



Sinco Pharmaceuticals Holdings Limited
兴科蓉医药控股有限公司

(Incorporated under the laws of the Cayman Islands with limited liability)

(根據開曼群島法例註冊成立的有限公司)

Stock Code 股份代號: 6833

2020

Interim Report 中期報告

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Huang Xiangbin (*Chairman and Chief Executive Officer*)

Ms. Zhang Zhijie

Independent Non-executive Directors

Mr. Lau Ying Kit

Mr. Wang Qing

Mr. Liu Wenfang

Mr. Bai Zhizhong (*appointed with effect from 1 September 2020*)

AUDIT COMMITTEE

Mr. Lau Ying Kit (*Chairman*)

Mr. Liu Wenfang

Mr. Wang Qing

Mr. Bai Zhizhong (*appointed with effect from 1 September 2020*)

REMUNERATION COMMITTEE

Mr. Wang Qing (*Chairman*)

Ms. Zhang Zhijie

Mr. Liu Wenfang

NOMINATION COMMITTEE

Mr. Huang Xiangbin (*Chairman*)

Mr. Liu Wenfang

Mr. Lau Ying Kit

INTERNAL CONTROL AND CORPORATE GOVERNANCE COMMITTEE

Mr. Lau Ying Kit (*Chairman*)

Mr. Wang Qing

Mr. Liu Wenfang

Mr. Bai Zhizhong (*appointed with effect from 1 September 2020*)

AUTHORISED REPRESENTATIVES

Mr. Huang Xiangbin

Ms. Li Ching Yi

JOINT COMPANY SECRETARIES

Ms. Peng Yunlu

Ms. Li Ching Yi

REGISTERED OFFICE

PO Box 309

Ugland House

Grand Cayman, KY1-1104

Cayman Islands

董事會

執行董事

黃祥彬先生(*主席兼行政總裁*)

張志傑女士

獨立非執行董事

劉英傑先生

汪晴先生

劉文芳先生

白志中先生(*委任自2020年9月1日起生效*)

審核委員會

劉英傑先生(*主席*)

劉文芳先生

汪晴先生

白志中先生(*委任自2020年9月1日起生效*)

薪酬委員會

汪晴先生(*主席*)

張志傑女士

劉文芳先生

提名委員會

黃祥彬先生(*主席*)

劉文芳先生

劉英傑先生

內部控制及企業管治委員會

劉英傑先生(*主席*)

汪晴先生

劉文芳先生

白志中先生(*委任自2020年9月1日起生效*)

授權代表

黃祥彬先生

李菁怡女士

聯席公司秘書

彭雲璐女士

李菁怡女士

註冊辦事處

PO Box 309

Ugland House

Grand Cayman, KY1-1104

Cayman Islands

Corporate Information (Continued)

公司資料(續)

CORPORATE HEADQUARTERS

E5-1805, Global Centre
No. 1700, North Section of Tianfu Avenue
High-Tech Zone, Chengdu
Sichuan
PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 3105, Office Tower, Convention Plaza
1 Harbour Road, Wan Chai
Hong Kong

CAYMAN ISLAND PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Maples Fund Services (Cayman) Limited
P.O. Box 1093, Boundary Hall
Cricket Square
Grand Cayman, KY1-1102
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor, Hopewell Centre,
183 Queen's Road East
Wan Chai
Hong Kong

HONG KONG LEGAL ADVISER

Eric Chow & Co.
in Association with Commerce & Finance Law Offices

AUDITOR

Ernst & Young
Certified Public Accountants

STOCK CODE ON THE MAIN BOARD OF THE STOCK EXCHANGE OF HONG KONG LIMITED

6833

COMPANY'S WEBSITE

www.sinco-pharm.com

LISTING DATE

10 March 2016

公司總部

中國
四川省
成都市高新區
天府大道北段1700號
環球中心E5-1805室

香港主要營業地點

香港
灣仔港灣道1號
會展廣場辦公大樓3105室

開曼群島證券登記總處及過戶代理

Maples Fund Services (Cayman) Limited
P.O. Box 1093, Boundary Hall
Cricket Square
Grand Cayman, KY1-1102
Cayman Islands

香港證券登記分處

香港中央證券登記有限公司
香港
灣仔
皇后大道東183號
合和中心17樓1712至1716號舖

香港法律顧問

周俊軒律師事務所
與北京市通商律師事務所聯營

核數師

安永會計師事務所
執業會計師

香港聯合交易所有限公司主板股份代號

6833

本公司網站

www.sinco-pharm.com

上市日期

2016年3月10日

Financial Highlights

財務摘要

- Revenue of the Group increased by 18.8% or RMB100.9 million to RMB636.3 million for the Reporting Period (for the six months ended 30 June 2019: RMB535.4 million), among which revenue from sales of human albumin solution increased by approximately RMB141.6 million, and revenue from sales of antibiotics and other products decreased by approximately RMB40.7 million.
- Gross profit of the Group increased by RMB17.7 million to RMB108.6 million for the Reporting Period (for the six months ended 30 June 2019: RMB90.9 million), while gross profit margin increased from 17.0% to 17.1%.
- During the Reporting Period, the Group recorded net profit of RMB32.5 million (for the six months ended 30 June 2019: RMB15.2 million), which was mainly due to the increase in the Group's gross profit as compared with the corresponding period of 2019.
- During the Reporting Period, net profit attributable to owners of the Company amounted to RMB32.5 million (for the six months ended 30 June 2019: RMB15.2 million), representing an increase in net profit by RMB17.3 million.
- Basic earnings per share amounted to RMB0.019 for the Reporting Period (basic earnings per share for the six months ended 30 June 2019: RMB0.009).
- The Board resolved not to declare any interim dividend for the Reporting Period (for the six months ended 30 June 2019: Nil).
- 報告期內，本集團收益增長18.8%或人民幣100.9百萬元至人民幣636.3百萬元(截至2019年6月30日止六個月：人民幣535.4百萬元)，其中人血白蛋白注射液銷售收益增長約人民幣141.6百萬元，抗生素及其他產品銷售收益減少約人民幣40.7百萬元。
- 報告期內，本集團毛利增加人民幣17.7百萬元至人民幣108.6百萬元(截至2019年6月30日止六個月：人民幣90.9百萬元)，而毛利率則由17.0%上升至17.1%。
- 報告期內，本集團錄得純利人民幣32.5百萬元(截至2019年6月30日止六個月：人民幣15.2百萬元)，主要因為本集團毛利較2019年同期增長。
- 報告期內，本公司擁有人應佔純利為人民幣32.5百萬元(截至2019年6月30日止六個月：人民幣15.2百萬元)，純利增加人民幣17.3百萬元。
- 報告期內，每股基本盈利為人民幣0.019元(截至2019年6月30日止六個月每股基本盈利：人民幣0.009元)。
- 董事會決議不就報告期宣派任何中期股息(截至2019年6月30日止六個月：無)。

Financial Highlights (Continued)

財務摘要(續)

		For the six months ended 30 June 截至6月30日止六個月	
		2020 2020年 RMB'000 人民幣千元 (unaudited) (未經審核)	2019 2019年 RMB'000 人民幣千元 (unaudited) (未經審核)
Operating results	經營業績		
Revenue	收益	636,306	535,441
Gross profit	毛利	108,579	90,927
Profit before tax	除稅前溢利	30,166	21,790
Profit and total comprehensive income for the period	期內溢利及全面收益總額	32,452	15,206
Profit attributable to owners of the Company	本公司擁有人應佔溢利	32,452	15,207
Profitability	盈利		
Gross margin (%)	毛利率(%)	17.1%	17.0%
Net profit margin (%)	純利率(%)	5.1%	2.8%

		30 June 2020 2020年6月30日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2019 2019年12月31日 RMB'000 人民幣千元 (restated) (經重列)
Financial position	財務狀況		
Total assets	總資產	701,436	832,344
Total liabilities	總負債	622,692	786,052
Total equity	總權益	78,744	46,292
Equity attributable to owners of the Company	本公司擁有人應佔權益	79,652	47,200
Cash and cash equivalents*	現金及現金等價物*	86,004	219,755

* As stated in the consolidated statement of cash flows

* 如綜合現金流量表所列

Corporate Profile

公司簡介

As a leading MPCM service provider with extensive experience in the distribution of pharmaceutical imports, the Group focuses on blood products and base on nationwide marketing and promotion network, provides comprehensive MPCM services for small and medium-sized overseas pharmaceuticals manufacturers. The Group's products are imported from well-known overseas pharmaceutical manufacturers with product portfolio centers on blood products as well as anti-infective medicine and other prescription medicine.

The marketing and promotion services provided by the Group include: coordinating and cooperating with overseas pharmaceuticals manufacturers in respect of import registration/re-registration and other matters required by regulatory authorities; establishing customized marketing and promotion strategies based on the consideration of the product's therapeutic areas and characteristics, regulatory environment, market demand and other commercial factors; selecting, appointing and managing third-party service promoters; holding academic conferences, lectures, seminars, and other promotional activities; and informing doctors of the medical uses and effects of the Group's products.

The channel management services provided by the Group include: product clearance and testing; cooperating with third party on logistics and delivery; participating in tenders; confirming the purchase orders of, delivery products to and collecting payment from third-party commercial pharmaceutical delivery companies; collecting and analyzing sales data; and managing and improving the inventory level of commercial distribution channels.

The Group's product portfolio covers blood products and anti-infective medicine. We select quality products from overseas markets to meet the unsatisfied medical demand of the domestic market and secure high growth potential in the Chinese pharmaceutical industry with the outstanding clinical results of such products.

作為中國進口藥品領先的營銷、推廣及渠道管理的服務供應商，本集團憑藉豐富的進口醫藥分銷經驗，專注於血液製品，以覆蓋全中國的營銷及推廣網路為基礎，為海外中小型醫藥生產商提供綜合優質的營銷、推廣及渠道管理服務。本集團的產品進口自知名的海外醫藥生產商，產品組合以血液製品及抗感染藥物等處方藥品為核心。

本集團提供的營銷及推廣服務涵蓋：協調和配合海外藥企開展進口註冊／再註冊工作和其他監管機構要求事宜；基於對產品治療領域、產品特性、監管環境、市場需求以及其他商業因素考慮，制定定制化的市場推廣和營銷策略；甄選、委任和管理第三方服務推廣商；舉辦學術會議、講座、研討會及其他推廣活動；及向醫師傳達有關本集團產品的醫療用途及功效。

本集團提供的渠道管理服務包括：產品清關及檢驗；與第三方合作開展物流配送工作；參與投標程序；第三方商業醫藥配送公司的採購訂單確認、產品交付及收款工作；銷售數據的收集與分析；及管理改善商業配送渠道的存貨量。

本集團的產品組合涵蓋血液製品及抗感染藥物。我們從海外市場中篩選優質產品，以應付國內市場的醫藥需求空缺；憑藉產品卓越的臨床功效，確保其在中國醫藥行業擁有強勁的增長潛力。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

Since early 2020, the outbreak of the new coronavirus COVID-19 has been causing a profound impact on human life and economic activities worldwide. As the pandemic continues to spread globally, almost all industries have suffered various degrees of impact. During the first quarter of 2020, the pharmaceutical industry was negatively affected by the general closure of hospital departments, the strict implementation of isolation control policies and the decline in the national pharmaceutical logistics capacity. However, fields related to anti-epidemic benefited structurally and the essential attributes of medical products were outstanding. The short-term damages are expected to recover quickly after the pandemic.

As an industry with high barriers and strong demands, blood products have played an important role in the fight against the new coronavirus COVID-19 pandemic. In the post-pandemic era, some types of blood products are expected to reach a new round of growth due to the opportunities created by the pandemic. During the Reporting Period, the supply of human albumin products in the Chinese market was 30.81 million (standardized in 10g), representing an increase of 8.1 million from the same period in 2019. The volume of imported human albumin products accounted for 66% of the total supply in the Chinese market in the first half of the year, which continued to maintain a relatively strong position.

At present, the world's plasma collection volume exceeds 50,000 tons, and the United States accounts for approximately 80% of the total volume. The plasma used for human albumin products imported by China also comes from the United States. Although the global pandemic will inevitably have a negative impact on the global volume of plasma collection, considering the time needed for blood collection, testing, production, batch release and transportation, the imported human albumin products supplied in the Chinese market this year should be the batches manufactured before the outbreak of COVID-19 pandemic. We expect that the supply and release of imported human albumin products will continue to remain stable in 2020 and the impact of the pandemic on the supply of blood products may gradually be reflected in the first half of 2021.

Throughout the Reporting Period, revenue from the sales of Human Albumin Solution was RMB503.1 million, representing an increase of approximately 39.2% or RMB141.6 million as compared with the same period in 2019. The increase in revenue was mainly due to the fact that the human albumin products produced by the German factory introduced last year had entered into a stable and continuous batch release phase. The significant increase in the release volume in the first half of the year as compared with the same period last year led to a growth in sales. According to the arrangements with our suppliers for the second half of 2020, our supplies will continue to increase. As such, we expect our full-year revenue of human albumin solutions will rise accordingly.

業務回顧

從2020年初，新型冠狀病毒COVID-19的爆發對全世界人類的生活和經濟活動造成深遠的影響。隨著本次疫情在全球持續蔓延，絕大部分行業均遭受了不同程度的衝擊。醫藥行業在2020年第一季度受到了醫院科室普遍停診、隔離管控政策的嚴格執行以及全國醫藥物流運輸能力下降等多方面負面影響。但抗疫相關領域結構性受益，並且醫療產品剛需屬性突出，短期受損的領域在疫情後也有望快速恢復。

作為高壁壘、強剛需的行業，血液製品在對抗新型冠狀病毒COVID-19疫情的過程中發揮了重要的作用。而在後疫情時代部分血製品品種有望借助此次疫情創造的機遇實現新一輪的增長。報告期內，中國市場上的人血白蛋白產品供應量為3,081萬支（以10g單位計），較2019年同期上漲810萬支。上半年進口人血白蛋白產品的簽發量佔中國市場總供應量的66%，繼續保持相對強勢地位。

目前，全球採漿量超過50,000噸，美國採漿量佔總量比例約80%，中國所進口的人血白蛋白產品所用血漿也全部來自美國。儘管全球蔓延的疫情勢必會對全球的採漿量帶來負面影響，但考慮到血液製品的採漿、檢測、投漿生產、批次簽發以及運輸所需時間，今年中國市場上供應的進口人血白蛋白產品應以COVID-19爆發前生產的批次為主。我們預計在2020年內，進口人血白蛋白產品的供應和簽發量將繼續保持穩定，疫情對於血液製品供應的影響可能會在2021年上半年得到逐步體現。

於整個報告期內，人血白蛋白注射液銷售收益為人民幣503.1百萬元，較2019年同期上升約39.2%或人民幣141.6百萬元。有關收益的增加主要是由於在去年引入由德國工廠所產人血白蛋白產品進入了穩定持續的批次簽發階段，上半年的簽發量較去年同期大幅增加，帶來了銷售額的增長。根據2020年下半年與供應商的安排，我們於下半年的供應量將會持續增加。因此，我們預計我們的人血白蛋白注射液全年收益也會隨之增長。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

The completion of the Company's sales model transformation in 2019 and the full year's turnaround in profit have laid a good foundation for the Company's positive performance in 2020. Although the outbreak of the COVID-19 pandemic has had a temporary impact on the entire industry, with the stabilization of the domestic epidemic, market demand will be further released in the second half of the year. We believe that, given our supplies are adequately guaranteed, our business performance in the second half of 2020 will further improve.

1. Core Products

Human Albumin Solution

Dating back to the early 1940s, blood products have undergone decades of fast development. Such products have grown from human albumin at the very beginning to over 20 categories in three series, encompassing such sub-categories as human albumin, immune globulin and blood coagulation factors. Given the approval granted to new indications and an improved rate of diagnosis, the Plasma Protein Therapeutics Association (PPTA) predicts that the market demand for blood products will retain a high-speed growth globally. In these two years, as many new domestic plasma collection stations have been put into service, the amount of plasma collection increased every year and production capacity of domestic manufacturers also increased rapidly. As the largest sales category in the market of blood products in the PRC, human albumin is the only kind of blood product allowed to be imported at the present, and its lot release of imported and domestic categories maintains a rapid growth every year. In the first half of 2020, the human albumin batch release amounted to 30.81 million bottles (the first half of 2019: 22.70 million bottles), among which the percentage of imported and domestic categories were 66% and 34% respectively. Manufactured by Octapharma, a global leading manufacturer of blood products, and included as a Category B product in the National Reimbursement Drug List ("NRDL"), the Human Albumin Solution operated by the Group is used to remedy the shock caused by hypovolemia, remove edema and poisonous substances, and treat neonatal hyper-bilirubinemia. Based on the lot release of the Human Albumin Solution in the PRC in the first half of 2020, the market share of the Human Albumin Solution manufactured by Octapharma was approximately 14% (the first half of 2019: 5.5%).

Axetine (Cefuroxime Sodium for injection)

Manufactured by Medochemie from Cyprus, the Axetine operated by the Group is classified as the second generation of cephalosporin antibiotics. It is used to remedy bacterial infections caused by sensitive bacteria, including respiratory infection, urinary tract infection and skin and soft tissue infections. The product has been included in the National Catalogue of Essential Pharmaceuticals and the Category A products of NRDL.

2019年本公司的銷售模式轉型完成以及全年的扭虧為盈為本公司在2020年的積極表現奠定了良好的基礎。儘管COVID-19疫情的爆發對整個行業產生了暫時的衝擊，但隨著國內疫情的穩定，在下半年裏市場的需求將會進一步釋放，我們相信在供應量得到充足保證的情況下，我們於2020年下半年的業務表現將進一步改善。

1. 核心產品

人血白蛋白注射液

血液製品起源於20世紀40年代初，經過幾十年的快速發展，該產品品種已由最初的人血白蛋白發展到現在的人血白蛋白、免疫球蛋白和凝血因子類等3大系列20多個品種。隨著新的適應症的獲批和診治率的提高，國際血漿蛋白治療協會(PPTA)預計未來全球血液製品市場需求仍將保持較高的增長速度。近兩年，隨著國內新批採漿站的投入使用，每年的採漿量得到了增長，國內生產廠家的產能也得到快速提升。人血白蛋白作為中國血液製品市場中最大的銷售品種，也是目前唯一允許進口的血液製品，其每年進口和國產品種的批次簽發都保持了快速的增長。2020年上半年的批次簽發量為3,081萬瓶(2019年上半年：2,270萬瓶)，其中進口和國產的比重分別為66%和34%。本集團經營的人血白蛋白注射液是由全球血液製品巨頭之一的奧克特珞瑪公司生產，用於治療因血容量降低引起的休克、消除水腫和有毒物質、新生兒高膽紅素血症等，是國家醫保目錄(「國家醫保目錄」)乙類產品。以2020年上半年中國人血白蛋白注射液批次簽發量統計，奧克特珞瑪公司生產的人血白蛋白注射液市場佔有率約為14%(2019年上半年：5.5%)。

安可欣(注射用頭孢呋辛鈉)

本集團經營的安可欣是由賽浦路斯麥道甘美生產，屬第二代頭孢類抗菌素。用於治療敏感細菌所造成的感染症，如呼吸道感染、生殖泌尿道感染、皮膚及軟組織感染等，該產品被納入國家基本藥物目錄、國家醫保目錄甲類品種。

Medocef (Cefoperazone Sodium for injection)

Manufactured by Medochemie and operated by the Group, Medocef is classified as the third generation of cephalosporin antibiotics. The product is used to remedy bacterial infections caused by sensitive lactamase, including respiratory infection, urinary tract infection, biliary tract infection, abdominal infection, skin and soft tissue infection, pelvic infection and septicemia. The product is also effective in treating the brain infections caused by influenza and meningococcus.

2. Marketing Network Development

The Group provides its marketing service through its internal teams and their cooperation with third-party promoters. Hence, one of the Group's key development strategies is to continuously expand the marketing network and enhance distributor and promotor management. During the Reporting Period, the Group took "Flexible, Professional and Efficient" as its objective, and strove to develop its marketing team in respect of the ability of quickly responding to market environment changes and executing operational plans with high efficiency. Furthermore, the Group sorted out its human resources in each division. The marketing team had its structure streamlined and its performance management further refined, with optimized allocation of sales resources that are invested in each product and higher efficiency of business operation.

At the same time, the implementation of "Two-Invoice System" took place at a faster pace in each province. To positively respond to such implementation, the existing structure of the Group's distributor network was comprehensively sorted out. Based on sufficient communication with its distributors, the Group has further extended its sales channels to end markets through the collaboration between its internal sales team and local distributors. Originally, promoters were allocated by region. Now, the promoters are matched with each hospital of the region concerned, which enables the Group's sales network to reach the end market. Besides, the coverage of the network has also been extended from large top Tier-III hospitals to provincial, municipal and county Tier-I hospitals, to keep improving market penetration, thereby establishing a precision management system that each hospital will have its respective promoters.

