差額之撥回時間且暫時差額於可預見未來可能不會撥回者除外。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, and the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

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

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred taxes assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

2.4 主要會計政策概要 (續)

所得稅 (續)

遞延稅項資產就所有可扣稅暫時差額、未動用稅項抵免及未動用稅項虧損之結轉予以確認，以可能有可供動用可扣稅暫時差額、未動用稅項抵免及未動用稅項虧損之結轉的應課稅溢利為限，惟下述者除外：

- 有關可扣稅暫時差額之遞延稅項資產源於首次確認一項交易（並非業務合併，且於交易時不影響會計溢利亦不影響應課稅溢利或虧損）之資產及負債；及
- 有關於附屬公司投資之可扣稅暫時差額，遞延稅項資產僅限於在可預見未來可能撥回暫時差額及可能有應課稅溢利以動用暫時差額情況確認。

遞延稅項資產之賬面值乃於各報告期末檢討，倘不再有足夠應課稅溢利可供動用全部或部份遞延稅項資產，則予以相應扣減。未確認之遞延稅項資產於各報告期末重新評估，而限於可能有足夠應課稅溢利可供收回全部或部份遞延稅項資產予以確認。

遞延稅項資產及負債基於報告期末已頒佈或具體頒佈之稅率（及稅法）以預期適用於資產變現及負債清償期間之稅率計算。

僅當本集團有合法執行之權利將即期稅項資產與即期稅項負債抵銷，且遞延稅項資產與遞延稅項負債與同一稅務機構對同一應課稅企業或於各未來期間預期有大額遞延稅項負債或資產需要結算或清償時，擬按淨額基準結算即期稅項負債及資產或同時變現資產及結算負債之不同稅務企業徵收之所得稅相關，則遞延稅項資產與遞延稅項負債可予對銷。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods in which the costs, for which it is intended to compensate, are expensed.

Revenue recognition

Revenue from contracts with customers

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.

(a) *Sale of pharmaceuticals, biotechnology, healthcare and Chinese medicine products*

Revenue from the sale of pharmaceuticals, biotechnology, healthcare and Chinese medicine products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the pharmaceuticals, biotechnology, healthcare and Chinese medicine products.

(b) *Provision of Chinese medical services*

Revenue from the provision of Chinese medical services is recognised over time, using an input method to measure progress towards complete satisfaction of the service, because the customer simultaneously receives and consumes the benefits from services provided by the Group.

2.4 主要會計政策概要 (續)

政府補助

政府補助於可合理確定將收取並會遵守其所附之一切條件時按公允價值確認。倘補助與開支項目有關，則會按有系統的基準在預計支銷所補償的成本之期間內確認為收入。

收入確認

客戶合約收入

當客戶合約收入按反映本集團預期有權獲得以交換該等貨品或服務之代價金額轉移至客戶時，確認客戶合約收入。

(a) *銷售醫藥、生物科技、保健及中醫藥產品*

來自銷售醫藥、生物科技、保健及中醫藥產品之收入在資產控制權轉移至客戶時（一般為交付該等醫藥、生物科技、保健及中醫藥產品時）確認。

(b) *提供中醫服務*

提供中醫服務的收入是隨時間確認，當中使用投入法以計量達致完成履行服務的進度，原因為客戶同時收取及消耗本集團提供服務的得益。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

Customer membership program

The Group operates a customer membership program which entitles customers to use the credit on future consultation of Chinese medical services and purchases of Chinese medicines. No expiry dates are attached to the extra credits. The obligation to provide the right to the customer is therefore a separate performance obligation.

The transaction price is allocated between the provision of Chinese medical services and extra credits on a relative stand-alone selling price basis. The stand-alone selling price of each extra credit is estimated based on the right to be given when the extra credits are redeemed by the customer.

A contract liability is recognised for the unexercised rights relating to the membership program at the time of the initial sales transaction. Revenue from the membership program is recognised when the extra credits are redeemed by the customer. Revenue for extra credits that are not expected to be redeemed is recognised in the proportion to the pattern of rights exercised by the customers.

Other income

Interest income is recognised on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

Contract liabilities

A contract liability is recognised when a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e. transfers control of the related goods or services to the customer).

2.4 主要會計政策概要 (續)

收入確認 (續)

客戶會員計劃

本集團設立客戶會員計劃，客戶可於日後在中醫診症服務及購買中藥時使用積分。該等額外積分並無到期日。因此，向顧客提供該項權利的責任構成獨立履約責任。

交易價格按相對獨立的銷價基準於提供中醫服務及額外積分之間作出分配。各項額外積分的獨立銷售價乃根據顧客兌換額外積分時所給予的權利進行估計。

於初始銷售交易時就與會員計劃相關的未行使權利確認合約負債。會員計劃所得收益於顧客兌換額外積分時予以確認。預期不會進行兌換的額外積分之收益乃根據客戶已行使權利模式之比例確認。

其它收入

利用實際利率法計算按累計基準確認之利息收入，利率為在金融工具之預期有效期或更短期間（如適用）將估計未來現金收入準確折現至金融資產賬面淨值。

合約負債

合約負債於本集團轉讓相關貨品或服務前向客戶收取付款或付款到期時（以較早者為準）確認。合約負債於本集團履行合約（即轉讓相關貨品或服務控制權予客戶）時確認為收益。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Employee benefits Pension schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the “MPF Scheme”) under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees’ basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group’s employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Group’s subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain specific percentage of their payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the notes to the financial statements.

Interim dividends are simultaneously proposed and declared, because the Company’s memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

2.4 主要會計政策概要 (續)

僱員福利 退休金計劃

本集團根據強制性公積金計劃條例為合資格參與一項強制性公積金退休福利計劃(“強積金計劃”)之僱員實施強積金計劃。供款按僱員基本薪酬百分比計算，於按強積金計劃之規則應支付時在損益內扣除。強積金計劃之資產由一項獨立管理之基金與本集團資產分開持有。本集團之僱主供款於支付予強積金計劃後即全數歸屬予僱員。

本集團中國大陸營運附屬公司之僱員須參與當地市政府運行之中央退休金計劃。此等附屬公司須按其薪酬成本之若干指定百分比向該中央退休金計劃供款。有關供款於根據該中央退休金計劃應支付時在損益內扣除。

借款成本

直接涉及收購、興建或生產合資格資產(即需要一段較長時間準備始能作所擬定用途之資產)之借款成本，乃撥充資本，作為該等資產之成本一部分。當資產大致可作其擬定用途或銷售時，則不再將有關借款成本撥充資本。以待作合資格資產支銷之特定借款作為臨時投資所賺取之投資收入，於撥作資本之借款成本中扣除。所有其它借款成本均於產生期間支銷。借款成本包括實體就借入資金產生之利息及其它成本。

股息

末期股息於股東大會上獲股東批准及宣派時確認為負債。擬派末期股息於財務報表附註內披露。

由於本公司之組織章程大綱及細則賦予董事宣派中期股息之權力，故中期股息乃同時建議及宣派。因此，中期股息在建議及宣派時即時確認為負債。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies

These financial statements are presented in HK\$, which is different from the Company's functional currency, Renminbi ("RMB"). As the shares of the Company are listed on the Stock Exchange, for the convenience of users of the financial statements, the results and financial position of the Group are expressed in HK\$. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

2.4 主要會計政策概要 (續)

外幣

該等財務報表以港元(並非本公司之功能貨幣人民幣)呈報。由於本公司股份於聯交所上市,為方便財務報表使用者,本集團業績及財務狀況均以港元列值。本集團內之企業各自決定其功能貨幣,其財務報表項目均以所定功能貨幣計量。本集團內之企業之外幣交易初步按交易日有關功能貨幣之當時匯率換算入賬。以外幣計值之貨幣資產及負債,按有關功能貨幣於報告期末之匯率換算。結算或換算貨幣項目之差額於損益確認。

按歷史成本列賬以外幣計量之非貨幣項目,採用初步交易日之匯率換算。按公允價值列賬以外幣計量之非貨幣項目,採用計量公允價值之日之匯率換算。換算按公允價值計量之非貨幣項目之盈虧與該項目之公允價值變更之盈虧確認(即公允價值盈虧於其它全面收益確認或損益亦分別於其它全面收益或損益確認之項目之換算差額)一併處理。

為釐定有關預付代價於取消確認時的非貨幣資產或非貨幣負債的有關資產、開支或收入於初步確認時的匯率,初步交易日期為本集團初步確認因預付代價而產生的非貨幣資產或非貨幣負債之日期。倘有多筆預付款或預收款,本集團應就每筆預付代價付款或收款釐定交易日期。

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2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

The functional currencies of the Company and certain overseas subsidiaries are currencies other than the HK\$. As at the end of the reporting period, the assets and liabilities of these entities are translated into HK\$ at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into HK\$ at the weighted average exchange rates for the year.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

For the purpose of the consolidated statement of cash flows, the cash flows of the Company and overseas subsidiaries are translated into HK\$ at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of these entities which arise throughout the year are translated into HK\$ at the weighted average exchange rates for the year.

2.4 主要會計政策概要 (續)

外幣 (續)

本公司及若干海外附屬公司之功能貨幣為非港元貨幣。於報告期末，有關企業之資產及負債按報告期末當日匯率換算為港元，其損益表則按本年度之加權平均匯率換算為港元。

所產生匯兌差額於其它全面收益確認並累積計入匯兌波動儲備。出售海外業務時，該海外業務相關其它全面收益在損益確認。

收購海外業務產生的任何商譽以及因收購產生的資產和負債的賬面值的任何公允價值調整均視為海外業務的資產和負債，並按收盤匯率換算。

就綜合現金流量表而言，本公司及海外附屬公司之現金流量乃按現金流量日期之匯率換算為港元。此等實體於整年內之持續現金流量則按本年度之加權平均匯率換算為港元。

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of the cash-generating units to which the goodwill is allocated. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 March 2021 was HK\$103,269,153 (2020: HK\$95,014,628). Further details are given in note 16 to the financial statements.

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period. Indefinite life intangible assets are tested for impairment annually and at other times when such an indicator exists. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value-in-use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value-in-use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit using key assumptions such as forecasted growth rates and budgeted gross margins and choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amounts of non-financial assets other than goodwill are given in notes 14, 15 and 17 to the financial statements.

3. 主要會計判斷及估計

本集團財務報表之編製須管理層作出會影響收入、開支、資產及負債之列報數額及其隨附披露，以及或然負債之披露之判斷、估計及假設。該等假設及估計的不確定因素或會導致日後須就受影響之資產或負債賬面值作出重大調整。

估計不確定因素

於報告期末具有重大風險導致資產及負債賬面值於下個財政年度須作出重大調整之未來相關重要假設及估計不確定因素之其它主要來源論述如下。

商譽減值

本集團至少於每個年度評估商譽是否發生減值。這要求對被分配商譽的現金產生單位的使用價值進行估計。估計使用價值時，本集團需要估計來自現金產生單位的預期未來現金流量，同時選擇恰當的貼現率計算該等現金流量的現值。商譽於2021年3月31日的賬面值為103,269,153港元（2020年：95,014,628港元）。進一步詳細請參閱財務報表附註16。

非金融資產減值（商譽除外）

本集團評估於各報告期末是否有任何跡象顯示所有非金融資產減值。無限年期的無形資產須每年及於出現有關跡象的其它時間作減值測試。其它非金融資產於有跡象顯示賬面值可能無法收回時作減值測試。當資產或現金產生單位的賬面值高於其可收回金額（即其公允價值減出售成本與其使用價值間的較高者）時，即出現減值。公允價值減出售成本的計算乃基於類似資產的公平交易中具有約束力的出售交易的可得數據或可觀察市價減出售資產的遞增成本。於計算使用價值時，管理層必須使用主要假設（如預測增長率及預算毛利率）估計資產或現金產生單位的預期未來現金流量及選擇適當的貼現率，以計算該等現金流量的現值。非金融資產（商譽除外）之賬面值載於財務報表附註14、15及17。

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Provision for expected credit losses on trade and other receivables

The measurement of expected credit losses under HKFRS 9 on trade and other receivables requires judgement, in particular, the estimation of the amount and timing of future cash flows when determining impairment losses, and the assessment of a significant increase in credit risk for other receivables. These estimates are affected by a number of factors, changes in which can result in different allowance amounts.

The Group's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The significant estimates involved in the determination of the inputs applied in the ECL models include: the Group's internal credit grading, which assigns probabilities of default to the individual grades; the segmentation of trade receivables based on risk characteristics of the customers; development of ECL models, including the various formulas and the choice of inputs over determination of loss given default of the credit exposures; determination of associations between macroeconomic scenarios and economic inputs, and the effect on probabilities of default, exposures at default and losses given default; and selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models. It has been the Group's policy to regularly review its models in the context of actual loss experience and adjust when necessary. For further details of ECL provision for trade and other receivables, please refer to notes 20 and 21 to the financial statements.

4. OPERATING SEGMENT INFORMATION

Information reported to the managing director of the Company, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and assessment of segment performance, focuses on the types of goods or services delivered, being the Chinese medicine business, medical and healthcare services and pharmaceuticals and medical technologies business. The CODM monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. In addition, the CODM monitors the Group's assets and liabilities as a whole, and accordingly, no segment assets and liabilities are presented.

Segment performance is evaluated based on segment profit or loss, which is a measure of adjusted loss/profit before tax. The adjusted profit/loss before tax is measured consistently with the Group's loss/profit before tax except that the allocation of central administration costs, certain other income, gains and losses are excluded from such measurement.

3. 主要會計判斷及估計 (續)

應收賬款及其它應收款的預期信貸虧損撥備

香港財務報告準則第9號項下就應收賬款及其它應收款預期信貸虧損計量均要求作出判斷，特別是，於釐定減值虧損及評估其它應收款信貸風險的顯著上升時須估計未來現金流量的數額及時間。該等估計受多項因素影響，而其變動可導致不同撥備金額。

本集團的預期信貸虧損計量為複雜模型的輸出結果，並且連同多項有關不同輸入值選擇及該等相互依賴性的相關假設。釐定預期信貸虧損模型中所應用的輸入資料所涉及的重大估計包括：本集團的內部信貸評級，其將違約機會率分配予個別等級；應收賬款依據客戶風險特性劃分；制定預期信貸虧損模型，包括釐定違約信貸風險虧損期間的不同算式及輸入資料選擇；釐定宏觀經濟情況與經濟輸入數據之間的聯繫性，以及違約可能性的影響、違約風險及違約虧損；及選出前瞻性宏觀經濟情況及彼等可能性比重，將經濟輸入數據引入預期信貸虧損模型當中。本集團的政策是根據實際虧損情況定期審閱其模型並在必要時進行調整。關於應收賬款及其它應收款預期信貸虧損撥備的進一步詳情，請參閱財務報表附註20及21。

4. 經營分部資料

本公司為分配資源及評估分部表現而向本公司董事總經理(即“主要營運決策者”)呈報之資料集中說明已交付之貨物或服務類別，即中醫藥業務、醫療和保健服務及藥物和醫療科技業務。主要營運決策者監察本集團各經營分部之業績以作出有關資源分配及表現評估之決定。此外，主要營運決策者監察本集團的整體資產及負債，因此並無呈列分部資產及負債。

分部表現乃根據分部溢利或虧損(即經調整除稅前虧損/溢利之計量)評估。經調整除稅前溢利/虧損按與本集團除稅前虧損/溢利一致之方式計量，但此計量乃未作中央行政成本、若干其它收入以及收益及虧損之分配。

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4. OPERATING SEGMENT INFORMATION (continued)

During the year, for the purpose of better resource allocation and assessment of segment performance, the management has redefined and renamed the segments as “Chinese medicine business”, “Medical and healthcare services” (collectively, formerly known as “Chinese medical business”) and “Pharmaceuticals and medical technologies business” (formerly known as “Pharmaceutical and biotechnology business”) to reflect the latest business development.

