

2020

Annual Report
年度報告



四环医药
SihuanPharm

Sihuan Pharmaceutical Holdings Group Ltd.
四環醫藥控股集團有限公司

(incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

Stock Code 股份代號：0460





公司簡介 CORPORATE PROFILE

四環醫藥控股集團有限公司(「四環醫藥」或「本公司」，連同其附屬公司為「本集團」)(股份代號：00460.HK)創立於二零零一年，二零一零年於香港聯合交易所有限公司主板上市，是一家以創新為引領，堅持創新驅動、仿創並舉，擁有獨立領先的自主生產、研究與開發(「研發」)技術平台，具備豐富的全球化產品管線和成熟卓越銷售體系的國際化製藥企業。四環醫藥聚焦腫瘤、代謝病、醫美、抗感染、消化系統、心腦血管等高增長治療領域，以自主創新研發和孵化培養高增長新業務的雙輪驅動戰略，打造中國領先的醫美和生物醫藥領軍企業。

Founded in 2001 and listed on the Main Board of the Hong Kong Stock Exchange Limited in 2010, Sihuan Pharmaceuticals Holdings Group Ltd. ("Sihuan Pharmaceutical" or the "Company", together with its subsidiaries the "Group") (Stock Code: 00460.HK) is an international pharmaceutical company led and driven by both innovation and generic, with an independent and leading independent research and development ("R&D") technology platform, a rich global product pipeline and a mature and excellent sales system. Focusing on high-growth therapeutic areas such as oncology, metabolic diseases, medical aesthetics, anti-infectives, digestive system, cardiovascular and cerebrovascular, Sihuan Pharmaceutical is building a leading medical aesthetics and biopharmaceutical leader in China with a two-wheel drive strategy of independent innovation and research and incubation to cultivate high-growth new businesses.



目錄 CONTENTS

- 2** 公司資料
Corporate Information
- 5** 發展里程
Milestones
- 13** 獎項
Awards
- 14** 財務摘要
Financial Summary
- 15** 主席報告
Chairman's Statement
- 20** 管理層討論及分析
Management Discussion and Analysis
- 47** 董事履歷
Biographical Details of Directors
- 54** 企業管治報告
Corporate Governance Report
- 80** 董事會報告
Report of Directors
- 109** 獨立核數師報告
Independent Auditor's Report
- 116** 綜合財務狀況表
Consolidated Statement of Financial Position
- 118** 綜合損益及其他全面收益表
Consolidated Statement of Profit or Loss and Other Comprehensive Income
- 120** 綜合權益變動表
Consolidated Statement of Changes in Equity
- 122** 綜合現金流量表
Consolidated Statement of Cash Flows
- 124** 財務報表附註
Notes to the Financial Statements

公司資料

CORPORATE INFORMATION

董事會(「董事會」)

執行董事

車馮升醫生(主席)
郭維城醫生(副主席兼行政總裁)
張炯龍醫生
蔡耀忠先生(財務總監)
陳燕玲女士

非執行董事

金鎮夏先生

獨立非執行董事

辛定華先生
曾華光先生
朱迅博士

聯席公司秘書

蔡耀忠先生
莫明慧女士

授權代表

蔡耀忠先生
莫明慧女士

審核委員會

辛定華先生(主席)
曾華光先生
朱迅博士
金鎮夏先生

BOARD OF DIRECTORS (THE "BOARD")

Executive Directors

Dr. Che Fengsheng (Chairman)
Dr. Guo Weicheng (Deputy Chairman and Chief Executive Officer ("CEO"))
Dr. Zhang Jionglong
Mr. Choi Yiau Chong (Chief Financial Officer ("CFO"))
Ms. Chen Yanling

Non-Executive Director

Mr. Kim Jin Ha

Independent Non-Executive Directors

Mr. Patrick Sun
Mr. Tsang Wah Kwong
Dr. Zhu Xun

JOINT COMPANY SECRETARIES

Mr. Choi Yiau Chong
Ms. Mok Ming Wai

AUTHORISED REPRESENTATIVES

Mr. Choi Yiau Chong
Ms. Mok Ming Wai

AUDIT COMMITTEE

Mr. Patrick Sun (Chairman)
Mr. Tsang Wah Kwong
Dr. Zhu Xun
Mr. Kim Jin Ha

薪酬委員會

朱迅博士(主席)
車馮升醫生
辛定華先生
曾華光先生

提名委員會

曾華光先生(主席)
郭維城醫生
辛定華先生
朱迅博士

風險管理委員會

蔡耀忠先生(主席)
郭維城醫生
辛定華先生
曾華光先生

獨立核數師

安永會計師事務所
執業會計師及註冊公眾利益實體核數師
香港中環
添美道1號
中信大廈22樓

註冊辦事處

Clarendon House
2 Church Street
P.O. Box HM1022
Hamilton HM DX
Bermuda

REMUNERATION COMMITTEE

Dr. Zhu Xun (Chairman)
Dr. Che Fengsheng
Mr. Patrick Sun
Mr. Tsang Wah Kwong

NOMINATION COMMITTEE

Mr. Tsang Wah Kwong (Chairman)
Dr. Guo Weicheng
Mr. Patrick Sun
Dr. Zhu Xun

RISK MANAGEMENT COMMITTEE

Mr. Choi Yiau Chong (Chairman)
Dr. Guo Weicheng
Mr. Patrick Sun
Mr. Tsang Wah Kwong

INDEPENDENT AUDITOR

Ernst & Young
Certified Public Accountants and Registered Public Interest Entity Auditor
22/F, CITIC Tower
1 Tim Mei Avenue
Central, Hong Kong

REGISTERED OFFICE

Clarendon House
2 Church Street
P.O. Box HM1022
Hamilton HM DX
Bermuda

公司資料

CORPORATE INFORMATION

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4309室

主要股份登記處

Codan Services Company Limited
Clarendon House
2 Church Street
P.O. Box HM1022
Hamilton HM DX
Bermuda

香港證券登記分處

卓佳證券登記有限公司
香港皇后大道東183號
合和中心54樓

網址

www.sihuanpharm.com

股份代號

0460

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 4309, Office Tower, Convention Plaza
1 Harbour Road
Wanchai, Hong Kong

PRINCIPAL SHARE REGISTRAR

Codan Services Company Limited
Clarendon House
2 Church Street
P.O. Box HM1022
Hamilton HM DX
Bermuda

HONG KONG BRANCH SHARE REGISTRAR

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

WEBSITE

www.sihuanpharm.com

STOCK CODE

0460

二零二零年

- 四環醫藥與印度熙德隆製藥有限公司就雙方在製藥領域達成合作框架協議。雙方將實現優勢互補，熙德隆抗病毒抗感染方面的優勢產品將被引入中國進行本地化生產和銷售，藉此豐富了本集團研發和產品管線。
- 自主研發創新專利藥「安納拉唑鈉」啟動中國III期臨床試驗及上市產品「回能®」進入國家醫保目錄。以上產品的進展相信將會進一步豐富及多元化本集團在消化肝病治療領域的產品管線。
- 首家通過一致性評價藥品重酒石酸卡巴拉汀膠囊及左乙拉西坦片獲生產批件及首家咪達唑侖口頰黏膜溶液獲註冊批件。以上產品將與本集團現有上市產品產生協同效應，進一步夯實集團的市場領先地位。
- 收購新一代氨基糖苷類抗生素 plazomicin 的大中華區所有權益及知識產權。隨著該產品在大中華區上市後，本集團預期 plazomicin 將帶來可觀的經濟收益。
- 與中國人民解放軍軍事醫學研究院共同研製開發的法匹拉韋用於2019冠狀病毒病的臨床研究啟動。
- 四環醫藥小兒複方氨基酸注射液(18AA-II)獲藥品註冊批件。本集團為中國第一家獲得此產品藥品註冊批件的公司。本集團相信此產品將助力本集團在輸液領域的發展。
- 聯營公司北京銳業製藥有限公司獲得新增投資方增資以加速產能擴張。未來，北京銳業的產品將全權由本集團進行全國銷售，同時投資方將充分發揮其在市場準入方面的優勢，助力產品快速打開市場。本集團相信北京銳業會成為中國治療性粉液雙室袋輸液行業的領導型企業，滿足廣大患者的用藥需求，並為本集團創造可觀的回報。

2020

- Sihuan Pharmaceutical and Hetero Labs Limited reached a framework cooperation agreement in pharmaceutical manufacturing area. The two parties will complement each other's strengths, and Hetero's anti-viral and anti-infection products will be introduced to China for local production and sales, which will enrich the Group's R&D and product pipeline.
- Commencement of Phase III Clinical Trial in the PRC for Self-Developed Innovative Patented Drug "Anaprazole Sodium" and Inclusion of "Huineng®" into the National Reimbursement Drug List. The progress made by the above products is believed to further extend and diversify the Group's product pipelines in the therapeutic areas of digestive system and liver related diseases.
- Production approval granted for rivastigmine hydrogen tartrate capsule, the first drug passing consistency evaluation, levetiracetam tablet and the first registration approval granted for midazolam oromucosal solution. The above products will create synergy with the Group's existing sales product to further consolidate the Group's leading market position.
- Acquisition of all interests and intellectual property rights of plazomicin, a new generation of aminoglycoside antibiotics in the Greater China Region. The Group expects that plazomicin will generate significant economic benefits after its launch in the Greater China Region.
- Commenced clinical research of favipiravir, a drug for coronavirus disease 2019 (COVID-19), co-developed with the academy of military medical sciences of the People's Liberation Army.
- Drug registration approval granted for Sihuan Pharmaceutical's pediatric compound amino acid injection (18AA-II). The Group is the second company in the PRC that has been granted registration approval for this product. The Group believes the product will facilitate the Group's development in the field of infusion.
- Capital injection by new investors into Beijing Ruiye Drugs Manufacture Co., Ltd. (an associate of Sihuan Pharmaceutical) to accelerate capacity expansion. In the future, the national sales of Beijing Ruiye's products will be fully entrusted to the Group. At the same time, the investor will give full play to its advantages in market access and facilitate quick market launch of the products. The Group believes that Beijing Ruiye will gradually become a leading enterprise in the therapeutic solid-liquid double chamber infusion industry in China to meet the medication needs of the patients in general and create considerable returns for the Group.

發展里程

MILESTONES

- 馬來酸桂哌齊特注射液上市後大型臨床研究結果正式發表，將憑藉其確證性療效重塑腦卒中治療領域新格局。
- 須予披露交易 – 國投招商投資管理有限公司屬下基金認購軒竹(石家莊)生物科技有限公司股權。認購事項完成後，雙方未來能夠在在創新藥物的研發及引進方面進行全面合作，認購事項的所得款項用於進一步開發本集團的中後期臨床產品管線及引進更多後期產品項目，以期本集團能夠為中國患者提供更新更優的治療方案。
- 投資濟時資本生命科技I期基金。本集團期待藉此加碼在創新藥領域的佈局和加快海外創新藥的引進，加強本公司國際化產品管線的佈局和發展，協助本公司盡快實現向產品創新以及國際化轉型。
- 四環醫藥加巴噴丁膠囊獲得藥品生產批准。作為神經系統疾病領域用藥，該產品將和本集團在相關治療領域的藥物發揮協同效應，通過為患者提供更多更優質的治療選擇，進一步夯實本集團在此領域的領先市場地位。
- 本集團獨家代理的韓國肉毒毒素產品「樂提葆®」獲批於中國市場推出。樂提葆®進入本集團的醫療美容平台，不僅豐富和擴大了平台的產品組合，還體現了本集團的產品佈局策略面向多元化與國際化。本集團有望通過市場推廣項目的實施，同時透過合理的定價，擴大產品和品牌的市場認知度。本集團將深化與醫療機構和醫師群體的溝通交流，進一步提高服務水平，擴大市場份額。本集團亦將培育具有與同業展開競爭的實力，甚至超越競爭對手，成為領先及一流的醫療美容平台。
- Official release of the result of large scale clinical trials after the launch of cinepazide maleate injection which takes stroke treatment into a new era with its verified efficacy.
- Discloseable transaction – subscription by investment funds under CMG-SDIC Capital Co., Ltd. in Xuanzhu (Shijiazhuang) Biopharmaceutical Co., Ltd.. After the subscription, the two parties will be able to fully cooperate with each other in the R&D and introduction of innovative drugs in the future. The Group intends to apply the proceeds from the subscription to further develop the Group's mid to late stage clinical trial product line and to introduce more late stage product projects, as such, the Group will be able to provide newer and better treatment solutions to patients across the PRC.
- Investment in Ascendum Capital Life Technology Fund Phase I. The Group looks forward to expand its resources in the development of innovative drugs and accelerate the introduction of overseas innovative drugs, strengthen its resources and the development of its international product pipeline and accelerate its product innovation and internationalization.
- Drug production approval granted for the gabapentin capsules. As a medication used in the field of neurological diseases, the Product will create synergy with other drugs of the Group in the relevant treatment fields, and by providing patients with more and better quality treatment options, the Group will further consolidate its leading market position in this field.
- Approval to launch the group's exclusive Korean botulinum toxin product "Letybo®" in the PRC market. The introduction of Letybo® into the Group's medical aesthetics platform will not only enrich and expand the platform's product portfolio, but also reflect the Group's product layout strategy towards diversification and internationalization. The Group expects to expand the market awareness of its products and brands through the implementation of marketing projects and reasonable pricing. The Group will deepen communication with medical institutions and doctor groups to further improve service standards and expand market share. The Group will also develop its ability to compete against its peers so as to outrun its competitors and to become the leading and first-class medical aesthetics platform.

二零一九年

- 首個自主研發治療糖尿病創新專利藥加格列淨啟動中國III期臨床試驗。
- 為中國第一家獲得複方電解質注射液(II) (500毫升)藥品註冊批件的公司。
- 獲得醋酸奧曲肽注射液、鹽酸氨溴索注射液和鹽酸法舒地爾注射液的生產批文。
- 複方氨基酸注射液(20AA)獲藥品註冊批件。
- 醋酸艾司利卡西平片生產批件首家申報獲得受理。
- 自主研發消化系統創新專利藥安納拉唑鈉中國II期臨床試驗提前完成患者入組。
- 為中國第一家獲得非PVC粉液雙室袋藥品「非PVC粉液雙室袋頭孢他啶/氯化鈉注射液」、「非PVC粉液雙室袋注射用頭孢地嗪鈉/5%葡萄糖注射液」及「非PVC粉液雙室袋注射用頭孢地嗪鈉/氯化鈉注射液」、「非PVC粉液雙室袋注射用頭孢呋辛鈉/氯化鈉注射液」藥品註冊批件的公司。
- 第三代EGFR抑制劑XZP-5809獲得I期至III期臨床批件。
- 加格列淨臨床試驗進展的文獻摘要獲選在第79屆美國糖尿病協(American Diabetes Association)科學年會的壁報報告上刊登。
- 馬來酸桂哌齊注射液率先完成上市後大型臨床確證性研究。
- 與Strides Pharma Global Pte Limited成立合營企業，在中國供應及分銷3個藥品。
- 與佛山德芮可共同開發的富馬酸喹硫平緩釋片獲得藥品註冊批件。

2019

- The first self-developed anti-diabetic innovative patented new drug janagliflozin commenced Phase III clinical trials in China.
- The first company in China that was granted drug registration approval for compound electrolyte injection (II) (500ml).
- Production approval has been obtained for octreotide acetate injection, ambroxol hydrochloride injection and buflomedil hydrochloride injection.
- Compound amino acid injection (20AA) was granted approval for drug registration.
- Eslicarbazepine acetate received acceptance of first application for production approval.
- Early completion of self-developed patient recruitment for Phase II clinical trial in China for patented innovative digestive system drug anaprazole sodium.
- The first company in China that has been granted drug registration approval for “Non-PVC solid-liquid double chamber bag for ceftazidime/sodium chloride injection”, “Non-PVC solid-liquid double chamber bag for cefodizime sodium/5% glucose injection”, “Non-PVC solid-liquid double chamber bag for cefodizime sodium/sodium chloride injection”, and “Non-PVC solid-liquid double chamber bag for cefuroxime sodium/sodium chloride injection”.
- Acquired Phase I to III clinical trial approval for the third generation of EGFR inhibitor XZP-5809.
- Abstracts regarding clinical trial progress of janagliflozin have been selected for poster presentation at the American Diabetes Association’s 79th scientific sessions.
- Post-launch large-scale clinical trials of cinepazide maleate injection were completed with efficacy verified.
- Establishment of joint venture with Strides Pharma Global Pte Limited for supplying and distributing 3 drugs in China.
- Drug registration approval being granted for quetiapine fumarate ER tablet jointly developed with PharmaDax Foshan.

發展里程

MILESTONES

二零一八年

- 三個自主研发創新藥進入中國II期臨床試驗，包括唯一國內自主研发的新一代抑酸藥物安納拉唑鈉、國內首個獨立專利的碳青黴烯類抗生素百納培南和抗腫瘤靶點藥哌羅替尼。
- 抗高血壓新藥泰樂地平已經完成健康人I期研究，正在患者中開展臨床試驗。
- 三個自主研发創新藥進入中國I期臨床試驗，包括抗腫瘤新藥選擇性CDK4/6抑制劑吡羅西尼、第三代雙靶點酪氨酸激酶抑制劑XZP-3621和PDE-5抑制劑複達那非。
- 鹽酸二甲雙胍片獲首家按照一致性評價補充申請申報通過。
- 國內獨家產品、兒童用藥咪達唑侖口頰黏膜溶液擬納入優先審評程序。
- 本集團已成立國際業務拓展部門，於中國、美國均設有辦事處，該團隊成員為擁有豐富海內外醫藥行業經驗的資深人士，專注於拓展包括抗腫瘤在內的各個重大治療領域的前沿藥物的合作與項目引進。

2018

- Three self-developed innovative drugs commenced Phase II clinical trials in China, including the only domestically developed new generation digestive system drug anaprazole sodium, China's first independently patented innovative carbapenem antibiotic benapenem and innovative targeted oncology drug pirotinib.
- Phase I studies of Antihypertensive drug tylerdipine hydrochloride in healthy individuals have finished and have initiated trials in patients.
- Three self-developed innovative drugs commenced Phase I clinical trials in China, including selective CDK4/6 inhibitor birociclib, third-generation irreversible tyrosine kinase inhibitor XZP-3621, and PDE-5 inhibitor fadanafil.
- Metformin hydrochloride tablet obtained consistency evaluation approval (the first generic product to obtain approval through supplementary application).
- Exclusive product and paediatric medicine midazolam oromucosal solution has been included in the priority review process.
- The Group has established its Global Business Development Department in both China and the U.S.. The team is equipped with expertise in both domestic and overseas pharmaceutical industries, and will be dedicated in exploring and introducing leading medicinal technology in major therapeutic areas.

二零一七年

- 收購弘和製藥(中國)有限公司(「**弘和製藥(中國)**」)100%股權，該公司目前持有的藥品生產批文包括甘草酸單銨半胱氨酸氯化鈉注射液(商標名「回能」)和杏苧氯化鈉注射液(商標名「邁諾康」)。
- 與以奧地利為基地的製藥公司CROMA-Pharma GmbH(「**Croma-Pharma**」)成立合營企業(「**合營企業**」)，拓展中國醫療美容市場。
- 自主研發1類新藥「吡羅西尼」獲國家藥監局頒發I-III期臨床試驗批件。
- 於美國加利福尼亞州三藩市灣區(San Francisco Bay Area)成立美國研發中心(「**美國研發中心**」或「**該中心**」)。該中心專注於開發更具創新性的小分子及大分子藥物，尤其是全球首創的腫瘤免疫治療藥物。
- 本集團分階段投資佛山德芮可製藥有限公司(「**佛山德芮可**」)，最高將總共獲得德芮可51%股權。佛山德芮可擁有符合FDA要求的生產系統，抗精神分裂症用藥富馬酸喹硫平緩釋片等取得美國藥監局上市核准的部分藥品已經向國家藥監局遞交了上市申請。

2017

- Acquired 100% equity interest in Ambest Pharmaceutical (China) Company Limited (“**Ambest Pharmaceutical (China)**”) which currently holds the drug production approvals for monoammonium glycyrrhizinate and cysteine and sodium chloride injection and floium ginkgo extract with the brand name “Huineng” and tertram ethypyrazine sodium chloride injection with the brand name “Mainokang”.
- Established joint venture company (“**JV**”) with Austria-based pharmaceutical company CROMA-Pharma GmbH (“**Croma-Pharma**”), expanding into the aesthetic medicine market in China.
- The NMPA granted approval of Phase I-III clinical trials for “birociclib”, a self-developed innovative patented new drug.
- Set up the U.S. Research and Development Centre (“**U.S. R&D Centre**” or the “**Centre**”) in the San Francisco Bay Area in California of the U.S.. The Centre focuses on developing more innovative small molecule and large molecule drugs, especially first-in-class immunotherapy.
- The Group invests in PharmaDax (FoShan) Co., Ltd (“**PharmaDax (FoShan)**”) in phases and will hold a maximum of 51% equity interests in PharmaDax Foshan in aggregate. PharmaDax Foshan owns advanced drug production technique and normative drug quality control system that meets FDA requirements. New drug applications of its U.S. FDA-approved products such as the quetiapine fumarate ER Tablet (antipsychotic) have been submitted to the NMPA.

發展里程 MILESTONES

二零一六年

- 自主研發治療糖尿病創新藥加格列淨成功獲得國家藥監局臨床批件。
- 自主研發專利新藥鹽酸依格列汀獲國家藥監局頒發I/II/III期臨床試驗批件。
- 投資參股的上海立迪生物技術有限公司成功在全國中小企業股份轉讓系統上市。
- 自主研發專利新藥複達那非獲國家藥監局頒發I/II/III期臨床試驗批件。

二零一五年

- 收購北京銳業製藥有限公司(「北京銳業」)的39%股權以豐富及拓寬本集團的產品。
- 山東軒竹與科文斯公司(「科文斯」)簽署了長期合作夥伴協議，以支持本集團在研發新藥項目的全球開發。
- 首個自主研發的抗腫瘤創新專利藥哌羅替尼在美國進入I期臨床試驗；並成功獲得國家藥監局I/II/III期全部臨床試驗批件。
- 兩個自主研發的創新專利藥，另一抗腫瘤創新專利藥賽羅替尼和治療前列腺增生及勃起功能障礙創新藥復達那非的臨床試驗申請獲國家藥監局受理。
- 山東軒竹與RaQualia Pharma Inc. (「RaQualia」)就開發新型鎮痛藥及離子通道技術達成技術研究合作。

2016

- The NMPA granted approval for clinical trials of self-developed new drug janagliflozin for diabetes treatment.
- The NMPA granted approval for Phase II/III clinical trials of imigliptin dihydrochloride, a self-developed innovative patent drug.
- Shanghai LIDE Biotech Co., Ltd., an equity participation investment, successfully listed on the National Equities Exchange and Quotations System.
- The NMPA granted approval for Phase I/II/III clinical trials of self-developed innovative patent new drugs, fadanafil.

2015

- Acquired 39% equity interest in Beijing Ruiye Drugs Manufacture Co., Ltd. (「Beijing Ruiye」) to enrich and expand the Group's product resources.
- Shandong Xuanzhu and Covance Inc. (「Covance」) signed a long-term partnership agreement to support the global development of the Group's drug candidate pipeline consisting of multiple compounds.
- Phase I clinical trial of pirotinib, the first self-developed innovative patented oncology drug commenced in the U.S.. The NMPA granted approval of Phase I/II/III clinical trials of pirotinib.
- Clinical trial application for two self-developed innovative patent drugs, sirotinib (another oncology drug) and fadanafil (clinically to treat BPH, ED), were officially accepted by the NMPA.
- Shandong Xuanzhu and RaQualia Pharma Inc. (「RaQualia」), entered into a research collaboration agreement in novel analgesic drugs development and ion-channel technology.

二零一四年

- 廊坊高博京邦獲得美國FDA發出的現場審查報告(「**EIR**」)。
- 向美國FDA順利提交哌羅替尼的新藥臨床試驗(「**新藥臨床**」)註冊申請，並獲准進入臨床試驗。
- 自主研發抗高血壓創新藥鹽酸泰樂地平獲臨床試驗批件。
- 自主研發治療糖尿病創新藥加格列淨臨床試驗申請獲國家藥監局受理。
- 與重慶派金生物科技有限公司就胰島素專案開發建立合作。

二零一三年

- 創新專利藥試驗鹽酸依格列汀及安納拉唑鈉獲得臨床試驗批件。
- 本集團首種自行研發腫瘤藥哌羅替尼的臨床試驗批件申請獲得中國國家藥品監督管理局(「**國家藥監局**」)受理。
- 廊坊高博京邦通過了美國食品藥品監督管理局(「**FDA**」)的現場檢查。

二零一二年

- 廊坊高博京邦被評為「高新技術企業」。
- 獨家首仿藥注射用鹽酸羅沙替丁醋酸酯及仿製藥鹽酸納美芬注射液獲得生產批件。
- 丹參川芎嗪注射液推出市場。
- 收購山東軒竹餘下40%股權，山東軒竹繼而成為本集團的全資附屬公司。
- 與瑞典上市公司NeuroVive Pharmaceutical AB訂立合作協定，於中國開發、推廣及銷售創新專利藥CicloMulsion®及NeuroSTAT®。

2014

- Langfang Gaobo Jingbang received the establishment inspection report (“**EIR**”) issued by the U.S. FDA.
- The investigational new drug (“**IND**”) application of pirotinib was successfully submitted to the U.S. FDA and the clinical trial approval was granted.
- Tylerdipine hydrochloride, the self-developed innovative antihypertensive drug, received clinical trial approval.
- The application for clinical trial approval of janagliflozin (the self-developed innovative anti-diabetic drug) was accepted by the NMPA.
- Established cooperation with Chongqing Peg-Bio Biotechnology Co., Ltd for development of insulin products.

2013

- Obtained clinical trial approval for innovative patent drugs imiglitin dihydrochloride and anaprazole sodium.
- The application for clinical trial approval of pirotinib (the first self-developed oncology drug of the Group) was accepted by the National Medical Products Administration (the “**NMPA**”) of the PRC.
- Langfang Gaobo Jingbang passed on-site inspection by the United States of America (“**U.S.**”) Food and Drug Administration (“**FDA**”).

2012

- Langfang Gaobo Jingbang was granted the “High and New Technology Enterprise” status.
- Obtained production approval for exclusive first-to-market generic drug roxatidine acetate hydrochloride for injection and generic drug nalmefene hydrochloride injection.
- Salvia miltiorrhiza and ligustrazine hydrochloride injection was launched.
- Acquired the remaining 40% equity interest in Shandong Xuanzhu which then became a wholly-owned subsidiary of the Group.
- Established cooperation with NeuroVive Pharmaceutical AB, a company listed in Sweden, to develop, promote and sell innovative patent drugs, CicloMulsion® and NeuroSTAT® in China.

發展里程

MILESTONES

二零一一年

- 收購吉林四環製藥有限公司(「**吉林四環**」)，該公司擁有三個獨家藥品及多個獨家配方藥，主要治療心腦血管疾病。
- 收購長春翔通藥業有限公司(「**長春翔通**」)80%股權，該公司均擁有GM1注射液及原料藥生產設施及批件。
- 收購吉林四長製藥有限公司(「**吉林四長**」)，該公司擁有四種具有龐大市場潛力的治療心腦血管病中藥。於二零一一年下半年，本集團以溢價向中國中藥市場龍頭山東步長製藥有限公司(「**山東步長**」)出售吉林四長19%股權。本集團與吉林四長將繼續共同開發更多治療心腦血管疾病的中藥產品。
- 歐迪美、源之久和也多佳推出市場。
- 吉林四環被評為「高新技術企業」。

二零一零年

- 於二零一零年十月二十八日在香港聯合交易所有限公司(「**聯交所**」)主板上市。
- 位列二零一零年福布斯中國潛力企業榜第四位及醫藥公司第一位。
- 完成廊坊高博京邦製藥有限公司(「**廊坊高博京邦**」，前稱廊坊四環高博製藥有限公司)的原料藥生產基地的建設。
- 取得益脈寧為期30年的獨家分銷權。

2011

- Acquired Jilin Sihuan Pharmaceutical Co., Ltd. (“**Jilin Sihuan**”) which owns three exclusive drug products and various exclusive drug formulations mainly focused on CCV diseases.
- Acquired 80% equity interest in Changchun Xiangtong Pharmaceutical Co., Ltd. (“**Changchun Xiangtong**”) which owns both the manufacturing facility and production license of GM1 injection and active pharmaceutical ingredient (“**API**”).
- Acquired Jilin Sichang Pharmaceutical Co., Ltd. (“**Jilin Sichang**”) which owns four Traditional Chinese Medicine (“**TCM**”) CCV products with vast market potential. In the second half of 2011, the Group sold 19% equity interest in Jilin Sichang to Shandong Buchang Pharmaceutical Co., Ltd. (“**Shandong Buchang**”), a leader in China’s TCM market, at a premium. The Group will continue its cooperation with Jilin Sichang to develop more TCM CCV products.
- Oudimei, Yuanzhijiu and Yeduojia were launched.
- Jilin Sihuan was granted the “High and New Technology Enterprise” status.

2010

- Listed on the main board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 28 October 2010.
- Ranked No. 4 in the Forbes 2010 list of the most promising enterprises in the PRC and No. 1 among pharmaceutical companies.
- Completed the construction of a pharmaceutical raw material plant, Langfang Gaobo Jingbang Pharmaceutical Co., Ltd. (“**Langfang Gaobo Jingbang**” or formerly known as Langfang Sihuan Gaobo Pharmaceutical Co., Ltd.).
- Obtained a 30-year exclusive distribution rights of Yimaining.



「年度上市企業2020」

四環醫藥在《彭博商業周刊／中文版》舉辦的第五屆「年度上市企業2020」評選中，榮獲「年度上市企業2020」獎項。該獎項旨在表揚有出色表現的上市企業及肯定其為經濟穩定作出的貢獻，本次四環醫藥成功在眾多上市公司中脫穎而出，表現了資本市場的高度認可。

“Listed Enterprises of the Year 2020”

Sihuan Pharmaceutical won the “Listed Enterprises of the Year 2020” Award in the fifth “Listed Enterprises of the Year 2020” presented by Bloomberg Businessweek/Chinese Edition. Such Award aims to praise listed enterprises with excellent performance and recognise their contribution to economic stability. Sihuan Pharmaceutical differentiates itself from many listed companies in this event, reflecting the high recognition by capital market.



「最佳醫藥及醫療公司」

四環醫藥在由國內領先的港美股資訊第一平台智通財經和同花順財經共同主辦的金港股頒獎盛典中榮獲金港股「最佳醫藥及醫療公司」獎。該獎項旨在表揚公司治理結構健康、行業地位顯著、主營業務穩健，資本市場倍受關注並且有極大發展潛力的醫藥及醫療行業港股上市公司。四環醫藥此次獲獎，也表現了資本市場對其過往良好表現的高度認可以及對其未來發展的信心。

“Best Pharmaceutical and Medical Company (最佳醫藥及醫療公司)”

Sihuan Pharmaceutical was granted the Golden Hong Kong Stock “Best Pharmaceutical and Medical Company” Award (金港股「最佳醫藥及醫療公司」獎) in the Golden Hong Kong Stock Award Ceremony, which was co-hosted by top domestic leading Hong Kong and the U.S. stock information platform Zhitong Finance (智通財經) and Hithink RoyalFlush Finance (同花順財經). Such Award aims to praise the Hong Kong-listed pharmaceutical and medical companies with healthy corporate governance structure, supreme industry position, steady core businesses, capital market of great attention and huge development potential. This award-winning by Sihuan Pharmaceutical demonstrated that the capital market highly recognised its past good performance and had great confidence in its future development.



「第二屆2020中國上市公司品牌500強」

四環醫藥成功入選由專業品牌價值評價機構Asiabrand發起主辦的「第二屆2020中國上市公司品牌500強」評選。該評選對入選公司進行全面的品牌價值評估，四環醫藥能夠入選品牌500強，是對公司在品牌建設、品牌服務和品牌管理上取得的顯著成績作出肯定。

“The 2nd China’s Top 500 Listed Company Brands in 2020 (第二屆2020中國上市公司品牌500強)”

Sihuan Pharmaceutical was successfully selected as the “2nd China’s Top 500 Listed Company Brands in 2020 (第二屆2020中國上市公司品牌500強)”, which was organised by the professional brand valuation agency Asiabrand. The brand value of each selected company was evaluated comprehensively in above selection. Sihuan Pharmaceutical being selected as the Top 500 Brands represents the recognition of its significant achievements on brand establishment, service and management.



「2020年度最佳PR團隊獎」

四環醫藥在格隆匯——全球投資嘉年華2020上市公司頒獎典禮上榮獲「2020年度最佳PR團隊獎」。本次四環醫藥榮獲該獎項，說明其團隊不斷通過規範運作、完善治理結構，加強與社會公眾、媒體之間的有效溝通，維持了一貫的公開透明、積極開放的形象，不斷提升公眾對公司的了解、認可和信任，持續向市場輸出公司價值。

“2020 Best PR Team Award (2020年度最佳PR團隊獎)”

Sihuan Pharmaceutical was granted the “2020 Best PR Team Award” in Gelonghui (格隆匯) – 2020 Global Investment Carnival Award Ceremony of Listed Companies. Receiving the Award indicates that Sihuan Pharmaceutical has maintained a transparent, active and open image through the efforts of its team to continuously regulate operation, improve corporate governance and enhance effective communication with the public and media, so as to improve the public’s understanding, recognition and trust of the Company and constantly output its corporate value to market.

財務摘要

FINANCIAL SUMMARY

		二零一六年 2016 人民幣千元 RMB'000	二零一七年 2017 人民幣千元 RMB'000	二零一八年 2018 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000	二零二零年 2020 人民幣千元 RMB'000
經營業績	Operating results					
收益	Revenue	3,185,699	2,745,809	2,917,405	2,878,318**	2,464,226#
毛利	Gross profit	2,188,946	1,986,853	2,379,088	2,289,331**	1,914,449#
經營溢利/(虧損)	Operating profit/(loss)	2,131,156	1,688,256	2,025,943	(2,406,225)**	787,125#
除所得稅前溢利/(虧損)	Profit/(loss) before income tax	2,152,570	1,729,075	2,012,165	(2,422,955)**	765,844#
本公司擁有人應佔 溢利/(虧損)	Profit/(loss) attributable to owners of the Company	1,708,239	1,448,935	1,619,956	(2,717,515)**	502,569#
利潤率	Profitability					
毛利率	Gross profit margin	68.7%	72.4%	81.5%	79.5%**	77.7%#
純利/(虧損)率	Net profit/(loss) margin	52.7%	53.9%	57.6%	(94.3%**)	22.2%#
每股盈利/(虧損) 基本及攤薄(人民幣分)	Earnings/(loss) per share Basic and diluted (RMB cents)	16.8	15.3	17.1	(28.7)**	5.3#
資產狀況	Asset status					
總資產	Total assets	12,187,604	13,591,863	15,443,475	12,571,436	13,043,926
本公司權益擁有人 應佔權益	Equity attributable to equity owners of the Company	10,901,438	11,056,992	12,510,413	9,606,684	9,190,342
總負債	Total liabilities	1,216,511	2,255,793	2,669,112	2,629,242	3,095,201
現金及現金等價物	Cash and cash equivalents	2,407,073	831,859	3,314,845	5,117,143	4,604,041
速動比率(倍)	Quick ratio (times)	5	2	2	3	2
流動比率(倍)	Current ratio (times)	5	3	3	3	3
存貨週轉期(日)	Inventory turnover ratio (days)	78	102	177	217**	296#
貿易應收賬款週轉(日)	Trade receivables turnover ratio (days)	63	69	58	48**	50#
貿易應付賬款週轉(日)	Trade payables turnover ratio (days)	40	43	24	31**	56#

* 於二零二零年五月三日，本集團宣佈出售本集團若干非主營業務子公司，其分類為已終止經營業務。截至二零一九年十二月三十一日止年度的比較數字已重列。

* On 3 May 2020, the Group announced the disposal of certain subsidiaries which operated non-core businesses of the Group is classified as discontinued operations. Comparative figures for the year ended 31 December 2019 have been re-presented.

僅與持續經營業務有關

Related to continuing operations only



四環醫藥國際化創新轉型
製藥業務及醫美新業務雙輪驅動加速企業騰飛

**Sihuan Pharmaceutical's international
innovation transformation**

**Pharmaceutical business and medical
aesthetic new business are
the two-wheel drive to accelerate
business development**



四環醫藥主席兼執行董事
Chairman and Executive Director of Sihuan Pharmaceutical

車馮升醫生
Dr. Che Fengsheng



光陰似箭，歲月如歌，轉瞬間，我們欣然揮別
難忘而輝煌的二零二零年。

二零二零年由於2019冠狀病毒病疫情突如其
來，中國經濟發展備受打擊，外部環境風高
浪急，各種挑戰紛至沓來。越是在最不確定
的時期，越能誕生和錘煉偉大的公司。在共
克時艱的日子裏，全體四環醫藥的同仁們患
難與共、勇於擔當，從年初啓動各類防護物
資調運，到春節後快速復工復產，與企業風
雨同舟、並肩作戰。這種休戚與共、共渡難關
的精神讓我深深感動，倍感欣慰。四環人高
度的戰鬥力、凝聚力和拼搏精神是四環醫藥
最寶貴的精神財富，也是企業最深厚、最偉
大的力量。

大道不孤，天下一家。經歷了二零二零年的
風雨洗滌，我們比任何時候都更加深切體會
到人類命運共同體的意義。當前全球經濟格
局、科技創新格局面臨前所未有的大變革。
如何將我們面前的這個百年未有的挑戰轉化
為大有可為的新機遇及實現四環醫藥向創新
和業務高增長的華麗轉身，將是我們每一個
四環人在二零二一年裏的核心奮鬥目標。

Time flies and the years are like a song. In a flash, we are glad to bid farewell to an
unforgettable and glorious 2020.

The year 2020 saw the sudden onset of the Coronavirus disease (COVID-19)
pandemic, a blow to China's economic development, a stormy external environment
and a host of challenges. The more uncertain the time is, the more great companies
can be born and refined. During the days when we addressed the hardships together,
all Sihuan Pharmaceutical's colleagues took on the responsibility together, from the
beginning of the year to start the transfer of various protective materials, to the rapid
resumption of work and production after the Spring Festival, standing shoulder to
shoulder with the Company through thick and thin. This spirit of solidarity and tiding
over the difficulties together made me deeply touched and pleased. The high level of
combateness, cohesion and hard work spirit of Sihuan people is the most valuable
spiritual wealth of Sihuan Pharmaceutical, and also the deepest and greatest strength
of the enterprise.

We are not alone on the Great Way and the whole world is one family. After
year 2020's hardship, we can understand more than ever the significance of a
community with a shared future of mankind. The current global economic landscape
and the pattern of science and technology innovation are facing unprecedented
major changes. How to turn this unprecedented challenge in front of us into a
promising new opportunity and achieve the magnificent transformation of Sihuan
Pharmaceutical to innovation and high business growth will be the main goal of every
one of us in 2021.

主席報告

CHAIRMAN'S STATEMENT

二零二一年四環醫藥持續以創新引領未來

當下的中國生物醫藥行業正處在大浪淘沙的時期，波浪之下的各種塵沙正在經歷被沖洗和淘汰的過程。我相信，當最終塵埃落定的時候，只有那些像四環醫藥這樣真正擁有堅實的創新產品管線，和較高的研發、生產及商業化綜合素質的企業才能成為最後的贏家，引領中國醫藥產業走向更高的層次。

二零二零年裏，圍繞四環醫藥的戰略目標，我們匠心打造的各個優質產品研發平台經過多年沉澱進入收穫期。在本集團精心佈局的包括腫瘤、代謝類、慢性病、精神神經類、消化疾病類、抗感染類以及心腦血管類等重大治療領域內，多個自主研发的一類創新藥、生物類似藥以及高端仿製藥已經進入臨床III期或進入獲批生產環節，很快就會進入市場，為中國未滿足的醫療需求帶來新的高質量產品選擇，同時也為本集團未來的收入和盈利增長帶來重要的動力和保證。

二零二零年，在行業發生重大變革的背景下，四環醫藥以創新為引領，堅持創新驅動、仿創並舉的核心理念，積極進取，順應趨勢，得以從變革中突出重圍，實現創新轉型。四環醫藥在製藥業務持續發力，創新藥平台軒竹生物科技有限公司（「軒竹生物」）迎來爆發，並於二零二一年一月完成簽訂框架協議收購領先創新驅動型生物公司北京康明百奧新藥研發有限公司（「康明百奧」），創新驅動持續加碼；仿製藥研發平台持續推進產品培育速度，多項產品獲批，循證醫學研究持續推進，助力產品重回國家醫保目錄（「國家醫保目錄」）；覆蓋全面、專業而高效的學術營銷平台，提供超強新產品上市「變現」能力。此外，四環醫藥精心孵化的多個優質新業務，將同時在多領域領跑。四環醫美平台北京漢顏空間科技有限公司（「漢顏空間」）獨家代理的重磅產品、韓國第一的肉毒毒素產品「樂提葆®」於2020年底正式獲批在中國上市，四環醫美平台由此一躍成為中國第一梯隊的醫美平台，同時我們的醫美業務將成為四環醫藥未來業務增長及企業價值提升的超級加速器。旗下吉林康通醫藥集團（「吉林康通」）原料藥平台將發揮四環醫藥在化學仿製藥全產業鏈優勢及「原料藥+合同研發生產組織（「CDMO」）+製劑」的一體化戰略，致力於打造成為醫藥中間

In 2021, Sihuan Pharma Will Continue to Lead the Future with Innovation

China's biopharmaceutical industry is now in a period of great waves, the various dust and sands beneath the waves are undergoing the process of being washed and eliminated. I believe that when the dust settles, only those companies with a solid pipeline of innovative products and high quality of R&D, production and commercialisation, like Sihuan Pharmaceutical, will be the final winners and lead the Chinese pharmaceutical industry to a higher level.

In 2020, around Sihuan Pharmaceutical's strategic objectives, the various quality product development platforms we have carefully built up over the years have entered the harvesting period. In the Group's carefully laid out major therapeutic areas including oncology, metabolism, chronic diseases, psychoneurology, digestive diseases, anti-infectives and cardiovascular and cerebrovascular diseases, a number of self-developed Class I innovative drugs, biosimilars and high-end generics have entered clinical phase III or been approved for manufacturing, and will soon enter into the market, bringing new high-quality product options for China's unmet medical needs, as well as providing important impetus and assurance for the Group's future revenue and earnings growth.

In 2020, against the backdrop of major changes in the industry, Sihuan Pharmaceutical has been able to stand out from the changes and achieve innovation and transformation by leading with innovation and adhering to the core concept of innovation-driven, imitation and innovation at the same time, actively forging ahead and following the trend. In the pharmaceutical manufacturing business, Sihuan Pharmaceutical has continued to make efforts, with its innovative drug platform Xuanzhu Biopharmaceutical Co., Ltd ("Xuanzhu Biopharm") breaking out, entering into a framework agreement in January 2021 to acquire the leading innovation-driven biological company Beijing Combio Pharmaceutical Inc. ("Combio Pharmaceutical"), and its innovation drive continuing to increase; its generic drug R&D platform has continued to promote the speed of product cultivation, with a number of products being approved and evidence-based medical research continuing to advance, helping products return to National Reimbursement Drug List ("NRDL"). A comprehensive, professional and efficient academic marketing platform provides a strong ability to "cash in" on new product launches. In addition, Sihuan Pharmaceutical has carefully incubated a number of high-quality new business platforms that will lead the way in multiple business sectors at the same time. The No. 1 botulinum toxin product in Korea, "Letybo®", being exclusively distributed by Sihuan Pharmaceutical's medical aesthetic platform Beijing MeiYan Kongjian Technology Co., Ltd ("MeiYan Kongjian"), was officially approved for launch in China at the end of 2020, making Sihuan Pharmaceutical's medical aesthetic business platform the first-tier medical aesthetic platform in China. Our medical aesthetics business will become a super accelerator for the future business growth and corporate value enhancement of Sihuan Pharmaceutical. Our Jilin Kangtong Pharmaceutical Group Co., Ltd. ("Jilin Kangtong") API platform will leverage Sihuan Pharmaceutical's strengths in the whole industry chain of chemical generics and our integrated strategy of "API +

體及原料藥、高端製劑領域的一體化CDMO領先企業。旗下吉林四環澳康藥業有限公司(「澳康藥業」)獲得吉林省工業大麻唯一高含量大麻二酚(「CBD」)科研種植的資質，同時也將在高品質現代中藥領域持續發力。

旗下創新藥研發平台軒竹生物迎來爆發

中國作為世界第二大且增長迅速的醫藥市場，在強有力的國家政策支持下，正在從「以仿製藥為主」向「以創新驅動為主」轉變。創新研發一直是四環醫藥最看重的公司發展動能；有別於其他新興生物科技企業，我們選擇了更全方位的發展路徑 – 具備豐富且優質的自研產品管線的同時，我們旗下軒竹生物集研發、臨床開發、生產和銷售於一體，是一家國際化創新藥領先企。軒竹生物聚焦於腫瘤、代謝病、非酒精性肝炎等重大治療領域，擁有在研創新產品項目共14項，多項已進入臨床後期階段，具備完全的自主知識產權。拳頭產品吡羅西尼，治療晚期乳腺癌的CDK4/6抑制劑，單藥末線治療已進入臨床II期；重磅產品新一代半合成氨基糖苷類抗生素(新一代超級抗生素)plazomicin(普拉佐米星)和自主研發的新一代消化疾病用藥安納拉唑鈉已進入臨床III期。二零二零年八月，軒竹生物完成首輪股權融資，引入國內一線私募基金國投招商投資管理有限公司(「國投招商」)等私募基金作為公司的股東，投入資金共計9.6億元人民幣，投後估值達人民幣45億元。未來雙方會在創新藥的引進和研發方面進行全面戰略合作。二零二一年初完成對康明百奧的收購後，軒竹生物成功升級成為中國領先的、在小分子和大分子領域同時具備全面創新藥自主研發能力、並具備同時開展雙特異性抗體和雙特異性抗體藥物偶聯物(「ADC」)自主研發實力的生物醫藥領軍企業。

contract development and manufacturing organization (“CDMO”) + Formulation” to become a leading integrated CDMO company in the field of pharmaceutical intermediates, APIs and high-end formulations. Our Jilin Sihuan Aokang Pharmaceutical Co., Ltd. (“Aokang Yaoye”) is the only qualified company to grow and conduct scientific research on the high content cannabidiol (“CBD”) of industrial hemp in Jilin Province, and will continue to develop business landscape in the field of high quality modern Chinese medicine.

Xuanzhu Biopharm, Our Innovative Drug R&D Platform, Is Seeing An Explosion

China, the world's second largest and fast-growing pharmaceutical market, is changing from “generic-driven” to “innovation-driven” with the support of strong national policies. Innovative R&D has always been the most important growth driver for Sihuan Pharmaceutical. Unlike other emerging biotech companies, we have chosen a more holistic development path – with a rich and high quality product pipeline, Xuanzhu Biopharm is a leading international innovative drug company that integrates R&D, clinical development, manufacturing and sales and marketing. With a focus on major therapeutic areas such as oncology, metabolic diseases and non-alcoholic hepatitis (NASH), Xuanzhu Biopharm has 14 innovative products in development, many of which are in late clinical stages and have full proprietary intellectual property rights. Its core product Birociclib, a CDK 4/6 inhibitor used for the treatment of advanced breast cancer, entered into phase II clinical trials with its single-arm endline therapy. Its blockbuster product plazomicin, a new generation of semi-synthetic aminoglycoside antibiotics (a new generation of super antibiotics), and its self-developed new generation of digestive disease drug Anaprazole Sodium have entered into phase III clinical trials. In August 2020, Xuanzhu Biopharm completed its first round of equity financing, introducing a top-tier domestic private equity fund CMG-SDIC Capital Co., Ltd. (“CMG-SDIC”) and other private equity funds as shareholders of the company, investing a total of RMB960 million, with a post-investment valuation of RMB4.5 billion. In the future, both parties will engage in comprehensive strategic cooperation in the introduction and development of innovative drugs. With the completion of the acquisition of Combio Pharmaceutical in early 2021, Xuanzhu Biopharm has successfully upgraded to become a leading biopharmaceutical company in China with comprehensive independent R&D capabilities in both small and large molecules, as well as the capability to conduct independent R&D of bispecific antibodies and bispecific antibody drug conjugates (“ADC”) drugs.

主席報告

CHAIRMAN'S STATEMENT

傾心打造中國第一醫美產品研產銷平台

在當下這個顏值經濟當道的時代，市場對醫療美容服務產生巨大需求。四環醫藥早於二零一四年開始就前瞻性佈局了醫美這個超強賽道，與韓國領先生物製藥公司Hugel, Inc. (「Hugel」)合作，獨家代理的Hugel生產的重磅產品A型肉毒毒素(樂提葆®)及玻尿酸產品。二零二零年十月樂提葆正式獲批在中國上市，成為第四個在中國上市的A型肉毒毒素，也是韓國同類產品中首個。該產品市場潛力巨大，競爭對手很少，進入壁壘非常高。「樂提葆」於二零二一年三月已經在中國內地地區正式上市，產品一推出就受到市場的廣泛關注和高度認可，產品銷售增長趨勢十分喜人。我們獨家代理的Hugel的玻尿酸，以及四環醫美平台自主研發和生產的童顏針、少女針等重磅醫美產品也預計將於年底至未來3年內陸續上市。我們正在緊鑼密鼓策劃和落實於Hugel以及其他的國際一線醫美產品生產企業進行更加密切而深入的戰略合作(包括業務或是資本層面)，同時我們將通過我們在美國洛杉磯成立的醫美產品研究院將海外擁有較高技術壁壘的優質醫美技術和醫美產品盡快帶入中國市場，連同我們自主研發和生產的多項醫美產品一起，為中國的求美者帶來更多更好的產品選擇。我相信我們的醫美業務未來將成為四環醫藥業務增長及企業價值提升的最強加速器。

加快向國際化及專業化發展

2020年，四環醫藥以創新為引領，成功實現向國際化製藥科技企業的初步轉型。公司的創新藥、仿製藥、原料藥/CDMO、醫美等極具競爭力的業務平台已經成功鋪開，並得到資本市場的持續關注和高度認可，各個子版塊都相繼得到行業領先私募基金及產業投資者的青睞和投資，我們四環醫藥的股價也在近期屢創新高。

Dedicated to building China's No.1 R&D, production and marketing platform of medical aesthetics product

In this age of the beauty economy prevailing, there is a huge demand for medical aesthetic services. In 2014, Sihuan Pharmaceutical started to lay out the super track of medical aesthetics, and cooperated with Hugel, Inc. ("Hugel"), a leading biopharmaceutical company in Korea, to exclusively distribute Hugel's blockbuster products, Botulinum Toxin Type A (Letybo®) and Hyaluronic Acid. Letybo® was approved in October 2020 to officially launch in China, becoming the fourth type A botulinum toxin product approved to launch in China market and the first of its kind from South Korea. The market potential for this product is huge, with few competitors and very high barriers to entry. The product has been officially launched in mainland China in March 2021 and has received widespread attention and high recognition from the market since its launch, with a very positive sales growth trend. The launch of Hugel's hyaluronic acid, which is exclusively distributed by us, and the launch of our self-developed and manufactured Sculptra (童顏針) and Ellanse (少女針), are expected to take place successively at the end of the year or in the next three years. We are in the process of planning and implementing closer and deeper strategic cooperation with Hugel and other top-tier international medical aesthetic product manufacturers (both at the business and equity levels); and through our Los Angeles-based Medical Aesthetic Products R&D Center, we will bring good quality medical aesthetic technologies and products with high technical barriers from overseas together with a number of our self-developed and manufactured aesthetic products into the Chinese market, so that to bring more and better product choices to Chinese beauty seekers. I believe our medical aesthetics business will be the strongest accelerator of business growth and corporate value enhancement for Sihuan Pharmaceutical in the near future.

Accelerating International and Professional Development

In 2020, led by its innovation, Sihuan Pharmaceutical successfully achieved its initial stage of transformation into an international pharmaceutical technology company. The Company's highly competitive business platforms of innovative drugs, generics, APIs/CDMO and medical aesthetics have been successfully rolled out and have received continued attention and high recognition from the equity capital market, with each sub-segment businesses successively gaining favor and investment from leading private equity funds and industrial investors, and as a result, our Sihuan Pharmaceutical's share price has recently reached a record high.

二零二一年，四環醫藥的戰略佈局有望多點開花，創新型國際化製藥科技企業的強大增長引擎有望啟動。此外，本公司較早前的前瞻性和戰略性投資併購也正在逐步進入收穫期，我們希望不久的未來可以有包括軒竹生物在內的多個獨立運營的優質子企業陸續成功登陸資本市場，為四環醫藥的企業增值帶來巨大助力，也為一直以來堅定相信我們和默默支持我們的股東及投資者帶來更多更好的投資回報。

始終保持創新和創業的初心

我非常高興的看到，經過了20餘年全體四環人的不懈努力，四環醫藥今天已經成功發展成為擁有獨立領先的自主研發技術平台、豐富的研發產品管線、完善先進而強大的生產設施與製造能力、以及成熟卓越的銷售體系的中國領先產銷研一體化製藥集團。不忘初心，四環醫藥將堅持以加快發展自主創新研發和高增長醫美新業務為核心的雙輪驅動戰略，在二零二一年裏，我們全體四環人將齊心協力共同響應時代的召喚，重新出發，以一個全新的創業者的激情和奮鬥精神加快推進四環醫藥的創新轉型發展，打造國際化生物製藥科技企業新格局。

四環醫藥(香港股份代號：00460.HK)創立於二零零一年，二零一零年於香港主板上市，是一家以創新為引領，堅持創新驅動、仿創並舉，擁有獨立領先的自主研發技術平台，具備豐富的全球化產品管線和成熟卓越銷售體系的國際化製藥企業。四環醫藥聚焦腫瘤、代謝病、醫美、抗感染、消化系統、心腦血管等高增長治療領域，以自主創新研發和孵化培養高增長新業務的雙輪驅動戰略，打造中國領先的醫美和生物醫藥領軍企業。

董事會主席
車馮升醫生

二零二一年三月二十三日

In 2021, Sihuan Pharmaceutical's strategic layout is expected to blossom at multiple points, and the powerful growth engine of an innovative international pharmaceutical technology company is expected to start. In addition, the Group's previous forward-looking and strategic investments and acquisitions are gradually entering the harvesting period. We hope that in the near future, a number of independent and high-quality subsidiaries (including but not limited to Xuanzhu Biopharm) will be successfully listed on the capital market one after another, which will bring a great boost to Sihuan Pharmaceutical's corporate value, and bring more and better investment returns to our shareholders and investors who have always believed in us and supported us.

Maintaining the Original Spirit of Innovation and Entrepreneurship

I am very pleased to see that after more than 20 years of unremitting efforts by all Sihuan people, Sihuan Pharmaceutical has successfully developed into a leading pharmaceutical group in China with an independent and leading R&D technology platform, with an extensive R&D product pipeline, a comprehensive, advanced and powerful manufacturing facility and manufacturing capabilities, as well as a mature and excellent sales system. Never forget the beginning, Sihuan Pharmaceutical will adhere to the two-wheel drive strategy of accelerating the development of independent R&D innovation and high-growth medical aesthetic business. In 2021, all of us at Sihuan Pharmaceutical will work together to respond to the call of the times and start afresh, accelerating the innovative transformation of Sihuan Pharmaceutical with the passion and struggle of a new entrepreneur, and creating a new pattern of international biopharmaceutical technology enterprise.

Founded in 2001 and listed on the Hong Kong Main Board in 2010, Sihuan Pharmaceutical (HKSE: 00460.HK) is an international pharmaceutical company led and driven by both innovation and generic, with a leading independent R&D technology platform, a rich global product pipeline and a mature and excellent sales system. Focusing on high-growth therapeutic areas such as oncology, metabolic diseases, medical aesthetics, anti-infectives, digestive system, cardiovascular and cerebrovascular, Sihuan Pharmaceutical is building a leading medical aesthetics and biopharmaceutical leader in China with a two-wheel drive strategy of independent innovation on R&D and incubation to cultivate high-growth new business.

Dr. Che Fengsheng
Chairman of the Board

23 March 2021

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

行業概況

對於很多行業而言，二零二零年是極具挑戰且充滿壓力的一年，突如其來的2019冠狀病毒病疫情導致人類經歷了百年未有之大變局，世界格局和國際體系正在發生深刻調整，各行各業也在發生深刻變革。對於醫藥行業而言，二零二零年却是風險與機遇並存。2019冠狀病毒病疫情這隻「黑天鵝」導致全球醫療體系受到巨大衝擊，醫療健康行業尤其被推上風口浪尖。也正因如此，醫藥領域再次成為資本追逐的對象。

二零二零年，在醫藥行業的快速發展過程中，醫保局針對性地進行了國家醫保目錄調整、仿製藥藥品集中帶量採購（「帶量採購」）等一系列的改革。這些政策使得行業格局發生了巨大變化，醫藥產業升級、創新轉型的需求日益迫切。具體來看：

變化之一：國家醫保目錄調整，循證醫學獲重視。今年進入國家醫保目錄的藥品涉及的治療領域是最廣泛的，除2019冠狀病毒病診療方案所列藥品全部納入外，國產PD-1單抗也全部納入新版國家醫保目錄。納入國家醫保目錄之後，藥品通過以價換量使得銷售峰值提前。國家醫保目錄成為藥企必爭之地，通過循證醫學進入國家醫保目錄也得到了前所未有的重視。

變化之二：帶量採購常態化，一致性評價勢在必行。自二零一八年第一批帶量採購出現之後，今年已經進行到了第四輪。此次帶量採購實施之後，臨床價值不明確的藥物和高價仿製藥市場進一步萎縮。隨著醫保局的改革成效兌現，通過一致性評價品種數量的增加，帶量採購品種範圍也在持續擴大，國家醫保目錄調整和帶量採購將常態化，並逐步加大覆蓋面。因此，積極通過一致性評價將成為未來藥企的一致性選擇。

Industry Overview

The year 2020 was a very challenging and stressful year for many industries, with the sudden onset of the COVID-19 pandemic leading to the greatest change that humanity has experienced in a century. The world pattern and the international system are undergoing profound adjustments, and all industries are undergoing profound changes. For the pharmaceutical industry, risks and opportunities coexist in 2020. The global healthcare system has been hit hard by the “black swan” of the COVID-19 pandemic and the healthcare industry in particular has been thrust into the limelight. And this is also why the pharmaceutical sector has once again become the target of capital pursuit.

In the rapid development of the pharmaceutical industry in 2020, the National Healthcare Security Administration has carried out a series of reforms such as the adjustment of the NRDL and the centralized procurement of generic drugs. These policies have caused tremendous changes in the industry structure, and the demand for upgrading and innovation transformation of the pharmaceutical industry is becoming increasingly urgent. Specifically as follows:

Change 1: the adjustment of the NRDL, and evidence-based medicine was valued. The drugs that have entered the NRDL this year involve the most extensive therapeutic areas. Except for all drugs listed in the COVID-19 diagnosis and treatment plan, domestic PD-1 monoclonal antibodies are all included in the new NRDL. After being included in the NRDL, the drug will be sold at a price-for-volume basis to advance the peak sales. The NRDL has become a battleground for pharmaceutical companies, and access to the NRDL through evidence-based medicine has also received unprecedented attention.

Change 2: normalization of centralized procurement, consistency evaluation is imperative. Since the first batch of centralized procurement appeared in 2018, this year it has reached the fourth batch. After the implementation of this centralized procurement, the market for drugs with unclear clinical value and high-priced generic drugs has further shrunk. With the implementation of the reform of the National Healthcare Security Administration, the number of varieties through consistency evaluation has increased, and the range of products purchased in quantity has continued to expand. The adjustment of the national reimbursement drug list and centralized procurement will be normalized, and coverage will be gradually increased. Therefore, actively passing the consistency evaluation will become the consistent choice for pharmaceutical companies in future.

管理層討論及分析 MANAGEMENT DISCUSSION AND ANALYSIS

變化之三：高質量創新成為發展主線。在國家政策層面持續鼓勵創新和高端製造的大背景之下，創新型藥企和創新醫療器械企業成為時代的寵兒，高質量創新成為當今醫藥企業發展的核心主線。2019冠狀病毒病疫情的應對中，醫藥研發創新的重要性也得到充分體現，二零二零年的創新藥公司蓬勃發展，紛紛登錄資本市場，傳統製藥企業謀求轉型，實現更全面、更國際化的創新形態轉換將成為發展主線。

四環醫藥在行業發生重大變革的大背景下，自二零一二年起積極進取，順應趨勢，今天得以從變革中突出重圍，實現創新轉型。本集團在製藥業務持續發力，創新藥平台軒竹生物迎來爆發，創新驅動持續加碼；仿製藥研發平台持續推進產品培育速度，多項產品獲批，循證醫學研究持續推進，助力產品重回醫保；覆蓋全面、專業而高效的學術營銷平台，提供超強新產品上市「變現」能力。此外，本集團精心孵化的多個優質新業務，將同時在多領域領跑。本集團旗下四環醫美平台獨家代理的重磅產品、韓國第一的肉毒毒素產品「樂提葆®」於二零二零年底正式獲批在中國上市，四環醫美由此一躍成為中國第一梯隊的醫美平台，同時本集團的醫美業務將成為四環醫藥集團未來業務增長及企業價值提升的超級加速器。旗下吉林康通原料藥平台將發揮四環醫藥在化學仿製藥全產業鏈優勢及「原料藥+CDMO+製劑」的一體化戰略，致力於打造成為醫藥中間體及原料藥、高端製劑領域的一體化CDMO領先企業。旗下澳康藥業獲得吉林省工業大麻唯一高含量CBD科研種植的資質，同時也將在高品質現代中藥領域持續發力。

Change 3: high-quality innovation has become the main line of development.

Under the background of continuous encouragement of innovation and high-end manufacturing at the national policy level, innovative pharmaceutical companies and innovative medical device companies have become the darlings of the times, and high-quality innovation has become the core line of the development of today's pharmaceutical companies. In response to the COVID-19 pandemic, the importance of pharmaceutical R&D and innovation has also been fully demonstrated. In 2020, innovative drug companies have thrived and have entered into capital market. Traditional pharmaceutical companies seek transformation, and to realize a more comprehensive and international transformation in innovative forms will become the main line of development.

Sihuan Pharmaceutical has been proactive and followed the trend since 2012 in the context of major changes in the industry, and today has been able to highlight the reforms and achieve innovative transformation. The Group continued to exert its strength in the pharmaceutical business, the innovative drug platform Xuanzhu Biopharm ushered in an explosion, and innovation-driven continued to increase; the generic drug R&D platform continued to speed up product cultivation, a number of products were approved, evidence-based medicine research continues to advance, helping products return to the NRDL; the comprehensive, professional and efficient academic marketing platform provides strong "monetization" capabilities after new product launch. In addition, a number of high-quality new businesses carefully incubated by the Group will simultaneously lead in multiple fields. The blockbuster product exclusively distributed by the Group's medical aesthetic platform, the South Korea's No. 1 botulinum toxin product "Letybo®", was officially approved for launch in China at the end of 2020. Sihuan medical aesthetic business has thus become one of the first-tier medical aesthetic platform in China. At the same time, the Group's medical aesthetic business will become a super accelerator for Sihuan Pharmaceutical's future business growth and corporate value enhancement. Subsidiary Jilin Kangtong's API platform will give full play to Sihuan Pharmaceutical's advantages in the entire chemical generic drug industry chain and the integrated strategy of "API + CDMO + preparations", and is committed to becoming a pharmaceutical intermediate and an integrated CDMO leader in the fields of APIs and high-end preparations. Subsidiary Aokang Yaoye has obtained the only high-content CBD scientific research planting qualification for industrial hemp in Jilin Province, and will continue to make efforts in the field of high-quality modern Chinese medicine.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

集團業績

二零二零年，本集團積極應對政策變動和市場挑戰，努力推動創新與轉型戰略實施，持續加大研發投入以及以醫美產業為核心的新業務孵化的投資與投入，積極推進產業併購與海外的業務拓展、完善產業佈局、改善業務和產品結構、優化企業運營管控水平，取得了很多很好的成績和效果，尤其是在以四環醫美為核心的新業務孵化和以軒竹生物為核心的企業創新轉型上成績卓著。本集團未來將堅持以加快發展自主創新研發和高增長醫美新業務的雙輪驅動戰略，加快推進本集團的創新轉型發展，打造國際化生物製藥科技企業新格局。

在外部挑戰加劇的背景下，二零二零年，本集團經營規模達人民幣2,464.2百萬元，受行業政策和2019冠狀病毒病疫情等綜合因素影響而增速略有放緩。

截至二零二零年十二月三十一日止年度（「年內」），本集團錄得總收益人民幣2,464.2百萬元，較二零一九年的總收益人民幣2,878.3百萬元減少14.4%。其中本集團非國家重點監控合理用藥藥品目錄（化學及生物製品）（「**重點監控目錄**」）產品錄得收益人民幣1,799.1百萬元，較二零一九年同比大幅增長108.2%，佔二零二零年年度總收益的73.0%，較二零一九年的佔比30.0%大幅上升43.0個百分點，再一次證實了本集團非重點監控目錄產品的市場需求強勁以及本集團擁有的超強的銷售能力和實力。

年內，本集團實現毛利人民幣1,914.4百萬元，較二零一九年的毛利人民幣2,289.3百萬元減少16.4%；整體毛利率為77.7%，與二零一九年的毛利率79.5%相比輕微下降1.8個百分點，主要因為年內原重點監控目錄的藥品銷售大幅下滑，而該等藥品的毛利率相對較高。

Group Performance

In 2020, the Group actively responded to policy changes and market challenges, promoted the implementation of innovation and transformation strategies, continued to increase R&D investment and investment in new business incubation with the medical aesthetic business as the core, actively promoted industrial mergers and acquisitions, and overseas business expansion, improved industrial layout and product structure, and optimized corporate operations and control levels, and has achieved many good results, especially the outstanding achievements in the new business incubation with medical aesthetic business as the core and the innovation and transformation with Xuanzhu Biopharmaceutical as the core. In the future, the Group will adhere to the two-wheel drive strategy of accelerating the development of independent innovation R&D and high-growth new medical aesthetics business, to accelerate the Group's innovative transformation and development, and build a new pattern of international biopharmaceutical technology enterprise.

In the context of intensified external challenges, the Group's operating scale reached RMB2,464.2 million in 2020, although its growth rate has slowed slightly due to comprehensive factors such as industry policies and the impact of the COVID-19 pandemic.

For the year ended 31 December 2020 (the "Year"), the Group recorded a total revenue of RMB2,464.2 million, a decrease of 14.4% from the total revenue of RMB2,878.3 million in 2019. Among them, the Group's products not under the National Key Drug List for Monitoring and Prescription Control (Chemical and Biological Products) ("Key Monitoring List") recorded a revenue of RMB1,799.1 million, which increased significantly by 108.2% as compared to that in 2019, accounting for 73.0% of the annual total revenue in 2020, representing a significant increase of 43.0 percentage points from the 30.0% in 2019. This once again proved the strong market demand for the Group's products not under key monitoring list and the Group's superior sales capabilities and strength.

During the Year, the Group achieved a gross profit of RMB1,914.4 million, a decrease of 16.4% from the gross profit of RMB2,289.3 million in 2019; the overall gross profit margin was 77.7%, which was a slight decrease of 1.8 percentage points compared with the 79.5% gross profit in 2019. This was mainly due to the sharp decline in the sales of drugs in the original key-monitored drug lists during the Year, and the gross profit margin of these drugs are relatively high.

管理層討論及分析 MANAGEMENT DISCUSSION AND ANALYSIS

年內，本集團實現持續經營業務的年度溢利人民幣546.8百萬元，較二零一九年的持續經營業務的年度虧損人民幣2,713.3百萬元大幅提升；整體純利潤率為22.2%，與二零一九年的純虧損率94.3%相比大幅上升，主要由於本集團在二零一九年度就商譽、無形資產、使用權益法計算的投資及物業、廠房及設備之減值虧損作出大量撥備。

年內，本集團的研發開支為人民幣729.2百萬元，較二零一九年的研發開支人民幣599.0百萬元相比上升21.7%，研發開支佔本集團總收益的29.6%。

年內，本集團在新業務孵化（包括四環醫藥的醫美、原料藥及CDMO、工業大麻及精品中藥）上的年度研發投入較二零一九年相比大幅上升近65%。本集團孵化的新業務未來3至5年內有機會為本集團帶來可觀的投資回報。

年內，本集團實現本公司擁有人應佔溢利人民幣473.4百萬元，較二零一九年的本公司擁有人應佔虧損人民幣2,753.3百萬元大幅上升（與上面持續經營業務的年度溢利上升的原因相同）。於二零二零年，每股基本盈利為人民幣5.0分（二零一九年為每股虧損人民幣29.1分），董事會建議派發末期股息每股人民幣1.3分。

截至二零二零年十二月三十一日，本集團的現金及現金等價物約為人民幣4,604.0百萬元，較二零一九年減少約人民幣513.1百萬元，主要是因為年內已付股息人民幣1,444.4百萬元，較二零一九年增加人民幣1,245.6百萬元。本集團的負債與權益比率（即借款佔本公司擁有人應佔權益之百分比）為8.2%，持續維持低位。本集團財務狀況十分穩健。

During the Year, the Group achieved a profit for the Year from continuing operations of RMB546.8 million, a significant increase from the loss for the Year from continuing operations of RMB2,713.3 million in 2019; the overall net profit rate was 22.2%, a significant increase compared with the net loss rate of 94.3% in 2019, mainly due to the significant provision made by the Group for impairment losses on goodwill, intangible assets, investments accounted for using the equity method and property, plant and equipment in 2019.

During the Year, the Group's R&D expenses were RMB729.2 million, an increase of 21.7% compared to the R&D expenses of RMB599.0 million in 2019. R&D expenses accounted for 29.6% of the Group's total revenue.

During the Year, the Group's R&D investment in new business incubations (including Sihuan Pharmaceutical's medical aesthetic business, raw materials and CDMO, industrial hemp and Chinese medicine) increased nearly 65% comparing to 2019. The new businesses incubated by the Group will have the opportunity to bring significant investment returns to the Group in the next 3 to 5 years.

During the Year, the Group achieved a profit attributable to owners of the Company of RMB473.4 million, which was a significant increase from the loss attributable to owners of the Company of RMB2,753.3 million in 2019 (The same reason as the increase in profit for the Year from continuing operations above). In 2020, basic earnings per share were RMB5.0 cents (loss per share was RMB29.1 cents in 2019), and the Board has recommended a final dividend of RMB1.3 cents per share.

As of 31 December 2020, the Group had cash and cash equivalents of approximately RMB4,604.0 million, a decrease of about RMB513.1 million compared to 2019, mainly due to the dividends paid of RMB1,444.4 million, an increase of RMB1,245.6 million comparing to 2019. The debt-to-equity ratio (that is, a percentage of borrowings over equity attributable to the owners of the Company) is 8.2%, which continues to remain low. The financial situation of the Group remains stable and healthy.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

業務回顧

製藥業務：堅持自主創新，構建國際化研產銷平台

本集團以創新為引領，堅持創新驅動、仿創並舉的核心理念，不斷豐富其優質的自研產品管線，實現對多個重大治療領域的覆蓋。

憑藉本集團高效率低成本的生產平台，本集團既能受益於帶量採購帶來的銷售費用下降和產品放量，又有效應對了帶量採購帶來的降價，具備獨特的抗風險能力和穩定性。

全面覆蓋的銷售網絡帶動本集團業績可持續增長，以保持穩健的財務狀況，獲取充裕的現金流，本集團整體正健康良性地發展，極具投資亮點。

1. 製藥業務持續發力，堅持仿創結合的核心理念

1.1 創新藥：軒竹生物迎來爆發，創新驅動持續加碼

創新研發一直是本集團最看重的發展動能，區別於其他新興生物科技醫藥企業，本集團選擇了更全方位的具有平台優勢的發展路徑。在擁有豐富且優質的自研產品管線的同時，本集團子公司軒竹生物還集研發、臨床開發、生產和銷售於一體，是一家國際化創新藥領先企業。

軒竹生物在研創新產品項目14項，管線涵蓋抗腫瘤、代謝病、抗感染等多個領域，其中多項已進入臨床後期階段。拳頭產品吡羅西尼已經順利開展3項臨床試驗，是一種針對晚期乳腺癌的CDK4/6抑制劑。其中，吡羅西尼單藥未線治療已處於II期臨床試驗，並計劃以單藥單臂的II期臨床試驗申報註冊，若得到藥品審評中心（「CDE」）批覆，則可上市。重磅產品plazomicin（普拉佐米

Business Review

Pharmaceutical business: adhere to independent innovation and build an international research, production and sales platform

Being led by innovation, the Group adheres to the core philosophy driven by both innovation and generics, and continuously enriches its high-quality self-developed product pipeline to achieve coverage in multiple major therapeutic areas.

Relying on the Group's high-efficiency and low-cost production platform, the Group can not only benefit from the reduction in sales cost and increase in sales volume brought about by centralized procurement, but also effectively cope with the price reduction brought by centralized procurement, with unique anti-risk capabilities and stability.

The comprehensive coverage of the sales network drives the sustainable growth of the Group's performance, in order to maintain a stable financial position and obtain sufficient cash flow. The Group is developing in a healthy and sound manner, which is a bright investment spot.

1. The pharmaceutical business continues to exert strength and adheres to the core philosophy driven by both innovation and generic

1.1 Innovative drug: Xuanzhu Biopharm ushered in an outbreak, innovation drive continues to ramp up

Innovative R&D has always been the most important development driver of the Group. Unlike other emerging biotechnology and pharmaceutical companies, the Group has chosen a more comprehensive development path with platform advantages. While possessing a rich and high-quality pipeline of self-developed products, Xuanzhu Biopharm, a subsidiary of the Group, also integrates R&D, clinical development, production and sales, and is a leading international innovative drug company.

