



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

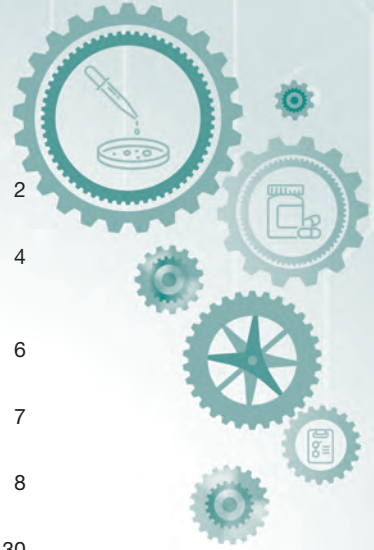
(Incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)

Stock code 股份代號: 858

INTERIM
REPORT
2021/22
中期報告

CONTENTS

目錄



| | |
|--|----|
| Condensed Consolidated Statement of Financial Position 簡明綜合財務狀況表 | 2 |
| Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income 簡明綜合損益及其他全面收益表 | 4 |
| Condensed Consolidated Statement of Changes in Equity 簡明綜合權益變動表 | 6 |
| Condensed Consolidated Statement of Cash Flows 簡明綜合現金流量表 | 7 |
| Notes to the Condensed Consolidated Financial Information 簡明綜合財務資料附註 | 8 |
| Management Discussion and Analysis 管理層討論及分析 | 30 |
| Employment and Remuneration Policy 僱傭和薪酬政策 | 41 |
| Corporate Governance 企業管治 | 42 |
| Changes in Information of Directors 董事資料變更 | 43 |
| Model Code for Securities Transactions 證券交易標準守則 | 43 |
| Directors' Interests and Short Positions in Shares, Underlying Shares and Debentures 董事於股份、相關股份及債權證之權益及淡倉 | 44 |
| Directors' Rights to Acquire Shares and Debentures 董事購入股份及債權證之權利 | 46 |
| Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares, Underlying Shares and Debentures 主要股東及其他人士於股份、相關股份及 債權證之權益及淡倉 | 47 |
| Purchase, Redemption or Sale of Listed Securities 購買、贖回或出售上市證券 | 48 |
| Audit Committee 審核委員會 | 49 |
| Remuneration Committee 薪酬委員會 | 49 |
| Nomination Committee 提名委員會 | 49 |
| Corporate Information 公司資料 | 50 |

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

簡明綜合財務狀況表

The board of directors (the “**Board**”) of Extrawell Pharmaceutical Holdings Limited (the “**Company**”) announces the unaudited consolidated results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 September 2021 together with the comparative figures as follows:

精優藥業控股有限公司(「**本公司**」)董事會(「**董事會**」)宣佈，本公司及其附屬公司(「**本集團**」)截至二零二一年九月三十日止六個月之未經審核綜合業績連同比較數字如下：

| | | At 30 September 2021 於二零二一年 九月三十日 (Unaudited) (未經審核) | At 31 March 2021 於二零二一年 三月三十一日 (Audited) (經審核) |
|---|-------------|---|--|
| | Notes 附註 | HK\$'000 千港元 | HK\$'000 千港元 |
| Non-current assets | | | |
| Investment properties | | 1,230 | 1,260 |
| Property, plant and equipment | 3 | 128,377 | 131,075 |
| Right-of-use assets | | 11,411 | 12,488 |
| Intangible assets | | 1,807 | 1,807 |
| Financial assets at fair value through profit or loss | | | |
| Financial assets at fair value through other comprehensive income | 4 | 568,297 | 466,322 |
| Interest in an associate | | 321,907 | 324,018 |
| Loan to an associate | | 16,487 | 16,118 |
| Deferred tax assets | | 69 | 69 |
| | | 1,049,585 | 953,157 |
| Current assets | | | |
| Inventories | | 6,680 | 7,558 |
| Trade and bills receivables | | | |
| | 5 | 9,760 | 9,130 |
| Deposits, prepayments and other receivables | | 6,025 | 2,263 |
| Amount due from an associate | | 41,947 | 41,947 |
| Financial assets at fair value through profit or loss | | 1,813 | 1,786 |
| Pledged bank deposits | | 21,711 | 21,688 |
| Cash and bank balances | | 121,838 | 126,710 |
| | | 209,774 | 211,082 |
| Total assets | | 1,259,359 | 1,164,239 |

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
簡明綜合財務狀況表 (續)

| | | At 30 September 2021 於二零二一年 九月三十日 (Unaudited) (未經審核) | At 31 March 2021 於二零二一年 三月三十一日 (Audited) (經審核) |
|---|----------------------|---|--|
| | Notes 附註 | HK\$'000 千港元 | HK\$'000 千港元 |
| Capital and reserves | 資本及儲備 | | |
| Share capital | 股本 | 23,900 | 23,900 |
| Reserves | 儲備 | 1,095,178 | 1,006,605 |
| Equity attributable to owners of the Company | 本公司擁有人應佔權益 | 1,119,078 | 1,030,505 |
| Non-controlling interests | 非控股權益 | (321) | (1,211) |
| Total equity | 權益總額 | 1,118,757 | 1,029,294 |
| Non-current liabilities | 非流動負債 | | |
| Convertible bonds | 可換股債券 | 76,264 | 69,980 |
| Lease liabilities | 租賃負債 | 1,208 | 2,123 |
| Deferred income on government grants | 政府補助之遞延收入 | 4,886 | 4,949 |
| | | 82,358 | 77,052 |
| Current liabilities | 流動負債 | | |
| Trade and bills payables | 貿易應付賬款及 應付票據 | 6 5,608 | 6,692 |
| Accruals, other payables and contract liabilities | 預提費用、其他 應付款項及合約負債 | 7 34,173 | 33,893 |
| Lease liabilities | 租賃負債 | 1,811 | 1,771 |
| Deferred income on government grants | 政府補助之遞延收入 | 127 | 127 |
| Tax payable | 應付稅項 | 16,525 | 15,410 |
| | | 58,244 | 57,893 |
| Total equity and liabilities | 總權益及負債 | 1,259,359 | 1,164,239 |
| Net current assets | 流動資產淨值 | 151,530 | 153,189 |
| Total assets less current liabilities | 總資產減流動負債 | 1,201,115 | 1,106,346 |

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

簡明綜合損益及其他全面收益表

| | | For the six months ended 30 September 截至九月三十日止六個月 | | |
|---|--------------------|---|--|--|
| | | | 2021 二零二一年 (Unaudited) (未經審核) | 2020 二零二零年 (Unaudited) (未經審核) |
| | | Notes 附註 | HK\$'000 千港元 | HK\$'000 千港元 |
| Revenue | 收益 | 8 | 43,462 | 36,745 |
| Cost of sales | 銷售成本 | | (19,655) | (16,457) |
| Gross profit | 毛利 | | 23,807 | 20,288 |
| Other income | 其他收入 | 9 | 599 | 5,366 |
| Other gains and losses, net | 其他收益及虧損淨額 | 10 | 102,213 | 81,776 |
| Selling and distribution expenses | 銷售及分銷費用 | | (15,616) | (13,035) |
| Administrative expenses | 行政費用 | | (11,899) | (11,310) |
| Share of results of an associate | 應佔一間聯營公司業績 | | (2,111) | (541) |
| Finance costs | 財務成本 | 11 | (6,361) | (5,409) |
| Profit before income tax | 除所得稅前溢利 | 12 | 90,632 | 77,135 |
| Income tax | 所得稅 | 13 | (1,129) | (1,187) |
| Profit for the period | 期內溢利 | | 89,503 | 75,948 |
| Other comprehensive income/(expense) | 其他全面收益/(開支) | | | |
| Item that may be reclassified subsequently to profit or loss | 其後可能重新分類至損益的項目 | | | |
| — Exchange differences arising on translation of foreign operations | — 換算海外業務之匯兌差額 | | (40) | — |
| Total comprehensive income for the period | 期內全面收益總額 | | 89,463 | 75,948 |

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME (CONTINUED)**
簡明綜合損益及其他全面收益表(續)

| | | For the six months ended 30 September | |
|--|-----------------|--|-------------|
| | | 截至九月三十日止六個月 | |
| | | 2021 | 2020 |
| | | 二零二一年 | 二零二零年 |
| | | (Unaudited) | (Unaudited) |
| | | (未經審核) | (未經審核) |
| Notes | | HK\$'000 | HK\$'000 |
| 附註 | | 千港元 | 千港元 |
| Profit for the period attributable to | 以下人士應佔期內溢利 | | |
| Owners of the Company | 本公司擁有人 | 88,592 | 74,992 |
| Non-controlling interests | 非控股權益 | 911 | 956 |
| | | 89,503 | 75,948 |
| Total comprehensive income for the period attributable to | 以下人士應佔期內全面收益總額 | | |
| Owners of the Company | 本公司擁有人 | 88,573 | 74,992 |
| Non-controlling interests | 非控股權益 | 890 | 956 |
| | | 89,463 | 75,948 |
| | | (Unaudited) | (Unaudited) |
| | | (未經審核) | (未經審核) |
| | | HK cents | HK cents |
| | | 港仙 | 港仙 |
| Earnings per share for profit attributable to owners of the Company | 本公司擁有人應佔溢利之每股盈利 | | |
| — Basic | — 基本 | 3.71 | 3.14 |
| — Diluted | — 攤薄 | 2.88 | 2.44 |