Comparative figures of the segment information have been reclassified to conform with the current period’s presentation.

4. 經營分部資料 (續)

於本年度，為更有效分配資源及評估分部表現，管理層把分部重新界定和命名為“中醫藥業務”、“醫療和保健服務”(先前統稱為“中醫業務”)及“藥物和醫療科技業務”(前稱“醫藥生物業務”)，以反映最新的業務發展。

分部資料的比較數字已被重新分類，以與本期間呈列一致。

2021		2021			
		Pharmaceuticals			Total
		Chinese medicine business	and medical technologies business	Medical and healthcare services	
		中醫藥業務	藥物和醫療科技業務	醫療和保健服務	總計
		HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元
Segment revenue:	分部收入：				
Sales to external customers	向外部客戶銷售	111,996,548	357,654,044	4,681,519	474,332,111
Intersegment sales	分部間銷售	618,297	402,664	–	1,020,961
		112,614,845	358,056,708	4,681,519	475,353,072
<i>Reconciliation:</i>	<i>對賬：</i>				
Elimination of intersegment sales	抵銷分部間銷售				(1,020,961)
Revenue	收入				474,332,111
Segment results	分部業績	(3,083,486)	(113,866)	(6,364,109)	(9,561,461)
<i>Reconciliation:</i>	<i>對賬：</i>				
Other income, gains and losses, net	其它收入、收益及虧損淨額				2,803,015
Corporate and other unallocated expenses	企業及其它未分配開支				(20,683,114)
Loss before tax	除稅前虧損				(27,441,560)

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4. OPERATING SEGMENT INFORMATION (continued)

4. 經營分部資料 (續)

2021 (continued)

2021 (續)

		Chinese medicine business 中醫藥 業務 HK\$ 港元	Pharmaceuticals and medical technologies business 藥物和 醫療 科技業務 HK\$ 港元	Medical and healthcare services 醫療和 保健服務 HK\$ 港元	Unallocated 未分配 HK\$ 港元	Total 總計 HK\$ 港元
Other segment information:	其它分部資料:					
Interest income	利息收入	17,540	631,158	8,884	2,576,737	3,234,319
Depreciation and amortisation	折舊及攤銷	861,769	13,686,381	1,315,255	4,754,460	20,617,865
Finance costs	融資成本	38,982	-	1,869	528,500	569,351
Capital expenditure*	資本開支*	57,239	146,271,020	120,079	17,191,837	163,640,175

* Capital expenditure consists of additions of property, plant and equipment, right-of-use assets and other intangible assets.

* 資本開支包括物業、廠房及設備、使用權資產以及其它無形資產之添置。

2020

2020

		Chinese medicine business 中醫藥 業務 HK\$ 港元	Pharmaceuticals and medical technologies business 藥物和醫療 科技業務 HK\$ 港元	Medical and healthcare services 醫療和 保健服務 HK\$ 港元	Total 總計 HK\$ 港元
Segment revenue:	分部收入:				
Sales to external customers	向外部客戶銷售	46,156,355	443,604,287	1,714,457	491,475,099
Intersegment sales	分部間銷售	48,502	565,553	-	614,055
		46,204,857	444,169,840	1,714,457	492,089,154
<i>Reconciliation:</i>	<i>對賬:</i>				
Elimination of intersegment sales	抵銷分部間銷售				(614,055)
Revenue	收入				491,475,099
Segment results	分部業績	(12,963,352)	53,399,686	(9,109,070)	31,327,264
<i>Reconciliation:</i>	<i>對賬:</i>				
Other income, gains and losses, net	其它收入、 收益及虧損淨額				3,841,658
Corporate and other unallocated expenses	企業及其它未 分配開支				(19,241,164)
Profit before tax	除稅前溢利				15,927,758

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Year ended 31 March 2021 截至2021年3月31日止年度

4. OPERATING SEGMENT INFORMATION (continued)

4. 經營分部資料 (續)

2020 (continued)

2020 (續)

	Chinese medicine business	Pharmaceuticals and medical technologies business	Medical and healthcare services	Unallocated	Total
	中醫藥業務	藥物和醫療科技業務	醫療和保健服務	未分配	總計
	HK\$	HK\$	HK\$	HK\$	HK\$
	港元	港元	港元	港元	港元
Other segment information:	其它分部資料:				
Interest income	20,965	1,817,992	12,923	3,440,587	5,292,467
Impairment of goodwill	2,881,666	-	-	-	2,881,666
Depreciation and amortisation	1,433,601	11,946,300	852,236	5,287,819	19,519,956
Finance costs	4,323	62,812	20,537	286,272	373,944
Capital expenditure*	689,868	98,827,401	2,828,723	-	102,345,992

* Capital expenditure consists of additions of property, plant and equipment, right-of-use assets and other intangible assets.

* 資本開支包括物業、廠房及設備、使用權資產以及其它無形資產之添置。

Geographical information

(a) Revenue from external customers

地域資料

(a) 來自外界客戶之收入

		2021	2020
		HK\$	HK\$
		港元	港元
Mainland China	中國大陸	472,388,176	489,405,438
Hong Kong	香港	1,569,619	1,404,880
Australia	澳大利亞	374,316	664,781
		474,332,111	491,475,099

The revenue information of operations above is based on the locations of the customers.

以上營運之收入資料以客戶所在地為基準。

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綜合財務報表附註

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4. OPERATING SEGMENT INFORMATION (continued)

Geographical information (continued)

(b) Non-current assets

		2021	2020
		HK\$	HK\$
		港元	港元
Mainland China	中國大陸	503,234,518	331,241,575
Hong Kong	香港	16,927,278	6,742,192
Australia	澳大利亞	16,394	14,231
		520,178,190	337,997,998

The non-current asset information of operations above is based on the locations of the assets and excludes equity investments designated at fair value through other comprehensive income.

Information about major customers

During the years ended 31 March 2021 and 2020, no revenue from any single customer accounted for 10% or more of the total revenue of the Group.

4. 經營分部資料 (續)

地域資料 (續)

(b) 非流動資產

以上營運之非流動資產資料以資產所在地為基準，且不包括指定為按公允價值計入其它全面收益之股本投資。

有關主要客戶之資料

截至2021年及2020年3月31日止年度，並無來自任何一名客戶的收入佔本集團收入10%或以上。

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5. REVENUE, OTHER INCOME, GAINS AND LOSSES, NET

An analysis of revenue is as follows:

		2021 HK\$ 港元	2020 HK\$ 港元
Revenue from contracts with customers	客戶合約收入		
Sale of pharmaceuticals, biotechnology and healthcare products	銷售醫藥、生物科技及保健產品	357,654,044	443,604,287
Sale of Chinese medicine products	銷售中醫藥產品	114,461,086	47,417,084
Provision of Chinese medical services	提供中醫服務	2,216,981	453,728
		474,332,111	491,475,099

5. 收入、其它收入、收益及虧損淨額

有關收入之分析如下：

Revenue from contracts with customers
(i) *Disaggregated revenue information*
For the year ended 31 March 2021

客戶合約收入
(i) *經分拆之收入資料*
截至2021年3月31日止年度

Segments	分部	Chinese medicine business 中醫藥業務 HK\$ 港元	Pharmaceuticals and medical technologies business 藥物和醫療科技業務 HK\$ 港元	Medical and healthcare services 醫療和保健服務 HK\$ 港元	Total 總計 HK\$ 港元
Types of goods or services	貨品或服務類別				
Sale of products	銷售貨品	111,996,548	357,654,044	2,464,538	472,115,130
Chinese medical services	中醫服務	-	-	2,216,981	2,216,981
Total revenue from contracts with customers	客戶合約收入總額	111,996,548	357,654,044	4,681,519	474,332,111
Geographical markets	地域市場				
Mainland China	中國大陸	111,996,548	356,814,612	3,577,016	472,388,176
Hong Kong	香港	-	503,348	1,066,271	1,569,619
Australia	澳大利亞	-	336,084	38,232	374,316
Total revenue from contracts with customers	客戶合約收入總額	111,996,548	357,654,044	4,681,519	474,332,111
Timing of revenue recognition	收入確認之時間性				
Goods transferred at a point in time	於某時點轉移之貨品	111,996,548	357,654,044	2,464,538	472,115,130
Services rendered over time	於一段時間提供之服務	-	-	2,216,981	2,216,981
Total revenue from contracts with customers	客戶合約收入總額	111,996,548	357,654,044	4,681,519	474,332,111

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5. REVENUE, OTHER INCOME, GAINS AND LOSSES, NET (continued)

Revenue from contracts with customers (continued)

(i) Disaggregated revenue information (continued)

For the year ended 31 March 2020

Segments	分部	Pharmaceuticals and medical technologies business 藥物和醫療科技業務			Medical and healthcare services 醫療和保健服務	Total 總計
		Chinese medicine business 中醫藥業務 HK\$ 港元	and medical technologies business 醫療科技業務 HK\$ 港元	Medical and healthcare services 醫療和保健服務 HK\$ 港元		
Types of goods or services	貨品或服務類別					
Sale of products	銷售貨品	46,156,355	443,604,287	1,260,729	491,021,371	
Chinese medical services	中醫服務	-	-	453,728	453,728	
Total revenue from contracts with customers	客戶合約收入總額	46,156,355	443,604,287	1,714,457	491,475,099	
Geographical markets	地域市場					
Mainland China	中國大陸	46,156,355	441,664,177	1,584,906	489,405,438	
Hong Kong	香港	-	1,275,329	129,551	1,404,880	
Australia	澳大利亞	-	664,781	-	664,781	
Total revenue from contracts with customers	客戶合約收入總額	46,156,355	443,604,287	1,714,457	491,475,099	
Timing of revenue recognition	收入確認之時間性					
Goods transferred at a point in time	於某時點轉移之貨品	46,156,355	443,604,287	1,260,729	491,021,371	
Services rendered over time	於一段時間提供之服務	-	-	453,728	453,728	
Total revenue from contracts with customers	客戶合約收入總額	46,156,355	443,604,287	1,714,457	491,475,099	

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period:

下表顯示於本報告期間確認而已計入報告期初之合約負債而已確認之收入金額：

		2021 HK\$ 港元	2020 HK\$ 港元
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:	已計入報告期初之合約負債之已確認收入：		
Sale of products and medical services	銷售貨品及醫療服務	6,311,847	12,824,486

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5. REVENUE, OTHER INCOME, GAINS AND LOSSES, NET (continued)

Revenue from contracts with customers (continued)

(ii) Performance obligations

Information about the Group's performance obligations is summarised below:

Sale of pharmaceuticals, biotechnology, healthcare and Chinese medicine products

The performance obligation is satisfied upon delivery of pharmaceuticals, biotechnology, healthcare and Chinese medicine products and payment is generally due within 60 to 180 days from delivery, except for new customers, where payment in advance is normally required.

Provision of Chinese medical services

The performance obligation is satisfied over time as services are rendered and payment is generally due upon customer acceptance.

An analysis of other income, gains and losses, net, is as follows:

5. 收入、其它收入、收益及虧損淨額 (續)

客戶合約收入 (續)

(ii) 履約責任

有關本集團履約責任之資料概述如下：

銷售醫藥、生物科技、保健及中醫藥產品

履約責任於交付醫藥、生物科技、保健及中醫藥產品時達成，貨款一般於交付日期起計60至180天內到期，惟新客戶一般須預付款項。

提供中醫服務

履約責任於提供服務時隨時間達成，款項一般於客戶接納時支付。

有關其它收入、收益及虧損淨額之分析如下：

		2021 HK\$ 港元	2020 HK\$ 港元
Other income	其它收入		
Bank interest income	銀行利息收入	3,234,319	5,292,467
Government subsidies*	政府資助*	3,153,831	356,761
Others	其它	444,898	328,539
		6,833,048	5,977,767
Gains and losses, net	收益及虧損淨額		
Fair value (losses)/gains, net:	公允價值(虧損)/收益淨額：		
Derivative instruments – transactions not qualifying as hedges	衍生工具 – 不符合對沖資格之交易	(85,782)	–
Structured deposits	結構性存款	1,260,982	3,444,666
Foreign exchange differences, net	外匯差額，淨額	(495,573)	362,352
Loss on disposal/write-off of property, plant and equipment	出售/撤銷物業、廠房及設備之虧損	(74,027)	(72,295)
Gain on termination of leases	租賃終止之收益	51,906	–
Impairment of goodwill	商譽減值	–	(2,881,666)
		7,490,554	6,830,824

* There are no unfulfilled conditions or contingencies relating to these grants.

* 並無有關此等補助之尚未達成條件或有事項。

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6. (LOSS)/PROFIT BEFORE TAX

The Group's (loss)/profit before tax is arrived at after charging/(crediting):

6. 除稅前(虧損)/溢利

本集團之除稅前(虧損)/溢利經扣除/(已計入):

	Notes 附註	2021 HK\$ 港元	2020 HK\$ 港元
Cost of inventories sold	已售存貨之成本	215,344,576	130,461,240
Depreciation of property, plant and equipment	物業、廠房及設備折舊	14 8,971,827	9,030,568
Depreciation of right-of-use assets	使用權資產折舊	15 5,756,557	6,047,220
Amortisation of other intangible assets	其它無形資產攤銷	17 5,889,481	4,442,168
Research and development costs	研發成本	11,825,920	1,503,925
Impairment of goodwill	商譽減值	16 -	2,881,666
Lease payments not included in the measurement of lease liabilities	並不包括在租賃負債計量之 租賃付款	15 1,197,831	1,094,876
Auditors' remuneration	核數師酬金	1,505,000	1,500,000
Employee benefit expenses (including directors' and chief executive's remuneration (note 8)):	僱員福利開支(包括 董事及主要行政人員 酬金(附註8)):		
Wages and salaries	工資及薪酬	61,058,347	54,850,419
Pension scheme contributions	退休金計劃供款	3,508,660	5,225,226
		64,567,007	60,075,645
Foreign exchange differences, net	匯兌差異淨額	495,573	(362,352)
Impairment of financial assets, net: (Reversal of impairment)/ impairment of trade and bills receivables, net	金融資產減值淨額: 應收賬款及應收票據 (撥回減值)/減值, 淨額	20 (48,359)	163,318
Impairment/(reversal of impairment) of financial assets included in prepayments, deposits and other receivables, net	計入預付款項、 按金及其它應收款之 金融資產減值/ (撥回減值), 淨額	21 19,429	(25,302)
		(28,930)	138,016
Fair value (gains)/losses, net:	公允價值(收益)/虧損, 淨額:		
Derivative instruments – transactions not qualifying as hedges	衍生工具 – 不符合 對沖資格之交易	85,782	-
Structured deposits	結構性存款	(1,260,982)	(3,444,666)

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7. FINANCE COSTS

An analysis of finance costs is as follows:

		2021 HK\$ 港元	2020 HK\$ 港元
Interest on bank loans	銀行貸款之利息	3,298,019	241,216
Interest on lease liabilities	租賃負債之利息	569,351	311,132
Total interest expense	利息開支總額	3,867,370	552,348
Less: Interest capitalised	減：已資本化之利息	(3,298,019)	(178,404)
		569,351	373,944

7. 融資成本

融資成本之分析如下：

8. CHIEF EXECUTIVE'S AND DIRECTORS' REMUNERATION

Chief executive's and directors' remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

		2021 HK\$ 港元	2020 HK\$ 港元
Fees	袍金	492,000	492,000

8. 主要行政人員及董事酬金

根據上市規則、香港公司條例第383(1)(a)、(b)、(c)及(f)條以及公司(披露董事利益資料)規例第2部披露本年度之主要行政人員及董事酬金如下：

(a) Independent Non-executive Directors

The fees paid to Independent Non-executive Directors during the year were as follows:

		2021 HK\$ 港元	2020 HK\$ 港元
Mr. Lam Yat Fai	林日輝先生	72,000	72,000
Mr. Chiu Sung Hong	趙崇康先生	72,000	72,000
Mr. Chiu Fan Wa	趙帆華先生	72,000	72,000
		216,000	216,000

(a) 獨立非執行董事

年內已付予獨立非執行董事之袍金如下：

There were no other emoluments payable to the Independent Non-executive Directors during the year (2020: Nil).