Xuanzhu Biopharm has 14 innovative products projects under R&D, with a pipeline covering a wide range of therapeutic areas including oncology, metabolic disease and anti-infection, many of which are in late stage clinical trials. The core product, Birociclib, a CDK 4/6 inhibitor used for the treatment of advanced breast cancer, has enter into clinical trials on three indications. Among, the single drug end-line treatment is in phase II clinical trial, and is planned to file for registration based on the result of the single-drug single-arm phase II clinical trials, which could be marketed if approved by Center for Drug Evaluation ("CDE"). The blockbuster product plazomicin is in phase III clinical trial. Plazomicin is a new generation of semi-synthetic aminoglycoside antibiotics (a new generation of super antibiotics) developed by Achaogen. Clinical

管理層討論及分析 MANAGEMENT DISCUSSION AND ANALYSIS

星)已經進入臨床III期。Plazomicin是由Achaogen開發的新一代半合成氨基糖苷類抗生素(新一代超級抗生素)，臨床應用證實plazomicin的腎毒性風險明顯低於前幾代氨基糖苷類藥物。自主研發的新一代消化疾病用藥安納拉唑鈉已完成臨床試驗III期入組，進入數據清理、鎖庫和揭盲階段。安納拉唑鈉是唯一中國自主研發質子泵抑制劑(「PPIs」)，其藥物的安全性及症狀緩解均優於同類產品。治療複雜性尿路感染的百納培南已進入臨床II期。百納培南為軒竹生物自主開發，擁有完全自主知識產權，中國國內唯一的1.1類碳青霉烯類抗生素。二零二一年初，軒竹生物自主設計和開發的第14個小分子創新藥XZP-5610已成功獲得CDE批准開展臨床試驗，該藥品的目標適應症是非酒精性脂肪性肝炎(NASH)。

在擁有十多項創新藥在研產品管線的背後，軒竹醫藥的創新藥研發還擁有豐富的硬件支撐及完整的小分子新藥研發平台到完整的臨床研究團隊。

軒竹生物的科學家團隊有平均20至30年海外大型藥企經驗，覆蓋領域包含生物、化學、有機化學、大分子、製劑製藥生產。同時，軒竹生物旗下位於美國的兩位商務發展官，密切留意與接觸歐美活躍新藥市場，意在整合全球優質資源，加快業務發展。軒竹生物的臨床合作專家團隊也具有國內一流水平，指導公司臨床開發。臨床開發團隊超過230人，其中有90餘名博士、碩士及海歸人士，涵蓋臨床開發到新藥註冊的各個關鍵環節。

applications have demonstrated that the risk of nephrotoxicity of plazomicin is significantly lower than that of previous generations of aminoglycoside drugs. The self-developed new generation of digestive disease drug anaprazole sodium has completed patient enrollment of phase III clinical trial, and entered the stage of data cleaning, locking and unblinding. Anaprazole sodium is the only Proton-pump inhibitors (「PPIs」) independently developed in China, and its drug safety and symptom relief are better than similar products. Benapenem for the treatment of complicated urinary tract infections has entered phase II clinical trials. Benapenem is independently developed by Xuanzhu Biopharm and owns independent intellectual property rights. It is the only class 1.1 carbapenem antibiotic in China. In early 2021, XZP-5610, the 14th innovative small molecule drug independently designed and developed by Xuanzhu Biopharm, has successfully obtained CDE approval for clinical trials. The target indication of the drug is non-alcoholic steatohepatitis (NASH).

Behind the pipeline of more than a dozen innovative drugs under development, Xuanzhu Biopharm's innovative drug R&D processes are supported by advanced hardware capabilities, a complete small molecule new drug R&D platform and a complete clinical research team.

The team of scientists at Xuanzhu Biopharm has an average of 20 to 30 years of experience in overseas multinational pharmaceutical companies, covering therapeutic areas including biology, chemistry, organic chemistry, macromolecules, and pharmaceutical production. At the same time, the two business development officers of Xuanzhu Biopharm in the United States are closely monitoring and contacting the active new drug market in Europe and the United States, which is intending to integrate high-quality global resources and accelerate business development. Xuanzhu Biopharm's clinical cooperation expert team guiding the company's clinical development is of first-class level domestically. The clinical development team consists of more than 230 people, including over 90 doctors, masters, and returnees, covering all key links from clinical development to new drug registration.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

中國作為世界第二大且增長迅速的醫藥市場，在強有力的國家政策支持下，正在從「以仿製藥為主」向「以創新驅動為主」轉變。對標全球最好的分子結構，擁有全球的知識產權、自主定價權，不依賴合同研究組織（「CRO」）是軒竹生物獨特的優勢所在，目前軒竹生物研發的產品已被證明具有高成藥性、有效性和安全性。

二零二零年，軒竹生物成功收購美國特拉華州註冊成立的公司 Achaogen Inc. 在大中華區（包括中國、中國香港特別行政區、中國澳門特別行政區和中國台灣）有關新一代氨基糖苷類抗生素 plazomicin（新一代超級抗生素）的所有權益及知識產權。由靜脈注射方式給藥的 plazomicin，是一種經美國食品和藥物管理局批准的用於治療複雜泌尿感染的氨基糖苷類抗生素。Plazomicin 對嚴重細菌感染患者，將是一種有價值的新治療選擇。通過此次收購，軒竹生物將不斷提升優化資產結構。

二零二零年八月，軒竹生物完成首輪股權融資，引入國內一線私募基金國投招商等作為公司的股東，引入資金共計人民幣8.0億元，後續新增跟投方投資人民幣1.6億元，合計共引入資金人民幣9.6億元，投後估值達人民幣45億元。未來雙方會在創新藥的引進和研發方面進行全面戰略合作，同時軒竹生物已成功實施管理層股權激勵計劃，進一步加碼佈局創新研發。

As the world's second-largest and rapidly growing pharmaceutical market, China is transforming from "generic drugs-based" to "innovation-driven" with the support of strong national policies. Benchmarking the world's best molecular structure, possessing global intellectual property rights, independent pricing power, and not relying on contract research organization ("CRO") are the unique advantages of Xuanzhu Biopharm. The products developed by Xuanzhu Biopharm have been proven to have high efficacy, effectiveness and safety.

In 2020, Xuanzhu Biopharm successfully acquired all rights and intellectual property rights in the Greater China Region (including China, Hong Kong Special Administrative Region of China, Macau Special Administrative Region of China, and Taiwan of China) of a new generation of aminoglycoside antibiotic plazomicin (a new generation of super antibiotics) developed by Achaogen Inc., a company incorporated in the State of Delaware. Plazomicin, administered by intravenous injection, is an aminoglycoside antibiotic approved by the US Food and Drug Administration for the treatment of complex urinary infections. Plazomicin will be a valuable new treatment option for patients with severe bacterial infections. Xuanzhu Biopharm will continue to improve and optimize its asset structure through this acquisition.

In August 2020, Xuanzhu Biopharm completed the first round of equity financing, and introduced domestic first-tier private equity funds including CMG-SDIC as the company's shareholders. The total amount of fund raised was RMB800 million, with follow-on investments of RMB160 million from additional follow-on investors, bringing the total fund raised to RMB960 million, and the post-investment valuation reached RMB4.5 billion. In the future, the two parties will conduct comprehensive strategic cooperation in the introduction and R&D of innovative drugs. At the same time, Xuanzhu Biopharm has successfully implemented the management equity incentive plan to further increase the layout of innovative R&D.

管理層討論及分析 MANAGEMENT DISCUSSION AND ANALYSIS

二零二一年初，軒竹生物完成簽訂框架協議收購北京康明百奧新藥研發有限公司。康明百奧是一家致力於創新雙特异性抗體（「雙抗」）、雙抗藥物偶聯物（「ADC」）等多功能抗體藥物研發的創新驅動型生物公司。其擁有「Mab Edit」（抗體編輯）和「Mabs-Ig」（抗體編輯的雙抗）兩大抗體技術平台，專注於重大惡性腫瘤、免疫系統疾病、傳染性疾病等創新型抗體藥物的研發，可以同時開展雙抗和ADC等多功能抗體藥物研究與開發。

康明百奧聚焦於生物大分子，其管線共有12個產品，其中一半是雙抗。重點產品KM257針對於HER-2高表達腫瘤，是全球首個去岩藻糖共同輕鏈抗體藥物，目前已經進入靈長類動物安全性評價和IND階段。此外，康明百奧研發的KMD254-ADC屬於國內外同類最優的雙抗ADC藥物，其針對HER-2中低表達的癌症，如胃癌、乳腺癌和肺癌等。康明百奧的HER-2雙抗及雙抗ADC藥物能夠與軒竹生物已有的乳腺癌等藥物進行聯合開發，並形成小分子和大分子的組合產品線，為軒竹生物的創新研發帶來強大的生物醫藥研發管線。

康明百奧的管理團隊及研發團隊均具有豐富的生物製藥研發經驗。其團隊共有20多名員工，包括4名博士，其中2名被認為入選北京市千人海聚工程。其技術管理團隊均有15到20年以上生物製藥的開發經歷，所參與和主持的項目獲得臨床批件超15個，如中國尼妥珠單抗及現在熱銷的安進公司的Blinatumomab都是該公司團隊參與，甚至主持的項目。顧問團隊也有中科院院士、研究員及美國跨國藥企的一些研發總監和首席科學家。

In early 2021, Xuanzhu Biopharm completed the signing of a framework agreement to acquire Combio Pharmaceutical. Combio Pharmaceutical is an innovation-driven biological company dedicated to the R&D of multifunctional antibody drugs such as innovative bispecific antibodies and bispecific antibody drug conjugates (“ADC”). The company has two antibody technology platforms, “Mab Edit” (antibody editing) and “Mabs-Ig” (antibody editing bispecific antibodies), focusing on the R&D of innovative antibody drugs such as major malignant tumors, autoimmune diseases, and infectious diseases. The research and development of multifunctional antibody drugs such as bispecific antibodies and ADCs can be carried out at the same time.

Combio Pharmaceutical focuses on biological macromolecules, and owns 12 pipeline products, half of which are bispecific antibodies. The key product, KM257, is an anti-tumor drug targeting overexpress HER-2, which is the world’s first fucose-removed common light chain antibody drug. It has now entered the primate safety evaluation and IND stage. In addition, the KMD254-ADC developed by Combio Pharmaceutical is the best-in-class bispecific ADC drug in China and overseas, which targets cancers with low expression of HER-2, such as gastric cancer, breast cancer and lung cancer. Combio Pharmaceutical’s HER-2 bispecific antibody and bispecific ADC can be jointly developed with the Xuanzhu Biopharm’s existing breast cancer drugs, etc.. Leveraging the attributes of small molecules and biologics can bring a strong biomedicine R&D pipeline to the innovative R&D of Xuanzhu Biopharm.

The management team and R&D team of Combio Pharmaceutical have rich experience in biopharmaceutical R&D. The team has a total of more than 20 employees, including 4 PhDs, 2 of them were selected in the Beijing Thousand Talents Project. Its technical management team has more than 15 to 20 years of biopharmaceutical development experience, and the projects participated and presided over have obtained more than 15 clinical approvals, such as China’s Nimotuzumab and the popular Amgen’s Blinatumomab, which the team also participated in and even hosted the project. The advisory team also includes academicians of the Chinese Academy of Sciences, researchers, and some R&D directors and chief scientists from multinational pharmaceutical United States companies.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

隨著收購完成，軒竹生物的創新驅動力得到進一步提升，將成為國內在小分子、大分子領域同時具備全面創新藥開發能力的生物醫藥企業。本集團相信該收購將是集團佈局大分子板塊的里程碑事件，會為軒竹生物的未來發展起到重要價值放大作用。

- 1.2 仿製藥：循證醫學助力重回醫保，一致性評價奠定未來勝局
- 除創新藥之外，本集團還堅持仿創並舉的發展方式，通過業務協同及資源整合將本集團在仿製藥方面的優勢不斷擴大。目前本集團的仿製藥在研管線包含53項具有高技術壁壘的仿製藥，並透過併購及合作方式提高技術壁壘，加速產品培育速度，使現有產品線覆蓋得到有效拓寬。

年內，本集團多項產品獲得國家藥品監督管理局（「國家藥監局」）頒發的藥品生產批件，包括重酒石酸卡巴拉汀膠囊（1.5毫克和3.0毫克），左乙拉西坦片（0.25克和0.5克），加巴噴丁膠囊，小兒複方氨基酸注射液（18AA-II）和左乙拉西坦注射用濃溶液（5毫升：0.5克）。本集團已上市藥品 - 甘草酸單鉍半胱氨酸氯化鈉注射液（回能®）也正式進入國家醫保目錄乙類範圍。

產品馬來酸桂哌齊特注射液（克林澳®2毫升：80毫克/支）用於治療急性缺血性腦卒中的新適應症於二零二零年十月獲得國家藥監局批准，成為國內開展上市後臨床研究工作以來唯一獲批的腦卒中治療領域的藥品，證明了其作為明確的腦血管病治療性用藥的臨床價值。重磅產品克林澳順應行業變化，未來或許能夠重新被納入醫保，實現銷量大幅回升。

With the completion of the acquisition, Xuanzhu Biopharm's innovation driving force has been further enhanced, and it will become a domestic biomedical company with comprehensive innovative drug development capabilities in the fields of small molecules and macromolecules. It is believed that the acquisition will be a milestone event in the Group's macromolecular sector, and it may play an important role in amplifying the value of Xuanzhu Biopharm's future financing and development.

- 1.2 *Generic drugs: Evidence-based medicine helps return to reimbursement drug list, the consistency evaluation lays the foundation for future victory*
- Apart from innovative drugs, the Group also adheres to the development mode of simultaneous imitation and innovation, and continuously expands the Group's advantages in generic drugs through business collaboration and resource integration. Recently, the Group's generic drug R&D pipeline includes 53 generic drugs with high-tech barriers. The technical barriers have been increased, product cultivation has been accelerated and the coverage of existing product lines has been effectively expanded through mergers and acquisitions and cooperation.

During the Year, a number of products of the Group obtained drug production approvals issued by the NMPA, including rivastigmine hydrogen tartrate capsule (1.5mg and 3.0mg), levetiracetam tablet (0.25g and 0.5g), and gabapentin capsule, pediatric compound amino acid injection (18AA-II) and levetiracetam injection concentrated solution (5ml: 0.5g). The Group's listed drug-monoammonium glycyrrhizinate and cysteine and sodium chloride injection (Huineng®) has also officially entered the class B scope of the NRDL.

Cinepazide maleate injection (Kelinao® 2ml:80mg/bottle) is a new indication for the treatment of acute ischemic stroke. It was approved by the National Medical Products Administration in October 2020. It is currently the only approved drug in the field of stroke treatment since the commencement of the domestic post-marketing clinical study for drugs, which proves its clinical value as a clear therapeutic drug for cerebrovascular diseases. In response to industry changes, the blockbuster product, Kelinao may be able to be included in national reimbursement drug list again in the future, achieving a substantial rebound in sales.

管理層討論及分析 MANAGEMENT DISCUSSION AND ANALYSIS

北京銳業研發的「非PVC粉液雙室袋即配型輸液」產品，包括「非PVC粉液雙室袋頭孢他定/氯化鈉注射液」、「非PVC粉液雙室袋注射用頭孢地嗪鈉/5%葡萄糖注射液」及「非PVC粉液雙室袋注射用頭孢地嗪鈉/氯化鈉注射液」、「非PVC粉液雙室袋注射用頭孢呋辛鈉/氯化鈉注射液」，已獲得藥品註冊批件，也是中國首家兼唯一取得此即配型輸液產品註冊批件的企業。

二零二一年初，注射用泮托拉唑鈉(泮唑爾®40毫克/支)獲得國家藥監局批准通過質量和療效一致性評價，並與布洛芬注射液(法蘭芬®4毫升：0.4克，特納安®8毫升：0.8克)於第四批國家組織藥品集中採購中成功中選。醋酸奧曲肽注射液(1毫升：0.05毫克和1毫升：0.1毫克)成為該品種首家獲得國家藥監局批准通過質量和療效一致性評價。本集團相信以上仿製藥業務的新進展將對本集團的經營業績產生積極影響。

1.3 銷售：覆蓋全面、專業而高效的學術營銷平台，具備超強新產品上市「變現」能力

經過多年的發展，本集團已經擁有強大的銷售團隊、獨特及卓越的營銷模式以助力產品商業化進程。依賴於經驗豐富、高績效、醫院覆蓋全面的專業銷售團隊與市場網絡，本集團新產品上市擁有極強的「變現」能力。

The “non-PVC solid-liquid double-chamber infusion soft bag” (the “**Solid-liquid Double Chamber Bag**”) products developed by associated company Beijing Ruiye Drugs Manufacture Co, Ltd. (“**Beijing Ruiye**”), including “non-PVC solid-liquid double chamber bag for ceftazidime/sodium chloride injection”, “Non-PVC Solid-Liquid Double Chamber Bag for Cefodizime Sodium/5% Glucose Injection” and “Non-PVC Solid-Liquid Double Chamber Bag for Cefodizime Sodium/Sodium Chloride Injection”, as well as “Non-PVC Solid-Liquid Double Chamber Bag for Cefuroxime Sodium/Sodium Chloride Injection”, have obtained drug registration approval, and it is the first and only drug manufacturer in China that has been granted drug registration approval for the Solid-liquid Double Chamber Bag of the series drugs by the NMPA.

At the beginning of 2021, pantoprazole sodium injection (Panzuoer® 40mg per unit) was approved by the National Medical Products Administration to pass the quality and efficacy consistency evaluation, and was compared with ibuprofen injection (Falanfen® 4ml: 0.4g, Tenaan® 8ml: 0.8g) was successfully selected in the fourth batch of national drug centralized procurement. Octreotide acetate injection (1ml: 0.05mg and 1ml: 0.1mg) was approved as it passed the consistency evaluation on quality and efficiency, which is the first enterprise passing the consistency evaluation for this type of drug. The Group believes that the new developments in the above generic drug business will have a positive impact on the Group’s operating results.

1.3 Sales: A comprehensive, professional and efficient academic marketing platform with a strong “monetization” ability of new products on the market

After years of development, the Group already has a strong sales team, a unique and excellent marketing model to facilitate the commercialization of products. Relying on a professional sales team and market network with rich experience, high performance, and comprehensive hospital coverage, the Group has a strong “monetization” ability for new products to be launched.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

截至二零二零年末，本集團擁有1,000人以上的專業營銷團隊、超過3,000個分銷商以及20,000多名銷售經理，其中近40%專門負責銷售四環的產品。本集團銷售網絡覆蓋醫院數達到14,460家，其中三級醫院就有2,000家，二級醫院5,941家，二級醫院以下覆蓋6,969家，覆蓋的廣度和深度均符合本集團國際化的定位，覆蓋省份比例高達100%。

本集團的銷售人員具備極其專業的素質，相關從業人員多數為醫藥專業碩士及以上學歷。通過營銷團隊、分銷商及銷售經理三方的分工協作，市場營銷網絡高效運行，兼具高效產出及成本效率，並能通過建立專門及規模化的直銷隊伍推廣創新產品並迅速開發及滲透市場。

1.4 投資併購與國際合作加快產品創新及國際化轉型步伐

本集團在佈局自身業務的同時，也沒有忽略從資本投資、股權投資、國際合作、進出口業務佈局等多方面開展外延發展，從而加快實現產品創新以及國際化轉型的步伐。

二零二零年十月，本集團宣佈參與對濟時資本生命科技投資I期基金進行不超過1千萬美元的投資。本集團期待藉此加碼在創新藥領域的佈局以及加快海外創新藥的引進，加強本集團國際化產品管線的佈局和發展，協助加快實現向產品創新以及國際化轉型。

As of the end of 2020, the Group has a professional marketing team of more than 1,000 people, more than 3,000 distributors and more than 20,000 sales managers, nearly 40% of whom are solely responsible for selling Sihuan products. The Group's sales network covers 14,460 hospitals, including 2,000 Class III hospitals, 5,941 Class II hospitals, and 6,969 hospitals below Class II. The breadth and depth of coverage are in line with the Group's international positioning. The proportion of provinces being covered is as high as 100%.

The sales staff of the Group have extremely professional qualities, most of the relevant practitioners have a master's degree or above in medicine. Through the division of labor and collaboration between the marketing team, distributors and sales managers, the marketing network operates efficiently with high output and cost efficiency, and can promote innovative products, also rapidly develop and penetrate the market through the establishment of a dedicated and large-scale direct sales team.

1.4 Investment in mergers and acquisitions and international cooperation to accelerate the pace of product innovation and international transformation

While arranging its own business, the Group has not neglected to carry out extensive development from capital investment, equity investment, international cooperation, import and export business layout, etc., so as to accelerate the pace of product innovation and international transformation.

In October 2020, the Group announced its participation in an investment of no more than US\$10 million in Phase I Fund of Ascendum Capital Life Technology. The Group looks forward to expanding its resources in the development of innovative drugs and accelerate the introduction of overseas innovative drugs in China, strengthen its resources and develop its international product pipeline and accelerate its product innovation and internationalization.

管理層討論及分析 MANAGEMENT DISCUSSION AND ANALYSIS

二零二零年八月，聯營公司北京銳業引入廣東冠潤股權投資合夥企業和南靖惠及股權投資合夥企業作為投資者進行合計2億元人民幣的增資。本次增資結束後，北京銳業的整體估值為人民幣29億元。中國當前非PVC軟袋輸液產品的使用率只佔到20%，未來若從環保方面推動非PVC產品使用或從藥品穩定角度發起帶量採購，北京銳業作為中國首家兼唯一取得非PVC粉液雙室袋即配型輸液產品註冊批件的企業，具備很大的政策優勢。本集團亦有望在新的一年里進一步鞏固和加強在抗生素雙室袋領域的行業領先地位。

二零二零年二月，本集團與印度註冊公司印度熙德隆製藥有限公司(熙德隆)在製藥領域達成合作框架協議，雙方合作內容包括心腦血管領域、中樞神經領域和抗感染包括新型冠狀病毒(2019-nCoV)等領域藥品的研發、產品註冊、技術轉移、原料供應和本地化生產及銷售方面密切配合、共同發展。此次合作框架協議的簽署，將實現協議雙方優勢互補、共同加速發展的共贏局面。

In August 2020, Beijing Ruiye, an associate of the Group, has introduced Guangdong Guanrun Equity Investment Partnership and Nanjing Huiji Equity Investment Partnership as investors for capital injection of RMB200 million. After the capital injection, the overall valuation of Beijing Ruiye is RMB2.9 billion. The current utilization rate of non-PVC infusion soft bag products in China only accounts for 20%. In the future, if promotion of the use of non-PVC products from the environmental protection aspect occurs or initiation of mass procurement from the perspective of drug stability, Beijing Ruiye will be the first and only company in China to obtain the Solid-liquid Double Chamber Bag register approvals, which has great policy advantages. The Group is also expected to further consolidate and strengthen its leading position in the field of antibiotic double-chamber bags in the coming year.

In February 2020, the Group and Hetero Labs Limited, a company registered under the laws of India, reached a cooperation framework agreement in the pharmaceutical manufacturing area. Under the terms of the cooperation framework agreement, the cooperation includes R&D, product registration, technology transfer, raw materials supply and local manufacturing and commercialization of drugs in the fields of cardiovascular, cerebrovascular, neurology and anti-infectives including novel coronavirus (2019-nCoV), etc. The signing of the cooperation framework agreement will achieve a win-win situation in which both parties complement each other's advantages and accelerate development together.

2. 新業務孵化，多領域領跑

2.1 四環醫美：未來業務增長及企業價值提升的超級加速器

近年來，顏值經濟當道，隨著收入水平提高及醫療美容觀念的轉變，越來越多人開始利用醫療美容技術保持年輕美麗。在對醫療美容服務產生巨大需求下，醫療美容行業正在快速發展。而早在二零一四年，本集團就已經開始佈局醫療美容賽道，並與韓國頂尖生物製藥公司Hugel開啓了合作關係。

二零二零年十月，由本集團獨家代理的、韓國生物製藥公司Hugel生產的注射用A型肉毒毒素(Letybo®100U，商品名：樂提葆®)正式獲國家藥監局批准上市。該產品成為第四個獲准在中國上市的A型肉毒毒素，也是韓國同類產品中的首個。該產品於二零二一年一季度舉辦中國AI發佈會並開始在中國內地地區銷售。

Letybo®100U(商品名：樂提葆®)擁有99.5%的900kDa有效蛋白質含量，遠高於行業純度要求(韓國藥監局許可基準為900kDa有效蛋白質含量95%以上)。在效果上，Letybo®100U(商品名：樂提葆®)的臨床效果，與已獲批上市的全美Allergan的保妥適擁有同等的有效性與安全性。在品質上，Letybo®100U(商品名：樂提葆®)採取嚴苛的生產標準，以更加嚴格的管理基準生產出均一、穩定效價的產品，在國內市場很難找到同級別對手。

2. Incubate new business and lead in multiple fields

2.1 Sihuan Medical Aesthetic: a super accelerator for future business growth and enterprise value enhancement

In recent years, the beauty economy has become dominant. With the rise of income level and the changing concept of medical aesthetic, more and more people are using medical aesthetic technology to stay young and beautiful. With the huge demand for medical aesthetic services, the medical aesthetic industry is developing rapidly. As early as 2014, the Group has already started the layout of the medical aesthetic track and established a cooperative relationship with Hugel, a leading biopharmaceutical company in South Korea.

In October 2020, type A botulinum toxin for injection (Letybo® 100U, trade name: Letybo®), a product exclusively distributed by the Group and produced by South Korean biopharmaceutical company Hugel, has officially received the marketing approval from the NMPA of China. Letybo® becomes the fourth type A botulinum toxin products approved for launch in the market of China and the first of its kind from South Korea. In the first quarter of 2021, the Chinese AI press conference was held for the product and start to sell in mainland China.

Letybo® 100U (trade name: Letybo®) has 99.5% of active protein content for 900kDa complex, which is much higher than the industry purity requirement (the requirement of KFDA is more than 95% of active protein content for 900kDa complex). In terms of efficacy, Letybo® 100U (trade name: Letybo®) has the same efficacy and safety as Allergan's Botox. In terms of quality, Letybo® 100U (trade name: Letybo®) is produced under more stringent production standards and features a uniform and stable-efficacy product under stricter management standards, which makes it hard to find competitors at the same level in the domestic market.

管理層討論及分析 MANAGEMENT DISCUSSION AND ANALYSIS

於二零一九年，中國的肉毒毒素產品市場規模約為6億美元（約港幣46.6億元），滲透率不足中國整體醫美市場的2%，市場仍存在大量未被滿足的需求。隨著中國愛美人士數量持續增加，消費者消費能力和消費意願的不斷提升，對外國尤其是韓國的醫療美容技術與產品有很高的接受程度，市場潛力巨大。預期未來五年中國的肉毒毒素產品銷售將呈爆發式增長，二零二五年銷售額將達到18億美元（約港幣135億元），成為與美國及歐盟並駕齊驅的全球三大市場之一。本集團的目標是將樂提葆®打造成為中國內地銷售第一的肉毒毒素品牌及在3年內在中國取得超過30%的市場份額。

在樂提葆®的銷售佈局上，本集團已展開前期工作，為樂提葆®本年內正式推出做好充分準備。四環醫美平台漢顏空間的核心管理層具有豐富經驗，曾於艾爾建和輝瑞等跨國醫藥和一枚公司擔任營銷和培訓等要職，於醫美行業內擁有超過十年的經驗。此外，依托本集團覆蓋中國200多個城市，超過800家合作機構的銷售網絡，四環醫美平台目標覆蓋超過3,000家合作機構。

隨著中國醫療美容終端產品市場規模的逐步擴大，四環醫美平台也將多線佈局醫美產品。未來，本集團將繼續加深與Hugel及其他國際一線醫美產品生產企業的密切合作，形成深入的戰略合作，且童顏針、少女針等在研產品將陸續上市，並將通過在美國洛杉磯成立的Meiyen Laboratory Inc（漢顏實驗室）將海外擁有較高技術壁壘的優質醫美新型技術於本集團實驗室進行轉化，在中國內地生產，以打造四環醫美平台自己的優質醫美產品管線。相信四環醫美平台將成為本集團業務增長和企業價值的超級加速器。

The market size of botulinum toxin products in China was approximately US\$600 million (about HK\$4.66 billion) in 2019. With a penetration rate of less than 2% of the overall medical aesthetic market in China, there is still a large unmet market demand. With the continuous increase in the number of beauty-loving people in China and the continuous rise in spending power and consumption willingness of consumers, coupled by a high acceptance of foreign medical aesthetic technologies and products, especially those from South Korea, there exists a huge market potential. It is expected that the sales of botulinum toxin products in China will surge in the next five years, and sales will reach US\$1.8 billion (about HK\$13.5 billion) in 2025. China will become one of the three largest markets of botulinum toxin products globally, along with the United States and the European Union. The Group's goal is to shape Letybo® into the No. 1 botulinum toxin brand in China and to achieve a market share of over 30% in China within three years.

In the layout of the sales of Letybo®, the Group has started the preliminary work to make full preparations for the official launch of Letybo® within this year. The core management of Sihuan Pharmaceutical's medical aesthetic platform MeiYan KongJian, have extensive industry experience. They previously held key marketing and training positions in multinational pharmaceutical and medical aesthetic companies such as Pfizer and Allergan, and have more than 10 years of experience in the industry. In addition, relying on the Group's sales network covering more than 200 cities in China and more than 800 cooperatives institutions, Sihuan Pharmaceutical's medical aesthetic platform aims to reach more than 3,000 cooperatives institutions.

As Chinese medical aesthetic product market is gradually expanding, Sihuan Pharmaceutical's medical aesthetic platform will layout more medical aesthetic products. In the future, the Group will continue to work with Hugel and other international medical aesthetic products manufacturing enterprises more closely and to form in-depth strategic cooperation, while products such as Sculptra and Ellance which is under R&D will be launched. In addition, through Meiyen Laboratory Inc established in Los Angeles, the United States, the Group will transform overseas high-quality new medical aesthetic technologies with high technical barriers in our Group's laboratory, and to produce in mainland China, in order to build up Sihuan Pharmaceutical's medical aesthetic platform's product line of high quality. It is believed that Sihuan Pharmaceutical's medical aesthetic platform will become the super accelerator of the Group's business growth and enterprise value enhancement.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

2.2 打造工業大麻及現代化中藥全產業鏈基地

二零一八年起，隨著吉林省有望成為中國第三個放開工業大麻種植的省份，本集團旗下子公司澳康藥業正式進入並逐步發展工業大麻產業項目。澳康藥業定位於高含量CBD藥用和醫用材料的研發和產業化發展，以打通工業大麻全產業鏈為目標，從品種、種植、提取方面對CBD等大麻素的藥用、大保健、醫美、食品添加進行產品開發，兼顧大麻籽用、纖維等生物質等多功能產品研製。

中國工業大麻發展前景廣闊，並在研發、育種、種植、提取技術、應用等方面持續加強。根據國泰君安研究所預計，中國工業大麻總產量有望在二零二四年超過10萬噸，中國CBD市場規模有望在二零二四年達到人民幣18億元。澳康藥業為目前吉林省唯一獲得高含量CBD工業大麻種植資質的企業。此外，澳康藥業亦與中國農科院麻類研究所（「中麻所」）達成戰略合作並共同成立了「北方工業大麻研究中心」。該研究中心將憑藉中麻所全品系種質資源和技術保障，以及澳康藥業專業現代化的中藥提取加工、生產加工、檢驗檢測能力和高標準質量的管理體系，開展全方位合作，在藥用、醫美、特醫食品領域加大研發投入。此外，澳康藥業還與國內外7家研發機構合作，進一步拓展工業大麻提取和下游應用的研發工作立項。

此外，澳康藥業還擁有164個批准文號的生產品種，其中128個品種是國家醫保品種，四個全國獨家品種，分別為「海天益腎膠囊」、「牛黃清腦開竅丸」、「草仙乙肝膠囊」及「肝膽雙清顆粒」。

2.2 Build industrial hemp and modern Chinese medicine industry chain base

Starting in 2018, as Jilin province is expected to become the third province in China to liberalize the cultivation of industrial hemp, Aokang Yaoye, a subsidiary of the Group, officially entered and gradually developed the industrial projects of industrial hemp. Aokang Yaoye aims at the R&D and industrialization of high-content CBD medicinal and medical materials. With the goal of opening up the whole industrial chain of hemp, Aokang Yaoye develops cannabinoids such as CBD for medicinal use, great health care, medical aesthetic and food additives from the aspects of variety, planting and extraction. It also considers the development of biomass products such as hemp seed and fiber.

Industrial hemp in China has a promising future and continues to be strengthened in terms of R&D, breeding, cultivation, extraction technology and application. According to Guotai Junan Research Institute, the total production of industrial hemp in China is expected to exceed 100,000 tonnes in 2024, and the market size of CBD in China is expected to reach RMB1.8 billion in 2024. Aokang Yaoye is currently the only enterprise in Jilin province that has obtained the qualification to grow industrial hemp with high CBD content. In addition, Aokang Yaoye also has a strategic cooperation with the Institute of Bast Fibre Crops of the Chinese Academy of Agricultural Sciences (“IBFC-CAAS”), and jointly establish the “Northern Industrial Hemp Research Center”. The center will leverage on IBFC-CAAS’s full range of seed resources and technical support, as well as Aokang Yaoye’s professional modernized Chinese medicine extraction, production, inspection and testing capabilities, and high standard quality management system, to start full cooperation and to increase R&D investment in areas of pharmaceutical, medical aesthetic and foods for special medical purpose. In addition, Aokang Yaoye has also collaborated with seven domestic and international R&D institutions to further develop R&D projects for industrial hemp extraction and downstream applications.

In addition, Aokang Yaoye also has 164 production varieties with approval numbers, of which 128 varieties are national medical insurance varieties, and four national exclusive varieties are “Haitianyishen Capsule”, “Niu Huang Qingnao Kaiqiao Pills”, “Caoxian Hepatitis B Capsule” and “Gandan Shuangqing Granules”.

管理層討論及分析 MANAGEMENT DISCUSSION AND ANALYSIS

澳康藥業將持續對標工業大麻應用研發的國際趨勢和進展，定位於高含量CBD藥用和醫用材料的研發和產業化發展，全力打造從源頭到患者使用安全合規、具有獨立知識產權的全產業鏈平台。在未來產業化證書獲批之後，澳康藥業目標打造中國北方工業大麻排名第一的研產銷平台。

2.3 加快仿製藥API供應業務向CDMO「轉型」，打開成長天花板

目前，國內藥企之間的競爭已經趨於白熱化，中國醫藥企業的產能優化、行業整合及結構升級將越來越重要。受益於全球產能轉移和國內政策紅利，市場預計中國CDMO市場規模在二零二四年達到526億美元，未來更是預計有望達到千億級別。

本集團於年內整合旗下部分子公司業務，成立吉林康通，依托本集團在醫藥中間體和原料藥的研發及產業化優勢，發揮化學仿製藥全產業鏈優勢，及執行「原料藥+CDMO+製劑」一體化戰略，在抗病毒、抗凝血、抗真菌藥物等方面深耕厚積，形成突出的產品系列特色及核心競爭力，致力於原料藥全產業鏈戰略佈局及CDMO/CMO的平台建設，打開成長天花板，目標成為醫藥中間體及原料藥領域的一體化CDMO領先企業。

此外，本集團通過本公司附屬公司吉林升通完成對吉林遨通化工有限公司（「**吉林遨通**」）和吉林佳輝化工有限公司（「**吉林佳輝**」）的股權收購，完成後，分別持有吉林遨通100%股權和吉林佳輝60%股權，進一步完整全產業鏈佈局。

Aokang Yaoye will continue to benchmark international trends and progress in the R&D of industrial hemp applications, positioning itself in the R&D and industrialization of high-content CBD medicinal and medical materials, and making every effort to build a platform for the whole industry chain from source to patient use in a safe and compliant manner with independent intellectual property rights. With the approval of the future industrialization certificate, Aokang Yaoye is aiming to become the number one platform for research, production and marketing of industrial hemp in north China.

2.3 Accelerate the "transformation" of generic drug API supply business to CDMO and break through the growth ceiling

At present, the competition among domestic pharmaceutical enterprises is fierce, so the capacity optimization, industry integration and structural upgrading of Chinese pharmaceutical enterprises will be more and more important. Benefited from global capacity transfer and domestic policy dividends, China's CDMO market is expected to reach US\$52.6 billion in 2024, and is expected to reach US\$100 billion in the future.

During the Year, the Group integrated the business of some of its subsidiaries and established Jilin Kangtong. Relying on the Group's strengths in R&D and industrialization of pharmaceutical intermediates and APIs, leveraging the strengths of the whole industry chain of chemical generic drugs and implementing the integrated strategy of "API + CDMO + Pharmaceuticals", the Group aims to cultivate a strong presence in antiviral, anticoagulant and antifungal drugs and form series of outstanding product features and core competitiveness. The Group is committed to the strategic deployment of the whole industry chain of APIs and the construction of a CDMO/CMO platform to open up the ceiling of growth. The Group aims to become a leading integrated CDMO company in the field of pharmaceutical intermediates and APIs.

In addition, the Group has completed the equity acquisition of Jilin Aotong Chemical Co., Ltd. ("**Jilin Aotong**") and Jilin Jiahui Chemical Co., Ltd. ("**Jilin Jiahui**") through Jilin Shengtong, a subsidiary of the Company. Upon completion of the acquisition, the Group shall hold 100% equity interest in Jilin Aotong and 60% equity interest in Jilin Jiahui, respectively. The acquisition will be taken as the key link in Group's entire industry chain layout.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

本集團多年精益運營生產領域業務，具備行業一流的生產管理運營體系，包括原料研發、生產及供應、生產設備、生產流程質量控制等，形成高效、高質量、多劑型及大規模的生產平台，具備原料藥、高級中間體、關鍵起始物料/起始物料(「**KSM/SM**」)，保健品原料研發及生產能力。在高級中間體板塊中，本集團已具備數項成熟項目，並在日韓、歐洲、印度等有較好的市場基礎，各市場前十的藥企中均有數家為本集團長期穩定合作的客戶。憑藉高效率低成本的生產平台，及全產業鏈佈局優勢，本集團既保證了API產品的供應鏈的安全穩定供應，又極大的降低了原料成本，具備獨特的抗風險能力和業務增長的穩定性，在原料藥市場更有競爭力。

年內，本集團亦完成對北京樺冠生物技術有限公司(「**北京樺冠生物**」)及中瑞(內蒙古)藥業股份有限公司(「**中瑞(內蒙古)**」)的股權投資。北京樺冠生物為創新引領的綠色安全GMP原料藥生產頭部企業，通過其掌控的連續流及合成生物學等技術從本質安全上解決GMP原料藥生產行業的安全性和環境友好性，同時高效提升土地利用率和自動化程度，助力本集團引領原料藥產業中國製造的產業升級。

中瑞(內蒙古)深耕原料藥行業20餘年，品牌在行業中處於領先地位，產品覆蓋煙酸、煙醯胺和肌醇煙酸酯等20餘種，與本集團旗下產品相輔相成，進一步增加本集團原料藥產能，保障本集團相關製劑品種原料藥的穩定供應。同時，中瑞(內蒙古)旗下生產基地及子公司也將進一步補充吉林康通於原料藥的產能及國際市場業務的開展。

The Group has been operating in the production field for many years and has a first-class production management and operation system in the industry, including raw material R&D, production and supply, production equipment, production process quality control, etc., forming a highly efficient, high quality, multi-dose and large-scale production platform with the capability of R&D and production of APIs, advanced intermediates, key starting materials/starting materials (“**KSM/SM**”) and raw materials for healthcare products. In the advanced intermediates segment, the Group has several mature projects and has a good market base in Japan, Korea, Europe and India, etc. Several of the top 10 pharmaceutical companies in the respective markets are long-term and stable customers to the Group. With a highly efficient and low-cost production platform and the advantage of a full industrial chain, the Group not only ensures the safe and stable supply chain of API products, but also greatly reduces the cost of raw materials, and possesses unique risk resistance and stability of business growth, making it more competitive in the API market.

During the Year, the Group also completed equity investments in Beijing ChemPion Biotechnology Co., Ltd. (“**Beijing ChemPion Biotechnology**”) and Zhongrui (Inner Mongolia) Pharmaceutical Co., Ltd. (“**Zhongrui (Inner Mongolia)**”). Beijing ChemPion Biotechnology is a leading innovator of Green safety GMP API production. Through its continuous flow and synthetic biology technologies, it is essential to address the safety and environmental friendliness of GMP API manufacturing, while effectively improving land utilization and automation, helping the Group to lead the upgrading of the API industry made in China.

Zhongrui (Inner Mongolia) has been deeply engaged in the API industry for more than 20 years, and its brand is in the leading position in the industry. Its products cover more than 20 kinds of nicotinic acid, nicotinamide and inositol nicotinate, which complement the products of the Group to further increase the capacity of the Group’s API and ensure the stable supply of the Group’s related pharmaceutical varieties of API. At the same time, the production base and subsidiaries of Zhongrui (Inner Mongolia) will further supplement Jilin Kangtong’s production capacity in API and the development of international market business.

前景與未來成長戰略

創新轉型下的多維度增長邏輯

從本集團發展策略來看，創新轉型後的本集團未來的增長邏輯非常清晰，無論是堅持創新引領、仿創並舉的製藥業務板塊，或是正在孵化、未來將成為本集團業績加速器的新業務板塊。各個板塊不僅各自擁有其成長邏輯及動力，也能互相補充、銜接以支持本集團的可持續增長。

短期而言，製藥業務方面，預計多項重點產品將陸續獲國家藥監局批准後上市或通過一致性評價，完善集團在高增長治療領域的產品管線。同時，本集團將持續完善循證醫學體系，通過循證研究促進重點產品列入診療指南。其中，產品克林澳®有望通過循證醫學提高其市場地位，並有望被列入國家醫保目錄，進一步為本集團收入增長助力。

新業務方面，醫美市場本身存在國產產品稀缺，市場空間大，滲透率低等特點。而目前本集團獲批的肉毒毒素樂提葆®作為國內第四個獲批並具有國際競爭力效能的重磅醫美產品，有望在本集團專業而強大的醫美銷售團隊助推下快速放量。

中長期來看，製藥業務內，創新藥板塊中治療晚期乳腺癌的CDK4/6抑制劑吡羅西尼、自主研發的消化系統創新專利藥安納拉唑鈉和新一代超級抗生素plazomicin已經進入臨床後期、臨近上市，即將進入收穫期。仿製藥板塊中53項具有高技術壁壘的仿製藥陸續完成試驗並開始報批，未來也會陸續上市，延續現階段銷售增長動力，為本集團帶來持續強勁現金流。同時本集團於美國成立的全球業務發展中心，也將持續負責拓展及管理中國內地及海外的業務項目，以加快國際項目的引進和佈局。

Prospects and Future Growth Strategies

Multi-dimensional growth logic under innovation transformation

From the perspective of the Group's development strategy, the Group's future growth logic after innovation and transformation is very clear, no matter whether it is the pharmaceutical business segment that adheres to innovation-led and generic, or the new business segment that is incubating and will become a financial performance accelerator. Each sector not only has its own growth logic and motivation, but can also complement and connect with each other to support the sustainable growth of the Group.

In the short term, in the pharmaceutical business, it is expected that a number of key products will successively be approved by the NMPA to be listed or pass consistency evaluations to improve the Group's product pipeline in the high-growth therapeutic areas. At the same time, the Group will continue to improve the evidence-based medicine system and promote key products to be included in the diagnosis and treatment guidelines through evidence-based research. Among them, the product Kelinao® is expected to improve its market position through evidence-based medicine and to be included the NRDL, which will further contribute to the Group's revenue growth.

In terms of new business, the medical aesthetic business itself has the characteristics of scarcity of domestic products, large market space, and low penetration rate. At present, the Group's approved botulinum toxin, Letybo®, is the fourth approved and internationally competitive blockbuster medical aesthetic product. It is expected to rapidly increase its volume with the help of the professional and strong medical aesthetics sales team of the Group.

In the medium and long term, in the pharmaceutical business, the CDK4/6 inhibitor Birociclib for the treatment of advanced breast cancer in the innovative drug sector, the self-developed digestive system innovative patent drug Anaprozole sodium and the new generation of super antibiotic plazomicin, which have entered the late clinical stage, is about to go on sale, and will soon enter the harvest period. In the generic drugs sector, 53 generic drugs with high-tech barriers have completed trials and started to apply for approvals, and will continue to be launched on the market in the future, continuing the current sales growth momentum and bringing sustained strong cash flow to the Group. At the same time, the global business development centre established by the group in the United States will continue to be responsible for the expansion and management of business projects in Mainland China and abroad to accelerate the introduction and deployment of international projects.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

新業務方面，醫美領域作為具有潛力的新業務，一方面市場預計中國肉毒素市場將呈爆發式增長，預計本集團分銷的樂提葆®的銷售也將快速增長；另一方面，預計本集團將推出玻尿酸和童顏針產品，以進一步補充本集團在醫美行業的產品佈局，並持續加強樂提葆®可能創造的價值。同時，隨著本集團「原料藥+CDMO+製劑」一體化戰略的逐步落地，本集團將在醫藥中間體及原料藥領域的一體化CDMO業務中將獲取新的增長動能和高盈利。

結語

二零二零年的四環醫藥以創新為引領，以加快發展自主創新研發和高增長醫美新業務為核心的雙輪驅動戰略，成功實現向國際化生物製藥科技企業以及中國醫美行業頭部企業的初步戰略轉型。本集團的創新藥平台、醫美平台、工業大麻及現代中藥平台、原料藥/CDMO平台等極具競爭力的業務平台已經鋪開，借助其研產銷平台的優勢，本集團已經發展擁有領先的自主研發技術平台、豐富的研發產品管線、完善先進而強大的生產設施與製造能力、以及成熟卓越的銷售體系的中國領先產銷研一體化製藥集團。

二零二一年，本集團的佈局有望多領域開花，打造國際化创新型生物製藥科技企業的強大增長引擎有望啟動。此外，本集團戰略性的投資併購也將會逐漸進入成熟期，投資、兼併、孵化、控股、分拆等方式產生的一批獨立運營的子企業若能成功登陸資本市場，將會大幅提升本集團的企業價值，也為一直以來堅定相信我們和支持我們的各位尊敬的股東及投資者帶來更多更好的投資回報。

In terms of new business, the medical aesthetic field is a new business with potential. On the one hand, the market is expected to explode in the Chinese botulinum toxin market, and the sales of Letybo®, which the Group distributes, are expected to grow rapidly; on the other hand, the Group is expected to launch hyaluronic acid and PLLA filler products to further supplement the Group's product layout in the medical aesthetic industry and continue to strengthen the value that Letybo® may create. At the same time, with the gradual implementation of Sihuan Pharmaceutical's "API + CDMO + preparation" integrated strategy, the Group will gain new growth momentum and high profitability in the integrated CDMO business in the field of pharmaceutical intermediates and APIs.

Conclusion

In 2020, Sihuan Pharmaceutical took innovation as the lead and accelerate the development of independent innovation R&D and high-growth new business of medical aesthetics as the core of the two-wheel drive strategy, and successfully realized the initial strategic transformation to an international biopharmaceutical technology company and a leading company in the Chinese medical aesthetic industry. The Group's innovative drug platform, medical aesthetic platform, industrial hemp and modern Chinese medicine platform, API/CDMO platform and other highly competitive business platforms have been rolled out. With the advantage of its R&D, production and marketing platform, the Group has developed China's leading integrated pharmaceutical group of production, marketing and R&D with a leading independent R&D technology platform, a rich pipeline of R&D products, advanced and powerful production facilities and intelligent manufacturing capabilities, and a mature and outstanding sales system.

In 2021, the Group's layout is expected to blossom in more areas, and a powerful growth engine to become an international innovative biopharmaceutical technology company is expected to start. In addition, the Group's strategic investment and mergers and acquisitions will gradually enter a mature period. If the group of independently operated subsidiaries generated by investment, mergers, incubation, holdings, spin-offs and other methods can successfully land in the capital market, It will bring huge boost to the Group's corporate value, and also bring more and better investment returns to the respected shareholders and investors who have always believed in us and be supportive to us.

財務回顧

收益

受行業政策及2019冠狀病毒病的影響，年內本集團收益減少14.4%至約為人民幣2,464.2百萬元(二零一九年：人民幣2,878.3百萬元)。其中，來自心腦血管藥物的收入銷售額約為人民幣1,390.2百萬元(二零一九年：人民幣2,342.7百萬元)，佔營業總額56.4%，大幅減少40.7%，約為人民幣952.5百萬元；餘下來自非心腦血管藥物收益，約為人民幣1,074.0百萬元(二零一九年：人民幣535.6百萬元)，大幅增加了100.5%。心腦血管藥物的銷售減少主要由於2019冠狀病毒病大流行期間醫院病人流量下降及去年下半年開始國家醫保目錄調出藥品所致。非心腦血管藥物方面，由於強大的銷售平台，醫院銷售量顯著增加。

銷售成本

年內本集團銷售成本約為人民幣549.8百萬元(二零一九年：人民幣589.0百萬元)，約佔收益總額的22.3%。

毛利

年內毛利約為人民幣1,914.4百萬元(二零一九年：人民幣2,289.3百萬元)，減少了約人民幣374.9百萬元。整體毛利率由去年的79.5%輕微下跌至年內的77.7%。毛利率下降主要由於重點監控藥品目錄的藥品銷售減少，而該等藥品利潤較高。

其他收益 – 淨額

年內其他收益 – 淨額減少約人民幣152.6百萬元至約人民幣249.6百萬元(二零一九年：人民幣402.2百萬元)。此主要乃政府補助較去年減少所致。

Financial Review

Revenue

Under the influence of industry policies and COVID-19 during the Year, revenue of the Group for the Year has decreased by 14.4% to approximately RMB2,464.2 million (2019: RMB2,878.3 million). Among it, income from sales of CCV drugs, which contributed to 56.4% of total revenue, was approximately RMB1,390.2 million (2019: RMB2,342.7 million). It has significantly decreased by 40.7%, approximately RMB952.5 million, whereas the remaining revenue from sales of non-CCV drugs has sharply increased by 100.5% to approximately RMB1,074.0 million (2019: RMB535.6 million). The decreased sales of CCV drug was mainly attributable to the drop in patient flow in hospital during the COVID-19 pandemic and products exclusion from NRDL starting from the second half of last year. For non-CCV drugs, due to strong sales platform, hospital coverage of the drugs has sharply increased.

Cost of sales

Cost of sales of the Group for the Year amounted to approximately RMB549.8 million (2019: RMB589.0 million), accounting for approximately 22.3% of the total revenue.

Gross profit

Gross profit for the Year amounted to approximately RMB1,914.4 million (2019: RMB2,289.3 million). It decreased by approximately RMB374.9 million. Overall gross profit margin slightly decreased from 79.5% for last year to 77.7% for the Year. The lower gross profit margin was resulted from decreased sales of drugs which had better profit margins but were captured in the key-monitored drug lists.

Other gains – net

Other gains – net for the Year decreased by approximately RMB152.6 million to approximately RMB249.6 million (2019: RMB402.2 million). It was mainly due to a decrease in government grants compared with last year.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

終止確認附屬公司的收益

年內終止確認附屬公司的收益約為人民幣72.3百萬元(二零一九年：無)。收益與出售重輝投資有限公司(「重輝」)及騰為投資有限公司(「騰為」)相關。進一步詳情請參閱下文「重大投資收購和出售」一節。

非流動資產之減值虧損

本集團每年進行資產減值評估，倘有事件或改變顯示賬面值可能出現減值時，則會更頻密地進行減值評估。資產賬面值高出其可收回金額之差額確認為減值虧損，可收回金額指資產之公平值減出售成本及使用價值(以較高者為準)。年內並無非流動資產之減值撥備(二零一九年：人民幣3,971.5百萬元)。

分銷開支

年內分銷開支約為人民幣368.8百萬元(二零一九年：人民幣245.4百萬元)，較去年增加約為人民幣123.4百萬元，主要由於繼續擴大及發展市場佔有率。

行政開支

年內行政開支增加3.9%至約人民幣489.8百萬元(二零一九年：人民幣471.6百萬元)，主要由於本集團的間接費用及活動增加。

研發開支

年內研發開支約為人民幣729.2百萬元(二零一九年：人民幣599.0百萬元)，增加21.7%。該增幅主要由於投入更多研發活動。

其他開支

年內其他開支約為人民幣34.1百萬元(二零一九年：人民幣23.7百萬元)。該增加主要乃歸因於所作捐款。

來自持續經營業務之除稅前溢利

年內本集團來自持續經營業務之除稅前溢利約人民幣765.8百萬元(二零一九年：虧損人民幣2,423.0百萬元)。

Gain on derecognition of subsidiaries

Gain on derecognition of subsidiaries for the Year amounted to approximately RMB72.3 million (2019: Nil). The gain was related to disposals of Chonghui Investment Limited (“Chonghui”) and Tengwei Investment Limited (“Tengwei”). For further details, please refer to section headed “Material acquisitions and disposals” below.

Impairment losses on non-current assets

The Group performed impairment testing on assets annually or more frequently if events or change in circumstances indicate that the carrying amount may be impaired. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of the fair value of an asset less costs to sell and value-in-use. During the Year, no impairment on non-current assets was required (2019: RMB3,971.5 million).

Distribution expenses

Distribution expenses for the Year amounted to approximately RMB368.8 million (2019: RMB245.4 million). The increase of approximately RMB123.4 million compared with last year was mainly due to continuing efforts in expanding and developing the market share.

Administrative expenses

Administrative expenses for the Year have increased by 3.9% to approximately RMB489.8 million (2019: RMB471.6 million) as a result of a increase in overheads and activities of the Group.

R&D expenses

R&D expenses for the Year amounted to approximately RMB729.2 million (2019: RMB599.0 million) which represented an increase of 21.7%. It was mainly attributable to more efforts in R&D activities.

Other expenses

Other expenses for the Year amounted to approximately RMB34.1 million (2019: RMB23.7 million). The increase was mainly attributable to donations contributed.

Profit before tax from continuing operations

Profit before tax from continuing operations of the Group for the Year amounted to approximately RMB765.8 million (2019: RMB2,423.0 million of loss).

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

所得稅開支

年內本集團所得稅開支減少24.6%至約為人民幣219.0百萬元(二零一九年：人民幣290.4百萬元)。大幅下降主要由於相對去年應課稅溢利減少。

來自已終止經營業務的年內虧損

來自已終止經營業務的年內虧損約為人民幣34.9百萬元(二零一九年：人民幣44.0百萬元)。此乃與出售重輝及騰為有關。進一步詳情請參閱財務報表附註32。

年內溢利

由於上述因素，年內溢利約為人民幣511.9百萬元(二零一九年：虧損人民幣2,757.3百萬元)。

本公司擁有人應佔溢利

年內本公司擁有人應佔溢利約為人民幣473.4百萬元(二零一九年：虧損人民幣2,753.3百萬元)。本集團於去年確認長期資產(包括商譽、無形資產、使用權益法計算的投資及物業、廠房及設備)減值虧損。

非控股權益應佔溢利

年內非控股權益應佔溢利約為人民幣38.5百萬元(二零一九年：虧損人民幣4.0百萬元)。

流動資金及財務資源

本集團維持穩健的財務狀況。於二零二零年十二月三十一日，本集團現金及現金等價物約為人民幣4,604.0百萬元(二零一九年十二月三十一日：人民幣5,117.1百萬元)。於同日，本集團之銀行借款為約人民幣719.1百萬元(二零一九年十二月三十一日：無)，同時向一家附屬公司非控股股東及一個第三方借款約為人民幣32.0百萬元(二零一九年十二月三十一日：人民幣9.0百萬元)。因此，本集團仍持有現金淨額逾約人民幣3,852.9百萬元(二零一九年十二月三十一日：人民幣5,108.1百萬元)。本集團的負債與權益比率(即借款佔本公司擁有人應佔權益之百分比)為8.2%。

Income tax expense

Income tax expense of the Group for the Year decreased by 24.6% to approximately RMB219.0 million (2019: RMB290.4 million). The significant decrease was mainly attributable to lower taxable profits generated compared with last year.

Loss for the Year from discontinued operations

Loss for the Year from discontinued operations amounted to approximately RMB34.9 million (2019: RMB44.0 million). It was related to disposals of Chonghui and Tengwei. For further details, please refer to note 32 to the financial statements.

Profit for the Year

Due to the aforesaid, profit for the Year amounted to approximately RMB511.9 million (2019: RMB2,757.3 million of loss).

Profit attributable to owners of the Company

Profit attributable to owners of the Company for the Year amounted to approximately RMB473.4 million (2019: RMB2,753.3 million of loss). In last year, the Group recognised impairment losses on long-term assets, including goodwill, intangible assets, investments accounted for using the equity method and property, plant and equipment.

Profit attributable to non-controlling interests

Profit attributable to non-controlling interests for the Year amounted to approximately RMB38.5 million (2019: RMB4.0 million of loss).

Liquidity and financial resources

The Group maintained strong financial position. As at 31 December 2020, the Group's cash and cash equivalents amounted to approximately RMB4,604.0 million (31 December 2019: RMB5,117.1 million). As at the same date, bank borrowings of the Group amounted to approximately RMB719.1 million (31 December 2019: Nil) and borrowings from a non-controlling shareholder of a subsidiary of the Group and a third party amounted to approximately RMB32.0 million (31 December 2019: RMB9.0 million). Accordingly, the Group maintained net cash of over approximately RMB3,852.9 million (31 December 2019: RMB5,108.1 million). The debt-to-equity ratio (that is, a percentage of borrowings over equity attributable to the owners of the Company) is 8.2%.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

本集團一般將多餘現金存入計息銀行賬戶。本集團可能將額外的現金用作短期投資，以獲取較豐厚的回報。因此，本集團與若干銀行機構訂立協定，將額外的現金進行投資。根據已簽訂協定的條款，年內本集團投資總額約為人民幣18,806.6百萬元。本集團進行的投資為短期投資，且主要為向若干國有銀行購買的財務計劃產品。對於上述財務計劃產品，發行該等財務計劃產品的銀行可酌情決定將資金投資於國債、貼現的銀行承兌匯票及商業承兌匯票以及銀行存款等財務工具。於二零二零年十二月三十一日，本集團於綜合財務狀況表確認按公平值計入損益的金融資產合共約人民幣332.7百萬元，其中包括投資本金約人民幣330.0百萬元及利息收入約人民幣2.7百萬元。於本年報告日期，已出售/贖回投資本金總額約為人民幣110.0百萬元。

本集團於二零二零年十二月三十一日有足夠現金。董事認為，本集團並無任何重大資金風險。

In general, the Group places its excess cash into interest-bearing bank accounts. The Group may use extra cash for short-term investments for higher returns. Thus, the Group has entered into agreements with certain banks for surplus fund investment. According to the terms of the agreements signed, the total amount of investment conducted by the Group for the Year was approximately RMB18,806.6 million. The investments made by the Group were short-term in nature and mainly consisted of financial planning products purchased from certain state-owned banks. At their discretion, issuing banks for the abovementioned financial planning products may invest in financial instruments such as government bonds, discounted bank acceptance bills and commercial acceptance bills and bank deposits. As at 31 December 2020, the Group recognised total financial assets at fair value through profit or loss of approximately RMB332.7 million, comprising principal of investment of approximately RMB330.0 million and approximately RMB2.7 million of interest income, in the consolidated statement of financial position. As at the date of this annual report, total amount of sold/redeemed investment principal amounted to approximately RMB110.0 million.

The Group had sufficient cash as at 31 December 2020. The Directors are of the opinion that the Group does not have any significant capital risk.

		於十二月三十一日	
		As at 31 December	
		二零二零年	二零一九年
		2020	2019
		人民幣千元	人民幣千元
		RMB'000	RMB'000
現金及現金等價物	Cash and cash equivalents	4,604,041	5,117,143

存貨

於二零二零年十二月三十一日，存貨金額約為人民幣495.9百萬元（二零一九年十二月三十一日：人民幣409.6百萬元）。年內存貨周轉期為296日（二零一九年十二月三十一日：217日）。存貨週期增加是由於保留更多藥品成分以供內部生產需求所致。

Inventories

As at 31 December 2020, inventories amounted to approximately RMB495.9 million (31 December 2019: RMB409.6 million). The inventory turnover period for the Year was 296 days (31 December 2019: 217 days). The increase was attributable to more pharmaceutical ingredients kept for internal production demand.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

貿易及其他應收賬款

本集團的貿易應收賬款及應收票據包括其分銷商支付產品的信貸銷售款。本集團的其他應收賬款主要包括預付供應商款項及應收關聯方款項。於二零二零年十二月三十一日，本集團的貿易及其他應收賬款約為人民幣971.5百萬元(二零一九年十二月三十一日：人民幣630.1百萬元)。該增加主要由於應收第三方款項所致。

物業、廠房及設備

本集團的物業、廠房及設備包括樓宇、生產及電子設備、汽車及在建工程。於二零二零年十二月三十一日，物業、廠房及設備的賬面淨值為約人民幣3,053.3百萬元(二零一九年十二月三十一日：人民幣2,731.0百萬元)。年內增加主要由於現有生產廠房擴建及購置新設備。

商譽

本集團的商譽來自收購附屬公司。於二零二零年十二月三十一日，商譽的賬面淨值約為人民幣12.3百萬元(二零一九年十二月三十一日：無)。

無形資產

本集團的無形資產主要包括客戶關係、遞延開發成本、進行中產品開發以及商標及軟件。遞延開發成本及進行中產品開發主要指收購若干藥品研發項目與其自主開發的研發項目。於二零二零年十二月三十一日，無形資產淨值為約人民幣505.6百萬元(二零一九年十二月三十一日：人民幣480.0百萬元)。

貿易及其他應付賬款

本集團的貿易及其他應付賬款主要包括貿易應付賬款、應付按金、應計開支及其他應付賬款。於二零二零年十二月三十一日，貿易及其他應付賬款約為人民幣1,830.2百萬元(二零一九年十二月三十一日：人民幣1,905.8百萬元)。減少約人民幣75.6百萬元乃主要歸因於應付分銷商的應計補償大幅減少，抵銷了應付存貨採購供應商款項及收購附屬公司應付賬款的增加。

Trade and other receivables

The Group's trade receivables and notes receivable include credit sales of its products to be paid by its distributors. Other receivables of the Group mainly consist of prepayments to suppliers and amounts due from related parties. As at 31 December 2020, the Group's trade and other receivables were approximately RMB971.5 million (31 December 2019: RMB630.1 million). The increase was mainly due to amounts due from third parties.

Property, plant and equipment

The Group's property, plant and equipment include buildings, production and electronic equipment, vehicles and construction in progress. As at 31 December 2020, the net book value of the property, plant and equipment was approximately RMB3,053.3 million (31 December 2019: RMB2,731.0 million). The increase was mainly attributable to expansion of existing factories and purchase of new equipment.

Goodwill

The Group's goodwill arose from the acquisitions of subsidiaries. As at 31 December 2020, the net carrying amount of goodwill was approximately RMB12.3 million (31 December 2019: Nil).

Intangible assets

The Group's intangible assets mainly comprise customer relationship, deferred development costs, product development in progress and trademark and software. The deferred development costs and product development in progress mainly related to the acquisition of several drug R&D projects and self-development of R&D projects. As at 31 December 2020, net intangible assets amounted to approximately RMB505.6 million (31 December 2019: RMB480.0 million).

Trade and other payables

The Group's trade and other payables mainly consist of trade payables, deposit payables, accrued expenses and other payables. As at 31 December 2020, trade and other payables amounted to approximately RMB1,830.2 million (31 December 2019: RMB1,905.8 million). The decrease of approximately RMB75.6 million was mainly attributable to a significant reduction in accrued reimbursement to distributors, netting off increase in payables for both inventory procurement suppliers and acquisitions of subsidiaries.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

或然負債

於二零二零年十二月三十一日，本集團概無任何重大或然負債(二零一九年十二月三十一日：無)。

資產負債表外承擔及安排

於二零二零年十二月三十一日，本集團並無訂立任何資產負債表外安排或承擔為任何第三方的任何付款責任提供擔保。本集團並無在任何非綜合實體(為本集團提供融資或流動資金、或引致市場風險或提供信貸支援、或從事提供租賃或對沖或研發服務)擁有任何可變權益。

資本承擔

於二零二零年十二月三十一日，本集團的資本承擔總額約為人民幣712.5百萬元，主要預留作購買物業、廠房及設備以及無形資產。

信貸風險

信貸風險來自現金及現金等價物、貿易應收賬款、理財產品及其他應收賬款。

所有現金等價物及銀行存款均存放於中國若干信譽良好的金融機構及中國內地以外的優質國際金融機構。所有該等不可撤回銀行票據(分類為應收票據)均由中國具備高信貸評級的銀行發出。近期並無有關該等金融機構的現金等價物及銀行存款欠款記錄。

本集團並無有關貿易應收賬款信貸風險高度集中的情況，並設有政策確保於與客戶協定相關銷售訂單後收取若干現金墊款。對於獲授信貸期的客戶而言，本集團會考慮有關對方的財務狀況、信貸記錄及其他因素評估其信貸質素。並會採取若干監控程序，確保採取適當跟進行動以收回逾期債務。本集團根據具有近似信貸風險的貿易應收賬款群組的過往數據及現金收回記錄定期對彼等進行賬齡分析、評估信貸風險及估計應收款項情況。

Contingent liabilities

As at 31 December 2020, the Group had no material contingent liabilities (31 December 2019: Nil).

Off-balance sheet commitments and arrangements

As at 31 December 2020, the Group had neither entered into any off-balance sheet arrangements nor commitments to provide guarantees for any payment obligations with any third party. The Group did not have any variable interests in any unconsolidated entities which provide financing or liquidity funding, or generate market risk or provide credit support, or engage in the provision of leasing or hedging or R&D services to the Group.

Capital commitment

As at 31 December 2020, the Group's total capital commitment was approximately RMB712.5 million. It was mainly set aside for purchase of property, plant and equipment and intangible assets.

Credit risk

Credit risk arises from cash and cash equivalents, trade receivables, wealth management products and other receivables.

All the cash equivalents and bank deposits are placed in certain PRC reputable financial institutions and high-quality international financial institutions outside Mainland China. All those irrevocable bank bills, classified as notes receivable, are issued by banks in the PRC with high credit rating. There was no recent history of default of cash equivalents and bank deposits in relation to these financial institutions.

In relation to trade receivables, the Group has no significant concentrations of credit risk and has policies in place to ensure that certain cash advance has been received upon the agreement of the related sales orders with customers. For those with credit periods granted, the credit quality of the counterparties is assessed by taking into account their financial position, credit history and other factors. It also undertakes certain monitoring procedures to ensure that proper follow-up action is taken to recover overdue debts. The Group regularly performs ageing analysis, assesses credit risks and estimates the recoverability of groups of trade receivables bearing similar credit risk based on historical data and cash collection history.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

理財產品是由中國若干信譽良好的銀行機構發行的銀行金融產品。近期並無欠款記錄，故執行董事認為，與投資有關的信貸風險屬於低。

就其他應收賬款而言，本集團會考慮債務人的財務狀況、與本集團的關係、信貸記錄及其他因素評估其信貸質素。管理層亦會定期檢討該等其他應收賬款的收回情況，並跟進有關糾紛或逾期金額（如有）。執行董事認為對方的拖欠情況屬於低。

概無其他金融資產承擔重大信貸風險。

外匯風險

本集團的功能貨幣為人民幣及金融工具主要以人民幣計值。本集團主要在香港及中國內地經營業務。除相關實體的功能貨幣外，由於外幣交易有限，故本集團概無重大外匯風險。本集團將不時密切留意有關之匯兌風險。

於年內，本集團概無購買任何外匯、利率衍生產品或相關對沖工具。

庫務政策

本集團主要以自有內部資源為其日常經營業務提供所需資金。

本集團資本管理的主要目標為保持按持續基準經營之能力。本集團定期審閱其資本架構，以確保本集團的財務資源足以支撐其業務營運。

資本開支

本集團的資本開支主要包括購買物業、廠房及設備、預付土地租賃付款及無形資產。於年內，本集團的資本開支約為人民幣580.6百萬元，其中購買物業、廠房及設備及購買或自研無形資產的開支分別約為人民幣506.6百萬元及人民幣74.0百萬元。於年內，本集團研發投入的資本開支約為人民幣280.8百萬元，其中物業、廠房及設備的開支約為人民幣214.6百萬元。餘額約人民幣66.2百萬元與購買及自研無形資產有關。

Wealth management products are the bank financial products issued by certain PRC reputable banking institutions. There was no recent history of default and the executive Directors are of the opinion that the credit risk related to the investments is low.

In relation to other receivables, the credit quality of the debtors is assessed by taking into account their financial position, relationship with the Group, credit history and other factors. Management will also regularly review the recoverability of these other receivables and follow up the disputes or amounts overdue, if any. The executive Directors are of the opinion that the default by counterparties is low.

No other financial assets bear a significant exposure to credit risk.

Foreign exchange risk

The Group's functional currency is RMB and financial instruments are mainly denominated in RMB. The Group mainly operates in the Hong Kong and Mainland China. The Group has no significant foreign exchange risk due to limited foreign currency transactions other than the functional currencies of respective entities. The Group would closely monitor this risk exposure from time to time.

During the Year, the Group did not purchase any foreign exchange, interest rate derivative products or relevant hedging tools.

Treasury policy

The Group finances its ordinary operations mainly with internally generated resources.

The principle objective of the Group's capital management is to sustain its ability to continue as a going concern. The Group regularly reviews its capital structure to ensure that the Group has sufficient financial resources to support its business operations.

Capital expenditure

The Group's capital expenditure mainly includes purchase of property, plant and equipment, prepaid land lease payments and intangible assets. For the Year, the Group's capital expenditure amounted to approximately RMB580.6 million, of which approximately RMB506.6 million and RMB74.0 million were spent on property, plant and equipment and purchase or in-house development of intangible assets, respectively. For the Year, the Group's investment in capital expenditure for R&D amounted to approximately RMB280.8 million, of which approximately RMB214.6 million was spent on property, plant and equipment. The remaining approximately RMB66.2 million related to, the purchase of, and self-development of intangible assets.

管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

重大投資收購和出售

- (a) 年內，本集團以總代價人民幣79.3百萬元收購北京聯本科技發展有限公司及北京聯本醫藥化學技術有限公司的100%股權，吉林遨通化工有限公司的100%股權以及吉林佳輝化工有限公司的60%股權。進一步詳情請參閱財務報表附註38。
- (b) 於二零二零年五月三日，耀忠國際(香港)有限公司和關聯方訂立買賣協議，以出售重輝及騰為。本公司已分別於二零二零年五月三日公佈相關出售事項，於二零二零年五月二十九日刊發通函，並於二零二零年六月十五日獲本公司獨立股東批准。總代價(不包括股東借款)約為306.7百萬港元(相等於人民幣279.6百萬元)。進一步詳情請參閱財務報表附註39。

資產抵押

於二零二零年十二月三十一日，本集團已將若干資產作為抵押，以便附屬公司取得銀行借款融資。進一步詳情請參閱財務報表附註25。

人力資源及僱員薪金

人力資源是本集團在充滿挑戰的環境中得以成功的不可或缺資產。本集團致力為全體僱員提供具競爭力的薪酬待遇，定期檢討人力資源政策，以鼓勵僱員努力提升本公司價值及促進本公司的可持續增長。

於二零二零年十二月三十一日，本集團僱用員工4,354人，本集團年內的薪金總額及相關成本約為人民幣591.5百萬元(二零一九年：人民幣555.4百萬元)。

Material acquisitions and disposals

- (a) During the Year, the Group acquired 100% equity interest in both Beijing Lianben Technology Development Co., Ltd. and Beijing Lianben Pharmaceutical Chemical Technology Co., Ltd., 100% equity interest in Jilin Aotong Chemical Co., Ltd. and 60% equity interest in Jilin Jiahui Chemical Co., Ltd. for a total consideration of RMB79.3 million. For further details, please refer to note 38 to the financial statements.
- (b) On 3 May 2020, Sun Moral International (HK) Limited entered into sale and purchase agreements with connected parties to dispose of Chonghui and Tengwei. The disposals were announced by the Company on 3 May 2020, with a circular published on 29 May 2020 and approved by the independent shareholders of the Company on 15 June 2020, respectively. The consideration, excluding shareholder's loan, is approximately HK\$306.7 million (equivalent to RMB279.6 million). For further details, please refer to note 39 to the financial statements.

Pledge of assets

As at 31 December 2020, the Group pledged certain assets to secure banking facilities granted to subsidiaries. For further details, please refer to note 25 to the financial statements.

Human resources and remuneration of employees

Talents are an indispensable asset to the Group's success in a competitive environment. The Group is committed to providing competitive remuneration packages and regularly reviewing human resources policies, to encourage employees to work towards enhancing the value of the Company and promoting the sustainable growth of the Company.

As at 31 December 2020, the Group had 4,354 employees. For the Year, the Group's total salary and related costs was approximately RMB591.5 million (2019: RMB555.4 million).

執行董事

車馮升醫生，59歲，為執行董事及本公司主席（「主席」），於二零零六年五月十八日獲委任為董事會成員。彼為本集團的共同創辦人，車醫生負責本集團的整體管理、策略規劃及業務發展，自其於二零零一年成立起負責本集團發展及拓展業務。在本集團成立之前，車醫生擁有逾八年醫生/神經科醫生執業經驗，並在藥品的銷售及行銷以及醫藥公司管理方面擁有逾二十年經驗。一九九七年至二零零一年，車醫生為海南康通醫藥有限公司總經理，負責該公司的整體管理。一九九五年至一九九七年，車醫生為深圳市新藥特藥有限公司的副總經理及營銷副經理，負責該公司業務的營銷及整體管理。一九九三年至一九九五年，車醫生為深圳市健安醫藥公司的產品推廣經理及華東地區經理，負責銷售及營銷。一九九一年至一九九三年，車醫生擔任廣州市第一軍醫大學珠江醫院的神經科醫生主任及講師。車醫生由一九八四年至一九九一年分別於中國西安市第四軍醫大學及中國西安市西京醫院第四軍醫大學任神經科醫生及助理講師。車醫生曾擔任若干委員會及協會的副主席，包括中國政策科學培訓中心、中國藥物經濟學雜誌社及海南省企業家協會。車醫生亦為海南省企業家協會食品藥業工作委員會的副主任及中國企業改革發展研究院指定研究員。於二零零六年，彼獲海南省商業聯合會、海南省工業經濟聯合會及海南省工商業十大領軍人物十大新銳人物評委會授予「首屆海南省工商業十大新銳人物」稱號。二零一零年至二零一一年擔任全國工商聯醫藥業商會副會長。二零一二年獲中國生命科學業安永企業家獎。二零一四年為全國五一勞動獎章獲得者。二零一四年擔任北京生物工程學會第四屆理事。二零一五年獲全國勞動模範。於一九八四年及一九九零年，車醫生分別於中國西安第四軍醫大學獲得航空醫學學士學位及神經醫學碩士學位。於一九九九年，彼亦獲中歐國際工商管理學院工商管理碩士學位。

EXECUTIVE DIRECTORS

Dr. Che Fengsheng, aged 59, is our executive Director and chairman of the Company (the "Chairman") and was appointed to the Board on 18 May 2006. He is a co-founder of the Group and is responsible for the overall management, strategic planning and business development of the Group and is instrumental to the Group's growth and business expansion since its establishment in 2001. Prior to the Group's establishment, Dr. Che had more than 8 years of experience as a medical doctor/neurologist and 20 years of experience in the sales and marketing of pharmaceutical products and the management of pharmaceutical companies. From 1997 to 2001, Dr. Che was general manager of Hainan Kang Tong Pharmaceutical Co., Ltd where he was in charge of the company's overall management. From 1995 to 1997, Dr. Che was the assistant general manager and vice manager (marketing) of Shenzhen City New Special Pharmaceutical Products Co., Ltd. where he was responsible for the marketing and overall management of the company's business. Between 1993 and 1995, Dr. Che was the product promotions manager of Shenzhen City Healthcare Pharmaceutical Company and East China Regional manager, in charge of sales and marketing. From 1991 to 1993, Dr. Che held the position of chief neurologist and lecturer in First Military Medical University, Zhu Jiang Hospital, Guangzhou City, PRC. Dr. Che was a neurologist and an assistant lecturer at the Fourth Military Medical University in Xi'an City, PRC and at the Fourth Military Medical University, Xi Jing Hospital in Xi'an City, PRC from 1984 to 1991 respectively. Dr. Che was the vice-chairman of several committees and associations including, China Political Science Training Centre, China Medical Economics Magazine Board and the Hainan Entrepreneurs Association. Dr. Che is also a deputy supervisor of the Hainan Food and Drug Working Committee in the Hainan Entrepreneurs Association as well as a specially appointed research member of the China Enterprise Reform and Development Research Institute. In 2006, he was named as one of the Top 10 New and Enterprising Businessmen in Hainan Province by the Hainan Province Commerce Association, the Hainan Industry & Economics Association and the Evaluation Committee of Top 10 Leading Businessmen and Top 10 New and Enterprising Businessmen in Industry and Commerce in Hainan. He was vice chairman of the Medical Pharmaceutical Chamber of the All-China Federation of Industry and Commerce from 2010 to 2011. He won the Ernst & Young Entrepreneur Award for Life Science Industry of China in 2012. He was awarded the National Labour Day Medal in 2014. He was appointed director for the Fourth Session of the Board of the Society of Biotechnology in Beijing in 2014. He was recognised as the National Labour Model in 2015. Dr. Che received his Bachelor of Medicine (Aviation) and Master of Medicine (Neurology) from the Fourth Military Medical University, Xi'an City, PRC, in 1984 and 1990 respectively. He also received an Executive Master of Business Administration from China Europe International Business School in 1999.