麥道必(注射用頭孢哌酮鈉)

本集團經營的麥道必由麥道甘美生產，屬第三代頭孢類抗菌素。該產品用於治療敏感黴菌引起的感染症，如呼吸系統感染、生殖泌尿道感染、膽道、胸腹腔、皮膚及軟組織感染、盆腔感染及敗血症等。該產品對流感桿菌、腦膜炎球菌引起的腦內感染亦有療效。

2. 營銷推廣網絡發展

本集團的營銷推廣服務通過內部團隊及與第三方推廣服務商合作而展開。因此，不斷拓展營銷推廣網絡，並持續強化對經銷商及推廣服務商的管理是本集團的重點發展戰略之一。於報告期內，本集團以「靈活應變」和「專業高效」為目標，著力打造營銷推廣隊伍快速應對市場環境變化以及高效執行運營方案兩方面的能力，對各部門進行人才盤點，精簡營銷推廣隊伍組織架構。此外，本集團進一步細化營銷團隊績效管理，優化對各產品投入的銷售資源配置，提升營銷推廣隊伍業務運營效率。

與此同時，本集團積極應對在各省加速落地的「兩票制」，全面梳理本集團現有經銷商網絡結構，在與經銷商進行充分交流的基礎上，採取內部銷售隊伍和各地經銷商合作的方式，加速推動銷售渠道向終端市場延伸，由原有按照區域劃分轉型到現時按照各個區域內的醫院劃分對應的推廣服務商，使本集團的銷售網絡直達終端市場，同時從大型的三級甲等醫院逐漸往下覆蓋到省地市以及縣一級醫院，不斷加深市場滲透率，以達到建立每家醫院均有對應推廣服務商的精細化管理體系。

In addition, the Group has further improved the direct participation of its internal marketing team in product marketing activities. In this regard, approaches include providing regular training to third-party promoters on product knowledge, hosting or taking part in medical or pharmaceutical conferences, symposiums and product seminars to directly partake in the academic promotional activities of products, and extend the opinion leadership network for the main therapeutic areas of products. All the approaches serve to ensure accurate and timely delivery of product information to doctors. In addition to product promotion, the Group has taken the initiative to invite third party promoters from across the country to discuss and interpret the major impact of national policies so as to increase the added value and attraction of the Group's training.

3. Cold Chain Storage Facility

Considering the future demand for business expansion and the significant demand for pharmaceutical cold chains in the storage and delivery of blood products and bio-products, the Group has constructed a cold chain storage facility in Shuangliu District, Chengdu, Sichuan Province. The Group completed the first phase of its cold chain storage facility (15,000 square meters), which can satisfy the Group's storage demand and provide better control for the quality and safety of the blood products in our product portfolio. Currently, the Group has applied to Shuangliu District Government for land transfer, with its procedures well under way.

Save as mentioned above, the Company did not hold any significant investments, and there was no material acquisition or disposal of its subsidiaries, associates or joint ventures during the Reporting Period.

4. Research and Development

The Group has entered into a collaboration agreement with the China Academy of Chinese Medical Sciences to develop "Sinco I", a new realgar-based chemical medicine for treating acute promyelocytic leukemia. The collaboration aims for the upstream extension of the Group's business and the future provision of a new medicine for patients in the therapeutic area. The Group is currently making efforts in designing and building a pilot plant for pilot experiments. During the Reporting Period, the Group incurred RMB0.4 million as research and development expenses for developing Sinco I.

另外，本集團進一步強化內部營銷團隊對產品市場推廣活動的直接參與，包括定期向第三方推廣服務商提供產品知識培訓，通過籌辦或參與醫療或醫藥會議、座談會及產品研討會等方式直接參與產品的學術推廣活動，拓展產品主要治療領域的意見領袖網絡等，以保證產品信息準確及時地傳達至醫生。除了產品推廣外，本集團還主動邀請全國第三方推廣服務商一同探討解讀國家政策的重大影響，藉此提高本集團培訓的附加值及吸引力。

3. 冷鏈倉儲設施

考慮到本集團今後業務擴張需求以及血液製品、生物製品在倉儲、運輸環節對於醫藥冷鏈的巨大需求，本集團在四川省成都市雙流區建設了冷鏈倉儲設施。本集團已完工的第一期冷鏈倉儲設施(15,000平方米)可滿足本集團自身的倉儲需求，能夠更好地控制產品組合中血液製品的質量及安全。目前，本集團向雙流區政府提請辦理土地出讓手續，正在積極進行當中。

除上文所述者外，本集團亦無持有任何重大投資，於報告期內亦無其附屬公司、聯營公司及合營公司的重大收購或出售。

4. 研發

本集團與中國中醫科學院中藥研究所訂立合作協議，開發以雄黃為原料的用於治療急性早幼粒細胞白血病新型化學藥物「Sinco I」，以期將本集團業務向上游延伸的同時，未來將該治療領域的新藥提供給患者。本集團目前正在設計及建設中試車間以開展中試試驗。於報告期內，本集團產生開發Sinco I的研發費用為人民幣0.4百萬元。

FUTURE AND OUTLOOK

The COVID-19 pandemic has had a huge impact on society in the short term. Some of which are one-off impacts, and some areas may usher in tremendous changes. Historically, major epidemics such as SARS have promoted and improved China's disease prevention and control system, and have continued to profoundly affect the pharmaceutical industry after the epidemic. Given the current COVID-19 pandemic is still raging, we believe the country's medical reform will be bound to accelerate and the pharmaceutical industry will speed up its development accordingly. The long-term changes in the post-pandemic era may be more worthy of attention than the short-term impact.

The outbreak of COVID-19 pandemic has not only stimulated the performance of the blood products industry in the short term, it has also promoted the popularization and promotion of blood products in the clinic. The outbreak of COVID-19 pandemic has also promoted the clinical use of human albumin and immunoglobulin products. The effect of this promotion is not only reflected in the rapid recovery of the industry and its resistance to the impact, but will also contribute to the development of the blood product market in the long run.

The Group will continue to pursue its corporate development strategies in optimizing its marketing network and product portfolio, and maintaining the business of blood products and antibiotics as core therapeutic areas. By concentrating its advantageous resources, the Group spares no effort in reaching a speedy completion of the adjustment on sales pattern under the new policies for stabilizing its business. In respect of expanding its marketing network, the Group will strengthen the control over its sales team, improve its incentive mechanism, continuously promote presence in the downstream of marketing network channels, and extend it to the end market by establishing multi-mode cooperation with hospitals and pharmacies, all in a bid to contribute higher profit to the Group, develop core marketing capabilities and build a quality terminal promotion network to accommodate more products.

Apart from the above, the Group will continue to enhance the development of its internal control system and risk management, pay much attention to and fulfill its corporate social responsibilities throughout the Group's governance. The Group will offer its staff a great platform for career development, and keep working to create a greater value for the shareholders of the Company.

前景及展望

COVID-19疫情短期內對社會造成了巨大的影響，其中一部分是一次性的衝擊，而有些領域則可能就此迎來巨大變革。歷史上，SARS等重大疫情推動並完善了中國的疾病防控體系，並在疫情後持續深遠地影響著醫藥產業。鑒於當前COVID-19疫情尚在肆虐，我們相信國家的醫藥改革勢將加速推進，醫藥行業將隨之加速發展，後疫情時代的長遠變革可能比短期的影響更加值得關注。

COVID-19疫情爆發不光在短期內刺激了血液製品行業的業績，還在促進了血液製品在臨床上普及和推廣。COVID-19疫情的爆發也同樣促進了人血白蛋白和免疫球蛋白產品在臨床上的使用，這種促進作用不光體現在行業的快速復蘇和抵禦衝擊上，還將在未來很長一段時間推進血液製品市場的發展。

本集團將繼續秉持追求優化營銷推廣網絡和產品組合的企業發展戰略，以血液製品和抗生素製品為業務發展的核心治療領域，集中優勢資源，不遺餘力地快速完成對在新政策下的銷售模式調整，穩定本集團的業務發展。在擴大營銷推廣網絡上，本集團將加強對營銷團隊的管控，完善激勵制度，不斷推進營銷推廣網絡渠道下沉，並通過開發與醫院及藥房的多模式合作方式向終端市場延伸，為本集團提升利潤貢獻，打造核心營銷能力和建立優質的終端推廣網絡以期容納更多產品。

此外，本集團將繼續加強建設企業內部監控體系及風險管理，亦高度關注及履行企業社會責任，並在集團管治中貫徹執行。本集團將為員工提供理想的職業發展平台，為本公司股東創造更高價值而不懈努力。

FINANCIAL REVIEW

Revenue

The Group recorded revenue of RMB636.3 million for the Reporting Period, representing an increase of RMB100.9 million, or 18.8% as compared to RMB535.4 million in the corresponding period of 2019. The increase could be further analyzed as follows:

財務回顧

收益

本集團於報告期內錄得收益人民幣636.3百萬元，較2019年同期的人民幣535.4百萬元增加人民幣100.9百萬元，增幅18.8%，該增幅可進一步分析如下：

				For the six months ended 30 June 截至6月30日止六個月			
		2020 2020年		2019 2019年			
		Notes 附註	RMB million 人民幣百萬元 (Unaudited) (未經審核)	% of revenue 收益佔比	RMB million 人民幣百萬元 (Unaudited) (未經審核)	% of revenue 收益佔比	
Human Albumin Solution	人血白蛋白注射液	1)	503.1	79.1	361.5	67.5	
Antibiotics	抗生素	2)	133.2	20.9	171.9	32.1	
Other products	其他產品		–	–	2.0	0.4	
Total	合計		636.3	100.0	535.4	100.0	

1) Throughout the Reporting Period, revenue of human albumin solution stood at RMB503.1 million, representing an increase of approximately 39.2% or RMB141.6 million as compared with the corresponding period in 2019. Such increase in revenue was caused by the increase in the supply volume and the sales volume of human albumin.

2) During the Reporting Period, revenue from sales of antibiotics decreased by RMB38.7 million as compared with the corresponding period in 2019. The decrease was mainly caused by the outbreak of the new coronavirus COVID-19 which caused the drop in the number of hospital inpatients and as a result, the usage of antibiotics decreased correspondingly.

1) 報告期內，人血白蛋白注射液收益為人民幣503.1百萬元，相比2019年同期上升約39.2%或約人民幣141.6百萬元。收益增加主要源於人血白蛋白供應量和銷售量提升所致。

2) 報告期內，來自於抗生素的銷售收益較2019年同期減少人民幣38.7百萬元。減少主要是因為新型冠狀病毒COVID-19的爆發使醫院裏的病人減少，因而抗生素的用量相應減少。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

Cost of sales

The Group recorded cost of sales of RMB527.7 million for the Reporting Period, representing an increase of RMB83.2 million, or 18.7% as compared with RMB444.5 million in the corresponding period in 2019, which was in line with the increase in sales.

Gross profit and gross profit margin

During the Reporting Period, the Group recorded gross profit of RMB108.6 million, representing an increase of RMB17.7 million as compared with RMB90.9 million in the corresponding period of 2019; while gross profit margin increased from 17.0% to 17.1% for the Reporting Period as compared with the corresponding period of 2019.

Other income and gains

During the Reporting Period, other income and gains of the Group amounted to RMB5.8 million, representing a decrease of RMB7.5 million as compared with the corresponding period of 2019, which was mainly caused by the decrease of delivery service income.

Selling and distribution expenses

During the Reporting Period, the Group's selling and distribution expenses amounted to approximately RMB61.3 million, representing an increase of RMB16.8 million as compared with the corresponding period of 2019. The increase was mainly due to the increase of marketing promotion expenses which was in line with the increase in sales.

Administrative expenses

During the Reporting Period, the Group recorded administrative expenses of RMB20.1 million, which was similar to that of the corresponding period of 2019. The administrative expenses mainly included staff cost of RMB4.2 million, intermediary service fees of RMB3.6 million, tax charges of RMB2.5 million, depreciation of RMB3.8 million and other miscellaneous expenses.

銷售成本

本集團於報告期內錄得銷售成本人民幣527.7百萬元，較2019年同期的人民幣444.5百萬元增加人民幣83.2百萬元，增幅18.7%，與銷售收入的增加相符。

毛利及毛利率

於報告期內，本集團錄得毛利人民幣108.6百萬元，較2019年同期的人民幣90.9百萬元增加人民幣17.7百萬元。與2019年同期相比，報告期內毛利率則由17.0%上升至17.1%。

其他收入及收益

於報告期內，本集團的其他收入及收益為人民幣5.8百萬元，較2019年同期減少人民幣7.5百萬元，其主要是由於運輸配送服務收入減少所致。

銷售及經銷開支

於報告期內，本集團銷售及經銷開支約人民幣61.3百萬元，較2019年同期增加人民幣16.8百萬元。增加主要是由於市場推廣費用增加，與銷售增加相符。

行政開支

報告期內，本集團錄得行政開支人民幣20.1百萬元，與2019年同期相若。行政開支主要包括員工成本人民幣4.2百萬元、中介服務費人民幣3.6百萬元、稅費人民幣2.5百萬元、折舊人民幣3.8百萬元和其他各項費用。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

Other expenses

During the Reporting Period, the Group recorded other expenses of RMB3.8 million, representing an increase of RMB2.7 million as compared with the corresponding period of 2019, which was mainly due to the increase in foreign exchange loss.

Finance costs

During the Reporting Period, the Group recorded finance costs of RMB1.2 million, representing a decrease of RMB9.0 million as compared with the corresponding period of 2019, which was mainly due to the repayment of the other interest-bearing loans by the Group in January 2020 and accordingly the relevant interest expense decreased by RMB9.0 million.

Income tax credits

During the Reporting Period, the Group recorded income tax credit of RMB2.3 million, representing a decrease of RMB8.9 million as compared with the corresponding period of 2019, which was mainly due to the adjustment of the difference between tax provision and tax filing results.

Profit for the Reporting Period

As a result of the foregoing, the Group recorded net profit of RMB32.5 million, representing an increase of RMB17.3 million as compared with the corresponding period of 2019.

Inventories

Inventory balances amounted to RMB268.2 million as of 30 June 2020 (31 December 2019: RMB259.3 million), representing an increase of RMB8.9 million as compared with the year-end balance of 2019. Such increase was due to the increase in the inventory balance of human albumin solution.

During the Reporting Period, the Group's average inventory turnover days were 90 days. During the six months ended 30 June 2019, the average inventory turnover days were 96 days.

其他開支

於報告期內，本集團錄得其他開支人民幣3.8百萬元，較2019年同期增加人民幣2.7百萬元，主要由於外匯匯兌損失增加。

財務成本

於報告期內，本集團錄得財務成本人民幣1.2百萬元，較2019年同期減少人民幣9.0百萬元，主要由於本集團在2020年1月份償還了其他計息貸款，因此對應的利息支出減少人民幣9.0百萬元。

所得稅抵免

於報告期內，本集團錄得所得稅抵免人民幣2.3百萬元，較2019年同期減少人民幣8.9百萬元，其減少主要是調整稅項撥備與報稅結果之間的差額。

報告期內溢利

由於前述原因，本集團錄得純利人民幣32.5百萬元，較2019年同期增加人民幣17.3百萬元。

存貨

截至2020年6月30日，存貨餘額為人民幣268.2百萬元(2019年12月31日：人民幣259.3百萬元)，較2019年的年結日餘額增加人民幣8.9百萬元。該增加主要是由於人血白蛋白注射液庫存餘額增加。

本集團於報告期內的平均存貨周轉天數為90天。截至2019年6月30日止六個月，平均存貨周轉天數為96天。

Trade and bills receivables

The balance of trade receivables amounted to RMB54.3 million as of 30 June 2020 (31 December 2019: RMB26.0 million). The main reason for the increase of RMB28.3 million as compared with the year-end balance of 2019 was the increase in the trade receivables balance of antibiotics.

The balance of bills receivables as of 30 June 2020 was RMB42.5 million (31 December 2019: RMB4.7 million) representing an increase of RMB37.8 million as compared with the year-end balance of 2019. The increase was primarily resulted from the increase in sales of human albumin solution.

Prepayments, deposits and other receivables

As of 30 June 2020, the current portion of prepayments, deposits and other receivables amounted to RMB12.4 million (31 December 2019: RMB109.2 million), representing a decrease of RMB96.8 million as compared with the year-end balance of 2019. The decrease was mainly caused by the drop of prepayment of deposits for issuance of letter of credit by RMB63.4 million and the drop of other receivables of value-added tax recoverable by RMB22.8 million.

Trade payables

As of 30 June 2020, trade payables amounted to RMB163.0 million (31 December 2019: RMB300.5 million), representing a decrease of RMB137.5 million as compared with the year-end balance of 2019, among which payables for the purchase of human albumin solution decreased by RMB171.2 million, which was mainly caused by the fact that payment terms granted under letters of credit issued for a majority of purchases of human albumin solution during the second half of 2019 were longer than those granted during the Reporting Period, and payables for the purchase of antibiotics and other products increased by RMB33.7 million, which was mainly caused by the fact that purchases of antibiotics during the Reporting Period had longer credit terms as compared with those during the prior period.

Other payables and accruals

As of 30 June 2020, other payables and accruals amounted to RMB244.7 million (31 December 2019: RMB116.9 million), representing an increase of RMB127.8 million as compared with the year-end balance of 2019. The increase was mainly due to the increase of payables in relation to the import agent contract by RMB170.1 million. The increase was partially offset by the decrease of (i) the payables in relation to marketing, promotion and consulting services by RMB18.2 million; (ii) the deposits received from distributors by RMB3.4 million; and (iii) the interest payable on other interest-bearing loans by RMB23.2 million.

貿易應收款項及應收票據

截至2020年6月30日，貿易應收款項餘額為人民幣54.3百萬元(2019年12月31日：人民幣26.0百萬元)，較2019年的年結日餘額增加人民幣28.3百萬元，主要是抗生素的貿易應收款項餘額上升。

截至2020年6月30日，應收票據餘額為人民幣42.5百萬元(2019年12月31日：人民幣4.7百萬元)，較2019年的年結日餘額增加人民幣37.8百萬元。該增加主要由於人血白蛋白注射液的銷售額增加。

預付款項、按金及其他應收款項

截至2020年6月30日，預付款項、按金及其他應收款項的即期部分為人民幣12.4百萬元(2019年12月31日：人民幣109.2百萬元)，較2019年的年結日餘額減少人民幣96.8百萬元。該減少主要由於開立信用證的按金預付款項減少人民幣63.4百萬元及其他可收回增值稅應收款項減少人民幣22.8百萬元。

貿易應付款項

截至2020年6月30日，貿易應付款項為人民幣163.0百萬元(2019年12月31日：人民幣300.5百萬元)，較2019年的年結日餘額減少人民幣137.5百萬元，其中應付人血白蛋白注射液採購款減少人民幣171.2百萬元，主要由於2019年下半年就大部分人血白蛋白注射液採購額所開立信用證授出的信貸期較報告期授出的信貸期長，而應付抗生素及其他產品採購款增加人民幣33.7百萬元，主要由於報告期抗生素採購額的信貸期較前期的信貸期長。

其他應付款項及應計款項

截至2020年6月30日，其他應付款項及應計款項為人民幣244.7百萬元(2019年12月31日：人民幣116.9百萬元)，較2019年的年結日餘額增加人民幣127.8百萬元。增幅主要是由於與進口代理合約相關的應付款項增加人民幣170.1百萬元。增幅部分由(i)與營銷、推廣及諮詢服務相關的應付款項減少人民幣18.2百萬元；(ii)收到的經銷商保證金減少人民幣3.4百萬元；及(iii)其他計息貸款的應付利息減少人民幣23.2百萬元所抵銷。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

Other payables (non-current portion)

As of 30 June 2020, non-current portion of other payables amounted to RMB45.7 million (31 December 2019: RMB130.1 million), representing a decrease of RMB84.4 million as compared with the year-end balance of 2019. The decrease was mainly due to the decrease of payables in relation to the import agent contracts by RMB130.1 million which was partially offset by the increase in payables in relation to the long-term deposits received from distributors.