年內並無應付予獨立非執行董事之其它酬金(2020年：無)。

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8. CHIEF EXECUTIVE'S AND DIRECTORS' REMUNERATION (continued)

(b) The chief executive, an Executive Director and Non-executive Directors

		Fees 袍金	
		2021 HK\$ 港元	2020 HK\$ 港元
Chief executive: Mr. Fang Wen Quan	主要行政人員： 方文權先生	60,000	60,000
Executive Director: Mr. Lui Man Sang	執行董事： 呂文生先生	72,000	72,000
Non-executive Directors: Mr. Shen Bo	非執行董事： 沈波先生	72,000	72,000
Mr. Feng Quanming	馮全明先生	–	–
Dr. Lam Lee G.	林家禮博士	72,000	72,000
		144,000	144,000
Total directors' remuneration	董事酬金總額	276,000	276,000

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

年內並無董事或主要行政人員放棄或同意放棄任何酬金之安排。

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year did not include any director (2020: Nil), details of whose remuneration are set out in note 8 above. Details of the remuneration for the year of the five (2020: five) highest paid employees who are neither a director nor chief executive of the Company are as follows:

9. 五名最高薪酬僱員

年內五名最高薪酬僱員不包括任何董事(2020年：無)，其酬金詳列於上文附註8。年內五名(2020年：五名)並非本公司董事或主要行政人員之最高薪酬僱員之酬金詳情如下：

		2021 HK\$ 港元	2020 HK\$ 港元
Salaries, allowances and benefits in kind	薪酬、津貼及實物利益	5,107,072	3,480,844
Performance related bonuses	績效花紅	96,987	201,049
Pension scheme contributions	退休金計劃供款	72,000	79,500
		5,276,059	3,761,393

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9. FIVE HIGHEST PAID EMPLOYEES (continued)

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

		Number of employees 僱員人數	
		2021	2020
Nil to HK\$1,000,000	無至1,000,000港元	4	5
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	1	–
		5	5

10. INCOME TAX

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the year (2020: Nil). Tax on profits assessable in Mainland China has been calculated at the applicable Mainland China corporate income tax (“CIT”) rate of 25% (2020: 25%), except for Tianda Pharmaceuticals (Zhuhai) Ltd. (“Tianda Pharmaceuticals (Zhuhai)”), which is the subsidiary of the Group. Pursuant to the relevant laws and regulations in the PRC, Tianda Pharmaceuticals (Zhuhai) is qualified as an advanced technology enterprise and has obtained approvals from the relevant tax authorities for a preferential tax rate of 15% for a period of 3 years up to December 2022. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

9. 五名最高薪酬僱員 (續)

酬金屬於以下組別而並非董事及並非主要行政人員之最高薪酬僱員之人數如下：

10. 所得稅

由於本集團在年內並無在香港產生任何應課稅溢利，故並無作出香港利得稅撥備(2020年：無)。除本集團附屬公司天大藥業(珠海)有限公司(“天大藥業(珠海)”)外，於中國大陸就應課稅溢利徵收之稅項，乃按照適用中國大陸企業所得稅(“企業所得稅”)稅率25%(2020年：25%)計算。根據中國之相關法律及法規，天大藥業(珠海)符合高新技術企業資格，獲得相關稅務機關批准按優惠稅率15%繳稅，為期三年，直至2022年12月為止。其它地區的應課稅溢利之稅項已按本集團經營所在司法權區之當前稅率計算。

		2021 HK\$ 港元	2020 HK\$ 港元
Current – Mainland China	即期－中國大陸		
Charge for the year	本年度支出	2,050,463	6,369,450
(Overprovision)/under provision in prior years	以往年度(超額撥備)/ 撥備不足	(1,739,182)	1,337,517
Withholding tax	預扣稅		
Charge for the year	本年度支出	424,250	–
Overprovision in prior years	以往年度超額撥備	–	(1,611,205)
Deferred tax (note 27)	遞延稅項(附註27)	(2,259,285)	1,031,790
Total tax (credit)/charge for the year	本年度稅項(抵免)/ 支出總額	(1,523,754)	7,127,552

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10. INCOME TAX (continued)

A reconciliation of the tax expense applicable to (loss)/profit before tax at the statutory rates for the jurisdictions in which the majority of its subsidiaries are domiciled to the tax expense at the effective tax rates, and a reconciliation of the applicable rates (i.e., the statutory tax rates) to the effective tax rates, are as follows:

		2021		2020	
		HK\$ 港元	%	HK\$ 港元	%
(Loss)/profit before tax	除稅前(虧損)/溢利	(27,441,560)		15,927,758	
Tax at the statutory tax rate	按法定稅率計算之稅項	(6,860,390)	25.0	3,981,939	25.0
Lower tax rate(s) enacted by local authority	地方機關頒佈之較低稅率	1,173,181	(4.3)	(2,944,993)	(18.5)
Effect of withholding tax on the distributable profits of the Group's PRC subsidiaries	按本集團中國附屬公司可分派溢利計算之預扣稅之影響	71,558	(0.3)	(1,505,429)	(9.5)
Income not subject to tax	毋須課稅之收入	(1,533,164)	5.6	(1,015,696)	(6.4)
Expenses not deductible for tax	不可扣稅之支出	1,495,823	(5.4)	3,095,725	19.4
Tax losses utilised from previous periods	過往期間動用之稅項虧損	(157,166)	0.6	-	-
Tax losses not recognised	未確認之稅項虧損	6,025,586	(22.0)	4,178,489	26.2
Adjustments in respect of current tax of previous period	就往期稅項於即期作出調整	(1,739,182)	6.3	1,337,517	8.5
Tax (credit)/charge at the Group's effective rate	按本集團之有效稅率計算之稅項(抵免)/支出	(1,523,754)	5.5	7,127,552	44.7

10. 所得稅(續)

以下為除稅前(虧損)/溢利之稅項支出(採用其大部份附屬公司業務所在司法權區之法定稅率計算)與按有效稅率計算之稅項支出之對賬,以及適用稅率(即法定稅率)與有效稅率之對賬:

11. ASSETS OF A DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE AND LIABILITIES DIRECTLY ASSOCIATED WITH THE ASSETS CLASSIFIED AS HELD FOR SALE

On 22 February 2019, the Company announced the decision of its board of directors to dispose of Zhuhai Tianda Realty Limited ("Zhuhai Realty"). Zhuhai Realty engages in property holding. The Group has decided to dispose of the property because it will no longer have any operation in Zhuhai Realty after the relocation of its existing research and development ("R&D") and production base to a new R&D and production base in Jinwan District, Zhuhai, the PRC.

11. 分類為持作出售之出售組別之資產及與分類為持作出售之資產直接有關之負債

於2019年2月22日,本公司宣佈,其董事會決定出售珠海天大置業有限公司("珠海置業")。珠海置業從事物業控股。本集團已決定出售物業,因為其目前的研發及製藥基地遷往位於中國珠海金灣區的新研發及製藥基地後,珠海置業將不再有任何營運。

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11. ASSETS OF A DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE AND LIABILITIES DIRECTLY ASSOCIATED WITH THE ASSETS CLASSIFIED AS HELD FOR SALE (continued)

On 22 February 2019, Tianda Pharmaceuticals (Hong Kong) Limited, a wholly-owned subsidiary of the Company signed the conditional disposal right agreement with Tianda Group Limited, a company incorporated in Hong Kong and being the ultimate holding company of the Company. The triggering conditions included (i) the Group proposed to relocate to new R&D and production base; (ii) all approvals and permits from the government authorities and consent from third parties, if any, were obtained; and (iii) the Group has removed its production lines from the existing R&D and production base. In the preparation of the Group's consolidated financial statements for the year ended 31 March 2019, directors determined that the sale was highly probable and Zhuhai Realty was available for immediate sale. Based on the facts and circumstances as at 31 March 2019, directors expected the new R&D and production base to be completed by the end of 2019. Consequently, Zhuhai Realty had been classified as a disposal group held for sale and presented separately in the consolidated statement of financial position as at 31 March 2019. Details are disclosed in the Company's announcement dated 22 February 2019 and circular dated 12 April 2019.

As at 31 March 2020, the construction of the new R&D and production base had not yet been completed due to delay in construction and the outbreak of novel coronavirus ("COVID-19") since December 2019. As at 31 March 2021 and up to the date of approval of these financial statements, the construction of the aforesaid R&D and production base has been completed, and the Group is applying for the required approvals and permits from the government authorities in order to complete the disposal. The directors expect the disposal of Zhuhai Realty will be completed by the end of 2021. As at 31 March 2021, the net asset value of Zhuhai Realty included in the consolidated financial statements amounted to HK\$133,010,581, of which directors were confident that the recoverable amount of Zhuhai Realty would not be less than its carrying value.

11. 分類為持作出售之出售組別之資產及與分類為持作出售之資產直接有關之負債(續)

於2019年2月22日，本公司全資附屬公司天大藥業(香港)有限公司與天大集團有限公司(於香港註冊成立的公司，為本公司最終控股公司)簽署有條件出售權協議。觸發條件包括：(i)本集團建議搬遷至新研發及製藥基地；(ii)已獲得政府當局的所有批准及許可以及第三方的同意(如有)；及(iii)本集團已從現有研發及製藥基地遷移其生產線。在編製本集團截至2019年3月31日止年度的綜合財務報表時，董事釐定出售事項為極有可能，珠海置業可供立即出售。根據於2019年3月31日的事實及情況，董事預期新研發及製藥基地將於2019年底前完成。因此，珠海置業已分類為持作出售的出售組別，並於2019年3月31日在綜合財務狀況表中單獨呈列。詳情已於本公司日期為2019年2月22日的公告及日期為2019年4月12日的通函中披露。

於2020年3月31日，由於工期延誤以及2019年12月以來爆發新型冠狀病毒("2019冠狀病毒病")疫情，新研發及製藥基地的建設尚未完成。於2021年3月31日直至本財務報表獲批准日期，上述研發及製藥基地的建設已竣工，而本集團正向政府機關申請所需批文及許可，以完成出售事項。董事預期珠海置業出售事項將於2021年底前完成。於2021年3月31日，珠海置業納入綜合財務報表的資產淨值為133,010,581港元，其中，董事有信心珠海置業的可收回金額不會低於其賬面值。

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11. ASSETS OF A DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE AND LIABILITIES DIRECTLY ASSOCIATED WITH THE ASSETS CLASSIFIED AS HELD FOR SALE (continued)

The major classes of assets and liabilities of Zhuhai Realty classified as held for sale as at 31 March 2021 are as follows:

11. 分類為持作出售之出售組別之資產及與分類為持作出售之資產直接有關之負債 (續)

於2021年3月31日分類為持作出售之珠海置業之主要資產及負債類別如下：

		2021 HK\$ 港元	2020 HK\$ 港元
Assets	資產		
Property, plant and equipment	物業、廠房及設備	67,216,825	62,042,821
Right-of-use assets	使用權資產	67,294,572	62,114,580
Cash and short term deposits	現金及短期存款	13,262,764	9,944,291
Assets classified as held for sale	分類為持作出售之資產	147,774,161	134,101,692
Liabilities	負債		
Accruals	應計款項	(292,699)	(235,279)
Deferred tax liabilities	遞延稅項負債	(14,470,881)	(13,356,987)
Liabilities directly associated with the assets classified as held for sale	與分類為持作出售之資產直接有關之負債	(14,763,580)	(13,592,266)
Net assets directly associated with the disposal group	與出售組別直接有關之資產淨值	133,010,581	120,509,426

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12. DIVIDENDS

		2021 HK\$ 港元	2020 HK\$ 港元
Final – HK0.26 cent per share for 2021 (HK0.13 cent per share for 2020)	末期股息 – 2021年每股0.26 港仙 (2020年每股0.13港仙)	5,590,109	2,795,054

A final dividend of HK0.26 cent per share amounting to HK\$5,590,109 in respect of the year ended 31 March 2021 (2020: HK0.13 cent per share amounting to HK\$2,795,054) has been proposed by the directors and is subject to approval by the shareholders at the forthcoming annual general meeting.

12. 股息

董事建議就截至2021年3月31日止年度派付末期股息每股0.26港仙，合共5,590,109港元 (2020年：每股0.13港仙，合共2,795,054港元)，須待股東於應屆股東週年大會上批准後，方始作實。

13. (LOSS)/EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic (loss)/earnings per share amount is based on the (loss)/profit for the year attributable to owners of the parent, and the weighted average number of ordinary shares of 2,150,041,884 (2020: 2,150,041,884) in issue during the year.

13. 母公司普通權益持有人應佔每股(虧損)/盈利

每股基本(虧損)/盈利金額按母公司股東應佔年度(虧損)/溢利及年內已發行普通股加權平均數2,150,041,884股 (2020年：2,150,041,884股) 計算。

		2021 HK\$ 港元	2020 HK\$ 港元
(Loss)/profit attributable to owners of the parent, used in basic (loss)/earnings per share calculation	用於計算每股基本(虧損)/ 盈利之母公司股東應佔 (虧損)/溢利	(27,142,070)	3,142,995

		Number of shares 股份數目	
		2021	2020
Weighted average number of ordinary shares in issue during the year for the purposes of basic (loss)/earnings per share calculation	用於計算每股基本(虧損)/ 盈利之年內已發行普通股 加權平均數	2,150,041,884	2,150,041,884

The Group had no potentially dilutive ordinary shares in issue during the years ended 31 March 2021 and 2020.