董事履歷

BIOGRAPHICAL DETAILS OF DIRECTORS

郭維城醫生，57歲，為執行董事、副主席兼本公司行政總裁。他於二零零六年五月十八日獲委任為董事會成員及為本集團的共同創辦人。郭醫生負責本集團的整體營運、營銷及我們的研發活動，專注於策略規劃，特別是合併與收購及產品合作方面。於二零零七年我們收購深圳四環醫藥有限公司後，彼亦負責其整體營運。自我們於二零零一年成立以來，郭醫生幫助本集團發展及擴展業務。在我們成立之前，郭醫生擔任外科醫生擁有逾四年經驗，並在藥品銷售及行銷方面擁有逾二十年經驗。一九九二年至一九九三年，郭醫生在廣州軍區177醫院擔任外科主任。一九八六年至一九八九年，郭醫生在中國西安市第四軍醫大學任外科醫生及助理講師。於一九八六年及一九九二年，郭醫生分別於中國西安市第四軍醫大學獲醫學學士學位及外科醫學碩士學位。

張炯龍醫生，59歲，為執行董事，負責為處理集團各投資、收購兼併專案。於二零零五年加入本集團，於二零零六年五月十八日獲委任為董事會的非執行董事，直至二零一七年十二月八日。張醫生擁有逾十年任醫生經驗。一九八三年至一九九二年，張醫生在中國深圳市最大醫院之一深圳市人民醫院擔任醫生。張醫生於一九八三年獲汕頭醫學專科學院（現稱為汕頭大學醫學院）醫療研究生證書。於一九九二年，張醫生獲深圳市職稱改革領導小組授予主任醫生專業職銜。

Dr. Guo Weicheng, aged 57, is our executive Director, deputy chairman and chief executive officer of the Company. He was appointed to our Board on 18 May 2006 and is a co-founder of the Group. Dr. Guo is responsible for the overall operations of the Group, sales and marketing and our R&D activities, with a focus on strategic planning, particularly in relation to mergers and acquisitions and product collaborations. He has also become responsible for Shenzhen Sihuan's Pharmaceutical Co., Ltd. overall operations after it was acquired in 2007. Dr. Guo is instrumental to the Group's growth and business expansion since our establishment in 2001. Prior to our establishment, Dr. Guo had more than 4 years of experience as a general surgeon and more than 20 years of experience in the sales and marketing of pharmaceutical products. From 1992 to 1993, Dr. Guo held the position of chief surgeon in Guangzhou Military 177 Hospital. Dr. Guo was a surgeon and assistant lecturer at the Fourth Military Medical University, Tang Du Hospital, Xi'an City, PRC from 1986 to 1989. Dr. Guo received his Bachelor of Medicine and Master of Medicine (General Surgery) from the Fourth Military Medical University, PRC in 1986 and 1992, respectively.

Dr. Zhang Jionglong, aged 59, is our executive Director. He is in charge of the Group's investment and mergers and acquisitions. He joined the Group in 2005 and was first appointed to the Board as a non-executive Director on 18 May 2006 until 8 December 2017. Dr. Zhang has more than 10 years of experience as a medical doctor. From 1983 to 1992, Dr. Zhang worked as a medical doctor in Shenzhen City People's Hospital, one of the largest hospitals in Shenzhen City, PRC. Dr. Zhang obtained a Graduate Certificate in Medical Treatment from Shantou Medical College, PRC (汕頭醫學專科學院 (now known as Shantou University Medical College (汕頭大學醫學院))) in 1983. In 1992, Dr. Zhang was conferred the professional title of Chief Physician by the Shenzhen City Title Conferment Reform Leadership Group (深圳市職稱改革領導小組).

董事履歷 BIOGRAPHICAL DETAILS OF DIRECTORS

蔡耀忠先生，47歲，為執行董事，首席財務官兼其中一位聯席公司秘書，於二零一七年十二月八日獲委任為董事會成員。蔡先生於二零零六年加入本集團，負責監察及管理本集團的會計及財務部。在加入本集團之前，蔡先生在上市公司以及德勤累計多年財務會計經驗。蔡先生於一九九七年取得新西蘭Nelson Polytechnic(現稱Nelson Marlborough Institute of Technology)的工商(會計)學士學位。彼為英國特許管理會計師公會成員，亦為新加坡會計師協會成員。在過去三年中，蔡先生並無在任何上市公司擔任任何董事職務。

陳燕玲女士，43歲，為執行董事及集團董事會秘書處負責人，主要職責為管理所有董事會相關事宜。於二零零六年三月加入本集團，至今已服務本集團十五年，自二零零六年起加入本集團，擔任本集團董事長助理，協助管理董事會秘書處以及海南四環醫藥有限公司，負責集團上市日常管理以及投資者管理等工作。加入本集團之前，二零零一年就職廣州市旅遊局問詢中心，任職英文翻譯。二零零二年就職於葉氏油墨(中山)有限公司，任職總經理助理，負責總經理辦公室之日常管理以及企業宣傳工作。二零零四年就職於廣州文化傳信有限公司，總裁助理，負責總裁辦公室之日常管理、企業策劃費用預算制訂和執行，媒介資源的整和開發及維護等工作。

Mr. Choi Yiau Chong, aged 47, is our executive Director, chief financial officer and one of the joint company secretaries and was appointed to the Board on 8 December 2017. Mr. Choi joined the Group in 2006 and is responsible for overseeing and managing the accounting and finance functions of the Group. Prior to joining the Group, Mr. Choi gained his finance and accounting experience at listed companies and Deloitte. Mr. Choi received a Bachelor of Commerce (Accounting) from Nelson Polytechnic (now known as Nelson Marlborough Institute of Technology), New Zealand in 1997. He is a member of the Chartered Institute of Management Accountants (UK) and also a member of the Institute of Certified Public Accountants of Singapore. Mr. Choi did not hold any directorship in any listed public companies during the past three years.

Ms. Chen Yanling, aged 43, is our executive Director and the person in charge of the secretariat of the Group's Board of Directors. Her main responsibilities are to manage all matters relating to the board of directors. She joined the Group in March 2006 and has served in the Group for 15 years. Since joining the Group in 2006, she has been working as an assistant to the Chairman of the Group assisting in managing the board secretariat and Hainan Sihuan Pharmaceutical Co., Ltd. She is in charge of the listing, daily management and investor relationship of the Group, etc. Prior to joining the Group, she worked as an English translation officer at the information centre of Guangzhou Tourism Bureau in 2001. In 2002, she worked as an assistant to general manager at Yip's Ink & Chemicals (Zhongshan) Company Ltd. (葉氏油墨(中山)有限公司) and was in charge of the daily management of the general manager's office as well as planning and promotion. In 2004, she worked as an assistant to the president of Guangzhou Culturecom Company Ltd. (廣州文化傳信有限公司) and was in charge of the daily management of the president's office, planning and budgeting, media resources integration and development, maintenance, etc.

董事履歷

BIOGRAPHICAL DETAILS OF DIRECTORS

非執行董事

金鎮夏先生，54歲，為非執行董事，於二零一七年十二月八日獲委任為董事會成員。現任三諾數碼集團有限公司董事。金先生於二零零一年創立專門投資中韓兩地公司之領先私募股權基金Lindeman Asia Investment Corporation (「Lindeman」)。金先生自二零零一年起擔任Lindeman之首席執行官。Lindeman於二零一八年三月十四日於韓國證券交易所韓國證券交易商自動報價系統排牌(KOSDAQ: 277070)。自上市以來，金先生為Lindeman的主席。創立Lindeman前，金先生於一九九四年至二零零一年為元大證券韓國有限公司(Yuanta Securities Korea Co., Ltd，前稱東陽證券有限公司(Tong Yang Securities Inc.)) (一家於韓國證券交易所上市之公司)(KRX: 003470)中國部部長。金先生分別於一九九零年及一九九二年在首爾國立大學取得中文及文學研究文學士及碩士學位，並於一九九九年獲中歐國際工商學院(CEIBS)頒授工商管理士碩士學位。於二零一七年六月至二零一八年二月，金先生曾擔任科通芯城集團(股份代號：400)(於聯交所上市)的非執行董事。

NON-EXECUTIVE DIRECTOR

Mr. Kim Jin Ha, aged 54, is our non-executive Director and was appointed to the Board on 8 December 2017. He is currently serving as a director of 3NOD Digital Group Co., Ltd. Mr. Kim founded Lindeman Asia Investment Corporation (“Lindeman”) in 2001, a leading private equity fund in Korea which specializes in investing in Korean-Chinese companies. Mr. Kim has been serving as Lindeman’s chief executive officer since 2001. Lindeman was listed on the Korea Securities Dealers Automated Quotations of the Korea Exchange (KOSDAQ: 277070) on 14 March 2018. Mr. Kim is the Chairman of Lindeman since listed. Prior to founding Lindeman, Mr. Kim was the head of the China division with Yuanta Securities Korea Co., Ltd (KRX: 003470) (formerly known as Tong Yang Securities Inc.), a company listed on Korea Exchange, from 1994 to 2001. Mr. Kim obtained his Bachelor and Master of Arts degrees in Chinese Language and Literature from Seoul National University in 1990 and 1992, respectively, and was awarded an MBA degree by China Europe International Business School (CEIBS) in 1999. Mr. Kim previously served as a non-executive director of Cogobuy Group (stock code: 400) (listed on the Stock Exchange) from June 2017 to February 2018.

獨立非執行董事

辛定華先生，62歲，為獨立非執行董事，於二零一零年十月七日獲委任加入董事會。辛先生現任崑崙能源有限公司(股份代號：135)的獨立非執行董事(於聯交所上市)。辛先生現在亦任中國中車股份有限公司(股份代號：SH601766及HK1766)及中國鐵建股份有限公司(股份代號：SH601186及HK1186)獨立非執行董事(該等公司於上海證券交易所及聯交所上市)。彼亦曾擔任中國鐵路通信信號股份有限公司(股份代號：3969)，中國泰凌醫藥集團有限公司(股份代號：1011)及利邦控股公司(股份代號：891)的獨立非執行董事(該等公司均於聯交所上市)。彼曾於二零一三年至二零一五年任香港上市公司商會有限公司主席。彼曾擔任證券及期貨交易所轄下收購及合併委員會及收購上訴委員會委員、上市委員會副召集人/主席和聯交所理事會理事。彼曾任摩根大通香港地區高級主管兼投資銀行部主管及怡富控股有限公司的集團執行董事兼中華區投資銀行業務主管。辛先生於一九八一年畢業於美國賓夕法尼亞大學沃頓商學院，獲頒經濟理學學士學位。辛先生為英國特許會計師公會及香港會計師公會資深會員。

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Patrick Sun, aged 62, is an independent non-executive Director and was appointed to the Board on 7 October 2010. Mr. Sun is currently an independent non-executive director of Kunlun Energy Company Limited (stock code: 135) listed on the Stock Exchange. Mr. Sun is currently also an independent non-executive CRR Corporation Limited (stock code: SH601766 and HK1766) and China Railway Construction Corporation Limited (Stock code: SH601186 and HK1186), both of which are listed on the Shanghai Stock Exchange and the Stock Exchange. He also previously served as an independent non-executive director of China Railway Signal & Communication Corporation Limited (stock code: 3969), China NT Pharma Group Company Limited (stock code: 1011) and Trinity Limited (stock code: 891) (all of which are listed on the Stock Exchange). He was formerly the chairman of the Chamber of Hong Kong Listed Companies from 2013 to 2015. He was a member of the Takeovers & Mergers Panel and the Takeovers Appeal Committee of the Securities and Futures Exchange, Deputy Convenor/Chairman of the Listing Committee and a member of the Council of the Stock Exchange. He was previously the Senior Country Officer and Head of Investment Banking for Hong Kong of JPMorgan Chase, group executive director and Head of Investment Banking for Greater China at Jardine Fleming Holdings Limited. Mr. Sun graduated from the Wharton School of the University of Pennsylvania, United States with a Bachelor of Science degree in Economics in 1981. Mr. Sun is a fellow of the Chartered Association of Certified Accountants, United Kingdom, and a fellow of the Hong Kong Institute of Certified Public Accountants.

董事履歷

BIOGRAPHICAL DETAILS OF DIRECTORS

曾華光先生，69歲，為獨立非執行董事，於二零一三年九月四日獲委任為董事會成員。加入本集團前，曾先生為香港及中國羅兵咸永道會計師事務所前合夥人。彼於審核及在首次公開發售和收購交易提供支援方面積逾三十年經驗。曾先生現為多間公司的獨立非執行董事，包括招商局中國基金有限公司(股份代號：133)、東江集團(控股)有限公司(股份代號：2283)及華夏文化科技集團有限公司(股份代號：1566)(該等公司均於聯交所上市)。曾先生現為HUYA Inc.(該公司於紐約證券交易所上市，紐交所股票代碼：HUYA)的獨立董事。曾先生於二零一一年八月至二零一七年十月曾擔任Agria Corporation(曾於紐約證券交易所上市)的獨立董事。於二零一四年十二月至二零一七年十月曾擔任新西蘭證券交易所上市公司PGG Wrightson Limited的董事及於二零一六年二月至二零二零年三月曾擔任平安證券集團(控股)有限公司(股份代號：231)(該等公司均於聯交所上市)的獨立非執行董事。曾先生獲香港中文大學工商管理學士學位。彼為香港會計師公會資深會員、中國註冊會計師協會會員及英國特許公認會計師公會資深會員。

朱迅博士，63歲，為獨立非執行董事，於二零一四年二月二十日獲委任為董事會成員。朱博士為長春市人，一九九五年至二零零零年曾任白求恩醫科大學副校長、二零零零年至二零零三年任長春市政府副秘書長、二零零四年至二零零六年任長春市政府市長特別助理等。加入本集團前，朱博士於醫藥行業擁有逾二十多年經驗。現任同寫意新藥英才俱樂部理事長、藥渡戰略總師、貝殼大學名譽校長等。現兼任尚城資本特聘醫藥專家、深圳微芯生物獨立董事、長春金賽藥業、深圳奧薩醫藥高級顧問等。

Mr. Tsang Wah Kwong, aged 69, is our independent non-executive Director and was appointed to the Board on 4 September 2013. Prior to joining the Group, Mr. Tsang was a former partner of PricewaterhouseCoopers in Hong Kong and China. He has over 30 years of experience in auditing and providing support for initial public offerings and acquisition transactions. Mr. Tsang is currently an independent non-executive director of a number of companies, including China Merchants China Direct Investments Limited (stock code: 133), TK Group (Holdings) Limited (stock code: 2283) and CA Cultural Technology Group Limited (stock code: 1566) (all of which are listed on the Stock Exchange). Mr. Tsang is currently an independent director of HUYA Inc (which is listed on the New York Stock Exchange) (NYSE: HUYA). Mr. Tsang was an independent director of Agria Corporation (formerly listed on the New York Stock Exchange) from August 2011 to October 2017, a director of PGG Wrightson Limited (a company listed on the New Zealand Stock Exchange) from December 2014 to October 2017 and Ping An Securities Group (Holdings) Limited (stock code: 231) from February 2016 to March 2020 (both of which is listed on the Stock Exchange). Mr. Tsang received a bachelor degree in business administration from the Chinese University of Hong Kong. He is a fellow member of the Hong Kong Institute of Certified Public Accountants, a member of the Chinese Institute of Certified Public Accountants and a fellow member of the Chartered Association of Certified Accountants.

Dr. Zhu Xun, aged 63, is an independent non-executive Director and was appointed as a member of the Board on 20 February 2014. Dr. Zhu is a native of Changchun City. From 1995 to 2000, he served as the vice principal of Norman Bethune University of Medical Science. From 2000 to 2003, he served as deputy secretary general of the Changchun Municipal Government and from 2004 to 2006, he served as special assistant to the mayor of Changchun Municipal Government. Prior to joining the Group, Dr. Zhu has over 20 years of experience in the pharmaceutical industry. He is currently the Chairman of the Board of Directors of the Tongxiei New Drugs Talent Club* (同寫意新藥英才俱樂部), the Chief of Medicine and Strategy* (藥渡戰略), and the Honorary Principal of Shell University* (貝殼大學). He is also a special medical expert of Advantech Capital Investment* (尚城資本), an independent director of Shenzhen ChipScreen BioS (深圳微芯生物), a senior consultant of Changchun Jinsai Pharmaceutical* (長春金賽藥業), and Shenzhen Osa Pharmaceutical* (深圳奧薩醫藥).

* For identification purposes only

* 僅供識別

董事履歷 BIOGRAPHICAL DETAILS OF DIRECTORS

朱博士於二零零一年創建長春醫藥生物技術中心並擔任中心主任，同年創業建立長春博迅生物技術公司，並任董事長；二零零三年獲得英國上市公司國泰國際控股800萬美元的創業資金支持，創建了長春博泰並擔任首席執行官，直至二零一零年止。

朱博士先後擔任國家新藥諮詢委員會成員、國家自然科學基金委員會生命科學部專家評審組成員、國家發改委生物技術專家諮詢組成員、國家科技部中小企業技術創新基金評審委員、中華醫學科學獎評審委員會委員、中國實驗診斷雜誌創始主編、藥學進展雜誌副主編、中國腫瘤生物治療雜誌編委、中國免疫學雜誌編委等。

聯席公司秘書

蔡耀忠先生，為我們的執行董事，首席財務官兼聯席公司秘書。蔡先生的履歷請參閱本節「執行董事」。

莫明慧女士，為我們的聯席公司秘書。莫女士於二零一三年十二月被任命。莫女士為卓佳專業商務有限公司企業服務執行董事。莫女士擁有逾二十五年公司秘書方面的專業及內部經驗。她為香港特許秘書公會和英國特許秘書及管理人員公會的資深會員。

Dr. Zhu founded Changchun Medical Biotechnology Center* (長春醫藥生物技術中心) in 2001 as the supervisor of the center. In the same year, he founded Changchun Boxun Biotechnology Co., Ltd.* (長春博迅生物技術公司) and served as the chairman of the board. Funded with 8 million US dollars from the British listed company Cathay International Pharmaceutical Limited in 2003, Dr. Zhu founded Changchunbotai* (長春博泰) as Chief Executive Officer until 2010.

Dr. Zhu has served as a member of the National New Drug Advisory Committee* (國家新藥諮詢委員會), the expert review group of the Life Science Division of the National Natural Science Foundation of China (國家自然科學基金委員會生命科學部專家評審組成員), member of the expert advisory group in Biotechnology of the National Development and Reform Commission (國家發改委生物技術專家諮詢組成員), member of the review group of the Innovation Fund for SMEs of the Ministry of Science and Technology of the PRC (國家科技部中小企業技術創新基金評審委員) and a member of the China Medical Science Awards Committee* (中華醫學科學獎評審委員會委員), the founding editor of the Chinese Journal of Experimental Diagnostics* (中國實驗診斷雜誌創始主編), the deputy editor of the Journal of Pharmaceutical Progress* (藥學進展雜誌副主編), the editorial board of the Chinese Journal of Cancer Biotherapy* (中國腫瘤生物治療雜誌編委), and the editorial board of the Chinese Journal of Immunology* (中國免疫學雜誌編委).

JOINT COMPANY SECRETARIES

Mr. Choi Yiau Chong, is our executive Director, chief financial officer and joint company secretary. Please refer to this section headed "Executive Director" for his biography.

Ms. Mok Ming Wai, is our joint company secretary. Ms. Mok was appointed in December 2013. Ms. Mok is the executive director of corporate services of Tricor Services Limited. Ms. Mok has over 25 years of professional and in-house experience in company secretarial field. She is a fellow member of the Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators in the United Kingdom.

* For identification purposes only
* 僅供識別

企業管治報告

CORPORATE GOVERNANCE REPORT

關於本報告

報告期間

二零二零年一月一日至二零二零年十二月三十一日(「本年度」)。

良好的企業管治有利於提高本公司的整體表現、透明度及問責性，對於現代化企業管治尤為重要。董事會以股東利益為依歸，致力維持及確保高水平之企業管治。

企業管治守則

本公司認識到公司的透明度及問責之重要性。本公司致力於實現高標準的企業管治及憑藉行之有效的企業管治流程，帶領本集團取得良好業績及提高企業形象。

於報告期內本公司已遵守上市規則附錄十四內企業管治守則(「守則」)所載的所有適用守則條文。

董事會

董事會由五名執行董事、一名非執行董事及三名獨立非執行董事組成。除本年報披露外，董事會成員之間並無任何財務、業務、家族或其他重要關係。董事會成員之履歷載於第47至53頁之「董事履歷」。年內，主席與行政總裁的職責已區分，且該等職責由車馮升醫生(作為主席)及郭維城(作為行政總裁)行使。

董事會負責監管本集團的戰略發展，決定本集團的目標、商務策略及政策，並監察及掌控營運及財務表現，以達到本集團的戰略性目標。本集團的管理團隊具備廣泛的營運經驗及行業知識，並已獲董事會授予權力及責任以處理本集團的日常管理事務。此外，董事會亦已授出若干特定責任予多個董事會委員會，即審核委員會、薪酬委員會、提名委員會及風險管理委員會。該等董事會委員會的進一步詳情載列如下。

ABOUT THIS REPORT

Reporting Period

From 1 January 2020 to 31 December 2020 (the “Year”).

Good corporate governance is favorable for the improvement of the overall performance, transparency and accountability of the Company and is crucial to the modern corporate administration. The Board, in the interests of the Shareholders, devotes considerable efforts to maintaining and ensuring a high standard of corporate governance.

CORPORATE GOVERNANCE CODE

The Company recognises the importance of corporate transparency and accountability. The Company is committed in achieving a high standard of corporate governance and leading the Group to attain better results and improve its corporate image with effective corporate governance procedures.

The Company has complied with all the applicable code provisions as set out in the Corporate Governance Code (the “Code”) contained in Appendix 14 to the Listing Rules during the reporting period.

BOARD OF DIRECTORS

The Board comprises five executive Directors, one non-executive Director and three independent non-executive Directors. Save as disclosed in this annual report, there is no financial, business, family or other material relationship among the members of the Board. The biographical information of the members of the Board are set out on pages 47 to 53 in the section headed “Biographical Details of Directors”. During the Year, the roles of the Chairman and the Chief Executive Officer are segregated and such roles are exercised by Dr. Che Fengsheng as the Chairman and Dr. Guo Weicheng as the Chief Executive Officer.

The Board is responsible for the governance of the Group’s strategic development, determination of the Group’s objectives, business strategies and policies, and the supervision and control of the operation and financial performance in pursuit of the Group’s strategic objectives. Our management team, which possesses extensive operating experience and industry knowledge, has been delegated by the Board with the authority and responsibility for the day-to-day management of the Group. In addition, the Board has also delegated certain specific responsibilities to the various Board committees, namely, the audit committee, remuneration committee, nomination committee and risk management committee. Further details of these Board committees are set out below.

企業管治報告

CORPORATE GOVERNANCE REPORT

董事會於本年度召開七次董事會會議。有關會議前至少14日，向全體董事寄發載有董事會會議議程的會議通知。本公司於董事會會議積極尋求獨立非執行董事的意見。董事會及董事會委員會的會議記錄由各會議經正式委任的秘書保存，全體董事將會及時獲提供董事會文件及相關數據，使董事會可就提呈會議的事項作出知情決定。此外，董事會全體成員已定時審閱有關本集團的業務文件及資料。

全體董事均可獲聯席公司秘書提供意見及服務。本公司聯席公司秘書為蔡耀忠先生(兼任本公司的執行董事及首席財務官)及莫明慧女士。莫女士在本公司的主要公司聯絡人為蔡先生。

蔡先生及莫女士已各自遵照上市規則第3.29條於本年度內進行不少於15小時的相關專業培訓。

於報告期間，各董事出席董事會會議的出席率如下：

The Board convened seven Board meetings during the Year. All Directors were sent a meeting notice, at least 14 days prior to such meeting, with the Board meeting agenda. The views of independent non-executive Directors were actively solicited by the Company during Board meetings. Minutes of Board meetings and Board committees meetings are kept by duly appointed secretaries of the respective meetings. All Directors are provided with Board papers and related statistics on a timely manner, which enabled the Board to make informed decisions on matters proposed. In addition, all Board members have regularly reviewed the business documents and information related to the Group.

All Directors are entitled to access to the advice and services of the joint company secretaries. The joint company secretaries of the Company are Mr. Choi Yiau Chong, who is an executive Director and the chief financial officer of the Company, and Ms. Mok Ming Wai. The primary contact person of Ms. Mok at the Company is Mr. Choi.

In compliance with Rule 3.29 of the Listing Rules, each of Mr. Choi and Ms. Mok, has undertaken no less than 15 hours of relevant professional training during the Year.

The attendance of each Director at the Board meetings, during the reporting period, is stated below:

		出席次數/舉行之 董事會會議次數 Attendance/ No. of Board meetings held
執行董事	Executive Directors	
車馮升醫生(主席)	Dr. Che Fengsheng (Chairman)	7/7
郭維城醫生(副主席兼行政總裁)	Dr. Guo Weicheng (Deputy Chairman and CEO)	7/7
張炯龍醫生	Dr. Zhang Jionglong	7/7
蔡耀忠先生(首席財務官)	Mr. Choi Yiau Chong (CFO)	7/7
陳燕玲女士	Ms. Chen Yanling	7/7
非執行董事	Non-executive Director	
金鎮夏先生	Mr. Kim Jin Ha	5/7
獨立非執行董事	Independent Non-executive Directors	
辛定華先生	Mr. Patrick Sun	7/7
曾華光先生	Mr. Tsang Wah Kwong	7/7
朱迅博士	Dr. Zhu Xun	7/7

企業管治報告

CORPORATE GOVERNANCE REPORT

本公司已安排合適的責任保險，以就董事因公司業務而產生的責任向彼等提供彌償。保險覆蓋範圍將每年進行檢討。

至於守則條文規定董事應向發行人披露彼等於公眾公司或組織擔任職務的數目及性質及其他重大承擔，亦應披露該等承擔所涉及的公眾公司或組織的名稱以及彼等擔任有關職務所涉及的時間，董事們已同意及時向本公司披露彼等的職務承擔。

非執行董事及獨立非執行董事

董事會現已委任一名非執行董事及三名獨立非執行董事。三名獨立非執行董事中，最少其中一名具備上市規則第3.10條規定的適當專業資格，或會計或相關的財務管理專長。三分之一董事會成員為獨立非執行董事。獨立非執行董事辛定華先生已與本公司續訂自二零二零年十月二十七日起為期一年的委任函。非執行董事金鎮夏先生已與本公司續訂自二零二零年十二月八日起為期一年的委任函。獨立非執行董事曾華光先生及朱迅博士已分別與本公司續訂彼等的委任函，年期分別自二零二零年九月四日及二零二一年二月二十日起為期一年。非執行董事及獨立非執行董事須根據本公司細則輪值告退或重選連任。各獨立非執行董事已根據上市規則第3.13條規定向本公司提交年度獨立性確認書。本公司認為，所有獨立非執行董事均屬獨立人士，並符合上市規則第3.13條所載的獨立性指引。

The Company has arranged appropriate liability insurance to indemnify the Directors for their liabilities arising out of corporate activities. The insurance coverage will be reviewed on an annual basis.

With regards to the code provision requiring directors to disclose the number and nature of offices held in public companies or organizations and other significant commitments as well as their identity and the time involved in such commitments, the Directors have agreed to disclose their commitments to the Company in a timely manner.

NON-EXECUTIVE DIRECTOR AND INDEPENDENT NON-EXECUTIVE DIRECTORS

The Board has currently appointed one non-executive Director and three independent non-executive Directors. At least one of the three independent non-executive Directors holds appropriate professional qualifications, or accounting or related financial management expertise as required by Rule 3.10 of the Listing Rules. One-third of the members of the Board are independent non-executive Directors. Mr. Patrick Sun, being an independent non-executive Director has renewed his letter of appointment with the Company for a term of one year commencing from 27 October 2020. Mr. Kim Jin Ha, being a non-executive Director, has renewed the letter of appointment with the Company for a term of one year commencing from 8 December 2020. Mr. Tsang Wah Kwong and Dr. Zhu Xun, being the independent non-executive Directors, have renewed their letters of appointment with the Company for a term of one year commencing from 4 September 2020 and 20 February 2021, respectively. The non-executive Director and independent non-executive Directors are subject to retirement by rotation or re-election in accordance with the Company's bye-laws. Each independent non-executive Director has submitted to the Company an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all independent non-executive Directors are independent and meet the independence guidelines set out in Rule 3.13 of the Listing Rules.

委任、重選及撤換董事

本公司細則規定，所有董事須至少每三年輪值退任一次，而於每次股東週年大會上，當時三分之一董事（或倘人數並非三的倍數，則為最接近但不少於三分之一）須輪值退任，及如符合資格則可膺選連任。此外，任何獲董事會委任以填補臨時空缺的董事將任職至其獲委任後的首次股東大會為止，並須於該大會上接受重選。

任何獲董事會委任以增添現有董事會的董事將僅任職至下屆股東週年大會為止，屆時符合資格膺選連任。退任董事符合資格於有關股東大會上接受股東重選。

根據本公司細則，張炯龍醫生、蔡耀忠先生及陳燕玲女士將於二零二一年舉行之本公司股東週年大會（「二零二一年股東週年大會」）上輪流退任及有資格膺選為董事。

本公司可透過普通決議案於董事任期屆滿前罷免有關董事（但不得損害有關董事可能就因違反其與本公司訂立的任何合約引致的損失而提出的任何索償），惟任何就罷免董事而召開有關大會的通告應載有擬提呈該決議案的意向聲明，並於大會舉行14日前送交有關董事，而該董事有權於該會議上聆聽有關其罷免的動議。

因此，董事會認為已有足夠措施以確保本公司在此方面的企業管治常規為股東權益提供足夠保障，而保障水平與守則條文相若。

APPOINTMENT, RE-ELECTION AND REMOVAL OF DIRECTORS

The bye-laws of the Company provide that all the Directors are subject to retirement by rotation at least once every three years and at each annual general meeting, one-third of the Directors for the time being (or, if the number is not a multiple of three, then the number nearest to but not less than one-third) shall retire from office by rotation and being eligible, can offer themselves for re-election. In addition, any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting after his appointment and be subject to re-election at such meeting.

Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next annual general meeting and shall then be eligible for re-election. The retiring Directors are eligible for re-election by the Shareholders at the respective general meetings.

Pursuant to the bye-laws of the Company, Dr. Zhang Jionglong, Mr. Choi Yiau Chong and Ms. Chen Yanling will retire by rotation and be eligible for re-election as Directors at the annual general meeting to be held in 2021 (the "2021 AGM").

A Director may be removed by an ordinary resolution of the Company before the expiration of his period of office (but without prejudice to any claim which such Director may have for damages for any breach of any contract between him and the Company) provided that the notice of any such meeting convened for the purpose of removing a Director shall contain a statement of the intention to do so and be served on such Director 14 days before the meeting and, at such meeting, such Director shall be entitled to be heard on the motion for his removal.

As such, the Board considers that sufficient measures have been put in place to ensure our Company's corporate governance practice in this respect provides sufficient protection for the interests of Shareholders to a standard commensurate with the provision of the Code.

企業管治報告

CORPORATE GOVERNANCE REPORT

董事培訓

本公司鼓勵董事參與持續的專業發展，以發展及更新彼等的知識及技能，以確保其在具備全面資訊及切合所需的前提下為董事會作出貢獻。年內，董事嚴格遵守守則條文第A.6.5條進行董事培訓。全體董事均已參與持續的專業發展，並已提供彼等接受培訓的記錄。

DIRECTORS' TRAINING

The Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant. During the Year, the Directors are committed to complying with the code provision A.6.5 of the Code on Directors' training. All Directors have participated in continuous professional development and provided a record of training they received.

董事姓名	Name of Directors	出席與董事職責 相關的研討會、 會議及工作坊 Attending seminar, conference and workshop related to director's duties	閱讀資料，例如 報紙、雜誌及企業 管治相關更新資料 Reading materials like newspapers, journals and updates relevant to corporate governance
執行董事	Executive Directors		
車馮升醫生	Dr. Che Fengsheng	✓	✓
郭維城醫生	Dr. Guo Weicheng	✓	✓
張炯龍醫生	Dr. Zhang Jionglong	✓	✓
蔡耀忠先生	Mr. Choi Yiau Chong	✓	✓
陳燕玲女士	Ms. Chen Yanling	✓	✓
非執行董事	Non-Executive Director		
金鎮夏先生	Mr. Kim Jin Ha	✓	✓
獨立非執行董事	Independent Non-Executive Directors		
辛定華先生	Mr. Patrick Sun	✓	✓
曾華光先生	Mr. Tsang Wah Kwong	✓	✓
朱迅博士	Dr. Zhu Xun	✓	✓

審核委員會

本公司已根據上市規則第3.21條的規定設立審核委員會（「審核委員會」），並遵從守則訂明其書面職權範圍。審核委員會的主要職責是協助董事會就本集團財務申報程序、內部監控及風險管理系統的效率提供獨立意見，監察審計過程及履行董事會規定的其他職務及職責。審核委員會目前包括一名非執行董事（金鎮夏先生）及三名獨立非執行董事（辛定華先生、曾華光先生及朱迅博士），並由持有會計專業資格的辛定華先生擔任主席。

於年內，審核委員會已舉行三次會議。審核委員會審閱了本集團的財務申報事項，以及檢討了財務和會計方面的內部監控制度，並已提交改善建議給董事會。審核委員會的職權範圍與守則有關部分所載條文一致。

此外，審核委員會已審閱、討論及批准截至二零二零年十二月三十一日止年度的年度業績及截至二零二零年六月三十日止期間的中期業績。於本年度報告日期，審核委員會亦審閱二零二一年的核數師酬金及向董事會推薦續聘安永為二零二一年之本公司核數師，惟須待股東於二零二一年股東週年大會上批准。

審核委員會成員於本年度的會議出席記錄如下：

AUDIT COMMITTEE

The Company has established the audit committee (the “**Audit Committee**”) in accordance with the requirements of Rule 3.21 of the Listing Rules and with its written terms of reference in compliance with the Code. The primary duties of the Audit Committee are to assist the Board to provide an independent view on the effectiveness of the financial reporting procedures, internal control and risk management system of the Group, to oversee the audit process and to perform other duties and responsibilities as required by the Board. The Audit Committee currently comprises one non-executive Director (Mr. Kim Jin Ha) and three independent non-executive Directors (Mr. Patrick Sun, Mr. Tsang Wah Kwong and Dr. Zhu Xun), and is chaired by Mr. Patrick Sun who has a professional qualification in accountancy.

During the Year, three meetings were held by the Audit Committee. The Audit Committee had reviewed the Group’s financial reporting matters, reviewed the internal control system in relation to finance and accounting and submitted improvement proposals to the Board. The terms of reference of the Audit Committee are consistent with the provisions set out in the relevant sections of the Code.

In addition, the Audit Committee had reviewed, discussed and approved the annual results for the year ended 31 December 2020 and the interim results for the period ended 30 June 2020. As at the date of this annual report, the Audit Committee also reviewed the auditor’s remuneration for 2021 and recommended the Board to re-appoint Ernst & Young as the Company’s auditor for the year of 2021, which is subject to approval by the Shareholders at the 2021 AGM.

The attendance record of the Audit Committee members at the meetings held during the Year was as follows:

董事姓名	Name of Directors	出席次數/ 舉行之會議次數 Attendance/ No. of meetings held
辛定華先生(主席)	Mr. Patrick Sun (Chairman)	3/3
曾華光先生	Mr. Tsang Wah Kwong	3/3
朱迅博士	Dr. Zhu Xun	3/3
金鎮夏先生	Mr. Kim Jin Ha	3/3

企業管治報告

CORPORATE GOVERNANCE REPORT

提名委員會

本公司根據守則規定成立提名委員會(「**提名委員會**」)，並訂明其書面職權範圍。提名委員會的主要職責為(其中包括)：審閱董事會架構、規模及組成方式；評估獨立非執行董事的獨立性；以及就委任董事有關事宜向董事會作出推薦建議。提名委員會目前包括一名執行董事(郭維城醫生)及三名獨立非執行董事(辛定華先生、曾華光先生及朱迅博士)，並由曾華光先生擔任主席。提名委員會的職權範圍與守則有關部分條文一致。於本年度，提名委員會已根據守則規定審閱董事會的組成，並認為董事會由具備多元化背景及技能的成員組成，並確保充分制衡以及保障股東及公眾人士利益。

董事會採納董事會成員多元化政策(「**董事會多元化政策**」)及提名政策(「**提名政策**」)，制定達致董事會成員多元化而採取之方針。本公司相信可透過實施董事會多元化政策達致多元化。採納以下可計量目標：甄選人選將按一系列多元化範疇為基準，包括但不限於年齡、性別、技能、知識、經驗、專長、專業資格、學歷、背景及其他個人素質。充分顧及董事會成員多元化的裨益，最終將按客觀條件、人選的長處及可為董事會提供的貢獻而作決定。

於本年度，提名委員會舉行兩次會議。提名委員會檢討董事會的架構、人數及組成；考慮退任董事的重新委任；及評估獨立非執行董事的獨立性。在向董事會提呈建議最終委任作最終批准前，提名委員會經考慮他們的技能、經驗及知識、本公司相關要求以及董事會結構及組成，盡職謹慎地識別、檢討及提名適合成為本公司董員會成員的候選人。

NOMINATION COMMITTEE

The Company established a nomination committee (the “**Nomination Committee**”) with its written terms of reference in compliance with the Code. The primary duties of the Nomination Committee are, among others, to review the structure, size and composition of the Board, to assess the independence of the independent non-executive Directors and to make recommendations to the Board on matters relating to the appointment of Directors. The Nomination Committee currently comprises one executive Director (Dr. Guo Weicheng) and three independent non-executive Directors (Mr. Patrick Sun, Mr. Tsang Wah Kwong and Dr. Zhu Xun) and is chaired by Mr. Tsang Wah Kwong. The terms of reference of the Nomination Committee are consistent with the provisions set out in the relevant sections of the Code. During the Year, the Nomination Committee reviewed the composition of the Board in accordance with the requirements as stipulated in the Code and concluded that the Board comprised members with diversified backgrounds and skills which ensured check and balance and safeguarded the interests of Shareholders as well as the public.

The Board adopted a board diversity policy (the “**Board Diversity Policy**”) and Nomination Policy (the “**Nomination Policy**”) setting out the approach to diversify members of the Board. The Company believes that a diversified perspective can be achieved through implementation of the Board Diversity Policy. The following measurable objectives were adopted: selection of candidates will be based on a range of diversity perspectives, including but not limited to age, gender, skills, knowledge, experience, expertise, professional and educational qualifications, background and other personal qualities. The ultimate decision will be based on objective criteria, merit and contribution that the selected candidates will bring to the Board having due regard for the benefits of diversity on the Board.

During the Year, two meetings were held by the Nomination Committee. The Nomination Committee had reviewed the structure, size and composition of the Board, considered the re-appointment of the retiring Directors and assessed the independence of the independent non-executive Directors. The Nomination Committee, had also, taking into consideration the skills, experience and knowledge, the relevant requirements of the Company and the structure and composition of the Board, identified, reviewed and nominated, with diligence and care, candidates who are suitable as Board members of the Company before making final recommendations to the Board for their final appointment.

年內，提名委員會成員出席會議記錄如下：

The attendance record of the Nomination Committee members at the meetings held during the Year was as follows:

董事姓名	Name of Directors	出席次數/舉行之會議次數 Attendance/ No. of meetings held
曾華光先生(主席)	Mr. Tsang Wah Kwong (Chairman)	2/2
郭維城醫生	Dr. Guo Weicheng	2/2
辛定華先生	Mr. Patrick Sun	2/2
朱迅博士	Dr. Zhu Xun	2/2

提名委員會將定期檢討董事會成員多元化政策及提名政策以確保其持續有效。

The Nomination Committee will review the Board Diversity Policy and Nomination Policy on a regular basis to ensure its continued effectiveness.

提名政策

根據守則新增要求，董事會於二零一九年三月十八日批准並採納提名政策，載列考慮董事候選人的委任及重新委任董事時將採納之準則及程序。

NOMINATION POLICY

The Board has approved and adopted a nomination policy on 18 March 2019 according to the new requirements of the Code. It sets out the criteria and procedures to be adopted when considering candidates to be appointed or re-appointed as directors of the Company.

提名準則

1. 在考慮提名董事候選人或重新委任董事時，提名委員會應注意以下準則：

NOMINATION CRITERIA

1. When considering a candidate nominated for directorship or a director's proposed re-appointment, the Nomination Committee will have regard to the following factors:

1.1 候選人的性別、年齡、技能、知識、經驗、專長、專業資格、學歷、背景及其他個人素質；

1.1 age, gender, skills, knowledge, experience, expertise, professional and educational qualifications, background and other personal qualities of the candidate;

1.2 對董事會的組成及成員多元化之影響；

1.2 effect on the board's composition and diversity;

1.3 候選人投入充足的時間且有效地履行其職責的承諾。就此而言，應考慮候選人於公眾公司或組織所任職位的數量及性質，其他行政委任或其他重要的工作承擔；

1.3 commitment of the candidate to devote sufficient time to effectively carry out his/her duties. In this regard, the number and nature of offices held by the candidate in public companies or organizations, and other executive appointments or significant commitments will be considered;

1.4 候選人因獲選而引發潛在/實際的利益衝突；

1.4 potential/actual conflicts of interest that may arise if the candidate is selected;

1.5 候選人的獨立性；

1.5 independence of the candidate;

企業管治報告

CORPORATE GOVERNANCE REPORT

- 1.6 就建議續任獨立非執行董事而言，彼已在任之服務年期；及
- 1.7 提名委員會按照個別情況而認為有關係的其他因素。

提名程序及流程

2. 在本公司組織章程細則條文的規限下，如董事會認為有必要委任額外董事，則應採納以下程序：

- 2.1 提名委員會依據以上所列之準則，不論是在借助或沒有借助外部機構或本公司之援助的情況下，物色及挑選候選人；
- 2.2 提名委員會可使用任何認為適當評估候選人的流程，其中可能包括個人訪談，背景調查，陳述或由候選人及第三方提供之書面參考；
- 2.3 提名委員會應透過舉行會議審議事項，除非舉行會議並不實際，否則應避免以書面決議之方式作出決定；
- 2.4 提名委員會向董事會提供所有關於候選人所需資料，包括上市規則第13.51(2)條內載列之所需資料；
- 2.5 董事會委任人選前，評估董事會當時所具備的技能、知識及經驗，並根據該評估編製特定委任所需的職責及能力說明再向董事會提出建議(包括任期及委任條件)；
- 2.6 董事會依據提名委員會的建議而審議及決定有關委任；
- 2.7 董事的所有委任應透過委任書予以確定，而委任書應經過提名委員會批准，列明董事委任的主要條款及條件；及

- 1.6 in the case of a proposed re-appointment of an independent non-executive director, the number of years he/she has already served; and
- 1.7 other factors considered to be relevant by the Nomination Committee on a case by case basis.

NOMINATION PROCEDURES AND PROCESS

2. Subject to the provisions in the Company's Articles of Association, if the Board recognises the need to appoint an additional director, the following procedures should be adopted:

- 2.1 the Nomination Committee identifies or selects candidates recommended to the Committee, with or without assistance from external agencies or the Company, pursuant to the criteria set out above;
- 2.2 the Nomination Committee adopts any process appropriate to evaluate the candidates, which may include personal interviews, background checks, presentations or written submissions by the candidates and third party references;
- 2.3 the Nomination Committee will hold a physical meeting to consider the matter and avoid the making of decisions by written resolutions unless it is impractical that a physical meeting be held;
- 2.4 the Nomination Committee provides to the Board with all the information required including information set out in Rule 13.51(2) of the Listing Rules in relation to the candidates;
- 2.5 before recommendation to the Board, evaluate the balance of skills, knowledge and experience on the Board to prepare a description of the role and capabilities required for a particular appointment, then the Nomination Committee makes recommendation to the Board including the terms and conditions of the appointment;
- 2.6 the Board deliberates and decides on the appointment based upon the recommendation of the Nomination Committee;
- 2.7 all appointments of director should be confirmed by letter of appointment setting out the key terms and conditions of the appointment of the directors, which should be approved by the Nomination Committee; and

2.8 根據上市規則第13.74條，凡股東須就選舉或重新選舉董事進行表決，附有相關股東大會通知的通函應載有上市規則第13.51(2)條規定之候選人的所有資料。

在重新委任現任董事之情況下，須根據載於上文準則，透過舉行會議考慮有關續任的事宜。

股東提名

股東亦可提名參選董事的人選，有關詳情載列於本公司的《股東提名人士膺選董事的程序》。

薪酬委員會

本公司根據上市規則第3.25條的規定成立薪酬委員會（「薪酬委員會」），並遵從守則訂明其書面職權範圍。薪酬委員會的主要職責為（其中包括）就本集團董事及高級管理層所有薪酬政策與架構向董事會提供建議及檢討及審批管理層的薪酬建議。董事薪酬參考彼等職責及經驗與當前市況釐定。薪酬委員會目前包括一名執行董事（車馮升醫生）及三名獨立非執行董事（辛定華先生、曾華光先生及朱迅博士），並由朱迅博士擔任主席。薪酬委員會的職權範圍與守則有關部分所載條文一致。

於本年度，薪酬委員會已評估執行董事表現、檢討薪酬政策、審議及批核二零二零年執行董事的董事袍金建議以及向董事會建議非執行董事的董事袍金。

於本年度，薪酬委員會舉行三次會議，會上討論及建議董事會考慮有關二零二零年本公司執行董事的決議案及二零二零年執行董事政策。

2.8 pursuant to Rule 13.74 of the Listing Rules, where shareholders are required to vote on electing or re-electing a director, the circular accompanying the notice of the relevant general meeting should contain all the information of the candidates required under Rule 13.51(2) of the Listing Rules.

In cases of re-appointments of existing directors, a physical meeting will be held to consider the re-appointment based on the same criteria set out in above.

NOMINATION BY SHAREHOLDERS

The Shareholders may also propose a person for election as a director, details of which are set out in the “Procedures for Shareholders to Propose a Person for Election as a Director” of the Company.

REMUNERATION COMMITTEE

The Company established a remuneration committee (the “**Remuneration Committee**”) in accordance with the requirements of Rule 3.25 of the Listing Rules and with its written terms of reference in compliance with the Code. The primary duties of the Remuneration Committee are, amongst other things, to make recommendations to the Board on the Group’s policy and structure for all remuneration of the Directors and senior management and to review and approve the management’s remuneration proposals. The remuneration of the Directors is determined with reference to their duties, responsibilities and experience, and to prevailing market conditions. The Remuneration Committee currently comprises one executive Director (Dr. Che Fengsheng) and three independent non-executive Directors, (Mr. Patrick Sun, Mr. Tsang Wah Kwong and Dr. Zhu Xun) and is chaired by Dr. Zhu Xun. The terms of reference of the Remuneration Committee are consistent with the provisions set out in the relevant sections of the Code.

During the Year, the Remuneration Committee assessed the performance of executive Directors, reviewed the remuneration policy, reviewed and approved the proposed 2020 directors’ fees for executive Directors and made recommendation to the Board on the directors’ fees for non-executive Directors.

During the Year, three meetings were held by the Remuneration Committee, during which the resolutions regarding the remuneration of executive Directors of the Company in 2020 and the remuneration policy for the executive Directors for 2020 were discussed and recommended to the Board for consideration.

企業管治報告

CORPORATE GOVERNANCE REPORT

於本年度，薪酬委員會成員出席會議記錄如下：

The attendance record of the Remuneration Committee members at the meetings held during the Year was as follows:

董事姓名	Name of Directors	出席次數/舉行之會議次數 Attendance/ No. of meetings held
朱迅博士(主席)	Dr. Zhu Xun (Chairman)	3/3
車馮升醫生	Dr. Che Fengsheng	3/3
辛定華先生	Mr. Patrick Sun	3/3
曾華光先生	Mr. Tsang Wah Kwong	3/3

董事酬金詳情載列於經審核綜合財務報表(「財務報表」)附註28。由於本公司並沒有高級管理人員，因此有關高級管理人員薪酬按等級的披露並不適用。

Details of the Directors' remuneration are set out in note 28 to the audited consolidated financial statements for the year ("Financial Statements"). As the Company does not have senior management, disclosure about senior management's remuneration by band is not applicable.

風險管理委員會

於二零一五年十二月十三日，董事會批准和成立本公司的風險管理委員會(「風險管理委員會」)，並制訂其具體書面職權範圍。風險管理委員會的主要職責為(其中包括)：審核本公司的風險管理、內部監控系統、環境、社會及管治(「ESG」)策略、政策、指引及程序以及檢討風險管理、內部監控系統及ESG工作的有效性。風險管理委員會包括兩名執行董事(郭維城醫生及蔡耀忠先生)及兩名獨立非執行董事(辛定華先生及曾華光先生)，並由蔡耀忠先生擔任主席。

RISK MANAGEMENT COMMITTEE

On 13 December 2015, the Board approved and established the risk management committee of the Company (the "Risk Management Committee") with written terms of reference. The primary duties of the Risk Management Committee are, among others, to review the Company's risk management, internal control system and environmental, social and governance ("ESG") strategies, policies, guidelines and procedures and to review the effectiveness of the work on risk management, internal control systems and ESG. The Risk Management Committee consists of two executive Directors (Dr. Guo Weicheng and Mr. Choi Yiau Chong) and two independent non-executive Directors (Mr. Patrick Sun and Mr. Tsang Wah Kwong), and is chaired by Mr. Choi Yiau Chong.

於本年度，風險管理委員會共舉行二次會議。風險管理委員會審核及就本公司的風險管理和內部監控系統作出檢討並提供建議予董事會。風險管理委員會亦就ESG策略、政策、指引及程序作審核和檢討並向董事會提供意見。

During the Year, two meetings were held by the Risk Management Committee. The Risk Management Committee reviewed and assessed the risk management and internal control systems of the Company, and made suggestions to the Board. The Risk Management Committee had also reviewed and assessed the ESG strategies, policies, guidelines and procedures, and expressed their opinions to the Board.

企業管治報告

CORPORATE GOVERNANCE REPORT

於本年度，風險管理委員會成員出席會議記錄如下：

The attendance record of the Risk Management Committee members at the meetings held during the Year was as follows:

董事姓名	Name of Directors	出席次數/舉行之會議次數 Attendance/ No. of meetings held
蔡耀忠先生(主席)	Mr. Choi Yiau Chong (Chairman)	2/2
郭維城醫生	Dr. Guo Weicheng	2/2
辛定華先生	Mr. Patrick Sun	2/2
曾華光先生	Mr. Tsang Wah Kwong	2/2

董事及有關僱員的證券交易標準守則

本公司已採納上市規則附錄十所載的上市公司董事進行證券交易的標準守則(「標準守則」)為董事進行證券交易的操守守則。經向所有董事作特別查詢，所有董事確認，彼等於本年度一直遵守標準守則之標準。為遵守守則之守則條文第A.6.4條，本集團亦已設定及採納標準守則為有關僱員進行證券交易的操守守則，以規管本集團若干被認為可能會擁有本公司內幕資料的僱員買賣本集團之證券。

董事就綜合財務報表承擔的責任

董事確認彼等的責任為編製真實公平反映本集團於截至二零二零年十二月三十一日止財政年度財務狀況的財務報表。有關本公司外聘核數師的申報責任聲明載於本年報第109至115頁。

風險管理及內部監控

董事會負責確保本集團維持健全有效的風險管理及內部監控系統。本集團已採納內部監控程序及政策，以保障資產，確保妥善保存會計記錄及作出可靠的財務報告，並確保遵守有關法例及規定。

MODEL CODE FOR SECURITIES TRANSACTIONS BY THE DIRECTORS AND RELEVANT EMPLOYEES

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules (the “Model Code”) as its own code of conduct for securities transactions by the Directors. Having made specific enquiry to all Directors, all Directors confirmed that they had complied with the required standard set out in the Model Code throughout the Year. To comply with code provision A.6.4 of the Code, the Group has also established and adopted the Model Code as the code of conduct for securities transactions by relevant employees to regulate the dealings in the securities of the Group by certain employees of the Group who are deemed to be likely in possession of the inside information of the Company.

DIRECTORS’ RESPONSIBILITY ON THE CONSOLIDATED FINANCIAL STATEMENTS

The Directors confirmed that it is their responsibility to prepare the financial statements which give a true and fair view of the state of affairs of the Group for the financial year ended 31 December 2020. A statement on reporting responsibility with respect to the external auditor of the Company is set out on pages 109 to 115 of this annual report.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board is responsible for ensuring that a sound and effective risk management and internal control system is maintained within the Group. The Group has adopted internal control procedures and policies to safeguard the assets, to ensure proper maintenance of accounting records, to carry out reliable financial reporting and to ensure compliance with the relevant laws and regulations.

企業管治報告

CORPORATE GOVERNANCE REPORT

審核委員會協助董事會每年檢討本集團風險管理及內部監控系統是否有效，審閱範圍涵蓋所有重大方面的監控，包括本公司財務監控、運營監控及合規監控；也包括在會計、內部審計及財務報告職能方面的資源充足性、員工資質及經驗、以及員工所接受的培訓課程及有關預算的程度。年內，董事會對集團風險管理及內部監控審閱結果滿意並認為有效及足夠。

本集團設立內部審核團隊。在審計委員會指導下獨立開展審計工作，定期檢討本集團風險管理及內部控制系統的有效性並向風險管理委員會及審核委員會匯報。審核委員會審批內部審核團隊年度工作計劃，內部審核團隊向審核委員會匯報審計工作結果，並根據審核委員會建議執行跟進行動，以協助審核委員會及董事會推動本集團風險管理及內部監控的持續改善。內部審核團隊由具有一定專業能力、審計經驗及恰當溝通能力的人員擔任。

於二零二零年董事會聘請專業第三方公司為本集團就風險管理及內部監控系統提供專業意見及服務。

本集團建立了全面風險管理體系，並與現有的內部監督體系實現了有機融合。通過系統的風險管理程序，識別並建立符合本公司經營情況的風險清單，評估風險發生的可能性與影響力，對本集團業務影響的嚴重性進行排序，結合定性和定量分析挖掘風險成因，從經營策略、制度流程、架構職能、技術工具、人員技能、資源配置及績效考核七個方面

The Audit Committee assists the Board to review the effectiveness of the Group's risk management and internal control systems every year. Review scope covers the control of all major aspects, including the Company's financial control, operation control and compliance control. It also reviews the adequacy of resources in the accounting, internal audit and financial reporting functions, staff qualifications and experience, and the level of training attended and related subsidies that employees have received. During the Year, the Board is satisfied with the review results of the Group's risk management and internal control and considers them effective and sufficient.

The Group has established an internal audit team who conducts independent auditing work under the guidance of the Audit Committee. The annual work plan of the internal audit team was to review periodically in relation to the effectiveness of risk management and internal control systems and reports to the Risk Management Committee and Audit Committee. The internal audit team reported the audit results to the Audit Committee, carried out follow-up actions agreed based on recommendations of the Audit Committee and to assist the Audit Committee and the Board to promote continuous improvement of the Group's risk management and internal controls. The internal audit team is staffed by persons with certain professional ethics, professional competence, audit experience and appropriate communication skills.

In 2020, the Board has appointed a professional third party to provide professional advice and services on risk management and internal control system to the Group.

The Group has established a comprehensive risk management system and realized organic integration with the internal control system. Through a systematical risk management process, a list of risks is compiled by identification with respect to the operating conditions of the Company. Judgment on the possibility of occurrence and the effects of various types of risks is attained through assessment of risks. Ranking the severity of the Group's business impact by combining qualitative and quantitative analysis to find out the causes of risks, recommendations of multi-dimensional and effective responsive strategies are made from seven aspects, including operation

企業管治報告

CORPORATE GOVERNANCE REPORT

出發，提出多維度、行之有效的應對策略，形成書面報告並匯報管理層和董事會。本集團進一步制定風險管理措施以維持風險在可接受的程度內，最終通過內部監督制度實現有效落實，體現風險管理的工作效果。本集團目前已形成常態化的風險日常監控與定期評估機制，實現對日常經營管理活動中的重要風險因素進行持續監督。

本集團在2020年對管理層進行了基於2019年風險評估結果採取的風險控制措施的跟進審閱。管理層已採取措施控制相關風險，包括加強公司內部控制和授權管理、優化合規管理體系、制定並持續落實合規管理制度的執行等方面。

本集團除了在內部實施風險管理及內部監控並定期回顧外，每年外聘核數師在開展起法定審核工作的同時，檢查若干主要的風險管理及內部監控是否充足及有效。於適當情況下，本集團採納外聘核數師的有關建議，加強風險管理及內部監控。

此外，為規範集團運營，保證本集團各項業務符合相關法規，於二零一五年將原集團監察部改組為合規部，負責本集團所有與合規相關工作的建立、檢查和報告，自此在本集團內部建立了合規風險管理組織架構，定期回顧本集團內部員工、客戶、供應商及合作方行為合規性，開展遵紀守法及合規廉潔的培訓教育，每年與員工簽訂合規承諾書。

關於處理及發佈內幕消息，本集團制定了《信息披露管理辦法》，並遵守適用法律、法規和上市規則，按信息處理及發佈程式，真實、及時、準確、合法、完整地披露資訊，履行披露義務，並確保適當批准披露該等消息前維持保密，保護本公司股東、債權人及其他利益相關人員的合法權益。

strategy, system process, structural functions, technical tools, skills of staff, allocation of resources and performance appraisal, and a written report is prepared for submission to the management and the Board. The Group further developed risk management measures to maintain risk within an acceptable level. Finally, fruitful results of risk management will be realized through effective implementation of the internal control system. The Group has formed a regular mechanism for daily monitoring and regular assessment of risks to realize continuing supervision on essential risk factors in the daily operational management activities.

In 2020, the Group conducted a follow-up review on the risk control measures adopted by the management based on the risk assessment results for 2019. The management has taken measures to control the relevant risks, including strengthening corporate internal control and authorization management, optimizing the compliance management system, as well as formulating and constantly implementing the compliance management regime.

In addition to internal implementation of risk management and conducting regular review on internal control, the Group will engage external auditors annually to perform statutory audits as well as to review the adequacy and effectiveness of certain key risk management and internal control aspects. Under appropriate circumstances, the Group will adopt the relevant recommendations of the external auditors to enhance risk management and internal control.

Moreover, to regulate operations of the Group and to ensure that all businesses of the Group comply with relevant laws and regulations, the Group's former surveillance department has been restructured into the compliance department in 2015 and is responsible for the establishment, inspection and reporting of all compliance-related work of the Group. A compliance risk management organizational structure has been established within the Group since then to conduct regular reviews on the compliance of conducts of the Group's internal staff, customers, suppliers and cooperative partners, provide training and education on observing discipline and laws and complying with anti-corruption rules, and sign letters of undertakings on compliance with employees annually.

Regarding the handling and release of inside information, the Group has formulated the "Information Disclosure Management Measures", and has complied with applicable laws, regulations and the Listing Rules, to disclose information truthfully, timely, accurately, legally and completely in accordance with the information processing and release procedures to perform the obligations of disclosure, and to ensure that such information has been kept confidential prior to the proper approval of its disclosure to protect the legitimate interests of the Company's shareholders, creditors and other stakeholders.

企業管治報告

CORPORATE GOVERNANCE REPORT

與股東及投資者之溝通

本集團的投資者關係於二零二零年取得顯著改善。本集團多次參與機構投資者會議，並通過多元化渠道定期與眾多投資者溝通。本集團亦於本公司及聯交所網站刊登年度及中期報告、業績公告、其他公告及通函，藉以達致最高標準及財務透明。

股東溝通政策

根據守則要求，董事會已採納股東溝通政策。

1. 目的

- 1.1 本政策所載條文旨在確保四環集團股東，包括個人及機構股東（統稱「股東」），及在適當情況下包括一般投資人士，均可適時取得全面、相同及容易理解的本公司資料（包括其財務表現、戰略目標及計劃、重大發展、管治及風險概況），一方面使股東可在知情情況下行使權力，另一方面也讓股東及投資人士與本公司加強溝通。
- 1.2 就本政策而言，包括本公司的準投資者，以及就本公司表現進行報告及分析的分析員。

2. 總體政策

- 2.1 董事會持續與股東及投資人士保持對話，並會定期檢討本政策以確保成效。
- 2.2 本公司向股東及投資人士傳達資訊的主要渠道為：本公司的財務報告（中期及年度報告）；股東周年大會及其他可能召開的股東大會；以及公司通訊及其他公司刊物登載在香港交易所集團網站。
- 2.3 本公司時刻確保有效及適時向股東及投資人士傳達資訊。如對本政策有任何疑問，應向公司秘書或企業傳訊部主管提出。

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

The Group had made remarkable improvements in investor relationship in 2020. The Group has participated in a number of institutional investor conferences and regularly communicated with many investors through various means. The Group has also set to provide the highest standard and financial transparency through publication of annual and interim reports, results announcements, other announcements and circulars through the websites of the Company and the Stock Exchange.

Shareholder Communication Policy

The Board adopted a shareholder communication policy according to the Code.

1. Purpose

- 1.1 This Policy aims to set out the provisions with the objective of ensuring that Sihuan's shareholders, both individual and institutional (collectively, "Shareholders"), and, in appropriate circumstances, the investment community at large, are provided with ready, equal and timely access to balanced and understandable information about the Company (including its financial performance, strategic goals and plans, material developments, governance and risk profile), in order to enable Shareholders to exercise their rights in an informed manner, and to allow Shareholders and the investment community to engage actively with the Company.
- 1.2 For the purpose of this Policy, references to the investment community is intended to include the Company's potential investors as well as analysts reporting and analysing the Company's performance.

2. General Policy

- 2.1 The Board shall maintain an on-going dialogue with Shareholders and the investment community, and will regularly review this Policy to ensure its effectiveness.
- 2.2 Information shall be communicated to Shareholders and the investment community mainly through the Company's financial reports (interim and annual reports), annual general meetings and other general meetings that may be convened and its corporate communications and other corporate publications on the Sihuan Group website.
- 2.3 Effective and timely dissemination of information to Shareholders and the investment community shall be ensured at all times. Any question regarding this Policy shall be directed to the Company Secretary or Head of Corporate Communications.

3. 傳訊途徑

股東查詢

- 3.1 股東如對名下持股有任何問題，應向本公司的股份過戶登記處提出。
- 3.2 股東及投資人士可隨時要求索取本公司的公開資料。
- 3.3 本公司須向股東及投資人士提供指定的聯絡人及電郵地址，以便他們提出任何有關本公司的查詢。

公司通訊*

- 3.4 向股東發放的公司通訊以淺白中、英雙語編寫，以利便股東了解通訊內容。股東有權選擇收取公司通訊的語言(英文或中文)或收取方法(印刷本或電子形式)。
- 3.5 股東宜向本公司提供(其中尤其包括)電郵地址，以助提供適時有效的通訊。

公司網站

- 3.6 四環集團網站(www.sihuanpharm.com)專設「投資者關係」欄目。四環集團網站上登載的資料定期更新。
- 3.7 本公司發送予聯交所的資料亦會隨即登載在四環集團網站。有關資料包括財務報表、業績公告、通函及股東大會通告及相關的說明文件等。
- 3.8 本公司每年的股東週年大會及業績公告所連帶提供的簡報會資料均會在發佈後盡快登載在香港交易所集團網站。
- 3.9 本公司或其附屬公司刊發的所有新聞稿全部均會登載在香港交易所集團網站。

3. Communication Strategies

Shareholders' enquiries

- 3.1 Shareholders should direct their questions about their shareholdings to the Company's Registrar.
- 3.2 Shareholders and the investment community may at any time make a request for the Company's information to the extent such information is publicly available.
- 3.3 Shareholders and the investment community shall be provided with designated contacts and email addresses in order to enable them to make any query in respect of the Company.

Corporate Communication*

- 3.4 Corporate communication will be provided to Shareholders in plain language and in both English and Chinese versions to facilitate Shareholders' understanding. Shareholders have the right to choose the language (either English or Chinese) or means of receipt of the corporate communications (in hard copy or through electronic means).
- 3.5 Shareholders are encouraged to provide, amongst other things, in particular, their email addresses to the Company in order to facilitate timely and effective communications.

Corporate Website

- 3.6 A dedicated "Investor Relations" section is available on the Sihuan Group website www.sihuanpharm.com. Information on the Sihuan Group website is updated on a regular basis.
- 3.7 Information released by the Company to The Stock Exchange of Hong Kong Limited is also posted on the Sihuan Group website immediately thereafter. Such Information on website includes financial statements, results announcements, circulars and notices of general meetings and associated explanatory documents etc.
- 3.8 All presentation materials provided in conjunction with the Company's annual general meeting and results announcement each year will be made available on the Sihuan Group website as soon as practicable after their release.
- 3.9 All press releases issued by the Company or its subsidiaries will be made available on the Sihuan Group website.

企業管治報告

CORPORATE GOVERNANCE REPORT

股東大會

- 3.10 股東宜參與股東大會，如未克出席，可委派代表代其出席並於會上投票。
- 3.11 股東周年大會應有適當安排，以鼓勵股東參與。
- 3.12 本公司會監察及定期檢討股東大會程序，如有需要會作出改動，以確保其切合股東需要。
- 3.13 董事會成員(尤其是董事會轄下各委員會的主席或副主席或其代表)、適當的行政管理人員及外聘核數師均會出席股東周年大會回答股東提問。
- 3.14 股東宜出席本公司舉辦的股東活動，從而得悉本公司的情況，包括最新的戰略規劃、產品及服務等。

與投資市場的溝通

- 3.15 本公司會定期舉辦各種活動，包括為投資者/分析員舉行簡介會及與其單獨會面、在本地及國際路演推介、傳媒訪問、投資者推廣活動，以及舉辦/參與業界專題論壇等，以促進本公司與股東及投資人士之間的溝通。
- 3.16 四環集團董事及僱員但凡與投資者、分析員、傳媒或其他外界相關人士聯絡接觸或溝通對話必須遵守披露義務和要求。

Shareholders' Meetings

- 3.10 Shareholders are encouraged to participate in general meetings or to appoint proxies to attend and vote at meetings for and on their behalf if they are unable to attend the meetings.
- 3.11 Appropriate arrangements for the annual general meetings shall be in place to encourage Shareholders' participation.
- 3.12 The process of the Company's general meeting will be monitored and reviewed on a regular basis, and, if necessary, changes will be made to ensure that Shareholders' needs are best served.
- 3.13 Board members, in particular, either the chairmen or deputy chairmen of Board committees or their delegates, appropriate management executives and external auditors will attend annual general meetings to answer Shareholders' questions.
- 3.14 Shareholders are encouraged to attend shareholders' activities organised by the Company, where information about the Company, including its latest strategic plan, products and services etc will be communicated.

Investment Market Communications

- 3.15 Investor/analysts briefings and one-on-one meetings, roadshows (both domestic and international), media interviews, marketing activities for investors and specialist industry forums etc will be available on a regular basis in order to facilitate communication between the Company, Shareholders and the investment community.
- 3.16 Sihuan's Directors and employees who have contacts or dialogues with investors, analysts, media or other interested outside parties are required to comply with the disclosure obligations and requirements.

4. 股東私隱

4.1 本公司明白保障股東私隱的重要性，除法例規定者外，不會在獲得股東同意前擅自披露股東資料。

* 「**公司通訊**」指香港交易所已經或將向任何持有其證券的人士發以供其參閱或採取行動的任何文件，包括(但不限於)董事會報告及年度賬目連同核數師報告、中期報告、會議通告、通函及代表委任表格等。

4. *Shareholder Privacy*

4.1 The Company recognises the importance of Shareholders' privacy and will not disclose Shareholders' information without their consent, unless required by law to do so.

* "**Corporate Communication**" refers to any document issued or to be issued by Sihuan for the information or action of holders of any of its securities, including, but not limited to, the directors' report and annual accounts together with a copy of the auditor's report, the interim report, a notice of meeting, a circular and a proxy form.

企業管治報告

CORPORATE GOVERNANCE REPORT

本年度內，本公司於二零二零年六月十五日舉行股東週年大會及股東特別大會（「二零二零年股東週年大會及股東特別大會」）。本公司董事（即車馮升醫生、郭維城醫生、張炯龍醫生、蔡耀忠先生、陳燕玲女士、辛定華先生、曾華光先生及朱迅博士），均有出席會議。

董事出席二零二零年股東週年大會及股東特別大會的記錄載列如下：

During the Year, the Company held an annual general meeting and special general meeting on 15 June 2020 (the “2020 AGM & SGM”). The Directors of the Company, namely Dr. Che Fengsheng, Dr. Guo Weicheng, Dr. Zhang Jionglong, Mr. Choi Yiau Chong, Ms. Chen Yanling, Mr. Patrick Sun, Mr. Tsang Wah Kwong and Dr. Zhu Xun, attended the meetings.

The attendance records of the Directors at the 2020 AGM & SGM are set out below:

		出席次數/舉行之會議次數
		Attendance/No. of meetings held
執行董事	Executive Directors	
車馮升醫生	Dr. Che Fengsheng	2/2
郭維城醫生	Dr. Guo Weicheng	2/2
張炯龍醫生	Dr. Zhang Jionglong	2/2
蔡耀忠先生	Mr. Choi Yiau Chong	2/2
陳燕玲女士	Ms. Chen Yanling	2/2
非執行董事	Non-executive Director	
金鎮夏先生	Mr. Kim Jin Ha	0/2
獨立非執行董事	Independent Non-executive Directors	
辛定華先生	Mr. Patrick Sun	2/2
曾華光先生	Mr. Tsang Wah Kwong	2/2
朱迅博士	Dr. Zhu Xun	2/2

憲法文件

自二零二零年一月一日至本年報日期，本公司的組織章程大綱及細則並無變更。

股東權利

下列程序受本公司細則(「細則」)、百慕達一九八一年公司法(「公司法」)及適用之法例與法規所規限。股東若對下列程序有疑問，或欲向董事會詢問，可向本公司聯席公司秘書(「公司秘書」)提出書面請求，地址為香港灣仔港灣道1號會展廣場辦公大樓4309室。

A. 股東於股東大會提呈建議(建議指定人士參選董事除外)的程序

- (1) 根據細則第56及57條，本公司股東週年大會(「股東週年大會」)須每年舉行一次，並可於必要時舉行股東特別大會。
- (2) 根據公司法第79條，(i)持有有權於股東大會上投票之全體股東總投票權不少於十分之一的股東；或(ii)不少於一百名股東，可向有權收取股東週年大會或股東大會通知的股東提呈書面要求以通知於股東週年大會上動議的任何決議案，或就於特定股東大會提呈之任何決議案所述事項或處理的事務作出不少於1,000字的書面陳述。
- (3) 書面請求/陳述須由相關股東簽署，並於股東週年大會舉行前六(6)週(倘要求獲提供決議案通知)或股東大會舉行前一(1)週(倘為任何其他要求)呈遞至本公司註冊辦事處(地址為Clarendon House, 2 Church Street, P.O.Box, HM1022, Hamilton, HMDX, Bermuda)及連同副本呈交至本公司香港主要辦事處(地址為香港灣仔港灣道1號會展廣場辦公大樓4309室)，致公司秘書。

CONSTITUTIONAL DOCUMENTS

During the period from 1 January 2020 to the date of this annual report, there has not been any change in the Company's memorandum of association and bye-laws.

SHAREHOLDERS' RIGHTS

The following procedures are subject to the bye-laws of the Company (the "Bye-laws"), the Bermuda Companies Act 1981 (the "Act") and applicable legislation and regulation. Shareholders who have enquires about the following procedures or have enquires to put to the Board may write to the joint company secretaries of the Company (the "Company Secretary") at Room 4309, Office Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong.

A. Procedures for Shareholders to make proposals at general meeting (other than a proposal of a person for election as a Director)

- (1) Pursuant to Bye-laws 56 and 57, the Company holds an annual general meeting ("AGM") every year, and may hold a general meeting known as a special general meeting whenever necessary.
- (2) Pursuant to section 79 of the Act, Shareholder(s) holding (i) not less than one-twentieth of the total voting rights of all Shareholders having the right to vote at the general meeting; or (ii) not less than 100 Shareholders, can submit a written request for notice of any resolution intended to be moved at an AGM or a statement of not more than 1,000 words with respect to the matter referred to in any proposed resolution or the business to be dealt with at a particular general meeting to be given to the Shareholders entitled to receive notice of the AGM or general meeting.
- (3) The written request/statements must be signed by the Shareholder(s) concerned and deposited at the Company's registered office at Clarendon House, 2 Church Street, P.O. Box, HM1022, Hamilton, HM DX, Bermuda with a copy to its principal office in Hong Kong at Room 4309, Office Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong, for the attention of the Company Secretary, not less than six (6) weeks before the AGM in the case of a requisition for notice of a resolution and not less than one (1) week before the general meeting in the case of any other requisition.

企業管治報告

CORPORATE GOVERNANCE REPORT

(4) 根據公司法第80條，倘書面要求適當，公司秘書可要求董事會(i)將決議案加載股東週年大會議程及提供決議案通知；或(ii)傳閱股東大會陳述，惟相關股東須支付董事會釐定的合理金額的費用，以便本公司根據法定要求向全體登記股東寄發決議案通知及/或向彼等傳閱相關股東提呈的陳述。相反，倘要求無效，或相關股東未有支付足夠費用供本公司作出上述行動，則向相關股東告知此結果，因此建議決議案不會加載股東週年大會議程，股東大會陳述亦不會傳閱。

B. 股東建議指定人士參選董事的程序

- (1) 倘正式合資格出席因處理委任/選舉董事而召開的股東大會並於會上投票的股東欲建議指定人士(股東本身除外)於該大會上參選董事，則須將書面通知呈遞至本公司註冊辦事處(地址為Clarendon House, 2 Church Street, P.O. Box, HM1022, Hamilton, HM DX, Bermuda)及本公司香港主要辦事處(地址為香港灣仔港灣道1號會展廣場辦公大樓4309室)，致公司秘書。
- (2) 為使本公司告知全體股東有關建議，書面通知須列明獲建議參選董事人士的全名及上市規則第13.51(2)條規定的該名人士履歷詳情，並須由相關股東簽署及連同該名人士簽署的通知，表明其有意參選。

(4) Pursuant to section 80 of the Act, if the written request is in order, the Company Secretary will request the Board (i) to include the resolution in the agenda for the AGM and give notice of the resolution; or (ii) to circulate the statement for the general meeting, provided that the Shareholder(s) concerned have deposited a sum of money reasonably determined by the Board sufficient to meet the Company's expenses in serving the notice of the resolution and/or circulating the statement submitted by the Shareholder(s) concerned in accordance with the statutory requirements to all the registered Shareholders. On the contrary, if the requisition is invalid or the Shareholder(s) concerned have failed to deposit sufficient money to meet the Company's expenses for the said purposes, the Shareholder(s) concerned will be advised of this outcome and accordingly, the proposed resolution will not be included in the agenda for the AGM or the statement will not be circulated for the general meeting.