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

簡明綜合權益變動表

Attributable to owners of the Company
本公司擁有人應佔

| | | Share capital | Share premium | Capital reserve | Contributed surplus | Foreign | Convertible | Fair value | Retained earnings | Total | Non-controlling interests | Total |
|---|--------------------|---------------|---------------|-----------------|---------------------|------------------------------|----------------------|--|-------------------|-----------|---------------------------|-----------|
| | | | | | | currency translation reserve | bonds equity reserve | through other comprehensive income reserve | | | | |
| | | 股本 | 股份溢價 | 資本儲備 | 繳入盈餘 | 外幣匯兌儲備 | 可換股債券權益儲備 | 計入其他全面收益儲備 | 保留盈利 | 合計 | 非控股權益 | 合計 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| At 1 April 2020 (Audited) | 於二零二零年四月一日 (經審核) | 23,900 | 191,738 | 6,542 | 4,839 | 20,508 | 512,359 | (83,086) | 465,695 | 1,142,495 | (2,647) | 1,139,848 |
| Profit for the period (Unaudited) | 期內溢利 (未經審核) | - | - | - | - | - | - | - | 74,992 | 74,992 | 956 | 75,948 |
| Exchange differences on translation of foreign operations | 換算海外業務之匯兌差額 | - | - | - | - | - | - | - | - | - | - | - |
| Total comprehensive income/(expense) | 全面收益/(開支)總額 | - | - | - | - | - | - | - | 74,992 | 74,992 | 956 | 75,948 |
| At 30 September 2020 (Unaudited) | 於二零二零年九月三十日 (未經審核) | 23,900 | 191,738 | 6,542 | 4,839 | 20,508 | 512,359 | (83,086) | 540,687 | 1,217,487 | (1,691) | 1,215,796 |
| At 1 April 2021 (Audited) | 於二零二一年四月一日 (經審核) | 23,900 | 191,738 | 6,542 | 4,839 | 29,616 | 512,359 | (83,086) | 344,597 | 1,030,505 | (1,211) | 1,029,294 |
| Profit for the period (Unaudited) | 期內溢利 (未經審核) | - | - | - | - | - | - | - | 88,592 | 88,592 | 911 | 89,503 |
| Exchange differences on translation of foreign operations | 換算海外業務之匯兌差額 | - | - | - | - | (19) | - | - | - | (19) | (21) | (40) |
| Total comprehensive income/(expense) | 全面收益/(開支)總額 | - | - | - | - | (19) | - | - | 88,592 | 88,573 | 890 | 89,463 |
| At 30 September 2021 (Unaudited) | 於二零二一年九月三十日 (未經審核) | 23,900 | 191,738 | 6,542 | 4,839 | 29,597 | 512,359 | (83,086) | 433,189 | 1,119,078 | (321) | 1,118,757 |

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

簡明綜合現金流量表

For the six months ended

30 September

截至九月三十日止六個月

2021

2020

二零二一年

二零二零年

(Unaudited)

(Unaudited)

(未經審核)

(未經審核)

HK\$'000

HK\$'000

千港元

千港元

| | | | |
|---|------------------------------|----------------|---------|
| Net cash (used in)/generated from operating activities | 經營活動(使用)/產生之現金淨額 | (3,588) | 496 |
| Net cash used in financing activities | 融資活動使用之現金淨額 | (951) | (951) |
| Net cash used in investing activities | 投資活動使用之現金淨額 | (242) | (64) |
| Net decrease in cash and cash equivalents | 現金及現金等值項目減少淨額 | (4,781) | (519) |
| Effect on foreign exchange rate changes | 外幣匯率變動之影響 | (91) | — |
| Cash and cash equivalents at beginning of the period | 期初之現金及現金等值項目 | 126,710 | 126,437 |
| Cash and cash equivalents at end of the period — represented by cash and bank balances | 期終之現金及現金等值項目 — 以現金及銀行結餘列示 | 121,838 | 125,918 |



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

簡明綜合財務資料附註

1. GENERAL INFORMATION

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

This unaudited condensed consolidated interim financial information of the Group (the “**Interim Financial Information**”) was approved for issue by the Board on 29 November 2021.

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES

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

This Interim Financial Information should be read in conjunction with the Group’s audited financial statements for the year ended 31 March 2021 (the “**2021 Audited Financial Statements**”) as prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”). Other than changes as described below, the accounting policies adopted in this Interim Financial Information are consistent with the 2021 Audited Financial Statements.

1. 一般資料

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

此份本集團之未經審核簡明綜合中期財務資料（「**中期財務資料**」）於二零二一年十一月二十九日獲董事會批准刊發。

2. 編製基準及會計政策變動

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

此中期財務資料應與本集團按照香港財務報告準則（「**香港財務報告準則**」）編製之截至二零二一年三月三十一日止年度經審核財務報表（「**二零二一年經審核財務報表**」）一併閱讀。除下文所述的變動外，本中期財務資料採用的會計政策與二零二一年經審核財務報表一致。

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES (Continued)

The Group has adopted the new and amended standards to HKFRSs as issued by the HKICPA that are first effective for the current interim period and considered that there was no significant impact on the Group's results and financial position:

| | |
|---|--|
| Amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16 | Interest Rate Benchmark Reform – Phase 2 |
|---|--|

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3. PROPERTY, PLANT AND EQUIPMENT

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

2. 編製基準及會計政策變動(續)

本集團已採納香港會計師公會頒佈之香港財務報告準則的新訂及經修訂準則，該等準則於本中期間首次生效，本集團認為該等準則對本集團業績及財務狀況概無產生重大影響：

| | |
|--|------------|
| 香港財務報告準則第9號、香港會計準則第39號、香港財務報告準則第7號、香港財務報告準則第4號及香港財務報告準則第16號(修訂本) | 利率基準改革第二階段 |
|--|------------|

本集團並無應用任何於當前會計期間尚未生效之新訂準則或詮釋。

3. 物業、廠房及設備

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

4. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

On 12 May 2021, the Company as the bondholder and Innovative Pharmaceutical Biotech Limited (“**Innovative Pharm**”) as the issuer of the HK\$715,000,000 convertible bonds due on 28 July 2021 (“**Innovative Pharm Bonds**”), entered into, the second deed of amendment (“**Second Amendment Deed**”) to further amend certain terms and conditions of the Innovative Pharm Bonds in respect of the two-year extension of the original maturity date to 28 July 2023 (“**Maturity Date**”) and the extension of payment dates of the interest of the Innovative Pharm Bonds to the Maturity Date (“**Second Amendments**”), and the second deed of waiver pursuant to which the Company granted to Innovative Pharm a waiver in respect of obligations of Innovative Pharm to the extent necessary and solely to effect the Second Amendments. The transaction contemplated under the Second Amendment Deed in respect of the Second Amendments constitutes a major transaction for the Company which is subject to the reporting, announcement and shareholders’ approval requirements under Chapter 14 of the Listing Rules. The transaction was approved by the Company’s shareholders in a special general meeting held on 30 July 2021, and upon fulfillment of all the conditions precedent to the Second Amendment Deed, on 16 August 2021, Innovative Pharm issued to the Company a new certificate of the HK\$715,000,000 convertible bonds due on the Maturity Date (“**Extended Bonds**”). The Extended Bonds bear interest at 3.5% per annum. The Group has the right to convert the Extended Bonds into shares of Innovative Pharm during the period ending on the Maturity Date at an initial conversion price of HK\$2.5 per share.

4. 按公平值計入損益之金融資產

於二零二一年五月十二日，本公司(作為債券持有人)與領航醫藥及生物科技有限公司(「**領航醫藥**」)(作為於二零二一年七月二十八日到期之715,000,000港元可換股債券(「**領航醫藥債券**」)之發行人)訂立第二份修訂契據(「**第二份修訂契據**」)以進一步修訂領航醫藥債券之若干條款及條件，涉及將領航醫藥債券之原定到期日延長兩年至二零二三年七月二十八日(「**該到期日**」)及將支付領航醫藥債券利息之日期延遲至該到期日(「**第二次修訂**」)，以及第二份豁免契據，據此本公司向領航醫藥授出豁免，在必要情況下僅為使第二次修訂生效而豁免有關領航醫藥之責任。第二份修訂契據項下擬進行有關第二次修訂之交易構成本公司之主要交易，須遵守上市規則第14章項下申報、公告及股東批准之規定。有關交易已在二零二一年七月三十日舉行的股東特別大會上獲本公司股東批准，而在第二份修訂契據的所有先決條件獲達成後，於二零二一年八月十六日，領航醫藥向本公司發行於該到期日到期為數715,000,000港元的可換股債券的新證書(「**經延長債券**」)。經延長債券按年利率3.5%計息。本集團有權在截至該到期日止的期間內，以每股2.5港元的初始轉換價將經延長債券轉換為領航醫藥的股份。

4. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

Pursuant to the Second Amendment Deed, any outstanding principal amount of the Extended Bonds shall be redeemed and the interest shall be paid, on the Maturity Date. The payment of interest on the Maturity Date in aggregate of HK\$166,040,875 relates to (i) the annual interest for the five interest periods from 28 July 2018 to 27 July 2023 totaling HK\$125,125,000, (ii) the additional interest of HK\$25,900,875 representing 15% per annum for the two-year further extension of payment of (a) annual interest for the three interest periods from 28 July 2018 to 27 July 2021 in the aggregate amount of HK\$75,075,000 and (b) additional interest of HK\$11,261,250, which are originally due on 28 July 2021 in pursuance to the first deed of amendment executed on 26 July 2019, (iii) the additional interest of HK\$11,261,250 as mentioned in (ii)(b) above, and (iv) the additional interest of HK\$3,753,750 representing 15% per annum for the one-year extension of payment of annual interest for the interest period from 28 July 2021 to 27 July 2022.

Details regarding the Second Amendments are disclosed in the Company's announcements dated 12 May, 30 July and 16 August 2021 and the circular dated 14 July 2021.