本集團於截至2021年及2020年3月31日止年度並無具潛在攤薄效應之已發行普通股。

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14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

		Buildings	Leasehold improvements	Plant and machinery	Furniture, fixtures and equipment	Motor vehicles	Construction in progress	Total
		樓宇	租賃物業裝修	廠房及機器	傢俱、裝置及設備	汽車	在建工程	總額
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元	港元
At 1 April 2019, net of accumulated depreciation	於2019年4月1日，扣除累計折舊	20,234,815	1,150,021	29,402,620	8,765,380	2,254,899	33,753,180	95,560,915
Additions	添置	-	744,337	419,044	3,478,818	-	87,505,119	92,147,318
Depreciation provided during the year	年內折舊撥備	(525,554)	(815,490)	(4,682,306)	(2,507,273)	(499,945)	-	(9,030,568)
Disposals/write-off	出售/撇銷	-	-	(54,146)	(20,757)	-	-	(74,903)
Transfer	轉移	-	-	283,280	-	-	(283,280)	-
Exchange realignment	匯兌調整	(1,271,838)	(19,025)	(1,740,936)	(564,468)	(94,151)	(5,007,766)	(8,698,184)
At 31 March 2020 and 1 April 2020, net of accumulated depreciation	於2020年3月31日及2020年4月1日，扣除累計折舊	18,437,423	1,059,843	23,627,556	9,151,700	1,660,803	115,967,253	169,904,578
Additions	添置	818,328	46,200	6,236,629	440,042	-	138,142,004	145,683,203
Depreciation provided during the year	年內折舊撥備	(612,085)	(294,903)	(5,027,977)	(2,661,389)	(375,473)	-	(8,971,827)
Disposals/write-off	出售/撇銷	-	-	(62,986)	(14,428)	-	-	(77,414)
Transfer	轉移	191,486	-	350,539	-	-	(542,025)	-
Exchange realignment	匯兌調整	1,548,601	-	2,011,887	671,170	93,480	13,486,376	17,811,514
At 31 March 2021	於2021年3月31日	20,383,753	811,140	27,135,648	7,587,095	1,378,810	267,053,608	324,350,054

		Buildings	Leasehold improvements	Plant and machinery	Furniture, fixtures and equipment	Motor vehicles	Construction in progress	Total
		樓宇	租賃物業裝修	廠房及機器	傢俱、裝置及設備	汽車	在建工程	總額
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元	港元
At 31 March 2020:	於2020年3月31日：							
Cost	成本	28,741,641	3,713,736	48,096,648	20,387,350	7,021,789	115,967,253	223,928,417
Accumulated depreciation	累計折舊	(10,304,218)	(2,653,893)	(24,469,092)	(11,235,650)	(5,360,986)	-	(54,023,839)
Net carrying amount	賬面淨值	18,437,423	1,059,843	23,627,556	9,151,700	1,660,803	115,967,253	169,904,578
At 31 March 2021:	於2021年3月31日：							
Cost	成本	32,176,338	3,880,917	58,223,063	22,262,473	7,483,838	267,053,608	391,080,237
Accumulated depreciation	累計折舊	(11,792,585)	(3,069,777)	(31,087,415)	(14,675,378)	(6,105,028)	-	(66,730,183)
Net carrying amount	賬面淨值	20,383,753	811,140	27,135,648	7,587,095	1,378,810	267,053,608	324,350,054

At 31 March 2021, certain of the Group's property, plant and equipment with a net carrying amount of approximately HK\$266,883,438 (2020: HK\$115,709,641) were pledged to secure general banking facilities granted to the Group (note 26).

於2021年3月31日，本集團賬面淨值約為266,883,438港元（2020年：115,709,641港元）的若干物業、廠房及設備已抵押作為授予本集團的一般銀行融資的擔保（附註26）。

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15. LEASES

The Group as a lessee

The Group has lease contracts for leasehold land, clinics, offices and warehouses used in its operations. Lump sum payments were made upfront to acquire the leasehold land from the owners with lease periods of 30 to 50 years, and no ongoing payments will be made under the terms of these land leases. Leases of clinics, offices and warehouses generally have lease terms between 2 and 5 years.

(a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the year are as follows:

		Leasehold land 租賃土地 HK\$ 港元	Clinics, offices and warehouses 診所、辦公室 及倉庫 HK\$ 港元	Total 總計 HK\$ 港元
As at 1 April 2019	於2019年4月1日	39,111,666	8,951,530	48,063,196
Additions	添置	–	1,144,752	1,144,752
Depreciation charge	折舊開支	(835,587)	(5,211,633)	(6,047,220)
Exchange realignment	匯兌調整	(2,464,238)	(7,148)	(2,471,386)
As at 31 March 2020 and 1 April 2020	於2020年3月31日及 2020年4月1日	35,811,841	4,877,501	40,689,342
Additions	添置	–	17,191,177	17,191,177
Termination of leases	租賃終止	–	(1,663,105)	(1,663,105)
Depreciation charge	折舊開支	(851,988)	(4,904,569)	(5,756,557)
Exchange realignment	匯兌調整	2,962,871	4,868	2,967,739
As at 31 March 2021	於2021年3月31日	37,922,724	15,505,872	53,428,596

At 31 March 2021, certain of the Group's right-of-use assets with a net carrying amount of approximately HK\$34,943,357 (2020: HK\$32,976,453) were pledged to secure general banking facilities granted to the Group (note 26).

15. 租賃

本集團作為承租人

本集團就其營運所用的租賃土地、診所、辦公室及倉庫訂有租賃合約。根據該等土地租賃的條款，已於向業主取得租賃土地時提前作出一次性付款，租期為30至50年，其後不會繼續支付任何款項。診所、辦公室及倉庫的租期通常為2至5年。

(a) 使用權資產

本集團使用權資產之賬面值及年內變動如下：

於2021年3月31日，本集團賬面淨值約為34,943,357港元（2020年：32,976,453港元）的若干使用權資產已抵押作為授予本集團的一般銀行融資的擔保（附註26）。

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15. LEASES (continued)

The Group as a lessee (continued)

(b) Lease liabilities

The carrying amount of lease liabilities and the movements during the year are as follows:

		2021 HK\$ 港元	2020 HK\$ 港元
Carrying amount at 1 April	於4月1日的賬面值	5,016,744	8,951,530
New leases	新租賃	17,191,177	1,144,752
Termination of leases	租賃終止	(1,715,011)	–
Accretion of interest recognised during the year	年內確認的利息增加	569,351	311,132
Payments	付款	(5,233,583)	(5,384,245)
Exchange realignment	匯兌調整	3,045	(6,425)
Carrying amount at 31 March	於3月31日的賬面值	15,831,723	5,016,744
Analysed into:	分析：		
Current portion	流動部份	4,177,767	4,331,556
Non-current portion	非流動部份	11,653,956	685,188
		15,831,723	5,016,744

The maturity analysis of lease liabilities is disclosed in note 36 to the financial statements.

(c) The amounts recognised in profit or loss in relation to leases are as follows:

		2021 HK\$ 港元	2020 HK\$ 港元
Interest on lease liabilities	租賃負債利息	569,351	311,132
Depreciation charge of right-of-use assets	使用權資產折舊開支	5,756,557	6,047,220
Expenses relating to short-term leases and other leases with remaining lease terms ended on or before 31 March 2020	與短期租賃及剩餘租期於2020年3月31日或之前結束之其它租賃相關的開支	1,197,831	1,094,876
Total amount recognised in profit or loss	損益中確認款項總額	7,523,739	7,453,228

(d) The total cash outflow for leases is disclosed in note 31 to the financial statements.

15. 租賃 (續)

本集團作為承租人 (續)

(b) 租賃負債

租賃負債之賬面值及年內變動如下：

租賃負債之到期分析於財務報表附註36中披露。

(c) 損益中確認的租賃相關款項如下：

(d) 租賃的現金流出總額於財務報表附註31披露。

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16. GOODWILL

16. 商譽

		HK\$ 港元
31 March 2021	2021年3月31日	
Cost at 1 April 2020, net of accumulated impairment	於2020年4月1日之成本值， 扣除累計減值	95,014,628
Exchange realignment	匯兌調整	8,254,525
Net carrying amount at 31 March 2021	於2021年3月31日之賬面淨值	103,269,153
At 31 March 2021:	於2021年3月31日：	
Cost	成本值	106,391,134
Accumulated impairment	累計減值	(3,121,981)
Net carrying amount	賬面淨值	103,269,153
31 March 2020	2020年3月31日	
Cost at 1 April 2019, net of accumulated impairment	於2019年4月1日之成本值， 扣除累計減值	104,827,352
Impairment during the year	年內減值	(2,881,666)
Exchange realignment	匯兌調整	(6,931,058)
Net carrying amount at 31 March 2020	於2020年3月31日之賬面淨值	95,014,628
At 31 March 2020:	於2020年3月31日：	
Cost	成本值	100,038,005
Accumulated impairment	累計減值	(5,023,377)
Net carrying amount	賬面淨值	95,014,628

Impairment testing of goodwill

Goodwill acquired through business combinations is allocated to the following cash-generating units for impairment testing:

- Pharmaceutical products cash-generating unit for Meng Sheng Pharmaceutical
- Chinese medicine products cash-generating unit for Tianda Chinese Medicine (China) Ltd. ("TCM (China)")
- Chinese medicine products cash-generating unit for Zhuhai Tianda Processed Chinese Herbal Medicine Ltd. ("Zhuhai TPCHM")
- Pharmaceutical products cash-generating unit for Tianda Pharmaceuticals (Zhuhai)

During the year ended 31 March 2020, the recoverable amounts of the cash-generating units for Zhuhai TPCHM and TCM (China) were HK\$2,414,661 and HK\$3,140,687, respectively. Full impairment of HK\$1,254,763 and impairment of HK\$1,626,903 were made for the goodwill attributable to the cash-generating units for Zhuhai TPCHM and TCM (China), which are included in the segment of the Chinese medicine business (formerly known as Chinese medial business), as a result of postponement in launching new products during that year.

商譽減值測試

透過業務合併收購之商譽乃分配至下列現金產生單位作減值測試：

- 盟生藥業之醫藥產品現金產生單位
- 天大中醫藥(中國)有限公司("天大中醫藥(中國)")之中醫藥產品現金產生單位
- 珠海天大中醫藥有限公司("珠海天大中醫藥")之中醫藥產品現金產生單位
- 天大藥業(珠海)之醫藥產品現金產生單位

截至2020年3月31日止年度，珠海天大中醫藥及天大中醫藥(中國)的現金產生單位可收回金額分別為2,414,661港元及3,140,687港元。由於該年度延遲推出新產品，珠海天大中醫藥及天大中醫藥(中國)的現金產生單位應佔商譽分別被全額減值1,254,763港元及減值1,626,903港元，並計入中醫藥業務(前稱中醫業務)分部。

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16. GOODWILL (continued)

Impairment testing of goodwill (continued)

The recoverable amounts of the pharmaceutical products cash-generating units have been determined based on a value-in-use calculation using cash flow projections on financial budgets covering a five-year period approved by senior management. The growth rate used to extrapolate the cash flows of the pharmaceutical products cash-generating units beyond the five-year period is the same as the long term average growth rate of the pharmaceutical industry.

		Meng Sheng Pharmaceutical 盟生藥業	TCM (China) 天大中醫藥 (中國)	Tianda Pharmaceuticals (Zhuhai) 天大藥業 (珠海)
31 March 2021	2021年3月31日			
Discount rate	貼現率	17.18%	15.80%	15.90%
Terminal growth rate	永久增長率	3%	3%	3%
31 March 2020	2020年3月31日			
Discount rate	貼現率	15.59%	16.35%	16.54%
Terminal growth rate	永久增長率	3%	3%	3%

Assumptions were used in the value-in-use calculation of the pharmaceuticals products cash-generating units as at 31 March 2021 and 31 March 2020. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill:

Forecasted growth rates – The forecasted growth rates are based on industry forecasts.

Budgeted gross margins – The basis used to determine the value assigned to the budgeted gross margins is with reference to the gross margins achieved in the year immediately before the budget year.

Discount rates – The discount rates used are before tax and reflect specific risks relating to the relevant units.

The values assigned to the key assumptions on market development of the pharmaceutical industry and discount rates are consistent with external information sources.

16. 商譽 (續)

商譽減值測試 (續)

醫藥產品現金產生單位可收回金額已基於使用價值計算而釐定，其採用經高級管理層批准涵蓋五年期之財務預算之現金流量預測。推算五年期間後之醫藥產品現金產生單位現金流量採用之增長率與醫藥行業的長期平均增長率相同。

假設乃用於計算2021年3月31日及2020年3月31日醫藥產品現金產生單位的使用價值。以下載列管理層用於現金流量預測進行商譽減值測試時的各關鍵假設：

預測增長率—基於行業預測的預測增長率。

預算毛利率—用以釐定預算毛利率價值的基準為參考緊接預算年度前一年所達致的毛利率。

貼現率—所用貼現率為除稅前，並反映與相關單位有關的特定風險。

用於釐定價值的醫藥產品市場發展及貼現率的主要假設與外部信息來源一致。

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16. GOODWILL (continued)

Impairment testing of goodwill (continued)

The carrying amount of goodwill allocated to each of the cash-generating units is as follows:

		Meng Sheng Pharmaceutical	TCM (China) 天大中醫藥 (中國)	Tianda Pharmaceuticals (Zhuhai) 天大藥業 (珠海)	Total
		盟生藥業 HK\$ 港元	天大中醫藥 (中國) HK\$ 港元	天大藥業 (珠海) HK\$ 港元	總額 HK\$ 港元
Carrying amount of goodwill as at 31 March 2021	於2021年3月31日 之商譽賬面值	6,245,409	1,479,209	95,544,535	103,269,153
Carrying amount of goodwill as at 31 March 2020	於2020年3月31日 之商譽賬面值	5,764,669	1,365,346	87,884,613	95,014,628

The effect of the reasonably possible change in key assumptions on the calculation of value-in-use of the cash-generating units, which would cause the carrying amounts to equal to the recoverable amounts, are disclosed below.

Meng Sheng Pharmaceutical

In the opinion of the Company's directors, a decrease in the average growth rate by 2 percentage points (2020: 4 percentage points) would cause the carrying amount of the CGU to equal to its recoverable amount, and any reasonably possible change in other key assumptions on which the recoverable amount is based would not cause the CGU's carrying amount to exceed its recoverable amount.

TCM (China)

In the opinion of the Company's directors, a decrease in the average growth rate by 13 percentage points (2020: Nil) would cause the carrying amount of the CGU to equal to its recoverable amount, and any reasonably possible change in other key assumptions on which the recoverable amount is based would not cause the CGU's carrying amount to exceed its recoverable amount.

16. 商譽 (續)

商譽減值測試 (續)

分配至各現金產生單位之商譽之賬面值如下：

下文披露主要假設的合理可能變化對現金產生單位使用價值計算的影響，有關影響可導致賬面金額超過下文披露的可收回金額。

盟生藥業

本公司董事認為，平均增長率下降2個百分點（2020年：4個百分點）將導致現金產生單位的賬面值相等於其可收回金額，而可收回金額所依據的其它主要假設的任何合理可能變動不會導致現金產生單位的賬面值超出其可收回金額。

天大中醫藥 (中國)

本公司董事認為，平均增長率下降13個百分點（2020年：無）將導致現金產生單位的賬面值相等於其可收回金額，而可收回金額所依據的其它主要假設的任何合理可能變動不會導致現金產生單位的賬面值超出其可收回金額。

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16. GOODWILL (continued)

Impairment testing of goodwill (continued) Tianda Pharmaceuticals (Zhuhai)

In the opinion of the Company's directors, a decrease in the average growth rate by 3 percentage points (2020: 7 percentage points) would cause the carrying amount of the CGU to equal to its recoverable amount, and any reasonably possible change in other key assumptions on which the recoverable amount is based would not cause the CGU's carrying amount to exceed its recoverable amount.