B. Procedures for a Shareholder to propose a person for election as a Director

- (1) If a Shareholder, who is duly qualified to attend and vote at the general meeting convened to deal with appointment/election of Director(s), wishes to propose a person (other than the Shareholder himself/herself) for election as a Director at that meeting, he/she must deposit a written notice at the Company's registered office at Clarendon House, 2 Church Street, P.O. Box, HM1022, Hamilton, HM DX, Bermuda and its principal office in Hong Kong at Room 4309, Office Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong, for the attention of the Company Secretary.
- (2) In order for the Company to inform all Shareholders of that proposal, the written notice must state the full name of the person proposed for election as a director, his/her biographical details as required by rule 13.51(2) of the Listing Rules, and be signed by the Shareholder concerned and accompanied by a notice signed by that person indicating his/her willingness to be elected.

- (3) 發出有關書面通知的最短期限至少須為七(7)日，倘該等通知於寄發指定舉行有關選舉之股東大會通知後遞交，則遞交有關通知的期限將於寄發指定舉行有關選舉之股東大會通告翌日開始，並於不遲於有關股東大會日期前七(7)日結束。
- (4) 倘於該股東大會日期前不足十五(15)個營業日收到該通知，則本公司須考慮押後股東大會，以(i)評估建議候選人是否合適；及(ii)於相關股東大會前最少十四(14)個整日及不少於十(10)個營業日就該建議向股東刊發公佈或寄發補充通函。
- (3) The minimum length of the period, during which such written notice(s) may be given, shall be at least seven (7) days and that (if the notices are submitted after the despatch of the notice of the general meeting appointed for such election) the period for lodgment of such notice(s) shall commence on the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.
- (4) If the notice is received less than fifteen (15) business days prior to that general meeting, the Company will need to consider adjournment of the general meeting in order to (i) assess the suitability of the proposed candidate; and (ii) publish an announcement or circulate a supplementary circular in relation to the proposal to the Shareholders at least fourteen (14) clear days and not less than ten (10) business days prior to the general meeting.

C. 股東召開股東特別大會(「股東特別大會」)的程序

- (1) 於遞呈要求當日持有不少於附有本公司股東大會投票權之本公司繳足股本十分之一的股東，可隨時向本公司註冊辦事處發出書面要求(地址為Clarendon House, 2 Church Street, P.O. Box, HM1022, Hamilton, HM DX, Bermuda)及連同其副本呈遞至香港主要辦事處(地址為香港灣仔港灣道1號會展廣場辦公大樓4309室)，致董事會或公司秘書，要求董事會召開股東特別大會，處理有關要求所指明任何事項的相關議程，而有關大會須於遞呈上述要求後兩(2)個月內舉行。
- (2) 書面要求須列明股東大會的目的，經相關要求人士簽署，並可由多份相同格式的文件組成，惟每份文件須經一名或多名該等要求人士簽署。

C. Procedures for Shareholders to convene special general meeting ("SGM")

- (1) Shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition sent to the Company's registered office at Clarendon House, 2 Church Street, P.O. Box, HM1022, Hamilton, HM DX, Bermuda and with a copy to its principal office in Hong Kong at Room 4309, Office Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong, for the attention of the Board or the Company Secretary, to require a SGM to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition.
- (2) The written requisition must state the purposes of the general meeting, be signed by the requisitionists and may consist of several documents in like form, each signed by one or more of those requisitionists.

企業管治報告

CORPORATE GOVERNANCE REPORT

- (3) 倘要求適當，公司秘書將要求董事會根據法定要求向全體註冊股東發出充分通知後召開股東特別大會。相反，倘要求無效，則向相關要求人士告知此結果，亦不會應要求召開股東特別大會。
- (4) 向全體註冊股東發出通知以供考慮相關要求人士於股東特別大會上所提呈建議的期限因建議性質而異，詳情如下：
- i. 倘建議屬本公司特別決議案(除更正明顯錯誤的純粹文書修訂外，不得予以修訂)，須最少發出二十一(21)個整日及不少於十(10)個完整營業日的書面通知；及
- ii. 倘建議屬本公司普通決議案，須最少發出十四(14)個整日及不少於十(10)個完整營業日的書面通知。
- (5) 倘遞呈後二十一(21)日內董事會未有召開有關大會，則遞呈要求人士可根據公司法第74(3)條的規定自行以同樣方式召開大會。
- (6) 根據公司法第74(3)條的規定，倘董事會於遞呈要求日期起計二十一(21)日內未有召開有關大會，則遞呈要求人士或擁有彼等全體總表決權半數以上的任何該等人士可自行以同樣方式召開大會，惟所召開大會不得於上述日期起三(3)個月屆滿後舉行。
- (3) If the requisition is in order, the Company Secretary will ask the Board to convene a SGM by serving sufficient notice in accordance with the statutory requirements to all the registered Shareholders. On the contrary, if the requisition is invalid, the requisitionists will be advised of this outcome and accordingly, a SGM will not be convened as requested.
- (4) The notice period to be given to all the registered Shareholders for consideration of the proposal raised by the requisitionists at a SGM varies according to the nature of the proposal, as follows:
- i. at least twenty-one (21) clear days' and not less than ten (10) clear business days' notice in writing if the proposal constitutes a special resolution of the Company, which cannot be amended other than a mere clerical amendment to correct a patent error; and
- ii. at least fourteen (14) clear days' and not less than ten (10) clear business days' notice in writing if the proposal constitutes an ordinary resolution of the Company.
- (5) If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionists themselves may do so in accordance with the provisions of section 74(3) of the Act.
- (6) In accordance with the provision of section 74(3) of the Act, if the Board does not within twenty-one (21) days from the date of deposit of the requisition proceed duly to convene a meeting, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three (3) months from the said date.

(7) 遞呈要求人士因董事會未有正式召開大會而產生的所有合理開支須由本公司向遞呈要求人士償付，而本公司將從基於有關失責董事的服務而到期應付或即將應付的任何袍金或其他薪酬款項中扣留所償付款項。

D. 股東向董事會作出查詢的程序

股東可隨時透過公司秘書以書面形式將其查詢及問題遞交董事會。公司秘書的聯絡詳情如下：

四環醫藥控股集團有限公司
香港灣仔
港灣道1號
會展廣場辦公大樓4309室
電話：3628 3911
傳真：(852) 3101 0362
電郵：ir@sihuanpharm.com

股東亦可在本公司股東大會上向董事會作出查詢。

股息政策

根據守則新增要求，董事會已於二零一九年三月十八日批准並採納股息政策。

1. 本公司可透過股東大會以任何貨幣宣派股息，惟所宣派的股息不得超過董事會建議的金額。董事會亦可不時宣派股息或其他分派。
2. 本公司宣派任何股息，均應當根據百慕達公司法、本公司組織章程細則以及其他適用法律法規進行，且以不影響本公司及其附屬公司的正常營運為原則。

(7) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board duly to convene a meeting shall be repaid to the requisitionists by the Company, and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration in respect of their services to such directors as were in default.

D. Procedures for directing Shareholders' enquiries to the Board

Shareholders may at any time send their enquiries and concerns to the Board in writing through the Company Secretary whose contact details are as follows:

Sihuan Pharmaceutical Holdings Group Ltd.
Room 4309, Office Tower,
Convention Plaza, 1 Harbour Road,
Wanchai, Hong Kong
Telephone: 3628 3911
Fax: (852) 3101 0362
Email: ir@sihuanpharm.com

Shareholders may also make enquiries to the Board at the general meetings of the Company.

DIVIDEND POLICY

The Board has approved and adopted a dividend policy on 18 March 2019 according to the new requirement of the Code.

1. The Company may declare dividends in any currency through the shareholders' meeting, but the dividends declared shall not exceed the amount recommended by the Board. The Board may also declare dividends or other distributions from time to time.
2. Any dividend declared by the Company shall be conducted in accordance with the Bermuda Companies Law, the bye-laws of the Company and other applicable laws and regulations, and shall not affect the normal operation of the Company and its subsidiaries as the principle.

企業管治報告

CORPORATE GOVERNANCE REPORT

3. 在符合上文第二段的前提下，本公司是否宣派股息以及宣派金額，將取決於本公司的業績、現金流量與財務狀態及狀況、營運及資金需求、營商情況和策略、未來的運營和收益、資本要求和開支計劃、適用會計準則下可分派溢利金額以及董事會認為與本集團有關的其他因素。

董事會持續審核本股息政策，並保留隨時更新、修正、修改和/（或）取消本股息政策的絕對自主權利。本公司不保證在任何既定期間，派發任何特定金額的股息，並且公司沒有任何預先確定的派息率。

3. Subject to the second paragraph above, whether the Company declares dividends and the declared amounts will depend on the Company's financial results, cash flow and financial status and conditions, operating and funding needs, business conditions and strategies, future operations and earnings, capital requirements and expenditure plans, the amount of profit that can be distributed under the applicable accounting standards and other factors that the Board considers relevant to the Group.

The Board will continuously review this dividend policy and reserves the absolute autonomy to update, amend, modify and/or cancel this dividend policy at any time. The Company does not guarantee the payment of any specific amount of dividends for any given period of time and does not have any pre-determined dividend payout ratio.

企業管治職能

董事會負責確保公司建立健全的企業管治常規及程序。董事會授權審核委員會履行以下企業管治職務：

- (a) 發展及檢討本公司的企業管治政策及常規，並向董事會提出建議；
- (b) 檢討及監察本公司董事的培訓及持續專業發展；
- (c) 檢討及監察本公司的政策及常規在法律及監管規定方面的合規情況；
- (d) 發展、檢討及監察適用於本公司董事及僱員的行為守則及企業管治事宜合規指引（如有）；及
- (e) 檢討本公司對守則及企業管治報告中的其他相關規則及披露規定的合規情況。

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for ensuring that the Company establishes good corporate governance practices and procedures. The Audit Committee is authorised by the Board to perform the corporate governance duties as below:

- (a) to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- (b) to review and monitor the training and continuous professional development of Directors of the Company;
- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual to corporate governance matters (if any) applicable to Directors and employees of the Company; and
- (e) to review the Company's compliance with the Code and other related rules and disclosure in the Corporate Governance Report.

核數師酬金

本年度，本集團核數師向本集團提供核數服務。二零二零年度核數服務費用為人民幣5.0百萬元。

遵守不競爭承諾

車馮升醫生、郭維城醫生、孟憲慧先生及張炯龍醫生(統稱為「契諾人」)各自已就其遵守不競爭承諾契據的條款(於本公司日期為二零一零年十月十五日的招股章程披露)提供年度聲明書。根據不競爭契據，各契諾人已(其中包括)不可撤銷及無條件地向本公司承諾，於有關期間內任何時間，各契諾人須各自及須促使其聯繫人(本集團成員公司除外)：

- (i) 不會直接或間接從事、投資、參與或試圖參與或提供任何服務或提供任何財務支持或以其他方式參與(不論以其個人名義或互相或聯同或代表任何人士或公司)與本集團的業務相同、類似或產生競爭的任何業務；及
- (ii) 不會採取任何行動干涉或中斷或可能干涉或中斷本集團的業務。

獨立非執行董事亦已審閱契諾人遵守不競爭承諾契據的情況。

AUDITOR'S REMUNERATION

For the Year, the auditor of the Group provided audit services for the Group. The service fees for audit services in 2020 amounted to RMB5.0 million.

COMPLIANCE OF THE NON-COMPETITION UNDERTAKING

Each of Dr. Che Fengsheng, Dr. Guo Weicheng, Mr. Meng Xianhui and Dr. Zhang Jionglong (collectively, the “**Covenantors**” and each a “**Covenantor**”) had provided an annual declaration in respect of their compliance with the terms of the deed of non-competition undertaking (as disclosed in the Company's prospectus dated 15 October 2010). Pursuant to the deed of non-competition, each of the Covenantors has, among other things, irrevocably and unconditionally undertaken with the Company that at any time during the relevant period, each of the Covenantors shall, and shall procure that its associates (other than members of the Group):

- (i) not, directly or indirectly, engage in, invest in, participate in, or attempt to participate in or render any services to or provide any financial support to or otherwise be involved in, whether on its own account or with each other or in conjunction with or on behalf of any person or company, any business which is the same as, similar to or in competition with the business of the Group; and
- (ii) not take any action which interferes with or disrupts or may interfere with or disrupt the business of the Group.

The independent non-executive Directors have also reviewed the compliance by the Covenantors with the deed of non-competition undertaking.

董事會報告

REPORT OF DIRECTORS

董事會欣然提呈本年度董事會報告及經審核綜合財務報表(「財務報表」)。

主要業務

本公司為一家投資控股公司，本公司附屬公司之主要業務載列於財務報表附註12。

業務審視

主要關係

i. 僱員

僱員為本集團最大資產之一，本集團高度重視僱員之個人發展。本集團定期檢討僱員的薪酬待遇並作出必要調整以符合市場標準，亦已採納購股期權計劃及股份獎勵計劃，以表揚及獎勵員工對本集團之營運及未來發展作出的貢獻。

ii. 供應商

本集團與多個供應商發展長期良好關係，並確保雙方對品質及道德之目標一致。本集團謹慎選擇供應商，要求供應商達到一定的水平。

iii. 分銷商

我們主要透過分銷商銷售產品至最終客戶。我們與分銷商緊密合作，以確保我們於提升品牌價值及客戶服務方面之觀點一致。

iv. 醫院

本集團致力為醫院提供優質產品。我們亦透過不同渠道如探訪、推廣資料及會面等持續溝通與醫院保持緊密聯繫及關係。

The Board is pleased to present the Report of Directors together with the audited consolidated financial statements for the Year (the “**Financial Statements**”).

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 12 to the Financial Statements.

BUSINESS REVIEW

Key Relationships

(i) Employees

Employees are one of the greatest assets of the Group and the Group regards the personal development of its employees highly important. The Group regularly reviews the remuneration package of employees and makes necessary adjustments to conform to the market standard. The Group has also adopted share option scheme and share award scheme to recognise and reward the contribution of the employees for the benefit of the Group’s operations and future development.

(ii) Suppliers

We have developed long-term relationships with a number of suppliers and to ensure that they share our commitment to quality and ethics. We carefully select our suppliers and require them to satisfy certain benchmarks.

(iii) Distributors

We sell our products to the end-user customers through distributors. We work closely with the distributors to ensure that we share the view for enhance our brand value and customer services.

(iv) Hospitals

We are committed to offer quality products to hospitals. We also stay connected and maintain a close relationship with the hospitals through various channels such as visits, marketing materials and meetings.

有關本集團本年度業務的審視與對未來業務發展的論述均載於本年報第15頁至第19頁的主席報告，而有關本集團可能面對的風險及不明朗因素的描述，亦載於第20頁至第21頁的管理層討論及分析，財務報表附註3還刊載了本集團的財務風險管理分析。本年報第14頁則刊載本集團財務摘要，以財務關鍵表現指標分析本集團年內表現。此外，關於風險管理、內部監控系統、ESG、與持份者關係及對本集團有重大影響的相關法律及規例之遵守情況，分別刊於第15頁至第19頁的主席報告、第54頁至第79頁的企業管治報告及第80頁至第108頁之本董事會報告書中，並於本集團企業網頁內可供查閱。

環境保護

本公司在生產與運營過程中始終遵守綠色環保的可持續發展承諾，嚴格遵守業務所在地的環保法律法規，建立健全環境管理制度及監督體系，推動高效環保的生產運作模式，致力於構建資源節約型、環境友好型企業。本年度，本集團重點推動下屬生產開展多項精益生產改造項目，推動節能增效的生產方式；積極回應國家政策，強化危廢品管理；同時，進一步規範環境資料管理，為制定企業節能減排目標奠定資料基礎。

本集團致力於營造綠色舒適的辦公環境，推行多種綠色宣傳與能耗管理手段，鼓勵全員參與自檢自查，不斷強化員工的環保節能意識；同時，進一步規範垃圾分類管理，美化環境。

本集團將不時檢討其環保工作，並在業務營運中持續探索環境管理的提升優化方向，以履行企業經濟與環境可持續發展之承諾。

A review of the business of the Group during the Year and a discussion on the Group's future business development are provided in the Chairman's Statement on pages 15 to 19 of this annual report. Description of possible risks and uncertainties that the Group may be facing can be found in the Management Discussion and Analysis on pages 20 to 21. Also, the financial risk management analysis of the Group can be found in Note 3 to the Financial Statements. An analysis of the Group's performance during the Year using financial key performance indicators is provided in the Group Financial Summary on page 14 of this annual report. In addition, discussions on the Group's risk management, internal control, ESG, relationships with its key stakeholders and compliance with relevant laws and regulations which have a significant impact on the Group are contained in the Chairman's Statement, the Corporate Governance Report and this Report of Directors on pages 15 to 19, pages 54 to 79 and pages 80 to 108, respectively, and in the Group's corporate website.

ENVIRONMENTAL PROTECTION

The Company has always abided by the environmental-friendly sustainable development commitment in the process of production and operation, strictly complied with the environmental protection laws and regulations in the places where it operates, established and improved the environmental management system and monitoring system, promoted an efficient and green pattern for production and operation, committed to building a resource-saving and environment-friendly enterprise. For the Year, the Group focused on promoting its subordinated production units to conduct various lean production transformation projects, so as to promote an energy-saving and profit-increasing production pattern; proactively responded to national policies to strengthen the management of hazardous wastes; at the same time, further standardized the environmental information management, laying an information foundation for setting the corporate goals of energy conservation and emission reduction.

The Group is committed to creating a green and comfortable office environment, carries out a variety of green publicity and energy consumption management methods, encourages all employees to participate in self-inspection to constantly strengthen employees' awareness of environmental protection and energy saving. Meanwhile, the Group further regulates garbage classification management to make a beautiful environment.

The Group will review its environmental protection work from time to time and continue to explore the direction of improvement and optimization of environmental management in its business operations in order to fulfill its commitments to realize corporate economic and environmental sustainability.

董事會報告

REPORT OF DIRECTORS

為進一步提升環境、社會及管治的資訊披露水平，回應利益相關方關注，本集團將繼續披露獨立的《環境、社會及管治報告》。有關本集團環保工作具體事宜與績效詳情，請參考本集團適時出版截至二零二零年十二月三十一日止年度的《環境、社會及管治報告》。

分部資料

本年度，本集團之營業額、收益及分部資料之分析載列於財務報表附註5。

業績及分派

本集團本年度之業績載列於本年報第118至第119頁之綜合損益及其他全面收益表。

董事會建議宣派及派發截至二零二零年十二月三十一日止年度的末期現金股息每股人民幣1.3分（相等於每股港幣1.6分）以回饋股東支持。建議股息需經股東於本公司應屆股東週年大會上批准。連同每股人民幣0.1分的中期現金股息及兩項分別為每股人民幣10.6分及每股人民幣3.0分的特別現金股息，截至二零二零年十二月三十一日止年度派付的現金股息總計將會為每股人民幣15.0分。

財務摘要

本集團過往五個財政年度之業績以及資產與負債之摘要載列於本年報第14頁。

物業、廠房及設備

於本年度內，本集團之物業、廠房及設備之變動詳情載列於財務報表附註6。

附屬公司、聯營公司及合營企業

有關本公司於二零二零年十二月三十一日之主要附屬公司、聯營公司及合營企業之詳情分別刊於財務報表附註12、13及40。

In order to further improve our information disclosure level in environment, society and governance and respond to our stakeholders' concerns, the Group will continuously disclose the independent Environmental, Social and Governance Report. For details of the Group's environmental protection work and performance, please refer to the Group's Environmental, Social and Governance Report for the year ended 31 December 2020 to be published in due course.

SEGMENT INFORMATION

An analysis of the Group's turnover, income and segment information for the Year is set out in note 5 to the Financial Statements.

RESULTS AND DISTRIBUTIONS

The Group's results for the Year are set out in the consolidated statement of profit or loss and other comprehensive income on pages 118 to 119 of this annual report.

The Board recommended the declaration and payment of a final cash dividend of RMB1.3 cents per share (equivalent to HK\$1.6 cents per share) for the year ended 31 December 2020 in return for Shareholders' support. The proposed dividend is subject to approval by the Shareholders at the forthcoming annual general meeting of the Company. Together with an interim cash dividend of RMB0.1 cents per share and two special cash dividends of RMB10.6 cents per share and RMB3.0 cents per share, respectively, the total cash dividend for the year ended 31 December 2020 will be RMB15.0 cents per share.

FINANCIAL HIGHLIGHTS

A summary of the Group's results and assets and liabilities for the last five financial years is set out on page 14 of this annual report.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the Year are set out in note 6 to the Financial Statements.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Details of the Company's principal subsidiaries, associates and joint venture as at 31 December 2020 are set out in notes 12, 13 and 40 to the Financial Statements, respectively.

股本

年內，本公司之股本變動詳情連同其原因載列於財務報表附註19。

股份及儲備

有關本集團及本公司於本年度的股份及儲備變動詳情載列於綜合權益變動表以及財務報表附註19及20。於報告期間完結時，可供分派予股東的儲備為人民幣4,302,088,000元（二零一九年：人民幣5,250,978,000元）。本公司於本年度內並無發行任何股份。

購股權計劃及剩餘期限

股東於二零一七年十月二十四日舉行的股東特別大會上批准及採納購股權計劃（「**購股權採納日期**」），自購股權採納日期起計十（10）年內有效。而截至本報告日期，有效期大約還剩約6年7個月。

購股權計劃的目的

購股權計劃旨在鼓勵合資格人士（載於下文(b)段）(i) 於日後對本集團作出最大貢獻；(ii) 獎勵彼等過往作出的貢獻；及(iii) 吸納及挽留對本集團而言屬重要及/或其貢獻有利或將有利於本集團表現、增長及所得成果的合資格人士，或以其他方式與彼等維持持續關係。

(a) 合資格人士

董事會可全權酌情邀請本集團任何成員公司的任何董事或候任董事（包括獨立非執行董事）、任何執行董事、經理或在本集團任何成員公司擔任行政、管理、監督或類似職位的其他僱員、任何候任僱員、任何全職或兼職僱員、或當時調入本集團任何成員公司作全職或兼職工作的人士、本集團任何成員公司的顧問、業務或合營企業夥伴、特許經營商、承包商、代理或代表、向本集團任何成員公司提供研究、開發或其他技術支持或任何諮詢、顧問、專業或其他服務的個人或實體，或上述任何人士的聯繫人（定義見上市規則）（統稱及各自為「合資格人士」）。

SHARE CAPITAL

Details of movements in the share capital of the Company during the Year together with the reasons for such movements are set out in note 19 to the Financial Statements.

SHARES AND RESERVES

Details of movements in the shares and reserves of the Group and the Company during the Year are set out in the Consolidated Statement of Changes in Equity and also in notes 19 and 20 to the Financial Statements. As at the end of the reporting period, the reserves available for distribution to Shareholders amounted to RMB4,302,088,000 (2019: RMB5,250,978,000). The Company had not issued any shares during the Year.

SHARE OPTION SCHEME AND REMAINING LIFE

The Share Option Scheme was approved and adopted by the Shareholders at the special general meeting held on 24 October 2017 (“**Share Option Scheme Adoption Date**”), which will be valid for ten (10) years from the Share Option Scheme Adoption Date. As of the date of this Report, it has a remaining life of approximately 6 years 7 months.

PURPOSE OF THE SHARE OPTION SCHEME

The purpose of the Share Option Scheme is to motivate Eligible Persons (as set out in paragraph (b) below) (i) to optimise their future contributions to the Group; (ii) to reward them for their past contributions; and (iii) to attract, retain or otherwise maintain on-going relationships with Eligible Persons who are significant to and/or whose contributions are or will be beneficial to the performance, growth and success of the Group.

(a) Eligible persons

Our Board may, at its sole discretion, invite any director or proposed director (including an independent non-executive director) of any member of the Group, any executive director of, manager of, or other employee holding an executive, managerial, supervisory or similar position in, any member of the Group, any proposed Employee, any full-time or part-time Employee, or a person for the time being seconded to work full-time or part-time for any member of the Group, a consultant, business or joint venture partner, franchisee, contractor, agent or representative of any member of the Group, a person or entity that provides research, development or other technological support or any advisory, consultancy, professional or other services to any member of the Group, or an associate (as defined under the Listing Rules) of any of the foregoing persons (together, “**Eligible Persons**” and each an “**Eligible Person**”).

董事會報告

REPORT OF DIRECTORS

(b) 釐定資格

- (i) 董事會可全權酌情決定根據購股權計劃向任何合資格人士(「承授人」)提出要約授出可認購股份的購股權。
- (ii) 董事將不時依據任何合資格人士對本集團發展、增長及所得成果作出的貢獻，釐定該等人士獲授任何購股權的資格基準。
- (iii) 為免生疑問，除非董事另有決定，否則本公司向任何被界定為合資格人士的人士授出可認購股份的任何購股權，不應因此被詮釋為根據購股權計劃授出購股權。
- (iv) 合資格人士或承授人須向董事會提供董事會不時(包括於提出有關授出購股權的要約前、於接納所授出的購股權時及於行使購股權時)全權酌情要求的有關資料及支持證據，以評估及/或釐定其作為合資格人士及/或承授人或其緊密聯繫人的資格或是否持續符合資格，或用作與購股權(及其行使)條款或購股權計劃及其管理有關的用途。

因根據購股權計劃(及根據本公司任何其他首次公開發售後購股權計劃)可能授出的所有購股權獲行使而將予發行的股份數目，最多合共不得超過於購股權採納日期的已發行股份的10%(「計劃授權上限」)，惟本公司可於董事會認為合適的情況下隨時尋求股東批准更新計劃授權上限，惟因行使根據購股權計劃(及根據本公司任何其他首次公開發售後購股權計劃)可能授出的所有購股權而將予發行的股份數目，最多不得超過股東於股東大會上批准更新該上限之日的已發行股份的10%。

(b) Determination of eligibility

- (i) The Board may, at its absolute discretion, offer to grant to any Eligible Person (a “Grantee”) an option to subscribe for Shares under the Share Option Scheme.
- (ii) The basis of eligibility of any Eligible Person to the grant of any option shall be determined by our Directors from time to time on the basis of their contributions to the development, growth and success of the Group.
- (iii) For the avoidance of doubt, the grant of any option by our Company for the subscription of Shares to any person who falls within the definition of Eligible Persons shall not, by itself, unless our Directors otherwise determine, be construed as a grant of options under the Share Option Scheme.
- (iv) An Eligible Person or a Grantee shall provide the Board such information and supporting evidence as the Board may in its absolute discretion request from time to time (including before the offer of a grant of option, at the time of acceptance of a grant of option and at the time of exercise of an option) for the purpose of assessing and/or determining his eligibility or continuing eligibility as an Eligible Person and/or a Grantee or that of his close associates or for purposes in connection with the terms of an option (and the exercise thereof) or the Share Option Scheme and the administration thereof.

The maximum number of Shares to be issued upon exercise of all options which may be granted under the Share Option Scheme (and under any other post-IPO share option scheme of our Company) shall not in aggregate exceed 10% of the Shares in issue as at the Share Option Scheme Adoption Date (“**Scheme Mandate Limit**”), provided that our Company may at any time as our Board may think fit seek approval from the Shareholders to refresh the Scheme Mandate Limit, except that the maximum number of Shares to be issued upon exercise of all options which may be granted under the Share Option Scheme (and under any other post-IPO share option scheme of our Company) shall not exceed 10% of the Shares in issue as at the date of approval by the Shareholders in general meeting where such limit is refreshed.

儘管有前段所述者，惟因行使根據購股權計劃(及根據本公司任何其他首次公開發售後購股權計劃)授出而尚未行使及有待行使的所有購股權而將予發行的股份數目，最多不得超過不時已發行股份的30%。

於二零一七年十月二十四日的股東特別大會上通過有關採納購股權計劃之決議案後，根據購股權計劃可能配發及發行之股份總數將為947,108,220股股份，相當於購股權採納日期已發行之股份總數約10%。

在任何12個月期間內因授予任何一名合資格人士的購股權(包括已行使及尚未行使的購股權)獲行使而已發行及將予發行的股份數目，最多不得超過不時已發行股份的1%。倘向上述合資格人士增授購股權會導致截至增授購股權之日(包括該日)止12個月期間因行使已授予及可能授予該合資格人士的所有購股權(包括已行使、已註銷及尚未行使的購股權)而已發行及將予發行的股份，合共超過當時已發行股份的1%，則增授購股權須在股東大會上取得股東另行批准，而該合資格人士及其聯繫人或緊密聯繫人(視情況而定)均須放棄投票。

授出購股權

根據購股權計劃的條款及條件並在其規限下，董事會有權於由購股權採納日期起計的十(10)年期內隨時向董事會全權酌情選定的任何合資格人士提出要約授出任何購股權，並於要約獲接納時向合資格人士授出獲接納的該部分購股權。

Despite the above-mentioned, the maximum number of Shares to be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme (and under any other post-IPO share option scheme of our Company) shall not exceed 30% of the Shares in issue from time to time.

The total number of Shares that may fall to be allotted and issued under the Share Option Scheme after the resolution regarding the adoption of the Share Option Scheme was passed at the special general meeting on 24 October 2017 would be 947,108,220 Shares, representing approximately 10% of the total number of Shares in issue as at the Share Option Scheme Adoption Date.

The maximum number of Shares issued and to be issued upon exercise of the options granted to any one Eligible Person (including exercised and outstanding options) in any 12-month period shall not exceed 1% of the Shares in issue from time to time. Where any further grant of options to such an Eligible Person would result in the Shares issued and to be issued upon exercise of all options granted and which may be granted to such Eligible Person (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such further grant would exceed 1% of the Shares in issue at such time, such further grant shall be separately approved by the Shareholders in general meeting with such Eligible Person and his associates or close associates (as the case may be) abstaining from voting.

Grant of options

On and subject to the terms and conditions of the Share Option Scheme, our Board shall be entitled at any time within a period of ten (10) years commencing on the Share Option Scheme Adoption Date to offer the grant of any option to any Eligible Person as the Board may in its absolute discretion select, and on acceptance of the offer, grant such part of the option as accepted to the Eligible Person.

董事會報告

REPORT OF DIRECTORS

在購股權計劃條文的規限下，董事會在提出要約授出購股權時，可全權酌情決定在購股權計劃所載條文以外施加任何董事會認為適當的有關條件、限制或局限（將於載有授出購股權要約的函件內列明），包括（在不影響前述者的一般性原則下）持續符合資格標準、關於本公司及/或承授人須達致表現、營運或財務目標的條件、限制或局限、承授人完滿履行或達成若干條件或義務，或就購股權所涉全部或部分股份行使有關購股權的權利的歸屬時間或期限，惟購股權所涉股份的歸屬期不得超過授出購股權當日起計滿十(10)年。

購股權計劃的規則規定，董事會可指定獲授購股權的合資格人士、每份購股權所涉及的股份數目及獲授購股權的日期。購股權可於購股權期限內隨時行使，惟受限於根據購股權計劃規則施加的若干條件、限制或局限。釐定認購價的基準亦於購股權計劃規則中訂明。購股權計劃並無明確表現目標。董事認為，讓董事會擁有酌情權可在授出購股權時設定（其中包括）購股權可予行使前須符合的最短持有期限、表現目標及認購價，將可更有效地達成購股權計劃的目的，原因是這可讓董事會因應承授人的具體情況，經考慮承授人的資歷、經驗、過往工作表現、專業領域等因素後授出購股權，因而可給予承授人適當的鼓勵及激勵。

當本公司於載有授出購股權要約的函件所列明的期限內收到經承授人妥為簽署有關接納購股權的函件複本，連同以本公司為收款人作出的1.00港元（作為獲授購股權的代價）匯款，則授出購股權要約將被視為已獲接納。一旦作出有關接納，購股權將被視為經已授出，並於要約日期起生效。

承授人可按本公司不時設立有關行使購股權的程序行使全部或部分購股權。每次行使購股權均須附上行使該購股權所涉將予發行股份的全數認購價款。

Subject to the provisions of the Share Option Scheme, the Board may in its absolute discretion when offering the grant of an option impose any condition, restriction or limitation in relation thereto in addition to those set forth in the Share Option Scheme as the Board may think fit (to be stated in the letter containing the offer of the grant of the option), including but without prejudice to the generality of the foregoing continuing eligibility criteria, conditions, restrictions or limitations relating to the achievement of performance, operating or financial targets by our Company and/or the Grantee, the satisfactory performance or maintenance by the Grantee of certain conditions or obligations or the time or period when the right to exercise the option in respect of all or some of the Shares to which the option relates shall vest, provided that the period within which the Shares that the option relates shall vest on a date not more than ten (10) years from the date of the grant of the option.

The rules of the Share Option Scheme provide that the Board may specify the Eligible Persons to whom Share Options shall be granted, the number of Shares subject to each Share Option and the date on which the Share Options shall be granted. The Share Options may be exercised at any time during the Share Option Period subject to certain conditions, restrictions or limitations imposed pursuant to the rules of the Share Option Scheme. The basis for determining the subscription price is also specified precisely in the rules of the Share Option Scheme. There is no performance target specified in the Share Option Scheme. The Directors consider that allowing the Board discretion to fix, among other things, the minimum period for which a Share Option must be held before it can be exercised, performance targets and the subscription price, upon the grant of Share Options will better serve the purpose of the Share Option Scheme as this will allow the Board to grant Share Options that cater to the specific circumstances of the Grantee, taking into consideration the Grantee's seniority, experience, past work performance, field of expertise, etc., and thereby providing appropriate motivation and incentive to the Grantee.

An offer of the grant of an option shall be deemed to have been accepted when the duplicate letter comprising acceptance of the option duly signed by the Grantee together with a remittance in favour of our Company of HKD1.00 by way of consideration for the grant thereof is received by our Company within the period specified in the letter containing the offer of the grant of the option. Once such acceptance is made, the option shall be deemed to have been granted and to have taken effect from the offer date.

An option shall be exercised in whole or in part by the Grantee according to the procedures for the exercise of options established by our Company from time to time. Every exercise of an option must be accompanied by a remittance for the full amount of the subscription price for the Shares to be issued upon exercise of such option.

任何特定購股權所涉及的認購價應由董事會於授出相關購股權時全權酌情釐定(並須於載有授出購股權要約的函件內列明)，惟認購價不得低於下列各項的最高者：

- (i) 股份面值；
- (ii) 於要約日期聯交所每日報價表所報的股份收市價；及
- (iii) 緊接要約日期前五個營業日聯交所每日報價表所報的股份平均收市價。

認購價亦可根據資本結構重組予以調整。

基於二零二零年十二月三十一日已發行9,465,682,206股股份。於二零二零年八月二十六日，根據2017年購股權計劃，蔡耀忠先生獲授購股權6,000,000股股份的期權；陳燕玲女士獲授購股權4,000,000股股份；辛定華先生獲授購股權3,000,000股股份；曾華光先生獲授購股權3,000,000股股份，而朱迅博士獲授購股權3,000,000股股份，其餘75,656,000份購股權獲授予為合資格參與者的本公司員工。根據2017年購股權計劃，以每股0.972港元的價格購買75,656,000股股份之購股權，這些購股權將於二零二零年八月二十五日屆滿。截至二零二零年十二月三十一日，該等購股權並未行使註銷或失效。

The subscription price in respect of any particular option shall be such price as our Board may in its absolute discretion determine at the time of the grant of the relevant option (and shall be stated in the letter containing the offer of the grant of the option) but the subscription price shall not be less than whichever is the highest of:

- (i) the nominal value of a Share;
- (ii) the closing price of Shares as stated in the Stock Exchange's daily quotations sheet on the offer date; and
- (iii) the average of the closing prices of Shares as stated in the Stock Exchange's daily quotations sheet for the five Business Days immediately preceding the offer date.

The subscription price shall also be subject to adjustment in accordance with reorganization of capital restructure.

Based on 9,465,682,206 Shares in issue as at 31 December 2020. On 26 August 2020, Mr. Choi Yiau Chong was granted options to purchase 6,000,000 Shares; Ms. Chen Yanling was granted to purchase 4,000,000 Shares; Mr. Patrick Sun was granted to purchase 3,000,000 Shares; Mr. Tsang Wah Kwong was granted to purchase 3,000,000 Shares and Dr. Zhu Xun was granted to purchase 3,000,000 Shares, the remaining 75,656,000 Share Options were granted to eligible participants who are employees of the Company at a price of HK\$0.972 per Share pursuant to the 2017 Stock Option Plan. These options will expire on 25 August 2030 inclusive. As of 31 December 2020, none of these options has been exercised, cancelled or lapsed.

董事會報告

REPORT OF DIRECTORS

僱員股份獎勵計劃

為向本集團管理層提供獎勵，若干股東（即 Plenty Gold Enterprises Limited、車馮升醫生及郭維城醫生）已於二零一零年十月二十五日（「採納日期」）採納一項獎勵計劃（「僱員股份獎勵計劃」）。Plenty Gold Enterprises Limited、車馮升醫生及郭維城醫生（作為信託的財產授予人（「財產授予人」））已為僱員股份獎勵計劃預留及撥出合共33,750,000股本公司股份（「Plenty Gold股份」）。於二零一三年一月二十五日，MSPEA Pharma Holdings B.V. 向僱員股份獎勵計劃貢獻額外3,750,000股本公司股份（連同Plenty Gold股份，統稱「預留股份」）。受託人公司（於英屬處女群島成立的私人信託公司，由PlentyGold Enterprises Limited全資擁有）已獲委任為受託人（「計劃受託人」），根據僱員股份獎勵計劃持有預留股份，計劃受託人將於接獲薪酬委員會的指示後，向經甄選的本集團管理人員及僱員（不包括董事）（「承授人」）授出可按薪酬委員會將釐定的價格購入預留股份的權利（「獎勵」）。

僱員股份獎勵計劃涉及授出本公司現有股份，故不會根據此安排發行新股份。由於獎勵的承授人將為經甄選的本集團管理人員（不包括董事）且財產授予人為關連人士，故預留股份不會計入公眾持股量。所有相關獎勵計劃（包括此僱員股份獎勵計劃）合共將不會超過本公司已發行股本的30%。薪酬委員會應釐定將獲授獎勵的僱員，而獎勵可自採納日期起計三年期間內隨時授出。待達成行使獎勵的若干條款及條件（包括若干歸屬條件及表現目標（如有））後，承授人可於計劃受託人向該名僱員發出的要約函件所述行使獎勵的限期前，隨時行使其接納的任何部分獎勵。

於二零一三年九月二十七日，本集團234名僱員獲授獎勵，有權按每股3.19港元的行使價購買合共19,750,000股本公司股份。本集團6名僱員於二零一三年十月二十一日獲授獎勵，可按行使價每股0.70港元向受託人公司購買合共2,050,000股本公司股份。待達成若干歸屬條件及達到若干業績目標（如有）後，該獎勵可於授予獎勵之日起五年期間行使。

EMPLOYEE SHARE AWARD SCHEME

An award scheme for the purpose of incentivising the management of the Group (the “**Employee Share Award Scheme**”) has been adopted by certain Shareholders (namely, Plenty Gold Enterprises Limited, Dr. Che Fengsheng and Dr. Guo Weicheng) on 25 October 2010 (the “**Adoption Date**”). Plenty Gold Enterprises Limited, Dr. Che Fengsheng and Dr. Guo Weicheng, as settlors (the “**Settlors**”) of a trust, has reserved and set aside a total of 33,750,000 shares of the Company (the “**Plenty Gold Shares**”) for the Employee Share Award Scheme. On 25 January 2013, MSPEA Pharma Holdings B.V. contributed an additional 3,750,000 shares of the Company (together with the Plenty Gold Shares, the “**Reserve Shares**”) to the Employee Share Award Scheme. Trustee Co (a private trust company established in the British Virgin Islands and wholly-owned by Plenty Gold Enterprises Limited) has been appointed as the trustee (the “**Scheme Trustee**”) to hold the Reserve Shares under the Employee Share Award Scheme, and the Scheme Trustee will, upon receiving instructions from the Remuneration Committee, award to selected management personnel and employees of the Group (excluding Directors) (a “**Grantee**”) the rights to acquire the Reserve Shares (“**Awards**”) at a price to be determined by the Remuneration Committee.

The Employee Share Award Scheme involves granting of the existing shares of the Company and no new shares will be issued by the Company pursuant to this arrangement. The Reserve Shares will not be counted towards the public float as Grantees of Awards will be selected management personnel of the Group (excluding Directors) and the Settlors are connected persons. All related award schemes (including this Employee Share Award Scheme) will not in aggregate exceed 30% of the issued share capital of the Company. The Remuneration Committee shall determine which employee will be granted the Awards, and Awards may be granted at any time during a period of three years commencing from the Adoption Date. Subject to satisfying certain terms and conditions for exercise of the Awards, including certain vesting conditions and performance targets (if any), a Grantee may exercise any portion of his or her Award accepted by him/her at any time before the deadline for exercising the Award as stated in the offer letter from the Scheme Trustee to such employee.

On 27 September 2013, 234 employees of the Group were granted Awards entitling them to acquire an aggregate of 19,750,000 shares of the Company from the Trustee Co at an exercise price of HKD3.19 per share. On 21 October 2013, 6 employees of the Group were granted Awards entitling them to acquire an aggregate of 2,050,000 shares of the Company from the Trustee Co at an exercise price of HKD0.70 per share. Subject to certain vesting conditions and the satisfaction of certain performance targets (if any), such Awards shall be exercisable over a period of five years commencing from the date on which the Awards were granted.

於二零一六年六月二十八日，本集團234名僱員（「選定參與者」）獲授新獎勵（「新獎勵」），可藉此按行使價每股1.57港元購買合共31,448,172股每股面值0.01港元的本公司普通股，條件是選定參與者將交回現有獎勵。待達成若干歸屬條件及若干績效指標（如有）後，新獎勵可於授出日當日起計五年內行使。

截至二零二零年十二月三十一日，沒有僱員行使彼等根據僱員股份獎勵計劃授出股份。

截至二零二零年十二月三十一日，新獎勵的剩餘年期約六個月。

優先購股權

本公司的章程細則或百慕達（即本公司註冊成立的司法權區）法律並無任何規定本公司須向現有股東提供按比例發售新股份的優先購買權規定。

買賣或贖回本公司上市股份

截至二零二零年十二月三十一日止年度，本公司及其附屬公司概無買賣或贖回任何本公司上市股份。

主要客戶及供貨商

於二零二零年，本集團最大單一客戶及五個最大客戶所佔集團本年度的總銷售額比例分別為1.99%及9.64%。

於二零二零年，本集團最大單一供貨商及五個最大供貨商所佔集團本年度的總採購額比例分別為5.34%及22.03%。

各董事、主要行政人員、彼等之緊密聯繫人士或任何就董事所知擁有本公司已發行股本5%以上之股東，於本年度內概無於本集團五大客戶及供貨商中擁有任何實益權益。

全球發售所得款項用途

於二零一零年十月，本公司透過國際配售及公開發售以價格4.60港元配發1,437,500,000股普通股。除下文所披露者外，上述國際配售及公開發售所得款項淨額約6,365.7百萬港元（相當於約人民幣5,407.6百萬元）已根據本公司於二零一零年十月十五日的招股章程所披露用途動用。

於二零二零年十二月三十一日，本公司國際配售及公開發售所籌集資金已全部動用完畢。

On 28 June 2016, 234 employees of the Group (the “Selected Participants”) were granted new Awards (“New Awards”) entitling them to acquire an aggregate of 31,448,172 ordinary shares of par value HKD0.01 each of the Company at an exercise price of HKD1.57 per share on the condition that the Selected Participants will surrender the existing Awards. Subject to certain vesting conditions and the satisfaction of certain performance targets (if any), the New Awards shall be exercisable over a period of five years commencing from the date on which the New Awards are granted.

As of 31 December 2020, no employee exercised their Awards granted under the Employee Share Award Scheme.

As of 31 December 2020, the remaining life of the New Awards was approximately 6 months.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company’s bye-laws or the laws of Bermuda, being the jurisdiction in which the Company was incorporated, which would oblige the Company to offer new shares on a pro-rata basis to the existing Shareholders.

PURCHASE, SALE OR REDEMPTION OF LISTED SHARES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed shares during the year ended 31 December 2020.

MAJOR CUSTOMERS AND SUPPLIERS

In 2020, the aggregate sales attributable to the Group’s largest customer and five largest customers were 1.99% and 9.64% respectively of the Group’s sales for the Year.

In 2020, the aggregate purchases attributable to the Group’s largest supplier and five largest suppliers were 5.34% and 22.03% respectively of the Group’s purchases for the Year.

Neither the Directors or chief executive or any of their close associates or any Shareholder (which, to the knowledge of the Directors, owns more than 5% of the Company’s issued share capital) had any beneficial interest in any of the Group’s five largest customers and suppliers during the Year.

USE OF PROCEEDS FROM THE GLOBAL OFFERING

In October 2010, the Company allotted 1,437,500,000 ordinary shares at a price of HKD4.60 through international placing and public offer. Save as disclosed below, the net proceeds raised from such international placing and public offer, being approximately HKD6,365.7 million (equivalent to approximately RMB5,407.6 million), are used in accordance with the purposes disclosed in the prospectus of the Company dated 15 October 2010.

As at 31 December 2020, proceeds from the international placing and public offer of the Company have been fully utilized.

董事會報告

REPORT OF DIRECTORS

董事

於截至二零二零年十二月三十一日止年度及直至本年報日期，本公司之董事（「董事」）如下：

執行董事

車馮升醫生（主席）
郭維城醫生（副主席兼行政總裁）
張炯龍醫生
蔡耀忠先生（財務總監）
陳燕玲女士

非執行董事

金鎮夏先生

獨立非執行董事

辛定華先生
曾華光先生
朱迅博士

董事的履歷載於本年報「董事履歷」一節。

根據細則第84(1)條，張炯龍醫生、蔡耀忠先生及陳燕玲女士須輪流退任，且均符合資格在二零二一年股東週年大會上膺選連任。

董事之服務合約

執行董事車馮升醫生及郭維城醫生已各自與本公司續訂服務合約，由二零一九年十月二十八日起計為期三年，可於屆滿前由一方向另一方發出至少三個月書面通知予以終止。車醫生及郭醫生各自將分別收取年薪人民幣10,000,000元及人民幣6,000,000元（包括任何董事袍金）（年薪須由董事會及薪酬委員會每年檢討）及董事會及薪酬委員會計及相關執行董事的表現後可能酌情釐定的酌情花紅。

張炯龍醫生已與本公司簽訂服務合約，由二零二一年四月二十日起計為期三年，可於屆滿前由一方向另一方發出至少三個月書面通知予以終止。張醫生現收取年薪（包括董事袍金）1,000,000港元。

DIRECTORS

The directors of the Company (the “**Directors**”) during the year ended 31 December 2020 and up to the date of this annual report were as follows:

Executive Directors

Dr. Che Fengsheng (Chairman)
Dr. Guo Weicheng (Deputy Chairman and CEO)
Dr. Zhang Jionglong
Mr. Choi Yiau Chong (CFO)
Ms. Chen Yanling

Non-executive Director

Mr. Kim Jin Ha

Independent non-executive Directors

Mr. Patrick Sun
Mr. Tsang Wah Kwong
Dr. Zhu Xun

The biographical details of the Directors are set out under the Section “Biographical Details of Directors” of this annual report.

Pursuant to bye-law 84(1) of the Bye-Laws, Dr. Zhang Jionglong, Mr. Choi Yiau Chong and Ms. Chen Yanling shall retire by rotation, and being eligible, have offered themselves for re-election as Directors at the 2021 AGM.

DIRECTORS' SERVICE CONTRACTS

Each of Dr. Che Fengsheng and Dr. Guo Weicheng being the executive Directors, renewed their service contracts with the Company for a term of three years commencing from 28 October 2019, subject to termination before expiry by either party giving not less than three months' notice in writing to the other. Each of Dr. Che and Dr. Guo will receive an annual salary (including any director's fees) of RMB10,000,000 and RMB6,000,000 respectively (such annual salary is subject to annual review by the Board and the Remuneration Committee) and a discretionary bonus as may be decided by the Board and the Remuneration Committee at their discretion, having regard to the performance of the relevant executive Director.

Dr. Zhang Jionglong has entered into service contracts with the Company for a term of three years commencing from 20 April 2021, subject to termination before expiry by either party giving not less than three months' notice in writing to the other. Dr. Zhang currently receive an annual salary (including director's fee) of HKD1,000,000.

蔡耀忠先生已與本公司簽訂服務合約，由二零二一年三月二十六日起計為期三年，可於屆滿前由一方向另一方發出至少三個月書面通知予以終止。蔡先生將收取年薪(包括董事袍金)3,600,000港元。

陳燕玲女士已與本公司簽訂服務合約，由二零二一年四月二十日起計為期三年，可於屆滿前由一方向另一方發出至少三個月書面通知予以終止。陳女士現收取年薪(包括董事袍金)1,300,000港元。

各執行董事須就董事會批准釐定應向其支付的薪金、花紅及其他福利的任何決議案放棄投票，亦不會計入法定人數內。

非執行董事金鎮夏先生已與本公司續訂委任函，由二零二零年十二月八日起計為期一年。非執行董事將不會自本公司收取任何薪酬。

獨立非執行董事辛定華先生、曾華光先生及朱迅博士分別與本公司續訂彼等的委任函，分別自二零二零年十月二十七日、二零二零年九月四日及二零二一年二月二十日起為期一年。辛定華先生、曾華光先生及朱迅博士截至二零二零年十二月三十一日止年度的董事袍金分別為412,000港元、412,000港元及人民幣280,000元。

除本年報所披露者外，在二零二一年股東週年大會參加重選的董事與本公司並無訂立任何本公司不可於一年內終止而毋須作出賠償(法定賠償除外)之服務合約。

管理合約

本年度內，本公司並無就整體業務或任何重要業務之管理或行政工作簽訂或存有任何合約。

Mr. Choi Yiau Chong has entered into service contracts with the Company for a term of three years commencing from 26 March 2021, subject to termination before expiry by either party giving not less than three months' notice in writing to the other. Mr. Choi will receive an annual salary (including director's fee) of HKD3,600,000.

Ms. Chen Yanling has entered into service contracts with the Company for a term of three years commencing from 20 April 2021, subject to termination before expiry by either party giving not less than three months' notice in writing to the other. Ms. Chen currently receive an annual salary (including director's fee) of HKD1,300,000.

Each of the executive Directors shall abstain from voting, and not be counted in the quorum, in respect of any resolution of the Board approving the determination of the salary, bonus and other benefits payable to him/her.

Mr. Kim Jin Ha, being the non-executive Director, renewed his letter of appointment with the Company, for a term of one year commencing from 8 December 2020. The non-executive Director will not receive any remuneration from the Company.

Mr. Patrick Sun, Mr. Tsang Wah Kwong and Dr. Zhu Xun, being the independent non-executive Directors, renewed their respective letters of appointment with the Company for a term of one year, commencing from 27 October 2020, 4 September 2020 and 20 February 2021 respectively. The director's fee for the year end 31 December 2020 for Mr. Patrick Sun, Mr. Tsang Wah Kwong and Dr. Zhu Xun are HKD412,000, HKD412,000 and RMB280,000 respectively.

Save as disclosed in this annual report, none of the Directors standing for re-election at the 2021 AGM has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than the statutory compensation.

MANAGEMENT CONTRACTS

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

董事會報告

REPORT OF DIRECTORS

董事於競爭業務、交易、安排及合約中的權益

年內，概無董事或彼等各自之聯繫人（定義見上市規則）被視為與本集團構成競爭的業務或極可能競爭（直接或間接）之業務中擁有權益。再者，在年終或本年度內任何時間，本公司並無訂立任何對本集團業務重大且董事於其中直接或間接擁有重大權益的交易、安排或合約。

關連交易

本集團截至二零二零年十二月三十一日止年度的關聯方交易詳情載於財務報表附註40。該等交易概無構成上市規則第十四A章項下的關連交易。

截至二零二零年十二月三十一日止年度，本集團並無進行任何其他須遵守上市規則項下有關申報及年度審核規定的關連交易或持續關連交易（定義見上市規則）。

1. 與CFS Development Holding Limited（「CFS Development」）及Weicheng Investment Holding Limited（「Weicheng Investment」）的買賣協議

於二零二零年五月三日，耀忠國際（香港）有限公司（「耀忠」）與CFS Development訂立買賣協議A，根據買賣協議A的條款及條件，耀忠據此有條件地同意出售及CFS Development有條件地同意購買重輝投資有限公司的全部已發行股本並且耀忠有條件地同意轉讓及CFS Development有條件地同意接受轉讓股東貸款，總代價為人民幣289.2百萬元（相當於約317.1百萬港元）。於二零二零年五月三日，耀忠與Weicheng Investment訂立買賣協議B，根據買賣協議B的條款及條件，耀忠據此有條件地同意出售及Weicheng Investment有條件地同意購買騰為投資有限公司的全部已發行股本，總代價為人民幣136.2百萬元（相當於約149.4百萬港元）（統稱「出售事項」）。

DIRECTORS' INTERESTS IN COMPETING BUSINESS, TRANSACTIONS, ARRANGEMENTS AND CONTRACTS

During the Year, no Directors or their respective associates (as defined in the Listing Rules) are considered to have an interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group. Furthermore, no transactions, arrangements or contracts of significance in relation to the Group's business in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

CONNECTED TRANSACTIONS

Details of the related party transactions of the Group during the year ended 31 December 2020 are set out in Note 40 to Financial Statements. None of these transactions constituted connected transactions under Chapter 14A of the Listing Rules.

During the year ended 31 December 2020, the Group has not conducted any other connected transaction or continuing connected transaction (as defined under the Listing Rules) which is subject to reporting and annual review requirements under the Listing Rules.

1. Sale and Purchase Agreement with CFS Development Holding Limited (“CFS Development”) and Weicheng Investment Holding Limited (“Weicheng Investment”)

On 3 May 2020, Sun Moral International (HK) Limited (“Sun Moral”) and CFS Development entered into the Sale and Purchase Agreement A, pursuant to which Sun Moral has conditionally agreed to sell and CFS Development has conditionally agreed to purchase the entire issued share capital of Chonghui Investment Limited, and Sun Moral has conditionally agreed to assign and CFS Development has conditionally agreed to accept the assignment of the Shareholder's Loan, at an aggregate consideration of RMB289.2 million (equivalent to approximately HK\$317.1 million) in accordance with the terms and conditions of the Sale and Purchase Agreement A. On 3 May 2020, Sun Moral and Weicheng Investment entered into the Sale and Purchase Agreement B, pursuant to which Sun Moral has conditionally agreed to sell and Weicheng Investment has conditionally agreed to purchase the entire issued share capital of Tengwei Investment Limited at an aggregate consideration of RMB136.2 million (equivalent to approximately HK\$149.4 million) in accordance with the terms and conditions of the Sale and Purchase Agreement B (collectively the “Disposal”).

由於有關出售事項的最高適用百分比率超過5%但低於25%，故出售事項構成上市規則第14章項下本公司的須予披露交易，並須遵守上市規則第14章項下的申報及公告規定。由於CFS Development為根據委託人為車醫生的信託所成立的公司，因此CFS Development為車馮升醫生（「車醫生」）的聯繫人。由於Weicheng Investment為根據委託人為郭維成醫生（「郭醫生」）的信託所成立的公司，因此Weicheng Investment為郭醫生的聯繫人。於二零二零年五月三日，車醫生及郭醫生各自被視為間接擁有本公司已發行股本62.64%的權益，因此為本公司的控股股東。車醫生為本公司執行董事兼主席，郭醫生為本公司執行董事、副主席兼行政總裁。因此，根據上市規則，CFS Development及Weicheng Investment各自均為本公司的關連人士，及故根據上市規則第14A章，出售事項亦構成本公司的關連交易。由於最高適用百分比率超過5%，出售事項須遵守上市規則第14A章項下的申報、公告及獨立股東批准的規定。

本公司董事認為出售目標集團符合本集團的利益，原因如下：(i)中國製藥行業最近的監管變化導致行業格局發生顯著變化。例如，於二零一九年七月發佈的《第一批國家重點監控合理用藥藥品目錄發佈(化藥及生物製品)》，對處方和採購模式產生了影響。鑒於該等變化，本集團有意通過精簡其核心業務，將資源集中在本集團核心業務的戰略發展上，更明確地確定其業務定位。(ii)目標集團旗下的若干公司目前處於早期發展階段。誠如「有關目標集團的資料」一節所披露，其中大部分公司現處於虧損狀態。本公司認為，該等目標集團成員公司須持續一段時間進一步注入大量財務資源，進而發展商業化可行業務活動。

As the highest applicable percentage ratio in respect of the Disposal exceeds 5% but is less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules. As CFS Development is a company established under a trust the settlor of which is Dr. Che Fengsheng (“**Dr. Che**”), CFS Development is an associate of Dr. Che. As Weicheng Investment is a company established under a trust the settlor of which is Dr. Guo, Weicheng Investment is an associate of Dr. Guo Weicheng (“**Dr. Guo**”). As at 3 May 2020, each of Dr. Che and Dr. Guo is deemed to be indirectly interested in 62.64% of the issued share capital of the Company and is therefore a controlling shareholder of the Company. Dr. Che is an executive Director and chairman of the Company, and Dr. Guo is an executive Director, deputy chairman and chief executive officer of the Company. As such, each of CFS Development and Weicheng Investment is a connected person of the Company under the Listing Rules, and therefore the Disposal also constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio is more than 5%.

The Directors of the Company consider that it is in the interest of the Group to dispose of the Target Group for the following reasons: (i) Recent regulatory changes in the PRC pharmaceutical industry led to considerable changes in the industry landscape. For instance, the promulgation of the National Catalog of the First Batch of Drugs under Close Monitoring of Rational Drug Use (for Chemical Medicines and Biological Products) 《第一批國家重點監控合理用藥藥品目錄發佈(化藥及生物製品)》 in July 2019 brought an impact on prescription and procurement patterns. In light of these changes, the Group intends to define its business positioning in a clearer way, by streamlining the core business of the Group and focusing resources into the strategic development of the Group's core business. (ii) Some companies under the Target Group are currently in an early stage of development. As disclosed in the section headed “Information on the Target Group”, most of them are currently loss making. The Company is of the view that these members of the Target Group would require further injection of substantial financial resources for an extended period of time before they could evolve into commercially

董事會報告

REPORT OF DIRECTORS

目標集團旗下的若干公司亦受到中國製藥行業監管變化和由此帶來的行業格局變化的影響，為其各自的發展增加了不確定性。(iii)本集團亦並無於目標集團旗下的公司擁有控制權益。然而其中部分公司屬盈利性質，本公司認為該等目標集團成員公司的業務較本集團的核心業務活動擁有相對較低的協同效益。(iv)由於目標集團旗下的公司從事本集團的非核心業務活動，且並無補充本集團整體的進一步發展，出售事項可令本集團重新分配管理和財務資源，以改善本集團的運營和財務狀況。

備註

目標集團：

- 重輝投資管理有限公司
- CS Sciences Limited
- 海南麥孚營養科技有限公司
- 北京斯丹姆賽爾技術有限責任公司
- 西安騰雲網絡科技有限公司
- 江蘇安泰生物技術有限公司
- 海南騰為健康科技有限公司
- 上海立迪生物技術股份有限公司
- 福建平潭華興康平醫藥產業投資合夥企業(有限合夥)
- 華興康平醫藥產業(平潭)投資管理有限公司
- 浙江智達藥業有限公司
- 深圳恒合互聯網絡科技有限公司

viable business operations. Some of the companies under the Target Group are also affected by the regulatory changes in the PRC pharmaceutical industry and the resulting changes in the industry landscape, which add uncertainty to their respective developments. (iii) There are also companies under the Target Group which the Group does not have controlling interest. While some of them are profit making, the Company is of the view that the businesses of these members of the Target Group demonstrate relatively low synergy with the core business activities of the Group. (iv) Since the companies under the Target Group are engaged in non-core business activities of the Group and do not complement the further development of the Group as a whole, the Disposal would enable the Group to re-allocate the management and financial resources to strengthen the operation and financial position of the Group.

Note

Target Group:

- 重輝投資管理有限公司 (Chonghui Investment Management Limited*)
- CS Sciences Limited
- 海南麥孚營養科技有限公司 (Hainan Maifu Nutrition Technology Co., Ltd.*)
- 北京斯丹姆賽爾技術有限責任公司 (Beijing Stemexcel Technology Co., Ltd.*)
- 西安騰雲網絡科技有限公司 (Xi'an Tengyun Network Technology Co., Ltd.*)
- 江蘇安泰生物技術有限公司 (Jiangsu Antai Biotechnology Co., Ltd.*)
- 海南騰為健康科技有限公司 (Hainan Tengwei Health Technology Co., Ltd.*)
- 上海立迪生物技術股份有限公司 (Shanghai LIDE Biotech Co., Ltd.*)
- 福建平潭華興康平醫藥產業投資合夥企業(有限合夥) (Fujian Pingtan Huaxing Kangping Pharmaceutical Industry Investment Partnership (Limited Partnership)*)
- 華興康平醫藥產業(平潭)投資管理有限公司 (Huaxing Kangping Pharmaceutical Industry (Pingtan) Investment Management Co., Ltd.*)
- 浙江智達藥業有限公司 (Zhejiang Zhida Pharmaceutical Co., Ltd.*)
- 深圳恒合互聯網絡科技有限公司 (Shenzhen Henghe Internet Technology Co., Ltd.*)

2. 國投招商投資管理有限公司屬下基金認購軒竹(石家莊)生物科技有限公司股權

於二零二零年八月二十一日，來自國家開發投資集團的該等投資者有條件同意認購軒竹(石家莊)生物科技有限公司(本公司間接全資附屬公司)合共18.60%的股權(按全面攤薄基準計算)，總代價為人民幣800百萬元(相等於約897.2百萬港元)。

根據認購協議，京津冀產業協同發展投資基金(有限合夥)與先進製造產業投資基金二期(有限合夥)已有條件同意認購而目標公司已有條件同意發行目標公司人民幣197,142,857.14元及人民幣65,714,285.72元的註冊資本，代價分別為人民幣600百萬元(相當於約672.9百萬港元)及人民幣200百萬元(相當於約224.3百萬港元)。

預期於完成前及如認購協議項下的先決條件所規定，軒竹香港將向僱員激勵平台及目標集團公司若干特定個別僱員以代價人民幣125,433,000元(相當於約140.7百萬港元)轉讓目標公司的註冊資本人民幣79,695,000元(相當於6.93%股權)，以建立僱員激勵計劃。僱員激勵計劃轉讓完成後，目標公司將分別由軒竹香港及僱員激勵計劃持有93.07%及6.93%股權。

根據股東協議，該等投資者有權要求目標公司或任何目標公司股東根據股東協議的條款購回其各自於目標公司的全部或部分股權。於完成及僱員激勵計劃轉讓完成後，本公司於目標公司的間接股權將由100%攤薄至約75.76%，因此，僱員激勵計劃轉讓及認購事項將構成上市規則第14.29條項下的本公司的一項視作出售。此外，根據上市規則第14.22條，僱員激勵計劃轉讓及認購事項將合併(原因為該等交易涉及買賣目標公司的股權並將於12個月期間內完成)。

2. Subscription by Investment Funds Under CMG-SDIC Capital Co., Ltd. In Xuanzhu (Shijiazhuang) Biopharmaceutical Co., Ltd.

On 21 August 2020, the Investors from the State Development and Investment Corporation have conditionally agreed to subscribe an aggregate of 18.60% equity interest (on a fully diluted basis) in Xuanzhu (Shijiazhuang) Biopharmaceutical Co., Ltd., an indirect wholly-owned subsidiary of the Company, at an aggregate Consideration of RMB800 million (equivalent to approximately HK\$897.2 million).

Pursuant to the Subscription Agreement, Jingjinji Industry Synergistic Development Investment Fund (Limited Partnership)* (京津冀產業協同發展投資基金(有限合夥)) and Xianjin Manufacture Industry Investment Fund Second Phase (Limited Partnership)* (先進製造產業投資基金二期(有限合夥)) have conditionally agreed to subscribe and the Target Company has conditionally agreed to issue RMB197,142,857.14 and RMB65,714,285.72 registered capital of the Target Company at the considerations of RMB600 million (equivalent to approximately HK\$672.9 million) and RMB200 million (equivalent to approximately HK\$224.3 million), respectively.

It is intended that prior to the Completion and stipulated as a condition precedent under the Subscription Agreement that, Xuanzhu Hong Kong will transfer RMB79,695,000 registered capital of the Target Company, representing 6.93% equity interest, to the Employee Incentive Platforms and certain specified individual employees of the Target Group Companies at a consideration of RMB125,433,000 (equivalent to approximately HK\$140.7 million) so as to set up the Employee Incentive Scheme. Upon completion of the Employee Incentive Scheme Transfer, the equity interest of the Target Company will be held as to 93.07% and 6.93% by Xuanzhu Hong Kong and the Employee Incentive Scheme, respectively.

Following the Completion and completion of the Employee Incentive Scheme Transfer, the Company's indirect equity interest in the Target Company will be diluted from 100% to approximately 75.76%, therefore, the Employee Incentive Scheme Transfer and the Subscription will constitute deemed disposals of the Company under Rule 14.29 of the Listing Rules. Furthermore, pursuant to Rule 14.22 of the Listing Rules, the Employee Incentive Scheme Transfer and the Subscription will be aggregated as these transactions involve the dealing in equity interests in the Target Company and will be completed within a 12-month period.

董事會報告

REPORT OF DIRECTORS

備註

目標公司：

軒竹(石家莊)生物科技有限公司(前稱軒竹(海南)醫藥科技有限公司)

3. 與中國有限合夥制的買賣協議

於二零二零年十一月十三日，北京四環製藥有限公司(本公司全資附屬公司)與天津惠爾津生物醫藥科技合夥企業(「天津惠爾津」)訂立買賣協議據此賣方同意出售而買方同意以代價人民幣96.0百萬元購買吉林惠升生物製藥有限公司(「吉林惠升」)已發行股本的8.00%。

車醫生為本公司執行董事兼主席。於二零二零年十一月十三日，車醫生被視為間接擁有本公司已發行股本的63.50%權益，因此為本公司的控股股東。由於天津惠爾津由車醫生間接擁有99.99%權益，因此天津惠爾津為車醫生的聯繫人。因此，根據上市規則，天津惠爾津為本公司關連人士，故根據上市規則第14A章，出售事項構成本公司的關連交易。由於有關出售事項的最高適用百分比率超過0.1%但低於5%，出售事項須遵守上市規則第14A章項下的申報及公告規定，惟獲豁免遵守獨立股東批准規定。

由於出售事項及過往出售事項乃於12個月期間與車醫生及/或其聯繫人訂立的交易，故出售事項及過往出售事項須根據上市規則第14.22條合併為本公司的一連串交易。出售事項與過往出售事項合併對本公司並無觸發上市規則第14章項下較須予披露交易更高級別的交易分類。

Note

Target Company:

Xuanzhu (Shijiazhuang) Biopharmaceutical Technology Co., Ltd.* (軒竹(石家莊)生物科技有限公司) (formerly known as Xuanzhu (Hainan) Biopharmaceutical Co., Ltd.* (軒竹(海南)醫藥科技有限公司))

3. Sale and Purchase Agreement with a limited partnership in PRC

On 13 November 2020, Beijing Sihuan Pharmaceutical Co., Ltd.* (北京四環製藥有限公司) (a wholly-owned subsidiary of the Company) and Tianjin Huierjin Biopharmaceutical Technology Partnership (天津惠爾津生物醫藥科技合夥企業) (“Tianjin Huierjin”) entered into the Sale and Purchase Agreement to purchase 8.00% of the issued share capital of Jilin Huisheng Biological Pharmaceutical Co., Ltd. (“Jilin Huisheng”) at a consideration of RMB96.0 million.

Dr. Che is an executive Director and the chairman of the Company. As at 13 November 2020, Dr. Che is deemed to be indirectly interested in 63.50% of the issued share capital of the Company and is therefore a controlling shareholder of the Company. As the Tianjin Huierjin is indirectly owned as to 99.99% by Dr. Che, the Tianjin Huierjin therefore is an associate of Dr. Che. As such, the Tianjin Huierjin is a connected person of the Company under the Listing Rules and therefore the Disposal constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio in respect of the Disposal exceeds 0.1% but is less than 5%.

As the Disposal and the Previous Disposal were transactions entered into with Dr. Che and/or his associates within a 12-month period, the Disposal and the Previous Disposal shall be aggregated as a series of transaction of the Company pursuant to Rule 14.22 of the Listing Rules. The Disposal and the Previous Disposal (in aggregate) did not trigger a higher classification than a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

出售事項得到的現金可加強本公司的研究和投資能力。此外，出售的所有吉林惠升股份將旨在通過擁有吉林惠升的股份以激勵員工和高級管理人員(包括車醫生)從而共享成果。基於以上所述，董事(包括獨立非執行董事但不包括已就動議批准出售事項的董事會決議案放棄投票的車醫生、郭醫生及張醫生)認為買賣協議及其項下擬進行的出售事項已按公平基準磋商，按正常商業條款協定，屬公平合理，並符合本公司及股東整體利益。

* 僅供識別

重大合約

除本年報披露外，年內，本公司或其任何附屬公司概無與本公司或其任何附屬公司或本公司的控股股東或其任何附屬公司訂立重大合約。

The cash from the Disposal can strengthen the research and investment capacity of the Company. In addition, all of the Jilin Huisheng shares sold will be for the purpose of motivating employees and senior management (including Dr. Che) through ownership in Jilin Huisheng and share the success. In light of above, the Directors (including the independent non-executive Directors but excluding Dr. Che, Dr. Guo and Dr. Zhang who has abstained from voting in respect of the board resolution proposed to approve the Disposal) are of the view that the Sale and Purchase Agreement and the Disposal contemplated thereunder have been negotiated on an arm's length basis, agreed on normal commercial terms, and are fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

* For identification purposes only

SIGNIFICANT CONTRACTS

Save as disclosed in this annual report, during the year, no contract of significance to which the Company, or any of its subsidiaries has been entered into between the Company, or any of its subsidiaries nor the Company's controlling shareholders or any of its subsidiaries during the Year.

董事會報告

REPORT OF DIRECTORS

董事及主要行政人員於股份、相關股份及債券中之權益及淡倉

於二零二零年十二月三十一日，各董事及本公司主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中擁有本公司須記錄在根據證券及期貨條例第352條規定須存置之登記冊，及根據標準守則知會本公司及聯交所之權益及淡倉如下：

(i) 董事於股份中的權益

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

As at 31 December 2020, the Directors and chief executive of the Company had the following interests and short positions in the shares, underlying shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code:

(i) Directors' interests in Shares

董事姓名 Name of Director	權益性質/身份 Nature of Interest/Capacity	股份數目 Total Number of Shares	股權概約百分比 Approximate percentage of Shareholding
車馮升醫生 Dr. Che Fengsheng	配偶的權益	6,010,760,699股(好倉)	63.50%(好倉)
	800,000股(好倉)	7,847,661股(淡倉)	0.08%(淡倉)
	Interest of Spouse	6,010,760,699 Shares (L)	63.50% (L)
	800,000 Shares (L)	7,847,661 Shares (S)	0.08% (S)
	受託人		
	3,379,917,225股(好倉)		
	Trustee		
	3,379,917,225 Shares (L)		
	一致行動人士(附註1)		
	2,619,095,813股(好倉)		
A concert party to an agreement (Note 1)			
2,619,095,813 Shares (L)			
其他權益(附註2)			
10,947,661股(好倉)			
7,847,661股(淡倉)			
Other interest (Note 2)			
10,947,661 Shares (L)			
7,847,661 Shares (S)			

董事會報告

REPORT OF DIRECTORS

董事姓名 Name of Director	權益性質/身份 Nature of Interest/Capacity	股份數目 Total Number of Shares	股權概約百分比 Approximate percentage of Shareholding
郭維城醫生 Dr. Guo Weicheng	實益擁有人 11,350,000股(好倉) Beneficial owner 11,350,000 Shares (L)	6,010,760,699(好倉) 6,010,760,699 Shares (L)	63.50%(好倉) 63.50% (L)
	可影響受託人如何行使其酌情權的酌情信託 成立人 1,580,884,399股(好倉) Founder of a discretionary trust who can influence how the trustee exercises his discretion 1,580,884,399 Shares (L)		
	一致行動人士(附註3) 4,418,526,300股(好倉) A concert party to an agreement (Note 3) 4,418,526,300 Shares (L)		
張炯龍醫生 Dr. Zhang Jionglong	配偶的權益 59,000股(好倉) Interest of Spouse 59,000 Shares (L)	6,010,760,699股(好倉) 6,010,760,699 Shares (L)	63.50%(好倉) 63.50% (L)
	可影響受託人如何行使其酌情權的酌情信託 成立人 255,582,886股(好倉) Founder of a discretionary trust who can influence how the trustee exercises his discretion 255,582,886 Shares (L)		
	一致行動人士(附註4) 5,556,178,813股(好倉) A concert party to an agreement (Note 4) 5,556,178,813 Shares (L)		
	受控發團權益(附註5) 198,940,000股(好倉) Interest in a controlled corporation (Note 5) 198,940,000 Shares (L)		
蔡耀忠 Choi Yiau Chong	實益擁有人 6,000,000股(好倉) Beneficial owner 6,000,000 Shares (L)	6,000,000股(好倉) 6,000,000 Shares (L)	0.06%(好倉) 0.06% (L)

董事會報告

REPORT OF DIRECTORS

董事姓名 Name of Director	權益性質/身份 Nature of Interest/Capacity	股份數目 Total Number of Shares	股權概約百分比 Approximate percentage of Shareholding
陳燕玲 Chen Yanling	實益擁有人 4,000,000股(好倉) Beneficial owner 4,000,000 Shares (L)	4,000,000股(好倉) 4,000,000 Shares (L)	0.04%(好倉) 0.04% (L)
辛定華 Patrick Sun	實益擁有人 3,000,000股(好倉) Beneficial owner 3,000,000 Shares (L)	3,000,000股(好倉) 3,000,000 Shares (L)	0.03%(好倉) 0.03% (L)
曾華光 Tsang Wah Kwong	實益擁有人 3,000,000股(好倉) Beneficial owner 3,000,000 Shares (L)	3,000,000股(好倉) 3,000,000 Shares (L)	0.03%(好倉) 0.03% (L)
朱迅 Zhu Xun	實益擁有人 3,000,000股(好倉) Beneficial owner 3,000,000 Shares (L)	3,000,000股(好倉) 3,000,000 Shares (L)	0.03%(好倉) 0.03% (L)

附註：

(1) 根據證券及期貨條例第317及318條，車馮升醫生被視為分別由郭維城醫生、Successmax Global Holdings Limited、Smart Top Overseas Limited、Victory Faith International Limited、張炯龍醫生、Keen Mate Limited Mingyao Capital Limited及孟憲慧先生擁有權益或被視為擁有權益的329,736,000股、1,262,498,399股、175,012,000股、377,267,528股、59,000股、198,940,000股、255,582,886股及20,000,000股股份中擁有權益。

(2) 由於車馮升醫生為信託Sihuan Management (PTC) Limited為其受託人的財產授予人之一，故被視為於受託人公司持有的10,947,661股股份(好倉)中擁有權益及於7,847,661股股份中持有淡倉。

Notes:

(1) Under sections 317 and 318 of the SFO, Dr. Che Fengsheng is deemed to be interested in the 329,736,000 Shares, 1,262,498,399 Shares, 175,012,000 Shares, 377,267,528 Shares, 59,000 Shares, 198,940,000 Shares, 255,582,886 Shares and 20,000,000 Shares held by Dr. Guo Weicheng, Successmax Global Holdings Limited, Smart Top Overseas Limited, Victory Faith International Limited, Dr. Zhang Jionglong, Keen Mate Limited, Mingyao Capital Limited and Mr. Meng Xianhui, respectively.