4. 按公平值計入損益之金融資產(續)

根據第二份修訂契據，任何尚未贖回的經延長債券本金額將於該到期日被贖回並於當日獲支付利息。在該到期日支付的利息合共為166,040,875港元，涉及(i)由二零一八年七月二十八日至二零二三年七月二十七日止五個利息期的年息合共125,125,000港元，(ii)額外利息25,900,875港元，相當於年利率為15%，作為再延長兩年支付(a)由二零一八年七月二十八日至二零二一年七月二十七日止三個利息期的年息合共75,075,000港元及(b)額外利息11,261,250港元(根據於二零一九年七月二十六日簽立的第一份修訂契據，該利息原於二零二一年七月二十八日到期支付)的利息，(iii)上文(ii)(b)所述額外利息11,261,250港元，及(iv)額外利息3,753,750港元，相當於年利率15%，作為延長一年支付由二零二一年七月二十八日至二零二二年七月二十七日止利息期年息的利息。

有關第二次修訂的詳情已於本公司日期為二零二一年五月十二日、七月三十日及八月十六日的公告以及日期為二零二一年七月十四日的通函中披露。

4. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

The fair values of the Extended Bonds at the date of initial recognition on 16 August 2021 and at the reporting period ended date on 30 September 2021 are calculated using the Binomial Model, which are determined based on the valuation conducted by an independent qualified valuer. The movements of the Extended Bonds are set out as below:

4. 按公平值計入損益之金融資產(續)

經延長債券於初始確認日期(二零二一年八月十六日)及報告日期結束(二零二一年九月三十日)的公平值使用二項式模式計算得出，乃經獨立合資格估值師的估值釐定。經延長債券的變動情況載列如下：

| | | HK\$'000 千港元 |
|--|----------------------------|-----------------|
| At 31 March 2021 and 1 April 2021 | 於二零二一年三月三十一日 及二零二一年四月一日 | 466,322 |
| Change in fair value recognised on 16 August 2021 | 於二零二一年八月十六日確 認的公平值變動 | 84,540 |
| Fair value on initial recognition | 初始確認時的公平值 | 550,862 |
| Change in fair value | 公平值變動 | 17,435 |
| At 30 September 2021 | 於二零二一年九月三十日 | 568,297 |

4. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

The inputs into the model at the respective dates are as follows:

4. 按公平值計入損益之金融資產(續)

該模式於各日期所用輸入數據如下：

| | | 30 September 2021 | 16 August 2021 |
|----------------------------------|------------|------------------------------|-------------------|
| | | 二零二一年 九月三十日 | 二零二一年 八月十六日 |
| Stock price (HK\$) | 股份價格(港元) | 0.201 | 0.225 |
| Conversion price (HK\$) | 換股價(港元) | 2.5 | 2.5 |
| Discount rate | 貼現率 | 24.030% | 24.108% |
| Risk free rate (Note a) | 無風險利率(附註a) | 0.166% | 0.111% |
| Expected volatility (Note b) | 預期波幅(附註b) | 28.207% | 27.294% |
| Expected dividend yield (Note c) | 預期股息率(附註c) | 0% | 0% |
| Option life (Years) | 期權期限(年期) | 1.825 | 1.948 |

Notes:

- (a) The rate was determined with reference to the yields of Hong Kong government bonds and treasury bills as at the date of valuation.
- (b) With reference to the historical price volatility of Innovative Pharm.
- (c) Estimated with reference to the historical dividend payout of Innovative Pharm.

附註：

- (a) 該利率乃參考香港政府債券及庫券於估值日期之孳息率釐定。
- (b) 參考領航醫藥之過往價格波幅得出。
- (c) 參考領航醫藥之過往股息派付估計。

5. TRADE AND BILLS RECEIVABLES

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

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

5. 貿易應收賬款及應收票據

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

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

| | | At 30 September 2021 於二零二一年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元 | At 31 March 2021 於二零二一年 三月三十一日 (Audited) (經審核) HK\$'000 千港元 |
|----------------|----------|---|---|
| Within 90 days | 90日內 | 6,337 | 6,134 |
| 91–180 days | 91至180日 | 2,120 | 1,257 |
| 181–365 days | 181至365日 | 1,303 | 1,739 |
| | | 9,760 | 9,130 |

6. TRADE AND BILLS PAYABLES

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from two to three months from the date of invoice.

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

6. 貿易應付賬款及應付票據

貿易應付賬款為不計息，而本集團獲授之一般貿易信貸期介乎發票日期起計兩至三個月。

根據發票日期之貿易應付賬款及應付票據之賬齡分析如下：

| | | At | At |
|----------------|----------|---------------------|-----------|
| | | 30 September | 31 March |
| | | 2021 | 2021 |
| | | 於二零二一年 | 於二零二一年 |
| | | 九月三十日 | 三月三十一日 |
| | | (Unaudited) | (Audited) |
| | | (未經審核) | (經審核) |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Within 90 days | 90日內 | 3,896 | 4,290 |
| 91–180 days | 91至180日 | 911 | 1,613 |
| 181–365 days | 181至365日 | 26 | 26 |
| 1–2 years | 1至2年 | 252 | 240 |
| Over 2 years | 2年以上 | 523 | 523 |
| | | 5,608 | 6,692 |

7. ACCRUALS, OTHER PAYABLES AND CONTRACT LIABILITIES

7. 預提費用、其他應付款項及合約負債

| | | At 30 September 2021 於二零二一年 九月三十日 (Unaudited) (未經審核) HK\$'000 千港元 | At 31 March 2021 於二零二一年 三月三十一日 (Audited) (經審核) HK\$'000 千港元 |
|---------------------------------|--------------|---|---|
| Accruals (note i) | 預提費用(附註i) | 13,331 | 12,514 |
| Other payables (note ii) | 其他應付款項(附註ii) | 16,993 | 16,346 |
| Contract liabilities (note iii) | 合約負債(附註iii) | 3,849 | 5,033 |
| | | 34,173 | 33,893 |

Notes:

附註：

- | | | | |
|-------|---|-------|--|
| (i) | Mainly included marketing and promotion expense of about HK\$11,392,000 (31 March 2021: HK\$10,523,000). | (i) | 主要包括營銷及推廣費用約11,392,000港元(二零二一年三月三十一日：10,523,000港元)。 |
| (ii) | Mainly included payables for acquisition of property, plant and equipment of about HK\$3,033,000 (31 March 2021: HK\$3,033,000), payable for marketing and promotion expenses of about HK\$5,202,000 (31 March 2021: HK\$5,071,000) and other tax payables of about HK\$4,725,000 (31 March 2021: HK\$4,160,000). | (ii) | 主要包括收購物業、廠房及設備的應付款項約3,033,000港元(二零二一年三月三十一日：3,033,000港元)、應付營銷及推廣費用約5,202,000港元(二零二一年三月三十一日：5,071,000港元)及其他應付稅款約4,725,000港元(二零二一年三月三十一日：4,160,000港元)。 |
| (iii) | Revenue recognised in the six months ended 30 September 2021 that was included in the contract liabilities balance at 1 April 2021 of HK\$5,033,000 (1 April 2020: HK\$3,801,000) amounted to HK\$1,277,000 (six months ended 30 September 2020: HK\$532,000). | (iii) | 截至二零二一年九月三十日止六個月，於二零二一年四月一日納入合約負債結餘5,033,000港元(二零二零年四月一日：3,801,000港元)之已確認收益金額為1,277,000港元(截至二零二零年九月三十日止六個月：532,000港元)。 |

8. REVENUE AND SEGMENT INFORMATION

The Group's revenue comprises the following:

| | | | |
|--|------|--|--|
| Manufacturing of pharmaceutical products | 製造藥品 | | |
| Trading of pharmaceutical products | 藥品貿易 | | |

43,462

36,745

—

—

43,462

36,745

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

- (a) the manufacturing segment engages in the development, manufacture and sales of pharmaceutical products (“**Manufacturing**”);
- (b) the trading segment engages in the marketing and distribution of imported pharmaceutical products (“**Trading**”);

8. 收益及分類資料

本集團之收益包括以下項目：

For the six months ended 30 September

截至九月三十日止六個月

| 2021 | 2020 |
|-------------|-------------|
| 二零二一年 | 二零二零年 |
| (Unaudited) | (Unaudited) |
| (未經審核) | (未經審核) |
| HK\$'000 | HK\$'000 |
| 千港元 | 千港元 |

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

- (a) 製造分類從事開發、製造及銷售藥品（「**製造**」）；
- (b) 貿易分類從事推廣及分銷進口藥品（「**貿易**」）；

8. REVENUE AND SEGMENT INFORMATION (Continued)

(c) the gene development segment engages in the commercial exploitation and development of genome-related technology (“**Gene Development**”).

The following is an analysis of the Group’s revenue and results from operation by reportable and operating segment for the six months ended 30 September 2021:

8. 收益及分類資料(續)

(c) 基因開發分類從事基因相關技術之商業開發及發展(「**基因開發**」)。

以下為本集團截至二零二一年九月三十日止六個月按可呈報及經營分類劃分之經營收益及業績之分析：

| | | Unaudited – For the six months ended 30 September 未經審核 – 截至九月三十日止六個月 | | | | | | | |
|---|---------------|---|-----------------|-----------------------|-----------------|--------------------------|-----------------|-----------------|-----------------|
| | | Manufacturing 製造 | | Trading (*) 貿易 (*) | | Gene Development 基因開發 | | Total 總計 | |
| | | 2021 二零二一年 | 2020 二零二零年 | 2021 二零二一年 | 2020 二零二零年 | 2021 二零二一年 | 2020 二零二零年 | 2021 二零二一年 | 2020 二零二零年 |
| | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| Revenue | 收益 | | | | | | | | |
| Sales to external customers | 向外間客戶銷售 | 43,462 | 36,745 | – | – | – | – | 43,462 | 36,745 |
| Segment results | 分類業績 | 4,120 | 3,908 | (2,136) | (3,954) | (41) | (38) | 1,943 | (84) |
| Unallocated other income | 未分配之其他收入 | | | | | | | 599 | 5,366 |
| Unallocated other gains and losses, net | 未分配之其他收益及虧損淨額 | | | | | | | 101,975 | 81,341 |
| Corporate expenses (*) | 企業開支(*) | | | | | | | (5,490) | (3,653) |
| Effective interest expense on convertible bonds | 可換股債券之實際利息開支 | | | | | | | (6,284) | (5,294) |
| Share of results of an associate | 應佔一間聯營公司業績 | | | | | | | (2,111) | (541) |
| Profit before income tax | 除所得稅前溢利 | | | | | | | 90,632 | 77,135 |
| Income tax | 所得稅 | | | | | | | (1,129) | (1,187) |
| Profit for the period | 期內溢利 | | | | | | | 89,503 | 75,948 |

8. REVENUE AND SEGMENT INFORMATION (Continued)

* For the period ended 30 September 2021, the directors of the Company have reviewed and revised the basis of performance measurement of the trading segment and corporate activities in order to fairly reflect and monitor the resource allocation and performance assessment of the trading segment for decision-making. As there is no change in the Group's reportable segments, the segment information for the corresponding period has not been restated.