Borrowings

As of 30 June 2020, the Group had borrowings of RMB94.0 million in total that were repayable within one year, with details set out below:

其他應付款項(非流動部分)

截至2020年6月30日，其他應付款項的非流動部分為人民幣45.7百萬元(2019年12月31日：人民幣130.1百萬元)，較2019年的年結日餘額減少人民幣84.4百萬元，主要是由於與進口代理合約相關的應付款項減少人民幣130.1百萬元，減少部分被與已收經銷商長期保證金相關的應付款項增加所抵銷。

借款

截至2020年6月30日，本集團的借款合計為人民幣94.0百萬元，均須於一年內償還，詳情列示如下：

		30 June 2020 2020年6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 2019年12月31日 RMB'000 人民幣千元
Interest-bearing bank loans	計息銀行貸款	93,984	47,484
Other interest-bearing loans	其他計息貸款	–	140,000
Total	合計	93,984	187,484

The other interest-bearing loans referred to above relate to a loan agreement entered into on 23 April 2018 (as supplemented by a supplemental agreement dated 27 March 2019) (collectively, the “**Loan Agreement**”) among the Company as the borrower, Mr. Gui as the lender, Risun as the chargor and Mr. Huang as the guarantor for a loan of RMB140.0 million (the “**Loan**”) with an interest rate of 13.2% per annum. The Company arranged for the repayment of the Loan together with relevant interest amounts under the Loan Agreement on 3 January 2020. In such connection, Mr. Gui released the 1,049,999 Shares that were charged and placed in a custodian account pursuant to the Loan Agreement and the guarantee provided by Mr. Huang in connection with the Loan on 11 March 2020. For more details, please refer to the Company’s announcements dated 23 April 2018, 27 March 2019, 9 April 2019 and 3 January 2020.

上述其他計息貸款乃有關本公司(作為借款人)、桂先生(作為貸款人)、Risun(作為押記人)及黃先生(作為擔保人)於2018年4月23日就年利率13.2%的貸款人民幣140.0百萬元(「**貸款**」)訂立的貸款協議(並由日期為2019年3月27日的補充協議補充)(統稱「**貸款協議**」)。本公司已於2020年1月3日安排償還貸款協議項下的貸款及相關利息金額。就此而言，桂先生已解除根據貸款協議所押記及存入託管賬戶的1,049,999股股份，而黃先生就貸款提供的擔保亦於2020年3月11日獲解除。有關更多詳情，請參閱本公司日期為2018年4月23日、2019年3月27日、2019年4月9日及2020年1月3日的公告。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

Gearing ratio

At the end of the Reporting Period, the Group's gearing ratio was calculated as follows:

負債比率

於報告期末，本集團的負債比率計算如下：

		30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (restated) (經重列)
Interest-bearing bank and other loans	計息銀行及其他貸款	93,984	187,484
Trade payables	貿易應付款項	163,025	300,466
Other payables	其他應付款項	290,488	246,983
Lease liabilities	租賃負債	767	1,176
Tax payables	應付稅項	2,384	11,361
Less: Cash and cash equivalents	減：現金及現金等價物	(86,004)	(219,755)
Less: Pledged bank balances	減：已抵押銀行結餘	(37,274)	(5,001)
Net debt^(a)	負債淨額^(a)	427,370	522,714
Equity	權益	78,744	46,292
Equity and net debt^(b)	權益及負債淨額^(b)	506,114	569,006
Gearing ratio^(a/b)	負債比率^(a/b)	84.4%	91.9%

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

Liquidity and capital resources

The following table sets out a condensed summary of the Group's consolidated cash flows during the Reporting Period:

流動資金及資本來源

下表為本集團於報告期內簡明綜合現金流量摘要：

		For the six months ended 30 June 截至6月30日止六個月	
		2020 2020年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 2019年 RMB'000 人民幣千元 (Unaudited) (未經審核)
		Notes 附註	
Net cash from/(used in) operating activities	經營活動所得/(所用)現金淨額	1)	(88,725) 119,103
Net cash from/(used in) investing activities	投資活動所得/(所用)現金淨額	2)	2,347 (187)
Net cash used in financing activities	融資活動所用現金淨額	3)	(52,224) (167,804)
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額		(138,602) (48,888)
Effect of foreign exchange rate changes, net	外匯匯率變動影響淨額		(150) 48
Cash and cash equivalents at beginning of the period	期初現金及現金等價物	4)	224,756 80,343
Cash and cash equivalents at end of the period	期末現金及現金等價物	4)	86,004 31,503

1) *Net cash from/(used in) operating activities*

During the Reporting Period, the Group's net cash outflow from operating activities amounted to approximately RMB88.7 million (for the six months ended 30 June 2019: net cash inflow of RMB119.1 million), which was mainly due to an increase in cash outflow for trade payables to suppliers and the movement of inventory. Such increase in cash outflow was partially offset by the increase in cash inflow from the long-term deposits and prepayment made by distributors as compared with the corresponding period of prior year.

2) *Net cash from/(used in) investing activities*

The Group did not incur significant capital expenditure during the Reporting Period, and net cash inflow generated from investing activities amounted RMB2.3 million (net cash outflow for the six months ended 30 June 2019: RMB0.2 million), which was mainly due to the redemption of wealth management products issued by banks.

1) *經營活動所得/(所用)現金淨額*

於報告期內，本集團經營活動所得現金流出淨額約為人民幣88.7百萬元(截至2019年6月30日止六個月：現金流入淨額人民幣119.1百萬元)，主要是由於應付供應商貿易款項及存貨變動現金流出增加所致。有關現金流出增加部分由經銷商支付長期保證金及預付款項所得現金流入較去年同期增加所抵銷。

2) *投資活動所得/(所用)現金淨額*

於報告期內，本集團無產生重大資本開支，而投資活動所得現金流入淨額為人民幣2.3百萬元(截至2019年6月30日止六個月的現金流出淨額：人民幣0.2百萬元)，主要是由於贖回銀行發行的理財產品。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

3) Net cash used in financing activities

During the Reporting Period, the Group's net cash outflow from financing activities amounted to approximately RMB52.2 million (for the six months ended 30 June 2019: net cash outflow of RMB167.8 million), which mainly include (i) repayment of the interest-bearing loan of RMB140.0 million; (ii) payment of interests of RMB23.5 million; (iii) payment of pledged bank deposit of RMB37.3 million for obtaining bank loans; and (iv) payment of non-current other payables of RMB130.1 million in relation to import agency contracts. The cash outflow was partially offset by (i) net proceeds from bank and other loans of RMB45.6 million; (ii) proceeds from deposits of issuance of letters of credit of RMB63.4 million; and (iii) proceeds from import agents of RMB170.1 million in relation to import agency contracts.

4) The following table sets out the Group's cash and cash equivalents and pledged bank balances at the end of the Reporting Period:

3) 融資活動所用現金淨額

於報告期內，本集團融資活動所得現金流出淨額約為人民幣52.2百萬元(截至2019年6月30日止六個月：現金流出淨額人民幣167.8百萬元)，主要包括(i)償還計息貸款人民幣140.0百萬元；(ii)利息付款人民幣23.5百萬元；(iii)就獲得銀行貸款支付已抵押銀行存款人民幣37.3百萬元；及(iv)與進口代理合約相關的非流動其他應付款項人民幣130.1百萬元。現金流出部分由下列各項所抵銷：(i)銀行及其他貸款所得款項淨額人民幣45.6百萬元；(ii)開立信用證的存款所得款項人民幣63.4百萬元；及(iii)來自進口代理與進口代理合約相關的所得款項人民幣170.1百萬元。

4) 下表載列本集團於報告期末的現金及現金等價物以及已抵押銀行結餘：

		30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元
Denominated in RMB	以人民幣計值	121,140	211,624
Denominated in US\$	以美元計值	1,800	12,770
Denominated in HK\$	以港元計值	280	301
Denominated in Singapore dollars	以新加坡元計值	58	61
		123,278	224,756

Treasury policies

The Group has adopted a prudent financial management approach towards its treasury policies. Substantial amounts of the Group's cash and cash equivalent are held in major financial institutions located in Mainland China. The Group seeks to maintain strict control over its outstanding receivables and the senior management of the Company reviews and assesses the creditworthiness of the Group's existing customers on an ongoing basis. To manage liquidity risk, the Group monitors its exposure to a shortage of funds by considering the maturity of both its financial liabilities and financial assets and projected cash flows from operations. Cash and cash equivalents of the Group are mainly denominated in RMB.

庫務政策

本集團在執行庫務政策上採取審慎的財務管理策略。本集團絕大部分現金及現金等價物均存放於中國內地的主要金融機構。本集團致力於對尚未收回的應收款項維持嚴格控制，且本公司高級管理層持續檢討及評估本集團現有客戶的信譽。為管理流動資金風險，本集團透過考慮金融負債及金融資產的到期日以及預計經營現金流監控資金短缺風險。本集團的現金及現金等價物主要以人民幣計值。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

Foreign currency risk

Most of the Group's assets and liabilities are denominated in RMB, except for certain items below:

- Certain bank balances are denominated in US\$, HK\$ and Singapore dollars.
- Certain sales of products to distributors and relevant trade receivables are denominated in US\$.
- Certain purchase of products from overseas suppliers and relevant trade payables are denominated in US\$.
- Certain bank loans are denominated in US\$.

The Group does not enter into any hedging transactions.

Capital expenditure

The following table sets out the Group's capital expenditure for the periods indicated:

外匯風險

本集團大部分資產及負債以人民幣計值，惟下列項目除外：

- 若干銀行結餘以美元、港幣及新加坡元計值。
- 向經銷商銷售若干產品及相關貿易應收款項以美元計值。
- 向海外供應商購買的若干產品及相關貿易應付款項以美元計值。
- 若干銀行貸款以美元計值。

本集團並無訂立任何對沖交易。

資本開支

下表載列本集團於所示期間的資本開支：

		For the six months ended 30 June 截至6月30日止六個月	
		2020 2020年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 2019年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Purchase of property, plant and equipment	購買物業、廠房及設備	9	101
		9	101

Contingent liabilities

The Group had no material contingent liabilities as of 30 June 2020.

或然負債

截至2020年6月30日，本集團概無任何重大或然負債。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

Pledge of assets

As of 30 June 2020, the carrying amounts of the Group's pledged assets were set out as follows:

資產抵押

截至2020年6月30日，本集團已抵押資產的賬面值載列如下：

		30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元
For obtaining bank and other loans	用於獲得銀行及其他貸款		
– Buildings	– 樓宇	71,398	72,730
– Bank balances	– 銀行結餘	37,274	–
For securing the Group's other payables	用於為本集團其他應付款項作抵押		
– Inventories	– 存貨	264,613	224,916
For issuance of letters of credit and billings	用於開立信用證及承兌匯票		
– Bank balances	– 銀行結餘	–	5,001

Dividend

The Directors resolved not to declare any interim dividend for the Reporting Period (for the six months ended 30 June 2019: Nil).

股息

董事會決議不會就報告期宣派任何中期股息(截至2019年6月30日止六個月：無)。

EMPLOYEE AND REMUNERATION POLICY

As of 30 June 2020, the Group had a total of 104 employees. For the Reporting Period, the total staff cost of the Group were RMB8.8 million (for the six months ended 30 June 2019: RMB5.7 million).

僱員及薪酬政策

截至2020年6月30日，本集團共有104名僱員。報告期內，本集團的員工成本總計人民幣8.8百萬元(截至2019年6月30日止六個月：人民幣5.7百萬元)。

The Group's employee remuneration policy is determined by taking into account factors such as remuneration in respect of the local market, the overall remuneration standard in the industry, the inflation level, corporate operating efficiency and employee performance. The Group conducts performance appraisals once every year for its employees, the results of which are applied in annual salary reviews and promotional assessments. The Group considered the employees' annual bonuses according to certain performance criteria and appraisals results. Social insurance contributions are made by the Group for its PRC employees in accordance with the relevant PRC regulations.

本集團僱員薪酬政策乃考慮有關當地市場的薪酬、行業的整體薪酬標準、通脹水平、企業運營效率及僱員表現等因素而確定。本集團每年為僱員作一次表現評核，年度薪金檢討及晉升評估時會考慮有關評核結果。本集團根據若干績效條件及評核結果考慮其僱員年度花紅。本集團根據相關中國法規為其中國僱員作出社會保險供款。

The Group also provides continuous learning and training programs to its employees to enhance their skills and knowledge, so as to maintain their competitiveness and improve customer service quality. The Group did not experience any major difficulties in recruitment, nor did it experience any material loss in manpower or suffer from any material labor dispute during the Reporting Period.

本集團亦為僱員提供持續學習及培訓計劃，以提升彼等的技能及知識，藉此維持彼等的競爭力並提高客戶服務的質量。本集團於報告期內在招聘方面並無遇到任何重大困難，亦無出現任何嚴重人員流失或任何重大勞資糾紛。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

In addition, the Company adopted a share option scheme to recognise the contribution by certain employees of the Group and to provide them with incentives in order to retain them for their continuing support in the operation and development of the Group. As of 30 June 2020, there were 15,650,000 outstanding share options granted under the share option scheme.

PRIOR YEAR ADJUSTMENTS

Prior year adjustments have been made by the Company due to correction of prior period errors. Details of which are set out in note 2.3 to the condensed consolidated financial statements of the Group in this report.

EVENTS AFTER THE END OF THE REPORTING PERIOD

Save as disclosed in the section headed “Change of Auditors” and “Changes to Directors’ Information” below, no events after the Reporting Period need to be brought to the attention of the Shareholders.

RISK MANAGEMENT

The principal risks and uncertainties identified by the Company which may have material and adverse impact on our performance or operation are summarized below. There may be other principal risks and uncertainties in addition to those set out below which are not known to the Company or which may not be material now but could turn out to be material in the future.

- Failure to maintain relationships with existing suppliers – The Group currently sources all the products in portfolio from limited suppliers, either directly or indirectly through their sales agents.
- Exchange rate fluctuation – The Group’s purchase of products from overseas suppliers is denominated in US\$, and certain items of bank balances, other receivables, bank borrowings and bonds are denominated in US\$ and HK\$.
- Decrease in gross profits due to increase in cost and competition.
- Experience prolonged delays or significant disruptions to the supply of the products.

The Company believes that risk management is essential to the Group’s efficient and effective operation. The Company’s management assists the Board in evaluating material risk exposure existing in the Group’s business, and participates in formulating appropriate risk management and internal control measures, and to ensure such measures are properly implemented in daily operational management.

此外，本公司採納購股權計劃以肯定本集團若干僱員的貢獻，及向彼等提供獎勵，以挽留彼等繼續協助本集團的營運及發展。截至2020年6月30日，購股權計劃項下授予的購股權尚有15,650,000份未行使。

去年調整

本公司因更正前期錯誤而作出去年調整。有關詳情載於本報告內本集團簡明綜合財務報表附註2.3。

報告期末後事項

除下文「更換核數師」及「董事資料變更」一節所披露者外，並無報告期後事項須提請股東注意。

風險管理

以下概述本公司所識別的主要風險及不明朗因素，該等風險及不明朗因素可能會對我們的表現或營運造成重大不利影響。除下文所示者外，可能還有其他本公司未知或現時可能並不重大但於未來可變為重大的主要風險及不明朗因素。

- 未能與現有供應商維持關係 – 本集團現時向有限的供應商直接或透過銷售代理間接採購所有產品組合。
- 匯率波動 – 本集團向海外供應商購買的產品以美元計值，且若干銀行結餘、其他應收款項、銀行借款及債券項目以美元及港元計值。
- 成本增加及競爭加劇導致毛利減少。
- 產品供應遭遇長時間延誤或重大中斷。

本公司相信，風險管理對本集團的運營效率及效益十分重要。本公司的管理層協助董事會評估本集團業務所面對的重大風險，並參與制定合適的風險管理及內部控制措施，以及確保在日常營運管理中妥善實施有關措施。

RELATIONSHIP WITH KEY STAKEHOLDERS

Human resource is one of the most important assets of the Group. The Group strives to motivate its employees by providing them with a clear career path as well as comprehensive and professional training courses. In addition, the Group also offers competitive remuneration packages to its employees, including basic salary, certain benefits and other performance based incentives.

The Group purchases imported pharmaceutical products from overseas suppliers, either directly or indirectly through their sales agents, and generate revenue by on-selling them to hospital and pharmacies through distributors and deliverers. Our suppliers or their sales agents have granted us the rights to market, promote and manage sales channels for their products in China. The Group maintains a stable and long-term relationship with its suppliers by providing them access to the growing Chinese market with steady sales growth.

The Group sells pharmaceutical products to distributors, who on-sell the products to hospital and pharmacies either directly or indirectly through their sub-distributors. The Group maintains stable and long-term relationship with its distributors and delivers by providing them guidance, training and support to carry out more targeted field marketing and promotion activities.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is primarily engaged in MPCM for imported pharmaceutical products, a line of business that does not have material impact on the environment. The key environment impact from the Group's operation is related to electricity, water and paper consumption. The Group is fully aware of the importance of sustainable environmental development, and has implemented the following measures to encourage environmental protection and energy conservation:

- Promoting paperless office
- Encouraging low-carbon commuting
- Ensuring reasonable energy consumption

During the Reporting Period, we did not incur any material cost of compliance with relevant environmental laws and regulations.

COMPLIANCE WITH LAWS AND REGULATIONS

The Group's business and operations are subject to related laws and regulations of the Cayman Islands, the British Virgin Islands, Hong Kong and the PRC. During the Reporting Period, we have complied with all related laws and regulations of the Cayman Islands, the British Virgin Islands, Hong Kong and the PRC, which would have significant impact on the Group.

與主要利益相關者的關係

人力資源作為本集團的最重要資產之一，本集團致力於以清晰的職業發展路徑以及完善專業的培訓課程激勵僱員。此外，本集團亦為僱員提供具有市場競爭力的薪酬待遇，包括基本薪金、若干福利及其他績效獎勵。

本集團從海外供應商直接或透過銷售代理間接採購進口藥品，然後通過經銷商及配送商轉售予醫院和藥房產生收益。供應商或其銷售代理授予我們在中國營銷、推廣產品及管理銷售渠道的權力。本集團與供應商維持穩定長遠關係，讓供應商可以進入不斷增長的中國市場，獲得穩定的銷售增長。

本集團將藥品售予經銷商，再由其直接或經其分經銷商間接售予醫院和藥房。本集團與經銷商及配送商維持穩定長遠關係，為經銷商及配送商提供指引、培訓和支援，以在目標領域開展更多營銷及推廣活動。

環境政策及表現

本集團主要從事進口藥品營銷、推廣及渠道管理，該業務線不會嚴重影響環境。本集團營運所造成的重要環境影響與電、水及紙張消耗有關。本集團深明環境可持續發展的重要性，並已實施以下措施，以推動環保及節能：

- 推行無紙化辦公
- 鼓勵低碳出行
- 確保合理利用能源

於報告期內，我們並無因遵守相關環境法律及法規而產生任何重大支出。

遵守法律法規

本集團的業務及營運須遵守開曼群島、英屬維爾京群島、香港及中國相關法律及法規。於報告期內，我們一直遵守對本集團有重大影響的開曼群島、英屬維爾京群島、香港及中國所有相關法律及法規。

Other Information

其他資料

CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders of the Company and to enhance corporate value and accountability. The Company has adopted the CG Code as set out in Appendix 14 to the Listing Rules as its own code of corporate governance.

During the Reporting Period, the Company has complied with all applicable code provisions under the CG Code and adopted certain best practices set out therein except for the following provision:

Under code provision A.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and performed by different individuals. Under the organization structure of the Company, Mr. Huang is the Chairman of the Board and the chief executive officer of the Company. With Mr. Huang's extensive experience in the pharmaceuticals industry, the Board considered that vesting the roles of chairman and chief executive officer in the same person is beneficial to the business prospects and management of the Group. The check and balance of power and authority is ensured by the operation of the senior management and the Board, which comprises experienced and high caliber individuals. Accordingly, the Board believes that this arrangement will not impact on the balance of power and authorizations between the Board and the management of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions of the Directors. Having made specific enquiry with the Directors, all Directors confirmed that they have complied with the required standard as set out in the Model Code throughout the Reporting Period.

INTERIM DIVIDEND

The Board resolved not to declare any interim dividend for the Reporting Period (for the six months ended 30 June 2019: Nil).

企業管治常規

本集團致力於維持高水準的企業管治，以保障本公司股東的利益並提高企業價值及問責性。本公司已採納上市規則附錄十四所載的企業管治守則作為其本身的企業管治守則。

於報告期內，本公司一直遵守企業管治守則的所有適用守則條文，並採納其中若干最佳常規，惟下列條文除外：

根據企業管治守則守則條文第A.2.1條，主席及行政總裁的角色應予以區分及由不同人士擔任。根據本公司的組織架構，黃先生為董事會主席兼本公司行政總裁。憑藉黃先生於醫藥行業的豐富經驗，董事會認為由同一人兼任主席及行政總裁職位，有利於本集團的業務前景及管理。在由富有經驗及卓越才幹的人士組成的高級管理層與董事會運作下，可確保權力與權限之間有所制衡。因此，董事會相信，該安排不會影響董事會與本公司管理層之間的權力與權限互相制衡。

證券交易的標準守則

本公司已採納上市規則附錄十所載標準守則作為其董事進行證券交易的操守守則。經向董事作出具體查詢後，全體董事確認彼等於報告期內一直遵守標準守則所載的規定標準。

中期股息

董事會決議不會就報告期宣派任何中期股息（截至2019年6月30日止六個月：無）。

Other Information (Continued)

其他資料(續)

AUDIT COMMITTEE

The principal duties of the Audit Committee include the review and supervision of the Group's financial reporting system, the preparation of financial statements and internal control procedures. It also acts as an important link between the Board and the external auditor in matters within the scope of the group audit.