(2) Since Dr. Che Fengsheng is one of the settlors of the trust for which Sihuan Management (PTC) Limited is a trustee, Dr. Che Fengsheng is deemed to be interest in the long position of (10,947,661 Shares) and the short position of (7,847,661 Shares) held by Sihuan Management (PTC) Limited.

- (3) 根據證券及期貨條例第317及318條，郭維城醫生被視為於分別由車馮升醫生、Network Victory Limited、Proper Process International Limited、Smart Top Overseas Limited、Victory Faith International Limited、Keen Mate Limited、Mingyao Capital Limited、張炯龍醫生及孟憲慧先生擁有權益或被視為擁有權益的11,747,661股、497,448,000股、2,882,469,225股、175,012,000股、377,267,528股、198,940,000股、255,582,886股、59,000股及20,000,000股股份中擁有權益。
- (4) 根據證券及期貨條例第317及318條，張炯龍醫生被視為於分別由車馮升醫生、郭維城醫生、Network Victory Limited、Proper Process International Limited、Smart Top Overseas Limited、Victory Faith International Limited、Successmax Global Holdings Limited及孟憲慧先生擁有權益或被視為擁有權益的11,747,661股、329,736,000股、497,448,000股、2,882,469,225股、175,012,000股、377,267,528股、1,262,498,399股及20,000,000股股份中擁有權益。
- (5) 張炯龍醫生為Keen Mate Limited全部已發行股本的實益擁有人。因此，張炯龍醫生故被視為於Keen Mate Limited持有的198,940,000股股份中擁有權益。
- (6) 字母「L」代表董事於該等股份的好倉，而字母「S」則代表董事於該等股份的淡倉。
- (3) Under sections 317 and 318 of the SFO, Dr. Guo Weicheng is deemed to be interested in the 11,747,661 Shares, 497,448,000 Shares, 2,882,469,225 Shares, 175,012,000 Shares, 377,267,528 Shares, 198,940,000 Shares, 255,582,886 Shares, 59,000 Shares and 20,000,000 Shares held by Dr. Che Fengsheng, Network Victory Limited, Proper Process International Limited, Smart Top Overseas Limited, Victory Faith International Limited, Keen Mate Limited, Mingyao Capital Limited, Dr. Zhang Jionglong and Mr. Meng Xianhui, respectively.
- (4) Under sections 317 and 318 of the SFO, Dr. Zhang Jionglong is deemed to be interested in 11,747,661 Shares, 329,736,000 Shares, 497,448,000 Shares, 2,882,469,225 Shares, 175,012,000 Shares, 377,267,528 Shares, 1,262,498,399 Shares and 20,000,000 Shares held by Dr. Che Fengsheng, Dr. Guo Weicheng, Network Victory Limited, Proper Process International Limited, Smart Top Overseas Limited, Victory Faith International Limited, Successmax Global Holdings Limited and Mr. Meng Xianhui, respectively.
- (5) Dr. Zhang Jionglong is the beneficial owner of 100% of the issued share capital of Keen Mate Limited. As such, Dr. Zhang Jionglong is deemed to be interested in the 198,940,000 Shares held by Keen Mate Limited.
- (6) The letter "L" denotes the Director's long position in such Shares and the letter "S" denotes the Director's short position in such Shares.

除上文所披露者外，各董事、主要行政人員或彼等之聯繫人概無於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券中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聯交所之權益或淡倉（包括根據證券及期貨條例之有關條文被視為或被當作擁有之權益或淡倉），或須記錄在根據證券及期貨條例第352條須存置之登記冊之權益或淡倉，或根據標準守則須知會本公司及聯交所之權益或淡倉。

Save as disclosed above, none of the Directors, chief executive and their associates had any interests or short position in the Shares, underlying Shares or debentures of the Company or any of its associated corporations, within the meaning of Part XV of the SFO, which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she/it was deemed or taken to have under such provisions of the SFO) or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

董事會報告

REPORT OF DIRECTORS

董事購買股份或債券之權利

本年度內本公司並無授予任何董事、主要行政人員或其配偶或未成年子女任何透過購買本公司股份或債券而獲取實益之權利；以上人士於本年度內亦無行使所述權利。本公司、其控股公司、或其任何附屬公司亦無參與任何安排，致令各董事於任何其他法人團體獲得此等權利。

捐款

截至二零二零年十二月三十一日止年度，本集團慈善捐款合共人民幣2,927,000元（二零一九年：無）。

股票掛鈎協議

除上文所披露僱員股份獎勵計劃外，本公司於本年度內並無訂立任何股票掛鈎協議。

獲准許的彌償條文

根據本公司細則，每位董事或本公司其他人員均可從本公司的資產及溢利獲得彌償，董事執行其各自的職責或假定職責時在各自的職位或信託中因所作出、發生的作為或不作為而招致或蒙受或可能招致或蒙受的所有訴訟、費用、收費、損失、損害及開支，可獲確保免就此受任何損害，惟本彌償保證不延伸至任何上述人士與欺詐或不忠誠有關的事宜。

本公司已安排合適的責任保險，以就董事因公司業務而產生的責任向彼等提供彌償。

DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

During the Year, the Company did not grant any rights to any Directors, chief executive or their respective spouse or children under 18 to acquire beneficial interests by means of the acquisition of shares in, or debentures of, the Company, and none of the above persons have exercised the said rights during the Year. The Company, its holding company or any of its subsidiaries were not a party to any arrangements to enable the Directors to acquire such rights in any other body corporate.

DONATIONS

For the year ended 31 December 2020, the Group's charitable donations during the year amounted to RMB2,927,000 (2019: nil).

EQUITY-LINKED AGREEMENTS

Other than the Employee Share Award Scheme as disclosed above, the Company did not enter into any equity-linked agreement during the Year.

PERMITTED INDEMNITY PROVISION

Pursuant to Company's bye-laws, every Director or other officers of the Company shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty, in their respective offices or trusts, provided that such indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of the said persons.

The Company has arranged appropriate liability insurance to indemnify the Directors for their liabilities arising out of corporate activities.

主要股東於股份、相關股份及債券中之權益及淡倉

於二零二零年十二月三十一日，本公司遵照證券及期貨條例第336條須存置之登記冊記錄，以下股東（不包括本公司之董事或主要行政人員）於本公司已發行股本、相關股份或債券中擁有5%或以上權益（包括淡倉）：

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2020, the following Shareholders, other than the Directors or chief executive of the Company, which were recorded in the register required to be kept by the Company under Section 336 of the SFO, had interests of 5% or more (including short positions) in the issued share capital, underlying shares or debentures of the Company:

董事姓名 Name of Director	權益性質/身份 Nature of Interest/Capacity	股份數目 Total Number of Shares	股權概約百分比 Approximate percentage of Shareholding
孟憲慧先生 Mr. Meng Xianhui	受控發團權益(附註1) 175,012,000股(好倉) Interest in a controlled corporation (Note 1) 175,012,000 shares (L)	6,010,760,699股(好倉) 6,010,760,699 shares (L)	63.50%(好倉) 63.50% (L)
	可影響受託人如何行使其酌情權的酌情信託 成立人 377,267,528股(好倉) Founder of a discretionary trust who can influence how the trustee exercises his discretion 377,267,528 shares (L)		
	一致行動人士(附註2) 5,438,481,171股(好倉) A concert party to an agreement (Note 2) 5,438,481,171 shares (L)		
Proper Process International Limited	實益擁有人 2,882,469,225股(好倉) Beneficial owner 2,882,469,225 shares (L)	6,010,760,699(好倉) 6,010,760,699 Shares (L)	63.50%(好倉) 63.50% (L)
	一致行動人士(附註3) 3,128,291,474股(好倉) A concert party to an agreement (Note 3) 3,128,291,474 shares (L)		

董事會報告

REPORT OF DIRECTORS

董事姓名 Name of Director	權益性質/身份 Nature of Interest/Capacity	股份數目 Total Number of Shares	股權概約百分比 Approximate percentage of Shareholding
Network Victory Limited	實益擁有人 497,448,000股(好倉) Beneficial owner 497,448,000 shares (L)	6,010,760,699(好倉) 6,010,760,699 Shares (L)	63.50%(好倉) 63.50% (L)
	一致行動人士(附註4) 5,513,312,699股(好倉) A concert party to an agreement (Note 4) 5,513,312,699 shares (L)		
Successmax Global Holdings Limited	實益擁有人 1,262,498,399股(好倉) Beneficial owner 1,262,498,399 shares (L)	6,010,760,699(好倉) 6,010,760,699 Shares (L)	63.50%(好倉) 63.50% (L)
	一致行動人士(附註5) 4,748,262,300股(好倉) A concert party to an agreement (Note 5) 4,748,262,300 shares (L)		
Victory Faith International Limited	實益擁有人 377,267,528股(好倉) Beneficial owner 377,267,528 shares (L)	6,010,760,699(好倉) 6,010,760,699 Shares (L)	63.50%(好倉) 63.50% (L)
	一致行動人士(附註6) 5,633,493,171股(好倉) A concert party to an agreement (Note 6) 5,633,493,171 shares (L)		
Smart Top Overseas Limited	實益擁有人 175,012,000股(好倉) Beneficial owner 175,012,000 shares (L)	6,010,760,699(好倉) 6,010,760,699 Shares (L)	63.50%(好倉) 63.50% (L)
	一致行動人士(附註7) 5,835,748,699股(好倉) A concert party to an agreement (Note 7) 5,835,748,699 shares (L)		

董事會報告

REPORT OF DIRECTORS

董事姓名 Name of Director	權益性質/身份 Nature of Interest/Capacity	股份數目 Total Number of Shares	股權概約百分比 Approximate percentage of Shareholding
Mingyao Capital Limited	實益擁有人 255,582,886股(好倉) Beneficial owner 255,582,886 shares (L)	6,010,760,699(好倉) 6,010,760,699 Shares (L)	63.50%(好倉) 63.50% (L)
	一致行動人士(附註8) 5,755,177,813股(好倉) A concert party to an agreement (Note 8) 5,755,177,813 shares (L)		
Keen Mate Limited	實益擁有人 198,940,000股(好倉) Beneficial owner 198,940,000 shares (L)	6,010,760,699(好倉) 6,010,760,699 Shares (L)	63.50%(好倉) 63.50% (L)
	一致行動人士(附註9) 5,811,820,699股(好倉) A concert party to an agreement (Note 9) 5,811,820,699 shares (L)		
UBS Trustee (Cayman) Ltd.	受託人 6,010,760,699股(好倉) Trustee 6,010,760,699 shares (L)	6,010,760,699(好倉) 6,010,760,699 Shares (L)	63.50%(好倉) 63.50% (L)
UBS TC (Jersey) Ltd.	受託人 6,010,760,699股(好倉) Trustee 6,010,760,699 shares (L)	6,010,760,699(好倉) 6,010,760,699 Shares (L)	63.50%(好倉) 63.50% (L)

附註：

Notes:

(1) 孟憲慧先生為Smart Top Overseas Limited全部已發行股本的實益擁有人。因此，孟憲慧先生被視為於Smart Top Overseas Limited持有的本公司175,012,000股股份中擁有權益。

(1) Mr. Meng Xianhui is the beneficial owner of 100% of the issued share capital of Smart Top Overseas Limited. As such, Mr. Meng Xianhui is deemed to be interested in the 175,012,000 Shares held by Smart Top Overseas Limited.

董事會報告

REPORT OF DIRECTORS

- (2) 根據證券及期貨條例第317及318條規定，孟憲慧先生被視為於車馮升醫生、郭維城醫生、張炯龍醫生、Proper Process International Limited、Network Victory Limited、Successmax Global Holdings Limited、Keen Mate Limited及Mingyao Capital Limited分別持有11,747,661股、329,736,000股、59,000股、2,882,469,225股、497,448,000股、1,262,498,399股、198,940,000股及255,582,886股股份中擁有權益。
- (2) Under sections 317 and 318 of the SFO, Mr. Meng Xianhui is deemed to be interested in 11,747,661 Shares, 329,736,000 Shares, 59,000 Shares, 2,882,469,225 Shares, 497,448,000 Shares, 1,262,498,399 Shares, 198,940,000 Shares and 255,582,886 Shares held by Dr. Che Fengsheng, Dr. Guo Weicheng, Dr. Zhang Jionglong, Proper Process International Limited, Network Victory Limited, Successmax Global Holdings Limited, Keen Mate Limited and Mingyao Capital Limited, respectively.
- (3) 根據證券及期貨條例第317及318條規定，Proper Process International Limited被視為於車馮升醫生、郭維城醫生、張炯龍醫生、Network Victory Limited、Successmax Global Holdings Limited、Smart Top Overseas Limited、Victory Faith International Limited、Keen Mate Limited、Mingyao Capital Limited及孟憲慧先生分別持有11,747,661股、329,736,000股、59,000股、497,448,000股、1,262,498,399股、175,012,000股、377,267,528股、198,940,000股、255,582,886股及20,000,000股股份中擁有權益。
- (3) Under section 317 and 318 of the SFO, Proper Process International Limited is deemed to be interested in 11,747,661 Shares, 329,736,000 Shares, 59,000 Shares, 497,448,000 Shares, 1,262,498,399 Shares, 175,012,000 Shares, 377,267,528 Shares, 198,940,000 Shares, 255,582,886 Shares and 20,000,000 Shares held by Dr. Che Fengsheng, Dr. Guo Weicheng, Dr. Zhang Jionglong, Network Victory Limited, Successmax Global Holdings Limited, Smart Top Overseas Limited, Victory Faith International Limited, Keen Mate Limited, Mingyao Capital Limited and Mr. Meng Xianhui, respectively.
- (4) 根據證券及期貨條例第317及318條規定，Network Victory Limited被視為於車馮升醫生、郭維城醫生、張炯龍醫生、Proper Process International Limited、Successmax Global Holdings Limited、Smart Top Overseas Limited、Victory Faith International Limited、Keen Mate Limited、Mingyao Capital Limited及孟憲慧先生分別持有11,747,661股、329,736,000股、59,000股、2,882,469,225股、1,262,498,399股、175,012,000股、377,267,528股、198,940,000股、255,582,886股及20,000,000股股份中擁有權益。
- (4) Under section 317 and 318 of the SFO, Network Victory Limited is deemed to be interested in 11,747,661 Shares, 329,736,000 Shares, 59,000 Shares, 2,882,469,225 Shares, 1,262,498,399 Shares, 175,012,000 Shares, 377,267,528 Shares, 198,940,000 Shares, 255,582,886 Shares and 20,000,000 Shares held by Dr. Che Fengsheng, Dr. Guo Weicheng, Dr. Zhang Jionglong, Proper Process International Limited, Successmax Global Holdings Limited, Smart Top Overseas Limited, Victory Faith International Limited, Keen Mate Limited, Mingyao Capital Limited and Mr. Meng Xianhui, respectively.
- (5) 根據證券及期貨條例第317及318條規定，Successmax Global Holdings Limited被視為於車馮升醫生、郭維城醫生、張炯龍醫生、Network Victory Limited、Proper Process International Limited、Smart Top Overseas Limited、Victory Faith International Limited、Keen Mate Limited、Mingyao Capital Limited及孟憲慧先生分別持有11,747,661股、329,736,000股、59,000股、497,448,000股、2,882,469,225股、175,012,000股、377,267,528股、198,940,000股、255,582,886股及20,000,000股股份中擁有權益。
- (5) Under section 317 and 318 of the SFO, Successmax Global Holdings Limited is deemed to be interested in 11,747,661 Shares, 329,736,000 Shares, 59,000 Shares, 497,448,000 Shares, 2,882,469,225 Shares, 175,012,000 Shares, 377,267,528 Shares, 198,940,000 Shares, 255,582,886 Shares and 20,000,000 Shares held by Dr. Che Fengsheng, Dr. Guo Weicheng, Dr. Zhang Jionglong, Network Victory Limited, Proper Process International Limited, Smart Top Overseas Limited, Victory Faith International Limited, Keen Mate Limited, Mingyao Capital Limited and Mr. Meng Xianhui, respectively.
- (6) 根據證券及期貨條例第317及318條規定，Victory Faith International Limited被視為於車馮升醫生、郭維城醫生、張炯龍醫生、Network Victory Limited、Proper Process International Limited、Successmax Global Holdings Limited、Smart Top Overseas Limited、Keen Mate Limited、Mingyao Capital Limited及孟憲慧先生分別持有11,747,661股、329,736,000股、59,000股、497,448,000股、2,882,469,225股、1,262,498,399股、175,012,000股、198,940,000股、255,582,886股及20,000,000股股份中擁有權益。
- (6) Under section 317 and 318 of the SFO, Victory Faith International Limited is deemed to be interested in 11,747,661 Shares, 329,736,000 Shares, 59,000 Shares, 497,448,000 Shares, 2,882,469,225 Shares, 1,262,498,399 Shares, 175,012,000 Shares, 198,940,000 Shares, 255,582,886 Shares and 20,000,000 Shares held by Dr. Che Fengsheng, Dr. Guo Weicheng, Dr. Zhang Jionglong, Network Victory Limited, Proper Process International Limited, Successmax Global Holdings Limited, Smart Top Overseas Limited, Keen Mate Limited, Mingyao Capital Limited and Mr. Meng Xianhui, respectively.

- (7) 根據證券及期貨條例第317及318條規定，Smart Top Overseas Limited 被視為於馮馮升醫生、郭維城醫生、張炯龍醫生、Network Victory Limited、Proper Process International Limited、Successmax Global Holdings Limited、Victory Faith International Limited、Keen Mate Limited、Mingyao Capital Limited及孟憲慧先生分別持有11,747,661股、329,736,000股、59,000股、497,448,000股、2,882,469,225股、1,262,498,399股、377,267,528股、198,940,000股、255,582,886股及20,000,000股股份中擁有權益。
- (8) 根據證券及期貨條例第317及318條規定，Mingyao Capital Limited 被視為於馮馮升醫生、郭維城醫生、張炯龍醫生、Network Victory Limited、Proper Process International Limited、Successmax Global Holdings Limited、Smart Top Overseas Limited、Keen Mate Limited、Victory Faith International Limited及孟憲慧先生分別持有11,747,661股、329,736,000股、59,000股、497,448,000股、2,882,469,225股、1,262,498,399股、175,012,000股、198,940,000股、377,267,528股及20,000,000股股份中擁有權益。
- (9) 根據證券及期貨條例第317及318條規定，Keen Mate Limited被視為於馮馮升醫生、郭維城醫生、張炯龍醫生、Network Victory Limited、Proper Process International Limited、Successmax Global Holdings Limited、Victory Faith International Limited、Smart Top Overseas Limited、Mingyao Capital Limited及孟憲慧先生分別持有11,747,661股、329,736,000股、59,000股、497,448,000股、2,882,469,225股、1,262,498,399股、377,267,528股、175,012,000股、255,582,886股及20,000,000股股份中擁有權益。
- (10) 字母「L」代表股東於該等股份的好倉，而字母「S」則代表股東於該等股份的淡倉。
- (7) Under section 317 and 318 of the SFO, Smart Top Overseas Limited is deemed to be interested in 11,747,661 Shares, 329,736,000 Shares, 59,000 Shares, 497,448,000 Shares, 2,882,469,225 Shares, 1,262,498,399 Shares, 377,267,528 Shares, 198,940,000 Shares, 255,582,886 Shares and 20,000,000 Shares held by Dr. Che Fengsheng, Dr. Guo Weicheng, Dr. Zhang Jionglong, Network Victory Limited, Proper Process International Limited, Successmax Global Holdings Limited, Victory Faith International Limited, Keen Mate Limited, Mingyao Capital Limited and Mr. Meng Xianhui, respectively.
- (8) Under section 317 and 318 of the SFO, Mingyao Capital Limited is deemed to be interested in 11,747,661 Shares, 329,736,000 Shares, 59,000 Shares, 497,448,000 Shares, 2,882,469,225 Shares, 1,262,498,399 Shares, 175,012,000 Shares, 198,940,000 Shares, 377,267,528 Shares and 20,000,000 Shares held by Dr. Che Fengsheng, Dr. Guo Weicheng, Dr. Zhang Jionglong, Network Victory Limited, Proper Process International Limited, Successmax Global Holdings Limited, Smart Top Overseas Limited, Keen Mate Limited, Victory Faith International Limited and Mr. Meng Xianhui, respectively.
- (9) Under section 317 and 318 of the SFO, Keen Mate Limited is deemed to be interested in 11,747,661 Shares, 329,736,000 Shares, 59,000 Shares, 497,448,000 Shares, 2,882,469,225 Shares, 1,262,498,399 Shares, 377,267,528 Shares, 175,012,000 Shares, 255,582,886 Shares and 20,000,000 Shares held by Dr. Che Fengsheng, Dr. Guo Weicheng, Dr. Zhang Jionglong, Network Victory Limited, Proper Process International Limited, Successmax Global Holdings Limited, Victory Faith International Limited, Smart Top Overseas Limited, Mingyao Capital Limited and Mr. Meng Xianhui, respectively.
- (10) The letter “L” denotes the shareholder’s long position in such Shares and the letter “S” denotes the shareholder’s short position in such Shares.

除上文所披露者外，於二零二零年十二月三十一日，本公司遵照證券及期貨條例第336條須存置之登記冊記錄，概無任何其他人士於本公司股份或相關股份中擁有根據證券及期貨條例第336條記錄之權益或淡倉。

企業管治

本公司致力維持高水平之企業管治常規。有關本公司所採納之企業管治常規資料刊載於本年報第54至79頁之企業管治報告內。

Save as disclosed above, according to the records in the register required to be kept by the Company under section 336 of the SFO, no other parties had an interest or a short position in the shares or underlying shares of the Company recorded under section 336 of the SFO as at 31 December 2020.

CORPORATE GOVERNANCE

The Company is dedicated to maintaining a high standard of corporate governance practices. Information on the corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 54 to 79 of this annual report.

董事會報告

REPORT OF DIRECTORS

公眾持股量

根據公開予本公司的資料及就董事所知，於本年報日期，本公司最少25%的已發行股本已按上市規則規定由公眾股東持有。

報告期後事件

除本公司於本年報另有所披露者外，直至本年報日期，本集團概無任何其他重大報告期後事件。

續聘外聘核數師

審核委員會對安永會計師事務所的工作、其獨立性及客觀性均表示滿意。因此，稽核委員會建議續聘安永會計師事務所出任本集團二零二一年度的外聘核數師(該會計師事務所表示願意續任)，並予股東於二零二一年股東週年大會上批准通過。

本公司截至二零二零年十二月三十一日止年度的綜合財務報表乃由安永審核。

安永將退任，並合資格膺選連任。本公司將於應屆股東週年大會上提呈一項決議案續聘安永為本公司之核數師。

除上文所披露者之外，在過去三年本公司之核數師並無其變動。

承董事會命
董事會主席
車馮升醫生

二零二一年三月二十三日

PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the best knowledge of the Directors, at least 25% of the Company's issued share capital were held by members of the public as required under the Listing Rules as at the date of this annual report.

EVENTS AFTER THE REPORTING PERIOD

Save as otherwise disclosed in this annual report, the Group has no other significant events after the reporting period up to the date of this annual report.

RE-APPOINTMENT OF EXTERNAL AUDITOR

The audit committee was satisfied with Ernst & Young's work, its independence, and its objectivity, and therefore recommended the re-appointment of Ernst & Young (which has indicated its willingness to continue in office) as the Group's external auditor for 2021 for Shareholders' approval at the 2021 AGM.

The consolidated financial statements of the Company for the year ended 31 December 2020 were audited by Ernst & Young.

Ernst & Young will retire and being eligible, offer themselves for re-election. A resolution for the reappointment of Ernst & Young as auditor of the Company will be proposed at the forthcoming annual general meeting.

Save as disclosed above, there has been no other change in the auditor of the Company in the preceding three years.

By Order of the Board
Dr. Che Fengsheng
Chairman of the Board

23 March 2021

獨立核數師報告 INDEPENDENT AUDITOR'S REPORT



Ernst & Young
22/F, CITIC Tower
1 Tim Mei Avenue
Central, Hong Kong

安永會計師事務所
香港中環添美道1號
中信大廈22樓

Tel 電話: +852 2846 9888
Fax 傳真: +852 2868 4432
ey.com

致四環醫藥控股集團有限公司股東

(於百慕達註冊成立的有限公司)

意見

吾等已審計載於第116至284頁四環醫藥控股集團有限公司(「貴公司」)及其附屬公司(「貴集團」)的綜合財務報表。此綜合財務報表包括於二零二零年十二月三十一日的綜合財務狀況表，及截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

吾等認為，根據國際會計準則理事會(「國際會計準則理事會」)頒佈的國際財務報告準則(「國際財務報告準則」)，綜合財務報表真實公平反映 貴集團於二零二零年十二月三十一日的綜合財務狀況，及截至該日止年度的綜合財務表現及綜合現金流量，且已根據香港公司條例的披露規定妥為編製。

意見基準

吾等已根據國際會計準則理事會頒佈的國際審計準則(「國際審計準則」)進行審計。吾等在該等準則下承擔的責任已在本報告核數師就審核綜合財務報表須承擔的責任一節作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(「守則」)，吾等獨立於 貴集團，並已根據守則履行其他道德責任。吾等相信，吾等所獲得的審計憑證能充分及適當地為吾等的意見提供基礎。

To the shareholders of

Sihuan Pharmaceutical Holdings Group Ltd.

(Incorporated in Bermuda with limited liability)

Opinion

We have audited the consolidated financial statements of Sihuan Pharmaceutical Holdings Group Ltd. (the "Company") and its subsidiaries (the "Group") set out on pages 116 to 284, which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for opinion

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

獨立核數師報告

INDEPENDENT AUDITOR'S REPORT

關鍵審核事項

根據吾等的專業判斷，關鍵審核事項為吾等審核於本期間的綜合財務報表中最重要的事項。吾等在審核整體綜合財務報表及就此達致意見時處理此等事項，而不會就此等事項單獨發表意見。就下文各事項而言，有關吾等審核時處理方法的描述僅適用於此等情況。

吾等已履行本報告核數師就審核綜合財務報表須承擔的責任一節所述的責任，包括與此等事項相關之責任。據此，吾等的審核範圍包括旨在回應吾等對綜合財務報表進行重大錯誤陳述風險評估的程序的表現。審核程序（包括為處理下列事項而進行的程序）的結果為吾等就隨附綜合財務報表發表審核意見提供了基礎。

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

關鍵審核事項

Key audit matter

資本化開發成本

Capitalisation of development costs

於二零二零年十二月三十一日，貴集團就開發新醫藥產品的資本化開發成本約為人民幣302百萬元。當附註2.10(a)「研究及開發」所述一切標準達成後，開發活動的開支予以資本化。在釐定是否貴集團符合資本化標準時，需要運用重大管理層估計及判斷。

As at 31 December 2020, the Group had capitalised development costs amounting to approximately RMB302 million for the development of new pharmaceutical products. The expenditure on development activities was capitalised when all the criteria mentioned in Note 2.10(a) "Research and development" were satisfied. Significant management estimation and judgment were required in determining whether the Group met the capitalisation criteria.

有關披露請參閱綜合財務報表附註2.10(a)「研究及開發」、附註4(f)「資本化開發成本」及附註10「無形資產」。

Please refer to Note 2.10(a) "Research and development", Note 4(f) "Capitalisation of development costs" and Note 10 "Intangible assets" to the consolidated financial statements for related disclosure.

我們的審核如何處理關鍵審核事項

How our audit addressed the key audit matter

吾等評估 貴集團所用資本化標準符合國際會計準則第38號的情況，獲得及審查試驗資料及監管公告，以及通過與行業慣例比較評價管理層對滿足標準的判斷。

We assessed the compliance of capitalisation criteria used by the Group with ISA 38, obtained and examined trial readouts and regulatory announcements, and evaluated the management judgment on the satisfaction of criteria through comparison to industry practice.

吾等獲得對 貴集團內部管治及審批流程的了解，且評估及檢驗該流程的相關內部控制，並審查內部商業及技術可行性報告。

We obtained an understanding of, assessed and tested the relevant internal controls over the Group's internal governance and approval process and examined the internal commercial and technical feasibility reports.

吾等評估 貴集團對資本化開發成本的披露是否充足。

We assessed the adequacy of the Group's disclosures of capitalisation of development costs.

關鍵審核事項(續)

Key audit matters (continued)

關鍵審核事項 Key audit matter	我們的審核如何處理關鍵審核事項 How our audit addressed the key audit matter
<p>物業、廠房及設備減值 <i>Impairment of property, plant and equipment</i></p> <p>於二零二零年十二月三十一日，貴集團擁有大量物業、廠房及設備，約人民幣3,053百萬元。醫藥行業深化改革相關的一系列重大舉措為其主要產品的整體財務表現帶來不確定性。</p> <p>The Group had significant property, plant and equipment amounting to approximately RMB3,053 million as at 31 December 2020. A series of major policies related to the in-depth reform of the pharmaceutical industry have created uncertainty in the financial performance of its main products in general.</p> <p>因此，管理層識別多項減值指標，並採用貼現現金流量預測按使用價值計算方法進行減值測試。由於減值測試程序較複雜且涉及重大判斷，故此事項對吾等的審核而言乃屬重要。</p> <p>Accordingly, the management identified impairment indicators and performed impairment test based on the value in use calculation using discounted cash flow projections. This matter was significant to our audit because the process of impairment testing was complex and involved significant judgements.</p> <p>有關披露請參閱綜合財務報表附註2.8「物業、廠房及設備以及折舊」、附註4(d)「物業、廠房及設備減值」及附註6「物業、廠房及設備」。</p> <p>Please refer to Note 2.8 "Property, plant and equipment and depreciation", Note 4(d) "Impairment of property, plant and equipment" and Note 6 "Property, plant and equipment" to the consolidated financial statements for related disclosures.</p>	<p>吾等讓內部估值專家參與協助吾等評估減值分析中所用的方法，尤其是貼現率及長期增長率。</p> <p>We involved our internal valuation specialists to assist us in evaluation of the methodologies used in the impairment analysis, in particular discount rate and long-term growth rate.</p> <p>吾等通過比較預測與各現金產生單位的過往表現及業務發展計劃來評估未來收入及經營業績所用的關鍵假設及預測。</p> <p>We evaluated the key assumptions and the forecasts used with respect to future revenues and operating results by comparing the forecasts with the historical performance of the respective CGUs and the business development plan.</p> <p>吾等評估貴集團於綜合財務報表中對物業、廠房及設備減值的披露是否充足。</p> <p>We assessed the adequacy of the Group's disclosures concerning impairment of property, plant and equipment in the consolidated financial statements.</p>

獨立核數師報告

INDEPENDENT AUDITOR'S REPORT

關鍵審核事項(續)

Key audit matters (continued)

關鍵審核事項 Key audit matter	我們的審核如何處理關鍵審核事項 How our audit addressed the key audit matter
<p>無形資產減值 <i>Impairment of intangible assets</i></p> <p>於二零二零年十二月三十一日，貴集團的遞延開發成本及進行中產品開發分別約為人民幣195百萬元及人民幣302百萬元。管理層基於就資本化開發成本的各醫藥專利或許可的估計未來現金流量及醫藥行業的預計產品生命週期作出減值評估。此事項涉及重大管理層判斷及估計，如預測收益增長、未來實際年期、利潤率及貼現率。該等假設變化可能導致減值結果出現變化。</p> <p>As at 31 December 2020, the Group had deferred development costs and product development in progress amounting to approximately RMB195 million and RMB302 million, respectively. The management made impairment assessment based on estimated future cash flows of each pharmaceutical patent or license in capitalisation of development costs and projected product lifecycles experienced in the pharmaceutical industry. This matter involved significant management judgements and estimates, such as forecasted revenue growth, future beneficial life, profit margin and discount rate. Changes in these assumptions might lead to a change in the impairment results.</p> <p>有關披露請參閱綜合財務報表附註2.10「無形資產」、附註4(a)「遞延開發成本減值」及附註10「無形資產」。</p> <p>Please refer to Note 2.10 "Intangible assets", Note 4(a) "Impairment of deferred development costs" and Note 10 "Intangible assets" to the consolidated financial statements for related disclosures.</p>	<p>我們讓內部估值專家協助我們評估減值分析中所用的方法，尤其是貼現率及未來實際年期。</p> <p>We involved our internal valuation specialists to assist us in evaluation of the methodologies used in the impairment analysis, in particular discount rate and future beneficial life.</p> <p>我們檢查的關鍵假設包括產品的預計市場份額、預期售價及就行業分析師評論將產生的相關成本、對若干治療領域的一致預測及可資比較公司的基準數據(倘可獲得)。我們通過比較實際結果與先前期間所作推測來評估管理層預測。</p> <p>We checked the key assumptions including the product's projected market share, expected selling price and associated costs to be incurred against industrial analyst commentaries, consensus forecasts of certain therapeutic area and benchmark data for comparable companies where available. We assessed the management's forecast by comparison of the actual results and the projections made in prior periods.</p> <p>吾等評估 貴集團於綜合財務報表中對無形資產減值的披露是否充足。</p> <p>We assessed the adequacy of the Group's disclosures of impairment of intangible assets in the consolidated financial statements.</p>

刊載於年報的其他資料

貴公司董事須對其他資料負責。其他資料包括刊載於年報的資料，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他資料，我們亦不對其發表任何形式的鑒證結論。

Other information included in the Annual Report

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

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

獨立核數師報告 INDEPENDENT AUDITOR'S REPORT

刊載於年報的其他資料(續)

就我們對綜合財務報表的審核而言，我們的責任是閱讀其他資料，在此過程中，考慮其他資料是否與綜合財務報表或我們在審核過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，倘我們認為其他資料存在重大錯誤陳述，我們須報告該事實。在此方面我們沒有任何報告。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據國際會計準則理事會頒佈的國際財務報告準則及香港公司條例的披露規定編製真實且公允的綜合財務報表，並對其認為為使綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在編製綜合財務報表時，貴公司董事須負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營會計基礎，除非貴公司董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

審核委員會協助貴公司董事履行職責，監督貴集團的財務報告過程。

核數師就審核綜合財務報表須承擔的責任

我們的目標是就綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們根據一九八一年百慕達公司法第90條僅對全體股東作出報告，本報告概不作其他用途。我們不會就本報告的內容向任何其他人士負責或承擔法律責任。

合理保證是高水平的保證，但不能保證按照國際審計準則進行的審核在某重大錯誤陳述存在時總能發現。錯誤陳述可能由欺詐或錯誤引起，而倘合理預期彼等單獨或總體可能影響使用者依賴該等綜合財務報表所作出的經濟決定，則有關錯誤陳述被視為重大。

Other information included in the Annual Report

(continued)

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

Responsibilities of the directors for the consolidated financial statements

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

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

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

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, in accordance with section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

獨立核數師報告

INDEPENDENT AUDITOR'S REPORT

核數師就審核綜合財務報表 須承擔的責任(續)

作為我們根據國際審計準則進行審核的一部分，在審核過程中我們運用專業判斷及保持專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審核程序以應對該等風險，以及獲取充足及適當的審核憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審核相關的內部控制，以設計適當的審核程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審核憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。倘我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於截至核數師報告日期所取得的審核憑證。然而，未來事項或情況可能導致貴集團不能持續經營。

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

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

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

獨立核數師報告 INDEPENDENT AUDITOR'S REPORT

核數師就審核綜合財務報表 須承擔的責任(續)

- 評價綜合財務報表的整體列報方式、結構及內容(包括披露)，以及綜合財務報表是否公允呈列相關交易及事項。
- 就 貴集團內實體或業務活動的財務資料獲取充足、適當的審核憑證，以便對綜合財務報表發表意見。我們負責 貴集團審核的方向、監督和執行。我們為審核意見承擔全部責任。

我們與審核委員會溝通了計劃的審核範圍、時間安排、重大審核發現等，包括我們在審核中識別出內部控制的任何重大缺陷。

我們亦向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與彼等溝通可能合理地被認為會影響我們獨立性的所有關係及其他事項，以及(倘適用)為消除威脅而採取的行動或應用的防範措施。

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

出具本獨立核數師報告的審核項目合夥人是何兆烽。

安永會計師事務所

執業會計師

香港

二零二一年三月二十三日

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

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

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Siu Fung Terence Ho.

Ernst & Young

Certified Public Accountants

Hong Kong

23 March 2021

綜合財務狀況表

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

於二零二零年十二月三十一日

As at 31 December 2020

於十二月三十一日

As at 31 December

			二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
	附註 Notes			
非流動資產		NON-CURRENT ASSETS		
物業、廠房及設備	6	Property, plant and equipment	3,053,288	2,731,010
投資物業	7	Investment properties	232,173	232,802
使用權資產	8	Right-of-use assets	787,973	893,555
商譽	9	Goodwill	12,312	–
無形資產	10	Intangible assets	505,621	480,008
使用權益法計算的 投資	13	Investments accounted for using the equity method	1,070,387	1,083,858
按公平值計入損益的 金融資產	14	Financial assets at fair value through profit or loss	196,153	174,220
其他非流動資產	15	Other non-current assets	367,869	338,614
遞延稅項資產	24	Deferred tax assets	269,449	332,222
已抵押存款	18/25	Pledged deposits	144,548	–
非流動資產總額		Total non-current assets	6,639,773	6,266,289
流動資產		CURRENT ASSETS		
存貨	16	Inventories	495,889	409,595
貿易及其他應收賬款	17	Trade and other receivables	971,540	630,073
按公平值計入損益的 金融資產	14	Financial assets at fair value through profit or loss	332,683	148,336
現金及現金等價物	18	Cash and cash equivalents	4,604,041	5,117,143
流動資產總額		Total current assets	6,404,153	6,305,147
總資產		TOTAL ASSETS	13,043,926	12,571,436

綜合財務狀況表

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

於二零二零年十二月三十一日

As at 31 December 2020

於十二月三十一日

As at 31 December

二零二零年
2020
人民幣千元
RMB'000

二零一九年
2019
人民幣千元
RMB'000

附註
Notes

權益	EQUITY			
本公司擁有人應佔權益	Equity attributable to owners of the Company			
股本	Share capital	19	78,186	78,186
股份溢價	Share premium	19	4,084,846	4,084,846
其他儲備	Other reserves	20	725,222	192,674
保留盈利	Retained earnings	20	4,302,088	5,250,978
			9,190,342	9,606,684
非控股權益	Non-controlling interests		758,383	335,510
總權益	Total equity		9,948,725	9,942,194
非流動負債	NON-CURRENT LIABILITIES			
遞延稅項負債	Deferred tax liabilities	24	225,688	282,621
計息銀行借款	Interest-bearing bank borrowings	25	331,173	-
租賃負債	Lease liabilities	8	2,510	5,892
合約負債	Contract liabilities	23	-	275
其他非流動負債	Other non-current liabilities	21	92,744	79,674
非流動負債總額	Total non-current liabilities		652,115	368,462
流動負債	CURRENT LIABILITIES			
貿易及其他應付賬款	Trade and other payables	22	1,830,161	1,905,792
計息銀行借款	Interest-bearing bank borrowings	25	387,930	-
合約負債	Contract liabilities	23	186,629	326,295
應付所得稅	Income tax payable		22,445	14,033
租賃負債	Lease liabilities	8	1,441	4,058
其他流動負債	Other current liabilities	21	14,480	10,602
流動負債總額	Total current liabilities		2,443,086	2,260,780
總負債	TOTAL LIABILITIES		3,095,201	2,629,242
權益及負債總額	TOTAL EQUITY AND LIABILITIES		13,043,926	12,571,436

第124至284頁的附註為此等綜合財務報表的組成部分。

The notes on pages 124 to 284 are an integral part of these consolidated financial statements.

車馮升
Che Fengsheng
董事
Director

郭維城
Guo Weicheng
董事
Director

綜合損益及其他全面收益表

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

			二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
	附註 Notes			
持續經營業務	CONTINUING OPERATIONS			
收益	Revenue	26	2,464,226	2,878,318
銷售成本	Cost of sales	27	(549,777)	(588,987)
毛利	GROSS PROFIT		1,914,449	2,289,331
其他收入	Other income	26	172,560	213,404
其他收益 – 淨額	Other gains – net	26	249,619	402,177
終止確認附屬公司的收益	Gain on derecognition of subsidiaries	39	72,307	–
商譽、 無形資產、 使用權益法計算的投資 及物業、廠房及設備的 減值虧損	Impairment losses on goodwill, intangible assets, investments accounted for using the equity method and property, plant and equipment	27	–	(3,971,503)
分銷開支	Distribution expenses	27	(368,792)	(245,384)
行政開支	Administrative expenses	27	(489,784)	(471,567)
研究及開發開支	Research and development expenses	27	(729,157)	(598,952)
其他開支	Other expenses	27	(34,077)	(23,731)
經營溢利/(虧損)	OPERATING PROFIT/(LOSS)		787,125	(2,406,225)
財務開支	Finance expenses		(8,217)	(4,714)
分佔使用權益法計算的 投資虧損	Share of losses of investments accounted for using the equity method	13/32	(13,064)	(12,016)
持續經營業務的除稅前溢利/ (虧損)	PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS		765,844	(2,422,955)
所得稅開支	Income tax expense	31	(219,040)	(290,388)
持續經營業務的年度溢利/ (虧損)	PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS		546,804	(2,713,343)
已終止經營業務	DISCONTINUED OPERATIONS			
已終止經營業務的 年度虧損	Loss for the year from discontinued operations	32	(34,917)	(43,968)
年度溢利/(虧損)	PROFIT/(LOSS) FOR THE YEAR		511,887	(2,757,311)
以下人士應佔：	Attributable to:			
本公司擁有人	Owners of the Company		473,382	(2,753,332)
非控股權益	Non-controlling interests		38,505	(3,979)
			511,887	(2,757,311)

綜合損益及其他全面收益表

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

	附註 Notes	二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
年度溢利/(虧損)	PROFIT/(LOSS) FOR THE YEAR	511,887	(2,757,311)
年度其他全面收益， 扣除稅項	OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	-	-
年度全面收益/ (虧損)總額	TOTAL COMPREHENSIVE INCOME/ (LOSS) FOR THE YEAR	511,887	(2,757,311)
以下人士應佔：	Attributable to:		
本公司擁有人	Owners of the Company	473,382	(2,753,332)
非控股權益	Non-controlling interests	38,505	(3,979)
年度全面收益/ (虧損)總額	TOTAL COMPREHENSIVE INCOME/ (LOSS) FOR THE YEAR	511,887	(2,757,311)
		人民幣 RMB	人民幣 RMB
本公司普通權益持有人 應佔每股盈利/ (虧損)	EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY		
每股基本及攤薄盈利/(虧損)	Basic and diluted earnings/(loss) per share		
年度溢利/(虧損)	For profit/(loss) for the year	5.0分cents	(29.1)分cents
持續經營業務的溢利/(虧損)	For profit/(loss) from continuing operations	5.3分cents	(28.7)分cents

第124至284頁的附註為此等綜合財務報表的組成部分。

The notes on pages 124 to 284 are an integral part of these consolidated financial statements.

綜合權益變動表

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

		本公司擁有人應佔							
		Attributable to owners of the Company				總計	非控股權益	總權益	
		股本	股份溢價	其他儲備	保留盈利		Non-	總權益	
		Share capital	Share premium	Other reserves	Retained earnings	Total	controlling interests	Total equity	
附註		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
Notes		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
於二零一九年一月一日	At 1 January 2019	78,233	4,093,317	159,631	8,179,232	12,510,413	263,950	12,774,363	
年度虧損	Loss for the year	-	-	-	(2,753,332)	(2,753,332)	(3,979)	(2,757,311)	
僱員股份獎勵計劃：	Employee share award scheme:								
- 僱員服務價值	- Value of employee services	30	-	353	-	353	-	353	
二零一八年末期股息	Final 2018 dividend	34	-	-	(123,124)	(123,124)	-	(123,124)	
二零一九年中期股息	Interim 2019 dividend	34	-	-	(37,863)	(37,863)	-	(37,863)	
已付非控股股東股息	Dividends paid to non-controlling shareholders	-	-	-	-	-	(37,818)	(37,818)	
轉撥至中國法定儲備金	Transfer to PRC statutory reserve fund	20	-	13,935	(13,935)	-	-	-	
購回及註銷股份	Repurchase and cancellation of shares	19	(47)	(8,471)	-	(8,518)	-	(8,518)	
不改變控制權之附屬公司權益變更	Changes in interests in subsidiaries without change of control	-	-	18,755	-	18,755	113,357	132,112	
於二零一九年十二月三十一日	At 31 December 2019	78,186	4,084,846	192,674	5,250,978	9,606,684	335,510	9,942,194	

綜合權益變動表

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

		本公司擁有人應佔						
		Attributable to owners of the Company						
		股本	股份溢價	其他儲備	保留盈利	總計	非控股權益	總權益
		Share capital	Share premium	Other reserves	Retained earnings	Total	controlling interests	Total equity
附註		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Notes		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
於二零二零年一月一日	At 1 January 2020	78,186	4,084,846	192,674	5,250,978	9,606,684	335,510	9,942,194
年度溢利	Profit for the year	-	-	-	473,382	473,382	38,505	511,887
僱員股份獎勵計劃：	Employee share award scheme:							
- 僱員服務價值	- Value of employee services	30	-	23,176	-	23,176	-	23,176
二零一九年末期股息	Final 2019 dividend	34	-	-	(123,054)	(123,054)	-	(123,054)
特別現金股息	Special cash dividends	34	-	-	(1,287,332)	(1,287,332)	-	(1,287,332)
二零二零年中期股息	Interim 2020 dividend	34	-	-	(9,466)	(9,466)	-	(9,466)
已付非控股股東股息	Dividends paid to non-controlling shareholders		-	-	-	-	(24,500)	(24,500)
轉撥至中國法定儲備金	Transfer to PRC statutory reserve fund	20	-	2,420	(2,420)	-	-	-
業務合併產生的非控股權益	Non-controlling interests arising on business combination	38(b)/(c)	-	-	-	-	6,993	6,993
出售附屬公司	Disposals of subsidiaries	39	-	-	-	-	3,603	3,603
不改變控制權之附屬公司權益變更	Changes in interests in subsidiaries without change of control		-	506,952	-	506,952	398,272	905,224
於二零二零年十二月三十一日	At 31 December 2020	78,186	4,084,846	725,222	4,302,088	9,190,342	758,383	9,948,725

第124至284頁的附註為此等綜合財務報表的組成部分。

The notes on pages 124 to 284 are an integral part of these consolidated financial statements.

綜合現金流量表

CONSOLIDATED STATEMENT OF CASH FLOWS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

			二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
	附註 Notes			
經營活動		CASH FLOWS FROM		
現金流量		OPERATING ACTIVITIES		
營運產生的現金	35	Cash generated from operations	441,344	1,927,308
已付所得稅		Income tax paid	(214,213)	(509,450)
經營活動產生的現金流量淨額		Net cash flows from operating activities	227,131	1,417,858
投資活動		CASH FLOWS FROM		
現金流量		INVESTING ACTIVITIES		
增加聯營公司及合營企業/ 對聯營公司及合營企業出資	13	Additions of/capital contribution to associates and a joint venture	(105,291)	(13,946)
第三方貸款墊付		Advances of loans to third parties	(11,025)	(15,000)
聯營公司貸款墊付		Advances of loans to an associate	(71,055)	(57,127)
第三方償付借款款項		Repayment of loans from third parties	6,037	1,029
聯營公司償付借款款項		Repayment of loans from associates	15,000	2,000
收購附屬公司	38	Acquisitions of subsidiaries	1,508	–
出售附屬公司	39	Disposals of subsidiaries	117,571	–
購買物業、廠房及 設備項目		Purchases of items of property, plant and equipment	(506,639)	(500,793)
購買無形資產		Purchases of intangible assets	(73,975)	(89,132)
預付土地租賃付款		Prepaid land lease payments	–	(55,638)
購買按公平值計入損益的 金融資產		Purchases of financial assets at fair value through profit or loss	(18,806,553)	(19,510,723)
出售按公平值計入損益的 金融資產所得款項		Proceeds from disposal of financial assets at fair value through profit or loss	18,593,926	20,625,351
出售物業、廠房及設備項目 所得款項	35	Proceeds from disposal of items of property, plant and equipment	5,512	2,163
已抵押存款增加	18	Increase in pledged deposits	(144,548)	–
已收利息		Interest received	54,755	163,781
投資活動(所用)/所產生 現金流量淨額		Net cash flows (used in)/from investing activities	(924,777)	551,965

綜合現金流量表

CONSOLIDATED STATEMENT OF CASH FLOWS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

	附註 Notes	二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
融資活動			
現金流量			
償付銀行借款款項	36	(376,075)	(107,300)
借款所得款項	36	1,103,178	19,000
購回及註銷股份		–	(8,518)
主要部分租賃付款	8	(3,152)	(3,592)
收購非控股權益	38(b)	(10,000)	–
附屬公司產生的 非控股權益		915,224	132,112
已付股息		(1,444,352)	(198,805)
已付利息	8	(279)	(422)
融資活動所產生/(所用) 現金流量淨額		184,544	(167,525)
現金及現金等價物(減少)/ 增加淨額		(513,102)	1,802,298
年初現金及現金等 價物		5,117,143	3,314,845
年末現金及現金等 價物	18	4,604,041	5,117,143

第124至284頁的附註為此等綜合財務報表的組成部分。

The notes on pages 124 to 284 are an integral part of these consolidated financial statements.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

1. 公司及集團資料

四環醫藥控股集團有限公司(「本公司」)根據百慕達公司法於百慕達註冊成立為獲豁免公司。

本公司為投資控股公司。本公司及其附屬公司(統稱「本集團」)的主要業務為於中華人民共和國(「中國」)研究及開發(「研發」)、製造及銷售醫藥產品。

本公司註冊辦事處地址為Clarendon House, 2 Church Street, P.O. BOX HM 1022, Hamilton HM DX, Bermuda。本集團於香港的主要營業地點為香港灣仔港灣道1號會展廣場辦公大樓4309室，及北京的主要營業地點為中國北京市朝陽區八里莊西里住邦2000四號樓22樓(郵編：100025)。

本公司於二零一零年十月二十八日的第一上市地為香港聯合交易所有限公司(「聯交所」)。

2. 主要會計政策概要

編製綜合財務報表採用的主要會計政策載於下文。除另有說明外，該等政策在呈報的所有年度內貫徹應用。

2.1 編製基準

該等財務報表乃按照由國際會計準則委員會(「國際會計準則委員會」)頒佈的所有國際財務報告準則(「國際財務報告準則」)(包括所有國際財務報告準則、國際會計準則(「國際會計準則」)及相關詮釋)、香港公認會計準則以及香港公司條例的披露規定編製。財務報表按歷史成本法編製，惟理財產品及股權投資按公平值計量。該等財務報表以人民幣(「人民幣」)呈列，除另有指示外，所有價值均約整至最接近千位數。

1. CORPORATE AND GROUP INFORMATION

SiHuan Pharmaceutical Holdings Group Ltd. (the "Company") is incorporated in Bermuda under the Bermuda Companies Act as an exempted company.

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (together, the "Group") are the research and development ("R&D"), and the manufacture and sale of pharmaceutical products in the People's Republic of China (the "PRC").

The address of the Company's registered office is Clarendon House, 2 Church Street, P.O. BOX HM 1022, Hamilton HM DX, Bermuda. The address of the principal place of business of the Group in Hong Kong is Room 4309, Office Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong, and the address of the principal place of business in Beijing is 22/F, Building 4, Zhubang 2000, West Balizhuang, Chaoyang District, Beijing 100025, the PRC.

The Company had its primary listing on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 28 October 2010.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs"), which include all IFRSs, International Accounting Standards ("IASs") and interpretations, promulgated by the International Accounting Standards Board (the "IASB"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for wealth management products and equity investments which have been measured at fair value. These financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.1 編製基準 (續)

合併基準

本綜合財務報表包括本公司及其附屬公司(統稱「本集團」)截至二零二零年十二月三十一日止年度之財務報表。附屬公司指本公司直接或間接控制之實體(包括結構性實體)。當本集團能透過其參與承擔或享有投資對象可變回報之風險或權利，並能夠向投資對象使用其權力影響回報金額(即現有權利可使本集團能於當時指示投資對象之相關活動)，即代表本集團擁有控制權。

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

- (a) 與投資對象其他投票持有人之合約安排；
- (b) 其他合約安排所產生的權利；及
- (c) 本集團之投票權及潛在投票權。

附屬公司之財務報表乃按與本公司一致之會計政策就相同報告期間編製。附屬公司之業績自本集團取得控制權之日起直至該控制權終止之日止綜合入賬。

損益及各個其他全面收益組成部分歸屬於本集團母公司擁有人及非控股權益，即使此舉導致非控股權益出現虧絀結餘。所有與本集團成員公司之間之交易有關之集團內公司間資產及負債、權益、收入、開支及現金流量於綜合賬目時全數對銷。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.1 Basis of preparation (continued)

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2020. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

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

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

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

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.1 編製基準 (續)

合併基準 (續)

倘有事實及情況顯示上文所述三項控制因素中之一項或多項出現變化，本集團將重新評估其是否對投資對象擁有控制權。附屬公司擁有權益之變動（並無失去控制權）於入賬時列作權益交易。

倘本集團失去對附屬公司之控制權，則終止確認(i)該附屬公司之資產（包括商譽）及負債；(ii)任何非控股權益之賬面值及(iii)於權益內記錄之累計匯兌差額，並確認(i)已收代價之公平值；(ii)所保留任何投資之公平值及(iii)據此於損益入賬之盈餘或虧絀。本集團早前於其他全面收益內確認之應佔部分會視乎情況按本集團直接出售相關資產或負債所要求之相同基準重新分類至損益或保留盈利。

2.2 會計政策變動及披露事項

本集團已於本年度財務報表首次採納《二零一八年度財務報告的概念框架》及以下經修訂國際財務報告準則。

國際財務報告準則第3號的修訂
Amendments to IFRS 3

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號的修訂
Amendments to IFRS 9, IAS 39 and IFRS 7

國際財務報告準則第16號的修訂
Amendment to IFRS 16

國際會計準則第1號及國際會計準則第8號的修訂
Amendments to IAS 1 and IAS 8

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.1 Basis of preparation (continued)

Basis of consolidation (continued)

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

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

2.2 Changes in accounting policies and disclosures

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

業務的定義
Definition of a Business

利率指標改革
Interest Rate Benchmark Reform

與2019冠狀病毒病相關的租金寬免（提前採納）
COVID-19 Related Rent Concessions (early adopted)

重大的定義
Definition of Material

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.2 會計政策變動及披露事項 (續)

下文列出《二零一八年度財務報告的概念框架》及經修訂國際財務報告準則的性質和影響：

- (a) 《二零一八年度財務報告的概念框架》(「概念框架」)就財務報告和準則制定提供了一整套概念，並為財務報表編製者制定一致的會計政策提供指引，協助所有人理解和解讀準則。概念框架包括有關計量和報告財務績效的新章節，有關資產和負債終止確認的新指引，以及更新了有關資產和負債定義和確認的標準。該等框架亦闡明管理、審慎和衡量不確定性在財務報告中的作用。概念框架並非準則，其中包含的任何概念都不會凌駕於任何準則中的概念或要求之上。概念框架對本集團的財務狀況及表現並無產生任何重大影響。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.2 Changes in accounting policies and disclosures

(continued)

The nature and the impact of the *Conceptual Framework for Financial Reporting 2018* and the revised IFRSs are described below:

- (a) *Conceptual Framework for Financial Reporting 2018* (the “Conceptual Framework”) sets out a comprehensive set of concepts for financial reporting and standard setting, and provides guidance for preparers of financial statements in developing consistent accounting policies and assistance to all parties to understand and interpret the standards. The Conceptual Framework includes new chapters on measurement and reporting financial performance, new guidance on the derecognition of assets and liabilities, and updated definitions and recognition criteria for assets and liabilities. It also clarifies the roles of stewardship, prudence and measurement uncertainty in financial reporting. The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The Conceptual Framework did not have any significant impact on the financial position and performance of the Group.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.2 會計政策變動及披露事項

(續)

- (b) 國際財務報告準則第3號的修訂對業務的定義進行了澄清並提供額外指引。該項修訂澄清，倘一組整合的活動和資產要構成業務，其必須至少包括一項投入和一項實質性過程，並共同顯著促進創造產出的能力。業務可以不具備所有創造產出所需的投入和過程。該修訂刪除了對市場參與者是否有能力購買業務並能持續產生產出的評估，轉而重點關注所取得的投入和所取得的實質性過程是否共同顯著促進創造產出的能力。該修訂亦縮小了產出的定義範圍，重點關注向客戶提供的商品或服務、投資收益或其他日常活動收入。此外，該修訂為實體評估所取得的過程是否為實質性過程提供指引，並引入可選的公平值集中度測試，以允許對所取得的一組活動和資產是否不構成業務進行簡化評估。本集團已就於二零二零年一月一日或之後發生的交易或其他事件提前採納該等修訂。該等修訂對本集團的財務狀況及表現並無產生任何影響。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.2 Changes in accounting policies and disclosures

(continued)

- (b) 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.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.2 會計政策變動及披露事項 (續)

- (c) 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號的修訂解決其他無風險利率(「無風險利率」)取代現有利率基準前影響期內財務報告的問題。該等修訂提供可在引入其他無風險利率前之不確定期限內繼續進行對沖會計處理之暫時性補救措施。此外，該等修訂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之對沖關係之額外資料。該等修訂概無對本集團財務狀況及表現產生任何影響，原因為本集團並無任何利率對沖關係。
- (d) 國際財務報告準則第16號的修訂為承租人提供可行權宜方法以選擇就2019冠狀病毒病疫情的直接後果產生的租金寬免不應用租賃修改會計處理。該可行權宜方法僅適用於疫情直接後果產生的租金寬免，且僅當(i)租賃付款的變動使租賃代價有所修改，而經修改的代價與緊接變動前租賃代價大致相同，或少於緊接變動前租賃代價；(ii)租賃付款的任何減幅僅影響二零二一年六月三十日或之前初始到期的付款；及(iii)租賃的其他條款及條件並無實質變動。該修訂於二零二零年六月一日或之後開始的年度期間有效，允許提早應用及將追溯採用。該修訂概無對本集團財務狀況及表現產生任何影響，原因為出租人並未減免本集團的任何租賃付款。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Changes in accounting policies and disclosures (continued)

- (c) Amendments to IFRS 9, IAS 39 and IFRS 7 address issues affecting financial reporting in the period before the replacement of an existing interest rate benchmark with an alternative risk-free rate ("RFR"). The amendments provide temporary reliefs which enable hedge accounting to continue during the period of uncertainty before the introduction of the alternative RFR. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties. The amendments did not have any impact on the financial position and performance of the Group as the Group does not have any interest rate hedging relationships.
- (d) 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 COVID-19 pandemic. The practical expedient applies only to rent concessions occurring as a direct consequence of the pandemic and only if (i) the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change; (ii) any reduction in lease payments affects only payments originally due on or before 30 June 2021; and (iii) there is no substantive change to other terms and conditions of the lease. The amendment is effective for annual periods beginning on or after 1 June 2020 with earlier application permitted and shall be applied retrospectively. The amendment did not have any impact on the financial position and performance of the Group as the Group does not have any lease payments reduced or waived by the lessors.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.2 會計政策變動及披露事項

(續)

- (e) 國際會計準則第1號及國際會計準則第8號的修訂對重大提供了新的定義。新定義指出，若省略、錯述或模糊該等資料，可合理地預期會影響通用財務報表的主要使用者於有關財務報表的基礎上作出的決策，則有關資料屬重大。該等修訂闡明，重要性將取決於資料的性質或數量或兩者兼有。該等修訂並無對本集團的財務狀況及表現造成任何重大影響。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.2 Changes in accounting policies and disclosures

(continued)

- (e) 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, or both. The amendments did not have any significant impact on the financial position and performance of the Group.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.3 已頒佈但尚未生效的國際財務報告準則

本集團並無於該等財務報表採納以下已頒佈但尚未生效的新訂及經修訂國際財務報告準則。

國際財務報告準則第3號的修訂
Amendments to IFRS 3

國際財務報告準則第9號、國際會計準則第39號、
國際財務報告準則第7號、國際會計準則第4號及
國際財務報告準則第16號的修訂
Amendments to IFRS 9, IAS 39, IFRS 7,
IAS 4 and IFRS 16

國際財務報告準則第10號及國際會計準則第28號的
修訂(二零一一年)
Amendments to IFRS 10 and IAS 28(2011)

國際財務報告準則第17號
IFRS 17

國際財務報告準則第17號的修訂
Amendments to IFRS 17

國際會計準則第1號的修訂
Amendments to IAS 1

國際會計準則第16號的修訂
Amendments to IAS 16

國際會計準則第37號的修訂
Amendments to IAS 37

國際財務報告準則二零一八至二零二零年年度改進
Annual Improvements to
IFRSs 2018–2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.3 Issued but not yet effective IFRSs

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

概念框架之提述²

Reference to the Conceptual Framework²

利率指標改革 – 第2階段¹

Interest Rate Benchmark Reform – Phase 2¹

投資者與其聯營公司或合營企業之間的資產出售或
注資⁴

Sale or Contribution of Assets between an Investor
and its Associate or Joint venture⁴

保險合約³

Insurance Contracts³

保險合約^{3,6}

Insurance Contracts^{3,6}

流動或非流動負債分類^{3,5}

Classification of Liabilities as Current or Non-current^{3,5}

物業、廠房及設備：擬定用途前的所得款項²

Property, Plant and Equipment: Proceeds before
Intended Use²

有償合約 – 履行合約的成本²

Onerous Contracts – Cost of Fulfilling a Contract²

國際財務報告準則第1號、國際財務報告準則第9號、
國際財務報告準則第16號隨附之範例及
國際會計準則第41號的修訂²

Amendments to IFRS 1, IFRS 9, Illustrative Examples
accompanying IFRS 16, and IAS 41²

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.3 已頒佈但尚未生效的國際財務報告準則 (續)

- 1 於二零二一年一月一日或以後開始年度期間生效
- 2 於二零二二年一月一日或以後開始年度期間生效
- 3 於二零二三年一月一日或以後開始年度期間生效
- 4 並未釐定強制性生效日期，但可供採納
- 5 由於國際會計準則第1號的修訂，香港詮釋第5號呈列財務報表 – 借款人對包含按要求償還條款之有期貸款之分類於二零二零年十月修訂，使相應措詞保持一致而結論不變
- 6 由於二零二零年十月刊發國際財務報告準則第17號的修訂，國際財務報告準則第4號已修訂以延長臨時豁免，允許保險人於二零二三年一月一日前開始的年度期間採用國際會計準則第39號而非國際財務報告準則第9號

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.3 Issued but not yet effective IFRSs (continued)

- 1 Effective for annual periods beginning on or after 1 January 2021
- 2 Effective for annual periods beginning on or after 1 January 2022
- 3 Effective for annual periods beginning on or after 1 January 2023
- 4 No mandatory effective date yet determined but available for adoption
- 5 As a consequence of the amendments to IAS 1, Hong Kong Interpretation 5 *Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause* was revised in October 2020 to align the corresponding wording with no change in conclusion
- 6 As a consequence of the amendments to IFRS 17 issued in October 2020, IFRS 4 was amended to extend the temporary exemption that permits insurers to apply IAS 39 rather than IFRS 9 for annual periods beginning before 1 January 2023

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.3 已頒佈但尚未生效的國際財務報告準則 (續)

有關預期將適用於本集團的國際財務報告準則的進一步資料載述如下。

國際財務報告準則第3號的修訂旨在以二零一八年六月發佈財務報告概念框架的提述取代編製及呈列財務報表的框架的先前提述，而無需重大改變其要求。該等修訂亦為國際財務報告準則第3號增加確認原則的例外情況，實體可參考概念框架釐定資產或負債的構成要素。該例外情況規定，對於單獨而非於業務合併中承擔且屬於國際會計準則第37號或國際財務報告詮釋委員會第21號的負債及或然負債，採用國際財務報告準則第3號的實體應分別提述國際會計準則第37號或國際財務報告詮釋委員會第21號，而非概念框架。此外，該等修訂澄清或然資產於收購日期不符合確認資格。本集團預期自二零二二年一月一日起提前採用有關修訂。由於收購日期為首次採納日期或之後的業務合併可能提前採納該等修訂，本集團於過渡日期將不會受到該等修訂的影響。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.3 Issued but not yet effective IFRSs (continued)

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

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

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.3 已頒佈但尚未生效的國際財務報告準則 (續)

當現有利率基準以其他無風險利率替代時會影響財務報告時，國際財務報告準則第9號、國際會計準則第39號、國際財務報告準則第7號、國際財務報告準則第4號及國際財務報告準則第16號的修訂解決先前修訂中未涉及的問題。第2階段修訂提供實際權宜方法，於入賬釐定金融資產及負債合約現金流的基準變動時，倘變動因利率基準改革直接引致，且釐定合約現金流量的新基準經濟上相當於緊接變動前的先前基準，在不調整賬面值的情況下更新實際利率。此外，該等修訂允許利率基準改革要求就對沖指定及對沖文件作出的變動，而不中斷對沖關係。過渡期間可能產生的任何收益或虧損均透過國際財務報告準則第9號的正常要求進行處理，以衡量及確認對沖無效性。當無風險利率被指定為風險組成部分時，該等修訂亦暫時寬免實體須符合可單獨識別的規定。寬免允許實體於指定對沖時假設符合可單獨識別的規定，前提是實體合理預期無風險利率風險成分於未來24個月內將可單獨識別。此外，該等修訂亦要求實體披露其他資料，以使財務報表的使用者能夠了解利率基準改革對實體金融工具及風險管理策略的影響。該等修訂自二零二一年一月一日或之後開始的年度期間生效，並應追溯應用，惟實體毋須重列比較資料。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.3 Issued but not yet effective IFRSs (continued)

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

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.3 已頒佈但尚未生效的國際財務報告準則 (續)

本集團於二零二零年十二月三十一日持有根據貸款市場報價利率以人民幣計值的若干計息銀行借貸。倘該等借貸的利率於未來期間由無風險利率代替，本集團於滿足「經濟上相當」標準修改有關借貸時將採用此實際權宜方法，並預計不會因採用該等變動修訂而產生重大修改收益或虧損。

國際財務報告準則第10號及國際會計準則第28號的修訂針對國際財務報告準則第10號及國際會計準則第28號之間有關投資者與其聯營公司或合營企業之間的資產出售或注資兩者規定的不一致性。該等修訂規定，當投資者與其聯營公司或合營企業之間的資產出售或注資構成一項業務時，須確認全數收益或虧損。當交易涉及不構成一項業務的資產時，由該交易產生的收益或虧損於該投資者的損益內確認，惟僅以不相關投資者於該聯營公司或合營企業的權益為限。該等修訂採用未來適用法。國際會計準則理事會已於二零一六年一月剔除國際財務報告準則第10號及國際會計準則第28號的修訂的以往強制生效日期，而新的強制生效日期將於對聯營公司及合營企業的會計處理完成更廣泛的檢討後釐定。然而，該等修訂可於現時應用。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.3 Issued but not yet effective IFRSs (continued)

The Group had certain interest-bearing bank borrowings denominated in RMB based on the Loan Prime Rate ("LPR") as at 31 December 2020. If the interest rates of these borrowings are replaced by RFRs in a future period, the Group will apply this practical expedient upon the modification of these borrowings when the "economically equivalent" criterion is met and expects that no significant modification gain or loss will arise as a result of applying the amendments to these changes.