8. 收益及分類資料(續)

* 截至二零二一年九月三十日止期間，本公司董事已審閱並修訂貿易分類及企業活動的業績計量基準，以便公平地反映及監測貿易分類的資源分配和業績評估，以作決策。由於本集團的可呈報分類並無變動，因此相應期間的分類資料並無重列。

9. OTHER INCOME

9. 其他收入

For the six months ended 30 September

截至九月三十日止六個月

| | | 2021 | 2020 |
|---|---------------------------|-------------|-------------|
| | | 二零二一年 | 二零二零年 |
| | | (Unaudited) | (Unaudited) |
| | | (未經審核) | (未經審核) |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Bank interest income | 銀行利息收入 | 166 | 619 |
| Government grants | 政府補助 | 64 | 808 |
| Imputed interest income from amount due from an associate | 應收一間聯營公司 款項之估算 利息收入 | — | 3,570 |
| Loan interest income from an associate | 來自一間聯營公司 之貸款利息收入 | 369 | 369 |
| | | 599 | 5,366 |

10. OTHER GAINS AND LOSSES, NET 10. 其他收益及虧損淨額

| | | For the six months ended 30 September | |
|---|---|--|---------------|
| | | 截至九月三十日止六個月 | |
| | | 2021 | 2020 |
| | | 二零二一年 | 二零二零年 |
| | | (Unaudited) | (Unaudited) |
| | | (未經審核) | (未經審核) |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Reversal of impairment loss on other receivables | 其他應收款項減值虧損撥回 | 21 | 452 |
| Reversal of/(Provision for) impairment loss on trade receivables, net | 貿易應收賬款減值虧損撥回／(撥備)淨額 | 190 | (39) |
| Change in fair value on financial assets at fair value through profit or loss ("FVTPL") — investments in convertible bonds (Note) | 按公平值計入損益(「按公平值計入損益」)之金融資產之公平值變動—可換股債券投資(附註) | 101,975 | 81,341 |
| Change in fair value on financial assets at FVTPL — short term investments | 按公平值計入損益之金融資產之公平值變動—短期投資 | 27 | 22 |
| | | 102,213 | 81,776 |

Note: The balance included fair value gain of HK\$84,540,000 on initial recognition of the Extended Bonds on 16 August 2021 upon completion of the Second Amendment Deed to effect the Second Amendments.

A figure of HK\$89,747,000 was used for preliminary disclosure purpose in the results announcement issued on 29 November 2021.

附註：該結餘包括在二零二一年八月十六日完成第二份修訂契據致使第二次修訂生效時，經延長債券的初始確認公平值收益84,540,000港元。

於二零二一年十一月二十九日所發佈的業績公告中所初步披露的數額為89,747,000港元。

11. FINANCE COSTS

11. 財務成本

| | | For the six months ended | |
|-------------------------------|---------|--------------------------|-------------|
| | | 30 September | |
| | | 截至九月三十日止六個月 | |
| | | 2021 | 2020 |
| | | 二零二一年 | 二零二零年 |
| | | (Unaudited) | (Unaudited) |
| | | (未經審核) | (未經審核) |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Interest on convertible bonds | 可換股債券利息 | 6,284 | 5,294 |
| Interest on lease liabilities | 租賃負債利息 | 77 | 115 |
| | | 6,361 | 5,409 |

12. PROFIT BEFORE INCOME TAX

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

12. 除所得稅前溢利

本集團之除所得稅前溢利已扣除/(計入)以下各項：

For the six months ended 30 September

截至九月三十日止六個月

| | 2021 | 2020 |
|---|-------------|-------------|
| | 二零二一年 | 二零二零年 |
| | (Unaudited) | (Unaudited) |
| | (未經審核) | (未經審核) |
| | HK\$'000 | HK\$'000 |
| | 千港元 | 千港元 |
| Depreciation of right-of-use assets | 1,084 | 1,076 |
| Depreciation of investment properties | 30 | 30 |
| Depreciation of property, plant and equipment | 3,085 | 2,821 |
| Cost of inventories recognised as expenses | 19,655 | 16,457 |
| Reversal of impairment loss on inventories, net (included in cost of sales) | (190) | — |
| Staff costs (including directors' emoluments) | | |
| Salaries, bonus and allowances | 9,938 | 9,405 |
| Retirement benefit scheme contributions | 1,346 | 298 |

13. INCOME TAX

13. 所得稅

For the six months ended

30 September

截至九月三十日止六個月

| | | 2021 | 2020 |
|---------------------------|---------|-------------|-------------|
| | | 二零二一年 | 二零二零年 |
| | | (Unaudited) | (Unaudited) |
| | | (未經審核) | (未經審核) |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Current tax: | 即期稅項： | | |
| Hong Kong | 香港 | — | — |
| PRC Enterprise Income Tax | 中國企業所得稅 | 1,129 | 1,187 |
| Income tax expense | 所得稅支出 | 1,129 | 1,187 |

Under the two-tiered profits tax rates regime, the first HK\$2 million of assessable profits of a qualifying corporation will be taxed at 8.25%, and assessable profits above HK\$2 million will continue to be taxed at 16.5%. Hong Kong Profits Tax of the qualified entity of the group company is calculated in accordance with the two tiered profits tax rates regime for the periods ended 30 September 2021 and 2020.

根據兩級利得稅稅率制度，合資格企業的應課稅溢利首2,000,000港元將按8.25%的稅率納稅，而超過2,000,000港元的應課稅溢利將繼續按16.5%的稅率納稅。截至二零二一年及二零二零年九月三十日止期間，合資格集團實體公司的香港利得稅乃根據兩級利得稅稅率制度計算。

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

根據中華人民共和國(「中國」)企業所得稅(「企業所得稅」)法及企業所得稅法實施條例，自二零零八年一月一日起，中國附屬公司之稅率為25%。



14. INTERIM DIVIDENDS

The directors do not recommend the payment of an interim dividend in respect of the six months ended 30 September 2021 (six months ended 30 September 2020: HK\$ Nil).

15. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the profit attributable to owners of the Company of HK\$88,592,000 (2020: HK\$74,992,000) and 2,390,000,000 ordinary shares in issue.

The calculation of the diluted earnings per share is based on adjusted profit of HK\$94,876,000 (2020: HK\$80,286,000) for effective interest expense on convertible bonds of HK\$6,284,000 (2020: HK\$5,294,000) and the weighted average number of 3,290,000,000 ordinary shares outstanding.

14. 中期股息

董事不建議派付截至二零二一年九月三十日止六個月之中期股息(截至二零二零年九月三十日止六個月：零港元)。

15. 每股盈利

每股基本盈利的計算乃基於本公司擁有人應佔溢利88,592,000港元(二零二零年：74,992,000港元)及2,390,000,000股已發行普通股。

每股攤薄盈利的計算乃基於可換股債券實際利息開支6,284,000港元(二零二零年：5,294,000港元)之經調整溢利94,876,000港元(二零二零年：80,286,000港元)，以及3,290,000,000股已發行在外普通股加權平均數。

16. RELATED PARTY DISCLOSURES

Save as disclosures elsewhere in this Interim Financial Information, the Group had the following transactions with its related parties during the period ended 30 September 2021:

(a) Transactions with related parties

16. 關聯方披露

除本中期財務資料其他部分所披露者外，於截至二零二一年九月三十日止期間，本集團與其關聯方有以下交易：

(a) 關聯方交易

For the six months ended
30 September

截至九月三十日止六個月

| | 2021 | 2020 |
|--|--------------------|-------------|
| | 二零二一年 | 二零二零年 |
| | (Unaudited) | (Unaudited) |
| | (未經審核) | (未經審核) |
| | HK\$'000 | HK\$'000 |
| | 千港元 | 千港元 |
| (i) Consultancy fee expense paid to Dr. Mao Yumin (“Dr. Mao”), a shareholder of the Company (Note) | 306 | 306 |
| (ii) Loan interest income receivable from loan to an associate | 369 | 369 |
| | 675 | 675 |

Note: Since 8 October 2019, Dr. Mao has been interested in the entire convertible bonds of the Company. Dr. Mao is a related person of the Company.

附註：自二零一九年十月八日起，毛博士於本公司全部可換股債券中擁有權益。毛博士為本公司之關聯人士。

16. RELATED PARTY DISCLOSURES
 (Continued)

(b) Compensation for key management personnel, including amounts paid to the Company's directors

16. 關聯方披露(續)

(b) 主要管理人員之補償(包括向本公司董事支付之款項)

**For the six months ended
 30 September**

截至九月三十日止六個月

| | 2021 | 2020 |
|---|--------------------|-------------|
| | 二零二一年 | 二零二零年 |
| | (Unaudited) | (Unaudited) |
| | (未經審核) | (未經審核) |
| | HK\$'000 | HK\$'000 |
| | 千港元 | 千港元 |
| Salaries, fees and other benefits | 2,542 | 2,885 |
| Retirement benefit scheme contributions | 18 | 18 |
| | 2,560 | 2,903 |

17. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

There was no transfer between different levels of the fair value hierarchy during the period ended 30 September 2021, and there was no change in valuation techniques for the following Group's financial assets that are measured at fair value on a recurring basis at the end of the reporting period:

17. 金融工具之公平值計量

截至二零二一年九月三十日止期間，不同公平值架構級別之間概無任何轉移，於報告期末，以下根據經常性基準按公平值計量之本集團金融資產之估值技術亦概無變動：

As at 30 September 2021 (Unaudited)

於二零二一年九月三十日(未經審核)

| | | Level 1 | Level 2 | Level 3 | Total |
|--|-----------------------------------|----------|----------|----------|----------|
| | | 第一級 | 第二級 | 第三級 | 總值 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 |
| Financial assets at fair value through other comprehensive income ("FVTOCI") | 按公平值計入其他全面收益(「按公平值計入其他全面收益」)之金融資產 | — | — | — | — |
| Financial assets at FVTPL | 按公平值計入損益之金融資產 | — | 1,813 | 568,297 | 570,110 |
| | | — | 1,813 | 568,297 | 570,110 |

17. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

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

The investments in convertible bonds in Level 3 hierarchy is measured at FVTPL. The fair values are determined based on the valuations conducted by an independent qualified valuer using the binomial option pricing model and the significant unobservable inputs used in the fair value measurement are the expected volatility and the discount rate. The fair value measurement is positively correlated to the expected volatility of the share price of the issuer of the convertible bonds and negatively correlated to the discount rate adopted to calculate the present value of the cash flow of the convertible bonds.