17. OTHER INTANGIBLE ASSETS

16. 商譽 (續)

商譽減值測試 (續) 天大藥業 (珠海)

本公司董事認為，平均增長率下降3個百分點(2020年：7個百分點)將導致現金產生單位的賬面值相等於其可收回金額，而可收回金額所依據的其它主要假設的任何合理可能變動不會導致現金產生單位的賬面值超出其可收回金額。

17. 其它無形資產

		Licences and permits 執照及許可證 HK\$ 港元	Development costs 開發成本 HK\$ 港元	Total 總額 HK\$ 港元
31 March 2021	2021年3月31日			
Cost at 1 April 2020, net of accumulated amortisation and impairment	於2020年4月1日之成本值，扣除累計攤銷及減值	22,374,851	8,131,706	30,506,557
Additions during the year	年內添置	–	765,795	765,795
Amortisation provided during the year	年內攤銷撥備	(4,555,488)	(1,333,993)	(5,889,481)
Exchange realignment	匯兌調整	1,739,615	662,382	2,401,997
At 31 March 2021	於2021年3月31日	19,558,978	8,225,890	27,784,868
At 31 March 2021:	於2021年3月31日：			
Cost	成本	96,096,615	9,596,872	105,693,487
Accumulated amortisation and impairment	累計攤銷及減值	(76,537,637)	(1,370,982)	(77,908,619)
Net carrying amount	賬面淨值	19,558,978	8,225,890	27,784,868
31 March 2020	2020年3月31日			
Cost at 1 April 2019, net of accumulated amortisation and impairment	於2019年4月1日之成本值，扣除累計攤銷及減值	28,486,293	–	28,486,293
Additions during the year	年內添置	–	8,407,138	8,407,138
Amortisation provided during the year	年內攤銷撥備	(4,442,168)	–	(4,442,168)
Exchange realignment	匯兌調整	(1,669,274)	(275,432)	(1,944,706)
At 31 March 2020	於2020年3月31日	22,374,851	8,131,706	30,506,557
At 31 March 2020:	於2020年3月31日：			
Cost	成本	88,885,470	8,131,706	97,017,176
Accumulated amortisation and impairment	累計攤銷及減值	(66,510,619)	–	(66,510,619)
Net carrying amount	賬面淨值	22,374,851	8,131,706	30,506,557

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18. EQUITY INVESTMENTS DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

18. 指定為按公允價值計入其它全面收益之股本投資

	2021 HK\$ 港元	2020 HK\$ 港元
Equity investments designated at fair value through other comprehensive income		
Listed equity investments, ASLAN American Depositary Shares, at fair value	6,872,385	-
Listed equity investments, ASLAN shares, at fair value	-	1,306,520
	6,872,385	1,306,520

The above equity investments were irrevocably designated at fair value through other comprehensive income as the Group considers these investments to be strategic in nature.

以上股本投資乃不可撤銷地指定為按公允價值計入其它全面收益，因為本集團認為此等投資屬策略性質。

19. INVENTORIES

19. 存貨

	2021 HK\$ 港元	2020 HK\$ 港元
Raw materials	19,966,387	16,600,227
Work in progress	13,648,990	6,931,245
Finished goods	30,777,575	24,842,652
	64,392,952	48,374,124

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20. TRADE AND BILLS RECEIVABLES

		2021	2020
		HK\$	HK\$
		港元	港元
Trade receivables	應收賬款	101,426,571	53,369,322
Impairment	減值	(119,680)	(168,039)
		101,306,891	53,201,283
Bills receivable	應收票據	43,902,074	38,164,180
		145,208,965	91,365,463

The Group's trading terms with its customers are mainly on credit, except for new customers where payment in advance is normally required. The credit periods range from 60 to 180 days. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade and bills receivables relate to a large number of customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade and bills receivables are non-interest-bearing.

An ageing analysis of the trade and bills receivables as at the end of each reporting period, based on the invoice date and net of loss allowance for impairment of trade receivables, is as follows:

		2021	2020
		HK\$	HK\$
		港元	港元
Within 2 months	2個月內	119,388,389	73,441,691
2 to 3 months	2至3個月	9,855,152	5,835,823
Over 3 months	3個月以上	15,965,424	12,087,949
		145,208,965	91,365,463

20. 應收賬款及應收票據

本集團與客戶之貿易方式主要以記賬為主，惟新客戶一般需要預先付款。信貸期通常為60至180天不等。本集團對未償還應收款項維持嚴格監控，並設有信貸監控部門將信貸風險減至最低。高級管理層定期審閱逾期結欠。鑑於上文所述情況及本集團之應收賬款及應收票據涉及眾多客戶，故並無重大集中信貸風險。本集團並無持有關於應收賬款結餘的抵押品或其它加強信貸安排。應收賬款及應收票據為不計息。

於報告期末，以發票日期為基準扣除應收賬款之減值虧損撥備的應收賬款及應收票據之賬齡分析如下：

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20. TRADE AND BILLS RECEIVABLES (continued)

The movements in the loss allowance for impairment of trade receivables are as follows:

		2021 HK\$ 港元	2020 HK\$ 港元
At beginning of year	於年初	168,039	4,721
(Reversal of impairment losses)/impairment losses, net	(撥回減值虧損) / 減值虧損淨額	(48,359)	163,318
At end of year	於年終	119,680	168,039

An impairment analysis is performed at each reporting date by assigning an internal credit rating with reference to the historical records of the Group to determine the probability of default. Loss given default is estimated based on market information. The loss rate is then adjusted to reflect the current conditions and forecasts of future economic conditions, as appropriate. Generally, trade receivables are written off if past due for more than one year and are not subject to enforcement activity.

Set out below is the information about the credit risk exposure on the Group's trade receivables:

20. 應收賬款及應收票據 (續)

應收賬款之減值虧損撥備之變動如下：

減值分析於各報告日期進行，方式為參考本集團的過往記錄給予內部信貸評級，以確定違約的可能性。違約損失乃根據市場資料估計。虧損率其後會作出調整，以反映現時情況及對未來經濟狀況的預測（如適用）。一般而言，應收賬款如逾期超過一年且不受強制執行活動影響，則會被撇銷。

下文載列本集團應收賬款之信貸風險資料：

Class of credit rating	信貸評級類別	Notes 附註	Expected credit loss rate 預期信貸虧損率 %	Gross carrying amount 總賬面值 HK\$ 港元	Expected credit losses 預期信貸虧損 HK\$ 港元
As at 31 March 2021	於2021年3月31日				
Class 1	第1類	(i)	–	66,107,831	–
Class 2	第2類	(ii)	0.18	32,877,515	60,266
Class 3	第3類	(iii)	1.86	1,678,610	31,191
Class 4	第4類	(iv)	3.70	762,615	28,223
Total	總計			101,426,571	119,680
As at 31 March 2020	於2020年3月31日				
Class 1	第1類	(i)	–	46,669,027	–
Class 2	第2類	(ii)	0.23	1,460,245	3,346
Class 3	第3類	(iii)	2.86	4,716,214	135,037
Class 4	第4類	(iv)	5.66	523,836	29,656
Total	總計			53,369,322	168,039

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20. TRADE AND BILLS RECEIVABLES (continued)

Notes:

- (i) Class 1 customers maintain active business with the Group and have a good repayment history. Receivables were not yet past due.
- (ii) Class 2 customers maintain active business with the Group and have a good repayment history. Certain portion of receivables from these customers were past due but the Group expects that the receivables can be recovered.
- (iii) Class 3 customers have no recent transactions with the Group but have a good repayment history. Receivables were past due but the Group expects that the receivables can be recovered.
- (iv) Class 4 customers have past due receivables and the Group expects higher risk of irrecoverability for the receivables.

During the year ended 31 March 2020, Tianda Pharmaceuticals (Zhuhai), a subsidiary of the Group, discounted certain bills receivable without recourse to banks in Mainland China (the “Derecognised Bills”) with a carrying amount in aggregate of RMB3,858,060 (equivalent to HK\$4,186,924). The Derecognised Bills had a maturity of one to six months at the end of the reporting period. In accordance with the Law of Negotiable Instruments in the PRC, the holders of the Derecognised Bills have a right of recourse against the Group if the PRC banks default (the “Continuing Involvement”). In the opinion of the directors, the Group has transferred substantially all risks and rewards relating to the Derecognised Bills. Accordingly, it has derecognised the full carrying amounts of the Derecognised Bills. The maximum exposure to loss from the Group’s Continuing Involvement in the Derecognised Bills and the undiscounted cash flows to repurchase these Derecognised Bills is equal to their carrying amounts. In the opinion of the directors, the fair values of the Group’s Continuing Involvement in the Derecognised Bills are not significant. The Group has not recognised any gain or loss on the date of transfer of the Derecognised Bills. No gains or losses were recognised from the Continuing Involvement, both during the year and up to the date of approval of these financial statements.

20. 應收賬款及應收票據 (續)

附註：

- (i) 第1類客戶與本集團保持活躍業務往來及還款記錄良好。應收賬款尚未逾期。
- (ii) 第2類客戶與本集團保持活躍業務往來及還款記錄良好。此等客戶的若干應收賬款已逾期，但本集團預計可收回應收賬款。
- (iii) 第3類客戶近期並無與本集團進行交易，但還款記錄良好。應收賬款已逾期，但本集團預計可收回應收賬款。
- (iv) 第4類客戶的應收賬款已逾期，且本集團預計應收賬款存在無法收回的較高風險。

於截至2020年3月31日止年度，本集團之附屬公司天大藥業(珠海)以無追索權基準將合計賬面值為人民幣3,858,060元(相當於4,186,924港元)的若干應收票據向中國大陸的銀行貼現(“已終止確認票據”)。於報告期末，該等已終止確認票據的到期日為一至六個月。根據中國票據法，倘中國的銀行違約，已終止確認票據的持有人對本集團有追索權(“持續參與”)。董事認為，本集團已將與已終止確認票據有關的絕大部分風險及回報轉移。因此，本集團已終止確認已終止確認票據的全部賬面值。因本集團在已終止確認票據的持續參與及用於購回此等已終止確認票據的未貼現現金流量所產生的最高虧損風險相等於其賬面值。董事認為，本集團持續參與已終止確認票據的公允價值並不顯著。本集團並無於轉讓已終止確認票據日期確認任何收益或虧損。年內及直至本財務報表獲批准日期而言，並無就持續參與確認收益或虧損。

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20. TRADE AND BILLS RECEIVABLES (continued)

During the year ended 31 March 2021, no bills receivable were discounted to banks by the Group.

The bills receivable are due within 90 days and are classified as financial assets at fair value through other comprehensive income. In the opinion of the Company's directors, the fair values of these bills receivable are approximate to their carrying amounts largely due to the short term maturities of these receivables. There was no recent history of default from bills receivable and the Group estimated that the expected loss rate for bills receivable is minimal.

21. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

20. 應收賬款及應收票據 (續)

於截至2021年3月31日止年度，本集團概無向銀行進行應收票據貼現。

該等應收票據於90日內到期，並分類為按公允價值計入其它全面收益的金融資產。本公司董事認為，該等應收票據的公允價值與其賬面值相若，主要是由於該等應收票據的到期期限較短。並無應收票據的近期違約記錄而本集團估計應收票據的預期虧損率甚低。

21. 預付款項、按金及其它應收款

		2021 HK\$ 港元	2020 HK\$ 港元
Non-current	非流動		
Deposit for acquisition of items of:	收購以下項目之按金：		
Property, plant and equipment	物業、廠房及設備	1,469,272	1,882,893
Other intangible assets	其它無形資產	9,876,247	–
		11,345,519	1,882,893
Current	流動		
Prepayments	預付款項	8,143,414	5,263,280
Deposits	按金	2,973,418	7,380,456
Other receivables	其它應收款	2,995,207	1,452,835
		14,112,039	14,096,571
Impairment allowance	減值撥備	(62,378)	(42,949)
		14,049,661	14,053,622

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21. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

The movements in the loss allowance for impairment of deposits and other receivables are as follows:

		2021 HK\$ 港元	2020 HK\$ 港元
At beginning of year	於年初	42,949	68,251
Impairment/(reversal of impairment) losses, net	減值／(撥回減值) 虧損淨額	19,429	(25,302)
At end of year	於年終	62,378	42,949

During the year ended 31 March 2021, HK\$19,429 was charged as provision for expected credit losses on deposits and other receivables. During the year ended 31 March 2020, HK\$25,302 was credited as a reversal of provision for expected credit losses on deposits and other receivables. The provision rates are based on an internal credit rating with reference to the historical records of the Group to determine the probability of default. Loss given default is estimated based on market information. The loss rate is then adjusted to reflect the current conditions and forecasts of future economic conditions, as appropriate.

Set out below is the information about the credit risk exposure on the Group's deposits and other receivables:

As at 31 March 2021
Expected credit loss rate
Gross carrying amount (HK\$)
Expected credit losses (HK\$)

於2021年3月31日
預期信貸虧損率
總賬面值 (港元)
預期信貸虧損 (港元)

1.0%
5,968,625
62,378

As at 31 March 2020
Expected credit loss rate
Gross carrying amount (HK\$)
Expected credit losses (HK\$)

於2020年3月31日
預期信貸虧損率
總賬面值 (港元)
預期信貸虧損 (港元)

0.5%
8,833,291
42,949

21. 預付款項、按金及其它應收款 (續)

按金及其它應收款之減值虧損撥備之變動如下：

於截至2021年3月31日止年度，19,429港元作為按金及其它應收款之預期信貸虧損撥備而扣除。於截至2020年3月31日止年度，25,302港元作為按金及其它應收款之預期信貸虧損撥備撥回而貸記。撥備率乃基於參考本集團過往記錄之內部信貸評級以釐定違約概率。違約損失乃根據市場信息估計。損失率繼而調整以反映當前狀況及未來經濟狀況預測 (如合適)。

下文載列本集團按金及其它應收款之信貸風險資料：

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22. STRUCTURED DEPOSITS

Structured deposits were stated at fair value and represented wealth management products issued by a bank. As at 31 March 2020, the aggregate principal of deposits was fully guaranteed by the bank while the rates of return were not guaranteed. The structured deposits were classified as financial assets at fair value through profit or loss on initial recognition. The fair values were based on the market values provided by the bank at the end of the reporting period.

23. CASH AND CASH EQUIVALENTS

At the end of the reporting period, the Group's cash and bank balances (excluding those classified as held for sale) denominated in RMB amounted to HK\$197,594,925 (2020: HK\$273,499,384). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

24. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of each of the reporting period, based on the invoice date, is as follows:

		2021	2020
		HK\$	HK\$
		港元	港元
Within 2 months	2個月內	80,631,010	26,226,913
2 to 3 months	2至3個月	1,660,465	308,228
Over 3 months	3個月以上	5,620,152	2,261,895
		87,911,627	28,797,036

Trade payables are non-interest-bearing and are normally settled within terms of 30 to 60 days.

22. 結構性存款

結構性存款按公允價值列賬，代表銀行發行的財富管理產品。於2020年3月31日，存款本金總額由銀行悉數擔保，但回報率並無擔保。結構性存款於首次確認時分類為透過損益反映公允價值之金融資產。公允價值是基於銀行於報告期末提供之市場價值。

23. 現金及現金等值項目

於報告期末，本集團以人民幣計值之現金及銀行結餘（不包括分類為持作出售者）為197,594,925港元（2020年：273,499,384港元）。人民幣不可自由兌換為其它貨幣，然而根據中國大陸外匯管制規例及結匯、售匯及付匯管理規定，本集團可透過獲准進行外匯業務之銀行將人民幣兌換為其它貨幣。

存於銀行之現金基於每日銀行存款利率按浮動利率賺取利息。銀行結餘存放於最近並無拖欠紀錄之信譽良好的銀行。

24. 應付賬款

於各報告期末，以發票日期為基準的應付賬款之賬齡分析如下：

應付賬款為不計息，一般於30至60天內清償。

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25. OTHER PAYABLES AND ACCRUALS

25. 其它應付款及應計費用

		Notes	2021	2020
		附註	HK\$	HK\$
			港元	港元
Contract liabilities	合約負債	(a)	11,758,764	6,347,292
Other payables	其它應付款	(b)	6,463,954	9,545,257
Accruals	應計費用		59,903,601	72,083,872
Dividend payables	應付股息		3,001,536	2,734,042
			81,127,855	90,710,463

Notes:

附註：

(a) Details of contract liabilities are as follows:

(a) 合約負債詳情如下：

	31 March 2021	31 March 2020	1 April 2019
	2021年3月31日	2020年3月31日	2019年4月1日
	HK\$	HK\$	HK\$
	港元	港元	港元
Short-term advances received from customers	已收客戶短期墊款		
Sale of products and medical services	銷售貨品及醫療服務	11,758,764	6,347,292
			12,824,486

Contract liabilities include short-term advances received to deliver pharmaceutical products and provide medical services. The increase in contract liabilities in 2021 was mainly due to the increase in short-term advances received from customers in relation to the sale of pharmaceutical and Chinese medical products at the end of the year. The decrease in contract liabilities in 2020 was mainly due to the decrease in short-term advances received from customers in relation to the sale of pharmaceutical products at the end of the year.