The Audit Committee, together with management and external auditor of the Company, have reviewed the unaudited condensed interim results of the Group for the Reporting Period.

CHANGE OF AUDITORS

Crowe resigned as auditor of the Company with effect from 8 July 2020 after taking into account various factors, including the professional risk associated with the audit, the level of audit fees and the availability of its internal resources in light of its current work flows. Crowe had confirmed in writing that there are no matters in connection with its resignation that need to be brought to the attention of the shareholders of the Company.

Ernst & Young was appointed as auditor of the Company to fill the causal vacancy following the resignation of Crowe with effect from 20 July 2020 and hold office until the conclusion of the next annual general meeting of the Company.

CHANGES TO DIRECTORS' INFORMATION

On 28 August 2020, Mr. Bai Zhizhong has been appointed as an independent non-executive director of the Company and a member of each of the Audit Committee and the internal control and the corporate governance committee of the Board with effect from 1 September 2020 (the "Appointment"). Details of the Appointment were set out in the Company's announcement dated 28 August 2020.

Save as otherwise disclosed in this report, the Directors confirm that no information is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the Reporting Period.

審核委員會

審核委員會的主要職責包括檢討及監察本集團財務申報系統、編製財務報表及內部監控程序。其亦就集團審核範圍內的事宜作為董事會與外聘核數師之間的重要聯繫。

審核委員會與本公司管理層及外聘核數師已審閱本集團報告期內的未經審核簡明中期業績。

更換核數師

國富浩華經考慮與審計相關的專業風險、審計費用水平及現時工作流程下的內部資源可用情況等多項因素後，已辭任本公司核數師，自2020年7月8日起生效。國富浩華已書面確認，概無有關其辭職的事宜需提請本公司股東垂注。

安永會計師事務所獲委任為本公司核數師，以填補因國富浩華辭任而產生的臨時空缺，自2020年7月20日起生效，任期直至本公司下屆股東週年大會結束為止。

董事資料變更

於2020年8月28日，白志中先生已獲委任為本公司獨立非執行董事以及董事會審核委員會及內部控制及企業管治委員會各自的成員，自2020年9月1日起生效（「委任」）。委任詳情載於本公司日期為2020年8月28日的公告。

除本報告其他部分所披露者外，董事確認並無任何資料根據上市規則第13.51B(1)條的規定須予披露。

購買、出售或贖回本公司上市證券

於報告期內，本公司或其附屬公司概無購買、出售或贖回本公司任何上市證券。

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2020, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the HKSE pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which were taken or deemed to have under such provisions of the SFO), or (ii) which were required, pursuant to section 352 of the SFO, to be entered into the register maintained by the Company, or (iii) which were required to be notified to the Company and the HKSE pursuant to Model Code as set out in Appendix 10 to the Listing Rules were as follows:

(i) Interest in Shares or Underlying Shares of the Company

Name of Director and chief executive	Nature of Interest	Number of Share or underlying Shares ⁽¹⁾ 股份或相關股份數目 ⁽¹⁾	Approximate percentage of shareholding interest ⁽³⁾ 股權概約百分比 ⁽³⁾
董事及主要行政人員姓名	權益性質		
Mr. Huang ⁽²⁾ 黃先生 ⁽²⁾	Founder of a discretionary trust 酌情信託成立人	1,050,000,000(L)	62.06%

Notes:

- (1) The letter "L" denotes the person's long position in the Shares.
- (2) Mr. Huang is the settlor of a trust in which Wickhams Cay Trust Company Limited is the trustee and holds the entire interest in Fullwealth Holdings Limited, which in turn holds the entire beneficial interest in Risun. Mr. Huang is deemed to be interested in the 1,050,000,000 Shares held by Risun.
- (3) The calculation is based on the total number of 1,691,890,585 Shares in issue as at 30 June 2020.

董事及主要行政人員於股份、相關股份及債券中的權益及淡倉

於2020年6月30日，董事及本公司主要行政人員於本公司或其任何相關法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券中，擁有(i)根據證券及期貨條例第XV部及第7及8分部須知會本公司及香港聯交所的權益及淡倉(包括根據證券及期貨條例有關條文，彼等被當作或被視為擁有的權益或淡倉)，或(ii)根據證券及期貨條例第352條須記錄於本公司存置的登記冊內的權益及淡倉，或(iii)根據上市規則附錄十所載的標準守則須知會本公司及香港聯交所的權益及淡倉如下：

(i) 於本公司股份或相關股份的權益

附註：

- (1) 字母「L」指該名人士於股份所持有的好倉。
- (2) 黃先生為一項信託的財產授予人，其中 Wickhams Cay Trust Company Limited 為該信託的受託人並持有 Fullwealth Holdings Limited 全部權益，而 Fullwealth Holdings Limited 持有 Risun 全部實益權益。黃先生被視作擁有 Risun 所持有 1,050,000,000 股股份的權益。
- (3) 該百分比乃根據於 2020 年 6 月 30 日總數 1,691,890,585 股已發行股份而計算得出。

Other Information (Continued)

其他資料(續)

(ii) Interest in associated corporation

(ii) 於相聯法團的權益

Name of Director	Name of associated corporation	Nature of Interest	Amount of registered share capital 已註冊股本金額	Approximate percentage of shareholding interest 股權概約百分比
董事姓名	相聯法團名稱	權益性質		
Ms. Zhang Zhijie	Sichuan Sinco Biological Technology Co., Ltd.	Interest in controlled corporation ⁽¹⁾	RMB300,000	30%
張志傑女士	四川興科蓉生物科技 有限公司	於受控法團的權益 ⁽¹⁾	人民幣300,000元	

Notes:

- (1) Sichuan Sinco Biotechnology Co., Ltd. is owned as to 30% by Beijing Kang Tai Yun Dao Technology Co., Ltd., which is in turn owned as to 60% by Ms. Zhang Zhijie.

Save as disclosed above, as at 30 June 2020, none of the Directors and the chief executive of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the HKSE pursuant to Divisions 7 and 8 of Part XV of the SFO, or recorded in the register of the Company required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the HKSE pursuant to the Model Code.

附註：

- (1) 四川興科蓉生物科技有限公司由北京康泰運道科技有限公司擁有30%權益，而北京康泰運道科技有限公司由張志傑女士擁有60%權益。

除上文所披露者外，於2020年6月30日，本公司董事及主要行政人員概無於本公司或其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債券中擁有或被視為擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及香港聯交所的任何權益或淡倉，或根據證券及期貨條例第352條須記錄於本公司存置的登記冊內的任何權益或淡倉，或根據標準守則須另行知會本公司及香港聯交所的任何權益或淡倉。

Other Information (Continued)

其他資料(續)

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITION IN SHARES AND UNDERLYING SHARES

As at 30 June 2020, to the best knowledge of the Directors, the following persons/entities (not being a Director or chief executive of the Company) had interests or short positions in the Shares or underlying Shares of the Company which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

(i) Interest in the Company

主要股東於股份及相關股份中的權益及淡倉

於2020年6月30日，就董事所深知，根據本公司按照證券及期貨條例第336條須予存置的登記冊內所記錄，以下人士／實體(董事或本公司主要行政人員除外)於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部的條文須向本公司披露的權益或淡倉：

(i) 於本公司的權益

Name	Nature of Interest	Number of Shares ⁽¹⁾	Approximate percentage of shareholding interest ⁽⁴⁾
名稱	權益性質	股份數目 ⁽¹⁾	股權概約百分比 ⁽⁴⁾
Risun ⁽²⁾	Beneficial owner	1,050,000,000(L)	62.06%
Risun ⁽²⁾	實益擁有人		
Fullwealth Holdings Limited ⁽²⁾	Interest in controlled corporation	1,050,000,000(L)	62.06%
Fullwealth Holdings Limited ⁽²⁾	於受控法團的權益		
Wickhams Cay Trust Company Limited ⁽²⁾	Trustee	1,050,000,000(L)	62.06%
Wickhams Cay Trust Company Limited ⁽²⁾	受託人		
Wisen ⁽³⁾	Beneficial owner	90,000,000(L)	5.32%
Wisen ⁽³⁾	實益擁有人		
Mr. Liu Sichuan ⁽³⁾	Interest in controlled corporation	90,000,000(L)	5.32%
劉思川先生 ⁽³⁾	於受控法團的權益		

Other Information (Continued)

其他資料(續)

Notes:

- (1) The letter "L" denotes the person's long position in the Shares.
- (2) Mr. Huang is the settlor of a trust in which Wickhams Cay Trust Company Limited is the trustee and holds the entire interest in Fullwealth Holdings Limited, which in turn holds the entire beneficial interest in Risun. Fullwealth Holdings Limited, Wickhams Cay Trust Company Limited and Mr. Huang are deemed to be interested in the 1,050,000,000 Shares beneficially held by Risun.
- (3) Wisen is owned as to 100% by Mr. Liu Sichuan. Therefore, Mr. Liu Sichuan is deemed to be interested in the 90,000,000 Shares held by Wisen.
- (4) The calculation is based on the total number of 1,691,890,585 Shares in issue as at 30 June 2020.

Save as disclosed above, as at 30 June 2020, the Directors were not aware of any persons (who were not Directors or chief executive of the Company) who had an interest or short position in the Shares or underlying Shares of the Company which would fall to be disclosed under Division 2 and 3 of Part XV of the SFO, or which would be required, pursuant to Section 336 of the SFO, to be entered in the register referred to therein.

SHARE OPTION SCHEME

Pursuant to a resolution passed by the Shareholders, the Company had adopted the Share Option Scheme, which became effective on the Listing Date.

1. Purpose

The purpose of the Share Option Scheme is to provide an incentive or reward for Eligible Participants (defined below) for their contribution or potential contribution to the Company and/or any of its subsidiaries.

附註：

- (1) 字母[L]指該名人士於股份所持有的好倉。
- (2) 黃先生為一項信託的財產授予人，其中Wickhams Cay Trust Company Limited為該信託的受託人並持有Fullwealth Holdings Limited全部權益，而Fullwealth Holdings Limited持有Risun全部實益權益。Fullwealth Holdings Limited、Wickhams Cay Trust Company Limited及黃先生均被視為擁有Risun實益所持有1,050,000,000股股份的權益。
- (3) Wisen由劉思川先生全資擁有。因此，劉思川先生被視為擁有Wisen所持有90,000,000股股份的權益。
- (4) 該百分比乃根據於2020年6月30日總數1,691,890,585股已發行股份而計算得出。

除上文披露者外，於2020年6月30日，董事並不知悉任何人士(本公司董事或主要行政人員除外)於本公司股份或相關股份中，擁有根據證券及期貨條例第XV部及第2及3分部須予披露的權益或淡倉，或根據證券及期貨條例第336條須記錄於該條文所指的登記冊內的權益或淡倉。

購股權計劃

根據股東通過的一項決議案，本公司已採納購股權計劃，其已於上市日期生效。

1. 目的

購股權計劃旨在向已經向本公司及／或其任何附屬公司作出貢獻或即將作出貢獻的合資格參與者(定義見下文)提供獎勵或回報。

Other Information (Continued)

其他資料(續)

2. Eligible participants

The Board may subject to and in accordance with the provisions of the Share Options Scheme and the Listing Rules, as its discretion grant options to any full-time or part-time employees, including executives, senior management or officers (including executive, non-executive and independent non-executive directors) of the Company, its subsidiaries or any entity in which the Group holds any equity interest, and to any company wholly owned by one or more persons belonging to any of the above classes of participants who, in the absolute discretion of the Board has contributed or will contribute to the Group (collectively, the “**Eligible Participants**”).

3. Life of the Share Option Scheme

The Share Option Scheme shall be valid and effective for a period of ten years from 1 February 2016, after which time no further option will be granted. The remaining life of the Share Option Scheme as at 30 June 2020 is approximately 5 years and 7 months.

4. Total number of Share available for issue

The maximum number of Share which may be issued upon exercise of all options to be granted under the Share Option Scheme shall not, in aggregate, exceed 160,000,000, representing 9.46% of the issued share capital of the Company as at the date of this report.

5. Maximum entitlement of each participant

Unless approved by Shareholders, the total number of Shares issued and to be issued upon exercise of options granted to any participant (including exercised and outstanding options) under the Share Option Scheme in any 12-month period up to the date of grant shall not exceed 1% of the total Shares in issue.

6. Offer period and amount payable for options

An option may be accepted by an Eligible Participant within 15 days from the date of the offer of grant of the option. A nominal consideration of HK\$1.00 is payable upon acceptance of the granted of option.

2. 合資格參與者

董事會依循及遵照購股權計劃的條款及上市規則可酌情將購股權授予本公司、其附屬公司或本集團持有任何股權的任何實體的任何全職或兼職僱員(包括行政人員、高級管理人員或高級職員(包括執行董事、非執行董事及獨立非執行董事))，以及董事會全權酌情認為已向或將向本集團作出貢獻的任何一名或多名上述類別參與者(統稱「**合資格參與者**」)全資擁有的任何公司。

3. 購股權計劃的期限

購股權計劃自2016年2月1日起計十年期間有效及生效，之後不會進一步授出購股權。購股權計劃於2020年6月30日的剩餘年期約為5年7個月。

4. 可供發行股份總數

因行使根據購股權計劃所授全部購股權而可能發行的最高股份數目，合共不得超過160,000,000股股份，佔本公司於本報告日期已發行股本的9.46%。

5. 每位參與者可享有的最高股份數目

除非經股東批准，於截至授出日期的任何12個月期間內因行使購股權計劃已授予各參與者的購股權(包括已行使及尚未行使的購股權)而已發行及將發行的股份總數，不得超逾已發行股份總數的1%。

6. 發售期及購股權應付金額

合資格參與者可於要約授出購股權日期起計15日內接納購股權。於接納獲授購股權時須支付名義代價1.00港元。

Other Information (Continued)

其他資料(續)

7. Minimum period for which an option must be held before it can be exercised

The period during which an option must be held before it can be exercised in accordance with the terms of the Share Option Scheme shall be one year after the date on which the option is granted. The Board may in its absolute discretion impose further restrictions on the exercise of the option.

8. Period within which the Share must be taken up

Subject to the discretion of the Board who may impose restrictions on the exercise of the option, any option may be exercised one year after the date on which the options is granted and shall expire on the earlier of the last day of (i) a six year period from the date of such grant and (ii) the expiration of the Share Option Scheme.

9. Basis of determining the subscription price

The Exercise Price shall be a price determined by the Board but in any event shall be at least the highest of:

- (i) the closing price of the Shares as stated in the HKSE's daily quotations sheets on the date on which the option is granted;
- (ii) the average closing price of the Shares as stated in the HKSE's daily quotations sheets for the five business days immediately preceding the date of grant of that option; and
- (iii) the nominal value of the Shares.

7. 可行使購股權前必須持有的最短期限

根據購股權計劃的條款，可行使購股權前必須持有的期限自授出購股權當日起計為期一年。董事會可全權酌情對行使購股權施加進一步限制。

8. 必須接納股份的期限

在董事會可酌情限制行使購股權的規限下，任何購股權可於授出購股權日期後一年行使，並於下列較早期限的最後一日屆滿：(i)授出日期起計六年期限；及(ii)購股權計劃期滿。

9. 釐定認購價的基準

行使價乃由董事會釐定，惟於任何情況下不得低於下列三者中的最高者：

- (i) 股份於授出購股權日期在香港聯交所日報表所載的收市價；
- (ii) 股份於緊接授出購股權日期前五個營業日在香港聯交所日報表所載的平均收市價；及
- (iii) 股份面值。

Other Information (Continued)

其他資料(續)

The summary of the options granted under the Share Option Scheme that were still outstanding as at 30 June 2020 are as follows:

根據購股權計劃授出而於2020年6月30日仍尚未行使的購股權概述如下：

Grantee's name 承受人姓名	Nature of Interest 權益性質				On 30 June 2020 於2020年6月30日	Exercise price ⁽¹⁾ 行使價 ⁽¹⁾	Date of grant 授出日期	Exercise period ⁽²⁾ 行使期 ⁽²⁾
	On 1 January 2020 於2020年1月1日	Granted 授出	Exercised 行使	Cancelled/Lapsed 註銷/失效				
Employees in aggregate 僱員(合共)	15,650,000	-	-	-	15,650,000	HK\$0.568 0.568港元	21 September 2016 2016年9月21日	21 September 2017 – 20 September 2022 2017年9月21日至 2022年9月20日

Notes:

- (1) The exercise price represents not less than the highest of (i) the closing price of HK\$0.540 per Share as stated in the HKSE's daily quotation sheets on 21 September 2016, being the date of such grant; (ii) the average closing price of HK\$0.568 per Share as stated in the HKSE's daily quotation sheets for five business days immediately preceding the date of such grant; and (iii) the nominal value of the Share at HK\$0.0001 per Share.
- (2) 40% of the options granted shall be vested and can be exercised upon one year commencing the date of such grant (i.e. 21 September 2017) and a continuous employment of one year. Another 30% of the options granted, shall be vested and can be exercised upon two years commencing the date of such grant (i.e. 21 September 2018) and a continuous employment of two years. The remaining 30% of the options granted, shall be vested and can be exercised upon three years commencing the date of such grant (i.e. 21 September 2019) and a continuous employment of three years.

附註：

- (1) 行使價不低於以下三者中的最高者：(i) 股份於2016年9月21日(即有關授出日期)在香港聯交所日報表所載的收市價每股0.540港元；(ii) 股份於緊接有關授出日期前五個營業日在香港聯交所日報表所載的平均收市價每股0.568港元；及(iii) 股份面值每股0.0001港元。
- (2) 授出購股權的40%將自有關授出日期(即2017年9月21日)起計一年且持續受僱一年後可予歸屬及行使。授出購股權的另外30%將自有關授出日期(即2018年9月21日)起計兩年且持續受僱兩年後可予歸屬及行使。授出購股權的餘下30%將自有關授出日期(即2019年9月21日)起計三年且持續受僱三年後可予歸屬及行使。

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as otherwise disclosed in this report, no rights to acquire benefits by means of the acquisition of Shares in or debentures of the Company were granted to any Director or their respective spouse or children under 18 years of age, nor were any such rights exercised by them. Neither the Company nor any of its subsidiaries was party to any arrangement to enable the Directors, or their respective spouse or children under 18 years of age, to acquire such rights in any other body corporate during the Reporting Period.

董事收購股份或債券的權利

除本報告另有披露者外，概無授予任何董事或彼等各自的配偶或未滿18歲子女任何以收購本公司股份或債券方式獲得利益的權利，彼等亦無行使任何有關權力。於報告期內，本公司及其任何附屬公司概無訂立任何令董事或彼等各自的配偶或未滿18歲子女獲得任何其他法人團體有關權利的安排。

Other Information (Continued)

其他資料(續)

LAPSE OF A MEMORANDUM OF UNDERSTANDING IN RESPECT OF A POSSIBLE ACQUISITION DURING THE REPORTING PERIOD

On 6 December 2019, the Company entered into a non-legally binding memorandum of understanding (the “**MOU**”) with Ms. Pan Wen, Mr. Gong Tao and Ms. Xu Jie (the “**Vendors**”) in relation to a possible acquisition by the Company (or its wholly owned subsidiary), of the entire equity interest in Zhongshan Sinobioway Hygiene Biomedicine Co., Ltd* (中山未名海濟生物醫藥有限公司) (“**Sinobioway Acquisition**”). Pursuant to the terms of the MOU, the Company and the Vendors shall proceed to the negotiation for a formal and binding agreement for the Sinobioway Acquisition (“**Formal Agreement**”) during the period of 6 months from the date of the MOU (or such period as the parties may otherwise agree) (the “**Validity Period**”) and failing which the MOU shall lapse. Details of the Sinobioway Acquisition were set out in the Company’s announcement dated 6 December 2019.

The Company and the Vendors did not come to an agreement on the terms of the Formal Agreement during the Validity Period and did not agree to extend the Validity Period, accordingly, the MOU lapsed on 5 June 2020 and the Sinobioway Acquisition did not proceed. The Directors are of the view that the lapse of the MOU does not have any material adverse impact on the business operation and financial position of the Group.