17. 金融工具之公平值計量(續)

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

第三級的可換股債券投資乃以按公平值計入損益計量。該等公平值根據獨立合資格估值師使用二項期權定價模型進行的估值釐定，按公平值計量的過程中，使用的重大不可觀察輸入數據為預期的波動及貼現率。公平值計量與發行人可換股債券的股份價格之預期波動成正相關，並與計算可換股債券的現金流量現值所採用之貼現率成負相關。

17. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (Continued)

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

17. 金融工具之公平值計量(續)

期內可換股債券投資的公平值變動載列如下：

| | | HK\$'000 千港元 |
|---|---------------------------------------|-----------------|
| At 1 April 2021 (Audited) | 於二零二一年四月一日 (經審核) | 466,322 |
| Fair value change recognised in profit or loss on initial recognition on 16 August 2021 | 於二零二一年八月十六日之 初始確認於損益中已確認 的公平值變動 | 84,540 |
| At 16 August 2021 (Unaudited) | 於二零二一年八月十六日 (未經審核) | 550,862 |
| Fair value change recognised in profit or loss | 於損益中確認的公平值變動 | 17,435 |
| At 30 September 2021 (Unaudited) | 於二零二一年九月三十日 (未經審核) | 568,297 |



MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

Overall Performance

During the six months period ended 30 September 2021 (the “**2021 Interim Period**”), the global economy showed signs of recovery against the backdrop of mass COVID-19 vaccinations. The rapid rollout of effective vaccines mitigated the adverse impacts of COVID-19 pandemic and allowed an earlier relaxation of various lockdown measures and social distancing restrictions, which restored consumption and business sentiments. Although the emergence of the more transmissible new variant of COVID-19 had brought about increased uncertainties on the global economic recovery, the pace of global recovery continued, albeit at weakened momentum.

Notwithstanding the pandemic and the challenging economic environments both abroad and at home, the Chinese economy maintained the recovery momentum as the pandemic situation was well under control. The significant efforts made by the Chinese government to implement stringent infection prevention and control measures as well as nationwide vaccinations enabled a rapid resumption of social and business activities to return to normal. As a result, China’s economy sustained growth of 7.9% and 4.9% in the second and third quarters of 2021. The Chinese government continued to accelerate the pace of healthcare reform to drive the transformation of the pharmaceutical industry towards high-quality and innovation-driven development outlined in the Fourteenth Five-Year Plan (2021–2025). The National Healthcare Security Administration announced a series of deepening reform policies, which include the fifth batch of centralised

管理層討論及分析

業務回顧

整體表現

截至二零二一年九月三十日止六個月期間(「**二零二一年中期期間**」)，隨著新冠病毒肺炎疫苗大規模接種，全球經濟呈現復蘇跡象。有效疫苗的迅速推廣，不僅減輕新冠病毒肺炎疫情所帶來的不利影響，更令各種封鎖措施及社交距離限制得以提前放寬，有助消費及商業氣氛恢復起來。雖然傳播力更強的新冠病毒新變種出現為全球經濟復蘇帶來更多不明朗因素，全球復蘇的步伐仍持續，惟勢頭有所減弱。

儘管疫情持續及國內與海外經濟環境充滿挑戰，受惠於疫情得以有效控制，中國經濟保持復蘇勢頭。由於中國政府為實施嚴格的感染預防和控制措施以及在全國範圍內進行疫苗接種作出巨大努力，社會及商業活動迅速回復正常。因此，中國經濟在二零二一年第二及第三季度分別錄得7.9%及4.9%的持續增長。中國政府繼續加快醫療改革的步伐，以推動醫藥行業趨向第十四個五年規劃(二零二一至二零二五年)中概述的高質量和創新驅動的發展。國家醫療保障局公佈了一系列深化改革政策，其中包括第五批仿製藥集中帶量採購以及調整國家醫保藥品目錄。藥品集中採購安

volume-based procurement of generic drugs and adjustment of national reimbursement drug list. The normalisation of centralised drug procurement arrangements and the regular updates of the reimbursement drug list to improve market access have created tremendous pricing pressure and challenges to the pharmaceutical market. Meanwhile, the implementation of reforms aiming for strengthening of a high-standard market system and the enhancement of health system have led to industry concentration and encouraged product upgrading and innovation.

During the 2021 Interim Period, the Group's revenue and gross profit, which were contributed by the manufacturing segment increased to about HK\$43.5 million and HK\$23.8 million, representing an increase in revenue and gross profit of about HK\$6.7 million and HK\$3.5 million respectively when compared to revenue of about HK\$36.7 million and gross profit of about HK\$20.3 million as reported in the six months period ended 30 September 2020 (the **"2020 Interim Period"**). Gross margin slightly dropped from 55.2% to 54.8%, primarily due to sales mix.

The Group's administrative, selling and distribution expenses in aggregate increased to about HK\$27.5 million in the 2021 Interim Period, representing an increase by about HK\$3.2 million or 13.0% when compared to about HK\$24.3 million in the 2020 Interim Period. Such increase was the combined result of an increase in spending on marketing activities of about HK\$2.6 million, increase in professional fees and expenses incurred for the Company's major transaction and together with decreases in foreign exchange gains and subsidies granted by the Chinese government in aggregate of about HK\$0.6 million.

排的常態化以及為改善市場准入而定期更新醫保藥品目錄，為醫藥市場帶來巨大的價格壓力及挑戰。與此同時，為鞏固高標準市場體系及強化醫療系統而實施的改革，會令行業進一步集中，並有助鼓勵產品升級及創新。

於二零二一年中期期間，本集團的收益及毛利(其乃來自製造分類)分別增加至約43,500,000港元及23,800,000港元，較截至二零二零年九月三十日止六個月期間(「二零二零年中期期間」)呈報的收益約36,700,000港元及毛利約20,300,000港元分別增加約6,700,000港元及3,500,000港元。毛利率由55.2%略微下降至54.8%，主要由於銷售組合所致。

於二零二一年中期期間，本集團的行政、銷售及分銷費用合共增加至約27,500,000港元，較二零二零年中期期間的約24,300,000港元增加約3,200,000港元或13.0%。該增加乃由於營銷活動支出增加約2,600,000港元、本公司主要交易產生的專業費用及開支增加連同外匯收益及中國政府發放的補助減少合計約600,000港元的綜合結果所致。



The Group's profit for the period was about HK\$89.5 million in the 2021 Interim Period, representing an increase of about HK\$13.6 million when compared to the profit of about HK\$75.9 million in the 2020 Interim Period. Such increase was mainly due to a non-cash item, an increase in a gain of about HK\$20.6 million arising from the fair value change of the financial assets at fair value through profit or loss i.e. the Group's investments in convertible bonds, which outweighs the impact of the decreases in imputed interest income from amount due from an associate of about HK\$3.6 million and bank interest income and government grants in aggregate of about HK\$1.2 million, an increase in share of loss of an associate of about HK\$1.6 million and an increase in interest expense on the convertible bonds of the Company, a non-cash item of about HK\$1.0 million.

Revenue and Operating Results

Manufactured Pharmaceutical Sector

During the 2021 Interim Period, the segment demonstrated its resilience to deliver revenue growth and stable performance in the midst of pandemic. With a clear strategic focus executed by the management on expanding market share and coverage in rural areas and communities, segment revenue increased to about HK\$43.5 million in the 2021 Interim Period, representing an increase of about HK\$6.7 million or 18.3% when compared to revenue of about HK\$36.7 million in the 2020 Interim Period. The increase in revenue primarily resulted from the growth in demand for the Group's product specialised in improving the immunity system of the human body against diseases. As a result, gross profit increased to HK\$23.8 million, representing an increase of about HK\$3.5 million or 17.3% when

本集團於二零二一年中期期間的期內溢利約為89,500,000港元，較二零二零年中期期間的溢利約75,900,000港元增加約13,600,000港元。該增加乃主要由於本集團按公平值計入損益之金融資產（即本集團的可換股債券投資）之公平值變動產生之收益（非現金項目）增加約20,600,000港元，超逾應收一間聯營公司款項之估算利息收入減少約3,600,000港元、銀行利息收入及政府補助合共減少約1,200,000港元、應佔一間聯營公司虧損增加約1,600,000港元以及本公司可換股債券利息開支（非現金項目）增加約1,000,000港元的影響。

收益及經營業績

自產藥品業務

於二零二一年中期期間，該分類展示其於疫情中實現收益增長及達致穩定表現的能力。由於管理層明確地將戰略重點放在擴大市場份額及擴展於農村地區及社區的覆蓋面上，二零二一年中期期間的分類收益增至約43,500,000港元，較二零二零年中期期間的收益約36,700,000港元增加約6,700,000港元或18.3%。收益增加乃主要由於對本集團專門用於改善人體抵禦疾病的免疫系統的產品需求有所增長所致。因此，毛利增加至23,800,000港元，較二零二零年中期期間的毛

compared to gross profit of about HK\$20.3 million in the 2020 Interim Period. The benefits from growth in revenue offset the unfavourable impact of rising labour and material cost that the segment maintained the gross margin at 54.8%, a slight decline of 0.4% when compared to 55.2% in the 2020 Interim Period.

Despite the intense competition brought about by the regulatory healthcare reform policies, segment results slightly improved by about HK\$0.2 million or 5.4% when compared to the results of about HK\$3.9 million in the 2020 Interim Period. Such improvement reflects management's timely and efficient execution of measures and initiatives to secure market share and to drive revenue growth by enhancing marketing and promotion activities, though there was an increase in marketing and promotion expenses by about HK\$2.6 million when compared to the 2020 Interim Period, the benefits of which have outweighed the increase in expenses incurred.

As the healthcare reform progresses under the strategy of the "Healthy China 2030 Plan", more frequent and deeper reform policies are expected to push forward the structural reform of the pharmaceutical industry. Confronted with the intensifying competition in the pharmaceutical market, the Group will leverage its advantages in product quality and distribution networks with the aim of delivering sustainable performance in future.

利約20,300,000港元相比增加約3,500,000港元或17.3%。收益增長所帶來的好處抵銷了勞動力及材料成本上升的不利影響，該分類的毛利率維持於54.8%，較二零二零年中期期間的55.2%略微下降0.4%。

儘管監管方面的醫療改革政策引發激烈競爭，但相較於二零二零年中期期間的業績約3,900,000港元，該分類的業績略微提高約200,000港元或5.4%。該等增進，反映管理層及時有效地執行各種措施及計劃，從而確保市場份額，並通過加強營銷及推廣活動來推動收益增長，儘管與二零二零年中期期間相比，營銷及推廣費用增加約2,600,000港元，但其效益大於所產生費用增加的影響。

隨著醫療改革按《健康中國2030規劃綱要》戰略日益推進，預計將有更多更深層次的改革政策推動醫藥行業的結構性改革。面對日益激烈的醫藥市場競爭，本集團將利用其在產品質量和分銷網絡方面的優勢，於未來爭取持續性的業績。



Imported Pharmaceutical Sector

During the 2021 Interim Period, the segment generated no revenue as there has been sales suspension by the authorities in China for the Group's imported skin treatment product since 2019. As disclosed in the 2021 Annual Report, the manufacturer and the Group's business partners have opted to develop new products that can potentially overcome the entry barriers and capture the market opportunities. In the meantime, the Group has maintained its focus on building a new sales platform, in an effort to restore performance of the segment.