合約負債包括交付醫藥產品及提供醫療服務的已收短期墊款。2021年合約負債增加主要是由於年末就醫藥及中醫產品銷售之已收客戶短期墊款增加所致。2020年合約負債減少主要是由於年末與銷售醫藥產品有關的已收客戶短期墊款減少所致。

(b) Other payables are non-interest-bearing and have an average term of three months.

(b) 其它應付款不計利息，平均為期三個月。

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26. INTEREST-BEARING BANK BORROWINGS

26. 計息銀行借款

		31 March 2021 2021年3月31日			31 March 2020 2020年3月31日		
		Effective interest rate (%) 實際利率(%)	Maturity 到期時間	HK\$ 港元	Effective interest rate (%) 實際利率(%)	Maturity 到期時間	HK\$ 港元
Current:	流動：						
Bank loans – secured	銀行貸款－有抵押	4.85 – 5.15	2022 2022年	18,894,201	5.15	2021 2021年	607,735
Non-current:	非流動：						
Bank loans – secured	銀行貸款－有抵押	4.85 – 5.15	2023 – 2025 2023年 – 2025年	110,804,078	5.15	2022 – 2025 2022年 – 2025年	19,609,029
				129,698,279			20,216,764

		2021 HK\$ 港元	2020 HK\$ 港元
Analysed into:	分析為：		
Bank loans repayable:	須於以下期間償還的 銀行貸款：		
Within one year or on demand	一年內或按需償還	18,894,201	607,735
In the second year	第二年內	47,500,046	2,723,955
In the third to fifth years, inclusive	第三至第五年內 (包括首尾兩年)	63,304,032	16,885,074
		129,698,279	20,216,764

Notes:

- (a) The bank loans bear interest at floating rates at the China Loan Prime Rate ("China LPR"), published by the People's Bank of China, plus 1% and are denominated in Renminbi.
- (b) As at 31 March 2021, the bank loans were secured by the pledge of certain of the Group's right-of-use assets, property, plant and equipment and assets of a disposal group held for sale with an aggregate carrying amount of approximately HK\$436,338,196 (2020: HK\$272,843,495). In the opinion of the Company's directors, the pledge of assets of a disposal group held for sale will be released before disposal.
- (c) As at 31 March 2021, the Group had unutilised banking facilities of HK\$93,693,024 (2020: HK\$191,405,231).

附註：

- (a) 銀行貸款按浮動利率(即由中國人民銀行公佈的中國貸款市場報價利率加+1%)計息並以人民幣為單位。
- (b) 於2021年3月31日，銀行貸款以總賬面金額約為436,338,196港元(2020年：272,843,495港元)的本集團若干使用權資產、物業、廠房及設備以及持作出售之出售組別之資產作抵押。本公司董事認為，持作出售之出售組別之資產抵押將於出售前解除。
- (c) 於2021年3月31日，本集團未動用之銀行融資為93,693,024港元(2020年：191,405,231港元)。

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27. DEFERRED TAX LIABILITIES

		Fair value adjustment arising from acquisition of a subsidiary	Other intangible assets	Withholding tax on distributable profits of subsidiaries	Total
	Notes	收購一間附屬公司產生之公允價值調整	其它無形資產	附屬公司可供分派溢利之預扣稅	總額
	附註	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
At 1 April 2019		526,917	6,251,282	330,390	7,108,589
Deferred tax (credited)/ charged to profit or loss during the year	10	(48,930)	974,944	105,776	1,031,790
Exchange realignment		(31,965)	(430,198)	-	(462,163)
At 31 March 2020 and at 1 April 2020		446,022	6,796,028	436,166	7,678,216
Deferred tax credited to profit or loss during the year	10	(56,423)	(1,850,170)	(352,692)	(2,259,285)
Exchange realignment		35,631	515,447	-	551,078
At 31 March 2021		425,230	5,461,305	83,474	5,970,009

The Group has tax losses arising in Hong Kong and Australia of HK\$134,477,000 (2020: HK\$109,712,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. The Group also has tax losses arising in Mainland China and Macau of HK\$28,841,000 (2020: HK\$21,352,000) that will expire in one to five years for offsetting against future taxable profits.

Deferred tax assets have not been recognised in respect of these losses as they have arisen from subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5% (2020: 5%). The Group is therefore liable to withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

There are no income tax consequences attaching to the payment of dividend by the Company to its shareholders.

本集團有源自香港及澳大利亞而可無限期用於抵銷產生虧損之公司的未來應課稅溢利之稅項虧損134,477,000港元(2020年:109,712,000港元)。本集團亦有源自中國大陸及澳門而可用於抵銷未來應課稅溢利及將於一至五年內屆滿之稅項虧損28,841,000港元(2020年:21,352,000港元)。

由於該等虧損來自已虧損一段時間的附屬公司，且認為不大可能有應課稅溢利以抵銷稅務虧損，故並無就該等虧損確認遞延稅項資產。

根據中國企業所得稅法，向來自於中國大陸成立的外國投資企業的外國投資者所宣派股息須繳納10%的預扣。該規定自2008年1月1日起生效及適用於2007年12月31日後產生的盈利。倘中國大陸與外國投資者所在司法權區訂立稅務條約，適用的預扣稅率或較低。就本集團而言，適用稅率為5% (2020年:5%)。因此本集團須就中國大陸成立的該等附屬公司自2008年1月1日起產生盈利所分派的股息繳納預扣稅。

本公司向其股東派付股息並無附帶所得稅後果。

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28. SHARE CAPITAL

28. 股本

		2021 HK\$ 港元	2020 HK\$ 港元
Authorised:	法定：		
4,000,000,000 ordinary shares of HK\$0.1 each	4,000,000,000股每股 面值0.1港元之普通股	400,000,000	400,000,000
Issued and fully paid:	已發行及繳足：		
2,150,041,884 ordinary shares of HK\$0.1 each	2,150,041,884股每股 面值0.1港元之普通股	215,004,188	215,004,188

29. RESERVES

29. 儲備

The amounts of the Group's reserves and the movements therein for the reporting period are presented in the consolidated statement of changes in equity on page 68 of the financial statements.

本集團於報告期之儲備數額及相關變動載於財務報表第68頁之綜合權益變動表。

The capital contribution reserve represents (1) the excess of the disposal consideration over the fair value of the disposal of Tinwise Investment Limited, a wholly-owned subsidiary of the Company, and its subsidiaries (collectively referred to as "Tinwise Group") in 2010 as a deemed contribution from a shareholder; (2) the excess of the disposal consideration over the fair value of the disposal of the packaging and printing business in 2012 as a deemed capital contribution from the ultimate holding company; and (3) the excess of the disposal consideration over the fair value of the disposal of mineral resources business in 2012 as a deemed capital contribution from the ultimate holding company.

出資儲備代表(1) 2010年出售本公司全資附屬公司Tinwise Investment Limited及其附屬公司(統稱“Tinwise集團”)之代價高於所出售之公允價值，作為一名股東之視作出資；(2) 2012年出售包裝及印刷業務之代價高於所出售之公允價值，作為最終控股公司之視作出資；及(3) 2012年出售礦產資源業務之代價高於所出售之公允價值，作為最終控股公司之視作出資。

The special reserve represents the difference between the nominal amount of the share capital issued by the Company and the nominal amount of the share capital of a subsidiary acquired by the Company pursuant to a corporate reorganisation in preparation for the listing of the Company's shares on the Stock Exchange in 1992.

特別儲備乃本公司根據一項為籌備本公司股份於1992年在聯交所上市而進行之公司重組所發行之股本面值與所收購一間附屬公司之股本面值兩者間之差額。

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29. RESERVES (continued)

The statutory reserve represents (1) the appropriation of certain percentages of profit after taxation of the subsidiaries established in the PRC as recommended by the directors of those subsidiaries based on the PRC statutory financial statements and (2) the provision for production safety being accrued by a subsidiary in the PRC at fixed rates ranging from 2% to 4% based on operating revenue (the maintenance and production safety funds), which is transferred from retained profits to the statutory reserves and could be utilised when expenses and capital expenditures in production maintenance and safety measures are incurred.

30. PARTLY-OWNED SUBSIDIARY WITH MATERIAL NON-CONTROLLING INTERESTS

Details of the Group's subsidiary that has material non-controlling interests are set out below:

		2021	2020
Percentage of equity interest held by non-controlling interests:	非控股權益持有的股權百分比：		
Meng Sheng Pharmaceutical	盟生藥業	45%	45%
		2021 HK\$ 港元	2020 HK\$ 港元
Profit for the year allocated to non-controlling interests:	分配予非控股權益的本年度溢利：		
Meng Sheng Pharmaceutical	盟生藥業	1,224,264	5,657,211
Dividend paid to non-controlling interests:	已派付予非控股權益的股息：		
Meng Sheng Pharmaceutical	盟生藥業	6,942,271	14,505,712
Accumulated balances of non-controlling interests at the reporting date:	於報告日期的非控股權益的累計結餘：		
Meng Sheng Pharmaceutical	盟生藥業	33,786,248	36,986,233

29. 儲備 (續)

法定儲備乃指(1)於中國成立之附屬公司之董事根據中國法定財務報表而建議就該等附屬公司之除稅後溢利作出若干百分比之分配及(2)生產安全之撥備，此乃一間中國附屬公司以經營收入為基準按介乎2%至4%之固定利率產生(維修及生產安全基金)，由保留溢利轉撥至法定儲備，且於生產維修及安全措施產生支出及資本開支時動用。

30. 擁有重大非控股權益的部份擁有附屬公司

擁有重大非控股權益之本集團附屬公司詳情載列如下：

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30. PARTLY-OWNED SUBSIDIARY WITH MATERIAL NON-CONTROLLING INTERESTS (continued)

The following tables illustrate the summarised financial information of Meng Sheng Pharmaceutical. The amounts disclosed are before any inter-company eliminations:

		2021 HK\$ 港元	2020 HK\$ 港元
Revenue	收入	109,854,785	196,588,988
Total expenses	總開支	(107,134,201)	(184,017,409)
Profit for the year	本年度溢利	2,720,584	12,571,579
Total comprehensive income for the year	本年度全面收益總額	8,316,191	7,161,972
Current assets	流動資產	48,967,168	60,185,748
Non-current assets	非流動資產	46,245,901	47,179,059
Current liabilities	流動負債	(19,828,782)	(24,784,300)
Non-current liabilities	非流動負債	(303,734)	(388,878)
Net cash flows from/(used in) operating activities	來自／(用於)經營活動的現金流量淨額	5,869,285	(6,309,913)
Net cash flows used in investing activities	用於投資活動的現金流量淨額	(387,684)	(1,013,006)
Net cash flows used in financing activities	用於融資活動的現金流量淨額	(15,427,266)	(31,203,560)
Net decrease in cash and cash equivalents	現金及現金等值項目減少淨額	(9,945,665)	(38,526,479)

30. 擁有重大非控股權益的部份擁有附屬公司(續)

下表說明盟生藥業的財務資料概要。披露的金額是在作出任何公司間抵銷之前：

31. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Major non-cash transactions

During the year, the Group had non-cash additions to the right-of-use assets and lease liabilities of HK\$17,191,177 (2020: HK\$1,144,752) and HK\$17,191,177 (2020: HK\$1,144,752), respectively, in respect of lease arrangements for clinics, offices and warehouses.

31. 綜合現金流量表附註

(a) 主要非現金交易

年內，本集團就診所、辦公室及倉庫的租賃安排，分別有17,191,177港元（2020年：1,144,752港元）及17,191,177港元（2020年：1,144,752港元）的非現金使用權資產及租賃負債增加。

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綜合財務報表附註

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31. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(b) Changes in liabilities arising from financing activities:

(b) 融資活動產生的負債變動：

		Lease liabilities	Interest-bearing bank borrowings	Dividend payables	Due to a non-controlling shareholder
		租賃負債	計息銀行借款	應付股息	應付非控股股東款項
		HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元
At 1 April 2019	於2019年4月1日	8,951,530	-	2,503,819	14,505,712
Changes from financing cash flows	來自融資現金流量的變動	(5,073,113)	20,901,531	-	-
New leases	新租賃	1,144,752	-	-	-
Dividend declared (note 12)	已宣派股息 (附註12)	-	-	2,365,046	-
Dividends paid	已付股息	-	-	(2,134,823)	-
Interest expense	利息開支	311,132	-	-	-
Interest paid classified as operating cash flows	分類為經營現金流量之已付利息	(311,132)	-	-	-
Dividends paid to non-controlling interests	已付予非控股權益之股息	-	-	-	(14,505,712)
Foreign exchange movement	外匯變動	(6,425)	(684,767)	-	-
At 31 March 2020 and 1 April 2020	於2020年3月31日及2020年4月1日	5,016,744	20,216,764	2,734,042	-
Changes from financing cash flows	來自融資現金流量的變動	(4,664,232)	104,887,229	-	-
New leases	新租賃	17,191,177	-	-	-
Termination of leases	租賃終止	(1,715,011)	-	-	-
Dividend declared (note 12)	已宣派股息 (附註12)	-	-	2,795,054	-
Dividends paid	已付股息	-	-	(2,527,560)	-
Interest expense	利息開支	569,351	-	-	-
Interest paid classified as operating cash flows	分類為經營現金流量之已付利息	(569,351)	-	-	-
Dividends declared to non-controlling interests	已宣派予非控股權益之股息	-	-	-	6,942,271
Dividends paid to non-controlling interests	已付予非控股權益之股息	-	-	-	(6,942,271)
Foreign exchange movement	外匯變動	3,045	4,594,286	-	-
At 31 March 2021	於2021年3月31日	15,831,723	129,698,279	3,001,536	-

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31. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(c) Total cash outflow for leases

The total cash outflow for leases included in the consolidated statement of cash flows is as follows:

		2021 HK\$ 港元	2020 HK\$ 港元
Within operating activities	於經營活動內	(1,767,182)	(1,406,008)
Within financing activities	於融資活動內	(4,664,232)	(5,073,113)
		(6,431,414)	(6,479,121)

32. COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

		2021 HK\$ 港元	2020 HK\$ 港元
Contracted, but not provided for:	已訂約但未撥備：		
Property, plant and equipment	物業、廠房及設備	85,595,795	133,075,811
Other intangible assets	其它無形資產	14,814,371	-
		100,410,166	133,075,811

31. 綜合現金流量表附註 (續)

(c) 租賃的現金流出總額

計入綜合現金流量表的現金流出總額如下：

32. 承擔

本集團於報告期末有以下資本承擔：

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33. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following transactions with related parties during the year:

	Notes 附註	2021 HK\$ 港元	2020 HK\$ 港元
Sales of healthcare products: Yunnan Pu' Er Tea Developments Ltd.	銷售保健產品： 雲南普洱茶產業發展有限公司 (i)	315,866	-
Purchases of package materials and designing services: Zhuhai S.E.Z. Cheng Cheng Printing Co. Ltd.	採購包裝及印刷物料： 珠海經濟特區誠成 印務有限公司 (ii)	6,447,918	3,959,658
Short-term lease payment for an office space: Tianda (China) Ltd.	辦公室短期租賃付款： 天大實業(中國)有限公司 (iii)	563,740	552,888
Design fee expenses: Shenzhen Tianda Creative Ltd.	設計費： 深圳天大創意有限公司 (iv)	-	101,413

Notes:

- (i) Yunnan Pu' Er Tea Developments Ltd. is a fellow subsidiary of the Company. The sales to Yunnan Pu' Er Tea Developments Ltd. were made according to the published prices and conditions offered to major customers of the Group.
- (ii) Zhuhai S.E.Z. Cheng Cheng Printing Co. Ltd. is a fellow subsidiary of the Company. The purchases from Zhuhai S.E.Z. Cheng Cheng Printing Co. Ltd. were made according to the published prices and conditions offered by Zhuhai S.E.Z. Cheng Cheng Printing Co. Ltd. to its major customers.
- (iii) Tianda (China) Ltd. is a fellow subsidiary of the Company. The transactions were conducted in accordance with the terms and conditions mutually agreed by both parties.
- (iv) Shenzhen Tianda Creative Ltd. is a fellow subsidiary of the Company. The transactions were conducted in accordance with the terms and conditions mutually agreed by both parties.