Amendments to IFRS 10 and IAS 28 address an inconsistency between the requirements in IFRS 10 and in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to IFRS 10 and IAS 28 was removed by the IASB in January 2016 and a new mandatory effective date will be determined after the completion of a broader review of accounting for associates and joint ventures. However, the amendments are available for adoption now.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.3 已頒佈但尚未生效的國際財務報告準則 (續)

國際會計準則第1號的修訂澄清劃分負債為流動或非流動的規定。該等修訂載明，倘實體遞延清償負債的權利受限於該實體須符合特定條件，則倘該實體於報告期末符合有關條件，其有權於該日遞延清償負債。負債的分類不受實體行使其權利遞延清償負債的可能性的影響。該等修訂亦澄清被認為清償負債的情況。該等修訂自二零二三年一月一日或之後開始的年度期間生效，並將追溯應用。允許提早採納。預期該等修訂不會對本集團的財務報表產生任何重大影響。

國際會計準則第16號的修訂禁止實體從物業、廠房及設備成本中扣除資產達到管理層預定的可使用狀態(包括位置與條件)過程中產生的全部出售所得。相反，實體須將出售任何有關項目的所得款項及成本計入損益。該等修訂自二零二二年一月一日或之後開始的年度期間生效，並僅對實體首次應用有關修訂的財務報表呈列的最早期間開始時或之後可供使用的物業、廠房及設備項目追溯應用。允許提早採納。預期該等修訂不會對本集團的財務報表產生任何重大影響。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.3 Issued but not yet effective IFRSs (continued)

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

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

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.3 已頒佈但尚未生效的國際財務報告準則 (續)

國際會計準則第37號的修訂澄清，就根據國際會計準則第37號評估合約是否屬虧損性而言，履行合約的成本包括與合約直接相關的成本。與合約直接相關的成本包括履行該合約的增量成本（例如直接勞工及材料）及與履行合約直接相關的其他成本分配（例如分配履行合約所用物業、廠房及設備項目的折舊開支以及合約管理與監督成本）。一般及行政費用與合約並無直接關係，除非合約明確向對手方收費，否則將其排除在外。該等修訂自二零二二年一月一日或之後開始的年度期間生效，並適用於實體首次應用有關修訂的年度報告期間開始時實體尚未履行其全部責任的合約。允許提早採納。初步應用修訂的任何累積影響應於初始應用日期確認為期初權益的調整，且毋須重列比較資料。預期該等修訂不會對本集團的財務報表產生任何重大影響。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.3 Issued but not yet effective IFRSs (continued)

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

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.3 已頒佈但尚未生效的國際財務報告準則 (續)

國際財務報告準則二零一八年至二零二零年的年度改進載列國際財務報告準則第1號、國際財務報告準則第9號、國際財務報告準則第16號隨附之範例及國際會計準則第41號之修訂。預計適用於本集團的該等修訂詳情如下：

- 國際財務報告準則第9號金融工具：澄清於實體評估是否新訂或經修改金融負債的條款與原金融負債的條款存在實質差異時所包含的費用。該等費用僅包括借款人與貸款人之間已支付或收取的費用，包括借款人或貸款人代表其他方支付或收取的費用。實體將有關修訂應用於實體首次應用有關修訂的年度報告期開始或之後修改或交換的金融負債。該等修訂自二零二二年一月一日或之後開始的年度期間生效。允許提早採納。預期該等修訂不會對本集團的財務報表產生任何重大影響。
- 國際財務報告準則第16號租賃：刪除國際財務報告準則第16號隨附之範例13中有關租賃物業裝修的出租人付款說明。此舉消除於採用國際財務報告準則第16號有關租賃激勵措施處理方面的潛在困惑。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.3 Issued but not yet effective IFRSs (continued)

Annual Improvements to IFRSs 2018–2020 sets out amendments to IFRS 1, IFRS 9, Illustrative Examples accompanying IFRS 16, and IAS 41. Details of the amendments that are expected to be applicable to the Group are as follows:

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

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.4 投資至聯營公司及合營企業

聯營公司是集團擁有一般不少於20%股份投票權的長期權益，並可對其發揮重大影響力的實體。重大影響是參與被投資者的財務及經營決策的權力，但不控制或共同控制該等政策。

合營企業指一種合營安排，對安排擁有共同控制權的訂約方據此對合營企業之資產淨值擁有權利。共同控制指按照合約協定對一項安排所共有之控制，共同控制僅在有關活動要求享有控制權之訂約方作出一致同意的決定時存在。

按權益會計法，本集團於聯營公司及合營企業的投資，以本集團應佔淨資產減任何減值虧損，於綜合財務狀況表列賬。任何可能存在的相異會計政策已作出相應調整使之貫徹一致。本集團應佔聯營公司及合營企業收購後業績及其他全面收益分別計入綜合損益及其他全面收益表。此外，倘直接於聯營公司或合營企業的權益確認有關變動，則本集團會於綜合權益變動表確認其應佔任何變動(如適用)。本集團與其聯營公司或合營企業間交易的未變現收益及虧損將以本集團於聯營公司或合營企業的投資為限對銷，惟倘未變現虧損為所轉讓資產減值的憑證。收購聯營公司或合營企業的商譽列為本集團於聯營公司或合營企業的投資的一部分。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.4 Investments in associates and joint ventures

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investments in associates and joint ventures are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. Adjustments are made to bring into line any dissimilar accounting policies that may exist. The Group's share of the post-acquisition results and other comprehensive income of associates and joint ventures is included in the consolidated statement of profit or loss and other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's investments in the associates or joint ventures, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of associates or joint ventures is included as part of the Group's investments in associates or joint ventures.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.4 投資至聯營公司及合營企業 (續)

倘於聯營公司之投資成為於合營企業之投資(反之亦然)，保留權益不會予以重新計量。相對地，投資繼續按權益法入賬。在所有其他情況下，本集團對聯營公司不再有重大影響或對合營企業不再有共同控制時，按公平值計量及確認任何保留投資。本集團於失去重大影響或共同控制時聯營公司或合營企業的賬面值與保留投資的公平值及出售所得款項之間的任何差額於損益內確認。

當於聯營公司或合營企業的投資被分類為持作出售，其根據國際財務報告準則第5號持作出售的非流動資產及已終止經營業務列賬。

2.5 業務合併及商譽

業務合併乃使用收購法入賬。所轉讓之代價乃以收購日期之公平值計量，該公平值為本集團所轉讓之資產、本集團對被收購方之前擁有人承擔之負債及本集團發行以換取被收購方控制權之股權於收購日期之公平值之總和。就各業務合併而言，本集團可選擇以公平值或被收購方可識別資產淨值之應佔比例，計算於被收購方屬現時擁有權益且於清盤時賦予其持有人按比例分佔資產淨值之被收購方非控股權益。非控股權益之所有其他部分按公平值計量。收購相關成本於產生時支銷。

當所收購的一組活動及資產包括一項參數與一個重要過程，且兩者須共同對創造收益的能力作出重大貢獻時，本集團方可釐定其已收購一項業務。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.4 Investments in associates and joint ventures (continued)

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

When an investment in an associate or a joint venture is classified as held for sale, it is accounted for in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

2.5 Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets includes an input and a substantive process that together significantly contribute to the ability to create outputs.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.5 業務合併及商譽 (續)

當本集團收購一項業務時，會根據合約條款，於收購日期之經濟環境及相關條件評估所承擔之金融資產及負債，以作出適當之分類及指定用途，其中包括將被收購方主合約中之內含衍生工具進行分離。

倘業務合併分階段完成，先前持有之股權會按其於收購日期之公平值重新計量，而所產生之任何收益或虧損於損益內確認。

收購方擬轉讓之任何或然代價將按收購日期之公平值確認。分類為資產或負債之或然代價按公平值計量，公平值之變動於損益內確認。分類為權益之或然代價並無重新計量，而其後結算於權益中入賬。

商譽初步按成本值計算，即已轉讓代價，就非控股權益確認之數額及本集團先前持有之被收購方股權之任何公平值之總和，超逾所收購可識別資產淨值及所承擔可識別負債淨值之差額。如有關代價及其他項目之總和低於所收購資產淨值之公平值，則於重新評估後其差額將於損益內確認為議價收購收益。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.5 Business combinations and goodwill (continued)

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

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

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.5 業務合併及商譽 (續)

於初步確認後，商譽按成本值減任何累計減值虧損計量。商譽須每年進行減值測試，倘出現任何事件或情況有變顯示賬面值可能減少，則會更頻密地進行測試。本集團於十二月三十一日進行商譽之年度減值測試。為進行減值測試，因業務合併而收購之商譽乃自收購日期起分配至預期可自合併之協同效益中獲益之本集團各現金產生單位或現金產生單位組別，而不論本集團其他資產或負債會否轉撥至該等單位或單位組別。

減值透過對與商譽有關之現金產生單位(現金產生單位組別)之可收回數額進行評估而釐定。倘現金產生單位(現金產生單位組別)之可收回數額低於賬面值，則確認減值虧損。就商譽確認之減值虧損不會於隨後期間撥回。

倘商譽已分配至現金產生單位(或現金產生單位組別)並出售該單位內之部分業務，則於釐定出售之盈虧時，與所出售業務有關之商譽乃計入該業務賬面值。於該等情況下出售之商譽，按所出售業務及所保留現金產生單位部分之相對價值計算。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.5 Business combinations and goodwill (continued)

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

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

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

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.6 公平值計量

本集團於各報告期末按公平值計量其股本投資。公平值為市場參與者於計量日在有序交易中出售資產所收取之價格或轉讓負債所支付之價格。公平值計量乃根據假設出售資產或轉讓負債之交易在資產或負債之主要市場或(在無主要市場之情況下)在資產或負債之最具優勢市場進行而作出。主要或最具優勢市場必須為本集團可進入之市場。資產或負債之公平值乃按假設市場參與者於資產或負債定價時會以最佳經濟利益行事計量。

非金融資產之公平值計量經計及市場參與者透過以最大限度利用資產以達致最佳用途或將資產出售予將以最大限度利用資產以達致最佳用途之另一名市場參與者而產生經濟效益之能力。

本集團使用在屬適當情況下且具備充足數據可供計量公平值之估值方法，以盡量增加使用相關可觀察輸入數據及盡量減少使用不可觀察輸入數據。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.6 Fair value measurement

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

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

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

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.6 公平值計量 (續)

所有其公平值會被計量或於財務報表披露之資產及負債乃按整體對公平值計量屬重要之最低級別輸入數據在下列公平值等級內分類：

第一級 – 基於相同資產或負債於活躍市場之報價(未經調整)

第二級 – 基於對公平值計量屬重要之最低級別輸入數據均可直接或間接被觀察之估值方法

第三級 – 基於對公平值計量屬重要之最低級別輸入數據為不可觀察之估值方法

就經常於財務報表確認之資產及負債而言，本集團透過於各報告期末重新評估分類(基於整體對公平值計量屬重要之最低級別輸入數據)釐定等級內各級之間有否出現轉換。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.6 Fair value measurement (continued)

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

Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.7 非金融資產減值

倘有跡象顯示出現減值，或需要進行每年資產(不包括存貨、合約資產、遞延稅項資產、金融資產、投資物業及非流動資產)減值測試，則會估計資產之可收回數額。獨立資產可收回數額之計算方法以資產或現金產生單位之使用價值與其公平值減出售成本兩者之較高者為準。倘資產未能產生很大程度上獨立於其他資產或資產組合之現金流入，在此情況下則釐定資產所屬現金產生單位之可收回數額。

減值虧損僅可在資產賬面值超過其可收回數額時方獲確認。在評估使用價值時，會以可反映現時市場對金錢時間值及該資產特有風險評估之稅前折現率折現至現值。減值虧損於產生期間內在損益內與已減值資產功能一致之支出類別內扣除。

於各報告期末，將評估是否有跡象顯示早前確認之減值虧損或不再存在或可能減少。倘出現有關跡象，則會估計可收回數額。早前就商譽以外資產確認之減值虧損，僅在用以釐定該資產可收回數額之估計數字出現變動時方會撥回，然而，有關數額將不會高於倘過往年度並無就資產確認減值虧損而應釐定之賬面值(扣除任何折舊/攤銷)。撥回之減值虧損於產生期間計入損益表。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.7 Impairment of non-financial assets

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

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

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

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.8 物業、廠房及設備以及折舊

物業、廠房及設備主要包括工廠及辦公室。物業、廠房及設備(除在建工程外)乃按成本減累計折舊及任何減值虧損列賬。物業、廠房及設備項目成本包括其購買價及將資產促成其擬作用途工作狀態及地點的任何應佔直接成本。

物業、廠房及設備項目投入運作後所產生之維修保養等支出，一般於產生期間自損益表扣除。在確認標準達成之情況下，主要檢測所產生之開支在該資產賬面值中資本化為重置。倘大部分物業、廠房及設備須不時重置，則本集團會將有關部分確認為具特定使用年期之個別資產，並相應計提折舊。

折舊乃以直線法按其估計可使用年期將物業、廠房及設備各個項目之成本撇銷至其餘值計算。就此所使用的殘值率及估計可使用年期如下：

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.8 Property, plant and equipment and depreciation

Property, plant and equipment comprise mainly factories and offices. Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

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

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

		殘值率	估計 可使用年期
		Residual rate	Estimated useful lives
樓宇	Buildings	5%	10至35年 10 to 35 years
生產及電子設備	Production and electronic equipment	5%	3至10年 3 to 10 years
辦公室設備	Office equipment	5%	3至10年 3 to 10 years
汽車	Motor vehicles	5%	4至10年 4 to 10 years

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.8 物業、廠房及設備以及折舊 (續)

殘值率、可使用年期及折舊方法於各財政年度末進行檢討，並在適當時作出調整。

物業、廠房及設備項目(包括已初步確認之任何重要部分)於出售時或預期日後使用或出售該項目不會產生經濟利益時終止確認。於資產終止確認之年度在損益表確認之任何出售或廢棄損益，按出售所得款項淨額與有關資產賬面值之差額計算。

在建工程指在建樓宇，按成本值減任何減值虧損列賬，且不作折舊。成本值包括建築工程於建築期間之直接成本。在建工程於落成及可供使用時重新分類至適當之物業、廠房及設備類別。

2.9 投資物業

投資物業指就賺取租金收入及/或資本增值持有之樓宇，而非就生產或供應貨品或服務或就行政目的而持有。有關物業初步按成本計量，包括交易成本。於初步確認後，投資物業按成本減折舊及減值虧損入賬。折舊乃按直線法於物業的估計可使用年期內將其成本分配至其剩餘價值計算。於各報告期末檢討及適當調整投資物業之剩餘價值及可使用年期。修訂之影響於變動時計入損益內。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.8 Property, plant and equipment and depreciation

(continued)

Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

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

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

2.9 Investment properties

Investment properties are interests in buildings held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purpose. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less depreciation and any impairment losses. Depreciation is calculated using a straight-line method to allocate their cost to their residual values over the estimated useful lives of the properties. The residual values and useful lives of investment properties are reviewed, and adjusted if appropriate, at the end of each reporting period. The effects of any revision are included in the profit or loss when the changes arise.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.10 無形資產 (除商譽外)

(a) 研發

- (i) 為獲取新科技或技術知識及認識而進行研究活動的開支會於產生期間內確認為開支。倘產品或工序在技術及商業上為可行，而本集團擁有充足資源並有意完成有關開發且本集團擁有足夠能力使用或出售資產，而該資產將取得未來經濟利益，及倘成本能可靠計量，則開發活動(與設計及測試新產品或改良產品有關)的開支將於「進行中產品開發」分類項下撥充資本。於某一產品開始投入商業生產後，開發活動的開支會轉入「遞延開發成本」，並按直線法於其預期可獲利期間攤銷。研發成本包括研發活動直接產生的費用或可按合理基準分配至該等活動的成本。
- (ii) 本集團所獲遞延開發成本乃按成本減累計攤銷及任何減值虧損於綜合財務狀況表內列賬。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.10 Intangible assets (other than goodwill)

(a) R&D

- (i) Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised as an expense in the period in which it is incurred. Expenditure on development activities (relating to the design and testing of new or improved products) is capitalised under the category of “product development in progress” if the product or process is technically and commercially feasible, the Group has sufficient resources and the intention to complete the development, the Group has sufficient ability to use or sell the asset, the asset will generate future economic benefit, and the cost can be reliably measured. Upon the commencement of the commercial production of a product, the expenditure on development activities is transferred to “deferred development costs” and amortised on a straight-line basis over the period of its expected benefit. R&D costs comprise costs that are directly attributable to R&D activities or that can be allocated on a reasonable basis to such activities.
- (ii) Deferred development costs that are acquired by the Group are stated in the consolidated statement of financial position at cost less accumulated amortisation and any impairment losses.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.10 無形資產 (除商譽外) (續)

(a) 研發 (續)

- (iii) 收購或完成開發活動後產生的其後開支乃於產生時確認為支出，除非此項開支可能將致使資產產生超出其原先評估表現水平的未來經濟利益，且此項開支能可靠地計算及計入資產，則作別論。倘符合該等條件，其後開支會計入無形資產的成本。
- (iv) 遞延開發成本乃按5至15年的估計可使用年期以直線法於損益內支銷。

(b) 商標

分開收購的商標按歷史成本列賬。於業務合併收購的商標於收購日期按公平值確認。商標具有限可使用年期，按成本減累計攤銷及任何減值虧損入賬。攤銷乃按直線法於5至10年的估計可使用年期内分攤商標成本計算。

(c) 電腦系統

所收購電腦軟件許可證基於收購及使用特定軟件產生的成本撥充資本。有關成本採用直線法於3至5年的估計可使用年期内攤銷。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.10 Intangible assets (other than goodwill) (continued)

(a) R&D (continued)

- (iii) Subsequent expenditure on development activities after its acquisition or its completion is recognised as an expense when it is incurred unless it is probable that this expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standard of performance and this expenditure can be measured and attributed to the asset reliably. If these conditions are met, the subsequent expenditure is added to the cost of the intangible asset.
- (iv) Amortisation of deferred development costs is charged to the profit or loss on a straight-line basis over the estimated useful lives of 5 to 15 years.

(b) Trademarks

Separately acquired trademarks are shown at historical cost. Trademarks acquired in a business combination are recognised at fair value at the acquisition date. Trademarks have a finite useful life and are carried at cost less accumulated amortisation and any impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of trademarks over their estimated useful lives of 5 to 10 years.

(c) Computer systems

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised using the straight-line method over their estimated useful lives of 3 to 5 years.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.10 無形資產 (除商譽外) (續)

(d) 客戶關係

客戶關係具有有限使用年期，乃按成本減累計攤銷及任何減值虧損列賬。攤銷採用直線法於5年預計年期內計算。

具有有限使用年期的無形資產的攤銷期間及攤銷方法至少於各財政年度末作出檢討。任何修訂的影響乃於產生變動時於損益確認。

2.11 租賃

本集團於合約開始時評估合約是否屬於或包含租賃。倘合約為換取代價而授予在一段時間內控制可識別資產使用的權利，則該合約為租賃或包含租賃。

本集團作為承租人

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.10 Intangible assets (other than goodwill) (continued)

(d) Customer relationships

The customer relationships have a finite useful life and are carried at cost less accumulated amortisation and any impairment losses. Amortisation is calculated using the straight-line method over the expected life of 5 years.

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end. The effects of any revision are recognised in profit or loss when the changes arise.

2.11 Leases

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

Group as a lessee

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

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要(續)

2.11 租賃(續)

本集團作為承租人(續)

(a) 使用權資產

於租賃開始日期(即相關資產可供使用當日)確認使用權資產。使用權資產按成本減任何累計折舊及任何減值虧損計量，並就任何重新計量租賃負債作出調整。使用權資產成本包括已確認租賃負債款額、初步已產生直接成本及於開始日期或之前作出的租賃付款減任何已收取租賃獎勵。使用權資產於其租期及估計可使用年期(以較短者為準)按直線法折舊，如下：

租賃土地
Leasehold land

27至50年
27 to 50 years

樓宇
Building

2至5年
2 to 5 years

倘於租期結束時租賃資產的擁有權轉讓至本集團或成本反映購買權的行使，折舊則根據資產的估計可使用年期計算。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.11 Leases (continued)

Group as a lessee (continued)

(a) Right-of-use assets

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

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

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.11 租賃 (續)

本集團作為承租人 (續)

(b) 租賃負債

於租賃開始日期按租賃期內將作出的租賃付款現值確認租賃負債。租賃付款包括定額付款(含實質定額款項)減任何租賃獎勵應收款項、取決於指數或利率的可變租賃款項以及預期根據剩餘價值擔保支付的金額。租賃付款亦包括本集團合理確定行使的購買選擇權的行使價及在租期反映本集團行使終止租賃選擇權時，有關終止租賃的罰款。不取決於指數或利率的可變租賃付款在出現觸發付款的事件或條件的期間內確認為開支。

於計算租賃付款的現值時，因租賃內含利率無法確定，故本集團應用租賃開始日期的增量借款利率計算。於開始日期後，租賃負債金額的增加反映了利息的增長，其減少則關乎所作出的租賃付款。此外，倘存在租期的修改、由指數或利率變動引起的未來租賃付款變動以及租期變動、租賃付款變動(例如指數或比率的變動導致未來租賃付款出現變動)或購買相關資產的選擇權評估變動，則重新計量租賃負債的賬面值。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.11 Leases (continued)

Group as a lessee (continued)

(b) Lease liabilities

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

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

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.11 租賃 (續)

本集團作為承租人 (續)

(c) 短期租賃

本集團對其機械及設備的短期租賃(即自開始日期起計之租期不超過12個月且不包括購買選擇權的租賃)應用短期租賃確認豁免。

短期租賃之租賃付款乃於租賃期以直線法確認為開支。

本集團作為出租人

本集團在充當出租人時會於起租日(或倘有租約變更時)將其各項租賃分類為經營租賃或融資租賃。

本集團並未轉移資產所有權的絕大部分風險及回報的租賃則分類為經營租賃。當一項合約同時包含租賃及非租賃部分時，本集團會根據相對獨立的售價基準將合約中的代價分配至各部分。租金收入於租賃期以直線法入賬，且因其經營性質而計入損益表之收入內。於磋商及安排經營租賃時所產生之初始直接成本被納入租賃資產之賬面值，並於租賃期以相同基準確認為租金收入。或然租金於賺取收入期間內確認為收入。

相關資產所有權的絕大部分風險及回報轉移至承租人的租賃則被入賬列作融資租賃。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.11 Leases (continued)

Group as a lessee (continued)

(c) Short-term leases

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases that transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee are accounted for as finance leases.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.12 投資及其他金融資產

(a) 初步確認及計量

金融資產於初步確認時分類為其後按攤銷成本，按公平值計入其他全面收益及按公平值計入損益計量。

於初步確認時，金融資產分類取決於金融資產的合約現金流量特點及本集團管理該等金融資產的業務模式。除並無重大融資成分或本集團已應用不就重大財務融資成分的影響作出調整的可行權宜方法的貿易應收款項外，本集團初步按公平值加上（倘金融資產並非按公平值計入損益）交易成本計量金融資產。並無重大融資成分或本集團已應用可行權宜方法的貿易應收款項根據下文「收益確認」所列政策國際財務報告準則第15號釐定的交易價格計量。

為使金融資產按攤銷成本或按公平值計入其他全面收益進行分類及計量，需產生純粹為支付本金及未償還本金利息（「純粹為支付本金及利息」）的現金流量。現金流量並非純粹為支付本金及利息之金融資產按公平值計入損益分類及計量，而不論業務模式。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.12 Investments and other financial assets

(a) Initial recognition and measurement

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

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

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

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.12 投資及其他金融資產 (續)

(a) 初步確認及計量 (續)

本集團管理金融資產的業務模式指其如何管理其金融資產以產生現金流量。業務模式確定現金流量是否來自收集合約現金流量、出售金融資產，或兩者兼有。按攤銷成本計量及計量的金融資產乃於旨在持有金融資產以收取合約現金流量的業務模式內持有，而按公平值計入其他全面收益分類及計量的金融資產乃於旨在持有金融資產以收取合約現金流量及出售的業務模式內持有。並非於上述業務模式內持有的金融資產乃按公平值計入損益分類及計量。

所有以常規方式買賣的金融資產均於交易日（即本集團承諾買賣該資產當日）予以確認。常規方式買賣指規定須於一般市場規例或慣例確立之期間內交付資產的金融資產買賣。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.12 Investments and other financial assets (continued)

(a) **Initial recognition and measurement** (continued)

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

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.12 投資及其他金融資產 (續)

(b) 其後計量

金融資產的其後計量取決於其分類如下：

按攤銷成本計量之金融資產 (債務工具)

按攤銷成本列賬的金融資產其後使用實際利率法計量，並可能受減值影響。當資產終止確認、修訂或減值時，收益及虧損於綜合損益及其他全面收益表確認。

按公平值計入損益的金融資產

按公平值計入損益的金融資產按公平值於財務狀況表列賬，而公平值變動淨額於綜合收益表確認。

該類別包括本集團並無不可撤回地選擇按公平值計入其他全面收益進行分類的股本投資。分類為按公平值計入損益的金融資產的股本投資的股息亦在支付權確立時於損益表確認為其他收入，股息涉及的經濟利益有可能流入至本集團及股息的金額可靠地計量。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.12 Investments and other financial assets (continued)

(b) *Subsequent measurement*

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

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the consolidated statement of profit or loss and other comprehensive income when the asset is derecognised, modified or impaired.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the consolidated statement of profit or loss.

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

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.13 終止確認金融資產

金融資產(或(如適用)金融資產的一部分或一組類似金融資產的一部分)於下列情況下將終止確認(即於本集團的綜合財務狀況表中移除):

- 取自該項資產所得現金流量的權利已屆滿; 或
- 本集團已轉讓其收取自該項資產所得現金流量的權利, 或根據「轉手」安排在沒有嚴重延誤的情況下承擔向第三方悉數支付已收取現金流量的責任, 及(a)本集團已轉讓該項資產的絕大部分風險及回報; 或(b)本集團並無轉讓或保留該項資產的絕大部分風險及回報, 但已轉讓該項資產的控制權。

倘本集團已轉讓其收取自該項資產所得現金流量的權利或訂立轉手安排, 其會評估其是否已保留資產所有權的風險及回報以及保留至何種程度。倘本集團並無轉讓亦無保留該項資產的絕大部分風險及回報, 亦無轉讓該項資產的控制權, 則該項已轉讓資產將按本集團持續涉及該項資產的程度繼續確認入賬。在此情況下, 本集團亦確認相關負債。已轉讓資產及相關負債乃按反映本集團已保留的權利及責任的基準計量。

本集團就已轉讓資產作出一項擔保而導致持續涉及時, 已轉讓資產乃以該項資產的初步賬面值及本集團或須償還的對價數額上限中的較低者計算。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.13 Derecognition of financial assets

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

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

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

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

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.14 金融資產減值

本集團確認對並非按公平值計入損益的所有債務工具預期信用損失(「預期信用損失」)的撥備。預期信用損失乃基於根據合約到期的合約現金流量與本集團預期收取的所有現金流量之間的差額而釐定，並以原實際利率的近似值貼現。預期現金流量將包括出售所持抵押的現金流量或組成合約條款的其他信貸提升措施。

簡化方法

就貿易應收賬款項及不包含重大融資成分的合約資產而言，或當本集團採取務實權宜之計不調整重大融資成分的影響時，本集團於計算預期信用損失時應用簡化方法。根據簡化方法，本集團並無追溯信貸風險變動，而是根據各報告日期的全期預期信用損失確認虧損撥備。本集團已設立根據其過往信貸虧損經驗計算之撥備矩陣，並按債務人之特定前瞻性因素及經濟環境作出調整。

2.15 金融負債

(a) 初步確認及計量

金融負債於初步確認時被分類為貸款及借貸以及應付款項。

所有金融負債初步按公平值確認及倘為貸款及借貸以及應付款項，則應扣除直接應佔交易成本。

本集團的金融負債包括貿易及其他應付款項、租賃負債及計息銀行貸款及其他借貸。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.14 Impairment of financial assets

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

Simplified approach

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

2.15 Financial liabilities

(a) Initial recognition and measurement

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

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

The Group’s financial liabilities include trade and other payables, lease liabilities and interest-bearing bank and other borrowings.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.15 金融負債 (續)

(b) 其後計量

金融資產之其後計量取決於彼等以下的分類情況：

按攤銷成本計算的金融負債 (貸款及借貸)

於初步確認後，計息貸款及借貸隨後以實際利率法按攤銷成本計量，除非貼現影響微不足道，則按成本列賬。終止確認負債及按實際利率法攤銷過程中產生的損益在損益表內確認。

計算攤銷成本時考慮收購所產生的任何折價或溢價以及作為實際利率一部分的費用或成本。實際利率攤銷於損益表內列為融資成本。

2.16 終止確認金融負債

金融負債於負債責任解除、撤銷或屆滿時終止確認。

倘現有金融負債由同一放債人提供但條款差異甚大的另一金融負債替代，或現有負債的條款已作重大修訂，則有關替代或修訂被視作終止確認原有負債並確認新負債，而各賬面值之差額則於損益表確認。

2.17 存貨

存貨按成本值及可變現淨值兩者中的較低者入賬。成本按加權平均法釐定。製成品及在製品成本包括研發成本、原材料、直接人工費用、其他直接成本及相關的間接生產費用(按正常運營能力計)。其不包括借貸成本。可變現淨值為日常業務過程中的估計售價減適用可變銷售開支。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.15 Financial liabilities (continued)

(b) *Subsequent measurement*

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

Financial liabilities at amortised cost (loans and borrowings)

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the statement of profit or loss.

2.16 Derecognition of financial liabilities

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

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

2.17 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises R&D costs, raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.18 現金及現金等價物

就綜合現金流量表而言，現金及現金等值物包括手頭現金及活期存款以及可隨時轉換為已知數額現金之高度流通短期投資，有關投資所承受價值變動風險不大，到期日一般為購入後三個月內，另扣除須應要求償還及構成本集團現金管理其中部分之銀行透支。

就綜合財務狀況表而言，現金及現金等值物包括用途不受限制的手頭及銀行現金(包括定期存款及與現金性質相似之資產)。

2.19 即期及遞延稅

年度稅項開支包括即期及遞延稅項。稅項於綜合損益及其他全面收益表確認，惟與在其他全面收益或直接於權益確認的項目有關者除外。在此情況下，稅項亦分別於其他全面收益或直接於權益確認。

(a) 即期所得稅

即期所得稅開支按本公司的附屬公司及聯營公司經營及產生應課稅收入所在國家於報告期末已頒佈或實質頒佈的稅法計算。管理層就適用稅務規例有待詮釋的情況定期評估報稅表的狀況，並在適用情況下根據預期須向稅務機關支付的稅款作出撥備。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.18 Cash and cash equivalents

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

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

2.19 Current and deferred tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the consolidated statement of profit or loss and other comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.19 即期及遞延稅 (續)

(b) 遞延稅

內部基準差異

遞延稅採用負債法就資產及負債的稅基與其在綜合財務報表的賬面值產生的暫時差額確認。然而，倘遞延稅來自交易(不包括業務合併)資產或負債的初步確認，而在交易發生時不影響會計損益或應課稅損益，則不予入賬。遞延稅採用在報告期末前已頒佈或實質頒佈，並在有關的遞延稅資產變現或遞延稅負債結算時預期將會適用的稅率(及法例)而釐定。

遞延稅資產乃僅就有可能將未來應課稅溢利與可使用的暫時差異抵銷而確認。

外部基準差異

遞延稅就於附屬公司及聯營公司的投資所產生的暫時差額作出撥備，惟就遞延稅負債而言，倘若本集團可以控制暫時差額的撥回時間，而暫時差額在可預見將來不大可能撥回者，則除外。一般而言，本集團無法控制給予聯營公司的暫時差額撥回。僅於可預見未來有協議賦予本集團能力控制撥回暫時差額時，則不會確認與聯營公司之未分配溢利產生之應課稅暫時差額有關之遞延稅項負債。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.19 Current and deferred tax (continued)

(b) Deferred tax

Inside basis differences

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Outside basis differences

Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except for deferred tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not be reversed in the foreseeable future. Generally the Group is unable to control the reversal of the temporary difference for the associates. Only when there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference in the foreseeable future, deferred tax liability in relation to taxable temporary differences arising from the associate's undistributed profits is not recognised.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.19 即期及遞延稅 (續)

(b) 遞延稅 (續)

外部基準差異 (續)

因投資附屬公司及聯營公司而產生的可扣減暫時差額確認為遞延稅資產，惟倘暫時差額在將來可撥回，且有充足應課稅溢利抵銷可動用暫時差額則除外。

(c) 抵銷

倘有合法執行權利以即期稅項資產抵銷即期稅項負債，以及當遞延稅資產和負債涉及由同一稅務機關就相同應課稅實體或有意以淨額基準結算結餘的不同應課稅實體徵收所得稅，則遞延稅資產與負債互相抵銷。

2.20 政府補助

於合理確定會收到政府補助且本集團滿足所有附屬條件時，政府補助以其公平值確認。

與成本相關的政府補助予以遞延，並於與其擬定補償的成本配對補助的所需期間內於綜合損益及其他全面收益表確認。

與物業、廠房及設備有關的政府補助在非流動負債中計作遞延政府補助，並於相關資產的預計年期內按直線法貸記至綜合損益表。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.19 Current and deferred tax (continued)

(b) Deferred tax (continued)

Outside basis differences (continued)

Deferred tax assets are recognised on deductible temporary differences arising from investments in subsidiaries and an associate only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

(c) Offsetting

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.20 Government grants

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the consolidated statement of profit or loss and other comprehensive income over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to property, plant and equipment are included in non-current liabilities as deferred government grants and are credited to the consolidated statement of profit or loss on a straight-line basis over the expected lives of the related assets.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.21 僱員福利

(a) 退休金責任

本集團已根據有關規定參與由當地社會保險局管理的退休保險及醫療保險計劃。本集團每月須就上述保險計劃按僱員每月工資向當地社會保險局作出供款。除上述界定供款外，本集團並無其他責任。本集團於該計劃項下的供款於綜合損益表支銷。

(b) 離職福利

離職福利於僱員在正常退休日前被本集團終止聘用或僱員接受自願離職以換取這些福利時支付。本集團按以下日期(以較早者為準)確認離職福利：(a)於本集團不能取消提供該等福利時；及(b)實體確認屬國際會計準則第37號範疇內及涉及終止服務權益付款之有關重組成本當日。在提出要約以鼓勵自願離職的情況下，離職福利乃根據預期接受要約的僱員人數計量。在報告期末後超過十二個月到期支付的福利應貼現為現值。

(c) 分享溢利及花紅計劃

本集團根據一項公式就花紅及溢利分享確認負債及開支，該公式考慮了於作出若干調整後的本公司股東應佔溢利。本集團就合約責任或倘若因過往慣例曾產生推定責任而確認撥備。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.21 Employee benefits

(a) Pension obligations

The Group participates in the retirement insurance and medical insurance scheme organised by the local social security bureau pursuant to the relevant provisions. The Group is required to make monthly contributions in respect of the above insurance scheme to the local social security bureau based on the monthly salaries of its employees. The Group has no further liabilities other than the above defined contributions. The Group's contributions under the scheme are charged to the consolidated statement of profit or loss.

(b) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(c) Profit-sharing and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the profit attributable to the Company's shareholders after certain adjustments. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.21 僱員福利 (續)

(d) 僱員假期

僱員於成為僱員時即享有年假。已就僱員直至報告期末提供的服務作出年假估計負債撥備。

僱員的病假及產假僅於僱員開始休假時確認。

2.22 以股份為基礎的付款

(a) 以股權結算的股份支付交易

本集團實行若干以股權結算以股份為基礎的補償計劃，根據計劃，作為本集團權益工具(獎勵)的代價，實體獲得僱員服務。透過授出獎勵而交換所得的僱員服務的公平值確認為支銷。將予支銷的總金額乃參考所授獎勵的公平值而釐定：

- 包括任何市場表現狀況(如實體的股價)；
- 不包括任何服務及非市場表現歸屬條件(如盈利能力、銷售增長目標及於特定期間留任實體僱員)的影響；及
- 包括任何非歸屬條件(如要求僱員儲蓄或於特定期間持有股份)的影響。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.21 Employee benefits (continued)

(d) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

2.22 Share-based payments

(a) Equity-settled share-based payment transaction

The Group operates a number of equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments (awards) of the Group. The fair value of the employee services received in exchange for the grant of the awards is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the awards granted:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save or hold shares for a specified period of time).

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.22 以股份為基礎的付款 (續)

(a) 以股權結算的股份支付交易 (續)

於各報告期末，本集團會根據非市場表現及服務條件對預期將予歸屬的獎勵數目估計進行修訂。本集團會於綜合損益及其他全面收益表確認修訂原來估計(如有)的影響，並相應調整權益。

此外，於若干情況下，僱員可於授予日期之前提供服務，因此，本集團會就確認服務開始期間與授予日期之間的支銷而估計授予日期的公平值。

(b) 集團實體間的股份支付交易

本公司向本集團附屬公司僱員授予來自股本工具的獎勵被視為出資。所收到的僱員服務公平值經參考授予日期公平值後計量，於歸屬期確認為對附屬公司的投資增幅，並相應於母公司賬目中入賬至權益。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.22 Share-based payments (continued)

(a) Equity-settled share-based payment transaction (continued)

At the end of each reporting period, the Group revises its estimates of the number of awards that are expected to vest based on the non-marketing performance and service conditions. It recognises the impact of the revision to original estimates, if any, in the consolidated statement of profit or loss and other comprehensive income, with a corresponding adjustment to equity.

In addition, in some circumstances, employees may provide services in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognising the expense during the period between the service commencement period and the grant date.

(b) Share-based payment transaction among group entities

The grant by the Company of awards over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity in the parent entity accounts.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要(續)

2.23 收益確認

(a) 客戶合約收益

客戶合約收益於貨品或服務控制權轉讓至客戶時確認，有關金額反映本集團預期就交換該等貨品或服務而可獲得之代價。

當合約的代價包括可變金額時，代價金額將估計為本集團將貨品或服務轉移至客戶所有權換取者。可變代價在合約開始時估計並受約束，直至在隨後解決與可變代價的相關不確定性時，於所確認累計收益金額中的重大收益回撥很有可能不會發生為止。

倘合約中包含為客戶提供超過一年轉移貨品或服務的重大融資利益的融資成分，則收益按應收金額的現值計量，並使用訂立合約時本集團與客戶的單獨融資交易中反映的貼現率貼現。倘合約中包含為本集團提供超過一年重大融資利益的融資成分，則根據該合約確認的收益包括按實際利率法計算的合約負債所產生的利息開支。對於客戶付款與承諾的貨品或服務轉移之間的期限為一年或少於一年的合約，交易價不會因重大融資成分的影響而調整，而是使用國際財務報告準則第15號可行的權宜之計。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.23 Revenue recognition

(a) Revenue from contracts with customers

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognised under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.23 收益確認 (續)

(a) 客戶合約收益 (續)

銷售貨品

銷售工業產品的收益在資產控制權轉移給客戶的一刻確認，通常在交付工業產品時確認。

部分工業產品銷售合約為客戶提供了退貨權和數量折扣。退貨權和數量折扣帶來可變的代價。

- (i) 退貨權
對於為客戶提供在指定期限內退貨的權利的合約，預期價值法用於估計不會退回的貨物，因為該方法最能推測本集團有權獲得的可變代價金額。國際財務報告準則第15號關於約束可變代價估計的規定予以採用，以確定可包含在交易價格中的可變代價金額。對於預計將退回的貨物，退款責任（而非收益）將被確認。對於退回資產權利（以及相應的銷售成本調整）亦會就從客戶收回產品的權利予以確認。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.23 Revenue recognition (continued)

(a) Revenue from contracts with customers (continued)

Sales of goods

Revenue from the sale of industrial products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the industrial products.

Some contracts for the sale of industrial products provide customers with rights of return and volume rebates. The rights of return and volume rebates give rise to variable consideration.

- (i) Rights of return
For contracts which provide a customer with a right to return the goods within a specified period, the expected value method is used to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in IFRS 15 on constraining estimates of variable consideration are applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, a refund liability is recognised. A right-of-return asset (and the corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.23 收益確認 (續)

(a) 客戶合約收益 (續)

銷售貨品 (續)

(ii) 數量折扣

當期間購買的產品數量越過合約中規定的門檻，部分客戶可獲提供追溯性數量折扣。折扣將在客戶應付的金額中扣除。關於估計預期未來折扣的可變代價，就只有單一門檻的合約使用最可能金額方法，而有超過一個門檻的合約則使用預期價值方法。所甄選最佳推測可變代價金額的方法主要由合約中含有的數量門檻帶動。設有約束可變代價估計的規定，而預期未來折扣的退款責任亦予以確認。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.23 Revenue recognition (continued)

(a) Revenue from contracts with customers (continued)

Sales of goods (continued)

(ii) Volume rebates

Retrospective volume rebates may be provided to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. To estimate the variable consideration for the expected future rebates, the most likely amount method is used for contracts with a single-volume threshold and the expected value method for contracts with more than one volume threshold. The selected method that best predicts the amount of variable consideration is primarily driven by the number of volume thresholds contained in the contract. The requirements on constraining estimates of variable consideration are applied and a refund liability for the expected future rebates is recognised.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.23 收益確認 (續)

(b) 其他收益來源

租金收入按租賃期的時間比例確認。

(c) 其他收入

利息收入按應計基準以實際利率法通過採用將金融工具的估計未來所收現金在預計可使用年期(或較短期間(如適合))內準確貼現至金融資產賬面值淨值的利率予以確認。

當股東收取股息之權利確立，且與股息相關之經濟利益有可能流入本集團，而股息金額能可靠地計量時，股息收入確認入賬。

提供研發服務的收入隨著時間的推移而得到確認，使用輸入法來衡量服務達致獲得完全滿意的進度，因為本集團的表現創造或提升客戶所控制的資產(隨著該資產獲創造或提升)。輸入法根據實際發生的成本與估計的服務使對方滿足總成本的比例確定收入。

2.24 合約負債

合約負債於本集團轉移相關貨品或服務之前收到客戶付款或有關款項到期(以較早者為準)時確認。合約負債於本集團履行合約(即轉讓相關貨品或服務的控制權予客戶)時確認為收益。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.23 Revenue recognition (continued)

(b) Revenue from other sources

Rental income is recognised on a time proportion basis over the lease terms.

(c) Other income

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

Dividend income is recognised when the shareholders' right to receive payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Income from the provision of R&D services is recognised over time, using an input method to measure progress towards complete satisfaction of the service, because the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced. The input method recognises income based on the proportion of the actual costs incurred relative to the estimated total costs for satisfaction of the services.

2.24 Contract liabilities

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

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.25 合約成本

除資本化為存貨、物業、廠房及設備及無形資產之成本外，為履行與客戶的合約所產生的成本如滿足以下所有條件，則資本化為資產：

- (a) 該成本與實體可具體識別的一項當前或預期取得的合約直接相關。
- (b) 該成本產生或增加了實體未來用於履行(或持續履行)履約義務的資源。
- (c) 該成本預期能夠收回。

資本化合約成本乃按符合向客戶轉讓資產相關貨品或服務的系統基準攤銷並自綜合損益表扣除。其他合約成本於產生時支銷。

2.26 股息

末期股息在股東於股東大會上批准時確認為負債。建議派付之末期股息於財務報表附註34披露。

中期股息同時建議派付並宣派，原因為本公司之組織章程大綱及細則賦予董事權力宣派中期股息。因此，中期股息於建議派付並宣派時即時確認為負債。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.25 Contract costs

Other than the costs which are capitalised as inventories, property, plant and equipment and intangible assets, costs incurred to fulfil a contract with a customer are capitalised as an asset if all of the following criteria are met:

- (a) The costs relate directly to a contract or to an anticipated contract that the entity can specifically identify.
- (b) The costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future.
- (c) The costs are expected to be recovered.

The capitalised contract costs are amortised and charged to the consolidated statement of profit or loss on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates. Other contract costs are expensed as incurred.

2.26 Dividends

Final dividends are recognised as a liability when they are approved by the shareholders in a general meeting. Proposed final dividends are disclosed in the Note 34 to the Financial Statements.

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

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.27 外幣換算

(a) 功能及呈列貨幣

本集團各實體的財務報表所包括項目乃以該實體營運所在主要經濟環境的貨幣(「功能貨幣」)計算。綜合財務報表乃以本公司的功能貨幣及本集團的呈列貨幣人民幣呈列。

(b) 交易及結餘

外幣交易乃按交易日或重新計量項目的估值日期的適用匯率換算為功能貨幣。該等交易結算以及以外幣計值的貨幣資產及負債按年末匯率換算產生的匯兌損益，於損益內確認，惟於權益內遞延作為合資格現金流量對沖及合資格投資淨額對沖則除外。

所有匯兌損益乃於綜合損益及其他全面收益表的「其他收益 - 淨額」中呈列。

以外幣計值分類為可供出售之債務證券之公平值變動分析為證券攤銷成本變動及證券賬面值之其他變動產生之換算差額。有關攤銷成本變動之換算差額於損益確認，而賬面值之其他變動於其他全面收益確認。

非貨幣金融資產及負債(如按公平值計入損益之權益)之換算差額於損益確認為公平值損益。非貨幣金融資產之換算差額計入其他全面收益。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.27 Foreign currency translation

(a) *Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in RMB, which is the Company's functional and the Group's presentation currency.

(b) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges.

All the foreign exchange gains and losses are presented in the consolidated statement of profit or loss and other comprehensive income within "other gains - net".

Changes in the fair value of debt securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the securities and other changes in the carrying amount of the securities. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets are included in other comprehensive income.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.27 外幣換算 (續)

(c) 集團公司

所有功能貨幣與呈列貨幣不同之集團實體(均無惡性通脹經濟之貨幣)之業績及財務狀況換算為以下呈列貨幣：

- (i) 各資產負債表所呈列資產及負債按報告期末之收市價換算；
- (ii) 各損益及其他全面收益表之收入及開支按平均匯率換算，除非有關平均並非交易日期一般比率之累計影響之合理近似值，而在此情況下，收入及開支按交易日期之比率換算；
- (iii) 得出的所有貨幣換算差額於其他全面收益確認。

收購境外實體產生之商譽及公平值調整視為境外實體之資產及負債，按收市價換算，所產生的貨幣換算差額於其他全面收益確認。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.27 Foreign currency translation (continued)

(c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the end of reporting period.
- (ii) income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rates on the dates of the transactions);
- (iii) all resulting currency translation differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Currency translation differences arising are recognised in other comprehensive income.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.28 關聯方

在下列情況下，有關方將被視為本集團的關聯方：

- (a) 有關方為一名人士或該人士的近親，而該人士
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團或本集團母公司的主要管理人員；

或

- (b) 有關方為實體，而符合以下條件：
 - (i) 該實體與本集團屬同一集團的成員公司；
 - (ii) 該實體為另一實體的聯營公司或合營企業(或該實體的母公司、附屬公司或同系附屬公司)；
 - (iii) 該實體及本集團均為同一第三方的合營企業；
 - (iv) 該實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司；

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.28 Related parties

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

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

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

2. 主要會計政策概要 (續)

2.28 關聯方 (續)

- (b) 有關方為實體，而符合以下條件：(續)
- (v) 該實體為離職後福利計劃，該計劃的受益人為本集團或與本集團有關的實體的僱員；及離職後福利計劃的贊助僱主；
- (vi) 該實體受(a)所識別人土控制或受共同控制；
- (vii) 於(a)(i)所識別人土對該實體有重大影響或屬該實體(或該實體母公司)主要管理人員；及
- (viii) 實體或其所屬集團的任何成員公司向本集團或本集團的母公司提供主要管理人員服務。

3. 財務風險管理

3.1 財務風險因素

本集團的業務活動承受多種財務風險：市場風險(包括外幣風險、價格風險及利率風險)、信貸風險及流動性風險。本集團整體風險管理政策專注於金融市場的不可預測性，並尋求盡量減低對本集團財務表現的潛在不利影響。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued)

2.28 Related parties (continued)

- (b) the party is an entity where any of the following conditions applies: (continued)
- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group; and the sponsoring employers of the post-employment benefit plan;
- (vi) the entity is controlled or jointly controlled by a person identified in (a);
- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

3. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

3. 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險

(i) 外幣風險

本公司及其附屬公司的功能貨幣為人民幣。本集團的所有收入均源自於中國的業務。本集團的金融工具主要以人民幣計值。人民幣轉換為外幣受中國政府頒佈的外匯管制規則及法規監管。本集團以外幣計值的主要資產及負債為以美元(「美元」)、港元(「港元」)及歐元(「歐元」)計值的若干現金及現金等價物(附註18)。本公司董事會執行董事認為，本集團並無面臨重大外幣風險。

本集團現時並無外幣對沖政策。

於二零二零年十二月三十一日，倘若人民幣兌美元貶值/升值3%(二零一九年十二月三十一日：3%)，而所有其他因素維持不變，則截至二零二零年十二月三十一日止年度的除稅後溢利將增加/減少約人民幣496,000元(二零一九年：人民幣1,616,000元)，主要由於換算以美元為單位的現金及現金等價物的匯兌收益/虧損所致。

3. FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(a) Market risk

(i) Foreign currency risk

The functional currency of the Company and its subsidiaries is RMB. All of the revenues of the Group are derived from operations in the PRC. The financial instruments of the Group are mainly denominated in RMB. The conversion of RMB into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC government. The main foreign currency denominated assets and liabilities of the Group were certain cash and cash equivalents (Note 18), which were denominated in United States Dollars ("USD"), Hong Kong Dollars ("HK\$") and Euro ("EUR"). In the opinion of the executive directors of the board of the Company, the Group does not have significant exposure to foreign exchange risk.

The Group currently does not have a foreign currency hedge policy.

As at 31 December 2020, if RMB had weakened/strengthened by 3% (31 December 2019: 3%) against USD with all other variables held constant, post-tax profit for the year ended 31 December 2020 would have been approximately RMB496,000 (2019: RMB1,616,000) higher/lower, mainly as a result of foreign exchange gains/losses on translation of USD-denominated cash and cash equivalents.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

3. 財務風險管理(續)

3.1 財務風險因素(續)

(a) 市場風險(續)

(i) 外幣風險(續)

於二零二零年十二月三十一日，倘若人民幣兌港元貶值/升值3%(二零一九年十二月三十一日：3%)，而所有其他因素維持不變，則截至二零二零年十二月三十一日止年度的除稅後溢利將增加/減少約人民幣4,968,000元(二零一九年：人民幣163,000元)，主要由於換算以港元為單位的現金及現金等價物的匯兌收益/虧損所致。

於二零二零年十二月三十一日，倘若人民幣兌歐元貶值/升值3%(二零一九年十二月三十一日：3%)，而所有其他因素維持不變，則截至二零二零年十二月三十一日止年度的除稅後溢利將增加/減少約人民幣655,000元(二零一九年：人民幣51,000元)，主要由於換算以歐元為單位的現金及現金等價物的匯兌收益/虧損所致。

(ii) 價格風險

本集團並無面臨任何重大股本市場風險，亦無面臨任何商品價格風險。

3. FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(a) Market risk (continued)

(i) Foreign currency risk (continued)

As at 31 December 2020, if RMB had weakened/strengthened by 3% (31 December 2019: 3%) against HKD with all other variables held constant, post-tax profit for the year ended 31 December 2020 would have been approximately RMB4,968,000 (2019: RMB163,000) higher/lower, mainly as a result of foreign exchange gains/losses on translation of HKD-denominated cash and cash equivalents.

As at 31 December 2020, if RMB had weakened/strengthened by 3% (31 December 2019: 3%) against EUR with all other variables held constant, post-tax profit for the year ended 31 December 2020 would have been approximately RMB655,000 (2019: RMB51,000) higher/lower, mainly as a result of foreign exchange gains/losses on translation of EUR-denominated cash and cash equivalents.

(ii) Price risk

The Group is not exposed to any significant equity market risk, nor exposed to any commodity price risk.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

3. 財務風險管理 (續)

3.1 財務風險因素 (續)

(a) 市場風險 (續)

(iii) 利率風險

本集團的計息資產主要包括理財產品、現金及現金等價物、其他借款及計息銀行借款，詳情已分別於財務報表附註14、18、21及25披露。

(b) 信貸風險

信貸風險來自現金及現金等價物、貿易應收賬款、理財產品及其他應收賬款。

所有現金等價物及銀行存款均存放於中國若干信譽良好的金融機構及中國內地以外的優質國際金融機構。所有該等不可撤回銀行票據(分類為應收票據(附註17))均由中國具備高信貸評級的銀行發出。近期並無有關該等金融機構的現金等價物及銀行存款欠款記錄。

本集團並無有關貿易應收賬款信貸風險高度集中的情況，並設有政策確保於與客戶協定相關銷售訂單後收取若干現金墊款。對於獲授信貸期的客戶而言，本集團會考慮有關對方的財務狀況、信貸記錄及其他因素評估其信貸質素，並會採取若干監控程序，確保採取適當跟進行動以收回逾期債務。本集團根據具有近似信貸風險的貿易應收賬款群組的過往數據及現金收回記錄定期對彼等進行賬齡分析、評估信貸風險及估計收回款項情況。

3. FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(a) Market risk (continued)

(iii) Interest rate risk

The interest-bearing assets of the Group mainly include the wealth management products, cash and cash equivalents, other borrowings and interest-bearing bank borrowings, details of which have been disclosed in Notes 14, 18, 21 and 25 to the Financial Statements, respectively.

(b) Credit risk

Credit risk arises from cash and cash equivalents, trade receivables, wealth management products and other receivables.

All the cash equivalents and bank deposits are placed in certain PRC reputable financial institutions and high-quality international financial institutions outside Mainland China. All those irrevocable bank bills, classified as notes receivable (Note 17), are issued by the banks in the PRC with high credit rating. There was no recent history of default of cash equivalents and bank deposits in relation to these financial institutions.

In relation to trade receivables, the Group has no significant concentrations of credit risk and has policies in place to ensure that certain cash advance has been received upon the agreement of the related sales orders with customers. For those with credit periods granted, the credit quality of the counterparties is assessed by taking into account their financial position, credit history and other factors. It also undertakes certain monitoring procedures to ensure that proper follow-up action is taken to recover overdue debts. The Group regularly performs ageing analysis, assesses credit risks and estimates the recoverability of groups of trade receivables bearing similar credit risk based on historical data and cash collection history.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

3. 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 信貸風險 (續)

理財產品是由中國若干信譽良好的銀行機構發行的銀行金融產品。近期並無欠款記錄，故本公司董事會的執行董事認為，與投資有關的信貸風險屬於低。

就其他應收賬款而言，本集團會考慮債務人的財務狀況、與本集團的關係、信貸記錄及其他因素評估其信貸質素。管理層亦會定期檢討該等其他應收賬款的收回情況，並跟進有關糾紛或逾期金額(如有)。本公司董事會的執行董事認為對方的拖欠情況屬於低。

最大風險及年末的分級

下表列示根據本集團的信貸政策的信貸質素及就信貸風險所面對的最大風險，主要以賬齡資料為依據(除非有其他資料而毋須使用過多成本或努力)，以及於十二月三十一日的年末分級。呈報金額為金融資產的賬面值總額。

3. FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

Wealth management products are the bank financial products issued by certain PRC reputable banking institutions. There was no recent history of default and the executive directors of the board of the Company are of the opinion that the credit risk related to the investments is low.

In relation to other receivables, the credit quality of the debtors is assessed by taking into account their financial position, relationship with the Group, credit history and other factors. Management will also regularly review the recoverability of these other receivables and follow up the disputes or amounts overdue, if any. The executive directors of the board of the Company are of the opinion that the default by counterparties is low.

Maximum exposure and year-end staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on ageing information unless other information is available without undue cost or effort, and year-end staging classification as at 31 December. The amount presented is gross carrying amount for financial assets.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

3. 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 信貸風險 (續)

最大風險及年末的分級
(續)

於二零二零年十二月
三十一日

3. FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

Maximum exposure and year-end staging (continued)

As at 31 December 2020

		12個月 預期信貸虧損 12-month ECLs	全期預期信貸虧損 Lifetime ECLs			
		第1階段 Stage 1 人民幣千元 RMB'000	第2階段 Stage 2 人民幣千元 RMB'000	第3階段 Stage 3 人民幣千元 RMB'000	簡化方法 Simplified approach 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
向聯營公司貸款	Loans to associates	357,215	–	–	–	357,215
應收合營企業款項	Amount due from a joint venture	675	–	–	–	675
貿易應收賬款	Trade receivables	–	–	–	272,514	272,514
應收票據	Notes receivable	–	–	–	128,427	128,427
計入預付款項、 其他應收賬款及 其他資產的 金融資產	Financial assets included in prepayments, other receivables and other assets	442,823	–	–	–	442,823
已抵押存款 – 未逾期	Pledged deposits – Not yet past due	144,548	–	–	–	144,548
現金及現金等價物 – 未逾期	Cash and cash equivalents – Not yet past due	4,604,041	–	–	–	4,604,041
		5,549,302	–	–	400,941	5,950,243

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

3. 財務風險管理 (續)

3.1 財務風險因素 (續)

(b) 信貸風險 (續)

最大風險及年末的分級
(續)

於二零一九年十二月
三十一日

3. FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

Maximum exposure and year-end staging (continued)

As at 31 December 2019

		12個月 預期信貸虧損		全期預期信貸虧損		總計 Total
		12-month ECLs		Lifetime ECLs		
		第1階段 Stage 1	第2階段 Stage 2	第3階段 Stage 3	簡化方法 Simplified approach	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
向聯營公司貸款	Loans to associates	301,786	–	–	–	301,786
貿易應收賬款	Trade receivables	–	–	–	158,640	158,640
應收票據	Notes receivable	–	–	–	137,166	137,166
計入預付款項、 其他應收賬款及 其他資產的 金融資產	Financial assets included in prepayments, other receivables and other assets	251,665	–	–	–	251,665
現金及現金等價物 – 未逾期	Cash and cash equivalents – Not yet past due	5,117,143	–	–	–	5,117,143
		5,670,594	–	–	295,806	5,966,400

* 就計入貿易及其他應收賬款的金融資產而言，本集團採用簡化方法計算減值，根據撥備矩陣的資料於財務報表附註17披露。

* For financial assets included in trade and other receivables to which the Group applies the simplified approach for impairment, information based on the provision matrix is disclosed in Note 17 to the Financial Statements.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

3. 財務風險管理 (續)

3.1 財務風險因素 (續)

(c) 流動性風險

審慎的流動資金管理指維持足夠現金。本集團維持足夠的現金結餘，以為其日常的資金需求提供靈活性。

於二零二零年十二月三十一日，本集團擁有流動資產淨額人民幣3,961,067,000元，包括現金及現金等價物人民幣4,604,041,000元。本公司董事會執行董事認為，本集團維持充裕的流動資金儲備。

本集團於報告期末根據已訂約未貼現款項計算之金融負債到期情況如下：

3. FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(c) Liquidity risk

Prudent liquidity management implies maintaining sufficient cash. The Group maintains sufficient cash balances to provide flexibility in meeting its day to day funding requirements.

The Group had net current assets of RMB3,961,067,000 which included cash and cash equivalents of RMB4,604,041,000 as at 31 December 2020. The executive directors of the board of the Company are of the opinion that the Group maintains an adequate liquidity reserve.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

		少於一年 Less than 1 year 人民幣千元 RMB'000	一年以上 More than 1 year 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
於二零二零年十二月三十一日	At 31 December 2020			
貿易及其他應付賬款	Trade and other payables	1,766,019	–	1,766,019
租賃負債	Lease liabilities	1,441	2,510	3,951
其他借款	Other borrowings	4,000	28,000	32,000
計息銀行借款	Interest-bearing bank borrowings	387,930	331,173	719,103
		2,159,390	361,683	2,521,073
於二零一九年十二月三十一日	At 31 December 2019			
貿易及其他應付賬款	Trade and other payables	1,855,411	–	1,855,411
租賃負債	Lease liabilities	4,058	5,892	9,950
其他借款	Other borrowings	–	9,000	9,000
		1,859,469	14,892	1,874,361

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

3. 財務風險管理 (續)

3.2 資本管理

本集團管理資本的主要目標為保障本集團的持續營運能力，以及維持穩健的資金比率，以支持其業務及將股東價值最大化。

本集團管理其資本架構，並應經濟狀況之變化對其作出調整。為維持或調整資本架構，本集團可能調整向股東派付之股息款項、向股東退回資本或發行新股。本集團毋須遵守任何外部施加的資本規定。截至二零二零年十二月三十一日及二零一九年十二月三十一日止年度，概無對管理資本之目標、政策或程序作出任何變更。

本集團於二零二零年及二零一九年十二月三十一日擁有充足的現金及現金等價物。本公司董事會執行董事認為本集團並無重大資本風險。

3. FINANCIAL RISK MANAGEMENT (continued)

3.2 Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payments to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2020 and 31 December 2019.

The Group had sufficient cash and cash equivalents as at 31 December 2020 and 2019. The executive directors of the board of the Company are of the opinion that the Group does not have significant capital risk.

		於十二月三十一日 As at 31 December	
		二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
現金及現金等價物(附註18)	Cash and cash equivalents (Note 18)	4,604,041	5,117,143
減：其他借款(附註21)	Less: Other borrowings (Note 21)	(32,000)	(9,000)
計息銀行借款(附註25)	Interest-bearing bank borrowings (Note 25)	(719,103)	-
		3,852,938	5,108,143

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

3. 財務風險管理 (續)

3.3 金融工具的公平值及公平值層級

除賬面值與其公平值合理相若的金融工具外，本集團金融工具的賬面值及公平值如下：

3. FINANCIAL RISK MANAGEMENT (continued)

3.3 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, are as follows:

		賬面值		公平值	
		於十二月三十一日		於十二月三十一日	
		Carrying amounts		Fair values	
		As at 31 December		As at 31 December	
		二零二零年	二零一九年	二零二零年	二零一九年
		2020	2019	2020	2019
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
		RMB'000	RMB'000	RMB'000	RMB'000
金融負債	Financial liabilities				
其他借款(不包括租賃負債)	Other borrowings (other than lease liabilities)	32,000	9,000	33,224	9,045
計息銀行借款	Interest-bearing bank borrowings	719,103	–	730,859	–
		751,103	9,000	764,083	9,045

管理層已評估現金及現金等價物、計入貿易及其他應收賬款的金融資產以及計入貿易及其他應付賬款的金融負債的公平值與其賬面值相若，主要由於該等工具期限較短。

金融資產及負債的公平值以自願交易方(強迫或清盤出售除外)在當前交易中可交易的該工具金額入賬。用以估計公平值的方法及假設如下：

計息銀行借款及其他借款的公平值，乃以條款、信貸風險及尚餘年期相若的工具目前的利率，折現預期未來現金流量計算得出。本集團借款於二零二零年十二月三十一日的不履約風險所導致的公平值變動被評估為並不重大。

Management has assessed that the fair values of cash and cash equivalents, financial assets included in trade and other receivables, financial liabilities included in trade and other payables approximate to their carrying amounts largely due to the short-term maturities of these instruments.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair value of Interest-bearing bank borrowings and other borrowings has been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The changes in fair value as a result of the Group's own non-performance risk for borrowings as at 31 December 2020 was assessed to be insignificant.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

3. 財務風險管理 (續)

3.3 金融工具的公平值及公平值層級 (續)

按公平值計入損益的非上市股權投資的公平值乃根據並非由可見市價或比率支持之假設，使用市場估值方法預測。估值要求董事根據行業、規模、槓桿及戰略釐定可資比公眾公司，並就各間識別可資比公眾公司計算合適價格倍數，例如企業價值對除利息、稅項、折舊、及攤銷前盈利(「EV/EBITDA」)倍數及價格(「P/E」)倍數。倍數乃以可資比公司的企業價值除以盈利衡量計算得出。交易倍數以各可資比公司根據公司獨有因素及情況的考慮因素，例如非流通性及規模差異，予以貼現。貼現倍數用於非上市股權投資的相應盈利衡量以計量公平值。董事相信估值方法得出的估計公平值(記錄於綜合財務狀況表)及相關公平值變動(記錄於綜合損益及其他全面收益表)屬合理，並為報告期末最合適的價值。

本集團投資於非上市投資，即中國內地銀行發行的理財產品。本集團已使用貼現現金流量估值模型，根據類似年期及風險的工具的市場利率估算該等非上市投資的公平值。

3. FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value and fair value hierarchy of financial instruments (continued)

The fair values of unlisted equity investments designated at fair value through profit or loss have been estimated using a market-based valuation technique based on assumptions that are not supported by observable market prices or rates. The valuation requires the directors to determine comparable public companies based on industry, size, leverage and strategy, and to calculate an appropriate price multiple, such as enterprise value to earnings before interest, taxes, depreciation and amortisation ("EV/EBITDA") multiple and price to earnings ("P/E") multiple, for each comparable company identified. The multiple is calculated by dividing the enterprise value of the comparable company by an earnings measure. The trading multiple is then discounted for considerations such as illiquidity and size differences between the comparable companies based on company-specific facts and circumstances. The discounted multiple is applied to the corresponding earnings measure of the unlisted equity investments to measure the fair value. The directors believe that the estimated fair values resulting from the valuation technique, which are recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in the consolidated statement of profit or loss and other comprehensive income, are reasonable, and that they were the most appropriate values at the end of the reporting period.

The Group invests in unlisted investments, which represent wealth management products issued by banks in Mainland China. The Group has estimated the fair value of these unlisted investments by using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

3. 財務風險管理 (續)

3.3 金融工具的公平值及公平值層級 (續)

公平值層級

下表列示本集團金融工具的公平值計量層級：

按公平值計量的資產：

於二零二零年十二月三十一日

3. FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value and fair value hierarchy of financial instruments (continued)

Fair value hierarchy

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

Assets measured at fair value:

As at 31 December 2020

		按以下各項計量公平值			
		Fair value measurement using			
		於活躍	重大	重大	
		市場之報價	可觀察參數	不可觀察參數	
		(第一級)	(第二級)	(第三級)	
		Quoted prices	Significant	Significant	
		in active	observable	unobservable	
		markets	inputs	inputs	
		(Level 1)	(Level 2)	(Level 3)	總計
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
		RMB'000	RMB'000	RMB'000	RMB'000
按公平值計入損益的	Financial assets at fair value				
金融資產：	through profit or loss:				
按公平值計量的	Unlisted equity investments,				
非上市股權投資	at fair value	-	-	196,153	196,153
理財產品	Wealth management products	-	332,683	-	332,683
		-	332,683	196,153	528,836

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

3. 財務風險管理 (續)

3.3 金融工具的公平值及公平值層級 (續)

公平值層級 (續)

按公平值計量的資產：(續)

於二零一九年十二月三十一日

3. FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value and fair value hierarchy of financial instruments (continued)

Fair value hierarchy (continued)

Assets measured at fair value: (continued)

As at 31 December 2019

		按以下各項計量公平值			
		Fair value measurement using			
		於活躍	重大	重大	
		市場之報價	可觀察參數	不可觀察參數	
		(第一級)	(第二級)	(第三級)	
		Quoted prices	Significant	Significant	
		in active	observable	unobservable	
		markets	inputs	inputs	總計
		(Level 1)	(Level 2)	(Level 3)	Total
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
		RMB'000	RMB'000	RMB'000	RMB'000
按公平值計入損益的	Financial assets at fair value				
金融資產：	through profit or loss:				
按公平值計量的	Unlisted equity investments,				
非上市股權投資	at fair value	-	-	174,220	174,220
理財產品	Wealth management products	-	148,336	-	148,336
		-	148,336	174,220	322,556

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

3. 財務風險管理 (續)

3.3 金融工具的公平值及公平值層級 (續)

公平值層級 (續)

按公平值計量的資產：(續)

下文載列於二零二零年及二零一九年十二月三十一日金融工具(即六家非上市權益投資)估值和定量敏感度分析之重大不可觀察參數概要：

3. FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value and fair value hierarchy of financial instruments (continued)

Fair value hierarchy (continued)

Assets measured at fair value: (continued)

Set out below is a summary of significant unobservable inputs to the valuation of financial instruments (i.e., six unlisted equity investments) together with a quantitative sensitivity analysis as at 31 December 2020 and 2019:

	估值方法 Valuation technique	重大不可觀察參數 Significant unobservable input	公平值對參數的敏感度 Sensitivity of fair Value to the input
1. 非上市權益投資	估值倍數	同行的平均 市賬率倍數	倍數的5% (二零一九年十二月三十一日：5%) 增加/減少會導致公平值增加/減少5% (二零一九年十二月三十一日：5%)
1. Unlisted equity investment	Valuation multiples	Average price-to-book Ratio multiple of peers	5% (31 December 2019: 5%) increase/decrease in multiple would result in increase/decrease in fair value by 5% (31 December 2019: 5%)
2. 非上市權益投資	貼現現金 流量方法	年貼現率	倍數的5% (二零一九年十二月三十一日：5%) 增加/減少會導致公平值減少11% (二零一九年十二月三十一日：13%) 及公平值增加12% (二零一九年十二月三十一日：16%)
2. Unlisted equity investment	Discounted cash flow method	Discount rate per annum	5% (31 December 2019: 5%) increase/decrease in multiple would result in decrease in fair value by 11% (31 December 2019: 13%) and increase in fair value by 12% (31 December 2019: 16%)
3. 非上市權益投資 (二零二零年添置)	估值倍數	同行的平均 市賬率倍數	倍數的5% 增加/減少會導致公平值增加/減少5%
3. Unlisted equity investment (Addition in 2020)	Valuation multiples	Average price-to-book Ratio multiple of peers	5% increase/decrease in multiple would result in increase/decrease in fair value by 5%
4. 非上市權益投資 (二零二零年添置)	估值倍數	同行的平均 市賬率倍數	倍數的5% 增加/減少會導致公平值增加/減少5%
4. Unlisted equity investment (Addition in 2020)	Valuation multiples	Average price-to-book Ratio multiple of peers	5% increase/decrease in multiple would result in increase/decrease in fair value by 5%

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

3. 財務風險管理 (續)

3.3 金融工具的公平值及公平 值層級 (續) 公平值層級 (續)

按公平值計量的資產：(續)

3. FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value and fair value hierarchy of financial instruments (continued) Fair value hierarchy (continued)

Assets measured at fair value: (continued)

	估值方法 Valuation technique	重大不可觀察參數 Significant unobservable input	公平值對參數的敏感度 Sensitivity of fair Value to the input
5. 非上市權益投資 (二零二零年出售)	估值倍數	同行的平均 市賬率倍數	二零一九年十二月三十一日：倍數的5%增加/減少會 導致公平值增加/減少5%
5. Unlisted equity investment (Disposal in 2020)	Valuation multiples	Average price-to-book Ratio multiple of peers	31 December 2019: 5% increase/decrease in multiple would result in increase/decrease in fair value by 5%
6. 非上市權益投資 (二零二零年出售)	估值倍數	同行的平均 市賬率倍數	二零一九年十二月三十一日：倍數的5%增加/減少會 導致公平值增加/減少5%
6. Unlisted equity investment (Disposal in 2020)	Valuation multiples	Average price-to-book Ratio multiple of peers	31 December 2019: 5% increase/decrease in multiple would result in increase/decrease in fair value by 5%

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度
For the year ended 31 December 2020

3. 財務風險管理 (續)

3.3 金融工具的公平值及公平值層級 (續) 公平值層級 (續)

按公平值計量的資產：(續)
年內，第三級內的公平值計量變動如下：

3. FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value and fair value hierarchy of financial instruments (continued) Fair value hierarchy (continued)

Assets measured at fair value: (continued)

The movements in fair value measurements within Level 3 during the year are as follows:

		二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
按公平值計入損益的股權投資：	Equity investments at fair value through profit or loss:		
於一月一日	At 1 January	174,220	181,783
於損益表確認的虧損總額	Total losses recognised in the statement of profit or loss	-	(19,000)
購買	Purchases	30,433	11,437
出售(附註39)	Disposals (Note 39)	(8,500)	-
於十二月三十一日	At 31 December	196,153	174,220

按公平值計量的負債：

於二零二零年及二零一九年十二月三十一日，本集團概無任何按公平值計量的金融負債。

年內，就金融資產及金融負債而言，概無公平值計量在第一級和第二級之間轉移，亦無轉入或轉出第三級(二零一九年：無)。

Liabilities measured at fair value:

The Group did not have any financial liabilities measured at fair value as at 31 December 2020 and 2019.

During the year, 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 (2019: Nil).

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

4. 重要會計估計及判斷

本集團不斷評估估計、假設及判斷，並會考慮過往經驗以及其他因素，包括對在有關情況下視為對未來事件的合理預期。

本集團對未來作出估計及假設。所得的會計估計如其定義，很少與相關實際結果相同。很大機會導致下個財政年度的資產及負債的賬面值作出重大調整的估計及假設討論如下。

(a) 遞延開發成本減值

本集團管理層就資本化開發成本釐定每種醫藥專利或許可的估計未來現金流量。該估計乃基於醫藥業的預計產品生命週期作出。

其可能因針對行業週期出現的醫藥創新及競爭對手的行動而發生重大變動。於未來現金流量低於預期及少於相關開發成本金額時，管理層會就資本化開發成本確認減值虧損。

於二零二零年十二月三十一日，遞延開發成本的賬面值為人民幣194,701,000元(二零一九年十二月三十一日：人民幣194,777,000元)。

(b) 商譽減值

商譽每年及當有跡象顯示商譽可能出現減值時根據財務報表附註2.5所述的會計政策進行減值測試。現金產生單位的可收回金額已根據使用價值計算方法釐定。

於二零二零年十二月三十一日，商譽的賬面值為人民幣12,312,000元(二零一九年十二月三十一日：無)。用於計算可收回金額的估計詳情於財務報表附註9披露。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Impairment of deferred development costs

The Group's management determines the estimated future cash flows of each pharmaceutical patent or licence in capitalisation of development costs. These estimates are based on projected product life cycles experienced in the pharmaceutical industry.

It could change significantly as a result of medicine innovations and competitor actions in response to industry cycles. Management will recognise impairment loss on the capitalised development costs when future cash flows are less than expectation and fall below the amount of related development costs.

The carrying amount of deferred development costs as at 31 December 2020 was RMB194,701,000 (31 December 2019: RMB194,777,000).

(b) Goodwill impairment

Goodwill is tested for impairment annually and whenever there is indication that the goodwill may be impaired in accordance with the accounting policy stated in Note 2.5 to the Financial Statements. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations.

The carrying amount of goodwill as at 31 December 2020 was RMB12,312,000 (31 December 2019: Nil). Details of the estimates used to calculate the recoverable amounts are disclosed in Note 9 to the Financial Statements.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

4. 重要會計估計及判斷 (續)

(c) 物業、廠房及設備的可使用年期及剩餘價值

物業、廠房及設備的可使用年期及剩餘價值由管理層參考既定行業慣例、有關資產耐用性的技術評估、本集團過往發生的維修及保養開支的幅度及走勢進行估計。該估計可能會由於技術發展及競爭對手因嚴峻的行業週期採取行動而發生重大變動。倘可使用年期及剩餘價值較之前的估計為短，則管理層會增加折舊開支，或將技術過時或已報廢的非策略資產撇銷或撇減。

(d) 物業、廠房及設備的減值

本集團管理層就物業、廠房及設備釐定各現金產生單位的估計未來現金流量。該估計乃基於醫藥業的產品生命週期作出。

其可能因針對行業週期出現的醫藥創新及競爭對手的行動而發生重大變動。於未來現金流量低於預期及少於相關物業、廠房及設備金額時，管理層會就物業、廠房及設備確認減值虧損。

(e) 所得稅及遞延稅項

釐定所得稅及遞延稅項撥備時須作出重大判斷。在一般業務過程中，許多交易及計算的最終釐定結果並不確定。

有關若干可扣減暫時性差額及稅項虧損的遞延稅項資產，會於管理層認為將來可能有應課稅溢利以抵銷可扣減暫時性差額或可使用稅務虧損時予以確認。其實際應用結果可能不同。有關遞延稅項的詳情於財務報表附註24披露。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(c) Useful lives and residual values of property, plant and equipment

The estimate of useful lives and residual values of property, plant and equipment was made by management with reference to the established industry practices, technical assessments made on the durability of the assets, as well as the historical magnitude and trend of repair and maintenance expenses incurred by the Group. It could change significantly as a result of technical innovations and competitor actions in responses to severe industry cycles. Management will increase the depreciation charge where useful lives and residual values are less than those previously estimated or it will write off or write down technically obsolete or non-strategic assets that have been abandoned.

(d) Impairment of property, plant and equipment

The Group's management determines the estimated future cash flows of each cash-generating unit in property, plant and equipment. These estimates are based on product life cycles in the pharmaceutical industry.

It could change significantly as a result of medicine innovations and competitor actions in response to industry cycles. Management will recognise impairment loss on the property, plant and equipment when future cash flows are less than expectation and fall below the amount of related property, plant and equipment.

(e) Income taxes and deferred taxation

Significant judgement is required in determining the provision for income tax and deferred taxation. There are many transactions and calculations for which the ultimate determination is uncertain during the ordinary course of business.

Deferred tax assets relating to certain deductible temporary differences and tax losses are recognised when management considers it is probable that future taxable profit will be available against which the deductible temporary differences or tax losses can be utilised. The outcome of their actual utilisation may be different. Details of the deferred taxation are disclosed in Note 24 to the Financial Statements.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

4. 重要會計估計及判斷 (續)

(f) 開發成本資本化

開發成本乃根據財務報表附註 2.10 的研發成本會計政策進行資本化。釐定將予資本化的金額需要管理層就預計資產於未來產生的現金、將予採用的貼現率及預計得益期間作出假設。於二零二零年十二月三十一日，已資本化開發成本賬面值的最佳估計約為人民幣302,092,000 (二零一九年：人民幣261,732,000元)。更多詳情請參閱財務報表附註10。

5. 分部資料

主要經營決策者已被認為本公司董事會執行董事。本公司董事會執行董事審閱本集團的內部報告，以評估績效及分配資源。管理層基於該等報告釐定經營分部。

本公司董事會執行董事從產品角度考慮業務。本集團僅經營一項業務分部，即在中國內地研發、製造及銷售藥品。截至二零二零年及二零一九年十二月三十一日止年度，所有銷售來自分銷商及本集團概無分銷商所帶來的收益佔本集團收益10%或以上。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(f) Capitalisation of development costs

Development costs are capitalised in accordance with the accounting policy for R&D costs in Note 2.10 to the Financial Statements. Determining the amounts to be capitalised requires management to make assumptions regarding the expected future cash generation of the assets, discount rates to be applied and the expected period of benefits. At 31 December 2020, the best estimate of the carrying amount of capitalised development costs was approximately RMB302,092,000 (2019: RMB261,732,000). More details are given in Note 10 to the Financial Statements.

5. SEGMENT INFORMATION

The chief operating decision-maker has been identified as the executive directors of the board of the Company. The executive directors of the board of the Company review the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The executive directors of the board of the Company consider the business from product perspective. The Group is engaged in only one business segment, being the R&D, and the manufacture and sale of pharmaceutical products in the Mainland China. During the years ended 31 December 2020 and 2019, all sales were from distributors and there were no distributors of the Group with which the revenue generated therefrom amounted to 10% or more of the Group's revenue.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

6. 物業、廠房及設備

6. PROPERTY, PLANT AND EQUIPMENT

		樓宇 Buildings 人民幣千元 RMB'000	生產及 電子設備 Production and electronic equipment 人民幣千元 RMB'000	辦公設備 Office equipment 人民幣千元 RMB'000	汽車 Motor vehicles 人民幣千元 RMB'000	在建工程 Construction in progress 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
二零二零年 十二月三十一日	31 December 2020						
於二零一九年 十二月三十一日及 二零二零年 一月一日：	At 31 December 2019 and at 1 January 2020:						
成本	Cost	2,581,501	840,105	47,343	38,826	559,090	4,066,865
累計折舊及 減值	Accumulated depreciation and impairment	(786,831)	(482,964)	(39,641)	(26,419)	-	(1,335,855)
賬面淨值	Net carrying amount	1,794,670	357,141	7,702	12,407	559,090	2,731,010
於二零二零年 一月一日，扣除 累計折舊及減值 添置	At 1 January 2020, net of accumulated depreciation and impairment	1,794,670	357,141	7,702	12,407	559,090	2,731,010
收購附屬公司 (附註38)	Additions	8,157	66,534	2,192	1,033	477,125	555,041
收購附屬公司 (附註38)	Acquisitions of subsidiaries (Note 38)	9,762	11,351	317	63	18,032	39,525
轉撥自在建工程 轉撥至投資物業 (附註7)	Transfer from construction in progress Transfer to investment properties (Note 7)	180,841	167,129	491	-	(348,461)	-
出售	Disposals	(6,752)	-	-	-	-	(6,752)
出售附屬公司 (附註39)	Disposals of subsidiaries (Note 39)	-	(6,826)	(506)	(116)	-	(7,448)
折舊開支	Depreciation charge	(1,730)	(12,198)	(584)	(46)	(25,502)	(40,060)
於二零二零年 十二月三十一日， 扣除累計折舊及減值	At 31 December 2020, net of accumulated depreciation and impairment	(116,325)	(94,962)	(3,943)	(2,798)	-	(218,028)
於二零二零年 十二月三十一日：	At 31 December 2020:	1,868,623	488,169	5,669	10,543	680,284	3,053,288
成本	Cost	2,763,000	1,059,338	47,609	40,236	680,284	4,590,467
累計折舊及 減值	Accumulated depreciation and impairment	(894,377)	(571,169)	(41,940)	(29,693)	-	(1,537,179)
賬面淨值	Net carrying amount	1,868,623	488,169	5,669	10,543	680,284	3,053,288

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

6. 物業、廠房及設備(續)

6. PROPERTY, PLANT AND EQUIPMENT (continued)

		樓宇 Buildings	生產及 電子設備 Production and electronic equipment	辦公設備 Office equipment	汽車 Motor vehicles	在建工程 Construction in progress	總計 Total
		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
二零一九年	31 December 2019						
十二月三十一日							
於二零一八年	At 31 December 2018 and						
十二月三十一日及	at 1 January 2019:						
二零一九年							
一月一日：							
成本	Cost	2,447,600	752,181	44,029	40,226	347,125	3,631,161
累計折舊	Accumulated depreciation	(428,824)	(367,014)	(34,066)	(25,886)	-	(855,790)
賬面淨值	Net carrying amount	2,018,776	385,167	9,963	14,340	347,125	2,775,371
於二零一九年	At 1 January 2019, net of						
一月一日，	accumulated depreciation						
扣除累計折舊		2,018,776	385,167	9,963	14,340	347,125	2,775,371
添置	Additions	8,302	78,813	3,567	1,764	405,028	497,474
轉撥自在建工程	Transfer from construction in progress	169,270	23,793	-	-	(193,063)	-
轉撥至投資物業	Transfer to investment properties						
(附註7)	(Note 7)	(30,171)	-	-	-	-	(30,171)
出售	Disposals	(1,486)	(6,633)	(30)	(759)	-	(8,908)
減值(附註27)	Impairment (Note 27)	(243,757)	(31,874)	(793)	(40)	-	(276,464)
折舊開支	Depreciation charge	(126,264)	(92,125)	(5,005)	(2,898)	-	(226,292)
於二零一九年	At 31 December 2019,						
十二月三十一日，	net of accumulated depreciation						
扣除累計折舊及減值	and impairment	1,794,670	357,141	7,702	12,407	559,090	2,731,010
於二零一九年	At 31 December 2019:						
十二月三十一日：							
成本	Cost	2,581,501	840,105	47,343	38,826	559,090	4,066,865
累計折舊及	Accumulated depreciation						
減值	and impairment	(786,831)	(482,964)	(39,641)	(26,419)	-	(1,335,855)
賬面淨值	Net carrying amount	1,794,670	357,141	7,702	12,407	559,090	2,731,010

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

6. 物業、廠房及設備(續)

於二零二零年十二月三十一日的在建工程主要包括正在中國內地施工的新的製藥廠。

於二零二零年十二月三十一日，本集團尚未取得賬面值合共約人民幣425,809,000元(二零一九年十二月三十一日：人民幣425,649,000元)的若干樓宇的所有權證(「房屋所有權證」)。本公司董事認為，本集團申請及取得有關房屋所有權證並無法律限制，且不會對本集團的業務經營產生任何重大不利影響。

7. 投資物業

6. PROPERTY, PLANT AND EQUIPMENT (continued)

Construction in progress as at 31 December 2020 mainly comprised new pharmaceutical manufacturing plants being constructed in Mainland China.