In light of the difficult situation, management continued to vigilantly engage in managing the staff and overhead costs of the segment, and for the purpose of facilitating internal management and performance assessment, certain internal resources were reallocated to corporate activities within the Group. As a result, segment loss reduced to about HK\$2.1 million, representing a decrease of about HK\$1.8 million or 46.0% when compared to HK\$4.0 million in the 2020 Interim Period. Such decrease primarily relates to reduction in the staff costs and operating costs due to the reallocation of internal resources, and the stringent cost control measures.

The Group will take proactive measures to optimise its cost structure while taking the opportune time to fine tune its business and operation.

Gene Development Sector

In the 2021 Interim Period, gene development remained inactive and no revenue was recorded.

進口藥品業務

於二零二一年中期期間，由於中國當局自二零一九年起暫停銷售本集團的進口皮膚治療產品，該分類並無產生收益。誠如二零二一年年報所披露，製造商及本集團的業務夥伴已選擇開發具潛力可克服進入門檻及把握市場機遇的新產品。同時，本集團專注於建立一個新銷售平台，以努力使該分類的業績回復。

有鑑於重重困難，管理層繼續謹慎管理該分類的員工及間接成本，並為促進內部管理及業績評估，為本集團的企業活動重新分配若干內部資源。因此，分類虧損減少至約2,100,000港元，較二零二零年中期期間的4,000,000港元減少約1,800,000港元或46.0%。該減少乃主要由於重新分配內部資源導致員工成本及營運成本減少，以及實施嚴格成本控制措施。

本集團將採取積極措施以優化其成本結構，同時藉此時機調節其業務及運作。

基因開發業務

於二零二一年中期期間，基因開發業務仍未開展，故並無錄得任何收益。

Interest in an Associate

As stated in the 2021 Annual Report, the COVID-19 pandemic since early 2020 had disrupted the normal operations of participating hospitals for the clinical trial of an oral insulin product (the “**Product**”), that the clinical trial in the process of selection and enrolment of patients was temporarily suspended pending improvement in the pandemic situation, for the safety of patients and clinical researchers. As the pandemic situation in China had gradually improved, during the third quarter of 2020, the enrolment of patients had commenced, and though the pandemic situation in China was largely under control, the preventive and control measures associated with the prolonged pandemic situation have been continuously implemented causing certain delay in patient enrolment and selection. Based on the information available to the Company, patient enrolment and selection in participating hospitals for the clinical trial is ongoing and the timeline for commercialisation of the Product by Smart Ascent Group is currently expected to be in around mid of 2023.

During the 2021 Interim Period, the Group’s share of loss increased from about HK\$0.5 million in the 2020 Interim Period by about HK\$1.6 million to HK\$2.1 million. Such increase mainly related to increase in research and development expenses for the Product.

於一間聯營公司之權益

誠如二零二一年年報所述，自二零二零年初起新冠病毒肺炎疫情已經擾亂口服胰島素產品（「**該產品**」）臨床測試參與醫院的正常運作，為確保患者及臨床研究人員的安全，甄選及招募患者階段的臨床測試已暫停進行，以待疫情形勢有所好轉。隨著於中國的新冠病毒肺炎疫情逐漸改善，於二零二零年第三季度，患者招募工作已經開始，而儘管於中國的疫情形勢大致受控，惟與疫情長時間肆虐有關的防控措施一直持續實施，導致患者招募及甄選工作出現若干延誤。根據本公司目前可得資料，臨床測試參與醫院之患者招募及甄選程序在進行中，而進生集團商品化該產品的時間表目前預期為二零二三年中前後。

於二零二一年中期期間，本集團的應佔虧損由二零二零年中期期間的約500,000港元增加約1,600,000港元至2,100,000港元。該增加乃主要由於該產品研發費用增加。



The directors of the Company have performed impairment assessment on the carrying amount of the interest in the associate as at 30 September 2021. Having considered the progress of the In-process R&D, the prevailing market conditions and reasonableness of assumptions used for the cash flow projections for the purpose of impairment assessment, the directors of the Company do not identify any indication on the carrying amount of interest in the associate as at 30 September 2021 that may need to be impaired. Accordingly, no impairment is considered necessary as at 30 September 2021.

Other Income and Gains and Losses, Net

Other income and gains and losses, net were in total a gain of about HK\$102.8 million, which increased by about HK\$15.7 million as compared to HK\$87.1 million in the 2020 Interim Period. Such increase was mainly due to an increase in a gain of about HK\$20.6 million arising from the fair value change of the financial assets at fair value through profit or loss i.e. the Group's investments in convertible bonds, which outweighs the impact of the decreases in imputed interest income from amount due from an associate, bank interest income and government grants in aggregate of about HK\$4.8 million.

Selling and Distribution Expenses

Selling and distribution expenses increased by about HK\$2.6 million or 20.0% from HK\$13 million in the 2020 Interim Period to about HK\$15.6 million in the 2021 Interim Period. Such increase was primarily due to the continuing efforts of the manufacturing segment in expanding and developing the market share.

於二零二一年九月三十日，本公司董事已就於聯營公司之權益之賬面值進行減值評估。經考慮進行之研發的進展、當前市況及就減值評估之現金流量預測所用假設的合理性，本公司董事並無發現任何跡象顯示於聯營公司之權益於二零二一年九月三十日之賬面值可能須作出減值，故認為於二零二一年九月三十日毋須作出減值。

其他收入及收益及虧損淨額

其他收入及收益及虧損淨額合計錄得收益約102,800,000港元，較二零二零年中期期間的87,100,000港元增加約15,700,000港元。該增加主要由於按公平值計入損益之金融資產（即本集團的可換股債券投資）的公平值變動產生之收益增加約20,600,000港元，超逾應收一間聯營公司款項之估算利息收入、銀行利息收入及政府補助合共減少約4,800,000港元的影響。

銷售及分銷費用

銷售及分銷費用由二零二零年中期期間的13,000,000港元增加約2,600,000港元或20.0%至二零二一年中期期間的約15,600,000港元。該增長主要由於製造分類繼續努力擴大及提升市場份額所致。

Administrative Expenses

Administrative expenses increased by about HK\$0.6 million or 5.2% from HK\$11.3 million in the 2020 Interim Period to about HK\$11.9 million in the 2021 Interim Period. Such increase was mainly due to decreases in foreign exchange gains and subsidies granted by the Chinese government and an increase in professional fees and expenses incurred for the Company's major transaction.

Seasonal or Cyclical Factors

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

Financial Review

The Group generally finances its operations with internally generated cash flow and facilities granted by its principal banker in Hong Kong, Industrial and Commercial Bank of China (Asia) Limited. As at 30 September 2021, the Group had total cash and bank balances (excluding pledged bank deposits of HK\$21.7 million) of HK\$121.8 million (31 March 2021: HK\$126.7 million), representing a decrease by approximately HK\$4.9 million or 3.8%. Such decrease was mainly the result of net cash used in operating activities of about HK\$3.6 million and the cash utilisations for purchase of property, plant and equipment of about HK\$0.4 million, payment of lease interests and liabilities in total of about HK\$1.0 million.

行政費用

行政費用由二零二零年中期期間的11,300,000港元增加約600,000港元或5.2%至二零二一年中期期間的約11,900,000港元。該增加主要是由於外匯收益及中國政府發放的補助減少，以及本公司主要交易產生的專業費用及開支增加所致。

季節性或週期性因素

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

財務回顧

本集團一般以內部產生之現金流量及其於香港主要往來銀行中國工商銀行(亞洲)有限公司所提供融資撥付其營運所需資金。於二零二一年九月三十日，本集團之現金及銀行結餘總額(不包括已抵押銀行存款21,700,000港元)為121,800,000港元(二零二一年三月三十一日：126,700,000港元)，下降約4,900,000港元或3.8%。該下降主要是由於經營活動所用之現金淨額約3,600,000港元及購置物業、廠房及設備動用現金約400,000港元以及租賃利息及負債付款合共約1,000,000港元所致。



The Group did not have bank borrowings as at 30 September 2021 (31 March 2021: HK\$ Nil) but had banking facilities on trade finance, which were supported by the pledge of the Group's fixed deposits of about HK\$21.7 million (31 March 2021: HK\$21.7 million) and corporate guarantees from the Company and certain subsidiaries of the Company. In general, there is no significant seasonality fluctuation on trade finance requirement of the Group.

The Group's total borrowing over total assets ratio as at 30 September 2021 was 0.063 (31 March 2021: 0.063), calculated based on the Group's total assets of HK\$1,259.4 million (31 March 2021: HK\$1,164.2 million) and total debts of about HK\$79.3 million (31 March 2021: HK\$73.9 million), comprising convertible bonds of about HK\$76.3 million (31 March 2021: HK\$70.0 million) and lease liabilities of about HK\$3.0 million (31 March 2021: HK\$3.9 million).

Foreign Exchange Exposure

Save for certain purchases are denominated in Euros, the Group's business transactions, assets and liabilities are principally denominated in Hong Kong dollars, United States dollars and Renminbi. The Group manages the foreign currency exposure by closely monitoring the foreign currency movements and may purchase foreign currencies at spot rate, when and where appropriate for meeting its payment obligation. No hedge on foreign currencies was made during the 2021 Interim Period but the Group will use financial instruments for hedging purpose when considered appropriate.