* for identification purpose only

於報告期內有關可能收購事項的諒解備忘錄失效

於2019年12月6日，本公司與潘雯女士、龔濤先生及許婕女士(「賣方」)就本公司(或其全資附屬公司)可能收購中山未名海濟生物醫藥有限公司的全部股權(「中山未名收購事項」)訂立不具法律約束力的諒解備忘錄(「備忘錄」)。根據諒解備忘錄的條款，本公司及賣方須於自備忘錄日期起計6個月內(或訂約方可能另行協定的有關期間)(「有效期」)就中山未名收購事項的正式且具約束力協議(「正式協議」)進行磋商，否則備忘錄將失效。中山未名收購事項的詳情載於本公司日期為2019年12月6日的公告。

於有效期內，本公司與賣方未就正式協議的條款達成協議，亦未同意延長有效期，因此，備忘錄於2020年6月5日失效且並無進行中山未名收購事項。董事認為備忘錄失效並無對本集團業務經營及財務狀況造成任何重大不利影響。

* 僅供識別

INDEPENDENT REVIEW REPORT

獨立審閱報告



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To the board of directors of Sinco Pharmaceuticals Holdings Limited
(Incorporated in the Cayman Islands with limited liability)

致興科蓉醫藥控股有限公司董事會
(於開曼群島註冊成立的有限公司)

INTRODUCTION

We have reviewed the interim condensed financial information set out on pages 36 to 74, which comprises the condensed consolidated statement of financial position of Sinco Pharmaceuticals Holdings Limited (the “Company”) and its subsidiaries (the “Group”) as at 30 June 2020 and the related condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 “Interim Financial Reporting” (“IAS 34”) issued by the International Accounting Standards Board (“IASB”).

The directors of the Company are responsible for the preparation and presentation of this interim condensed financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this interim condensed financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

引言

吾等審閱載於第36至74頁的中期簡明財務資料，當中包括興科蓉醫藥控股有限公司（「貴公司」）及其附屬公司（統稱「貴集團」）於2020年6月30日的簡明綜合財務狀況表及截至該日止六個月期間的有關簡明綜合損益及其他全面收益、權益變動及現金流量表以及若干解釋附註。香港聯合交易所有限公司證券上市規則規定必須根據上市規則中的相關條文及國際會計準則理事會（「國際會計準則理事會」）發行的國際會計準則第34號「中期財務報告」（「國際會計準則第34號」）編製中期財務資料報告。

貴公司董事須負責根據國際會計準則第34號編製及呈列本中期簡明財務資料。吾等的責任是根據吾等的審閱對本中期簡明財務資料作出結論。本報告是按照雙方協定的應聘條款，僅向全體董事會作出報告，除此之外，本報告並無其他用途。吾等不會就本報告的內容向任何其他人士負上或承擔任何責任。

審閱範圍

吾等已根據香港會計師公會頒佈的香港審閱委聘準則第2410號「由實體的獨立核數師審閱中期財務資料」進行審閱。本中期財務資料審閱工作包括主要向負責財務及會計事項的人員詢問，並作出分析和其他審閱程序。由於審閱的範圍遠較按照香港審計準則進行審核的範圍為小，所以不能保證吾等會注意到在審核中可能會被發現的所有重大事項。因此，吾等不會發表任何審核意見。

Independent Review Report (Continued)
獨立審閱報告(續)

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed financial information is not prepared, in all material respects, in accordance with IAS 34.

Ernst & Young
Certified Public Accountants
Hong Kong

28 August 2020

結論

按照吾等的審閱，吾等並無發現任何事項，令吾等相信中期簡明財務資料在各重大方面未有根據香港會計準則第34號編製。

安永會計師事務所
執業會計師
香港

2020年8月28日

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

中期簡明綜合損益及其他全面收益表

For the six months ended 30 June 2020 截至2020年6月30日止六個月

		For the six months ended 30 June 截至6月30日止六個月	
		2020 2020年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 2019年 RMB'000 人民幣千元 (Unaudited) (未經審核)
		Notes 附註	
REVENUE	收益	3	636,306
Cost of sales	銷售成本		(527,727)
Gross profit	毛利		108,579
Other income and gains	其他收入及收益	4	5,785
Selling and distribution expenses	銷售及經銷開支		(61,329)
Administrative expenses	行政開支		(20,145)
Reversal of/(provision for) impairment losses on trade receivables	貿易應收款項減值虧損撥回/(撥備)	6	1,819
Reversal of impairment loss on financial assets included in prepayments, other receivables and other assets	計入預付款項、其他應收款項及其他資產的金融資產減值虧損撥回	6	438
Other expenses	其他開支		(3,766)
Finance costs	財務成本	5	(1,215)
PROFIT BEFORE TAX	除稅前溢利	6	30,166
Income tax (expense)/credit	所得稅(開支)/抵免	7	2,286
PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	期內溢利及全面收益總額		32,452
Attributable to:	以下人士應佔：		
Owners of the Company	本公司擁有人		32,452
Non-controlling interests	非控股權益		-
			(1)
			32,452
Earnings per share attributable to ordinary equity holders of the Company:	本公司普通權益持有人應佔的每股盈利：		
- Basic and diluted (RMB)	- 基本及攤薄(人民幣)	8	0.019
			0.009

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

中期簡明綜合財務狀況表

30 June 2020 2020年6月30日

			30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (Restated) (經重列)
		Notes 附註		
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	9	192,316	196,993
Investment property	投資物業	9	7,043	7,133
Right-of-use assets	使用權資產	10(a)	470	1,041
Intangible assets	無形資產	9	33	45
Payments in advance	預先支付款項	11	674	508
Deferred tax assets	遞延稅項資產	12	164	721
			200,700	206,441
Total non-current assets	非流動資產總值			
Current assets	流動資產			
Inventories	存貨	13	268,238	259,266
Trade and bills receivables	貿易應收款項及應收票據	14	96,787	30,710
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	11	12,433	109,181
Other financial assets measured at amortised cost	按攤銷成本計量的其他金融資產		—	1,990
Pledged bank balances	已抵押銀行結餘		37,274	5,001
Cash and cash equivalents	現金及現金等價物		86,004	219,755
			500,736	625,903
Total current assets	流動資產總值			
Current liabilities	流動負債			
Trade payables	貿易應付款項	15	163,025	300,466
Contract liabilities	合約負債	16	72,044	38,582
Other payables and accruals	其他應付款項及應計款項	17	244,743	116,876
Interest-bearing bank and other loans	計息銀行及其他貸款	18	93,984	187,484
Lease liabilities	租賃負債	10(b)	537	1,022
Tax payable	應付稅項		2,384	11,361
			576,717	655,791
Total current liabilities	流動負債總額			
NET CURRENT LIABILITIES	流動負債淨額		(75,981)	(29,888)
Total assets less current liabilities	總資產減流動負債		124,719	176,553

Interim Condensed Consolidated Statement of Financial Position (Continued)

中期簡明綜合財務狀況表(續)

30 June 2020 2020年6月30日

		Notes 附註	30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (Restated) (經重列)
NON-CURRENT LIABILITIES	非流動負債			
Other payables	其他應付款項	17	45,745	130,107
Lease liabilities	租賃負債	10(b)	230	154
Total non-current liabilities	非流動負債總額		45,975	130,261
Net assets	資產淨值		78,744	46,292
EQUITY	權益			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Issued capital	已發行股本	19	136	136
Reserves	儲備		79,516	47,064
Non-controlling interests	非控股權益		79,652 (908)	47,200 (908)
Total equity	權益總額		78,744	46,292

Huang Xiangbin

黃祥彬

Director

董事

Liu Wenfang

劉文芳

Director

董事

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

中期簡明綜合權益變動表

For the six months ended 30 June 2020 截至2020年6月30日止六個月

		Attributable to owners of the Company 本公司擁有人應佔									
		Share Issued capital	Share premium account	Contributed surplus	Statutory reserve	Share option reserve	Changes in non- controlling interests 非控股 權益變動	Accumulated losses	Total	Non- controlling interests	Total equity
		已發行股本 (note 19) (附註19)	股份溢價賬	實繳盈餘	法定儲備	購股權儲備	權益變動	累計虧損	總計	非控股權益	權益總額
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2020	於2020年1月1日	136	289,113	4,250	16,715	2,906	4,014	(270,588)	46,546	(908)	45,638
Correction of prior period errors (note 2.3)	更正前期錯誤 (附註2.3)	-	-	-	-	-	-	654	654	-	654
At 1 January 2020 (restated)	於2020年1月1日(經重列)	136	289,113*	4,250*	16,715*	2,906*	4,014*	(269,934)*	47,200	(908)	46,292
Profit and total comprehensive income for the period	期內溢利及全面收益總額	-	-	-	-	-	-	32,452	32,452	-	32,452
At 30 June 2020 (unaudited)	於2020年6月30日(未經審核)	136	289,113*	4,250*	16,715*	2,906*	4,014*	(237,482)*	79,652	(908)	78,744
At 1 January 2019	於2019年1月1日	136	289,113	4,250	14,529	2,887	4,014	(291,300)	23,629	(906)	22,723
Profit and total comprehensive income for the period	期內溢利及全面收益總額	-	-	-	-	-	-	15,207	15,207	(1)	15,206
Equity-settled share option arrangements	以權益結算的購股權安排	-	-	-	-	(50)	-	-	(50)	-	(50)
At 30 June 2019 (unaudited)	於2019年6月30日(未經審核)	136	289,113	4,250	14,529	2,837	4,014	(276,093)	38,786	(907)	37,879

* These reserve accounts comprise the consolidated reserves of RMB79,516,000 (31 December 2019: RMB47,064,000) in the consolidated statement of financial position.

* 該等儲備賬包括綜合財務狀況表內的綜合儲備人民幣79,516,000元(2019年12月31日: 人民幣47,064,000元)。

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

中期簡明綜合現金流量表

For the six months ended 30 June 2020 截至2020年6月30日止六個月

		For the six months ended 30 June 截至6月30日止六個月	
		2020 2020年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 2019年 RMB'000 人民幣千元 (Unaudited) (未經審核)
	Notes 附註		
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動所得現金流量		
Profit before tax	除稅前溢利	30,166	21,790
Adjustments for:	調整以下各項：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	9	4,679
Amortisation of intangible assets	無形資產攤銷	9	12
Amortisation of decoration cost	裝修成本攤銷	6	120
Depreciation of investment property	投資物業折舊	9	90
Depreciation of right-of-use assets	使用權資產折舊	10(a)	505
Unrealised foreign exchange losses/(gains)	未變現匯兌虧損/ (收益)		16
Reversal of equity-settled share option expense	以權益結算的購股權開支撥回	20	-
Imputed discount on deposit received	已收按金的估算貼現	4	(4,255)
Finance costs	財務成本	5	1,215
Write-down of inventories to net realisable value	存貨撇減至可變現淨值	6	563
Provision for/(reversal of) impairment losses on trade receivables, net	貿易應收款項減值虧損撥備/ (撥回)淨額	14	(1,819)
Reversal of impairment loss on prepayments, deposits and other receivables, net	預付款項、按金及其他應收款項減值虧損撥回淨額	6	(438)
Gain on derecognition of financial assets measured at amortised cost	終止確認按攤銷成本計量的金融資產的收益	4	(366)
Bank interest income	銀行利息收入	4	(196)
		30,245	42,684
Increase in trade and bills receivables	貿易應收款項及應收票據增加	(64,258)	(39,028)
Decrease in prepayments, deposits and other receivables	預付款項、按金及其他應收款項減少	33,811	20,309
(Increase)/decrease in inventories	存貨(增加)/減少	(9,535)	200,772
Decrease in payments in advance	預先支付款項減少	-	367
Increase in amounts due from related parties	應收關連方款項增加	(26)	-
Decrease in trade payables	貿易應付款項減少	(137,441)	(25,108)
Decrease in other payables and accruals	其他應付款項及應計款項減少	(19,045)	(35,285)
Increase/(decrease) in contract liabilities	合約負債增加/(減少)	33,462	(41,758)
Increase in long-term other payable	其他長期應付款項增加	50,000	-
Cash generated from/(used in) operations	營運所得/(所用)現金	(82,787)	122,953
Interest received	已收利息	196	83
Tax paid	已付稅項	(6,134)	(3,933)
Net cash flows from/(used in) operating activities	經營活動所得/(所用)現金流量淨額	(88,725)	119,103

Interim Condensed Consolidated Statement of Cash Flows (Continued)

中期簡明綜合現金流量表(續)

For the six months ended 30 June 2020 截至2020年6月30日止六個月

		For the six months ended 30 June 截至6月30日止六個月	
		2020 2020年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 2019年 RMB'000 人民幣千元 (Unaudited) (未經審核)
	Note 附註		
CASH FLOWS FROM INVESTING ACTIVITIES		投資活動所得現金流量	
Purchases of items of property, plant and equipment		(9)	(101)
Increase in payments in advance		-	(86)
Redemption of other financial assets measured at amortised cost		2,356	-
Net cash flows from/(used in) investing activities		2,347	(187)
CASH FLOWS FROM FINANCING ACTIVITIES		融資活動所得現金流量	
Interest paid		(23,548)	(10,218)
Principal portion of lease payments		(343)	(465)
Interest portion of lease payments	5	(68)	(22)
Increase in pledged bank balance		(37,274)	(7,891)
Proceeds from bank and other loans		45,622	-
Repayment of bank and other loans		(140,000)	(5,000)
Decrease in prepayments, deposits and other receivables, net		63,401	-
Increase/(decrease) in other payables and accruals, net		170,093	(144,208)
Decrease in non-current other payables, net		(130,107)	-
Net cash flows used in financing activities		(52,224)	(167,804)
NET DECREASE IN CASH AND CASH EQUIVALENTS		現金及現金等價物減少淨額	
Effect of foreign exchange rate changes, net		(150)	48
Cash and cash equivalents at beginning of period		224,756	80,343
CASH AND CASH EQUIVALENTS AT END OF PERIOD		期末現金及現金等價物	
		86,004	31,503
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		現金及現金等價物結餘分析	
Cash and cash equivalents as stated in the statement of financial position		86,004	31,503
Cash and cash equivalents as stated in the statement of cash flows		86,004	31,503

NOTES TO INTERIM CONDENSED FINANCIAL INFORMATION

中期簡明財務資料附註

30 June 2020 2020年6月30日

1. CORPORATE AND GROUP INFORMATION

Sinco Pharmaceuticals Holdings Limited is a limited liability company incorporated in the Cayman Islands on 16 March 2015. The registered office address of the Company is P.O. Box 309, Uglund House, Grand Cayman, KY1-1104, Cayman Islands. The Company's principal place of business in Hong Kong is Unit 3105, Office Tower, Convention Plaza, 1 Harbour Road, Wan Chai, Hong Kong.

During the six months ended 30 June 2020 (the "Period"), the Group were principally engaged in marketing, promotion and channel management services for improved human plasma-based pharmaceuticals, antibiotics and other pharmaceuticals focused on therapeutic areas complementary to human plasma-based products and other fast-growing categories in Mainland China. There were no significant changes in the nature of the Group's principal activities during the Period.

In the opinion of the directors of the Company (the "Directors"), Risun Investments Limited ("Risun"), a company incorporated in the British Virgin Islands ("BVI"), is the parent and the ultimate holding company of the Company.

2.1 BASIS OF PREPARATION

The unaudited interim condensed financial information for the Period has been prepared in accordance with IAS 34 "Interim Financial Reporting".

The unaudited interim condensed financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2019.

Going concern basis

As at 30 June 2020, the Group had net current liabilities of RMB75,981,000 (31 December 2019: RMB29,888,000).

In view of these circumstances, the Directors have given consideration to the future liquidity and performance of the Group and its available sources of finance in assessing whether the Group will have sufficient financial resources to continue as a going concern. In order to improve the Group's liquidity and cash flows to sustain the Group as a going concern, the Group has implemented or is in the process of implementing the following measures:

1. 公司及集團資料

興科蓉醫藥控股有限公司為於2015年3月16日在開曼群島註冊成立的有限公司。本公司的註冊辦事處地址為P.O. Box 309, Uglund House, Grand Cayman, KY1-1104, Cayman Islands。本公司香港主要營業地點為香港灣仔港灣道1號會展廣場辦公大樓3105室。

於截至2020年6月30日止六個月(「本期間」)內，本集團主要於中國內地從事改善人體血漿藥品、抗生素及專注於治療領域與人體血漿製品及其他快速增長類別互補的其他藥品的市場營銷、推廣及渠道管理服務。本集團主要業務的性質於本期間並無重大變動。

本公司董事(「董事」)認為，Risun Investments Limited(「Risun」)(在英屬維爾京群島(「英屬維爾京群島」)註冊成立的公司)為本公司的母公司及最終控股公司。

2.1 編製基準

本期間的未經審核中期簡明財務資料乃根據國際會計準則第34號「中期財務報告」編製。

未經審核中期簡明財務資料不包括年度財務報表中規定的所有資料及披露，應與本集團截至2019年12月31日止年度的年度財務報表一併閱讀。

持續經營基準

於2020年6月30日，本集團流動負債淨額為人民幣75,981,000元(2019年12月31日：人民幣29,888,000元)。

鑒於該等情況，董事於評估本集團是否擁有充足財務資源持續經營業務時，已考慮本集團的未來流動資金及表現以及其可動用財務資源。為改善本集團的流動資金及現金流量以維持本集團持續經營，本集團已經或正在實施以下措施：

2.1 BASIS OF PREPARATION (Continued)

Going concern basis (Continued)

- (a) As at 23 July 2020, the Group had unutilised banking facility of RMB50,000,000 valid from 23 July 2020 to 9 July 2021. Meanwhile, the Group is actively exploring the availability of alternative sources of financing; and
- (b) The Group is actively strengthening its business models to improve its cash flows from operating activities by increasing the sales of additional Human Albumin Solution to more distributors and negotiate for better credit terms with both suppliers and customers. In addition, a distributor has committed to provide an interest-free deposit of RMB100,000,000 to the Group, of which RMB50,000,000, RMB30,000,000 and RMB17,000,000 have been received in June 2020, July 2020 and August 2020, respectively. The remaining amount of RMB3,000,000 is expected to be received by the end of August 2020. The interest-free deposit will be refunded by the Group to the distributor by three instalments, of which RMB50,000,000, RMB30,000,000 and RMB20,000,000 would be repaid on May 2022, June 2022 and July 2022, respectively.

The Directors of the Company have critically reviewed the Group's cash flow forecast which covers a period of twelve months from the end of the Period. They are of the opinion that, taking into account the above-mentioned plans and measures, the Group will have sufficient working capital to finance its operations and meet its financial obligations as and when they fall due in the foreseeable future. Accordingly, the Directors are of the opinion that it is appropriate to prepare the interim condensed financial information of the Group for the six months ended 30 June 2020 on a going concern basis.

Should the going concern assumption for whatever reason or as a result of changing circumstances, becomes inappropriate, necessary accounting adjustments may have to be made to reflect the situation that assets may need to be realised at the amounts other than which they are currently recorded in the consolidated statement of financial position. In addition, the Group may have to accrue or make provisions for additional liabilities, including contingent liabilities that may arise under such circumstances, and accordingly, may reclassify non-current assets as current assets at realisable values, as the case may be.

2.1 編製基準(續)

持續經營基準(續)

- (a) 於2020年7月23日，本集團擁有尚未動用銀行融資人民幣50,000,000元，有效期自2020年7月23日至2021年7月9日。同時，本集團正在積極探索其他可用融資來源；及
- (b) 本集團正積極加強業務模式(向更多經銷商加強銷售額外人血白蛋白注射液)以提升經營活動所得現金流量，並與供應商及客戶商議更佳信貸條款。此外，經銷商承諾向本集團提供免息按金人民幣100,000,000元，其中人民幣50,000,000元、人民幣30,000,000元及人民幣17,000,000元已分別於2020年6月、2020年7月及2020年8月收取。餘額人民幣3,000,000元預期將於2020年8月底前收取。免息按金將由本集團分三期退還予經銷商，其中人民幣50,000,000元、人民幣30,000,000元及人民幣20,000,000元將分別於2022年5月、2022年6月及2022年7月償還。

本公司董事已審慎地審閱本集團現金流量預測，其涵蓋本期間結束起計十二個月期間。彼等認為，計及上述計劃及措施，本集團將擁有充足營運資金以撥付其營運及履行於可見未來到期的財務債務。因此，董事認為，按持續經營基準編製本集團截至2020年6月30日止六個月的中期簡明財務資料實屬恰當。

倘持續經營的假設因任何理由或情況轉變而失當，則可能須作出必要會計調整，以反映資產可能要以當前在綜合財務狀況表中未記錄的金額變現的情況。此外，本集團可能須產生額外負債或就此計提撥備，包括在有關情況下可能產生的或然負債，因此可能重新分類非流動資產為按可變現價值計量的流動資產(視情況而定)。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of this unaudited interim condensed financial information are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2019, except for the adoption of the following amendments to a number of International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board for the first time for the current period's financial information.

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

The nature and impact of the revised IFRSs are described below:

- (a) Amendments to IFRS 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 January 2020. The amendments did not have any impact on the financial position and performance of the Group.