33. 關連人士交易

- (a) 除財務報表其它部份詳述之交易外，本集團於年內與關連人士進行以下交易：

附註：

- (i) 雲南普洱茶產業發展有限公司為本公司的同系附屬公司。向雲南普洱茶產業發展有限公司的銷售乃按公開價格及向本集團主要客戶提供的條件進行。
- (ii) 珠海經濟特區誠成印務有限公司為本公司的同系附屬公司。向珠海經濟特區誠成印務有限公司採購是按珠海經濟特區誠成印務有限公司提供給其主要客戶之已公佈價格及條款。
- (iii) 天大實業(中國)有限公司為本公司的同系附屬公司。有關交易乃按雙方相互同意之條款及條件進行。
- (iv) 深圳天大創意有限公司為本公司的同系附屬公司。有關交易乃按雙方相互同意之條款及條件進行。

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33. RELATED PARTY TRANSACTIONS (continued)

(b) Outstanding balance with a related party:

The Group had an outstanding trade balance due to a fellow subsidiary, Zhuhai S.E.Z. Cheng Cheng Printing Co. Ltd., of HK\$3,628,289 (2020: HK\$589,478) as at the end of the reporting period. This balance is unsecured, non-interest bearing and with a credit term within 90 days. As at the end of the reporting period, the balance was aged within 2 months based on the invoice date.

(c) Compensation of key management personnel of the Group:

		2021 HK\$ 港元	2020 HK\$ 港元
Short term employee benefits	短期僱員福利	5,696,059	4,029,893
Post-employment benefits	退休福利	72,000	79,500
Total compensation paid to key management personnel	已付主要管理人員酬金總額	5,768,059	4,109,393

Further details of directors' and the chief executive's emoluments are included in note 8 to the financial statements.

(d) On 22 February 2019, the Group entered into a conditional sale and purchase agreement to dispose of its entire interest in Zhuhai Realty to Tianda Group Limited (the controlling shareholder of the Company) at a consideration of no more than RMB145,000,000 (equivalent to approximately HK\$168,200,000) in any event.

The transaction was approved by independent shareholders at an extraordinary general meeting held on 7 May 2019 and has not yet been completed as at the date of approval of these financial statements.

Further details of the transaction are included in note 11 to the financial statements.

33. 關連人士交易 (續)

(b) 與關連人士之未償還結餘：

本集團於報告期末應付同系附屬公司珠海經濟特區誠成印務有限公司之未償還貿易結餘為3,628,289港元(2020年：589,478港元)。該結餘為無抵押、免息及信貸期為90天內。於報告期末，該結餘之賬齡為根據發票日期之兩個月內。

(c) 本集團主要管理人員酬金：

有關董事及主要行政人員酬金之進一步詳情載於財務報表附註8。

(d) 於2019年2月22日，本集團訂立有條件買賣協議，向天大集團有限公司(其為本公司之控股股東)出售珠海置業之全部權益，代價在任何情況均不會超過人民幣145,000,000元(相當於約168,200,000港元)。

有關交易已於2019年5月7日舉行之股東特別大會上獲獨立股東批准而於本財務報表獲批准日期尚未完成。

交易之進一步詳情載於財務報表附註11。

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34. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

2021

Financial assets

		Financial assets at fair value through other comprehensive income 按公允價值計入 其它全面收益之金融資產			Total 總額 HK\$ 港元
		Financial assets at amortised cost 按攤銷成本 列賬之 金融資產 HK\$ 港元	Equity investments 股本投資 HK\$ 港元	Debt instruments 債務工具 HK\$ 港元	
Equity investments designated at fair value through other comprehensive income	指定為按公允價值計入 其它全面收益之股本投資	-	6,872,385	-	6,872,385
Trade receivables	應收賬款	101,306,891	-	-	101,306,891
Bills receivable	應收票據	-	-	43,902,074	43,902,074
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及 其它應收款之金融資產	5,906,247	-	-	5,906,247
Cash and cash equivalents	現金及現金等值項目	234,984,677	-	-	234,984,677
		342,197,815	6,872,385	43,902,074	392,972,274

34. 金融工具之類別

於報告期末各類金融工具之賬面值如下：

金融資產

Financial liabilities

金融負債

		Financial liabilities at amortised cost 按攤銷成本列賬 之金融負債 HK\$ 港元
Trade payables	應付賬款	87,911,627
Financial liabilities included in other payables and accruals	計入其它應付款及應計費用 之金融負債	57,231,419
Interest-bearing bank borrowings	計息銀行借款	129,698,279
Lease liabilities	租賃負債	15,831,723
Due to a fellow subsidiary	應付一間同系附屬公司款項	3,628,289
		294,301,337

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34. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:
(continued)

2020

Financial assets

	Financial assets at fair value through profit or loss 按公允價值計入損益之金融資產	Financial assets at fair value through other comprehensive income 按公允價值計入其它全面收益之金融資產			Total 總額 HK\$ 港元	
		Mandatorily designated as such 強制指定 HK\$ 港元	Financial assets at amortised cost 按攤銷成本列賬之金融資產 HK\$ 港元	Equity investments 股本投資 HK\$ 港元		Debt instruments 債務工具 HK\$ 港元
Equity investments designated at fair value through other comprehensive income	指定為按公允價值計入其它全面收益之股本投資	-	-	1,306,520	-	1,306,520
Trade receivables	應收賬款	-	53,201,283	-	-	53,201,283
Bills receivable	應收票據	-	-	-	38,164,180	38,164,180
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其它應收款之金融資產	-	8,790,342	-	-	8,790,342
Structured deposits	結構性存款	3,904,728	-	-	-	3,904,728
Cash and cash equivalents	現金及現金等值項目	-	302,018,369	-	-	302,018,369
		3,904,728	364,009,994	1,306,520	38,164,180	407,385,422

34. 金融工具之類別 (續)

於報告期末各類金融工具之賬面值如下：(續)

金融資產

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34. FINANCIAL INSTRUMENTS BY CATEGORY (continued)

Financial liabilities

		Financial liabilities at amortised cost 按攤銷成本列賬之金融負債 HK\$ 港元
Trade payables	應付賬款	28,797,036
Financial liabilities included in other payables and accruals	計入其它應付款及應計費用之金融負債	71,760,002
Interest-bearing bank borrowings	計息銀行借款	20,216,764
Lease liabilities	租賃負債	5,016,744
Due to a fellow subsidiary	應付一間同系附屬公司款項	589,478
		126,380,024

34. 金融工具之類別 (續)

金融負債

35. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and the fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair value, are as follows:

35. 金融工具之公允價值及公允價值等級

本集團的金融工具(經合理計算其賬面值與公允價值合理相若者除外)賬面值及公允價值如下:

		Carrying amounts 賬面值		Fair values 公允價值	
		31 March 3月31日 2021 HK\$ 港元	31 March 3月31日 2020 HK\$ 港元	31 March 3月31日 2021 HK\$ 港元	31 March 3月31日 2020 HK\$ 港元
Financial assets	金融資產				
Equity investments designated at fair value through other comprehensive income	指定為按公允價值計入其它全面收益之股本投資	6,872,385	1,306,520	6,872,385	1,306,520
Bills receivable	應收票據	43,902,074	38,164,180	43,902,074	38,164,180
Structured deposits	結構性存款	-	3,904,728	-	3,904,728
		50,774,459	43,375,428	50,774,459	43,375,428
Financial liabilities	金融負債				
Interest-bearing bank borrowings	計息銀行借款	129,698,279	20,216,764	129,678,937	20,011,182

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35. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Management has assessed that the fair values of trade and bills receivables, financial assets included in prepayments, deposits and other receivables, cash and cash equivalents, trade payables, financial liabilities included in other payables and accruals, an amount due to a fellow subsidiary and an amount due to a non-controlling shareholder approximate to their carrying amounts largely due to the short term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair value:

The fair value of the equity investment at fair value through other comprehensive income is based on quoted market prices.

The fair values of structured deposits were based on the market values provided by the bank at the end of the reporting period. They are estimated with the principal plus estimated interest income based on the expected annual rate of return.

The fair values of bills receivable and interest-bearing bank borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The fair values of the interest-bearing bank borrowings are categorised in Level 2 of the fair value hierarchy.

35. 金融工具之公允價值及公允價值等級 (續)

管理層已評估，應收賬款及應收票據、計入預付款項、按金及其它應收款之金融資產、現金及現金等值項目、應付賬款、計入其它應付款及應計費用之金融負債、應付一間同系附屬公司款項以及應付一名非控股股東款項之公允價值與其各自之賬面值相若，主要由於該等工具於短期內到期。

金融資產及負債之公允價值按自願雙方(非強迫或清盤銷售)之間的當前交易中進行交換的工具的金額入賬。已採用下列方法及假設估計公允價值：

按公允價值計入其它全面收益之股本投資之公允價值乃基於市場報價。

結構性存款的公允價值乃根據銀行於報告期末提供的市值計算。該等存款以本金加上按預期年回報率計算的估計利息收入估計。

應收票據及計息銀行借款的公允價值乃按具有類似條款、信貸風險及剩餘到期日的工具的現行利率貼現預期未來現金流量計算。計息銀行借款的公允價值分類為公允價值等級內的第2級。

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35. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value

		2021 HK\$ 港元	2020 HK\$ 港元
Bills receivable	應收票據		
– Fair value measurement using significant observable inputs (Level 2)	– 以重大可觀察輸入數據進行公允價值計量 (第2級)	43,902,074	38,164,180
Structured deposits	結構性存款		
– Fair value measurement using significant observable inputs (Level 2)	– 以重大可觀察輸入數據進行公允價值計量 (第2級)	–	3,904,728
Equity investments at fair value through other comprehensive income	按公允價值計入其它全面收益之股本投資		
– Fair value measurement using quoted prices in active markets (Level 1)	– 以活躍市場報價進行公允價值計量 (第1級)	6,872,385	1,306,520

The equity investments at fair value through other comprehensive income investment are listed on National Association of Securities Dealers Automated Quotations (“NASDAQ”) Stock Market.

The Group did not have any financial liabilities measured at fair value as at 31 March 2021 and 2020.

During the year, there were no transfers of fair value measurement between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (2020: Nil).

35. 金融工具之公允價值及公允價值等級 (續)

公允價值等級

下表說明本集團金融工具的公允價值計量等級：

按公允價值計量的資產

按公允價值計入其它全面收益之股本投資於全國證券交易商協會自動報價系統 (“納斯達克”) 股票市場上市。

於2021年及2020年3月31日，本集團並無以公允價值計量的任何金融負債。

年內，金融資產及金融負債並無第1級與第2級之間公允價值計量轉撥以及並無轉入或轉出第3級 (2020年：無)。

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36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise cash and cash equivalents and equity investments designated at fair value through other comprehensive income. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade and bills receivables, other receivables, trade payables, other payables and an amount due to a fellow subsidiary.

The main risks arising from the Group's financial instrument are equity price risk, interest rate risk, foreign currency risk, credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Equity price risk

Equity price risk is the risk that the fair values of equity securities decrease as a result of changes in the levels of equity indices and the value of individual securities. The Group is exposed to equity price risk arising from equity investments designated at fair value through other comprehensive income (note 18) as at 31 March 2021. The Group's listed investments are listed on the NASDAQ and are valued at quoted market prices at the end of the reporting period. The market equity indices for the following stock exchanges, at the close of business of the nearest trading day in the year to the end of the reporting period, and their respective highest and lowest points during the year were as follows:

		As at 31 March 於3月31日 2021	High/low during the year ended 31 March 高/低 截至3月 31日止年度 2021	As at 31 March 於3月31日 2020	High/low during the year ended 31 March 高/低 截至3月 31日止年度 2020
The United States – NASDAQ Composite Index (“COMP”)	美國－納斯達克 綜合指數	13,247	14,095/ 7,360	–	–
Taiwan – Taiwan Exchange Capitalisation Weighted Stock Index (“TAIEX”)	台灣－台灣交易所 資本化加權 股票指數	–	–	9,708	12,180/ 8,681

36. 金融風險管理目標及政策

本集團的主要金融工具包括現金及現金等值項目以及按公允價值計入其它全面收益之股本投資。該等金融工具的主要目的是撥付本集團的營運。本集團擁有不同的其它金融資產及負債，如應收賬款及應收票據、其它應收款、應付賬款、其它應付款及應付一間同系附屬公司款項。

本集團金融工具產生的主要風險包括股本價格風險、利率風險、外幣風險、信貸風險及流動資金風險。董事會審查並協定用於管理此等風險的政策，並概述如下。

股本價格風險

股本價格風險是股本證券的公允價值因股票指數水平和個別證券價值變化而下降的風險。於2021年3月31日，本集團面對指定為按公允價值計入其它全面收益之股本投資(附註18)產生的股本價格風險。本集團的上市投資於納斯達克上市，並於按報告期末的市場報價估值。以下證券交易所市場股票指數(在年內最接近報告期末的交易日收市時)以及在年內的各自最高點和最低點如下：

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36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Equity price risk (continued)

The following table demonstrates the sensitivity to every 1% change in the fair values of the equity investments, with all other variables held constant and before any impact on tax, based on their carrying amounts at the end of the reporting period.

36. 金融風險管理目標及政策 (續)

股本價格風險 (續)

下表說明對股本投資公允價值每變動1%的敏感度(所有其它變數保持不變以及在計及任何稅項之影響前)，乃基於有關投資於報告期末的賬面值得出。

		Carrying amount of equity investment 股本投資的賬面值 HK\$ 港元	Increase/(decrease) in equity 權益增加／(減少) HK\$ 港元
2021			
Investments listed in:	於以下地方上市的投資：		
The United States – Equity investments designated at fair value through other comprehensive income	美國 – 指定為按公允價值計入其它全面收益之股本投資	6,872,385	68,724/(68,724)
2020			
Investments listed in:	於以下地方上市的投資：		
Taiwan – Equity investments designated at fair value through other comprehensive income	台灣 – 指定為按公允價值計入其它全面收益之股本投資	1,306,520	13,065/(13,065)

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36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's cash and bank balances and interest-bearing bank borrowings with a floating interest rate. The Group has not used any interest rate derivatives to hedge its interest rate risk, and will consider hedging significant interest rate risk should the need arise.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's (loss)/profit before tax (through the impact on floating rate of cash and cash equivalents and interest-bearing bank borrowings).