本集團於二零二一年九月三十日並無銀行借款(二零二一年三月三十一日：零港元)，惟擁有貿易融資之銀行信貸融資，其乃以本集團的定期存款約21,700,000港元(二零二一年三月三十一日：21,700,000港元)以及本公司與其若干附屬公司提供之公司擔保作抵押。一般而言，本集團之貿易融資需求並無重大季節性波動。

於二零二一年九月三十日，本集團總借款與總資產之比率為0.063(二零二一年三月三十一日：0.063)，乃按本集團總資產1,259,400,000港元(二零二一年三月三十一日：1,164,200,000港元)及總債項約79,300,000港元(二零二一年三月三十一日：73,900,000港元)(包括可換股債券約76,300,000港元(二零二一年三月三十一日：70,000,000港元)及租賃負債約3,000,000港元(二零二一年三月三十一日：3,900,000港元))計算。

外匯風險

除部分採購是以歐元計價外，本集團之業務交易、資產及負債主要以港元、美元及人民幣列值。本集團透過密切監察外幣變動和於適時購買即期外匯以履行付款責任等措施來執行外匯風險管理。本集團於二零二一年中期期間並無進行外幣對沖活動，然而，本集團會適時以金融工具作對沖用途。

Material Acquisitions and Disposals

During the 2021 Interim Period, the Group did not have any significant investments, material acquisition or disposal.

Outlook

Whilst the global economic recovery continues at a faltering pace amid threats of the emergence of new virus variants and new waves of pandemic, China's economy has managed to maintain its recovery momentum in the first three quarters of 2021 under the circumstances that the international environment uncertainties are mounting. The continuing preventive and control measures and vaccination in response to the evolving pandemic have become normalised and the external environment has grown increasingly complicated. China has strategically deployed a new development pattern of "dual circulation" featuring domestic and international dual circulations that complement each other, with the domestic market as the mainstay, to steer its future growth in the fast changing domestic and international environment.

重大收購及出售事項

於二零二一年中期期間，本集團並無任何重大投資、重大收購或出售事項。

前景

在新病毒變種及新一波疫情爆發的威脅下，全球經濟復蘇持續惟步履蹣跚，儘管在國際環境日益不明朗的情況下，中國經濟依然於二零二一年的前三個季度保持了復蘇勢頭。隨著疫情不斷變化，持續的防控措施及疫苗接種已成常態，外部環境亦更趨複雜。因此，為求於迅速變化的國內外環境中佈局未來發展，中國實施了以國內與國際雙循環相互促進、以國內市場為主體的「雙循環」發展新格局的戰略。



The domestic pharmaceutical industry has been one of the key contributors to China's economic growth. Under the Fourteenth Five-Year Plan (2021-2025), China's pharmaceutical industry is expected to constantly undergo transformation and upgrading alongside the nation's deepening healthcare reforms, thereby fostering a high-standard market system and propelling innovation momentum across the industry. In the context of a highly challenging landscape, the Group will continue to stay focused on the strategic direction towards developing its self-manufactured products and continue its effort in controlling the operating costs, with the aim of enhancing operational efficiency and preserving financial flexibility for the Group. The Group will also keep reviewing its business and operations and adjust its business strategies to align with the national policy direction, striving for a sustainable development path for the Group.

The Group believes that China's pharmaceutical industry will develop in a sustainable, quality-oriented direction as the market is fueled by huge and aging population, national policy support and investment, rising health consciousness and unmet medical needs. The Group holds a cautiously optimistic view for the coming years as it has preserved a sound financial position, enabling it in a better position to cope with future challenges arising from China's ever-changing pharmaceutical market condition, and grasp the potential opportunities embraced with the challenges ahead.

國內醫藥行業一直是中國經濟增長其中的一個重要行業。根據第十四個五年規劃(二零二一年至二零二五年)，中國的醫藥行業預期在國家深化醫療改革的同時，不斷進行轉型升級，從而培育高標準的市場體系，推升整個行業的創新力度。儘管環境嚴峻，本集團將繼續專注於發展自製產品的戰略方向，並繼續努力控制營運成本，以提高營運效率，維持本集團的財務靈活性。本集團亦將不斷審視其業務及營運，調整其業務戰略，以配合國家政策方向，為本集團走向可持續發展而努力。

本集團相信，隨著市場受龐大的人口及老齡化、國家政策支持及投資、健康意識的提高以及亟待滿足的醫療需求推動，中國的醫藥行業將朝著可持續、以質量為導向的方向發展。有鑑於本集團財務狀況一直穩健，讓其得以更好應對中國醫藥市場狀況不斷變動所帶來的未來挑戰，並在日後的挑戰中尋求潛在機遇，本集團對往後數年的發展持審慎樂觀態度。

EMPLOYMENT AND REMUNERATION POLICY

As at 30 September 2021, the Group had 169 employees (30 September 2020: 170). Staff costs (including directors' emoluments) for the six months ended 30 September 2021 amounted to approximately HK\$11.3 million (six months ended 30 September 2020: approximately HK\$9.7 million). The increase was mainly due to no relief for social security contributions by the Chinese government after the pandemic situation stabilised.

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

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

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

From the effective date of the Scheme to 30 September 2021, no share option has been granted under the Scheme.

僱傭和薪酬政策

於二零二一年九月三十日，本集團共聘用169名僱員（二零二零年九月三十日：170名）。截至二零二一年九月三十日止六個月之員工成本（包括董事薪酬）為約11,300,000港元（截至二零二零年九月三十日止六個月：約9,700,000港元）。有關增加主要由於疫情穩定後，中國政府再無減免社會保障繳款所致。

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

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

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

自該計劃生效日期起至二零二一年九月三十日期間，概無根據該計劃授出任何購股權。



CORPORATE GOVERNANCE

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

In the opinion of the directors, the Company has complied with the code provisions of the Corporate Governance Code and Corporate Governance Report (“**Code Provisions**”) as set out in Appendix 14 of the Listing Rules throughout the 2021 Interim Period, except for certain deviations from Code Provisions (i) A.1.3 and A.7.1 (notice, agenda as well as accompanying board papers should be given to directors in a timely manner for committee’s and board’s meeting), (ii) A.2.1 (the roles of chairman and chief executive officer should be separate and should not be performed by the same person), (iii) A.4.1 (non-executive directors should be appointed for a specific term), (iv) A.4.2 (all directors should be subject to retirement by rotation at least once every three years, and directors appointed to fill a casual vacancy be subject to election at the first general meeting after appointment), (v) E.1.5 (no dividend policy has been established), and (vi) E1.2 (the Chairman of the Board should attend the annual general meeting of the Company (“**AGM**”), Dr. Xie Yi was unable to attend the AGM held on 27 August 2021 due to two-way quarantine free travel corridors not available under the relevant border crossing travel restrictions. Ms. Wong Sau Kuen, an executive director of the Company, was appointed to chair the AGM in accordance with the provisions of the Company’s bye-laws and answered questions from shareholders of the Company). Details of deviations as set forth in (i) to (v) and the considered reasons in relation thereof have been duly set out in the corporate governance report contained in the 2021 annual report of the Company published in July 2021.

企業管治

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

董事認為，於整段二零二一年中期期間，本公司已遵守上市規則附錄十四所載之企業管治守則及企業管治報告之守則條文（「**守則條文**」），惟偏離若干守則條文除外：(i) 第A.1.3及A.7.1條（委員會及董事會會議的通告、議程連同相關董事會文件應適時送交董事）；(ii) 第A.2.1條（主席與行政總裁之角色應分開，且不應由同一人兼任）；(iii) 第A.4.1條（非執行董事應按特定任期委任）；(iv) 第A.4.2條（所有董事應至少每三年一次輪席告退，為填補臨時空缺而獲委任的董事須於獲委任後首屆股東大會上選出）；(v) 第E.1.5條（並無設立股息政策）；及(vi) 第E1.2條（董事會主席應出席本公司之股東週年大會（「**股東週年大會**」），謝毅博士基於在相關跨境旅行限制下並無雙向免檢疫過境通道而未能出席於二零二一年八月二十七日舉行之股東週年大會。本公司執行董事王秀娟女士根據本公司之公司細則條文獲委任為股東週年大會主席，並回答本公司股東提問）。第(i)至(v)項所載偏離的詳情以及所考慮的相關因素已妥為載於本公司於二零二一年七月刊發的二零二一年年報所載之企業管治報告內。

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

CHANGES IN INFORMATION OF DIRECTORS

There have been no changes in the information of the directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules as the Company’s code of conduct for dealings in securities of the Company by the directors. Based on specific enquiry of the Company’s directors, the directors have complied with the required standards set out in the Model Code throughout the 2021 Interim Period.

本公司將繼續審閱及監控上述情況，如情況需要，將會對有關常規作出改善。

董事資料變更

概無須根據上市規則第13.51B(1)條予以披露之董事的資料變更。

證券交易標準守則

本公司已採納上市規則附錄十所載之上市發行人董事進行證券交易的標準守則（「**標準守則**」）作為本公司有關董事買賣本公司證券之操守守則。經向本公司董事作出特定查詢後，董事於整段二零二一年中期期間一直遵照標準守則所載之規定準則。



DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

At 30 September 2021, the interests and short positions of the directors in the shares, underlying shares or debentures of the Company or its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) pursuant to the Model Code were as follows:

董事於股份、相關股份及債權證之權益及淡倉

於二零二一年九月三十日，董事於本公司或其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份或債權證中，擁有登記於本公司根據證券及期貨條例第352條須存置之登記冊之權益及淡倉，或根據標準守則須知會本公司及香港聯合交易所有限公司（「聯交所」）之權益及淡倉如下：

Long positions in the ordinary shares of the Company

於本公司普通股之好倉

| Name of director | Notes | Capacity and nature of interest | Number of ordinary shares held/ entitled | Approximate percentage of interests held |
|------------------|-------|--|--|--|
| 董事姓名 | 附註 | 身份及權益性質 | 所持／有權持有之普通股數目 | 所持權益之概約百分比 |
| Xie Yi 謝毅 | (a) | Through controlled corporations 透過受控制公司 | 900,000,000 | 37.66% |
| Cheng Yong 程勇 | (b) | Directly beneficially owned 直接實益擁有 | 830,000 | 0.04% |
| | | Through controlled corporations 透過受控制公司 | 140,760,000 | 5.89% |
| | | Held by spouse 由配偶持有 | 5,090,000 | 0.21% |
| | | | 146,680,000 | 6.14% |

Notes:

- (a) These 900,000,000 shares represent conversion shares to be allotted and issued to the bondholder, United Gene International Holdings Group Limited (“**UG International**”) upon exercise in full of the conversion rights by UG International, at conversion price of HK\$0.6413 per share under the Company’s 20-year zero coupon convertible bonds issued on 16 July 2013 with principal amount of HK\$577,170,000 outstanding. The entire issued share capital of UG International is owned by JNJ Investments Ltd which is wholly owned by Biowindow Gene Development (Hong Kong) Limited (“**HK Biowindow**”), and the entire issued share capital of HK Biowindow is owned by United Gene Group Ltd (a company incorporated in the British Virgin Islands). The issued share capital of United Gene Group Ltd is owned as to 33% by Ease Gold Investments Limited, which is wholly owned by Dr. Xie Yi.