As at 31 December 2020, the ownership certificates of certain buildings ("Building Ownership Certificates") of the Group with an aggregate carrying value of approximately RMB425,809,000 (31 December 2019: RMB425,649,000) had not been obtained by the Group. The directors of the Company consider that there is no legal restriction for the Group to apply for and obtain the Building Ownership Certificates and it should not lead to any significant adverse impact on the operations of the Group.

7. INVESTMENT PROPERTIES

		二零二零年 2020 樓宇 Buildings 人民幣千元 RMB'000	二零一九年 2019 樓宇 Buildings 人民幣千元 RMB'000
於一月一日的賬面值	Carrying amount at 1 January	232,802	209,206
轉撥自物業、廠房及設備(附註6)	Transfers from property, plant and equipment (Note 6)	6,752	30,171
折舊開支	Depreciation charge	(7,381)	(6,575)
於十二月三十一日的賬面值	Carrying amount at 31 December	232,173	232,802

本集團的投資物業包括經營租賃安排下中國內地的六個商業物業及香港的兩個商業物業，按成本扣除折舊和減值虧損後列示。

投資物業根據經營租賃出租予第三方，其進一步詳情概述於財務報表附註8。

本集團於二零二零年十二月三十一日之投資物業約人民幣471,194,000元(二零一九年十二月三十一日：人民幣386,004,000元)之公平值乃由本公司董事經參考同類物業之估計市價釐定。

The Group's investment properties consist of six commercial properties in Mainland China and two commercial properties in Hong Kong under operating lease arrangements and are stated at cost less depreciation and any impairment losses.

The investment properties are leased to third parties under operating leases, further summary details of which are included in Note 8 to the Financial Statements.

The fair value of the Group's investment properties of approximately RMB471,194,000 as at 31 December 2020 (31 December 2019: RMB386,004,000) has been determined by the directors of the Company with reference to the estimated market values of similar properties.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

8. 租賃

本集團作為承租人

本集團有用於其業務營運的樓宇的租賃合約。已提前作出一次性付款以向業主收購租賃土地，租期為27至50年，而根據該等土地租賃的條款，將不會繼續支付任何款項。一般而言，本集團不可向本集團以外人士轉讓及分租租賃資產。進一步討論如下：

(a) 使用權資產

年內本集團使用權資產的賬面值及變動如下：

8. LEASES

The Group as a lessee

The Group has lease contracts for buildings used in its operations. Lump sum payments were made upfront to acquire the leased land from the owners with lease periods of 27 to 50 years, and no ongoing payments will be made under the terms of these land leases. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group. Further discussions are as follows:

(a) Right-of-use assets

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

		租賃土地 Leasehold land 人民幣千元 RMB'000	樓宇 Buildings 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
於二零一九年一月一日	As at 1 January 2019	849,190	10,947	860,137
添置	Additions	55,638	2,595	58,233
折舊開支	Depreciation charge	(20,612)	(4,203)	(24,815)
於二零一九年 十二月三十一日及 二零二零年一月一日	As at 31 December 2019 and 1 January 2020	884,216	9,339	893,555
添置	Addition	–	2,523	2,523
收購附屬公司(附註38)	Acquisitions of subsidiaries (Note 38)	20,835	–	20,835
出售附屬公司(附註39)	Disposals of subsidiaries (Note 39)	(99,643)	(5,167)	(104,810)
折舊開支	Depreciation charge	(21,325)	(2,805)	(24,130)
於二零二零年十二月三十一日	As at 31 December 2020	784,083	3,890	787,973

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

8. 租賃(續)

本集團作為承租人(續)

(b) 租賃負債

年內租賃負債的賬面值及變動如下：

		二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
於一月一日的賬面值	Carrying amount at 1 January	9,950	10,947
新租賃	New leases	2,523	2,595
年內已確認利息增幅	Accretion of interest recognised during the year	279	422
出售附屬公司(附註39)	Disposals of subsidiaries (Note 39)	(5,370)	-
付款	Payments	(3,431)	(4,014)
於十二月三十一日的賬面值	Carrying amount at 31 December	3,951	9,950
分析為：	Analysed into:		
流動部分	Current portion	1,441	4,058
非流動部分	Non-current portion	2,510	5,892

租賃負債的到期日分析於財務報表附註3.1披露

The maturity analysis of lease liabilities is disclosed in Note 3.1 to the Financial Statements.

(c) 於損益中確認的租賃相關款項如下：

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

		二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
租賃負債利息	Interest on lease liabilities	279	422
使用權資產折舊開支	Depreciation charge of right-of-use assets	24,130	24,815
與短期租賃及餘下租期於十二月三十一日或之前屆滿的其他租賃有關的開支(計入分銷及行政開支)	Expenses relating to short-term leases and other leases with remaining lease terms ended on or before 31 December (included in distribution and administrative expenses)	2,434	2,523
損益中確認款項總額	Total amounts recognised in profit or loss	26,843	27,760

(d) 租賃的現金流出總額於財務報表附註36披露。

(d) The total cash outflow for leases is disclosed in Note 36 to the Financial Statements.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

8. 租賃(續)

本集團作為出租人

本集團根據經營租賃安排出租其投資物業(附註7)，包括中國內地的六個商業物業及香港的兩個商業物業。該等租賃的條款要求租戶支付擔保按金並根據現行市況進行定期租金調整。年內本集團的已確認租金收入為人民幣7,433,000元(二零一九年：人民幣6,662,000元)，詳情載於財務報表附註26。

於二零二零年十二月三十一日，日後本集團根據與其租戶之不可撤銷經營租賃的應收未貼現租賃款項如下：

8. LEASES (continued)

The Group as a lessor

The Group leases its investment properties (Note 7) consisting of six commercial properties in Mainland China and two commercial properties in Hong Kong under operating lease arrangements. The terms of the leases generally require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions. Rental income recognised by the Group during the year was RMB7,433,000 (2019: RMB6,662,000), details of which are included in Note 26 to the Financial Statements.

At 31 December 2020, The undiscounted lease payments receivable by the Group in future periods under non-cancellable operating leases with its tenants are as follows:

		二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
一年內	Within one year	5,476	8,216
一年以上但兩年以內	After one year but within two years	873	4,703
兩年以上但三年以內	After two years but within three years	518	518
三年以上但四年以內	After three years but within four years	510	518
四年以上但五年以內	After four years but within five years	470	510
五年以上	After five years	1,294	1,764
		9,141	16,229

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

9. 商譽

9. GOODWILL

		商譽 Goodwill 人民幣千元 RMB'000
於二零一九年一月一日：	At 1 January 2019:	
成本	Cost	2,879,020
累計減值	Accumulated impairment	(35,117)
賬面淨值	Net carrying amount	2,843,903
於二零一九年一月一日的成本，扣除累計減值 年內減值(附註27)	Cost at 1 January 2019, net of accumulated impairment Impairment during the year (Note 27)	2,843,903 (2,843,903)
於二零一九年十二月三十一日	At 31 December 2019	-
於二零一九年十二月三十一日：	At 31 December 2019:	
成本	Cost	2,879,020
累計減值	Accumulated impairment	(2,879,020)
賬面淨值	Net carrying amount	-
於二零二零年一月一日的成本，扣除累計減值 收購附屬公司(附註38)	Cost at 1 January 2020, net of accumulated impairment Acquisitions of subsidiaries (Note 38)	- 12,312
於二零二零年十二月三十一日	At 31 December 2020	12,312
於二零二零年十二月三十一日：	At 31 December 2020:	
成本	Cost	2,891,332
累計減值	Accumulated impairment	(2,879,020)
賬面淨值	Net carrying amount	12,312

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

10. 無形資產

10. INTANGIBLE ASSETS

		客戶關係 Customer relationships 人民幣千元 RMB'000	遞延開發成本 Deferred development costs 人民幣千元 RMB'000	進行中產品 開發 Product development in progress 人民幣千元 RMB'000	商標及軟件 Trademark and software 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
於二零一九年一月一日：	At 1 January 2019:					
成本	Cost	433,932	1,434,879	350,767	49,124	2,268,702
累計攤銷	Accumulated amortisation	(433,932)	(430,556)	-	(26,301)	(890,789)
減值	Impairment	-	(2,032)	(123,630)	-	(125,662)
賬面淨值	Net carrying amount	-	1,002,291	227,137	22,823	1,252,251
於二零一九年一月一日的 成本，扣除累計攤銷及減值	Cost at 1 January 2019, net of accumulated amortisation and impairment	-	1,002,291	227,137	22,823	1,252,251
添置	Additions	-	43,952	34,595	5,840	84,387
攤銷開支	Amortisation charge	-	(95,400)	-	(1,615)	(97,015)
減值(附註27)	Impairment (Note 27)	-	(756,066)	-	(3,549)	(759,615)
於二零一九年十二月三十一日 的賬面淨值	Net carrying amount at 31 December 2019	-	194,777	261,732	23,499	480,008
於二零一九年 十二月三十一日：	At 31 December 2019:					
成本	Cost	433,932	1,478,831	385,362	54,964	2,353,089
累計攤銷	Accumulated amortisation	(433,932)	(525,956)	-	(27,916)	(987,804)
減值	Impairment	-	(758,098)	(123,630)	(3,549)	(885,277)
賬面淨值	Net carrying amount	-	194,777	261,732	23,499	480,008
於二零二零年一月一日的 成本，扣除累計攤銷及減值	Cost at 1 January 2020, net of accumulated amortisation and impairment	-	194,777	261,732	23,499	480,008
添置	Additions	-	25,740	40,360	7,834	73,934
收購附屬公司(附註38)	Acquisitions of subsidiaries (Note 38)	-	90	-	-	90
攤銷開支	Amortisation charge	-	(25,906)	-	(2,836)	(28,742)
出售	Disposal	-	-	-	(13,141)	(13,141)
出售附屬公司(附註39)	Disposals of subsidiaries (Note 39)	-	-	-	(6,528)	(6,528)
於二零二零年十二月三十一日 的賬面淨值	Net carrying amount at 31 December 2020	-	194,701	302,092	8,828	505,621
於二零二零年 十二月三十一日：	At 31 December 2020:					
成本	Cost	433,932	1,504,661	425,722	40,523	2,404,838
累計攤銷	Accumulated amortisation	(433,932)	(551,862)	-	(28,146)	(1,013,940)
減值	Impairment	-	(758,098)	(123,630)	(3,549)	(885,277)
賬面淨值	Net carrying amount	-	194,701	302,092	8,828	505,621

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

11. 長期資產(包括商譽)減值測試

通過業務合併收購的商譽會就減值測試分配至所收購附屬公司現金產生單位。現金產生單位的可收回款額按使用價值計算法釐定，該計算法乃基於管理層所批准涵蓋五年期的財政預算案採用現金流量預測計算。五年期以後的現金流量則採用下述估計增長率進行推斷。增長率並無超出現金產生單位營運所屬醫藥行業的長期平均增長率。

11. IMPAIRMENT TESTING OF LONG-TERM ASSETS INCLUDING GOODWILL

Goodwill acquired through business combinations is allocated to the acquired subsidiaries, which are cash-generating units (“CGUs”) for impairment testing. The recoverable amount of the CGU has been determined based on a value-in-use calculation using cash flow projections based on financial budgets covering a five-year period approved by management. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. The growth rate does not exceed the long-term average growth rate for the pharmaceutical industry in which the CGU operates.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

11. 長期資產(包括商譽)減值測試(續)

分配至各現金產生單位的長期資產(包括商譽)賬面值如下：

於二零二零年十二月三十一日

11. IMPAIRMENT TESTING OF LONG-TERM ASSETS INCLUDING GOODWILL (continued)

The carrying amounts of long-term assets including goodwill allocated to each of the CGUs are as follows:

As at 31 December 2020

		預付土地 租賃付款 Prepaid land lease payments	無形資產 Intangible assets	物業、廠房 及設備 Property, plant and equipment	總計 Total	
	商譽 Goodwill	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	
吉林四環製藥有限公司 (「吉林四環」)	Jilin Sihuan Pharmaceutical Co., Ltd. ("Jilin Sihuan")	-	182,548	58,058	410,776	651,382
弘和製藥(中國)有限公司 (「弘和(中國)」)	Ambest Pharmaceutical (China) Co., Ltd. ("Ambest (China)")	-	56,702	191	48,648	105,541
吉林四長製藥有限公司 (「吉林四長」)	Jilin Sichang Pharmaceutical Co., Ltd. ("Jilin Sichang")	-	5,907	40,261	55,265	101,433
長春翔通藥業有限公司 (「長春翔通」)	Changchun Xiangtong Pharmaceutical Co., Ltd. ("Changchun Xiangtong")	-	5,201	17	115,548	120,766
本溪恒康製藥有限公司 (「本溪恒康」)	Benxi Hengkang Pharmaceutical Co., Ltd. ("Benxi Hengkang")	-	27,533	-	105,735	133,268
深圳四環醫藥有限公司 (「深圳四環」)	Shenzhen Sihuan Pharmaceutical Co., Ltd. ("Shenzhen Sihuan")	-	-	-	33,709	33,709
北京四環製藥有限公司 (「北京四環」)	Beijing Sihuan Pharmaceutical Co., Ltd. ("Beijing Sihuan")	-	37,560	109,071	446,882	593,513
吉林四環澳康藥業有限公司 (「澳康藥業」)	Jilin Sihuan Aokang Pharmaceutical Co., Ltd. ("Aokang Yaoye")	-	16,728	23,198	35,182	75,108
吉林惠升生物製藥有限公司 (「吉林惠升」)	Jilin Huisheng Biological Pharmaceutical Co., Ltd. ("Jilin Huisheng")	-	143,677	-	403,893	547,570
吉林遨通化工有限公司 (「吉林遨通」)	Jilin Aotong Chemical Co., Ltd. ("Jilin Aotong")	8,761	14,248	-	35,186	58,195
吉林佳輝化工有限公司 (「吉林佳輝」)	Jilin Jiahui Chemical Co., Ltd. ("Jilin Jiahui")	3,551	6,274	-	32,087	41,912
總計	Total	12,312	496,378	230,796	1,722,911	2,462,397

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

11. 長期資產(包括商譽)減值測試(續)

於二零一九年十二月三十一日

11. IMPAIRMENT TESTING OF LONG-TERM ASSETS INCLUDING GOODWILL (continued)

As at 31 December 2019

		商譽	預付土地 租賃付款	無形資產	物業、廠房 及設備	總計
	Goodwill	land lease payments	Intangible assets	Property, plant and equipment	Total	
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
吉林四環	Jilin Sihuan	2,126,800	288,440	81,232	422,456	2,918,928
弘和(中國)	Ambest (China)	481,706	58,044	617,551	52,151	1,209,452
吉林四長	Jilin Sichang	135,260	6,062	90,569	103,650	335,541
長春翔通	Changchun Xiangtong	57,137	5,988	3,451	129,639	196,215
本溪恒康	Benxi Hengkang	30,870	28,211	11,378	115,024	185,483
深圳四環	Shenzhen Sihuan	11,836	–	–	44,590	56,426
北京四環	Beijing Sihuan	294	38,671	116,030	516,598	671,593
澳康藥業	Aokang Yaoye	–	17,111	68,015	156,620	241,746
總計	Total	2,843,903	442,527	988,226	1,540,728	5,815,384

計算於二零二零年十二月三十一日及二零一九年十二月三十一日現金產生單位的使用價值時已採用假設。下文描述管理層在進行長期資產(包括商譽)減值測試時對其現金流量預測採用之各項主要假設：

Assumptions were used in the value-in-use calculation of the CGUs for 31 December 2020 and 31 December 2019. The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of long-term assets including goodwill:

毛利率：	管理層基於過往表現及對市場發展的預期釐定預算毛利率。
Gross profit margins:	Management determined budgeted gross profit margins based on past performance and their expectations of market development.
增長率：	所採用的平均增長率與行業報告所載預測一致。
Growth rates:	The average growth rates used are consistent with the forecasts included in industry reports.
貼現率：	所採用的貼現率為稅前，並反映相關單位的特定風險。在決定估計貼現率時，本集團參考了若干同行業上市公司的關鍵參數，考慮到本集團的經營性質，其他採用的折現率處於合理範圍內。
Discount rates:	The discount rates used are before tax and reflect specific risks relating to the relevant units. When determining the estimated discount rate, the Group used the key parameters by reference to certain listed companies of the same industry. Given the nature of the Group's business, the discount rate adopted falls within the reasonable range.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

11. 長期資產(包括商譽)減值測試(續)

就擁有龐大長期資產及商譽金額之各個現金產生單位而言，於二零二零年及二零一九年進行使用價值計算法所採用之毛利率、淨利率、終端增長率及貼現率如下：

11. IMPAIRMENT TESTING OF LONG-TERM ASSETS INCLUDING GOODWILL (continued)

For each of the CGUs with a significant amount of long-term assets and goodwill, gross profit margin, net profit margin, terminal growth rate and discount rate used in the value-in-use calculations in 2020 and 2019 are as follows:

		弘和										
		吉林四環	(中國)	吉林四長	長春翔通	本溪恒康	深圳四環	北京四環	澳康藥業	吉林惠升	吉林遼通	吉林佳輝
		Jilin	Ambest	Jilin	Changchun	Benxi	Shenzhen	Beijing	Aokang	Jilin	Jilin	Jilin
		Sihuan	(China)	Sichang	Xiangtong	Hengkang	Sihuan	Sihuan	Yaoye	Huisheng	Aotong	Jiahui
於二零二零年	As at 31 December 2020											
十二月												
三十一日												
毛利率	Gross profit margin	91%	87%	77%	73%	69%	49%	78%	52%	63%	25%	25%
淨利率	Net profit margin	51%	27%	36%	26%	15%	11%	10%	-12%	25%	-3%	10%
終端增長率	Terminal growth rate	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
貼現率	Discount rate	22%	22%	21%	19%	19%	18%	20%	15%	19%	18%	19%
可收回金額	Recoverable amount											
(人民幣千元)	RMB ('000)	1,641,212	1,073,766	167,392	138,652	153,230	46,537	751,674	97,731	858,746	64,551	63,332
可獲空間	Headroom available											
(人民幣千元)	RMB ('000)	989,830	968,225	65,959	17,886	19,962	12,828	158,161	22,623	311,176	6,356	9,065
於二零一九年	As at 31 December 2019											
十二月												
三十一日												
毛利率	Gross profit margin	72%	47%	63%	62%	60%	37%	75%	46%	不適用	不適用	不適用
										N/A	N/A	N/A
淨利率	Net profit margin	39%	7%	34%	27%	21%	6%	13%	-13%	不適用	不適用	不適用
										N/A	N/A	N/A
終端增長率	Terminal growth rate	3%	3%	3%	3%	3%	3%	3%	3%	不適用	不適用	不適用
										N/A	N/A	N/A
貼現率	Discount rate	20%	15%	17%	19%	20%	19%	19%	15%	不適用	不適用	不適用
										N/A	N/A	N/A
可收回金額	Recoverable amount	727,938	129,105	110,485	136,011	144,289	50,813	588,960	39,465	不適用	不適用	不適用
(人民幣千元)	RMB ('000)									N/A	N/A	N/A
可獲空間	Headroom available	不適用	不適用	不適用	不適用	不適用	不適用	不適用	不適用	不適用	不適用	不適用
(人民幣千元)	RMB ('000)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

在決定估計貼現率時，本集團參考了若干同行業上市公司的關鍵參數，考慮到本集團的經營性質，其他採用的折現率處於合理範圍內。

When determining the estimated discounted rate, the Group used the key parameters by reference to certain listed companies of same industry. Given the nature of the Group's business, the discount rate adopted falls within the reasonable range.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

12. 於附屬公司的投資

本公司於二零二零年十二月三十一日的附屬公司詳情載列如下，全部均為非上市公司。

12. INVESTMENTS IN SUBSIDIARIES

The following is a list of subsidiaries at 31 December 2020, all of which are unlisted companies.

公司名稱 Name	主要活動及營業地點 Principal activities and place of operation	註冊成立/ 註冊地點 Place of incorporation/ registration	註冊資本 Registered capital	本集團所持 權益比例(%) Proportion of interest held by the Group (%)
直接持有				
Directly held				
耀忠國際(香港)有限公司 Sun Moral International (HK) Limited	投資控股 Investment holding	香港 Hong Kong	10,000港元 HKD10,000	100
耀津國際(香港)有限公司 Yaojin International (HK) Limited	醫療美容銷售與投資 Medical beauty sales and investment	香港 Hong Kong	1,000,000港元 HKD1,000,000	100
間接持有				
Indirectly held				
海南四環醫藥有限公司* Hainan Sihuan Pharmaceutical Co., Ltd.*	於中國內地營銷醫藥產品 Marketing of pharmaceutical products in Mainland China	中國內地 Mainland China	人民幣 200,000,000元 RMB 200,000,000	100
北京四環製藥有限公司** Beijing Sihuan Pharmaceutical Co., Ltd.**	於中國內地製造醫藥產品 Manufacture of pharmaceutical products in Mainland China	中國內地 Mainland China	人民幣 50,000,000元 RMB 50,000,000	100
海南四環醫藥信息有限公司** Hainan Sihuan Pharmaceutical Information Co., Ltd.**	於中國內地提供信息支持服務 Provision of information support services in Mainland China	中國內地 Mainland China	人民幣 1,000,000元 RMB 1,000,000	100
海南四環心腦血管藥物研究院** Hainan Sihuan Cardiocerebral Vascular Drugs Research Institute Co., Ltd.**	於中國內地提供研發服務 Provision of R&D services in Mainland China	中國內地 Mainland China	人民幣 6,000,000元 RMB 6,000,000	100

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

12. 於附屬公司的投資(續)

12. INVESTMENTS IN SUBSIDIARIES (continued)

公司名稱 Name	主要活動及營業地點 Principal activities and place of operation	註冊成立/ 註冊地點 Place of incorporation/ registration	註冊資本 Registered capital	本集團所持 權益比例(%) Proportion of interest held by the Group (%)
間接持有(續) Indirectly held (continued)				
深圳四環醫藥有限公司** Shenzhen Sihuan Pharmaceutical Co., Ltd.**	於中國內地營銷醫藥產品 Marketing of pharmaceutical products in Mainland China	中國內地 Mainland China	人民幣 50,000,000元 RMB 50,000,000	100
山東軒竹醫藥科技有限公司** Xuanzhu Pharma Co., Ltd.**	於中國內地研發醫藥產品 R&D of pharmaceutical products in Mainland China	中國內地 Mainland China	人民幣 100,000,000元 RMB 100,000,000	75.7547
廊坊高博京邦製藥有限公司** Langfang Gaobo Jingband Pharmaceutical Co., Ltd.**	於中國內地製造醫藥原材料 Manufacture of pharmaceutical materials in Mainland China	中國內地 Mainland China	人民幣 30,000,000元 RMB 30,000,000	100
北京澳合藥物研究院有限公司** Beijing Ao He Research Institute Co., Ltd.**	於中國內地提供研發服務 Provision of R&D services in Mainland China	中國內地 Mainland China	人民幣 3,600,000元 RMB 3,600,000	100
吉林四環製藥有限公司** Jilin Sihuan Pharmaceutical Co., Ltd.**	於中國內地製造醫藥產品 Manufacture of pharmaceutical products in Mainland China	中國內地 Mainland China	人民幣 62,500,000元 RMB 62,500,000	100
長春翔通藥業有限公司** Changchun Xiangtong Pharmaceutical Co., Ltd.**	於中國內地製造醫藥產品 Manufacture of pharmaceutical products in Mainland China	中國內地 Mainland China	人民幣 16,880,000元 RMB 16,880,000	80
通化濟達醫藥有限公司** Tonghua Jida Pharmaceutical Co., Ltd.**	於中國內地營銷醫藥產品 Marketing of pharmaceutical products in Mainland China	中國內地 Mainland China	人民幣 7,620,000元 RMB 7,620,000	100

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

12. 於附屬公司的投資(續)

12. INVESTMENTS IN SUBSIDIARIES (continued)

公司名稱 Name	主要活動及營業地點 Principal activities and place of operation	註冊成立/ 註冊地點 Place of incorporation/ registration	註冊資本 Registered capital	本集團所持 權益比例(%) Proportion of interest held by the Group (%)
間接持有(續) Indirectly held (continued)				
西馬巴斯特投資有限公司 Smart Baskets Investment Limited	於中國內地投資控股 Investment holding in Mainland China	英屬處女群島 British Virgin Islands ("BVI")	1美元 USD1	100
海南李茲曼製藥有限公司* Hainan Litzman Pharmaceutical, Co., Ltd.*	於中國內地進行製造醫藥產品的項目籌備 Project preparation for the manufacture of pharmaceutical products in Mainland China	中國內地 Mainland China	人民幣 19,500,000元 RMB 19,500,000	100
本溪恒康製藥有限公司** Benxi Hengkang Pharmaceutical, Co., Ltd.**	於中國內地製造醫藥產品 Manufacture of pharmaceutical products in Mainland China	中國內地 Mainland China	人民幣 21,500,000元 RMB 21,500,000	100
醫路康健康管理(北京)有限公司** e-HMO (Beijing) Co., Ltd.**	於中國內地推廣技術 Promotion of technology in Mainland China	中國內地 Mainland China	人民幣 60,000,000元 RMB 60,000,000	51
吉林四環澳康藥業有限公司** Jilin Sihuan Aokang Pharmaceutical Co., Ltd.**	於中國內地建立醫療項目 Construction for medical project in Mainland China	中國內地 Mainland China	人民幣 334,440,000元 RMB 334,440,000	100
吉林四環科技有限公司** Jilin Sihuan Technology Co., Ltd.**	於中國內地推廣技術 Promotion of technology in Mainland China	中國內地 Mainland China	人民幣 10,300,000元 RMB 10,300,000	51
吉林四環海斯凱爾科技有限公司** Jilin Sihuan Haisikaier Technology Co., Ltd.**	於中國內地推廣技術 Promotion of technology in Mainland China	中國內地 Mainland China	人民幣 18,870,000元 RMB 18,870,000	53

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

12. 於附屬公司的投資(續)

12. INVESTMENTS IN SUBSIDIARIES (continued)

公司名稱 Name	主要活動及營業地點 Principal activities and place of operation	註冊成立/ 註冊地點 Place of incorporation/ registration	註冊資本 Registered capital	本集團所持 權益比例(%) Proportion of interest held by the Group (%)
間接持有(續)				
Indirectly held (continued)				
吉林振澳製藥有限公司** Jilin Zhen'ao Pharmaceutical Co., Ltd.**	於中國內地製造醫藥產品 Manufacture of pharmaceutical products in Mainland China	中國內地 Mainland China	人民幣 58,500,000元 RMB 58,500,000	100
吉林津升製藥有限公司** Jilin Jinsheng Pharmaceutical Co., Ltd.**	於中國內地製造醫藥產品 Manufacture of pharmaceutical products in Mainland China	中國內地 Mainland China	人民幣 19,500,000元 RMB 19,500,000	100
聖科醫美醫藥科技(吉林)有限公司** Shengke Aesthetic Medicine PharmaSciences (Jilin) Co., Ltd.**	於中國內地營銷醫藥產品 Marketing of pharmaceutical products in Mainland China	中國內地 Mainland China	人民幣 10,000,000元 RMB 10,000,000	100
北京博奧泰藥業科技有限公司** Beijing Boaotai PharmaSciences Co., Ltd.**	於中國內地推廣技術及提供諮詢服務 Promotion of technology and consulting services in Mainland China	中國內地 Mainland China	人民幣 4,500,000元 RMB 4,500,000	70
隆裕弘達投資管理有限公司** Longyu Hongda Investment Management Co., Ltd.**	於中國內地投資控股 Investment holding in Mainland China	中國內地 Mainland China	人民幣 100,000,000元 RMB 100,000,000	100
西藏康馨藥業有限公司** Xizang Kangxin Pharmaceutical Co., Ltd.**	於中國內地營銷醫藥產品 Marketing of pharmaceutical products in Mainland China	中國內地 Mainland China	人民幣 50,000,000元 RMB 50,000,000	100
吉林匯康製藥有限公司** Jilin Huikang Pharmaceutical Co., Ltd.**	於中國內地製造醫藥產品 Manufacture of pharmaceutical products in Mainland China	中國內地 Mainland China	人民幣 30,000,000元 RMB 30,000,000	100

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

12. 於附屬公司的投資(續)

12. INVESTMENTS IN SUBSIDIARIES (continued)

公司名稱 Name	主要活動及營業地點 Principal activities and place of operation	註冊成立/ 註冊地點 Place of incorporation/ registration	註冊資本 Registered capital	本集團所持 權益比例(%) Proportion of interest held by the Group (%)
間接持有(續)				
Indirectly held (continued)				
吉林升通化工有限公司** Jilin Shengtong Chemical Co., Ltd.**	於中國內地製造醫藥產品 Manufacture of pharmaceutical products in Mainland China	中國內地 Mainland China	人民幣 100,000,000元 RMB 100,000,000	100
通化創優檢測服務有限公司(前稱：通化中檢分析測試服務有限公司)** Tonghua Chuangyou Testing Service Co., Ltd. (Formerly known as "Tonghua Zhongjian Analysis Testing Services Co., Ltd.")**	於中國內地提供研發服務 Provision of R&D services in Mainland China	中國內地 Mainland China	人民幣 43,000,000元 RMB 43,000,000	100
弘和製藥有限公司* Ambest Pharmaceutical (China) Co., Ltd.*	於中國內地提供研發服務 Provision of R&D services in Mainland China	中國內地 Mainland China	人民幣 50,000,000元 RMB 50,000,000	100
重慶市西區醫院管理有限公司** Xiqu Hospital (Chongqing) Management Co., Ltd.**	於中國內地提供一般醫院服務及醫院管理服務 Provision of general hospital services and hospital management services in Mainland China	中國內地 Mainland China	人民幣 240,000,000元 RMB 240,000,000	60
吉林四長製藥有限公司** Jilin Sichang Pharmaceutical Co., Ltd.**	於中國內地製造及銷售醫藥產品 Manufacture and sale of pharmaceutical products in Mainland China	中國內地 Mainland China	人民幣 28,300,000元 RMB 28,300,000	51
重慶市西區醫院有限公司** Xiqu Hospital (Chongqing) Co., Ltd.**	於中國內地提供一般醫院服務 Provision of general hospital services in Mainland China	中國內地 Mainland China	人民幣 240,000,000元 RMB 240,000,000	60

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

12. 於附屬公司的投資(續)

12. INVESTMENTS IN SUBSIDIARIES (continued)

公司名稱 Name	主要活動及營業地點 Principal activities and place of operation	註冊成立/ 註冊地點 Place of incorporation/ registration	註冊資本 Registered capital	本集團所持 權益比例(%) Proportion of interest held by the Group (%)
間接持有(續) Indirectly held (continued)				
Radiant (Hong Kong) Investment Limited	物業投資 Property investment	英屬處女群島 BVI	50,000美元 USD50,000	100
吉林維創恒合信息科技有限公司** Jilin Weichuang Henghe Information Technology Co., Ltd.**	於中國內地提供信息支持服務 Provision of information support services in Mainland China	中國內地 Mainland China	人民幣 1,000,000元 RMB 1,000,000	100
吉林澤盛環保工程有限公司** Jilin Zesheng Environmental Protection Engineering Co., Ltd.**	於中國內地建設環保項目 Construction for environmental protection projects in Mainland China	中國內地 Mainland China	人民幣 30,000,000元 RMB 30,000,000	100
吉林津升盈凱營銷管理有限公司** Jilin Jinsheng Yingkai Marketing Management Co., Ltd.**	於中國內地營銷醫藥產品 Marketing of pharmaceutical products in Mainland China	中國內地 Mainland China	人民幣 1,000,000元 RMB 1,000,000	100
SMBD COMPANY LIMITED	於美國提供業務及開發服務 Provision of business and development services in the United States	美國 United States	1美元 USD1	100
軒竹醫藥科技有限公司 Xuanzhu Biopharmaceutical Ltd.	於開曼群島提供研發服務 Provision of R&D services in Cayman Islands	開曼群島 Cayman Islands	700,000,000 美元 USD 700,000,000	100
軒竹(香港)醫藥科技有限公司 Xuanzhu (HK) Biopharmaceutical Limited	於香港提供研發服務 Provision of R&D services in Hong Kong	香港 Hong Kong	10,000 港元 HKD 10,000	100

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

12. 於附屬公司的投資(續)

12. INVESTMENTS IN SUBSIDIARIES (continued)

公司名稱 Name	主要活動及營業地點 Principal activities and place of operation	註冊成立/ 註冊地點 Place of incorporation/ registration	註冊資本 Registered capital	本集團所持 權益比例(%) Proportion of interest held by the Group (%)
間接持有(續) Indirectly held (continued)				
軒竹生物科技有限公司(前稱： 軒竹(海南)醫藥科技有限公司)*** Xuanzhu Biopharmaceutical Co., Ltd. (Formerly known as "Xuanzhu (Hainan) Biopharmaceutical Co., Ltd.")***	於中國內地提供研發服務 Provision of R&D services in Mainland China	中國內地 Mainland China	人民幣 1,412,857,143元 RMB 1,412,857,143	75.7547
宜春津創醫藥有限公司** YiChun Jin Chuang Pharma Co., Ltd.**	於中國內地批發原材料及醫藥器械 Wholesale of chemical raw materials and medical devices in Mainland China	中國內地 Mainland China	人民幣 1,000,000元 RMB 1,000,000	51
吉林惠升生物製藥有限公司** Jilin Huisheng Biological Pharmaceutical Co., Ltd.**	於中國內地製造醫藥產品 Manufacture of pharmaceutical products in Mainland China	中國內地 Mainland China	人民幣 30,000,000元 RMB 30,000,000	100
XBD COMPANY LIMITED	於美國提供研發服務 Provision of R&D services in the United States	美國 United States	1美元 USD1	100
北京羨顏空間生物醫藥有限公司(前稱： 聖科醫美醫藥科技(北京) 有限公司)** Beijing Meiyuan Space Biomedical Co., Ltd. (Formerly known as "Shengke Aesthetic Medical PharmSciences (Beijing) Co., Ltd.")**	於中國內地營銷醫藥產品 Marketing of pharmaceutical products in Mainland China	中國內地 Mainland China	人民幣 500,000元 RMB 500,000	100
軒竹(北京)醫藥科技有限公司** XuanZhu (Beijing) Pharm Co., Ltd.**	於中國內地提供研發服務 Provision of R&D services in Mainland China	中國內地 Mainland China	人民幣 560,000,000元 RMB 560,000,000	75.7547

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

12. 於附屬公司的投資(續)

12. INVESTMENTS IN SUBSIDIARIES (continued)

公司名稱 Name	主要活動及營業地點 Principal activities and place of operation	註冊成立/ 註冊地點 Place of incorporation/ registration	註冊資本 Registered capital	本集團所持 權益比例(%) Proportion of interest held by the Group (%)
間接持有(續) Indirectly held (continued)				
長春惠升生物製藥有限公司** Changchun Huisheng Biological Pharmaceutical Co., Ltd.**	於中國內地提供研發服務 Provision of R&D services in Mainland China	中國內地 Mainland China	人民幣 10,000,000元 RMB 10,000,000	100
北京惠之衡生物科技有限公司** Beijing Huizhiheng Biological Technology Co., Ltd.**	於中國內地提供研發服務 Provision of R&D services in Mainland China	中國內地 Mainland China	人民幣 10,000,000元 RMB 10,000,000	100
北京惠升生物科技有限公司** Beijing Huisheng Biological Technology Co., Ltd.**	於中國內地提供研發服務 Provision of R&D services in Mainland China	中國內地 Mainland China	人民幣 10,000,000元 RMB 10,000,000	100
油桃(北京)電子商務有限公司** Nectarine (Beijing) e-commerce Co., Ltd.**	於中國內地營銷醫藥產品 Marketing of pharmaceutical products in Mainland China	中國內地 Mainland China	人民幣 10,000,000元 RMB 10,000,000	100
北京聯本科技發展有限公司** Beijing Lianben Technology Development Co., Ltd.**	於中國內地營銷醫藥產品 Marketing of pharmaceutical products in Mainland China	中國內地 Mainland China	人民幣 1,000,000元 RMB 1,000,000	100
北京聯本醫藥化學技術有限公司** Beijing Lianben Pharmaceutical Chemical Technology Co., Ltd.**	於中國內地提供研發服務 Provision of R&D services in Mainland China	中國內地 Mainland China	人民幣 3,000,000元 RMB 3,000,000	100
吉林遨通化工有限公司** Jilin Aotong Chemical Co., Ltd.**	於中國內地營銷醫藥產品 Manufacture of pharmaceutical products in Mainland China	中國內地 Mainland China	人民幣 28,000,000元 RMB 28,000,000	100

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

12. 於附屬公司的投資(續)

12. INVESTMENTS IN SUBSIDIARIES (continued)

公司名稱 Name	主要活動及營業地點 Principal activities and place of operation	註冊成立/ 註冊地點 Place of incorporation/ registration	註冊資本 Registered capital	本集團所持 權益比例(%) Proportion of interest held by the Group (%)
間接持有(續) Indirectly held (continued)				
吉林佳輝化工有限公司** Jilin Jiahui Chemical Co., Ltd.**	於中國內地製造醫藥產品 Manufacture of pharmaceutical products in Mainland China	中國內地 Mainland China	人民幣 10,000,000元 RMB 10,000,000	60
通化鴻濟健康科技管理有限公司** Tonghua Hongji Health Technology Management Co., Ltd.**	於中國內地銷售醫藥產品 Marketing of pharmaceutical products in Mainland China	中國內地 Mainland China	人民幣 4,380,000元 RMB 4,380,000	100
吉林四環生物技術信息諮詢有限公司** Jilin Sihuan Biotechnology Information Consulting Co., Ltd.**	於中國內地提供生物技術推廣服務 Provision of Biotechnology promotion service in Mainland China	中國內地 Mainland China	人民幣 3,000,000元 RMB 3,000,000	100
海南慧軒醫藥科技有限公司** HaiNan HuiXuan Pharma Co., Ltd.**	於中國內地提供研發服務 Provision of R&D services in Mainland China	中國內地 Mainland China	人民幣 8,000,000元 RMB 8,000,000	75.7547
吉林北四生物技術信息諮詢有限公司** Jilin Beisi Biotechnology Information Consulting Co., Ltd.**	於中國內地提供生物技術推廣服務 Provision of Biotechnology promotion service in Mainland China	中國內地 Mainland China	人民幣 3,000,000元 RMB 3,000,000	100
北京漾顏空間科技有限公司** Beijing Meiyan Space Technology Co., Ltd.**	於中國內地提供研發服務 Provision of R&D services in Mainland China	中國內地 Mainland China	人民幣 30,000,000元 RMB 30,000,000	100

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

12. 於附屬公司的投資(續)

12. INVESTMENTS IN SUBSIDIARIES (continued)

公司名稱 Name	主要活動及營業地點 Principal activities and place of operation	註冊成立/ 註冊地點 Place of incorporation/ registration	註冊資本 Registered capital	本集團所持 權益比例(%) Proportion of interest held by the Group (%)
間接持有(續) Indirectly held (continued)				
津匯生物科技(吉林)有限公司** Jinhui Biological Technology (Jilin) Co., Ltd.**	於中國內地製造醫療器具 Manufacture of medical instruments in Mainland China	中國內地 Mainland China	人民幣 10,000,000元 RMB 10,000,000	100
耀忠國際(澳門)一人有限公司 Sun Moral International (Macau) Limited	於澳門製造醫療器具 Manufacture of medical instruments in Macau	澳門 Macau	澳門幣25,000元 Macau Pataca ("MOP") 25,000	100

* 該等公司乃根據中國法律註冊為外商獨資企業。

** 該等公司乃根據中國法律註冊為有限責任公司。

*** 該公司乃根據中國法律註冊為外商投資企業。

* These subsidiaries were registered as wholly-foreign owned enterprises under PRC law.

** These subsidiaries were registered as limited liability companies under PRC law.

*** This subsidiary was registered as a foreign-invested enterprise under PRC law.

於二零二零年十二月三十一日，於非全資附屬公司的總非控股權益約人民幣758,383,000元(二零一九年：人民幣335,510,000元)，就個別而言並不重大。

The total non-controlling interests in non-wholly-owned subsidiaries at 31 December 2020 amounted to approximately RMB758,383,000 (2019: RMB335,510,000), which are individually not material.

於二零二零年十二月三十一日，現金及短期存款約人民幣2,411,477,000元(二零一九年十二月三十一日：人民幣4,636,457,000元)乃於中國內地的附屬公司持有，並須受當地外匯管制規例的規限。該等地方外匯管制規例對中國內地輸出資金(並非透過正常股息)施加限制。

At 31 December 2020, cash and short-term deposits approximately RMB2,411,477,000 (31 December 2019: RMB4,636,457,000) were held in subsidiaries in Mainland China and were subject to local exchange control regulations. These local exchange control regulations impose restrictions on exporting capital from Mainland China, other than through normal dividends.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

13. 使用權益法計算的投資

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

		於十二月三十一日	
		As at 31 December	
		二零二零年	二零一九年
		2020	2019
		人民幣千元	人民幣千元
		RMB'000	RMB'000
應佔資產淨值	Share of net assets	583,326	658,415
收購時的商譽	Goodwill on acquisition	487,061	516,964
		1,070,387	1,175,379
減值撥備	Provision for impairment	-	(91,521)
		1,070,387	1,083,858
		二零二零年	二零一九年
		2020	2019
		人民幣千元	人民幣千元
		RMB'000	RMB'000
於一月一日的年初結餘	Opening balance at 1 January	1,083,858	1,168,623
增加聯營公司(i)	Addition of associates (i)	98,426	-
向一家現有聯營公司出資	Capital contribution to an existing associate	-	3,946
向一家現有合營企業出資(ii)	Capital contribution to an existing joint venture (ii)	6,865	10,000
終止確認聯營公司(附註39)	Derecognition of associates (Note 39)	(72,937)	-
終止確認合營企業(附註39)	Derecognition of joint ventures (Note 39)	(109,789)	-
視作出售聯營公司之權益的 收益(iii)(附註26)	Gain on deemed disposal of interest in an associate (iii) (Note 26)	80,488	-
年內減值(附註27)	Impairment during the year (Note 27)	-	(91,521)
應佔聯營公司和合營企業稅後損益 (附註35)	Share of post-tax profits and losses of associates and joint ventures (Note 35)	(16,524)	(7,190)
於十二月三十一日的年末結餘	Closing balance at 31 December	1,070,387	1,083,858

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

13. 使用權益法計算的投資(續)

本集團與聯營公司及合營企業有關的貿易應收賬款及非流動資產結餘分別於財務報表附註17及15披露。

- (i) 於二零二零年五月，本集團分別以人民幣48,000,000元及人民幣50,426,000元的對價，收購北京樺冠生物技術有限公司及中瑞(內蒙古)藥業股份有限公司28.64%及30%的股權。
- (ii) 本集團與Strides Pharma Global Pte Ltd.成立一家合營企業，其中本集團擁有51%的股權。於二零二零年十二月三十一日，本集團已注入現金資本總額979,200美元(相當於約人民幣6,865,000元)。
- (iii) 年內，由於集團之一家聯營公司的其他權益持有人注資，本集團於該聯營公司的權益被攤薄。注資後，本集團仍會對相關聯營公司具有重大影響力，因此其仍為本集團聯營公司。本集團於損益內錄得視作出售收益人民幣80,488,000元。

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (continued)

The Group's trade receivables and non-current assets balances related from associates and joint ventures are respectively disclosed in Notes 17 and 15 to the Financial Statements.

- (i) In May 2020, the Group acquired a 28.64% equity in Beijing ChemPion Biotechnology Co., Ltd. and a 30% equity in Zhongrui (Inner Mongolia) Pharmaceutical Co., Ltd. at considerations of RMB48,000,000 and RMB50,426,000, respectively.
- (ii) The Group and Strides Pharma Global Pte Ltd. have established a joint venture in which the Group owned a 51% equity interest. As at 31 December 2020, total capital of USD979,200 (equivalent to approximately RMB6,865,000) by cash has been injected by the Group.
- (iii) During the year, the Group's interest in an associate was diluted due to the capital injection by other equity holders of the respective associate. Following the capital injection, the Group continues to exercise significant influence over the respective associate and therefore it remains as an associate of the Group. The Group recorded a gain on deemed disposal of RMB80,488,000 in profit or loss.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

13. 使用權益法計算的投資 (續)

以下載列本集團於二零二零年十二月三十一日的一家聯營公司，而董事認為其對本集團而言乃屬重大。聯營公司的股本僅包括由本集團間接持有的普通股。

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (continued)

As listed below is an associate of the Group as at 31 December 2020, which, in the opinion of the directors, is material to the Group. The associate has share capital consisting solely of ordinary shares, which are held indirectly by the Group.

實體名稱 Name of entity	註冊成立及 營業地點 Place of incorporation and operation	佔擁有權權益比例 Proportion of ownership interest	主要業務 Principal activities
仁方醫療控股有限公司(「仁方醫療」) Renfang Medical Holdings Ltd. ("Renfang Medical")	英屬處女群島 BVI	38.14%	提供一般醫療服務及 醫院管理服務 Provision of general hospital services and hospital management services

該等聯營公司及合營企業為私人公司且其股份並無市場報價。並無有關本集團於聯營公司及合營企業權益的或然負債。

The associates and joint ventures are private companies and there are no quoted market prices available for these shares. There are no contingent liabilities relating to the Group's interests in the associates and joint ventures.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

13. 使用權益法計算的投資 (續)

下文載列聯營公司及合營企業的財務資料概要。

財務狀況表概要

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (continued)

Set out below are the summarised financial information for the associates and joint ventures.

Summarised statements of financial position

		仁方醫療 Renfang Medical 於十二月三十一日 As at 31 December		其他聯營公司及合營企業 Other associates and joint ventures 於十二月三十一日 As at 31 December	
		二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000	二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
流動	Current				
資產	Assets	682,041	635,617	917,015	388,294
負債	Liabilities	(190,058)	(181,533)	(856,773)	(613,439)
總流動資產/(負債)	Total net current assets/(liabilities)	491,983	454,084	60,242	(225,145)
非流動	Non-current				
資產	Assets	645,736	680,554	572,368	1,004,420
負債	Liabilities	(28,896)	(28,961)	(273,446)	(197,469)
總非流動資產淨值	Total net non-current assets	616,840	651,593	298,922	806,951
淨值	Net assets	1,108,823	1,105,677	359,164	581,806

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

13. 使用權益法計算的投資(續)

損益表概要

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (continued)

Summarised statements of profit or loss

		仁方醫療		其他聯營公司及合營企業	
		Renfang Medical		Other associates and joint ventures	
		二零二零年	二零一九年	二零二零年	二零一九年
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
		RMB'000	RMB'000	RMB'000	RMB'000
收益	Revenue	493,477	564,428	402,043	290,960
除所得稅前溢利/ (虧損)	Profit/(loss) before income tax	7,796	45,407	(50,687)	(74,938)
所得稅開支	Income tax expense	(4,650)	(14,180)	(13,869)	(10,363)
年度溢利/(虧損)	Profit/(loss) for the year	3,146	31,227	(64,556)	(85,301)
全面收入/(虧損)	Total comprehensive income/(loss)	3,146	31,227	(64,556)	(85,301)

以上資料反映聯營公司及合營企業的財務報表所呈列的就本集團與聯營公司及合營企業的會計政策差異而調整的金額。

The information above reflects the amounts presented in the financial statements of the associates and joint ventures adjusted for differences in accounting policies among the Group and the associates and joint ventures.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

13. 使用權益法計算的投資 (續)

財務資料要對賬

所呈列財務資料概要與於聯營公司及合營企業權益賬面值的對賬。

13. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (continued)

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of its interests in associates and joint ventures.

		仁方醫療 Renfang Medical		其他聯營公司及合營企業 Other associates and joint ventures	
		二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000	二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
於一月一日的	Opening net assets at 1 January				
年初資產淨值		1,105,677	1,074,450	581,806	648,581
股東注資	Capital injection by shareholders	–	–	195,816	18,526
增加聯營公司及合營企業	Addition of associates and joint ventures	–	–	230,072	–
年度溢利/(虧損)	Profit/(loss) for the year	3,146	31,227	(64,556)	(85,301)
終止確認聯營公司	Derecognition of associates	–	–	(583,974)	–
於十二月三十一日的	Closing net assets at 31 December				
年末資產淨值		1,108,823	1,105,677	359,164	581,806
於聯營公司及合營企業的	Interests in associates and joint ventures				
權益		422,905	421,705	160,421	236,710
商譽	Goodwill	–	–	487,061	516,964
賬面值	Carrying value	422,905	421,705	647,482	753,674

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

14. 按公平值計入損益的金融資產

下文所載為本集團於報告期末所持有的金融資產(現金及現金等價物及貿易及其他應收賬款除外)概要：

14. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Set out below is an overview of financial assets, other than cash and cash equivalents and trade and other receivables, held by the Group as at the end of the reporting period:

		於十二月三十一日	
		As at 31 December	
		二零二零年	二零一九年
		2020	2019
		人民幣千元	人民幣千元
		RMB'000	RMB'000
	附註		
	Notes		
非流動	Non-current		
按公平值計入損益的金融資產：	Financial assets at fair value through profit or loss:		
按公平值計量的非上市股權投資	Unlisted equity investments, at fair value	196,153	174,220
非流動總額	Total non-current	(i) 196,153	174,220
流動	Current		
按公平值計入損益的金融資產：	Financial assets at fair value through profit or loss:		
理財產品	Wealth management products	332,683	148,336
流動總額	Total current	(ii) 332,683	148,336
其他金融資產總值	Total other financial assets	528,836	322,556

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

14. 按公平值計入損益的金融資產 (續)

上文於二零二零年十二月三十一日的股權投資分類為按公平值計入損益的金融資產，乃由於本集團並無選擇於其他全面收益確認為公平值損益。

- (i) 該款項指於KBP Biosciences Holdings Limited、Lindeman Asia No.12 Investment Fund、DJS Antibodies Limited及Ascendum Healthcare Fund非上市權益股份的股權投資。本集團擬於可見未來持有該等權益股份，且並無不可撤回地選擇將其分類為按公平值計入其他全面收益。
- (ii) 該款項指由中國內地若干信譽良好的銀行發行無固定利率的理財產品。該等理財產品被強制分類為按公平值計入損益的金融資產，因為其合約現金流量並非僅是本金及利息付款。

14. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (continued)

The above equity investments at 31 December 2020 were classified as financial assets at fair value through profit or loss as the Group has not elected to recognise the fair value gain or loss through other comprehensive income.

- (i) The amount represents equity investments in the unquoted equity shares of KBP Biosciences Holdings Limited, Lindeman Asia No.12 Investment Fund, DJS Antibodies Limited and Ascendum Healthcare Fund. The Group intends to hold these equity shares for the foreseeable future and has not irrevocably elected to classify them at fair value through other comprehensive income.
- (ii) The amount represents wealth management products issued by certain reputable banks in Mainland China with no fixed interest rate. They were mandatorily classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

15. 其他非流動資產

15. OTHER NON-CURRENT ASSETS

		於十二月三十一日	
		As at 31 December	
		二零二零年	二零一九年
		2020	2019
		人民幣千元	人民幣千元
		RMB'000	RMB'000
	附註		
	Notes		
向聯營公司貸款	Loans to associates	243,770	222,460
其他應收賬款	Other receivables	110,000	110,000
購買長期資產的預付款項	Prepayments for purchase of long-term assets	14,099	6,154
		367,869	338,614

- (i) 向一間聯營公司佛山德芮可製藥有限公司(「佛山德芮可」)貸款不計息、無抵押及須於三年內償還。

向一間聯營公司北京銳業製藥有限公司(「北京銳業」)貸款乃以北京銳業的母公司北京銳業經濟技術開發有限責任公司的15%權益作抵押並以其10%權益作質押，其中於一年內應付人民幣33,000,000元及於五年內應付人民幣123,770,000元。利息按每年5%計算。

- (i) The loan to an associate, Pharmadax (Foshan) Co., Ltd. (“Pharmadax (Foshan)”), was non-interest-bearing, unsecured, repayable in three years.

The loan to an associate, Beijing Ruiye Drugs Manufacture Co., Ltd. (“Beijing Ruiye”), was secured by the 15% equity interest in and pledged with the 10% equity interest in Beijing Ruiye’s parent company, Beijing Ruiye Economic Technology Development Co., Ltd, among which RMB33,000,000 was payable in one year and RMB123,770,000 was payable in five years. Interest is charged at 5% annually.

16. 存貨

16. INVENTORIES

		於十二月三十一日	
		As at 31 December	
		二零二零年	二零一九年
		2020	2019
		人民幣千元	人民幣千元
		RMB'000	RMB'000
原材料	Raw materials	197,995	179,744
在製品	Work in progress	155,820	112,701
製成品	Finished goods	152,526	117,588
		506,341	410,033
存貨撥備	Provision for inventories	(10,452)	(438)
		495,889	409,595

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

17. 貿易及其他應收賬款

17. TRADE AND OTHER RECEIVABLES

		於十二月三十一日	
		As at 31 December	
		二零二零年	二零一九年
		2020	2019
		人民幣千元	人民幣千元
		RMB'000	RMB'000
	附註		
	Notes		
貿易應收賬款 – 第三方	Trade receivables – third parties	(i) 272,514	158,640
應收票據	Notes receivable	(ii) 128,427	137,166
預付供應商款項	Prepayments to suppliers	150,618	116,882
向聯營公司貸款	Loans to associates	(iii)/40 113,445	79,326
應收一家合營企業之款項	Amount due from a joint venture	40 675	–
應收其他關聯方款項	Amounts due from other related parties	40 16,300	9,600
其他應收賬款	Other receivables	(iv) 316,523	132,065
		998,502	633,679
貿易應收賬款減值撥備	Provision of impairment on trade receivables	(i) (11,123)	(3,606)
其他應收賬款減值撥備	Provision of impairment on other receivables	(iv) (15,839)	–
		971,540	630,073

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

17. 貿易及其他應收賬款 (續)

(i) 貿易應收賬款 – 第三方

17. TRADE AND OTHER RECEIVABLES (continued)

(i) Trade receivables – third parties

於十二月三十一日

As at 31 December

二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
-----------------------------------	-----------------------------------

貿易應收賬款	Trade receivables	272,514	158,640
減值撥備	Provision of impairment	(11,123)	(3,606)
		261,391	155,034

本集團與其客戶之交易條款乃主要以信貸方式進行，惟新客戶一般須提前付款除外。信貸期一般為三個月，對於主要客戶則最多可延長至六個月。各客戶擁有最大信貸上限。本集團力求維持對其未償還應收款項之嚴格控制，並設有信貸控制部門，以盡量降低信貸風險。逾期結餘會由高級管理層定期檢討。鑒於上文所述及本集團的貿易應收賬款涉及大量各類客戶，並無重大信用風險集中。本集團並無就貿易應收賬款結餘持有任何抵押品或其他信用增級。貿易應收賬款為免息。

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally three months, extending up to six months for major customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

17. 貿易及其他應收賬款 (續)

- (i) 貿易應收賬款 – 第三方 (續)
於報告期末，貿易應收賬款按發票日期作出的賬齡分析如下 (經扣除撥備)：

17. TRADE AND OTHER RECEIVABLES (continued)

- (i) Trade receivables – third parties (continued)
An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of provisions, is as follows:

		於十二月三十一日	
		As at 31 December	
		二零二零年	二零一九年
		2020	2019
		人民幣千元	人民幣千元
		RMB'000	RMB'000
3個月內	Within 3 months	225,443	135,426
3至6個月	3 to 6 months	22,101	13,114
6個月至1年	6 months to 1 year	8,602	5,512
1年以上	More than 1 year	5,245	982
		261,391	155,034

於各報告日期採用撥備矩陣進行減值分析，以計量預期信貸虧損。撥備率乃基於貿易應收賬款的賬齡釐定。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、當前狀況及未來經濟條件預測的合理及可靠資料。

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on ageing of trade receivables. 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.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

17. 貿易及其他應收賬款 (續)

- (i) 貿易應收賬款 – 第三方 (續)
 下表載列就本集團貿易應收賬款
 使用撥備矩陣的信貸風險的資
 料：

於二零二零年十二月三十一日

17. TRADE AND OTHER RECEIVABLES (continued)

- (i) Trade receivables – third parties (continued)
 Set out below is the information about the credit risk exposure on the
 Group's trade receivables using a provision matrix:

As at 31 December 2020

		貿易應收賬款的賬齡				總計 Total
		Ageing of trade receivables				
		少於1年 Less than 1 year	1至2年 1 to 2 years	2至3年 2 to 3 years	超過3年 Over 3 years	
預期信貸虧損率	Expected credit loss rate	2.26%	17.47%	81.55%	100.00%	
		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
總賬面值	Gross carrying amount	262,073	5,805	2,463	2,173	272,514
預期信貸虧損	Expected credit losses	5,927	1,014	2,009	2,173	11,123

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

17. 貿易及其他應收賬款 (續)

- (ii) 應收票據指由中國內地信用評級較高的銀行開出的不可撤銷銀行票據。
- (iii) 向聯營公司貸款的明細如下：

17. TRADE AND OTHER RECEIVABLES (continued)

- (ii) The notes receivable represents the irrevocable bank bills issued by the banks in the Mainland China with high credit ratings.
- (iii) The breakdown of loans to associates is as follows:

		於十二月三十一日	
		As at 31 December	
		二零二零年	二零一九年
		2020	2019
		人民幣千元	人民幣千元
		RMB'000	RMB'000
	附註		
	Notes		
通化天實製藥有限公司	Tonghua Tianshi Pharmaceutical Co., Ltd.	(a) 78,033	75,105
北京銳業	Beijing Ruiye	(b) 33,000	3,554
仁方醫療	Renfang Medical	(c) 2,412	667
		113,445	79,326

- (a) 向聯營公司通化天實製藥有限公司(「通化天實」)貸款(包括貸款本金人民幣60,000,000元及利息人民幣18,033,000元)乃無抵押及須按要求悉數償還。利息按每年4.75%計算。
- (b) 向聯營公司北京銳業貸款乃以北京銳業的母公司北京銳業經濟技術開發有限責任公司的15%權益作抵押並以其10%權益作質押。利息按每年5%計算。
- (c) 向聯營公司仁方醫療貸款為免息、無抵押及須應要求償還。

- (a) The loan to an associate, Tonghua Tianshi Pharmaceutical Co., Ltd. ("Tonghua Tianshi"), including a loan principal of RMB60,000,000 and interest amounting to RMB18,033,000, was unsecured and repayable in full on demand. Interest is charged at 4.75% annually.
- (b) The loan to an associate, Beijing Ruiye, was secured by the 15% equity interest and pledged with the 10% equity interest in Beijing Ruiye's parent company, Beijing Ruiye Economic Technology Development Co., Ltd.. Interest is charged at 5% annually.
- (c) The loan to an associate, Renfang Medical, was non-interest-bearing, unsecured and repayable on demand.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

17. 貿易及其他應收賬款 (續)

- (iv) 其他應收賬款指供應商按金。預期信貸虧損乃經參考本集團過往虧損記錄及透過使用虧損率法估計。虧損率將於適當時作出調整以反映現時情況及預測未來經濟情況。

於二零二零年十二月三十一日，本集團根據國際財務報告準則第9號評估並確認其他應收賬款減值撥備人民幣15,839,000元(二零一九年十二月三十一日：無)。

17. TRADE AND OTHER RECEIVABLES (continued)

- (iv) Other receivables mainly represent deposits with suppliers. Expected credit losses are estimated by applying a loss rate approach with reference to the historical loss record of the Group. The loss rate is adjusted to reflect the current conditions and forecasts of future economic conditions, as appropriate.

The Group assessed and recognised a provision of impairment for other receivables amounting to RMB15,839,000 (31 December 2019: Nil) in accordance with IFRS 9 as at 31 December 2020.

18. 現金及現金等價物及已質押存款

18. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS

		於十二月三十一日 As at 31 December	
		二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
現金及銀行結餘	Cash and bank balances	2,947,415	4,590,971
定期存款	Time deposits	1,801,174	526,172
		4,748,589	5,117,143
減：已質押存款(附註25)	Less: Pledged deposits (Note 25)		
– 履行借款質押	– Pledge for interest-bearing bank borrowings	144,548	–
現金及現金等價物	Cash and cash equivalents	4,604,041	5,117,143

銀行現金按以每日銀行存款利率計算的浮息賺取利息。視乎本集團即時現金需求而定，短期定期存款就介乎一天至三個月不同期間作出，並按相關短期定期存款利率賺取利息。銀行結餘及已質押存款存放於近期無違約歷史且信譽良好的銀行。

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

18. 現金及現金等價物及已質押存款(續)

本集團於各報告日期的現金及現金等價物以下列貨幣計值：

18. CASH AND CASH EQUIVALENTS AND PLEDGED DEPOSITS (continued)

The Group's cash and cash equivalents at each reporting date are denominated in the following currencies:

		於十二月三十一日	
		As at 31 December	
		二零二零年	二零一九年
		2020	2019
		人民幣千元	人民幣千元
		RMB'000	RMB'000
人民幣	RMB	4,400,045	5,056,127
港元	HKD	165,600	5,421
美元	USD	16,546	53,888
歐元	EUR	21,838	1,707
澳門幣	MOP	12	–
		4,604,041	5,117,143

人民幣不可自由兌換為其他貨幣，然而，根據中國外匯管理規定以及結匯、售匯及付匯管理規定，本集團獲准透過獲認可進行外匯業務之銀行兌換人民幣為其他貨幣。

The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

19. 股本及股份溢價

19. SHARE CAPITAL AND SHARE PREMIUM

	法定 普通股數目 Number of authorised ordinary shares 千股 Share'000	已發行及 繳足普通股 數目 Number of issued and fully paid ordinary shares 千股 Share'000	股本 Share capital 人民幣千元 RMB'000	股份溢價 Share premium 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
於二零一九年一月一日 As at 1 January 2019	100,000,000	9,471,082	78,233	4,093,317	4,171,550
年度之變動 購回及註銷股份 (附註(i))					
Movement for the year Repurchase and cancellation of shares (Note (i))					
		-	(5,400)	(47)	(8,471)
於二零一九年 十二月三十一日、 二零二零年一月一日 及二零二零年 十二月三十一日 (每股面值0.01港元)	As at 31 December 2019, 1 January 2020 and 31 December 2020 (HK\$0.01 per share)				
		100,000,000	9,465,682	78,186	4,084,846
			4,163,032		

(i) 於二零一九年內，本公司以總代價9,690,000港元(包括各項開支)(相當於人民幣8,518,000元)於聯交所購回其5,400,000股股份。於二零一九年十二月三十一日，所有購回股份已全部註銷。

(i) During the year of 2019, the Company repurchased 5,400,000 shares of its own shares on the Stock Exchange at a total consideration, including expenses, of HK\$9,690,000 (equivalent to RMB8,518,000). As at 31 December 2019, these repurchased shares were cancelled.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

20. 其他儲備及保留盈利

20. OTHER RESERVES AND RETAINED EARNINGS

		中國 法定儲備金 PRC statutory reserve fund 人民幣千元 RMB'000	其他儲備 Other reserve 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000	保留盈利 Retained earnings 人民幣千元 RMB'000
於二零一八年 十二月三十一日和 於二零一九年一月一日	At 31 December 2018 and at 1 January 2019	310,041	(150,410)	159,631	8,179,232
年度虧損	Loss for the year	-	-	-	(2,753,332)
股息(附註34)	Dividends (Note 34)	-	-	-	(160,987)
僱員股份獎勵計劃 - 僱員服務價值 (附註30)	Employee share award scheme - Value of employee services (Note 30)	-	353	353	-
不改變控制之附屬公司 權益變更	Changes in interests in subsidiaries without change of control	-	18,755	18,755	-
轉撥至中國法定儲備金(i)	Transfer to PRC statutory reserve fund (i)	13,935	-	13,935	(13,935)
於二零一九年 十二月三十一日和 於二零二零年一月一日	At 31 December 2019 and at 1 January 2020	323,976	(131,302)	192,674	5,250,978
年度溢利	Profit for the year	-	-	-	473,382
股息(附註34)	Dividends (Note 34)	-	-	-	(1,419,852)
僱員股份獎勵計劃 - 僱員服務價值 (附註30)	Employee share award scheme - Value of employee services (Note 30)	-	23,176	23,176	-
不改變控制之附屬公司 權益變更	Changes in interests in subsidiaries without change of control	-	506,952	506,952	-
轉撥至中國法定儲備金(i)	Transfer to PRC statutory reserve fund (i)	2,420	-	2,420	(2,420)
於二零二零年 十二月三十一日	At 31 December 2020	326,396	398,826	725,222	4,302,088

(i) 本公司於中國的附屬公司須遵循中國內地法例及規例以及其各自的組織章程細則。該等附屬公司須將其各財政年度的純利的至少10%分配至儲備金，直至該基金餘額達到其各自註冊資本的50%。該儲備金僅可於取得股東大會批准或類似授權後用於抵銷累計虧損或用於增資。該儲備金不可用於向股東分派(清盤時例外)。

(i) The Company's subsidiaries in the PRC are required to follow the laws and regulations of the Mainland China and their respective articles of association. These subsidiaries are required to allocate at least 10% of their net profits for each financial year to the reserve fund until the balance of such fund has reached 50% of their respective registered capital. The reserve fund can only be used, upon approval by the shareholders' meeting or similar authorities, to offset accumulated losses or increase capital. The reserve fund is not available for distribution to shareholders except in the case of liquidation.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

21. 其他負債

21. OTHER LIABILITIES

		於十二月三十一日	
		As at 31 December	
		二零二零年	二零一九年
		2020	2019
		人民幣千元	人民幣千元
		RMB'000	RMB'000
遞延政府補助(i)	Deferred government grants (i)	75,224	81,276
其他借款(ii)	Other borrowings (ii)	32,000	9,000
		107,224	90,276
減：流動部分	Less: current portion		
遞延政府補助(i)	Deferred government grants (i)	10,480	10,602
其他借款(ii)	Other borrowings (ii)	4,000	–
		14,480	10,602
非流動部分	Non-current portion	92,744	79,674

(i) 其指就建設物業、廠房及設備所收到的遞延政府補助收益。其將於相關資產預計年期內按直線基準計入綜合損益表。

(ii) 其指來自本集團一家附屬公司非控股股東的借款人民幣28,000,000元(此借款為計息、無抵押及須於九年內償還)，及來自第三方的新借款人民幣4,000,000元(此借款為計息、無抵押及須於一年內償還)。

(i) It represents the deferred revenue of government grants received for the construction of property, plant and equipment. It will be credited to the consolidated statement of profit or loss on a straight-line basis over the expected lives of the related assets.

(ii) It represents the borrowing amounting to RMB28,000,000 from non-controlling shareholders of the Group's a subsidiary, which is interest-bearing, unsecured and repayable in nine years, and a new borrowing amounting to RMB4,000,000 from a third party which is interest-bearing, unsecured and repayable in one year.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

22. 貿易及其他應付賬款

22. TRADE AND OTHER PAYABLES

		於十二月三十一日	
		As at 31 December	
		二零二零年	二零一九年
		2020	2019
		人民幣千元	人民幣千元
		RMB'000	RMB'000
貿易應付賬款(i)	Trade payables (i)	106,201	65,719
應付建設成本及設備採購款項	Costs of construction and purchase of equipment payables	105,544	49,197
收購附屬公司應付賬款	Payable for acquisitions of subsidiaries	346,500	300,000
應付按金	Deposit payables	187,169	223,469
應付分銷商的應計補償	Accrued reimbursement to distributors	914,490	1,152,308
應付薪金	Salaries payable	64,142	50,381
應付利息	Interest payables	7,454	6,033
應付股息	Dividends payable	159	112
其他應付賬款	Other payables	98,502	58,573
		1,830,161	1,905,792

(i) 貿易應付賬款為不計息，平均信貸期為40天。

(i) The trade payables are non-interest-bearing and have an average term of 40 days.

於報告期結束時，貿易應付賬款基於發票開具日的賬齡分析如下：

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

		於十二月三十一日	
		As at 31 December	
		二零二零年	二零一九年
		2020	2019
		人民幣千元	人民幣千元
		RMB'000	RMB'000
6個月內	Within 6 months	83,808	55,407
6個月至1年	6 months to 1 year	6,805	2,036
1年以上	More than 1 year	15,588	8,276
		106,201	65,719

貿易及其他應付賬款的公平值與其賬面值相若。

The fair values of trade and other payables approximate to their carrying amounts.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

23. 合約負債

23. CONTRACT LIABILITIES

於十二月三十一日

As at 31 December

二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
-----------------------------------	-----------------------------------

來自客戶的墊款	Advances from customers	186,354	316,995
銷售分銷權的遞延收益(i)	Deferred revenue for sales of distribution rights (i)	275	9,575
		186,629	326,570
減：流動部分	Less: Current portion		
來自客戶的墊款	Advances from customers	186,354	316,995
銷售分銷權的遞延收益(i)	Deferred revenue for sales of distribution rights (i)	275	9,300
		186,629	326,295
非流動部分	Non-current portion	-	275

(i) 其指出售若干醫藥產品的分銷權為期五年於分銷商已收的現金墊款。收益已按直線基準於綜合損益表確認。

(i) It represents the cash advances received for sales of distribution rights of certain pharmaceutical products to distributors for a period of five years. The revenue is recognised in the consolidated statement of profit or loss on the straight-line basis.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

24. 遞延稅項

年內遞延稅項資產及負債變動如下：

遞延稅項資產

24. DEFERRED TAX

The movements in deferred tax assets and liabilities during the year are as follows:

Deferred tax assets

		物業、 廠房及設備 相關政府 補助	集團內 公司間 銷售的 未變現溢利	出售 分銷權 的未變現 溢利	長期資產 減值	按公平值 計入損益的 金融資產的 公平值調整	應計費用	租賃負債	總計	
		Impairment of receivables	Unrealised profit of sales of intra-group sales	Unrealised profit of sales of distribution rights	Impairment of long-term assets	Fair value adjustment of financial assets at fair value through profit or loss	Accrued expenses	Lease liabilities	Total	
		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	
於二零一九年一月一日	At 1 January 2019	-	8,090	12,429	3,913	-	-	86,682	-	111,114
年內於綜合損益表 入賬/(支銷)的 遞延稅項(附註31)	Deferred tax credited/(charged) to the consolidated statement of profit or loss during the year (Note 31)	541	(604)	5,557	(2,406)	46,699	4,750	166,419	152	221,108
於二零一九年 十二月三十一日	At 31 December 2019	541	7,486	17,986	1,507	46,699	4,750	253,101	152	332,222

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

24. 遞延稅項 (續)

遞延稅項資產 (續)

24. DEFERRED TAX (continued)

Deferred tax assets (continued)

		物業、 廠房及設備 相關政府 補助 Government subsidies associated with property, plant and equipment	集團內 公司間 銷售的 未變現 溢利 Unrealised profit of intra-group sales	出售 分銷權的 未變現溢利 Unrealised profit of sales of rights	長期資產 減值 Impairment of long-term assets	按公平值 計入損益的 金融資產的 公平值調整 Fair value adjustment of financial assets at fair value through profit or loss	應計費用 Accrued expenses	租賃負債 Lease liabilities	未來可抵扣 盈利之虧損 Loss available for offsetting against future taxable profits	總計 Total	
		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	
於二零一九年 十二月三十一日	At 31 December 2019	541	7,486	17,986	1,507	46,699	4,750	253,101	152	-	332,222
於二零二零年一月一日	At 1 January 2020	541	7,486	17,986	1,507	46,699	4,750	253,101	152	-	332,222
年內於綜合損益表 入賬(支銷)的 遞延稅項(附註31)	Deferred tax credited/ (charged) to the consolidated statement of profit or loss during the year (Note 31)	1,128	(607)	(12,604)	(1,466)	(23,179)	(4,750)	(54,496)	(137)	33,338	(62,773)
於二零二零年 十二月三十一日	At 31 December 2020	1,669	6,879	5,382	41	23,520	-	198,605	15	33,338	269,449

若可通過未來應納稅溢利變現相關稅項優惠，則就稅項虧損結轉確認遞延稅項資產。由於特定子公司持續虧損且未來盈利彌補虧損可能性較小，故本集團於二零二零年十二月三十一日並無確認與稅項虧損人民幣1,726,520,000元(二零一九年：人民幣829,656,000元)有關的遞延稅項資產約人民幣392,306,000元(二零一九年：人民幣207,414,000元)。該等虧損可以結轉以抵銷未來應課稅溢利。虧損人民幣77,748,000元、人民幣46,723,000元、人民幣87,671,000元、人民幣472,657,000元及人民幣1,041,721,000元將分別於二零二一年、二零二二年、二零二三年、二零二四年及二零二五年到期。

Deferred tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefits through the future taxable profits is probable. Due to the fact that losses arisen in certain subsidiaries that have been loss-making for some time and it is not considered probable that taxable profit will be available against which the tax losses can be utilised, the Group did not recognise deferred tax assets of approximately RMB392,306,000 (2019: RMB207,414,000) in respect of tax losses amounting to RMB1,726,520,000 (2019: RMB829,656,000) as at 31 December 2020 that can be carried forward to offset against future taxable profits. Losses amounting to RMB77,748,000, RMB46,723,000, RMB87,671,000, RMB472,657,000 and RMB1,041,721,000 will expire in 2021, 2022, 2023, 2024 and 2025, respectively.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

24. 遞延稅項(續)

遞延稅項負債

24. DEFERRED TAX (continued)

Deferred tax liabilities

		收購產生的 公平值收益 Fair value gain arising from acquisitions 人民幣千元 RMB'000	中國內地 附屬公司 未匯出收益 的預扣稅 Withholding tax of the unremitted earnings of a Mainland China subsidiary 人民幣千元 RMB'000	確認 合營企業 及聯營公司 所產生的 公平值調整 Fair value adjustment arising from recognition of a joint venture and an associate 人民幣千元 RMB'000	未支付 現金股息的 預扣稅 Withholding tax of unpaid cash dividends 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
於二零一九年一月一日	At 1 January 2019	207,091	4,391	45,455	-	256,937
年內於綜合損益表 (入賬)/支銷的 遞延稅項(附註31)	Deferred tax (credited)/charged to consolidated statement of profit or loss during the year (Note 31)	(115,004)	(4,312)	-	145,000	25,684
於二零一九年 十二月三十一日	At 31 December 2019	92,087	79	45,455	145,000	282,621
於二零二零年一月一日	At 1 January 2020	92,087	79	45,455	145,000	282,621
年內於綜合損益表 (入賬)/支銷的 遞延稅項(附註31)	Deferred tax (credited)/charged to consolidated statement of profit or loss during the year (Note 31)	(3,594)	588	12,073	-	9,067
支付預扣稅	Payment of withholding tax	-	-	-	(66,000)	(66,000)
於二零二零年 十二月三十一日	At 31 December 2020	88,493	667	57,528	79,000	225,688

根據中國企業所得稅法，於中國內地成立的外資企業向海外投資者所宣派股息須繳納10%預扣稅。此規定自二零零八年一月一日起生效，並適用於二零零七年十二月三十一日後之盈利。較低的預扣稅率或會於中國內地與海外投資者司法權區訂有稅務條約之情況下適用。就本集團而言，適用稅率為5%。本集團因此須就其在中國內地成立的附屬公司於二零零八年一月一日後賺取之盈利所分派股息繳納預扣稅。

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

25. 計息銀行借款

25. INTEREST-BEARING BANK BORROWINGS

		於二零二零年十二月三十一日		
		As at 31 December 2020		
		實際利率(%)	到期日	人民幣千元
		Effective	Maturity	RMB'000
		interest rate (%)		
流動性	Current			
有抵押銀行借款	Secured bank borrowings	4.00–6.85	二零二一年 2021	108,640
無抵押銀行借款	Unsecured bank borrowings	2.05–4.30	二零二一年 2021	279,290
				387,930
非流動性	Non-Current			
有抵押銀行借款	Secured bank borrowings	4.90	二零三五年 2035	131,193
有抵押銀行借款	Secured bank borrowings	4.00	二零二三年 2023	199,980
				331,173
				719,103

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

25. 計息銀行借款 (續)

25. INTEREST-BEARING BANK BORROWINGS (continued)

		於二零二零年 十二月三十一日 As at 31 December 2020 人民幣千元 RMB'000
分析為：	Analysed into:	
銀行借款：	Bank borrowings:	
第一年內	Within the first year	387,930
二至五年	Within the second to fifth years	199,980
超過五年	Beyond the fifth years	131,193
		719,103

附註：

(a) 本集團若干銀行借款由以下各項作抵押：

(i) 抵押本集團總計賬面值為人民幣397,382,000元的租賃土地、物業、廠房及設備；

(ii) 抵押本集團若干定期存款人民幣144,548,000元；和

(iii) 一家附屬公司的部分權益。

(b) 所有借款以人民幣計值。

(c) 於二零二零年十二月三十一日的銀行借款實際利率介乎年化2.05%至6.85% (二零一九年十二月三十一日：無)。

Notes:

(a) Certain of the Group's bank borrowings are secured by:

(i) Mortgages over the Group's leasehold land, property, plant and equipments with an aggregate carrying value of RMB397,382,000;

(ii) The pledge of certain of the Group's time deposits amount to RMB144,548,000; and

(iii) Portion of equity interests in a subsidiary.