2.2 會計政策及披露變動

編製本未經審核中期簡明財務資料所採納的會計政策與編製本集團截至2019年12月31日止年度的年度財務報表所遵循者一致，惟就本期間財務資料首次採納下列由國際會計準則理事會發佈的多項國際財務報告準則(「國際財務報告準則」)的修訂本除外。

國際財務報告準則第3號 (修訂本)	業務的定義
國際財務報告準則第9號、 國際會計準則第39號及 國際財務報告準則第7 號(修訂本)	利率基準改革
國際財務報告準則第16號 (修訂本)	與Covid-19相關的 租金優惠 (提早採納)
國際會計準則第1號及 國際會計準則第8號 (修訂本)	重大的定義

經修訂國際財務報告準則的性質和影響如下：

- (a) 國際財務報告準則第3號(修訂本)澄清業務的定義，並就此提供額外指引。修訂本澄清，如一組活動及資產要構成業務，必須至少包括一項投入及一個實質性過程，兩者可以共同顯著促進創造產出的能力。業務可以在並無包含所有創造產出所需的投入及過程下存在。修訂本刪除對市場參與者能否收購業務並繼續提供產出的評估，而將重點轉為所收購的投入及所收購的實質性過程結合起來會否顯著促進創造產出的能力。修訂本亦縮小產出的定義，重點關注向客戶提供的貨品或服務、投資收入或其他來自日常業務的收入。此外，修訂本就評估所收購過程是否屬實質性提供指引，並引入可選擇的公平值集中度測試，允許簡化對所收購的一組活動及資產是否構成業務的評估。本集團已將修訂本提前應用於2020年1月1日或之後發生的交易或其他事件。修訂本對本集團的財務狀況及表現並無任何影響。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

- (b) Amendments to IFRS 9, IAS 39 and IFRS 7 address the effects of interbank offered rate reform on financial reporting. The amendments provide temporary reliefs which enable hedge accounting to continue during the period of uncertainty before the replacement of an existing interest rate benchmark. 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 hedge relationships.
- (c) Amendment to IFRS 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 Coronavirus Disease 2019 (“**Covid-19**”) pandemic. The practical expedient applies only to rent concessions occurring as a direct consequence of the Covid-19 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 retrospectively for annual periods beginning on or after 1 June 2020 with earlier application permitted.

During the period ended 30 June 2020, certain monthly lease payments for the leases of the Group’s office buildings have been reduced by the lessors as a result of the Covid-19 pandemic and there are no other changes to the terms of the leases. The Group has early adopted the amendment on 1 January 2020 and elected not to apply lease modification accounting for all rent concessions granted by the lessors as a result of the Covid-19 pandemic during the period ended 30 June 2020. Accordingly, a reduction in the lease payments arising from the rent concessions of RMB66,000 has been accounted for as a variable lease payment by derecognising part of the lease liabilities and the corresponding right-of-use assets for the period ended 30 June 2020.

2.2 會計政策及披露變動(續)

- (b) 國際財務報告準則第9號、國際會計準則第39號及國際財務報告準則第7號(修訂本)旨在解決銀行同業拆息改革對財務申報的影響。修訂本提供暫時性寬免，可在替換現有利率基準前的不確定期間內繼續進行對沖會計處理。此外，修訂本規定公司須向投資者提供有關直接受該等不確定因素影響的對沖關係的額外資料。由於本集團並無任何利率對沖關係，故修訂本對本集團的財務狀況及表現並無任何影響。
- (c) 國際財務報告準則第16號(修訂本)為承租人提供一個實際可行的權宜方法，可選擇不就2019冠狀病毒病(「**Covid-19**」)疫情直接產生的租金優惠應用租賃修訂會計處理。該實際可行權宜方法對Covid-19疫情直接產生的租金優惠及於下列情況下會應用：(i)租賃付款的變動使租賃代價有所修改，而經修改的代價相等於或少於緊接變動前的租賃代價；(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)租賃的其他條款及條件並無實質性變動。修訂本於2020年6月1日或之後開始的年度期間追溯生效，並可提早應用。

截至2020年6月30日止期間，出租人因應Covid-19疫情而減少本集團辦公大樓租賃的部分每月租賃付款，而租賃條款並無其他變動。本集團於2020年1月1日提早採納修訂本，選擇不就截至2020年6月30日止期間出租人因應Covid-19疫情給予的所有租金優惠應用租賃修訂。因此，截至2020年6月30日止期間，透過終止確認部分租賃負債及相應的使用權資產，因租金優惠而產生的租賃付款減幅人民幣66,000元入賬為可變租賃付款。

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(d) Amendments to IAS 1 and IAS 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. The amendments did not have any impact on the Group's interim condensed financial information.

2.3 CORRECTION OF PRIOR PERIOD ERRORS

With a review of financial statements presentation, the Directors of the Company decided to restate certain items in consolidated statement of financial position as at 31 December 2019. The effects of the prior period adjustments on the Group's interim condensed financial information for the six months ended 30 June 2020 are summarised as follows:

As at 31 December 2019

2.2 會計政策及披露變動(續)

(d) 國際會計準則第1號及國際會計準則第8號(修訂本)為重大提供新定義。新定義提出,倘遺漏、錯誤陳述或遮蔽資料可合理預期會影響一般用途財務報表的主要使用者基於該等財務報表作出的決定,則有關資料屬重大。修訂本澄清重大性取決於資料的性質或數量。修訂本對本集團的中期簡明財務資料並無任何影響。

2.3 更正前期錯誤

經審閱財務報表的呈列方式後,本公司董事決定重列於2019年12月31日的綜合財務狀況表內的若干項目。前期調整對本集團截至2020年6月30日止六個月的中期簡明財務資料的影響概述如下:

於2019年12月31日

		As previously stated 過往呈列	Prior period adjustments 前期調整			As restated 經重列
			(a)	(b)	(c)	
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Payments in advance	預先支付款項					
– non-current	– 非流動	3,665	–	–	(3,157)	508
Inventories	存貨	250,963	–	8,303	–	259,266
Prepayments, deposits and other receivables	預付款項、按金及 其他應收款項	46,108	67,565	(4,492)	–	109,181
Trade payables	貿易應付款項	146,158	154,308	–	–	300,466
Other payables and accruals	其他應付款項及					
– current	應計款項 – 流動	137,764	(20,888)	–	–	116,876
Other payables	其他應付款項					
– non-current	– 非流動	195,962	(65,855)	–	–	130,107
Reserves	儲備	46,410	–	3,811	(3,157)	47,064

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2.3 CORRECTION OF PRIOR PERIOD ERRORS (Continued)

Notes:

- (a) During the year ended 31 December 2019, the Group commenced to engage certain import agents to deal with the Group's import of pharmaceutical products, including import services and issuance of letter of credit to the Group for its endorsement to overseas suppliers. The relevant imported pharmaceutical products covered by the letters of credit are pledged to the import agents as securities. The pledge of pharmaceutical products can be released when the Group makes full payment to the import agents. Upon the settlement of letter of credit by import agents, the Group reclassifies the settled amounts from trade payables to other payables due to import agents. As at 31 December 2019, the Group has outstanding letters of credit not yet settled with overseas suppliers amounting to RMB154,308,000; and the Group made a payment of RMB67,565,000 to import agents as deposits for outstanding letter of credit for the release of pledged pharmaceutical products. The Group incorrectly reclassified trade payables to other payables amounting to RMB86,743,000 and offset trade payables against other receivables of RMB67,565,000 as at 31 December 2019.

Therefore, the effect of correcting the above errors resulting in:

- (i) an increase in prepayment, deposit and other receivables of RMB67,565,000;
 - (ii) an increase in trade payable of RMB154,308,000; and
 - (iii) a decrease in other payables of RMB86,743,000, of which RMB65,855,000 are classified under non-current liabilities.
- (b) As at 31 December 2019, the Group charged transportation costs attributable to unsold inventories to profit and loss amounted to RMB3,811,000. In addition, there was a purchase cut off error of inventories, which led to an overstatement of prepayment amounting to RMB4,492,000 as at 31 December 2019.

Therefore, the effect of correcting the above errors resulting in:

- (i) An increase in inventories of RMB8,303,000;
 - (ii) A decrease in prepayment, deposits and other receivable of RMB4,492,000; and
 - (iii) An decrease in cost of sales and a corresponding increase in reserves, of RMB3,811,000.
- (c) As at 31 December 2019, there was a payment in advance in respect of rights for the use of certain technical knowhow with gross balance before impairment amounted to RMB6,907,000. According to the Group's impairment test made on the payment in advance as at 31 December 2019, full impairment loss should be required, but only RMB3,750,000 were recognised in profit or loss for the year ended 31 December 2019.

Therefore, the effect of correcting the above error would result in an increase in an impairment loss for the year ended 31 December 2019/ a decrease in reserves as at 31 December 2019, of RMB3,157,000 with a corresponding decrease in "Payments in advance" as at 31 December 2019.

2.3 更正前期錯誤(續)

附註:

- (a) 截至2019年12月31日止年度，本集團開始僱用若干進口代理為本集團處理藥品進口，包括進口服務及向本集團開立信用證供其向海外供應商背書。信用證涵蓋的相關進口藥品抵押予該等進口代理作為保證。本集團向該等進口代理作全數付款時，可解除藥品抵押。待該等進口代理結算信用證後，本集團將貿易應付款項重新分類為應付該等進口代理的其他應付款項。於2019年12月31日，本集團尚未與海外供應商結算的未償還信用證金額為人民幣154,308,000元；而本集團向該等進口代理支付人民幣67,565,000元作為餘下未償還信用證的按金，以解除所抵押藥品。於2019年12月31日，本集團誤將貿易應付款項重新分類至其他應付款項，金額為人民幣86,743,000元，並將貿易應付款項與其他應收款項抵銷，金額為人民幣67,565,000元。

因此，修正上述錯誤的影響引致：

- (i) 預付款項、按金及其他應收款項增加人民幣67,565,000元；
 - (ii) 貿易應付款項增加人民幣154,308,000元；及
 - (iii) 其他應付款項減少人民幣86,743,000元，其中人民幣65,855,000元分類至非流動負債。
- (b) 於2019年12月31日，本集團於損益扣除未售存貨應佔運輸成本人民幣3,811,000元。此外，存貨採購結算有誤導致2019年12月31日多報金額為人民幣4,492,000元的預付款項。

因此，修正上述錯誤的影響引致：

- (i) 存貨增加人民幣8,303,000元；
 - (ii) 預付款項、按金及其他應收款項減少4,492,000元；及
 - (iii) 銷售成本減少人民幣3,811,000元，令儲備相應增加。
- (c) 於2019年12月31日，就若干專業技術使用權的預先支付款項於扣除減值前的總結餘為人民幣6,907,000元。根據本集團就於2019年12月31日的預先支付款項進行的減值測試，應有全額減值虧損，但只有人民幣3,750,000元於截至2019年12月31日止年度的損益確認。

因此，修正上述錯誤的影響將引致截至2019年12月31日止年度的減值虧損增加/於2019年12月31日的儲備減少人民幣3,157,000元，而於2019年12月31日的「預先支付款項」亦相應減少。

3. REVENUE AND OPERATING SEGMENT INFORMATION

Revenue represents the net invoiced value of goods sold.

The Group's revenue and contribution to profit are mainly derived from its sale of human albumin solution, antibiotics and other pharmaceutical products focused on therapeutic areas complementary to human plasma-based products and other fast-growing categories in Mainland China, which is regarded as a single reportable segment in a manner consistent with the way in which information is reported internally to the Group's senior management for the purposes of resource allocation and performance assessment. In addition, the principal non-current assets employed by the Group are located in Mainland China. Accordingly, no segment analysis is presented other than entity-wide disclosures.

An analysis of revenue is as follows:

3. 收益及經營分部資料

收益指所售貨品的發票淨額。

本集團的收益及溢利貢獻主要來自於中國內地的人血白蛋白注射液、抗生素、專注於與人體血漿製品互補的其他治療藥品及其他快速增長類別的銷售額，我們視其為單一的可報告分部，採取與內部向本集團高級管理層報告資料以供分配資源及評估表現一致的方式報告。此外，本集團使用的主要非流動資產位於中國內地。因此，除以實體為單位的披露外，未有呈列分部分析。

收益分析如下：

		For the six months ended 30 June	
		截至6月30日止六個月	
		2020	2019
		2020年	2019年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Revenue from contracts with customers:	來自客戶合約的收益：		
Sale of pharmaceutical products	銷售藥品	636,306	535,441

3. REVENUE AND OPERATING SEGMENT INFORMATION (Continued)

Revenue from contracts with customers:

(i) Disaggregated revenue information

來自客戶合約的收益：

(i) 收益資料明細

		For the six months ended 30 June 截至6月30日止六個月			
		2020 2020年		2019 2019年	
		RMB'000	%	RMB'000	%
		人民幣千元	%	人民幣千元	%
		(Unaudited) (未經審核)		(Unaudited) (未經審核)	
Types of pharmaceutical products:	藥品類型：				
Human albumin solution	人血白蛋白注射液	503,091	79.1	361,505	67.5
Antibiotics (Axetine and Medocef)	抗生素(安可欣及麥道必)	133,215	20.9	171,869	32.1
Others (Taurolite and Diphereline)	其他(滔羅特及達菲林)	—	—	2,067	0.4
Total revenue from contracts with customers	來自客戶合約的收益總額	636,306	100.0	535,441	100.0

Geographical market

All revenue from contracts with customers of the Group during the reporting period was attributable to customers located in Mainland China, the place of domicile of the Group's operating entities. The Group's non-current assets are all located in Mainland China.

地區市場

本集團於報告期內所有來自客戶合約的收益均來自位於中國內地(本集團營運實體註冊地)的客戶。本集團的非流動資產均位於中國內地。

Timing of revenue recognition

All revenue from contracts with customers of the Group for the reporting period is recognised when goods are transferred at a point in time.

確認收益的時間

於報告期，本集團所有來自客戶合約的收益於轉讓貨物的時間點確認。

3. REVENUE AND OPERATING SEGMENT INFORMATION (Continued)**Revenue from contracts with customers: (Continued)***(i) Disaggregated revenue information (Continued)*

Information about major customers

Revenue derived from major customers accounting for 10% or more of the total revenue is set out below:

		For the six months ended 30 June 截至6月30日止六個月	
		2020 2020年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 2019年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Customer A	客戶A	*	104,933
Customer B	客戶B	*	59,869

* Less than 10% of the total revenue

* 少於總收益的10%

4. OTHER INCOME AND GAINS

An analysis of other income and gains is as follows:

		For the six months ended 30 June 截至6月30日止六個月	
		2020 2020年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 2019年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Imputed discount on deposit received	已收按金的估算貼現	4,255	-
Gain on derecognition of financial assets measured at amortised cost	終止確認按攤銷成本計量的 金融資產的收益	366	-
Service income	服務收入	647	12,492
Bank interest income	銀行利息收入	196	83
Government grants*	政府補助*	177	691
Others	其他	144	31
		5,785	13,297

* There were no unfulfilled conditions or contingencies relating to the government grants.

* 並無有關政府補助的未履行條件或或然事項。

5. FINANCE COSTS

5. 財務成本

		For the six months ended 30 June 截至6月30日止六個月	
		2020 2020年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 2019年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Interest on bank and other loans	銀行及其他貸款利息	1,147	10,058
Interest on lease liabilities	租賃負債利息	68	22
Interest on discounted bills receivable	貼現應收票據利息	—	133
		1,215	10,213

Notes to Interim Condensed Financial Information (Continued)

中期簡明財務資料附註(續)

30 June 2020 2020年6月30日

6. PROFIT BEFORE TAX

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

6. 除稅前溢利

本集團的除稅前溢利已扣除/(計入)下列項目：

		For the six months ended 30 June 截至6月30日止六個月	
		2020 2020年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 2019年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Cost of inventories sold	已售存貨成本	527,727	444,514
Employee benefit expense (including directors' remuneration):	僱員福利開支(包括董事薪酬)：		
Wages and salaries	工資及薪金	4,761	4,618
Welfare and other benefits	福利及其他利益	3,553	148
Reversal of equity-settled share option expenses	以權益結算的購股權開支撥回	—	(50)
Pension scheme contributions	退休金計劃供款		
– Defined contribution fund	– 定額供款基金	232	713
Housing fund	住房公積金		
– Defined contribution fund	– 定額供款基金	232	242
Total employee benefit expense	僱員福利開支總額	8,778	5,671
Depreciation of investment property	投資物業折舊	90	29
Depreciation of items of property, plant and equipment	物業、廠房及設備項目折舊		
– Owned property, plant and equipment	– 自置物業、廠房及設備	4,632	4,679
– Right-of-use asset	– 使用權資產	505	474
Amortisation of intangible assets	無形資產攤銷	12	56
Amortisation of decoration cost	裝修成本攤銷	120	—
Provision for/(reversal of) impairment losses on trade receivables, net	貿易應收款項減值虧損撥備/(撥回)淨額	(1,819)	5,624
Reversal of impairment loss on financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收款項的金融資產減值虧損撥回	(438)	—
Write-down of inventories to net realisable value	存貨撇減至可變現淨值	563	—
Research expenses	研究開支	443	387
Foreign exchange losses	匯兌虧損	2,398	618
Lease payments not included in the measurement of lease liabilities	不計入租賃負債計量的租賃付款	129	124
Auditors' remuneration	核數師薪酬	950	400

Notes to Interim Condensed Financial Information (Continued)

中期簡明財務資料附註(續)

30 June 2020 2020年6月30日

7. INCOME TAX

The major components of income tax expense/(credit) are as follows:

7. 所得稅

所得稅開支/(抵免)的主要組成部分如下：

		For the six months ended 30 June 截至6月30日止六個月	
		2020 2020年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 2019年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Current tax:	即期稅項：		
Corporate income tax in Mainland China for the Period	本期間中國內地企業所得稅	2,156	2,493
Corporate income tax in Hong Kong for the Period	本期間香港企業所得稅	—	551
Adjustments in respect of current tax of previous years	調整往年即期稅項	(4,999)	4,952
Deferred tax:	遞延稅項：		
Deferred tax in Mainland China for the Period (note 12)	本期間中國內地遞延稅項(附註12)	557	(1,412)
Total tax expense/(credit) for the Period	本期間稅項開支/(抵免)總額	(2,286)	6,584

Notes:

- (a) Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI.
- (b) No provision for Hong Kong profits tax has been made as the Group's subsidiary in Hong Kong has accumulated tax losses brought forward which exceed the estimated assessable profit for the six months ended 30 June 2020. The subsidiary of the Group located in Hong Kong was liable to corporate income tax at a rate of 16.5% on the assessable profits generated for the six months ended 30 June 2019.
- (c) The subsidiaries of the Group located in Mainland China were liable to the People's Republic of China ("PRC") corporate income tax ("CIT") at a rate of 25% on the assessable profits generated for the six months ended 30 June 2020 and 2019.

附註：

- (a) 根據開曼群島及英屬維爾京群島的規則及法規，本集團毋須繳納開曼群島及英屬維爾京群島的任何所得稅。
- (b) 由於本集團香港附屬公司的承前累計稅項虧損超逾截至2020年6月30日止六個月的估計應課稅溢利，故未有計提香港利得稅撥備。本集團於香港的附屬公司須按稅率16.5%就截至2019年6月30日止六個月產生的應課稅溢利繳納企業所得稅。
- (c) 本集團於中國內地的附屬公司須按稅率25%就截至2020年及2019年6月30日止六個月產生的應課稅溢利繳納中華人民共和國(「中國」)企業所得稅(「企業所得稅」)。

30 June 2020 2020年6月30日

8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of basic earnings per share is based on the profit attributable to owners of the Company for the Period of RMB32,452,000 (six months ended 30 June 2019: RMB15,207,000), and the weighted average number of ordinary shares of 1,691,890,585 (for the six months ended 30 June 2019: 1,691,890,585) in issue during the Period.

For the six months ended 30 June 2020 and 2019, diluted earnings per share did not assume the exercise of the Company's outstanding share options as the exercise price of the option was higher than the average market price per share.

9. INVESTMENT PROPERTY, OTHER PROPERTY, PLANT AND EQUIPMENT, AND INTANGIBLE ASSETS

Movements in investment property, other property, plant and equipment and intangible assets during the Period are as follows:

		Investment property	Other Property plant and equipment	Intangible assets
		投資物業 RMB'000 人民幣千元	其他物業、 廠房及設備 RMB'000 人民幣千元	無形資產 RMB'000 人民幣千元
Carrying amount at 1 January 2020	於2020年1月1日的賬面值	7,133	196,993	45
Additions	添置	-	9	-
Depreciation charged for the Period/ amortisation for intangible assets for the Period (note 6)	本期間扣除折舊/ 本期間無形資產攤銷 (附註6)	(90)	(4,632)	(12)
Disposal	出售	-	(54)	-
Carrying amount at 30 June 2020 (unaudited)	於2020年6月30日的 賬面值(未經審核)	<u>7,043</u>	<u>192,316</u>	<u>33</u>

As at 30 June 2020, the Group's buildings with a net carrying amount of approximately RMB84,964,000 (31 December 2019: RMB86,622,000) were erected on the land where the Group was still in the process of applying for the land use rights certificate. The Directors are of the view that the Group is entitled to lawfully and validly occupy and use the above-mentioned land. The Directors are also of the opinion that the aforesaid matter will not have any significant impact on the Group's financial position as of 30 June 2020.