At 30 September 2021, there was a total of 2,390,000,000 shares issued by the Company, and assuming the exercise in full of the conversion rights attaching to the Company’s convertible bonds, UG International will hold approximately 27.36% of the enlarged share capital of the Company.

- (b) 1,060,000 shares and 139,700,000 shares of the Company’s shares in issue are respectively held by Merchandise Holdings Limited and United Gene Industry Group Limited, both are companies incorporated in the British Virgin Islands and are wholly owned by Mr. Cheng Yong.

附註：

- (a) 該等900,000,000股股份指債券持有人United Gene International Holdings Group Limited (「**UG International**」)根據本公司於二零一三年七月十六日發行之二零年零息可換股債券(尚未償還之本金額為577,170,000港元)按換股價每股0.6413港元悉數行使換股權後將獲配發及發行之換股股份。UG International之全部已發行股本由JNJ Investments Ltd擁有，JNJ Investments Ltd由香港博德基因開發有限公司(「**香港博德**」)全資擁有，而香港博德之全部已發行股本由United Gene Group Ltd(一間於英屬處女群島註冊成立之公司)擁有。United Gene Group Ltd之已發行股本由Ease Gold Investments Limited擁有33%權益，而Ease Gold Investments Limited由謝毅博士全資擁有。

於二零二一年九月三十日，本公司已發行合共2,390,000,000股股份。假設本公司可換股債券附帶之換股權獲悉數行使，UG International將持有本公司經擴大股本約27.36%。

- (b) 本公司1,060,000股及139,700,000股已發行股份分別由Merchandise Holdings Limited及United Gene Industry Group Limited持有，兩家公司均於英屬處女群島註冊成立並由程勇先生全資擁有。



Save as disclosed above, as at 30 September 2021, none of the directors had registered an interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

DIRECTORS' RIGHTS TO ACQUIRE SHARES AND DEBENTURES

At no time during the 2021 Interim Period were rights to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate granted to any directors or their respective spouses or minor children, or were any such rights exercised by them, or was the Company or any of its subsidiaries a party to any arrangement to enable the directors, their respective spouses or minor children to acquire such rights in any other body corporate.

除上文所披露者外，於二零二一年九月三十日，概無任何董事於本公司或其任何相聯法團之股份、相關股份及債權證中，擁有根據證券及期貨條例第352條須予登記之權益或淡倉，或根據標準守則須知會本公司及聯交所之權益或淡倉。

董事購入股份及債權證之權利

於二零二一年中期間任何時間，任何董事或彼等各自之配偶或未成年子女概無獲授可藉購入本公司或任何其他法團股份或債權證而獲益之權利，或彼等並無行使任何該等權利，或本公司或其任何附屬公司亦無訂立任何安排，致使董事、彼等各自之配偶或未成年子女可於任何其他法團獲得該等權利。

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

主要股東及其他人士於股份、相關股份及債權證之權益及淡倉

At 30 September 2021, the following interests and short positions of 5% or more of the shares and underlying shares of the Company were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

於二零二一年九月三十日，根據本公司按照證券及期貨條例第336條須予保存之登記冊所記錄，登記擁有本公司股份及相關股份5%或以上權益及淡倉之人士如下：

| Name of substantial shareholder | Notes | Capacity and nature of interest | Number of ordinary shares held/entitled 所持/有權持有之普通股數目 | Long (L) or Short (S) position 好倉(L)或淡倉(S) | Approximate percentage of interests held 所持權益之概約百分比 |
|---------------------------------|-------|--|---|--|---|
| 主要股東姓名 | 附註 | 身份及權益性質 | | | |
| Dr. Mao Yumin 毛裕民博士 | | Directly beneficially owned 直接實益擁有 | 189,920,000 | L | 7.94% |
| | (a) | Through controlled corporations 透過受控制公司 | 900,000,000 | L | 37.66% |
| | | | 1,089,920,000 | | 45.60% |
| Huang Zhenping 黃振平 | | Directly beneficially owned 直接實益擁有 | 150,000,000 | L | 6.28% |



Note:

- (a) These 900,000,000 shares represent conversion shares to be allotted and issued to the bondholder, United Gene International Holdings Group Limited (“**UG International**”) upon exercise in full of the conversion rights by UG International, at conversion price of HK\$0.6413 per share under the Company’s 20-year zero coupon convertible bonds issued on 16 July 2013 with principal amount of HK\$577,170,000 outstanding. The entire issued share capital of UG International is owned by JNJ Investments Ltd which is wholly owned by Biowindow Gene Development (Hong Kong) Limited (“**HK Biowindow**”), and the entire issued share capital of HK Biowindow is owned by United Gene Group Ltd (a company incorporated in the British Virgin Islands). The issued share capital of United Gene Group Ltd is owned as to 33% by United Gene Holdings Limited, which is wholly owned by Dr. Mao Yumin.

Save as disclosed above, as at 30 September 2021, no person, other than certain directors of the Company, whose interests are set out in the section “Directors’ Interests and Short Positions in Shares, Underlying Shares and Debentures” above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

During the 2021 Interim Period, the Company and its subsidiaries did not purchase, redeem or sell any of the Company’s listed securities.

附註：

- (a) 該等900,000,000股股份指債券持有人United Gene International Holdings Group Limited (「**UG International**」)根據本公司於二零一三年七月十六日發行之二零一年零息可換股債券(尚未償還之本金額為577,170,000港元)按換股價每股0.6413港元悉數行使換股權後將獲配發及發行之換股股份。UG International之全部已發行股本由JNJ Investments Ltd擁有，JNJ Investments Ltd由香港博德基因開發有限公司(「**香港博德**」)全資擁有，而香港博德之全部已發行股本由United Gene Group Ltd(一間於英屬處女群島註冊成立之公司)擁有。United Gene Group Ltd之已發行股本由United Gene Holdings Limited擁有33%權益，而United Gene Holdings Limited由毛裕民博士全資擁有。

除上文所披露者外，於二零二一年九月三十日，概無任何人士(不包括本公司若干董事，彼等之權益載於上文「董事於股份、相關股份及債權證之權益及淡倉」一節)於本公司之股份或相關股份中擁有根據證券及期貨條例第336條須予登記之權益或淡倉。

購買、贖回或出售上市證券

於二零二一年中期期間，本公司及其附屬公司概無購買、贖回或出售本公司之任何上市證券。

AUDIT COMMITTEE

The Audit Committee, which comprises three independent non-executive directors (“INEDs”) with terms of reference in compliance with Code Provision C.3.3, has reviewed the unaudited condensed consolidated interim financial information of the Group for the six months ended 30 September 2021, and was content that the accounting principles and practices adopted by the Group were in conformity with the current practices in Hong Kong.

REMUNERATION COMMITTEE

The Remuneration Committee, which comprises three INEDs and Dr. Xie Yi, was formed with terms of reference in compliance with Code Provision B.1.2 to oversee the remuneration policies of the Group during the 2021 Interim Period.

NOMINATION COMMITTEE

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

By order of the Board
Extrawell Pharmaceutical Holdings Limited
Xie Yi
Chairman

Hong Kong, 29 November 2021

審核委員會

審核委員會由三名獨立非執行董事（「獨立非執董」）組成，職權範圍乃遵照守則條文第C.3.3條制定。審核委員會已審閱本集團截至二零二一年九月三十日止六個月之未經審核簡明綜合中期財務資料，並認為本集團所採納之會計原則及慣例與香港現行慣例相符。

薪酬委員會

薪酬委員會由三名獨立非執董及謝毅博士組成，並遵照守則條文第B.1.2條制定職權範圍，以監督本集團於二零二一年中期期間的薪酬政策。

提名委員會

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

承董事會命
精優藥業控股有限公司
主席
謝毅

香港，二零二一年十一月二十九日



CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

(As at the date of this interim report on
29 November 2021)

EXECUTIVE DIRECTORS

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

INDEPENDENT NON-EXECUTIVE DIRECTORS

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

AUDIT COMMITTEE

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

REMUNERATION COMMITTEE

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

NOMINATION COMMITTEE

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

董事會

(於本中期報告日期
二零二一年十一月二十九日)

執行董事

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

獨立非執行董事

方林虎先生
薛京倫先生
金松女士

審核委員會

方林虎先生 (*主席*)
薛京倫先生
金松女士

薪酬委員會

方林虎先生 (*主席*)
薛京倫先生
金松女士
謝毅博士

提名委員會

謝毅博士 (*主席*)
方林虎先生
薛京倫先生
金松女士

JOINT COMPANY SECRETARIES

Mr. LIU Kwok Wah
Ms. WONG Sau Kuen

聯席公司秘書

廖國華先生
王秀娟女士

HONG KONG LEGAL ADVISERS

Chiu & Partners Solicitors

香港法律顧問

趙不渝 • 馬國強律師事務所

INDEPENDENT AUDITOR

Elite Partners CPA Limited
Certified Public Accountants

獨立核數師

開元信德會計師事務所有限公司
執業會計師

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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

總辦事處及香港主要營業地點

香港
鯉魚涌英皇道979號
太古坊德宏大廈
22樓2206–08室

PRINCIPAL BANKERS

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

主要往來銀行

中國工商銀行(亞洲)有限公司
東亞銀行有限公司

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

股份過戶登記總處

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



CORPORATE INFORMATION (CONTINUED)
公司資料 (續)

**HONG KONG BRANCH SHARE
REGISTRAR AND TRANSFER OFFICE**

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

WEBSITE

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

STOCK CODE

The Stock Exchange of Hong Kong Limited: 00858

香港股份過戶登記分處

卓佳登捷時有限公司
香港
灣仔
皇后大道東183號
合和中心54樓

網站

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

股份代號

香港聯合交易所有限公司：00858



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

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

Stock code 股份代號 : 858



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