(b) All borrowings are denominated in RMB.

(c) The effective interest rates of the bank borrowings as at 31 December 2020 range from 2.05% to 6.85% (31 December 2019: Nil) per annum.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

26. 收益、其他收入及收益

收益的分析如下：

客戶合約收益
(a) 分類收入資料

26. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

Revenue from contracts with customers
(a) *Disaggregated revenue information*

		二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
貨品或服務類別	Type of goods or services		
銷售藥品	Sale of pharmaceutical products	2,464,226	2,878,318
客戶合約收益總額	Total revenue from contracts with customers	2,464,226	2,878,318
地區市場	Geographical markets		
中國內地	Mainland China	2,464,226	2,878,318
客戶合約收益總額	Total revenue from contracts with customers	2,464,226	2,878,318
收益確認時間	Timing of revenue recognition		
在某一時間點轉移的貨品	Goods transferred at a point in time	2,464,226	2,878,318
客戶合約收益總額	Total revenue from contracts with customers	2,464,226	2,878,318

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

26. 收益、其他收入及收益 (續)

客戶合約收益 (續)

(b) 履行責任

銷售醫藥產品

履行責任於交付醫藥產品時達成，而付款一般於交付後90天至180天內到期，惟新客戶通常須預先付款。於十二月三十一日，分配至餘下履行義務（未履行或部分未履行）的交易價格如下：

26. REVENUE, OTHER INCOME AND GAINS (continued)

Revenue from contracts with customers (continued)

(b) Performance obligations

Sale of pharmaceutical products

The performance obligation is satisfied upon delivery of the pharmaceutical products and payment is generally due within 90 to 180 days from delivery, except for new customers, where payment in advance is normally required. The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December are as follows:

		於十二月三十一日	
		As at 31 December	
		二零二零年	二零一九年
		2020	2019
		人民幣千元	人民幣千元
		RMB'000	RMB'000
預期將確認為收益的金額：	Amounts expected to be recognised as revenue:		
一年內	Within one year	186,354	316,995

其他收入

Other income

		二零二零年	二零一九年
		2020	2019
		人民幣千元	人民幣千元
		RMB'000	RMB'000
利息收入	Interest income	135,728	169,707
出售分銷權(i)	Sale of distribution rights (i)	9,300	13,348
研發收入(ii)	R&D income (ii)	13,386	21,370
投資物業經營租賃之	Gross rental income from investment property		
租金收入總額(iii)	operating leases (iii)	7,433	6,662
其他	Others	6,713	2,317
		172,560	213,404

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

26. 收益、其他收入及收益 (續)

其他收入 (續)

- (i) 出售分銷權的地區市場均為中國內地。履約義務在提供服務時隨時間履行，並在正常情況下須於提供服務前預付款項。出售分銷權的合約期限為五年。於十二月三十一日，分配至餘下履約義務（未履行或部分未履行）的交易價格如下：

26. REVENUE, OTHER INCOME AND GAINS (continued)

Other income (continued)

- (i) The geographical market of all the sale of distribution rights is Mainland China. The performance obligation is satisfied over time as services are rendered and advances are normally required before rendering the services. Sale of distribution rights contracts is for periods of five years. The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December are as follows:

		於十二月三十一日 As at 31 December	
		二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
預期將確認為其他收入的金額：	Amounts expected to be recognised as other income:		
一年內	Within one year	275	9,300
一年後	After one year	-	275
		275	9,575

下表呈列於本報告期間確認並於報告期初計入合約負債之收益金額：

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

		二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
計入報告期初合約負債確認的收益：	Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
出售分銷權	Sale of distribution rights	9,300	13,348

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

26. 收益、其他收入及收益 (續)

其他收入 (續)

- (ii) 研發收入的地區市場均為中國內地。履約義務在提供服務時隨時間履行，一般須於開票日期起30日內付款。
- (iii) 履約義務在提供服務時隨時間履行，一般須於開票日期起30日內付款。租金收入的分析如下：

26. REVENUE, OTHER INCOME AND GAINS (continued)

Other income (continued)

- (ii) The geographical market of all the R&D income is Mainland China. The performance obligation is satisfied over time as services are rendered and payment is generally due within 30 days from the date of billing.
- (iii) The performance obligation is satisfied over time as services are rendered and payment is generally due within 30 days from the date of billing. An analysis of rental income is as follows:

		二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
地區市場	Geographical markets		
香港	Hong Kong	6,597	5,912
中國內地	Mainland China	836	750
		7,433	6,662

其他收益 – 淨額

Other gains – net

		二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
政府補助(i)	Government grants (i)	156,228	401,155
視作出售聯營公司之權益的 收益(附註13)	Gain on deemed disposal of interest in an associate (Note 13)	80,488	–
匯兌收益	Exchange gains	7,272	19,629
按公平值計入損益的金融資產的 公平值收益/(虧損)	Fair value gain/(loss) on financial assets at fair value through profit or loss	2,683	(18,599)
收購附屬公司的收益(附註38(a))	Gain on acquisition of a subsidiary (Note 38(a))	2,830	–
其他	Others	118	(8)
		249,619	402,177

- (i) 政府補助指從地方政府收取且並無附帶特別條件的補貼。

- (i) The total government grants represented the subsidies received from the local government and no specific conditions were attached to them.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

27. 按性質劃分的費用

27. EXPENSES BY NATURE

		二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
研究費用	Research expenses	399,472	322,356
外部研究費用	External research expenses	139,026	44,748
原料成本	Raw materials used	368,255	311,218
製成品及在製品存貨變化	Changes in inventories of finished goods and work in progress	68,044	60,885
物業、廠房及設備折舊	Depreciation of property, plant and equipment	215,580	223,149
使用權資產折舊	Depreciation of right-of-use assets	21,465	23,160
僱員福利開支	Employee benefit expenses		
工資及薪金	Wages and salaries	501,370	446,565
福利	Welfares	66,937	108,442
以股份為基礎的付款(附註30)	Share-based payments (Note 30)	23,176	353
無形資產攤銷	Amortisation of intangible assets	28,180	96,402
商譽減值虧損(附註9)	Impairment losses of goodwill (Note 9)	–	2,843,903
無形資產減值虧損(附註10)	Impairment losses of intangible assets (Note 10)	–	759,615
使用權益法計算的投資減值虧損(附註13)	Impairment losses of investment accounted for using the equity method (Note 13)	–	91,521
物業、廠房及設備減值虧損(附註6)	Impairment losses of property, plant and equipment (Note 6)	–	276,464
專業費用	Professional fee	86,622	58,595
辦公室開支	Office expenses	57,514	46,940
稅項及附加費	Tax surcharges	66,089	74,773
差旅開支	Travelling expenses	16,706	29,364
運輸開支	Transportation expenses	28,970	24,357
水電及物業管理費	Utilities and property management fee	8,822	9,687
租賃開支	Rental expenses	5,336	255
廣告及促銷開支	Advertising and promotional expenses	43,722	14,736
核數師酬金	Auditor's remuneration	5,000	5,500
業務招待開支	Entertainment expenses	10,793	13,661
銀行手續費	Bank charges	1,267	6,361
其他	Others	9,241	7,114
銷售成本、分銷開支、行政開支、研究及開發開支、其他開支及減值虧損總額	Total cost of sales, distribution expenses, administrative expenses, research and development expenses, other expenses and impairment losses	2,171,587	5,900,124

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

28. 董事及高級行政人員的薪酬

根據上市規則、香港公司條例第383(1)(a)、(b)、(c)及(f)條以及公司(披露董事利益資料)規例第2部分披露董事及高級行政人員年內薪酬如下：

(a) 獨立非執行董事

年內支付予獨立非執行董事的袍金如下：

		袍金 Fee 人民幣千元 RMB'000	以股權結算的 購股權開支 Equity-settled share option expense 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
二零二零年	2020			
辛定華先生	Mr. Patrick Sun	368	216	584
曾華光先生	Mr. Tsang Wah Kwong	368	216	584
朱迅博士	Dr. Zhu Xun	280	216	496
		1,016	648	1,664

		袍金 Fee 人民幣千元 RMB'000	以股權結算的 購股權開支 Equity-settled share option expense 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
二零一九年	2019			
辛定華先生	Mr. Patrick Sun	362	–	362
曾華光先生	Mr. Tsang Wah Kwong	362	–	362
朱迅博士	Dr. Zhu Xun	280	–	280
		1,004	–	1,004

年內概無須向獨立非執行董事支付其他酬金(二零一九年：無)。

There were no other emoluments payable to the independent non-executive directors during the year (2019: Nil).

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

28. 董事及高級行政人員的薪酬 (續)

(b) 執行董事及非執行董事

28. DIRECTORS' AND EXECUTIVE'S REMUNERATION (continued)

(b) Executive directors and non-executive directors

		薪金 Salaries 人民幣千元 RMB'000	退休金 計劃供款 Pension scheme contribution 人民幣千元 RMB'000	其他補貼及 實物利益 Other allowances and benefits in kind 人民幣千元 RMB'000	以股權結算的 購股權開支 Equity-settled share option expense 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
二零二零年	2020					
執行董事：	Executive directors:					
車馮升醫生	Dr. Che Fengsheng	10,000	-	-	-	10,000
郭維城醫生	Dr. Guo Weicheng	6,000	-	-	-	6,000
張炯龍醫生	Dr. Zhang Jionglong	893	16	-	-	909
蔡耀忠先生	Mr. Choi Yiau Chong	3,211	16	-	431	3,658
陳燕玲女士	Ms. Chen Yanling	1,161	19	455	287	1,922
		21,265	51	455	718	22,489
非執行董事：	Non-executive director:					
金鎮夏先生	Mr. Kim Jin Ha	-	-	-	-	-
		21,265	51	455	718	22,489

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

28. 董事及高級行政人員的薪酬 (續)

(b) 執行董事及非執行董事 (續)

28. DIRECTORS' AND EXECUTIVE'S REMUNERATION

(continued)

(b) Executive directors and non-executive directors

(continued)

		薪金 Salaries 人民幣千元 RMB'000	退休金 計劃供款 Pension scheme contribution 人民幣千元 RMB'000	其他補貼及 實物利益 Other allowances and benefits in kind 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
二零一九年	2019				
執行董事：	Executive directors:				
車馮升醫生	Dr. Che Fengsheng	10,000	–	–	10,000
郭維城醫生	Dr. Guo Weicheng	6,000	–	–	6,000
張炯龍醫生	Dr. Zhang Jionglong	1,165	16	–	1,181
蔡耀忠先生	Mr. Choi Yiau Chong	3,167	16	–	3,183
陳燕玲女士	Ms. Chen Yanling	1,142	16	270	1,428
		21,474	48	270	21,792
非執行董事：	Non-executive director:				
金鎮夏先生	Mr. Kim Jin Ha	–	–	–	–
		21,474	48	270	21,792

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

29. 五名最高薪僱員

年內，五名最高薪僱員包括四名董事（二零一九年：四名）董事，其薪酬詳情載於上文附註28。年內的餘下一名（二零一九年：一名）並非本公司董事的最高薪僱員的薪酬詳情列載如下：

29. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included four directors (2019: four directors), details of whose remuneration are set out in Note 28 above. Details of the remuneration for the year of the remaining one (2019: one) highest paid employee who is not a director of the Company are as follows:

		二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
基本薪金、房屋補貼、其他補貼及 實物利益	Basic salaries, housing allowances, other allowances and benefits in kind	1,246	1,253
以股份為基礎的付款	Share-based payments	425	–
		1,671	1,253

薪酬介乎以下範圍的最高薪僱員（非董事及非最高行政人員）人數如下：

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

		二零二零年 2020	二零一九年 2019
1,500,001港元至2,000,000港元	HKD1,500,001–HKD2,000,000	1	1

截至二零二零年及二零一九年十二月三十一日止年度，本集團並無向董事或最高薪酬人士就吸引其加入或補償其離職而支付款項，亦概無董事或最高薪酬人士放棄收取任何有關酬金。

For the years ended 31 December 2020 and 2019, no payments had been made by the Group to the directors or the highest paid individuals in respect of inducement to join or compensation for loss of office, and no directors or the highest paid individuals waived any of the emoluments.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

30. 以股份為基礎的付款

1. 四環醫藥控股集團有限公司購股權計劃

(a) 股份獎勵計劃

為向本集團管理層提供獎勵，本公司若干股東（即Plenty Gold Enterprises Limited（「Plenty Gold」）、車馮升醫生及郭維城醫生）已於二零一零年十月二十五日採納一項獎勵計劃（「僱員股份獎勵計劃」或「該計劃」）。於二零一三年一月二十五日，本公司的另一股東（即MSPEA Pharma Holdings B.V.）亦參與僱員股份獎勵計劃。受託公司（於英屬處女群島成立的私人信託公司，由Plenty Gold全資擁有）已獲委任為受託人，根據僱員股份獎勵計劃持有預留股份。Plenty Gold、車馮升醫生及郭維城醫生（作為信託的財產授予人）已預留及撥出合共33,750,000股本公司股份；而MSPEA Pharma Holdings B.V.預留及撥出額外3,750,000股本公司股份。所有該等股份由受託人公司根據僱員股份獎勵計劃以受託人的身份持有。僱員股份獎勵計劃涉及授出由受託人公司持有的現有股份，並不會根據僱員股份獎勵計劃發行新股份。

30. SHARE-BASED PAYMENTS

1. Sihuan Pharmaceutical Holdings Group Ltd. Share Options Plan

(a) Share award scheme

An award scheme for the purpose of incentivising the management of the Group (the “Employee Share Award Scheme” or the “Scheme”) has been adopted by certain shareholders of the Company (namely, Plenty Gold Enterprises Limited (“Plenty Gold”), Dr. Che Fengsheng and Dr. Guo Weicheng) on 25 October 2010. On 25 January 2013, another shareholder of the Company (namely, MSPEA Pharma Holdings B.V.) also participated in the Employee Share Award Scheme. Trustee Co (a private trust company established in the British Virgin Islands and wholly owned by Plenty Gold) has been appointed as the trustee to hold the reserved shares under the Employee Share Award Scheme. Plenty Gold, Dr. Che Fengsheng and Dr. Guo Weicheng, as settlors of a trust, have reserved and set aside a total of 33,750,000 shares; and MSPEA Pharma Holdings B.V. has reserved and set aside an additional 3,750,000 shares, all of which are being held by the Trustee Co as trustee for the Employee Share Award Scheme. The Employee Share Award Scheme involves granting existing shares held by Trustee Co., and no new shares will be issued pursuant to the Employee Share Award Scheme.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

30. 以股份為基礎的付款(續)

1. 四環醫藥控股集團有限公司購股權計劃(續)

(a) 股份獎勵計劃(續)

於二零二零年八月二十六日，本公司根據本公司於二零一七年十月二十四日採納的購股權計劃，向其合資格參與者授出合共94,656,000股購股權，合共可認購本公司股本中每股面值0.01港元的94,656,000股普通股份，惟須待承授人接納。

本公司根據適用於以股權結算的股份支付交易的規定，計量其僱員提供的服務，而相關的增幅則在權益確認為來自主要股東的貢獻。本公司將不會根據僱員股份獎勵計劃發行新股份，且概不會因僱員股份獎勵計劃而對每股盈利的計算方式造成攤薄影響。

根據僱員股份獎勵計劃，獎勵乃授予本集團合資格僱員，可行使為於各個財政年度(由授出日期起直至已授出的相關獎勵屆滿日期止期間)獲指定的受託人公司持有的本公司股份的特定數目。

30. SHARE-BASED PAYMENTS (continued)

1. Sihuan Pharmaceutical Holdings Group Ltd. Share Options Plan (continued)

(a) Share award scheme (continued)

On 26 August 2020, the Company granted a total of 94,656,000 share options to the eligible participants of the Company to subscribe for a total of 94,656,000 ordinary shares of HK\$0.01 each in the share capital of the Company pursuant to the share option scheme of the Company adopted on 24 October 2017, subject to the acceptance by the grantees.

The Company measures the services received from its employees in accordance with the requirements applicable to equity-settled share-based payment transactions, with a corresponding increase recognised in equity as a contribution from the major shareholders. No new shares will be issued by the Company under the Employee Share Award Scheme and there is no dilution impact on the earnings per share calculation as a result of the Employee Share Award Scheme.

Under the Employee Share Award Scheme, awards were granted to the eligible employees of the Group, which are exercisable into the specific number of shares of the Company, held by Trustee Co., designed in each financial year during the period from the grant date up to the expiry date of the relevant awards granted.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

30. 以股份為基礎的付款 (續)

1. 四環醫藥控股集團有限公司購股權計劃 (續)

(a) 股份獎勵計劃 (續)

已授予本集團若干僱員的股份獎勵概要如下：

授出日期	Grant date	每份股份 獎勵行使價港元 Exercise price in HK\$ per share award	已授出獎勵 數目(千份) Number of awards granted (thousands)
二零一二年三月二十日(i)	20 March 2012 (i)	3.19	14,150
二零一三年九月二十七日(i)	27 September 2013 (i)	3.19	19,750
二零一三年十月二十一日(i)	21 October 2013 (i)	0.7	2,050
二零二零年八月二十六日(ii)	26 August 2020 (ii)	0.97	94,656
			130,606

(i) 於二零一六年六月二十八日，本集團調整了股份獎勵計劃。已授予234名僱員但未獲行使的餘下31,448,172份購股權已由新股份獎勵(行使價為每股股份獎勵1.57港元)取代。

(ii) 於二零二零年八月二十六日授出的購股權行使價為每股股份0.97港元。

30. SHARE-BASED PAYMENTS (continued)

1. Sihuan Pharmaceutical Holdings Group Ltd. Share Options Plan (continued)

(a) Share award scheme (continued)

The summary of the share awards granted to certain employees of the Group is as follows:

(i) On 28 June 2016, the Group modified the share award scheme. The remaining 31,448,172 share options, which were granted to but not yet exercised by 234 employees, were replaced by new share awards with an exercise price of HK\$1.57 per share award.

(ii) Exercise price of share option granted on 26 August 2020 is HK\$0.97 per share.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

30. 以股份為基礎的付款(續)

1. 四環醫藥控股集團有限公司購股權計劃(續)

(b) 股份獎勵變動

以下購股權根據計劃於年內未獲行使：

30. SHARE-BASED PAYMENTS (continued)

1. Sihuan Pharmaceutical Holdings Group Ltd. Share Options Plan (continued)

(b) Share award movements

The following share options were outstanding under the Scheme during the year:

		二零二零年 2020		二零一九年 2019	
		每股股份獎勵 平均行使價港元 Average exercise price in HK\$ per share award	購股權數量 (千份) Number of options (thousands)	每股股份獎勵 平均行使價港元 Average exercise price in HK\$ per share award	購股權數量 (千份) Number of options (thousands)
於一月一日	At 1 January	1.57	964	1.57	1,272
已授出	Granted	0.97	94,656	–	–
已行使	Exercised	–	–	1.57	(308)
於十二月三十一日	At 31 December	0.98	95,620	1.57	964

以下為年末尚未行使的股份獎勵之到期日期及行使價：

Share awards outstanding at the end of the year had the following expiry date and exercise price:

到期日期	Expiry date	每股股份獎勵 行使價港元 Exercise price in HK\$ per share award	已授出尚未行使的 股份獎勵數目(千份) Number of outstanding awards granted (thousands)		已歸屬及尚未行使的 獎勵數目(千份) Number of outstanding vested and exercisable awards (thousands)	
			二零二零年 2020	二零一九年 2019	二零二零年 2020	二零一九年 2019
二零二一年六月二十八日	28 June 2021	1.57	964	964	–	–
二零三零年八月二十五日	25 August 2030	0.97	94,656	–	–	–
			95,620	964	–	–

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

30. 以股份為基礎的付款 (續)

1. 四環醫藥控股集團有限公司購股權計劃 (續)

(b) 股份獎勵變動 (續)

於二零二零年十二月三十一日，於95,620,000份(二零一九年：964,000份)未行使獎勵中，無(二零一九年：無)獎勵已獲行使。

年內，就向僱員授出的股份獎勵而於綜合損益及其他全面收益表支銷總開支人民幣6,047,000元(二零一九年：人民幣353,000元)，並於權益內確認相應變動。

(c) 股份獎勵的公平值

本公司董事會執行董事已使用二項式模式釐定將於歸屬期內支銷的已授出獎勵的公平值。本公司董事會執行董事在應用二項式模式時要求對如無風險利率、股息率及預期波幅等參數作出重要判斷，該等參數的輸入數據的概要如下。

		二零二零年 於八月二十六日 授出的股份獎勵 2020 Share awards granted on 26 August	二零一六年 於六月二十八日 授出的股份獎勵 2016 Share awards granted on 28 June
於授出日期的收市價	Closing price at the grant date	0.90港元 HK\$0.90	1.60港元 HK\$1.60
無風險利率	Risk-free rate	0.44%	0.64%
股息率	Dividend yield	1.71%	2.14%
預期波幅(i)	Expected volatility (i)	44.81%	41.38%

(i) 按照預期股價回報的標準偏差計算的預期波幅，乃根據本公司股份平均每日買賣價格的波幅釐定。

30. SHARE-BASED PAYMENTS (continued)

1. Sihuan Pharmaceutical Holdings Group Ltd. Share Options Plan (continued)

(b) Share award movements (continued)

Out of the 95,620,000 (2019: 964,000) outstanding awards, no (2019: Nil) awards were exercisable at 31 December 2020.

During the year, total expenses amounting to RMB6,047,000 (2019: RMB353,000) were charged to the consolidated statement of profit or loss and other comprehensive income for share awards granted to employees with a corresponding change in equity.

(c) Fair value of share awards

The executive directors of the board of the Company have used the binomial model to determine the fair value of the awards granted, which is to be expensed over the vesting period. Significant judgement on parameters, such as risk-free rate, dividend yield and expected volatility, is required to be made by the executive directors of the board of the Company in applying the binomial model, of which the inputs are summarised below.

(i) The expected volatility, measured as the standard deviation of expected share price returns, is determined based on the average daily trading price volatility of the shares of the Company.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

30. 以股份為基礎的付款 (續)

2. 軒竹生物科技有限公司股份激勵計劃

於二零二零年六月二十六日，軒竹生物科技有限公司（「軒竹」，為本集團一家間接全資附屬公司）股東大會通過一項決議案，以採納包含非上市限制性股份（未涉及軒竹發行的新股份）的僱員股份獎勵計劃（「軒竹股份激勵計劃」）。本公司批准合資格僱員以每股股份人民幣1.57元的價格認購79,695,000股限制性股份，授出日期為二零二零年八月二十四日。該等授出限制性股份的合約期為三年。

以下股份單位根據軒竹股份激勵計劃於年內授出且未獲行使：

30. SHARE-BASED PAYMENTS (continued)

2. Xuanzhu Biopharmaceutical Co., Ltd. Share Incentive Scheme

On 26 June 2020, the shareholders' meeting of Xuanzhu Biological Technology Co., Ltd. ("Xuanzhu") (an indirect wholly-owned subsidiary of the group) passed a resolution to adopt an employee share award plan ("Xuanzhu Share Incentive Scheme") consisting of non-listed restricted shares, which does not involve issue of new shares by Xuanzhu. 79,695,000 restricted shares of the Company were approved for eligible employees to subscribe at the price of RMB1.57 per share and the grant date was August 24, 2020. These granted restricted shares have a contractual term of three years.

The following share units were granted and outstanding under the Xuanzhu Share Incentive Scheme during the year:

		每股股份 認購價人民幣元 Subscription price RMB per share	限制性 股份數目 (千股) Number of restricted shares (thousands)
於一月一日	At 1 January	–	–
於年內授出	Granted during the year	1.57	79,695
於十二月三十一日	At 31 December	1.57	79,695

截至二零二零年十二月三十一日止年度，概無股份自授出後被沒收。

For the year ended 31 December 2020, no share has been forfeited since the grant.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

30. 以股份為基礎的付款 (續)

2. 軒竹生物科技有限公司股份激勵計劃 (續)

於授出日期根據軒竹股份激勵計劃授出的限制性股份的公平值乃使用市場價值模型釐定。公平值及模型中相應的輸入數據如下：

30. SHARE-BASED PAYMENTS (continued)

2. Xuanzhu Biopharmaceutical Co., Ltd. Share Incentive Scheme (continued)

The fair value of the restricted shares granted under the Xuanzhu Share Incentive Scheme as at the grant date was determined using the market-value model. The fair value and corresponding inputs into the model were as follows:

		軒竹 股份激勵計劃 Xuanzhu Share Incentive Scheme
授出日期股票價格(人民幣元)	Grant date share price (RMB)	1.72
認購價(人民幣元)	Subscription price (RMB)	1.57
期限	Term	4.3年 4.3 years
無風險利率	Risk-free rate	2.93%
波幅	Volatility	49.93%

截至二零二零年十二月三十一日止年度，本集團已錄得關於軒竹股份激勵計劃的以股份為基礎補償費用為人民幣15,452,000元。

For the year ended 31 December 2020, the Group has recorded share-based compensation expenses of RMB15,452,000 in relation to the Xuanzhu Share Incentive Scheme.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

30. 以股份為基礎的付款(續)

3. 吉林惠升生物製藥有限公司股份激勵計劃

於二零二零年十一月十三日，吉林惠升生物製藥有限公司(「吉林惠升」)股東大會通過一項決議案，以採納包含非上市限制性股份(未涉及吉林惠升發行的新股份)的僱員股份獎勵計劃(「吉林惠升股份激勵計劃」)。本公司批准合資格僱員以每股股份人民幣1.33元的價格認購27,950,000股限制性股份，授出日期為二零二零年十一月十三日。該等授出限制性股份的合約期為四年。

以下股份單位根據吉林惠升股份激勵計劃於年內授出且未獲行使：

30. SHARE-BASED PAYMENTS (continued)

3. Jilin Huisheng Biological Pharmaceutical Co., Ltd. Share Incentive Scheme

On 13 November 2020, the shareholders' meeting of Jilin Huisheng Biological Pharmaceutical Co., Ltd. ("Jilin Huisheng") passed a resolution to adopt an employee share award plan ("Jilin Huisheng Share Incentive Scheme") consisting of non-listed restricted shares, which does not involve issue of new shares by Jilin Huisheng. 27,950,000 restricted shares of the Company were approved for eligible employees to subscribe at the price of RMB1.33 per share and the grant date was on 13 November 2020. These granted restricted shares have a contractual term of four years.

The following share units were granted and outstanding under the Jilin Huisheng Share Incentive Scheme during the year:

		每股股份認購價 人民幣元 Subscription price RMB per share	限制性股份數目 (千股) Number of restricted shares (thousands)
於一月一日	At 1 January	-	-
於年內授出	Granted during the year	1.33	27,950
於十二月三十一日	At 31 December	1.33	27,950

截至二零二零年十二月三十一日止年度，概無股份自授出後被沒收。

For the year ended 31 December 2020, no share has been forfeited since the grant.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

30. 以股份為基礎的付款 (續)

3. 吉林惠升生物製藥有限公司股份激勵計劃 (續)

於授出日期根據吉林惠升股份激勵計劃授出的限制性股份的公平值乃使用市場價值模型釐定。公平值及模型中相應的輸入數據如下：

30. SHARE-BASED PAYMENTS (continued)

3. Jilin Huisheng Biological Pharmaceutical Co., Ltd. Share Incentive Scheme (continued)

The fair value of the restricted shares granted under the Jilin Huisheng Share Incentive Scheme as at the grant date was determined using the market-value model. The fair value and corresponding inputs into the model were as follows:

		吉林惠升股份 激勵計劃 Jilin Huisheng Share Incentive Scheme
授出日期股票價格(人民幣元)	Grant date share price (RMB)	1.89
認購價(人民幣元)	Subscription price (RMB)	1.33
期限	Term	4.1年 4.1 years
無風險利率	Risk-free rate	3.04%
波幅	Volatility	38.12%

截至二零二零年十二月三十一日止年度，本集團已錄得關於二零二零年吉林惠升股份激勵計劃的以股份為基礎補償費用為人民幣1,677,000元。

For the year ended 31 December 2020, the Group has recorded share-based compensation expenses of RMB1,677,000 in relation to the 2020 Jilin Huisheng Share Incentive Scheme.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

31. 所得稅開支

本集團截至二零二零年及二零一九年十二月三十一日止年度的所得稅開支分析如下：

31. INCOME TAX EXPENSE

The income tax expense of the Group for the years ended 31 December 2020 and 2019 is analysed as follows:

		二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
即期稅項：	Current tax:		
年度撥備	Provision for the year	147,200	485,812
即期稅項總額	Total current tax	147,200	485,812
遞延稅項：	Deferred tax:		
暫時差異的產生及撥回	Origination and reversal of temporary differences	71,840	(340,424)
預扣稅撥備	Provision for withholding tax	–	145,000
遞延稅項總額(附註24)	Total deferred tax (Note 24)	71,840	(195,424)
持續經營業務所得稅開支	Income tax expense from continuing operations	219,040	290,388
終止經營業務所得稅開支(附註32)	Income tax expense from discontinued operations (Note 32)	–	–
		219,040	290,388

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

31. 所得稅開支 (續)

本集團除稅前溢利/(虧損)的稅項與採用適用於合併實體溢利的法定稅率計算的理論數額不同，載列如下：

31. INCOME TAX EXPENSE (continued)

The tax on the Group's profit/(loss) before tax differs from the theoretical amount that would arise from using the statutory tax rate applicable to profits of the consolidated entities as follows:

		二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
除稅前溢利/(虧損)	Profit/(loss) before tax	730,927	(2,466,923)
來自持續經營業務	From continuing operations	765,844	(2,422,955)
來自已終止經營業務	From discontinued operations	(34,917)	(43,968)
按中國法定稅率25% (二零一九年：25%)計算的稅項	Tax calculated at the PRC applicable statutory tax rate of 25% (2019: 25%)	182,732	(616,731)
下列項目的稅務影響：	Tax effects of:		
- 動用先前未確認的稅務虧損	- Utilisation of previously unrecognised tax losses	(24,858)	(888)
- 稅項優惠及豁免的影響	- Effect of tax concessions and exemption	(197,422)	(177,036)
- 不可扣稅開支	- Expenses not deductible for tax purposes	16,029	807,026
- 歸屬聯營公司和合營企業的溢利	- Profits attributable to associates and joint ventures	4,131	1,798
- 無須納稅收入	- Income not subject to tax	(7,750)	-
- 未確認遞延稅項資產的稅項損失	- Tax losses for which no deferred tax asset was recognised	246,178	131,219
- 5%預扣稅對本集團中國附屬公司 可分配利潤的影響	- Effect of withholding tax at 5% on the distributable profits of the Group's PRC subsidiaries	-	145,000
所得稅開支	Income tax expense	219,040	290,388

百慕達利得稅

本集團年內在該司法權區毋須繳納任何稅項(二零一九年：無)。

Bermuda profits tax

The Group was not subject to any taxation in this jurisdiction during the year (2019: Nil).

香港利得稅

香港利得稅乃按年內在香港產生的估計應課稅溢利以稅率16.5%(二零一九年：16.5%)計提撥備。其他地區的應課稅溢利稅項乃按本集團經營所在國家(或司法權區)的現行稅率計算。

Hong Kong profits tax

Hong Kong profits tax has been provided at the rate of 16.5% (2019: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries (or jurisdictions) in which the Group operates.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

31. 所得稅開支 (續)

中國企業所得稅 (「中國企業所得稅」)

中國企業所得稅按現時組成本集團的公司於中國產生的應課稅收入(經調整毋須就中國企業所得稅課稅或可扣除中國企業所得稅的項目)計提撥備。

本集團的中國附屬公司根據中國企業所得稅法按稅率25%釐定及繳納企業所得稅。

本集團若干附屬公司符合高新技術企業的資格。因此，該等附屬公司就二零二零年及二零一九年的企業所得稅按稅率15%計提撥備。

保留盈利的中國預扣稅

根據適用中國稅務法規，於中國成立的公司就自二零零八年一月一日後產生的溢利向外國投資者分派股息須繳納10%的預扣稅。倘外國投資者於香港註冊成立且滿足中國與香港訂立的雙重稅務安排的條件或規定，則有關預扣稅率由10%減至5%。

31. INCOME TAX EXPENSE (continued)

PRC corporate income tax ("PRC CIT")

PRC CIT is provided on the assessable income of the companies now comprising the Group derived from the PRC, adjusted for those items which are not assessable or deductible for the PRC CIT purposes.

The PRC subsidiaries of the Group have determined and paid the corporate income tax in accordance with the Corporate Income Tax Law of the PRC at the tax rate of 25%.

Certain subsidiaries of the Group were qualified as high-tech enterprises. Accordingly, those subsidiaries' corporate income tax for 2020 and 2019 was provided at the rate of 15%.

PRC withholding tax on retained earnings

According to applicable PRC tax regulations, dividends distributed by a company established in the PRC to a foreign investor with respect to profits derived after 1 January 2008 are subject to a 10% withholding tax. If a foreign investor is incorporated in Hong Kong and meets the conditions or requirements under the double taxation arrangement entered into between the PRC and Hong Kong, the relevant withholding tax rate will be reduced to 5% from 10%.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

32. 已終止經營業務

於二零二零年六月十五日，本公司出售重輝投資有限公司（「重輝」）及騰為投資有限公司（「騰為」）的決議獲正式通過。年內，重輝及騰為被出售，並從本集團年度財務報表中排除。

截至二零一九年十二月三十一日止年度及自二零二零年一月一日至出售日期期間已終止經營業務的業績呈列如下：

32. DISCONTINUED OPERATIONS

On 15 June 2020, the Company's resolution on disposals of Chonghui Investment Limited ("Chonghui") and Tengwei Investment Limited ("Tengwei") was duly passed. During the year, Chonghui and Tengwei were disposed of, and excluded from the annual financial statements of the Group.

The results of the discontinued operations for the year ended 31 December 2019 and the period from 1 January 2020 to the disposal date are presented below:

		自二零二零年 一月一日至 出售日期期間 The period from 1 January 2020 to the date of disposal 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
收益	Revenue	8,868	8,661
銷售成本	Cost of sales	(3,354)	(3,065)
開支	Expenses	(36,971)	(54,234)
財務開支	Finance expenses	–	(156)
採用權益法列賬的應佔投資損益	Share of profits and losses of investments accounted for using the equity method	(3,460)	4,826
除稅前虧損	Loss before tax	(34,917)	(43,968)
所得稅：	Income tax:		
有關除稅前溢利	Related to pre-tax profit	–	–
期內/年內虧損	Loss for the period/year	(34,917)	(43,968)

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

32. 已終止經營業務 (續)

已終止經營業務產生的現金流量淨額如下：

32. DISCONTINUED OPERATIONS (continued)

The net cash flows incurred by the discontinued operations are as follows:

		自二零二零年 一月一日至 出售日期期間 The period from 1 January 2020 to the date of disposal 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
經營活動	Operating activities	9,390	(8,199)
投資活動	Investing activities	(22,639)	(12,257)
融資活動	Financing activities	145,800	6,250
現金流入/(流出)淨額	Net cash inflow/(outflow)	132,551	(14,206)
來自已終止經營業務的基本及 攤薄每股虧損(每股人民幣分)	Basic and diluted loss per share from discontinued operations (RMB cents per share)	(0.3)	(0.4)

已終止經營業務的基本及攤薄每股虧損的計算基於：

The calculations of basic and diluted loss per share from discontinued operations are based on:

		自二零二零年 一月一日至 出售日期期間 The period from 1 January 2020 to the date of disposal	二零一九年 2019
本公司普通權益持有人應佔虧損 (人民幣千元)	Loss attributable to ordinary equity holders of the Company (RMB'000)	(29,187)	(35,817)
計算每股基本及攤薄虧損所用 期內/年內已發行普通股加權 平均股數(千股)	Weighted average number of ordinary shares in issue during the period/year for basic and diluted loss per share calculation (thousands)	9,465,682	9,468,079

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

33. 每股盈利/(虧損)

(a) 基本

每股基本盈利/(虧損)按本公司擁有人應佔溢利/(虧損)除以年內已發行普通股加權平均股數計算。

33. EARNINGS/(LOSS) PER SHARE

(a) Basic

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares in issuance during the year.

		二零二零年 2020	二零一九年 2019
計算每股基本盈利/(虧損)所用 本公司普通權益持有人應佔溢利/ (虧損)(人民幣千元)	Profit/(loss) attributable to ordinary equity holders of the Company, used in the basic earnings/(loss) per share calculation (RMB'000)		
來自持續經營業務	From continuing operations	502,569	(2,717,515)
來自已終止經營業務	From discontinued operations	(29,187)	(35,817)
本公司普通權益持有人應佔溢利/ (虧損)(人民幣千元)	Profit/(loss) attributable to ordinary equity holders of the Company (RMB'000)	473,382	(2,753,332)
每股基本盈利/(虧損)所用已發行 普通股加權平均股數(千股)	Weighted average number of ordinary shares in issue for basic earnings/(loss) per share (thousands)	9,465,682	9,468,079
每股基本盈利/(虧損) (每股人民幣分)	Basic earnings/(loss) per share (RMB cents per share)		
年內溢利/(虧損)	For profit/(loss) for the year	5.0	(29.1)
持續經營業務的溢利/(虧損)	For profit/(loss) for the continuing operations	5.3	(28.7)

(b) 攤薄

於二零二零年及二零一九年因並無存在潛在攤薄普通股，故並無每股盈利/(虧損)攤薄。每股攤薄盈利/(虧損)相等於每股基本盈利/(虧損)。

(b) Diluted

There was no dilution to earnings/(loss) per share for year 2020 and 2019 because there were no potential dilutive ordinary shares existing. The diluted earnings/(loss) per share amount equalled to the basic earnings/(loss) per share amount.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

34. 股息

於二零二零年及二零一九年派付的股息分別為人民幣1,419,852,000元及人民幣160,987,000元。董事會建議，截至二零二零年十二月三十一日止年度末期現金股息為人民幣123,054,000元，惟須於本公司應屆股東週年大會上獲得批准。

於年度內批准及派發予本公司擁有人的股息：

34. DIVIDENDS

The dividends paid in 2020 and 2019 were RMB1,419,852,000 and RMB160,987,000, respectively. A final cash dividend for the year ended 31 December 2020 of RMB123,054,000 was recommended by the Board and will be subject to approval at the forthcoming annual general meeting of the Company.

Dividends approved and paid to owners of the Company during the year:

		二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
年內派發上一年度每股普通股 二零一九年末期股息人民幣1.3分 (二零一八年：人民幣1.3分)	Final 2019 dividend of RMB1.3 (2018: RMB1.3) cents per ordinary share for the previous year, paid during the year	123,054	123,124
特別現金股息每股普通股 人民幣10.6分(二零一九年：無)	Special cash dividend of RMB10.6 (2019: Nil) cents per ordinary share	1,003,362	–
年內宣派及派發每股普通股 中期股息人民幣0.1分 (二零一九年：人民幣0.4分)	Interim dividend of RMB0.1 (2019: RMB0.4) cents per ordinary share, declared and paid during the year	9,466	37,863
特別現金股息每股普通股 人民幣3.0分(二零一九年：無)	Special cash dividend of RMB3.0 (2019: Nil) cents per ordinary share	283,970	–
		1,419,852	160,987

年內建議之本公司股息：

Dividends proposed by the Company for the year:

		二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
建議末期現金股息每股普通股 人民幣1.3分 (二零一九年：人民幣1.3分)	Proposed final cash dividend of RMB1.3 (2019: RMB1.3) cents per ordinary share	123,054	123,054

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

35. 經營產生的現金

35. CASH GENERATED FROM OPERATIONS

		二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
除稅前溢利/(虧損)	Profit/(loss) before tax	730,927	(2,466,923)
- 來自持續經營	- From continuing operations	765,844	(2,422,955)
- 來自終止經營	- From discontinued operations	(34,917)	(43,968)
經以下項目調整：	Adjustments for:		
- 物業、廠房及設備折舊	- Depreciation of property, plant and equipment	218,028	226,292
- 投資物業折舊	- Depreciation of investment properties	7,381	6,575
- 無形資產攤銷	- Amortisation of intangible assets	28,742	97,015
- 商譽減值虧損	- Impairment losses of goodwill	-	2,843,903
- 無形資產減值虧損	- Impairment losses of intangible assets	-	759,615
- 使用權益法計算的 投資減值	- Impairment losses of investment accounted for using the equity method	-	91,521
- 物業、廠房及設備減值虧損	- Impairment losses of property, plant and equipment	-	276,464
- 使用權資產折舊	- Depreciation of right-of-use assets	24,130	24,815
- 應佔使用權益法入賬的 投資虧損	- Share of losses of investments accounted for using the equity method	16,524	7,190
- 出售物業、廠房及設備的虧損(i)	- Loss on disposal of property, plant and equipment (i)	1,936	6,745
- 按公平值計入損益的金融資產的 公平值(收益)/虧損	- (Gain)/loss on changes in fair value of financial assets at fair value through profit or loss	(2,683)	18,599
- 視作出售聯營公司之權益的收益	- Gain on deemed disposal of interest in an associate	(80,488)	-
- 出售附屬公司的收益	- Gain on disposals of subsidiaries	(72,307)	-
- 於其他收益內確認的收購收益 (附註38(a))	- Gain on acquisition recognised in other gains (Note 38(a))	(2,830)	-
- 出售無形資產的虧損	- Loss on disposal of intangible assets	13,141	-
- 以股份為基礎的付款	- Share-based payments	23,176	353
- 利息開支	- Interest expense	1,700	2,460
- 利息收入	- Interest income	(56,016)	(133,095)
營運資金變動前營運現金流量	Operating cash flow before working capital changes	851,361	1,761,529
營運資產及負債變動：	Changes in operating assets and liabilities:		
- 存貨	- Inventories	(65,323)	(108,478)
- 貿易及其他應收賬款	- Trade and other receivables	(269,516)	235,095
- 貿易及其他應付賬款	- Trade and other payables	(75,178)	39,162
經營產生的現金	Cash generated from operations	441,344	1,927,308

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

35. 經營產生的現金 (續)

- (i) 於綜合現金流量表中，出售物業、廠房及設備的所得款項包括：

35. CASH GENERATED FROM OPERATIONS (continued)

- (i) In the consolidated statement of cash flows, proceeds from disposal of property, plant and equipment comprise:

		二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
賬面淨值	Net book amount	7,448	8,908
出售物業、廠房及設備的虧損	Loss on disposal of property, plant and equipment	(1,936)	(6,745)
出售物業、廠房及設備的所得款項	Proceeds from disposal of property, plant and equipment	5,512	2,163

36. 綜合現金流量表附註

(a) 重大非現金交易

年內，本集團有關預付土地租賃付款和樓宇租賃安排的使用權資產及租賃負債的非現金添置分別為人民幣23,358,000元及人民幣2,523,000元(二零一九年：本集團有關預付土地租賃付款和樓宇租賃安排的使用權資產及租賃負債的非現金添置分別為人民幣58,233,000元及人民幣2,595,000元)。

36. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Major non-cash transactions

During the year, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB23,358,000 and RMB2,523,000, respectively, in respect of prepaid land lease payments and lease arrangements for buildings (2019: The Group had non-cash additions to right-of-use assets and lease liabilities of RMB58,233,000 and RMB2,595,000, respectively, in respect of prepaid land lease payments and lease arrangements for buildings).

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

36. 綜合現金流量表附註(續)

- (a) 重大非現金交易(續)
 (a) 融資活動所產生的負債變動
 二零二零年

36. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

- (a) Major non-cash transactions (continued)
 (a) Changes in liabilities arising from financing activities
 2020

	其他借款 Other borrowings 人民幣千元 RMB'000	租賃負債 Lease liabilities 人民幣千元 RMB'000	銀行借款 Bank borrowings 人民幣千元 RMB'000
於二零二零年一月一日 At 1 January 2020	9,000	9,950	–
融資現金流量產生的變動 Changes from financing cash flows	23,000	(3,431)	704,103
新租賃 New leases	–	2,523	–
利息開支 Interest expense	–	279	–
出售附屬公司 Disposals of subsidiaries	–	(5,370)	–
收購一家附屬公司的增加 Increase arising from acquisition of a subsidiary	–	–	15,000
於二零二零年十二月三十一日 At 31 December 2020	32,000	3,951	719,103

二零一九年

2019

	其他借款 Other borrowings 人民幣千元 RMB'000	租賃負債 Lease liabilities 人民幣千元 RMB'000
於二零一八年十二月三十一日 At 31 December 2018	97,300	–
採納國際財務報告準則第16號的影響 Effect of adoption of IFRS 16	–	10,947
於二零一九年一月一日 At 1 January 2019	97,300	10,947
融資現金流量產生的變動 Changes from financing cash flows	(88,300)	(4,014)
新租賃 New leases	–	2,595
利息開支 Interest expense	–	422
於二零一九年十二月三十一日 At 31 December 2019	9,000	9,950

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

36. 綜合現金流量表附註(續)

(a) 重大非現金交易(續)

(b) 租賃現金流出總額

計入現金流量表的租賃現金流出總額如下：

36. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(a) Major non-cash transactions (continued)

(b) Total cash outflow for leases

The total cash outflow for leases included in the statement of cash flows is as follows:

		二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
經營活動內	Within operating activities	2,434	2,523
融資活動內	Within financing activities	3,431	4,014
		5,865	6,537

37. 承擔

於報告期末本集團有以下資本承擔：

37. COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

		於十二月三十一日 As at 31 December	
		二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
已訂約但未撥備：	Contracted, but not provided for:		
物業、廠房及設備	Property, plant and equipment	650,478	284,296
無形資產 – 進行中產品開發	Intangible assets – product development in progress	62,016	94,790
		712,494	379,086

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

38. 業務合併

(a) 收購北京聯本科技發展有限公司及北京聯本醫藥化學技術有限公司

於二零二零年一月三十一日，本集團以代價人民幣46,500,000元收購北京聯本科技發展有限公司（「聯本科技」）及北京聯本醫藥化學技術有限公司（「聯本化學」）的100%股權，該等公司為位於中國內地的兩家非上市公司，專門從事化學材料的技術服務。本集團為擴大現有產品組合、增加市場份額及提高競爭力而收購聯本科技及聯本化學。總收購代價人民幣46,500,000元須以現金形式支付，於二零二零年十二月三十一日尚未支付。

聯本科技及聯本化學於收購日可識別資產及負債的公平值如下：

38. BUSINESS COMBINATION

(a) Acquisition of Beijing Lianben Technology Development Co., Ltd. and Beijing Lianben Pharmaceutical Chemical Technology Co., Ltd.

On 31 January 2020, the Group acquired a 100% equity interests in Beijing Lianben Technology Development Co., Ltd. (“Lianben Technology”) and Beijing Lianben Pharmaceutical Chemical Technology Co., Ltd. (“Lianben Chemical”), two unlisted companies based in Mainland China that are specialised in the technology service of chemical materials, at a consideration of RMB46,500,000. The Group has acquired Lianben Technology and Lianben Chemical to expand the existing product portfolio, increase market share and enhance competitiveness. The total purchase consideration of RMB46,500,000 was to be settled in cash and remained outstanding at 31 December 2020.

The fair values of the identifiable assets and liabilities of Lianben Technology and Lianben Chemical as at the date of acquisition were as follows:

		於收購時確認的 公平值 Fair value recognised on acquisition 人民幣千元 RMB'000
物業、廠房及設備	Property, plant and equipment	6,917
無形資產	Intangible assets	90
現金及現金等價物	Cash and cash equivalents	7,499
貿易及其他應收賬款	Trade and other receivables	66,150
存貨	Inventories	7,223
貿易及其他應付賬款	Trade and other payables	(13,643)
合約負債(流動)	Contract liabilities (current)	(9,746)
應付所得稅	Income tax payable	(160)
計息銀行借款	Interest-bearing bank borrowings	(15,000)
按公平值可識別資產淨值總額	Total identifiable net assets at fair value	49,330
於其他收益內確認的收購收益(附註26)	Gain on acquisition recognised in other gains (Note 26)	(2,830)
以現金償付	Satisfied by cash	46,500

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

38. 業務合併 (續)

(a) 收購北京聯本科技發展有限公司及北京聯本醫藥化學技術有限公司 (續)

於收購日期，貿易及其他應收賬款的公平值為人民幣66,150,000元，與合約總金額相同。

收購聯本科技及聯本化學的現金流量分析如下：

		人民幣千元 RMB'000
所收購現金及銀行結餘	Cash and bank balance acquired	7,499
計入投資活動所得現金流量的現金及現金等價物流入淨額	Net inflow of cash and cash equivalents included in cash flows from investing activities	7,499

自收購起，截至二零二零年十二月三十一日止年度，聯本科技及聯本化學分別為本集團貢獻收益人民幣198,716,000元及綜合溢利人民幣6,899,000元。

倘於年初進行收購，則本集團於截至二零二零年十二月三十一日止年度的持續經營業務收益及溢利將分別為人民幣214,224,000元及人民幣8,474,000元。

(b) 收購吉林遨通化工有限公司

於二零二零年三月三十一日，本集團收購吉林遨通化工有限公司（「吉林遨通」）的60%股權，該公司為一間位於中國內地的非上市公司，專門製造化學材料。本集團為擴大現有產品組合、增加市場份額及提高競爭力而收購吉林遨通。該收購的購買代價人民幣16,800,000元以向吉林遨通注資的形式支付。

38. BUSINESS COMBINATION (continued)

(a) Acquisition of Beijing Lianben Technology Development Co., Ltd. and Beijing Lianben Pharmaceutical Chemical Technology Co., Ltd.

(continued)

The fair value of the trade and other receivables as at the date of acquisition amounted to RMB66,150,000 being the same as their gross contractual amount.

An analysis of the cash flows in respect of the acquisition of Lianben Technology and Lianben Chemical is as follows:

人民幣千元
RMB'000

所收購現金及銀行結餘	Cash and bank balance acquired	7,499
計入投資活動所得現金流量的現金及現金等價物流入淨額	Net inflow of cash and cash equivalents included in cash flows from investing activities	7,499

Since the acquisition, Lianben Technology and Lianben Chemical contributed RMB198,716,000 to the Group's revenue and RMB6,899,000 to the consolidated profit for the year ended 31 December 2020.

Had the acquisition taken place at the beginning of the year, the revenue and profit contributed to the continuing operations of the Group for the year ended 31 December 2020 would have been RMB214,224,000 and RMB8,474,000, respectively.

(b) Acquisition of Jilin Aotong Chemical Co., Ltd.

On 31 March 2020, the Group acquired a 60% equity interest in Jilin Aotong Chemical Co., Ltd. ("Jilin Aotong"), an unlisted company based in Mainland China that is specialised in the manufacture of chemical materials. The Group has acquired Jilin Aotong to expand the existing product portfolio, increase market share and enhance competitiveness. The purchase consideration of RMB16,800,000 for the acquisition was in form of capital injection to Jilin Aotong.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

38. 業務合併 (續)

(b) 收購吉林遨通化工有限公司 (續)

吉林遨通於收購日可識別資產及負債的公平值如下：

38. BUSINESS COMBINATION (continued)

(b) Acquisition of Jilin Aotong Chemical Co., Ltd. (continued)

The fair values of the identifiable assets and liabilities of Jilin Aotong as at the date of acquisition were as follows:

		於收購時確認的 公平值 Fair value recognised on acquisition 人民幣千元 RMB'000
物業、廠房及設備	Property, plant and equipment	9,756
使用權資產	Right-of-use assets	14,551
現金及現金等價物	Cash and cash equivalents	2
貿易及其他應收賬款	Trade and other receivables	20,719
存貨	Inventories	2,098
貿易及其他應付賬款	Trade and other payables	(22,954)
合約負債(流動)	Contract liabilities (current)	(1,510)
應付所得稅	Income tax payable	(9,263)
按公平值可識別資產淨值總額	Total identifiable net assets at fair value	13,399
減：非控股權益	Less: Non-controlling interests	(5,360)
收購時的商譽	Goodwill on acquisition	8,761
以現金償付	Satisfied by cash	16,800

於收購日，貿易及其他應收賬款的公平值為人民幣20,719,000元，與合約總金額相同。

已確認商譽主要歸功於將吉林遨通的資產及業務活動與本集團的資產及業務活動合併產生的預期協同效益及其他利益。商譽就所得稅而言不可扣減。

The fair value of the trade and other receivables as at the date of acquisition amounted to RMB20,719,000 being the same as their gross contractual amount.

The goodwill recognised is primarily attributed to the expected synergy and other benefits from combining the assets and activities of Jilin Aotong with those of the Group. The goodwill is not deductible for income tax purposes.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

38. 業務合併 (續)

(b) 收購吉林遨通化工有限公司 (續)

對收購吉林遨通的現金流量分析如下：

38. BUSINESS COMBINATION (continued)

(b) Acquisition of Jilin Aotong Chemical Co., Ltd. (continued)

An analysis of the cash flows in respect of the acquisition of Jilin Aotong is as follows:

人民幣千元

RMB'000

所收購現金及銀行結餘	Cash and bank balance acquired	2
計入投資活動現金流量的現金及現金等價物流入淨額	Net inflow of cash and cash equivalents included in cash flows from investing activities	2

自收購起，截至二零二零年十二月三十一日止年度，吉林遨通分別為本集團貢獻收益人民幣560,000元及產生綜合虧損人民幣11,451,000元。

倘於年初進行收購，則本集團於截至二零二零年十二月三十一日止年度的持續經營業務收益及虧損將分別為人民幣851,000元及人民幣12,078,000元。

年內，本集團完成了吉林遨通剩餘40%股權的收購，現金代價為人民幣10,000,000元。截至二零二零年十二月三十一日，本集團持有吉林遨通100%的股權。

Since the acquisition, Jilin Aotong contributed RMB560,000 to the Group's revenue and incurred RMB11,451,000 to the consolidated loss for the year ended 31 December 2020.

Had the acquisition taken place at the beginning of the year, revenue and loss added to the continuing operations of the Group for the year ended 31 December 2020 would have been RMB851,000 and RMB12,078,000, respectively.

During the year, the Group completed the remaining 40% of the equity acquisition of Jilin Aotong at a cash consideration of RMB10,000,000. As at 31 December 2020, the Group held 100% equity of Jilin Aotong.

(c) 收購吉林佳輝化工有限公司

於二零二零年九月三十日，本集團以代價人民幣6,000,000元收購吉林佳輝化工有限公司（「吉林佳輝」）的60%股權，該公司為一間位於中國內地的非上市公司，專門製造化學材料。本集團為擴大現有產品組合、增加市場份額及提高競爭力而收購吉林佳輝。於二零二零年，總收購代價已全數支付。

(c) Acquisition of Jilin Jiahui Chemical Co., Ltd.

On 30 September 2020, the Group acquired a 60% equity interest in Jilin Jiahui Chemical Co., Ltd. ("Jilin Jiahui"), an unlisted company based in Mainland China that is specialised in the manufacture of chemical materials, at a consideration of RMB6,000,000. The Group has acquired Jilin Jiahui to expand the existing product portfolio, increase market share and enhance competitiveness. Total purchase consideration was fully paid in 2020.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

38. 業務合併 (續)

(c) 收購吉林佳輝化工有限公司 (續)

吉林佳輝於收購日可識別資產及負債的公平值如下：

38. BUSINESS COMBINATION (continued)

(c) Acquisition of Jilin Jiahui Chemical Co., Ltd. (continued)

The fair values of the identifiable assets and liabilities of Jilin Jiahui as at the date of acquisition were as follows:

		於收購時確認的 公平值 Fair value recognised on acquisition 人民幣千元 RMB'000
物業、廠房及設備	Property, plant and equipment	22,852
使用權資產	Right-of-use assets	6,284
現金及現金等價物	Cash and cash equivalents	7
貿易及其他應收賬款	Trade and other receivables	10,376
存貨	Inventories	18,020
貿易及其他應付賬款	Trade and other payables	(25,492)
合約負債(流動)	Contract liabilities (current)	(27,963)
應付所得稅	Income tax payable	(2)
按公平值可識別資產淨值總額	Total identifiable net assets at fair value	4,082
減：非控股權益	Less: Non-controlling interests	(1,633)
收購時的商譽	Goodwill on acquisition	3,551
以現金償付	Satisfied by cash	6,000

於收購日，貿易及其他應收賬款的公平值為人民幣10,376,000元，與合約總金額相同。

已確認商譽主要歸功於將吉林佳輝的資產及業務活動與本集團的資產及業務活動合併產生的預期協同效益及其他利益。商譽就所得稅而言不可扣減。

The fair value of the trade and other receivables as at the date of acquisition amounted to RMB10,376,000 being the same as their gross contractual amount.

The goodwill recognised is primarily attributed to the expected synergy and other benefits from combining the assets and activities of Jilin Jiahui with those of the Group. The goodwill is not deductible for income tax purposes.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

38. 業務合併 (續)

(c) 收購吉林佳輝化工有限公司 (續)

對收購吉林佳輝的現金流量分析如下：

38. BUSINESS COMBINATION (continued)

(c) Acquisition of Jilin Jiahui Chemical Co., Ltd. (continued)

An analysis of the cash flows in respect of the acquisition of Jilin Jiahui is as follows:

		人民幣千元 RMB'000
所收購現金及銀行結餘	Cash and bank balance acquired	7
已付現金	Cash paid	(6,000)
計入投資活動現金流量的現金及 現金等價物流出淨額	Net outflow of cash and cash equivalents included in cash flows from investing activities	(5,993)

自收購起，截至二零二零年十二月三十一日止年度，吉林佳輝為本集團產生綜合虧損人民幣1,977,000元。

倘於年初進行收購，則本集團於截至二零二零年十二月三十一日止年度的持續經營業務虧損將為人民幣4,277,000元。

Since the acquisition, Jilin Jiahui incurred RMB1,977,000 to the consolidated loss for the year ended 31 December 2020.

Had the acquisition taken place at the beginning of the year, loss added to the continuing operations of the Group for the year ended 31 December 2020 would have been RMB4,277,000.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

39. 出售附屬公司的權益

(a) 出售重輝

年內，本集團以代價人民幣143,400,000元向關聯人士CFS Development Holding Limited(由馮升醫生全資擁有)轉讓了其於重輝的全部權益。有關出售重輝淨收益及現金流出分析如下：

39. DISPOSAL OF INTERESTS IN SUBSIDIARIES

(a) Disposal of Chonghui

During the year, the Group transferred its entire interest in Chonghui to a related party, CFS Development Holding Limited, which is wholly-owned by Dr. Che Fengsheng, for a consideration of RMB143,400,000. An analysis of the net gain and cash outflow in respect of the disposal of Chonghui is as follows:

		人民幣千元 RMB'000
物業、廠房及設備	Property, plant and equipment	40,060
使用權資產	Right-of-use assets	104,810
無形資產	Intangible assets	6,528
其他非流動資產	Other non-current assets	5,106
按公平值計入損益的金融資產(流動)	Financial assets at fair value through profit or loss (current)	129
存貨	Inventories	6,370
使用權益法計算的投資	Investment accounted for using the equity method	66,637
按公平值計入損益的金融資產(非流動)	Financial assets at fair value through profit or loss (non-current)	5,500
貿易及其他應收賬款	Trade and other receivables	51,482
現金及現金等價物	Cash and cash equivalents	155,329
租賃負債	Lease liabilities	(5,370)
其他非流動負債	Other non-current liabilities	(169,340)
貿易及其他應付賬款	Trade and other payables	(182,640)
非控股權益	Non-controlling interests	3,603
終止確認的資產淨值	Net assets derecognised	88,204
出售重輝的代價	Consideration for disposal of Chonghui	143,400
終止確認重輝的收益	Gain on derecognition of Chonghui	55,196
有關出售重輝的現金流分析：	Analysis of cash flows in respect of the disposal of Chonghui:	
收到的現金代價	Cash consideration received	143,400
出售的現金及現金等價物	Cash and cash equivalents disposed of	(155,329)
出售相關現金流量淨值	Net cash flow on disposal	(11,929)

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

39. 出售附屬公司的權益 (續)

(b) 出售騰為

年內，本集團將其於騰為的全部權益轉讓予關聯方Weicheng Investment Holding Limited (由郭維城醫生全資擁有)，代價為人民幣136,200,000元。出售騰為的收益及現金流入淨額分析如下：

39. DISPOSAL OF INTERESTS IN SUBSIDIARIES (continued)

(b) Disposal of Tengwei

During the year, the Group transferred its entire interest in Tengwei to a related party, Weicheng Investment Holding Limited, which is wholly-owned by Dr. Guo Weicheng, for a consideration of RMB136,200,000. An analysis of the net gain and cash inflow in respect of the disposal of Tengwei is as follows:

		人民幣千元 RMB'000
使用權益法計算的投資	Investment accounted for using the equity method	116,089
按公平值計入損益的金融資產(非流動)	Financial assets at fair value through profit or loss (non-current)	3,000
終止確認的資產淨值	Net assets derecognised	119,089
出售騰為的代價	Consideration for disposal of Tengwei	136,200
終止確認騰為的收益	Gain on derecognition of Tengwei	17,111
就出售騰為的現金流量分析：	Analysis of cash flows in respect of the disposal of Tengwei:	
已收現金代價	Cash consideration received	129,500
出售之現金及現金等價物	Cash and cash equivalents disposed of	-
出售之現金流量淨額	Net cash flow on disposal	129,500

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

40. 關聯交易

本集團的最終控股股東為車馮升醫生、郭維城醫生、張炯龍醫生和孟憲慧先生。

關聯方名稱及與關聯方的關係如下：

40. RELATED PARTY TRANSACTIONS

The ultimate controlling shareholders of the Group are Dr. Che Fengsheng, Dr. Guo Weicheng, Dr. Zhang Jionglong and Mr. Meng Xianhui.

Name and relationship with related parties are as follows:

名稱 Name	關係 Relationship
車馮升醫生 Dr. Che Fengsheng	董事會主席 Chairman of the Board
Weicheng Investment Holding Limited Weicheng Investment Holding Limited	由郭維城醫生控制 Controlled by Dr. Guo Weicheng
仁方醫療 Renfang Medical	本集團的聯營公司 Associate of the Group
北京銳業 Beijing Ruiye	本集團的聯營公司 Associate of the Group
通化天實 Tonghua Tianshi	本集團的聯營公司 Associate of the Group
佛山德芮可 Pharmadax (Foshan)	本集團的聯營公司 Associate of the Group
上海立迪生物技術有限公司(「上海立迪」) Shanghai Lide Biotech Co., Ltd. (“Shanghai Lide”)	本集團的聯營公司 Associate of the Group
Sihuan Strides (HK) Limited (「Sihuan Strides」)	本集團的合營企業
Sihuan Strides (HK) Limited (“Sihuan Strides”)	Joint venture of the Group

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

40. 關聯交易 (續)

除財務報表其他部分所詳述的交易及結餘以外，本集團於年內進行的交易及於二零二零年十二月三十一日的結餘如下：

40. RELATED PARTY TRANSACTIONS (continued)

In addition to the transactions and balances detailed elsewhere in the financial statements, the Group had the following transactions during the year and balances as at 31 December 2020:

		二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
向聯營公司購買研發服務 – 上海立迪	Purchase of R&D service from an associate – Shanghai Lide	93	29
來自聯營公司的利息收入	Interest income from associates		
– 北京銳業	– Beijing Ruiye	7,058	3,554
– 通化天實	– Tonghua Tianshi	2,928	3,062
		9,986	6,616
向聯營公司貸款(附註15及17)	Loan to associates (Notes 15 and 17)		
– 通化天實(i)	– Tonghua Tianshi (i)	78,033	75,105
– 佛山德苳可(i)	– Pharmadax (Foshan) (i)	120,000	120,000
– 北京銳業(i)	– Beijing Ruiye (i)	156,770	106,014
– 仁方醫療(i)	– Renfang Medical (i)	2,412	667
		357,215	301,786
應收合營企業款項	Amount due from a joint venture		
– Sihuan Strides	– Sihuan Strides	675	–
應收其他關聯方款項(附註17)	Amounts due from other related parties (Note 17)		
– 車馮升醫生(ii)	– Dr. Che Fengsheng (ii)	9,600	9,600
– Weicheng Investment Holding Limited (iii)	– Weicheng Investment Holding Limited (iii)	6,700	–
		16,300	9,600

(i) 於報告期末向聯營公司貸款的詳情載於財務報表附註15及17。

(ii) 應收車馮升醫生款項須應要求償還。

(iii) 應付Weicheng Investment Holding Limited的款項為出售騰為的餘下代價，須於一年內償還。

(i) Details of the loans to associates as at the end of the reporting period are disclosed in Notes 15 and 17 to the Financial Statements.

(ii) The amount due from Dr. Che Fengsheng is repayable on demand.

(iii) The amounts due from Weicheng Investment Holding Limited is the remaining consideration of disposal of Tengwei and repayable in a year.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

40. 關聯交易 (續)

主要管理層於本年度的酬金詳情如下：

		二零二零年 2020 人民幣千元 RMB'000	二零一九年 2019 人民幣千元 RMB'000
短期僱員福利	Short-term employee benefits	25,137	25,707
以權益結算之購股權開支	Equity-settled share option expense	1,791	-
支付給主要管理人的薪酬總額	Total compensation paid to key management personnel	26,928	25,707

除本年度報告另有披露外，截至二零二零年十二月三十一日止年度，本集團並無進行任何其他須遵守上市規則項下有關申報及年度審核規定的關連交易或持續關連交易(定義見上市規則)。

40. RELATED PARTY TRANSACTIONS (continued)

Details of key management compensation during the year are as follows:

Save as otherwise disclosed in this annual report, during the year ended 31 December 2020, the Group has not conducted any other connected transaction or continuing connected transaction (as defined under the Listing Rules) which is subject to reporting and annual review requirements under the Listing Rules.

41. 金融工具分類

於報告期末，各類別金融工具的賬面金額如下：

於二零二零年十二月三十一日
金融資產

41. FINANCIAL INSTRUMENT BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

As at 31 December 2020
Financial assets

		按攤銷成本 計算的金融資產 Financial assets at amortised cost 人民幣千元 RMB'000	按公平值計入 損益的金融資產 Financial assets at fair value through profit or loss 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
按公平值計入損益的 金融資產	Financial assets at fair value through profit or loss	-	528,836	528,836
貿易及其他應收款項 (不包括預付款)	Trade and other receivables excluding prepayments	820,922	-	820,922
其他非流動資產 (不包括預付款)	Other non-current assets excluding prepayments	353,770	-	353,770
現金及現金等價物	Cash and cash equivalents	4,604,041	-	4,604,041
		5,778,733	528,836	6,307,569

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

41. 金融工具分類 (續)

於報告期末，各類別金融工具的賬面金額如下：(續)

於二零二零年十二月三十一日 (續)

金融負債

41. FINANCIAL INSTRUMENT BY CATEGORY (continued)

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows: (continued)

As at 31 December 2020 (continued)

Financial liabilities

		按攤銷成本 計算的金融負債 Financial liabilities at amortised cost 人民幣千元 RMB'000
其他借款(不包括租賃負債)	Other borrowings excluding lease liabilities	32,000
計息銀行借款	Interest-bearing bank borrowings	719,103
貿易及其他應付款項(不包括非金融負債)	Trade and other payables excluding non-financial liabilities	1,766,019
		2,517,122

於二零一九年十二月三十一日

金融資產

As at 31 December 2019

Financial assets

		按攤銷成本 計算的金融資產 Financial assets at amortised cost 人民幣千元 RMB'000	按公平值計入 損益的金融資產 Financial assets at fair value through profit or loss 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
按公平值計入損益的 金融資產	Financial assets at fair value through profit or loss	-	322,556	322,556
貿易及其他應收款項 (不包括預付款)	Trade and other receivables excluding prepayments	513,191	-	513,191
其他非流動資產 (不包括預付款)	Other non-current assets excluding prepayments	332,460	-	332,460
現金及現金等價物	Cash and cash equivalents	5,117,143	-	5,117,143
		5,962,794	322,556	6,285,350

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

41. 金融工具分類 (續)

於報告期末，各類別金融工具的賬面金額如下：(續)

於二零一九年十二月三十一日(續)
金融負債

41. FINANCIAL INSTRUMENT BY CATEGORY (continued)

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows: (continued)

As at 31 December 2019 (continued)
Financial liabilities

按攤銷成本
計算的金融負債
Financial
liabilities at
amortised cost
人民幣千元
RMB'000

其他借款(不包括租賃負債)	Other borrowings excluding lease liabilities	9,000
貿易及其他應付款項(不包括非金融負債)	Trade and other payables excluding non-financial liabilities	1,852,411
		<hr/>
		1,861,411

42. 報告期後事項

本集團於報告期結束後直至本報告日期並無發生重大事項。

42. EVENTS AFTER THE REPORTING PERIOD

The Group had no significant events after the reporting period up to the date of this report.

43. 比較數據

比較簡明綜合損益及其他全面收益表經已重新呈列，猶如於本年內已終止業務已於比較年度開始時經已終止。

43. COMPARATIVE AMOUNTS

The comparative condensed consolidated statement of profit or loss and other comprehensive income has been re-presented as if the operations discontinued during the current year had been discontinued at the beginning of the comparative year.

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

44. 本公司財務狀況表

44. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

		於十二月三十一日	
		As at 31 December	
		二零二零年	二零一九年
		2020	2019
		人民幣千元	人民幣千元
		RMB'000	RMB'000
資產	ASSETS		
非流動資產	NON-CURRENT ASSETS		
物業、廠房及設備	Property, plant and equipment	10	3
使用權資產	Right-of-use assets	3,423	4,892
於附屬公司的投資	Investments in subsidiaries	213,081	208,617
		216,514	213,512
流動資產	CURRENT ASSETS		
其他應收賬款	Other receivables	187	418
應收附屬公司款項	Amounts due from subsidiaries	7,730,024	9,601,483
現金及現金等價物	Cash and cash equivalents	444,831	24,529
		8,175,042	9,626,430
總資產	TOTAL ASSETS	8,391,556	9,839,942
權益	EQUITY		
股本	Share capital	78,186	78,186
股份溢價	Share premium	4,084,846	4,084,846
其他儲備(i)	Other reserve (i)	28,655	22,608
保留盈利(i)	Retained earnings (i)	4,159,493	5,612,504
總權益	TOTAL EQUITY	8,351,180	9,798,144
負債	LIABILITIES		
流動負債	CURRENT LIABILITIES		
租賃負債	Lease liabilities	3,569	4,985
其他應付賬款	Other payables	36,807	36,813
總負債	TOTAL LIABILITIES	40,376	41,798
權益及負債總額	TOTAL EQUITY AND LIABILITIES	8,391,556	9,839,942

財務報表附註

NOTES TO THE FINANCIAL STATEMENTS

截至二零二零年十二月三十一日止年度

For the year ended 31 December 2020

44. 本公司財務狀況表 (續)

- (i) 本公司其他儲備及保留盈利概要如下：

44. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

- (i) A summary of the Company's other reserves and retained earnings is as follows:

		以股份為基礎的 支付儲備 Share-based payment reserve 人民幣千元 RMB'000	資本儲備 Capital reserve 人民幣千元 RMB'000	保留盈利 Retained earnings 人民幣千元 RMB'000
於二零一九年一月一日	At 1 January 2019	–	22,608	1,177,078
年內溢利	Profit for the year	–	–	4,596,413
股息(附註34)	Dividends (Note 34)	–	–	(160,987)
於二零一九年十二月三十一日及 二零二零年一月一日	At 31 December 2019 and 1 January 2020	–	22,608	5,612,504
年度虧損	Loss for the year	–	–	(33,159)
僱員股份獎勵計劃 – 僱員服務價值	Employee share award scheme – Value of employee services	6,047	–	–
股息(附註34)	Dividends (Note 34)	–	–	(1,419,852)
於二零二零年十二月三十一日	At 31 December 2020	6,047	22,608	4,159,493

45. 批准財務報表

於二零二一年三月二十三日，財務報表由董事會批准及授權發出。

45. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 23 March 2021.



四环医药

SihuanPharm

www.sihuanpharm.com