As at 30 June 2020, the Group's other property with a net carrying amount of RMB71,398,000 (31 December 2019: RMB72,730,000) were pledged to secure its bank loans (note 18).

The Group's investment property and other property, plant and equipment are situated in Mainland China and held under medium lease terms and long lease terms.

8. 本公司普通權益持有人應佔每股盈利

每股基本盈利是基於本期間本公司擁有人應佔溢利人民幣32,452,000元(截至2019年6月30日止六個月:人民幣15,207,000元)以及本期間已發行普通股加權平均數1,691,890,585股(截至2019年6月30日止六個月:1,691,890,585股)計算。

截至2020年及2019年6月30日止六個月,每股攤薄盈利並無假設本公司尚未行使的購股權獲行使,原因為購股權行使價高於每股平均市價。

9. 投資物業、其他物業、廠房及設備以及無形資產

投資物業、其他物業、廠房及設備以及無形資產於本期間的變動如下:

於2020年6月30日,本集團賬面淨值約人民幣84,964,000元(2019年12月31日:人民幣86,622,000元)的樓宇建於本集團仍在申請土地使用權證的土地上。董事認為本集團有權合法及有效佔用及使用上述土地。董事亦認為,上述事宜對本集團截至2020年6月30日的財務狀況不會有任何重大影響。

於2020年6月30日,本集團其他物業賬面淨值為人民幣71,398,000元(2019年12月31日:人民幣72,730,000元)已抵押作為銀行貸款的擔保(附註18)。

本集團的投資物業以及其他物業、廠房及設備位於中國內地,按中期租約及長期租約持有。

10. LEASES**The Group as a lessee**

The Group has lease contracts for office premises and a warehouse used in its operations. In 2017 and 2018, the Group entered into certain long-term lease contracts for items of office premises. Lump sum payments were made yearly upfront to acquire the certain leased office premise with lease periods of five years, and no ongoing payments will be made under the terms of the lease after the payments. For other leases, payments were made monthly, quarterly and semi-annually. Leases of office premises have lease terms between 1 and 5 years. Leases of a warehouse have lease terms within one year. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

(a) Right-of-use assets

The carrying amounts of the Group's right-of-use assets and the movements during the period are as follows:

		Office premises
		辦公室物業
		RMB'000
		人民幣千元
As at 1 January 2020	於2020年1月1日	1,041
Decrease as a result of Covid-19-related rent concessions	因與Covid-19相關的租金優惠而減少	(66)
Depreciation charge (note 6)	折舊開支(附註6)	(505)
As at 30 June 2020 (unaudited)	於2020年6月30日(未經審核)	<u>470</u>

10. 租賃**本集團作為承租人**

本集團擁有營運所用辦公室物業及倉庫的租賃合約。於2017年及2018年，本集團就辦公室物業項目訂立若干長期租賃合約。每年須預付一次性付款以獲得租期為五年的若干租用辦公室物業，付款後根據租賃條款毋須支付任何後續款項。其他租賃則每月、每季及每半年支付。辦公室物業租賃的租期為1至5年。倉庫租賃的租期為一年以內。一般而言，本集團不得向本集團以外人士轉讓及分租租用資產。

(a) 使用權資產

本集團的使用權資產於本期間的賬面值及變動如下：

Notes to Interim Condensed Financial Information (Continued)

中期簡明財務資料附註(續)

30 June 2020 2020年6月30日

10. LEASE (Continued)

The Group as a lessee (Continued)

(b) Lease liabilities

The carrying amount of lease liabilities and the movements during the reporting period are as follows:

		RMB'000 人民幣千元
Carrying amount at 1 January 2020	於2020年1月1日的賬面值	1,176
Derecognised as a result of Covid-19-related rent concessions	因與Covid-19相關的租金優惠而終止確認	(66)
Accretion of interest recognised during the period (note 5)	本期間確認的利息增加(附註5)	68
Payments	付款	(411)
Carrying amount at 30 June 2020 (unaudited)	於2020年6月30日的賬面值(未經審核)	<u>767</u>
Analysed into:	分析為：	
Current portion	流動部分	537
Non-current portion	非流動部分	<u>230</u>

The total cash outflow for leases included in the statement of cash flows is within financing activities.

現金流量表內的租賃現金流出總額計入融資活動。

(c) The amounts recognised in profit or loss in relation to leases are as follows:

(c) 在損益中確認有關租賃的金額如下：

		Six months ended on 30 June 2020 截至2020年 6月30日 止六個月 RMB'000 人民幣千元 (unaudited) (未經審核)
Interest on lease liabilities (note 5)	租賃負債利息(附註5)	68
Depreciation charge of right-of-use assets	使用權資產折舊開支	505
Expense relating to short-term leases and the leases with remaining lease terms ended on or before 30 June 2020 (included in administrative expenses) (note 6)	有關短期租賃及剩餘租期於2020年6月30日或之前結束的租賃的開支(計入行政開支)(附註6)	129
Total amount recognised in profit or loss (unaudited)	在損益中確認的總額(未經審核)	<u>702</u>

Notes to Interim Condensed Financial Information (Continued)

中期簡明財務資料附註(續)

30 June 2020 2020年6月30日

11. PAYMENTS IN ADVANCE, PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES
11. 預先支付款項、預付款項、按金及其他應收款項

		30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (Restated) (經重列)
<i>Current portion:</i>	<i>流動部分：</i>		
Prepayments in respect of:	以下項目的預付款項：		
– purchase of inventories	– 購買存貨	950	7,843
– consultation service fee	– 諮詢服務費	294	202
– others	– 其他	947	1,718
Deposit:	保證金：		
– issuance of letter of credit	– 開立信用證	4,164	67,565
– others	– 其他	404	4,803
Value-added tax recoverable	可收回增值稅	3,827	26,657
Amount due from related parties (note 22(b))	應收關連方款項(附註22(b))	616	447
Other receivables in respect of:	以下項目的其他應收款項：		
– staff advances	– 員工墊款	660	418
– others	– 其他	605	–
		12,467	109,653
Less: Allowance for credit losses	減：信貸虧損撥備	(34)	(472)
		12,433	109,181
<i>Non-current portion:</i>	<i>非流動部分：</i>		
Prepayments in advance in respect of:	以下項目的預付款項：		
– prepaid office decoration	– 預付辦公室裝修款項	674	508
		13,107	109,689

12. DEFERRED TAX ASSETS

The movements in deferred tax assets during the Period are as follows:

		RMB'000 人民幣千元
At 1 January 2020	於2020年1月1日	721
Deferred tax derecognised in Mainland China during the Period (note 7)	本期間中國內地終止確認的遞延稅項 (附註7)	(557)
At 30 June 2020 (unaudited)	於2020年6月30日(未經審核)	<u>164</u>

Deferred tax assets have not been recognised in respect of the tax losses arisen in subsidiaries that have been loss making as it was not considered probable that tax profits would be available against which the tax losses can be utilised.

13. INVENTORIES

At the end of the Period, all inventories represented purchased pharmaceutical products.

At 30 June 2020, the Group's inventories with a carrying amount of RMB264,613,000 (31 December 2019: RMB224,916,000) were pledged to secure the Group's other payables (note 17).

12. 遞延稅項資產

本期間的遞延稅項資產變動如下：

並無就由持續虧損的附屬公司產生的稅項虧損確認遞延稅項資產，原因為有關附屬公司被視為不可能有應課稅溢利可供抵銷稅項虧損。

13. 存貨

於本期間末，所有存貨指所購買的藥品。

於2020年6月30日，本集團以賬面值人民幣264,613,000元(2019年12月31日：人民幣224,916,000元)的存貨作為本集團其他應付款項的抵押(附註17)。

14. TRADE AND BILLS RECEIVABLES

14. 貿易應收款項及應收票據

		30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元
Trade receivables	貿易應收款項	54,909	28,412
Impairment	減值	(622)	(2,441)
Trade receivables, net of impairment	貿易應收款項，扣除減值	54,287	25,971
Bills receivable*	應收票據*	42,500	4,739
		96,787	30,710

* The above bills receivable at 30 June 2020 and 31 December 2019 were classified as financial assets at fair value through profit or loss as they were held for endorsement or discounting.

* 於2020年6月30日及2019年12月31日的上述應收票據分類為按公平值計入損益的金融資產，原因為該等應收票據持作背書或貼現。

The Group grants credit terms ranging from 45 days to 60 days to customers after the delivery of goods, except for certain customers who make payments in advance prior to delivery of goods. The Group maintains strict control over the settlements of its outstanding receivables and has a credit control department to minimise credit risk. Trade receivables are non-interest-bearing and unsecured.

除若干客戶於交付貨品前預先支付款項外，本集團向客戶授出交付貨品後45天至60天的信貸期。本集團對其尚未收回的應收款項結算維持嚴格控制，並設有信貸控制部門，以將信貸風險降至最低。貿易應收款項為不計息及無抵押。

An ageing analysis of the trade receivables as at the end of the Periods, based on the invoice date, is as follows:

於各期間末基於發票日期的貿易應收款項的賬齡分析如下：

		30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元
Within 3 months	三個月內	47,114	26,476
Over 3 months	三個月以上	7,795	1,936
		54,909	28,412

Notes to Interim Condensed Financial Information (Continued)

中期簡明財務資料附註(續)

30 June 2020 2020年6月30日

14. TRADE AND BILLS RECEIVABLES (Continued)

The movements in the loss allowance for impairment of trade receivables are as follows:

		RMB'000 人民幣千元
As at 1 January 2019	於2019年1月1日	1,115
Provision of impairment losses, net	減值虧損撥備淨額	1,326
As at 31 December 2019	於2019年12月31日	2,441
As at 1 January 2020	於2020年1月1日	2,441
Provision of impairment losses, net (note 6)	減值虧損撥備淨額(附註6)	(1,819)
As at 30 June 2020 (unaudited)	於2020年6月30日(未經審核)	622

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by customer type and rating). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

As at 30 June 2020

		Current 即期	1 to 90 days past due 逾期1至90天	More than 90 days past due 逾期超過90天	Total 合計
Expected credit loss rate	預期信貸虧損率	0.32%	2.10%	100%	
Gross carrying amount (RMB'000)	賬面總值(人民幣千元)	46,776	7,706	427	54,909
*Settlement by letters of credit (RMB'000)	*以信用證結算 (人民幣千元)	(36,442)	-	-	(36,442)
		10,334	7,706	427	18,467
Expected credit losses (RMB'000)	預期信貸虧損(人民幣千元)	33	162	427	622

* Certain trade receivables amounting to RMB36,442,000 were guaranteed by letters of credit issued by reputable banks, which were not past due as at 30 June 2020.

14. 貿易應收款項及應收票據(續)

貿易應收款項減值虧損撥備變動如下：

於各報告日期均採用撥備矩陣進行減值分析，以計量預期信貸虧損。撥備率是基於具有類似虧損模式(即按客戶類型及評級)的多個客戶分部組別的逾期日數釐定。該計算反映或然率加權結果、貨幣時值及於報告日期可得的有關過往事項、當前條件及未來經濟條件預測的合理可靠資料。

以下載列有關本集團使用撥備矩陣計算的貿易應收款項的信貸風險資料：

於2020年6月30日

* 若干貿易應收款項人民幣36,442,000元由知名銀行開立信用證擔保，於2020年6月30日尚未逾期。

14. TRADE AND BILLS RECEIVABLES (Continued)

As at 31 December 2019

		Current 即期	1 to 90 days past due 逾期1至90天	More than 90 days past due 逾期超過90天	Total 合計
Expected credit loss rate	預期信貸虧損率	0.96%	25.16%	100%	
Gross carrying amount (RMB'000)	賬面總值(人民幣千元)	20,770	7,215	427	28,412
Expected credit losses (RMB'000)	預期信貸虧損(人民幣千元)	199	1,815	427	2,441

As at 30 June 2020, the Group did not discount any bills receivable accepted by banks in the PRC and as at 30 June 2019, the Group discounted certain bills receivable accepted by banks in the PRC, with a carrying amount in aggregate of RMB8,361,000 (the "Derecognised Bills"). All of the Derecognised Bills had been accepted by Bank of China, Bank of Communications and Industrial Bank Co., Ltd., all of which are reputable banks in the PRC and had a maturity of one to two months as at 30 June 2019. 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 and the associated advances on discounting. 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 face amounts. In the opinion of the Directors, the fair values of the Group's Continuing Involvement in the Derecognised Bills are not significant.

During the Period, the Group has recognised interest expenses of Nil (six months ended 30 June 2019: RMB133,000) (note 5) on discounted bills receivable. No gains or losses were recognised from the Continuing Involvement, both during the Period or cumulatively. The discounting has been made evenly throughout the Period.

14. 貿易應收款項及應收票據(續)

於2019年12月31日

於2020年6月30日，本集團並無貼現獲中國的銀行承兌的任何應收票據，而於2019年6月30日，本集團貼現若干獲中國的銀行承兌的應收票據（「終止確認票據」），該等應收票據賬面值合共為人民幣8,361,000元。全部終止確認票據獲中國銀行、交通銀行及興業銀行股份有限公司（均為中國知名銀行）承兌，於2019年6月30日的到期日為一至兩個月。根據《中華人民共和國票據法》，倘中國的銀行違約，終止確認票據的持有人對本集團擁有追索權（「持續參與」）。董事認為，本集團已轉移絕大部分與終止確認票據有關的風險及回報。因此，其已終止確認終止確認票據及相關貼現墊款的全部賬面值。本集團因對終止確認票據的持續參與而面對的最高損失風險及購回該等終止確認票據的未貼現現金流量與其面值相等。董事認為，本集團對終止確認票據的持續參與的公平值並不重大。

於本期間，本集團已確認應收貼現票據的利息開支為零（截至2019年6月30日止六個月：人民幣133,000元）（附註5）。概無於本期間或累計確認持續參與的收益或虧損。整個本期間的貼現額分佈平均。

Notes to Interim Condensed Financial Information (Continued)

中期簡明財務資料附註(續)

30 June 2020 2020年6月30日

15. TRADE PAYABLES

An ageing analysis of the trade payables as of 30 June 2020 and 31 December 2019, based on the invoice date or issuance date, where appropriate, is as follows:

		30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (Restated) (經重列)
Within 3 months	三個月內	100,749	294,574
Over 3 months	三個月以上	62,276	5,892
		163,025	300,466

The trade payables of the Group are non-interest-bearing and are normally settled within 270 days (31 December 2019: 270 days).

15. 貿易應付款項

截至2020年6月30日及2019年12月31日基於發票日期或發行日期(如適用)的貿易應付款項賬齡分析如下:

本集團的貿易應付款項不計息，一般於270日(2019年12月31日：270日)內結清。

16. CONTRACT LIABILITIES

The Group recognised the following revenue-related contract liabilities, which represented the unsatisfied performance obligation as at 31 December 2019 and 30 June 2020. The balance of contract liabilities is expected to be recovered/settled within one year.

Movements in the contract liabilities balances during the six months ended 30 June 2020 are as follows:

		RMB'000 人民幣千元
Carrying amount at 31 December 2019 and 1 January 2020	於2019年12月31日及2020年1月1日的賬面值	38,582
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	於年初計入合約負債結餘的已確認收益	(8,297)
Consideration received from customers, excluding amounts recognised as revenue during the Period	向客戶收取的代價，不包括於本期間確認為收益的金額	41,759
Carrying amount at 30 June 2020 (unaudited)	於2020年6月30日的賬面值(未經審核)	72,044

16. 合約負債

本集團確認以下與收益相關的合約負債，其指於2019年12月31日及2020年6月30日未達成的履約責任。合約負債結餘預期可於一年內收回/結清。

合約負債結餘於截至2020年6月30日止六個月的變動如下:

17. OTHER PAYABLES AND ACCRUALS

17. 其他應付款項及應計款項

		30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元 (Restated) (經重列)
<i>Current portion:</i>	<i>即期部分：</i>		
Payables related to:	有關以下項目的應付款項：		
– Payroll and welfare payable	– 應付工資及福利	476	605
– Property, plant and equipment	– 物業、廠房及設備	1,312	1,312
– Deposits received	– 已收按金	4,121	7,532
– Consultation professional fees	– 諮詢專業費	950	19,122
– Other tax payables	– 其他應付稅項	699	786
– Import agent contracts	– 進口代理合約	233,258	63,165
– Interest payable	– 應付利息	–	23,181
– Others	– 其他	3,927	1,173
		244,743	116,876
<i>Non-current portion:</i>	<i>非即期部分：</i>		
Payables related to:	有關以下項目的應付款項：		
– Deposits received	– 已收按金	45,745	–
– Import agent contracts	– 進口代理合約	–	130,107
		290,488	246,983

Notes:

- (a) The balances represented refundable deposits received from the Group's distributors according to the sales contracts in order to guarantee their performance under the distribution agreements.
- (b) The balances as at 30 June 2020 mainly represented the payables related to deposits received from a distributor which has committed to provide an interest-free deposit of RMB100,000,000 to the Group, of which RMB50,000,000 have been received in June 2020 and would be repaid in May 2022.
- (c) The balances as at 30 June 2020 mainly represented the payables to four (31 December 2019: two) independent third parties, which are principally engaged in import agent services, for its settlement of part of purchase of pharmaceutical products on behalf of the Group together with the service charge for the import and logistics services. Such payables were secured by inventories with a carrying amount of RMB264,613,000 (31 December 2019: RMB224,916,000) (note 13).

附註：

- (a) 結餘指為保證本集團經銷商按照經銷協議履約而根據銷售協議向彼等收取的可退還按金。
- (b) 於2020年6月30日的結餘主要指與已收一名經銷商的按金有關的應付款項，該經銷商已承諾向本集團提供免息按金人民幣100,000,000元，其中人民幣50,000,000元已於2020年6月收取，並將於2022年5月償還。
- (c) 於2020年6月30日的結餘主要指應付予四名(2019年12月31日：兩名)主要從事進口代理服務的獨立第三方的款項，因其代表本集團支付部分藥品採購的款項以及進口及物流服務的服務費。有關應付款項由賬面值人民幣264,613,000元(2019年12月31日：人民幣224,916,000元)的存貨作抵押(附註13)。

18. INTEREST-BEARING BANK AND OTHER LOANS

18. 計息銀行及其他貸款

			30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元
Bank loans repayable within one year:	一年內應償還的銀行貸款：			
Secured, pledged and guaranteed	有抵押、有質押及有擔保	(a)	93,984	47,484
Other loans repayable within one year:	一年內應償還的其他貸款：			
Secured and guaranteed	有抵押及有擔保	(b)	—	140,000
			93,984	187,484

Notes:

- (a) The Group's bank loans and other borrowings are secured and guaranteed as follows:
- (i) At 30 June 2020, the bank loan of RMB39,264,000 (31 December 2019: RMB38,484,000) was secured by part of the Group's other property of RMB61,166,000 (31 December 2019: RMB62,410,000) and guaranteed by the Company and its subsidiaries including Chengdu Sinco Pharmaceutical Technology Co., Ltd., Xizang Linzhi Ziguang Pharmaceuticals Co., Ltd., and Qingdao Ruichi Pharmaceuticals Co., Ltd.
- (ii) At 30 June 2020, the bank loan of RMB9,000,000 (31 December 2019: RMB9,000,000) was secured by part of the Group's other property of RMB10,232,000 (31 December 2019: RMB10,320,000) and guaranteed by Mr. Huang Xiangbin.
- (iii) At 30 June 2020, the bank loan of RMB8,850,000 is guaranteed by Mr. Huang Xiangbin and Chengdu Sinco Pharmaceutical Technology Co., Ltd.
- (iv) At 30 June 2020, the bank loans of RMB36,870,000 are pledged by the structured deposit amounting to RMB37,274,000.
- (b) At 31 December 2019, other borrowings of RMB140,000,000 are secured by 1,049,990,000 issued ordinary shares of the Company held by Risun and guaranteed by Mr. Huang Xiangbin.
- (c) As at the end of the Period, the Group's bank loans amounting to RMB57,114,000 are denominated in RMB, and bank loans amounting to RMB36,870,000 are denominated in USD.
- (d) All of the Group's bank loans and other borrowings as at the end of the Period are interest-bearing at fixed rates ranging from 1.94% to 5.64% (31 December 2019: interest-bearing at fixed rates ranging from 4.80% to 5.64%).