36. 金融風險管理目標及政策 (續)

利率風險

本集團面對市場利率變動風險主要與本集團按浮動利率計息的現金及銀行結餘以及計息銀行借款有關。本集團並無使用任何利率衍生工具以對沖其利率風險，並將於有需要時考慮對沖重大利率風險。

下表說明在所有其它變數保持不變的情況，利率合理可能變動對本集團除稅前(虧損)/溢利的敏感度(通過浮動利率對現金及現金等值項目以及計息銀行借款的影響)。

		Increase/ (decrease) in basis points	Increase/ (decrease) in loss before tax 除稅前 虧損 增加/ (減少)	Increase/ (decrease) in profit before tax 除稅前 溢利 增加/ (減少)
		基點 增加/(減少)	2021 HK\$ 港元	2020 HK\$ 港元
HK\$	港元	100	(356,522)	270,808
RMB	人民幣	100	(811,594)	2,532,826
USD	美元	100	(7)	7
HK\$	港元	(100)	356,522	(270,808)
RMB	人民幣	(100)	811,594	(2,532,826)
USD	美元	(100)	7	(7)

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36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Foreign currency risk

The Group has transactional currency exposures. Such exposures arise from sales by operating units in currencies other than the units' functional currencies. Approximately 0.4% (2020: 0.4%) of the Group's sales were denominated in currencies other than the functional currencies of the operating units making the sale.

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the foreign currency exchange rate, with all other variables held constant, of the Group's (loss)/profit before tax.

		Change in foreign currency rate 外幣 匯率變動 %	Increase/ (decrease) in loss before tax 除稅前虧損 增加/(減少) HK\$ 港元
2021			
If RMB weakens against HK\$	倘若人民幣兌港元匯率下跌	1	(313,963)
If RMB strengthens against HK\$	倘若人民幣兌港元匯率上升	(1)	313,963
If RMB weakens against AUD	倘若人民幣兌澳元匯率下跌	1	(6,211)
If RMB strengthens against AUD	倘若人民幣兌澳元匯率上升	(1)	6,211
If RMB weakens against MOP	倘若人民幣兌澳門元匯率下跌	1	(8,821)
If RMB strengthens against MOP	倘若人民幣兌澳門元匯率上升	(1)	8,821
		Change in foreign currency rate 外幣 匯率變動 %	Increase/ (decrease) in profit before tax 除稅前溢利 增加/(減少) HK\$ 港元
2020			
If RMB weakens against HK\$	倘若人民幣兌港元匯率下跌	1	225,574
If RMB strengthens against HK\$	倘若人民幣兌港元匯率上升	(1)	(225,574)
If RMB weakens against AUD	倘若人民幣兌澳元匯率下跌	1	3,898
If RMB strengthens against AUD	倘若人民幣兌澳元匯率上升	(1)	(3,898)
If RMB weakens against MOP	倘若人民幣兌澳門元匯率下跌	1	10,303
If RMB strengthens against MOP	倘若人民幣兌澳門元匯率上升	(1)	(10,303)

36. 金融風險管理目標及政策 (續)

外幣風險

本集團存在交易貨幣風險。有關風險是源自經營單位的單位功能貨幣以外的貨幣之銷售。約0.4% (2020年：0.4%) 之本集團銷售是以進行銷售之經營單位的單位功能貨幣以外的貨幣為結算單位。

下表說明在所有其它變數保持不變的情況，外幣匯率合理可能變動對本集團除稅前(虧損)/溢利於報告期末的敏感度。

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36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

Maximum exposure and year-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at 31 March. The amounts presented are gross carrying amounts for financial assets.

As at 31 March 2021

		12-month ECLs 12個月預期 信貸虧損	Lifetime ECLs 全期預期信貸虧損			Total 總計
		Stage 1 第1階段 HK\$ 港元	Stage 2 第2階段 HK\$ 港元	Stage 3 第3階段 HK\$ 港元	Simplified approach 簡化方法 HK\$ 港元	Total 總計 HK\$ 港元
Trade receivables*	應收賬款*	-	-	-	101,426,571	101,426,571
Bills receivable	應收票據	43,902,074	-	-	-	43,902,074
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金 及其它應收款之 金融資產					
- Normal**	- 正常**	5,968,625	-	-	-	5,968,625
Cash and cash equivalents	現金及現金等值項目					
- Not yet past due	- 尚未逾期	234,984,677	-	-	-	234,984,677
		284,855,376	-	-	101,426,571	386,281,947

36. 金融風險管理目標及政策 (續)

信貸風險

本集團僅與認可及信譽良好的第三方進行交易。本集團的政策是，所有冀以信貸條款進行交易的客戶均須通過信貸核查程序。此外，應收賬款餘額持續受到監控，本集團的壞賬風險不大。

最高風險及年結階段

下表載列基於本集團之信貸政策之信貸質素及最高信貸風險，主要基於逾期資料（除非其它資料可在無須付出不必要成本或努力之情況下獲得），以及於3月31日之年結階段分析。所呈列的金額為金融資產的總賬面值。

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36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

Maximum exposure and year-end staging (continued)

As at 31 March 2020

36. 金融風險管理目標及政策 (續)

信貸風險 (續)

最高風險及年結階段 (續)

於2020年3月31日

		12-month	Lifetime ECLs			Total	
		ECLs	Simplified				
		12個月預期	全期預期信貸虧損			總計	
		信貸虧損	Stage 1	Stage 2	Stage 3	approach	
			第1階段	第2階段	第3階段	簡化方法	
			HK\$	HK\$	HK\$	HK\$	
			港元	港元	港元	港元	
Trade receivables*	應收賬款*	-	-	-	-	53,369,322	53,369,322
Bills receivable	應收票據	38,164,180	-	-	-	-	38,164,180
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其它應收款之金融資產						
- Normal**	- 正常**	8,833,291	-	-	-	-	8,833,291
Cash and cash equivalents	現金及現金等值項目						
- Not yet past due	- 尚未逾期	302,018,369	-	-	-	-	302,018,369
		349,015,840	-	-	-	53,369,322	402,385,162

* For trade receivables to which the Group applies the simplified approach for impairment, information based on the credit rating is disclosed in note 20 to the financial statements.

** The credit quality of the financial assets included in prepayments, deposits and other receivables is considered to be "normal" when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition. Otherwise, the credit quality of the financial assets is considered to be "doubtful".

* 就本集團已為其減值應用簡化方法之應收賬款而言，基於信貸評級之資料於財務報表附註20披露。

** 計入預付款項、按金及其它應收款之金融資產之信貸質素於有關金融資產並無逾期時被視為“正常”，並無資料顯示有關金融資產之信貸風險自首次確認以來顯著增加。否則，有關金融資產之信貸質素被視為“呆賬”。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Year ended 31 March 2021 截至2021年3月31日止年度

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans and projected cash flows from operations.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

2021

		On demand or no later than 1 year 按要求或 一年以下 HK\$ 港元	1 to 5 years 一至五年 HK\$ 港元	Total 總額 HK\$ 港元
Trade payables	應付賬款	87,911,627	-	87,911,627
Other payables and accruals	其它應付款及應計費用	57,231,419	-	57,231,419
Interest-bearing bank borrowings	計息銀行借款	25,032,195	118,467,999	143,500,194
Lease liabilities	租賃負債	4,864,656	12,478,237	17,342,893
Due to a fellow subsidiary	應付一間同系附屬公司款項	3,628,289	-	3,628,289
		178,668,186	130,946,236	309,614,422

2020

		On demand or no later than 1 year 按要求或 一年以下 HK\$ 港元	1 to 5 years 一至五年 HK\$ 港元	Total 總額 HK\$ 港元
Trade payables	應付賬款	28,797,036	-	28,797,036
Other payables and accruals	其它應付款及應計費用	71,760,002	-	71,760,002
Interest-bearing bank borrowings	計息銀行借款	1,642,896	21,915,307	23,558,203
Lease liabilities	租賃負債	4,449,114	710,532	5,159,646
Due to a fellow subsidiary	應付一間同系附屬公司款項	589,478	-	589,478
		107,238,526	22,625,839	129,864,365

36. 金融風險管理目標及政策 (續)

流動資金風險

本集團之目標旨在透過使用銀行貸款及營運之預測現金流量以維持資金持續供應與靈活性之間的平衡。

根據已訂約未貼現付款，本集團金融負債於報告期末之到期情況如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2021 and 2020.

The Group monitors capital using a gearing ratio, which is debt divided by the equity attributable to owners of the parent. Debt includes interest-bearing bank borrowings. Capital includes equity attributable to owners of the parent. The gearing ratios as at the end of the reporting periods were as follows:

		2021 HK\$ 港元	2020 HK\$ 港元
Interest-bearing bank borrowings	計息銀行借款	129,698,279	20,216,764
Equity attributable to owners of the parent	母公司股東應佔權益	756,708,516	722,776,555
Gearing ratio	資本負債比率	17.1%	2.7%

36. 金融風險管理目標及政策 (續)

資本管理

本集團資本管理的主要目標是保障本集團持續經營的能力，並保持穩健的資本比率，以支持其業務並實現股東價值最大化。

本集團根據經濟狀況變動及相關資產的風險特徵管理資本結構並作出調整。為維持或調整資本結構，本集團可調整向股東派付的股息、向股東返還資本或發行新股份。本集團不受任何外部施加的資本要求所限。截至2021年及2020年3月31日止年度，管理資本的目標、政策或程序並無變動。

本集團使用資本負債比率（即債務除以母公司股東應佔權益）監察資本。債務包括計息銀行借款。資本包括母公司股東應佔權益。截至報告期末的資本負債比率如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Year ended 31 March 2021 截至2021年3月31日止年度

37. STATEMENT OF THE FINANCIAL POSITION OF THE COMPANY 37. 本公司之財務狀況表

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

有關本公司於報告期末之財務狀況表之資料如下：

		2021 HK\$ 港元	2020 HK\$ 港元
NON-CURRENT ASSETS	非流動資產		
Plant and equipment	廠房及設備	390,930	679,464
Right-of-use assets	使用權資產	14,876,981	3,814,176
Due from subsidiaries	應收附屬公司款項	312,608,402	293,229,276
Investments in subsidiaries	於附屬公司之投資	296,280,826	296,280,826
Total non-current assets	非流動資產總值	624,157,139	594,003,742
CURRENT ASSETS	流動資產		
Deposits and other receivables	按金及其它應收款	2,174,858	2,410,630
Cash and cash equivalents	現金及現金等值項目	136,150,293	155,381,853
Total current assets	流動資產總值	138,325,151	157,792,483
CURRENT LIABILITIES	流動負債		
Other payables	其它應付款	6,442,474	6,714,601
Lease liabilities	租賃負債	3,754,114	3,897,118
Due to a subsidiary	應付附屬公司款項	285,636	409,415
Total current liabilities	流動負債總額	10,482,224	11,021,134
NET CURRENT ASSETS	流動資產淨值	127,842,927	146,771,349
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債	752,000,066	740,775,091
NON-CURRENT LIABILITIES	非流動負債		
Lease liabilities	租賃負債	11,392,421	-
Total non-current liabilities	非流動負債總額	11,392,421	-
NET ASSETS	資產淨值	740,607,645	740,775,091
EQUITY	權益		
Share capital	股本	215,004,188	215,004,188
Reserves (note)	儲備(附註)	525,603,457	525,770,903
TOTAL EQUITY	權益總額	740,607,645	740,775,091

Fang Wen Quan
方文權
Chairman
董事長

Lui Man Sang
呂文生
Executive Director
執行董事

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

Year ended 31 March 2021 截至2021年3月31日止年度

37. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Note:

A summary of the Company's reserves is as follows:

		Share premium 股份溢價 HK\$ 港元	Capital redemption reserve 資本 贖回儲備 HK\$ 港元	Capital contribution reserve 資本 供款儲備 HK\$ 港元	Exchange fluctuation reserve 匯兌 波動儲備 HK\$ 港元	Retained profits 保留溢利 HK\$ 港元	Total 總額 HK\$ 港元
At 1 April 2019	於2019年4月1日	355,702,578	67,400	88,441,310	(21,837,132)	110,018,537	532,392,693
Profit for the year	本年度溢利	-	-	-	-	5,090,833	5,090,833
Exchange difference arising on translation	換算產生之匯兌差額	-	-	-	(9,347,577)	-	(9,347,577)
Total comprehensive loss for the year	本年度全面虧損總額	-	-	-	(9,347,577)	5,090,833	(4,256,744)
Final 2019 dividends declared	已宣派2019年末期股息	-	-	-	-	(2,365,046)	(2,365,046)
At 31 March 2020 and 1 April 2020	於2020年3月31日及 2020年4月1日	355,702,578	67,400	88,441,310	(31,184,709)	112,744,324	525,770,903
Loss for the year	本年度虧損	-	-	-	-	(9,488,293)	(9,488,293)
Exchange difference arising on translation	換算產生之匯兌差額	-	-	-	12,115,901	-	12,115,901
Total comprehensive income for the year	本年度全面收益總額	-	-	-	12,115,901	(9,488,293)	2,627,608
Final 2020 dividends declared	已宣派2020年末期股息	-	-	-	-	(2,795,054)	(2,795,054)
At 31 March 2021	於2021年3月31日	355,702,578	67,400	88,441,310	(19,068,808)	100,460,977	525,603,457

37. 本公司之財務狀況表(續)

附註：

本公司儲備之概要如下：

38. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 25 June 2021.

38. 財務報表之批准

財務報表已於2021年6月25日獲董事會核准及批准刊發。

FINANCIAL SUMMARY

財務摘要

RESULTS

業績

		Year ended 31 March 截至3月31日止年度				
		2017	2018	2019	2020	2021
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Revenue	收入	195,539	361,555	527,003	491,475	474,332
(Loss)/Profit before tax	除稅前(虧損)/溢利	32,750	29,942	26,167	15,928	(27,442)
Income tax credit/(expense)	所得稅抵免/(支出)	(7,997)	(7,780)	(10,184)	(7,128)	1,524
(Loss)/Profit for the year	本年度(虧損)/溢利	24,753	22,162	15,983	8,800	(25,918)
(Loss)/Profit attributable to:	(虧損)/溢利歸屬於:					
Owners of the parent	母公司股東	12,442	10,008	2,657	3,143	(27,142)
Non-controlling interests	非控股權益	12,311	12,154	13,326	5,657	1,224
		24,753	22,162	15,983	8,800	(25,918)
		HK cent	HK cent	HK cent	HK cent	HK cent
		港仙	港仙	港仙	港仙	港仙
(Loss)/Earnings per share	每股(虧損)/盈利	0.58	0.47	0.12	0.15	(1.26)

ASSETS AND LIABILITIES

資產及負債

		At 31 March 於3月31日				
		2017	2018	2019	2020	2021
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Total assets	資產總值	904,120	1,045,308	996,769	933,123	1,133,461
Total liabilities	負債總額	(91,156)	(159,723)	(185,803)	(173,360)	(342,966)
		812,964	885,585	810,966	759,763	790,495
Equity attributable to owners	母公司股東					
of the parent	應佔權益	778,322	847,728	777,203	722,777	756,709
Non-controlling interests	非控股權益	34,642	37,857	33,763	36,986	33,786
		812,964	885,585	810,966	759,763	790,495

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