附註：

- (a) 本集團銀行貸款及其他借款由以下作抵押及擔保：
- (i) 於2020年6月30日，銀行貸款人民幣39,264,000元(2019年12月31日：人民幣38,484,000元)由本集團部分其他物業人民幣61,166,000元(2019年12月31日：人民幣62,410,000元)作抵押，並由本公司及其附屬公司(包括成都興科蓉醫藥技術有限責任公司、西藏林芝紫光藥業有限責任公司及青島瑞馳藥業有限公司)作擔保。
- (ii) 於2020年6月30日，銀行貸款人民幣9,000,000元(2019年12月31日：人民幣9,000,000元)由本集團部分其他物業人民幣10,232,000元(2019年12月31日：人民幣10,320,000元)作抵押，並由黃祥彬先生作擔保。
- (iii) 於2020年6月30日，銀行貸款人民幣8,850,000元由黃祥彬先生及成都興科蓉醫藥技術有限責任公司作擔保。
- (iv) 於2020年6月30日，銀行貸款人民幣36,870,000元由金額為人民幣37,274,000元的結構性存款作抵押。
- (b) 於2019年12月31日，其他借款人民幣140,000,000元由Risun持有的1,049,990,000股本公司已發行普通股作抵押及由黃祥彬先生作擔保。
- (c) 於本期間末，本集團的銀行貸款人民幣57,114,000元以人民幣計值，銀行貸款人民幣36,870,000元以美元計值。
- (d) 本集團於期末的所有銀行貸款及其他借款均為固定利率計息介乎1.94%至5.64%計息(2019年12月31日：固定利率計息介乎4.80%至5.64%計息)。

19. SHARE CAPITAL

Shares

19. 股本

股份

		30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元
Authorised:	法定：		
10,000,000,000 (31 December 2019: 10,000,000,000) ordinary shares of HK\$0.0001 each	10,000,000,000股(2019年12月 31日：10,000,000,000股) 每股面值0.0001港元的普通股	822	822
Issued and fully paid:	已發行及繳足：		
1,691,890,585 (31 December 2019: 1,691,890,585) ordinary shares of HK\$0.0001 each	1,691,890,585股(2019年12月 31日：1,691,890,585股) 每股面值0.0001港元的普通股	136	136

20. SHARE OPTION SCHEME

The Company operates a share option scheme (the “Share Option Scheme”) for the purpose of providing incentives and rewards to eligible participants who contribute to the development of the Group. Eligible participants of the Share Option Scheme are employees (whether full time or part time) of the Company, its subsidiaries or any entity in which the Group holds any equity interest (the “Invested Entity”), including directors (including independent non-executive directors) and senior management of the Company, its subsidiaries and any Invested Entity. The Share Option Scheme was approved by the Company’s shareholders on 1 February 2016 and became effective upon the listing of the Company and, unless otherwise cancelled or amended, will remain in force for 10 years from 1 February 2016. Please refer to the 2016 annual report of the Company for details.

20. 購股權計劃

本公司運作購股權計劃(「購股權計劃」)，旨在向為本集團發展作出貢獻的合資格參與者提供獎勵及回報。購股權計劃的合資格參與者為本公司、其附屬公司或本集團持有任何股權的任何實體(「投資實體」)的僱員(無論全職或兼職)，包括本公司、其附屬公司及任何投資實體的董事(包括獨立非執行董事)及高級管理層。購股權計劃已於2016年2月1日獲本公司股東批准並於本公司上市後生效，且除非另行取消或修訂，否則將由2016年2月1日起計十年內維持有效。有關詳情，請參閱本公司2016年年報。

20. SHARE OPTION SCHEME

The following share options were outstanding under the Share Option Scheme during the Period:

		Notes 附註	Weighted average exercise price 加權平均行使價 HK\$ per share 每股港元	Number of options 購股權數目 '000 千份
As at 1 January 2020 and 30 June 2020	於2020年1月1日及 2020年6月30日	(i)	0.568	15,650

Note:

- (i) The share options outstanding as at 1 January 2020 and 30 June 2020 represented 15,650,000 share options granted by the Company under the Share Option Scheme on 21 September 2016 at an exercise price of HK\$0.568 per share to certain eligible participants of the Company in respect of their contributions to the Group's development.

20. 購股權計劃

於本期間，購股權計劃下有以下購股權尚未行使：

附註：

- (i) 於2020年1月1日及2020年6月30日尚未行使的購股權指本公司就本公司若干合資格參與者對本集團發展所作出的貢獻，於2016年9月21日根據購股權計劃按行使價每股0.568港元向彼等授出的15,650,000份購股權。

Notes to Interim Condensed Financial Information (Continued)

中期簡明財務資料附註(續)

30 June 2020 2020年6月30日

20. SHARE OPTION SCHEME (Continued)

The exercise prices and exercise periods of the share options outstanding as of 30 June 2020 and 31 December 2019 are as follows:

30 June 2020

Number of options 購股權數目 '000 千份	Exercise price per share 每股行使價 HK\$ 港元	Exercise period 行使期
6,260	0.568	From 21 September 2017 to 20 September 2022 2017年9月21日至2022年9月20日
4,695	0.568	From 21 September 2018 to 20 September 2022 2018年9月21日至2022年9月20日
4,695	0.568	From 21 September 2019 to 20 September 2022 2019年9月21日至2022年9月20日
15,650		

20. 購股權計劃(續)

截至2020年6月30日及2019年12月31日，尚未行使購股權的行使價及行使期如下：

2020年6月30日

31 December 2019

2019年12月31日

Number of options 購股權數目 '000 千份	Exercise price per share 每股行使價 HK\$ 港元	Exercise period 行使期
6,260	0.568	From 21 September 2017 to 20 September 2022 2017年9月21日至2022年9月20日
4,695	0.568	From 21 September 2018 to 20 September 2022 2018年9月21日至2022年9月20日
4,695	0.568	From 21 September 2019 to 20 September 2022 2019年9月21日至2022年9月20日
15,650		

The Company recognised a share option expense of Nil during the Period (six months ended 30 June 2019: Reversal of share option expense of RMB50,000).

於本期間，本公司確認購股權開支為零(截至2019年6月30日止六個月：購股權開支撥回人民幣50,000元)。

20. SHARE OPTION SCHEME (Continued)

The fair value of equity-settled share options granted under the Share Option Scheme was estimated as of the date of grant using a binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

Dividend yield (%)	Nil
Expected volatility (%)	48.75
Risk-free interest rate (%)	0.72

The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

No other feature of the options granted was incorporated into the measurement of fair value.

As at 30 June 2020, the Company had 15,650,000 (31 December 2019: 15,650,000) share options outstanding under the Share Option Scheme. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 15,650,000 (31 December 2019: 15,650,000) additional ordinary shares of the Company and additional share capital of HK\$1,565 (31 December 2019: HK\$1,565) and share premium of at least HK\$8,887,635 (31 December 2019: HK\$8,887,635) (before issue expenses).

At the date of approval of this interim condensed financial information, the Company had 15,650,000 share options outstanding under the Share Option Scheme, which represented approximately 0.9% of the Company's shares in issue as of that date.

20. 購股權計劃(續)

根據購股權計劃授出的以權益結算的購股權的公平值是於授出日期以二項式模式估計，並經計及所授出購股權的條款及條件。下表載列所採用的模式參數：

股息率(%)	零
預期波幅(%)	48.75
無風險利率(%)	0.72

預期波幅反映歷史波幅為未來指示性趨勢的假設，但未必為實際結果。

計量公平值時概無納入已授出購股權的其他特徵。

於2020年6月30日，根據購股權計劃，本公司擁有15,650,000份(2019年12月31日：15,650,000份)尚未行使的購股權。根據本公司目前的資本架構，倘悉數行使尚未行使的購股權，將導致額外發行15,650,000股(2019年12月31日：15,650,000股)本公司普通股以及增加股本1,565港元(2019年12月31日：1,565港元)及股份溢價至少8,887,635港元(2019年12月31日：8,887,635港元)(扣除發行開支前)。

於本中期簡明財務資料批准日期，根據購股權計劃，本公司擁有15,650,000份尚未行使的購股權，佔本公司於該日期已發行股份約0.9%。

Notes to Interim Condensed Financial Information (Continued)

中期簡明財務資料附註(續)

30 June 2020 2020年6月30日

21. COMMITMENTS

The Group had the following capital commitments at the end of the Period:

		30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元
Contracted, but not provided for:	已訂約但未撥備：		
– Construction of a warehouse	– 建設倉庫	83,008	83,008

21. 承擔

本集團於本期間末的資本承擔如下：

22. RELATED PARTY TRANSACTIONS AND BALANCES

(a) During the Period, the Group had the following material transactions with its related parties:

		For the six months ended 截至下列日期止六個月	
		30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元
Guaranteed by Mr. Huang Xiangbin:	由黃祥彬先生擔保：		
Interest-bearing bank loan (note 18(a))	計息銀行貸款(附註18(a))	17,850	9,000
Interest-bearing other borrowings (note 18(b))	計息其他借款(附註18(b))	–	140,000
Secured by Risun's shares over the Company	以Risun所持有的本公司股份作抵押		
Interest-bearing other borrowings (note 18(b))	計息其他借款(附註18(b))	–	140,000

22. 關連方交易及結餘

(a) 本集團於本期間與關連方進行的重大交易如下：

22. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)**(b) Balances with related parties**

The Group had outstanding balances due from and to related parties at the end of the reporting period.

			30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元
	Notes 附註			
Amount due from Risun	(i)	應收Risun款項	160	143
Amount due from Mr Huang Xiangbin	(ii)	應收黃祥彬先生款項	456	447
			616	590

- (i) The balance represents miscellaneous expenditure paid on behalf Risun, which are unsecured, interest-free and repayable on demand.
- (ii) The balance due from Mr. Huang Xiangbin is staff advances, which are unsecured, interest-free and repayable on demand.

- (i) 結餘指代Risun支付的雜項開支，為無抵押、免息及按要求償還。
- (ii) 應收黃祥彬先生結餘為員工墊款，為無抵押、免息及按要求償還。

(c) Compensation of key management personnel of the Group:**(c) 本集團主要管理人員薪酬：**

		For the six months ended 30 June 截至6月30日止六個月	
		2020 2020年 RMB'000 人民幣千元 (Unaudited) (未經審核)	2019 2019年 RMB'000 人民幣千元 (Unaudited) (未經審核)
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	1,374	1,039
Pension scheme contributions	退休金計劃供款	16	29
		1,390	1,068

23. DIVIDENDS

At a meeting of the Directors held on 28 August 2020, the Directors of the Company resolved not to declare or pay any interim dividends for the Period to shareholders (for the six months ended 30 June 2019: Nil).

24. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values due to short term to maturity, are as follows:

		Carrying amounts 賬面值		Fair values 公平值	
		30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元	30 June 2020 2020年 6月30日 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 2019 2019年 12月31日 RMB'000 人民幣千元
Financial liabilities	金融負債				
Non-current portion of Other payables – deposits received	其他應付款項的非即期部分—已收按金	50,000	–	45,745	–

Management has assessed that the fair values of cash and cash equivalents, trade and bills receivables, due from related parties, pledged bank balances, other financial assets measured at amortised cost, financial assets included in prepayments, deposits and other receivables, financial liabilities included in current portion of other payables and accruals, trade payables, and interest-bearing bank and other loans 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.

23. 股息

本公司董事已於2020年8月28日舉行的董事會會議上決議不會就本期間向股東宣派或派付任何中期股息(截至2019年6月30日止六個月：無)。

24. 金融工具公平值及公平值層級

除賬面值因在短期內到期而與公平值合理相若的本集團金融工具外，本集團該等工具的賬面值及公平值如下：

管理層已評估現金及現金等價物、貿易應收款項及應收票據、應收關連方款項、已抵押銀行結餘、按攤銷成本計量的其他金融資產、計入預付款項、按金及其他應收款項的金融資產、計入其他應付款項及應計款項即期部分的金融負債、貿易應付款項以及計息銀行及其他貸款的公平值與其賬面值相若，主要由於該等工具於短期內到期。

金融資產及負債的公平值按自願方(並非強逼或清盤出售)之間的當前交易中可進行交換的工具的金額入賬。

24. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)

The following methods and assumptions were used to estimate the fair values:

The fair values of the non-current other payables 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 Group's own non-performance risk for non-current financial liabilities as at 30 June 2020 was assessed to be insignificant.

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

		Fair value measurement using 公平值計量使用			
		Quoted prices in active markets (Level 1) 活躍市場 報價 (第一級) RMB'000 人民幣千元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) RMB'000 人民幣千元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
As at 30 June 2020	於2020年6月30日				
Bills receivable	應收票據	-	42,500	-	42,500
As at 31 December 2019	於2019年12月31日				
Bills receivable	應收票據	-	4,739	-	4,739

During the reporting period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities.

24. 金融工具公平值及公平值層級(續)

用於估計公平值的方式及假設如下：

非流動其他應付款項的公平值以具有類似條款、信貸風險及餘下到期日的工具現時可用的利率貼現預期未來現金流量計算得出。於2020年6月30日，本集團本身有關非流動金融負債的不履約風險被評估為不重大。

公平值層級

下表闡述本集團金融工具的公平值計量層級：

按公平值計量的資產：

於報告期內，就金融資產及金融負債而言，第一級及第二級之間概無公平值計量轉移，亦無轉入或轉出第三級。

24. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (Continued)**Fair value hierarchy (Continued)**

Liabilities for which fair values are disclosed:

24. 金融工具公平值及公平值層級(續)**公平值層級(續)**

已披露公平值的負債：

		Fair value measurement using			
		公平值計量使用			
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
		活躍市場 報價 (第一級)	重大可觀察 輸入數據 (第二級)	重大不可觀察 輸入數據 (第三級)	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
As at 30 June 2020	於2020年6月30日				
Other payables, non-current portion	其他應付款項非流動部分	-	-	45,745	45,745

25. COMPARATIVE FIGURES

As stated in note 2.3, certain comparative figures in respect of the preceding period have been restated in the current period's financial statements.

25. 比較數字

誠如附註2.3所述，本集團已就本期間財務報表重列若干前期比較數字。

26. APPROVAL OF THE INTERIM CONDENSED FINANCIAL INFORMATION

The interim condensed financial information was approved and authorised for issue by the board of directors on 28 August 2020.

26. 批准中期簡明財務資料

中期簡明財務資料已於2020年8月28日獲董事會批准及授權刊發。

Definitions

釋義

“Audit Committee” 「審核委員會」	Audit committee of the Board 董事會審核委員會
“Board” 「董事會」	Board of Directors 董事會
“CG Code” 「企業管治守則」	Corporate Governance Code as set out in Appendix 14 to the Listing Rules 上市規則附錄十四所載的企業管治守則
“China” or the “PRC” 「中國」	the People’s Republic of China excluding, for the purpose of this interim report, Hong Kong, Macau Special Administrative Region and Taiwan 中華人民共和國，就本中期報告而言，不包括香港、澳門特別行政區及台灣
“Company” or “our Company” or the “Company” 「本公司」	Sinco Pharmaceuticals Holdings Limited (興科蓉醫藥控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability on 16 March 2015 興科蓉醫藥控股有限公司，於2015年3月16日在開曼群島註冊成立的獲豁免有限公司
“Crowe” 「國富浩華」	Crowe (HK) CPA Limited 國富浩華(香港)會計師事務所有限公司
“Director(s)” 「董事」	the director(s) of the Company 本公司董事
“Eligible Participant(s)” 「合資格參與者」	any person(s) eligible to participate in the respective Share Option Scheme 任何合資格參與各購股權計劃的人士
“Exercise Price” 「行使價」	the price per Share at which a grantee may subscribe for Shares upon exercise of an option under the Share Option Scheme 承授人根據購股權計劃行使購股權後可認購股份的每股股份價格
“Group”, “our Group”, the “Group”, “we”, “us”, or “our” 「本集團」、「我們」或「我們的」	the Company and its subsidiaries and, in respect of the period before we became the holding company of our present subsidiaries, the business operated by such subsidiaries or their predecessors (as the case may be) 本公司及其附屬公司以及(就我們成為現有附屬公司的控股公司前的期間而言)相關附屬公司或其前身(視情況而定)經營的業務
“HK\$” 「港元」	Hong Kong Dollars, the lawful currency of Hong Kong 港元，香港法定貨幣
“HKSE” 「香港聯交所」	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
“Hong Kong” 「香港」	the Hong Kong Special Administrative Region of the PRC 中國香港特別行政區

Definitions (Continued)

釋義(續)

“Hong Kong Branch Share Registrar” 「香港證券登記分處」	Computershare Hong Kong Investor Services Limited 香港中央證券登記有限公司
“Human Albumin Solution” 「人血白蛋白注射液」	refers to Octapharma’s human albumin 20% (containing 200 grams of total protein per litre) and human albumin solution 25% (containing 250 grams of total protein per litre). The term Human Albumin Solution refers to both products or either one of them as the context requires 奧克特珐瑪公司生產的20%人血白蛋白注射液(每升含總蛋白200克)及25%人血白蛋白注射液(每升含總蛋白250克)。人血白蛋白注射液表示兩種產品或其中一種(視乎文義)
“Listing” 「上市」	the listing of the Shares on the Main Board of the HKSE 股份在香港聯交所主板上市
“Listing Date” 「上市日期」	10 March 2016 2016年3月10日
“Listing Rules” 「上市規則」	the Rules Governing the listing of Securities on the HKSE, as amended or supplemented from time to time 香港聯交所證券上市規則，經不時修訂或補充
“Main Board” 「主板」	Main Board of the HKSE 香港聯交所主板
“Medochemie” 「麥道甘美」	Medochemie Ltd. 麥道甘美大藥廠
“Model Code” 「標準守則」	Model Code for Securities Transactions by Directors of Listed Issuer 上市發行人董事進行證券交易的標準守則
“MPCM” 「營銷、推廣及渠道管理」	Marketing, promotion and channel management 營銷、推廣及渠道管理
“Mr. Gui” 「桂先生」	Mr. Gui Guoping 桂國平先生
“Mr. Huang” 「黃先生」	Mr. Huang Xiangbin (黃祥彬), Chairman of the Board, Executive Director, Chief Executive Officer and one of our controlling shareholders 黃祥彬先生，董事會主席、執行董事、行政總裁兼控股股東之一
“Octapharma” 「奧克特珐瑪公司」	Octapharma AG, a corporation limited by shares incorporated in the Swiss Confederation Octapharma AG，於瑞士聯邦註冊成立的股份有限公司
“Prospectus” 「招股書」	the prospectus issued by the Company dated 29 February 2016 本公司所刊發日期為2016年2月29日的招股書

Definitions (Continued)

釋義(續)

“Reporting Period” 「報告期」	for the six months ended 30 June 2020 截至2020年6月30日止六個月
“Risun” 「Risun」	Risun Investment Limited, a limited company incorporated under the laws of BVI on 16 January 2015, which is wholly-owned by Mr. Huang Risun Investment Limited，於2015年1月16日根據英屬維京群島法律註冊成立的有限公司，為黃先生全資擁有
“RMB” 「人民幣」	Renminbi Yuan, the lawful currency of China 人民幣元，中國法定貨幣
“SFO” 「證券及期貨條例」	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time 香港法例第571章證券及期貨條例，經不時修訂或補充
“Share(s)” 「股份」	ordinary share(s) in the capital of the Company with nominal value of HK\$0.0001 each 本公司股本中每股面值0.0001港元的普通股
“Shareholders(s)” 「股東」	holder(s) of Shares 股份持有人
“Share Option Scheme” 「購股權計劃」	the share option scheme conditionally adopted by our Company on 1 February 2016, the principal terms of which are summarised in "Statutory and General Information – D. Other Information – 1 Share Option Scheme" in Appendix VII to the Prospectus 本公司於2016年2月1日有條件採納的購股權計劃，其主要條款概述於招股書附錄七「法定及一般資料—D.其他資料—1 購股權計劃」
“U.S. dollars” or “US\$” 「美元」	U.S. dollars, the lawful currency of the United States of America 美元，美利堅合眾國法定貨幣
“Wisn” 「Wisn」	Wisn Group Holding Limited Wisn Group Holding Limited

In this Interim Report, the terms “associate”, “close associate”, “connected person”, “connected transaction”, “controlling shareholder”, “core connected person”, “subsidiary” and “substantial shareholder” shall have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.

在本中期報告中，除文義另有所指外，「聯繫人」、「緊密聯繫人」、「關連人士」、「關連交易」、「控股股東」、「核心關連人士」、「附屬公司」及「主要股東」具有上市規則所賦予的涵義。

The English translation of the PRC entities, enterprises, nationals, facilities, regulations in Chinese are translations of the Chinese names. To the extent there is any inconsistency between the Chinese names of the PRC entities, enterprises, nationals, facilities, regulations and their English translations, the Chinese names shall prevail.

中國實體、企業、國家機構、設施、法規的英文名為中文名的翻譯。倘中國實體、企業、國家機構、設施、法規的中文名稱與其英文譯名有任何歧義，概以中文名稱為準。



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