

Shandong Weigao Group Medical Polymer Company Limited\*  
山東威高集團醫用高分子製品股份有限公司

(a joint stock limited company incorporated in the People's Republic of China with limited liability)  
(在中華人民共和國註冊成立的股份有限公司)  
(Stock Code 股票號碼: 1066)

\* For identification purposes only  
僅供識別



Annual Report 2018 年報

**WEGO 威高**

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## DIRECTORS AND SUPERVISORS

### Executive Directors

Mr. Zhang Hua Wei (*Chairman*)  
Mr. Long Jing (*Chief Executive Officer*)  
Mr. Wang Yi  
Mr. Gong Jian Bo

### Non-executive Director

Mrs. Zhou Shu Hua

### Independent non-executive Directors

Mr. Lo Wai Hung  
Mrs. Fu Ming Zhong  
Mrs. Wang Jin Xia

### Supervisors

Mrs. Bi Dong Mei  
Mrs. Chen Xiao Yun  
Mr. Yue Chun Liang

## CORPORATE INFORMATION

### Registered office and principal place of business in the People's Republic of China (the "PRC")

18 Xingshan Road  
Torch Hi-tech Science Park  
Weihai  
Shandong Province  
PRC

### Principal place of business in Hong Kong

801, Chinachem Century Tower  
178 Gloucester Road  
Wanchai  
Hong Kong

### Company secretary

Mrs. Wong Miu Ling, Phillis, *FCIS and FCS*

### Compliance officer

Mr. Zhang Hua Wei

## 董事及監事

### 執行董事

張華威先生 (主席)  
龍經先生 (行政總裁)  
王毅先生  
弓劍波先生

### 非執行董事

周淑華女士

### 獨立非執行董事

盧偉雄先生  
付明仲女士  
王錦霞女士

### 監事

畢冬梅女士  
陳曉雲女士  
岳春良先生

## 公司資料

### 中華人民共和國 (「中國」) 註冊辦事處及主要營業地點

中國  
山東省  
威海市  
火炬高新技術產業開發區  
興山路18號

### 香港主要營業地點

香港  
灣仔  
告士打道178號  
華懋世紀廣場801室

### 公司秘書

黃妙玲女士 *FCIS* 及 *FCS*

### 監察主任

張華威先生

### **Audit Committee**

Mr. Lo Wai Hung (*Chairman*)  
Mrs. Fu Ming Zhong  
Mrs. Wang Jin Xia  
Mrs. Zhou Shu Hua

### **Remuneration Committee**

Mr. Lo Wai Hung (*Chairman*)  
Mrs. Fu Ming Zhong  
Mrs. Wang Jin Xia  
Mrs. Zhou Shu Hua

### **Corporate Governance Committee**

Mr. Zhang Hua Wei (*Chairman*)  
Mr. Lo Wai Hung  
Mrs. Fu Ming Zhong  
Mrs. Wang Jin Xia

### **Nomination Committee**

Mr. Lo Wai Hung (*Chairman*)  
Mrs. Fu Ming Zhong  
Mrs. Wang Jin Xia  
Mrs. Zhou Shu Hua

### **Authorised representatives**

Mr. Zhang Hua Wei  
Ms. Wong Miu Ling, Phillis

### **Auditors**

Deloitte Touche Tohmatsu  
*Certified Public Accountants*

### **Hong Kong share registrars and transfer office**

Tricor Standard Limited  
Level 22, Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

### **Principal bankers**

1. Agriculture Bank of China, Weihai Branch
2. Bank of China, Weihai Branch

### **Website of the Company**

[www.weigaogroup.com](http://www.weigaogroup.com)

### **Stock Code**

1066

### **審核委員會**

盧偉雄先生 (*主席*)  
付明仲女士  
王錦霞女士  
周淑華女士

### **薪酬委員會**

盧偉雄先生 (*主席*)  
付明仲女士  
王錦霞女士  
周淑華女士

### **企業管治委員會**

張華威先生 (*主席*)  
盧偉雄先生  
付明仲女士  
王錦霞女士

### **提名委員會**

盧偉雄先生 (*主席*)  
付明仲女士  
王錦霞女士  
周淑華女士

### **授權代表**

張華威先生  
黃妙玲女士

### **核數師**

德勤 • 關黃陳方會計師行  
*執業會計師*

### **香港股份過戶登記處**

卓佳標準有限公司  
香港  
灣仔  
皇后大道東183號  
合和中心22樓

### **主要往來銀行**

1. 中國農業銀行－威海市分行
2. 中國銀行－威海市分行

### **本公司網址**

[www.weigaogroup.com](http://www.weigaogroup.com)

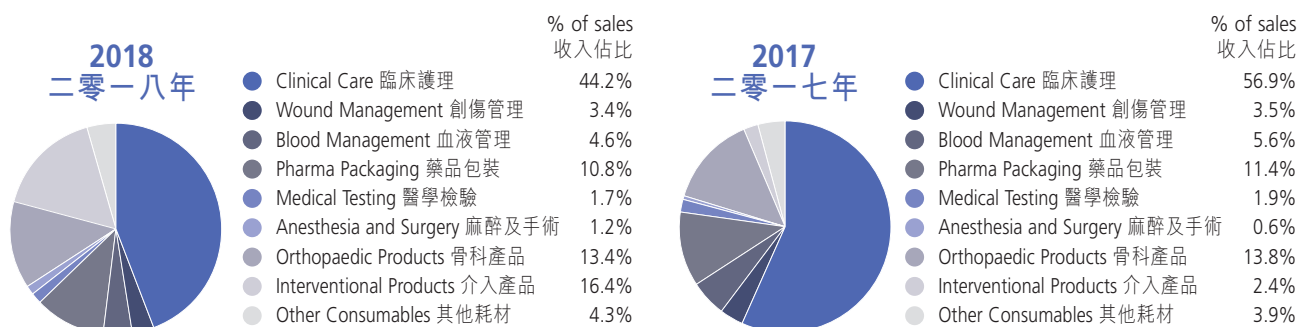
### **股份代號**

1066

SHANDONG WEIGAO GROUP MEDICAL  
POLYMER COMPANY LIMITED關於山東威高集團醫用高分子製  
品股份有限公司

Shandong Weigao Group Medical Polymer Company Limited (the "Company") and its subsidiaries (together the "Group") is principally engaged in the research and development, production and sale of single-use medical devices and operates finance lease and factoring business in the PRC. The Group has a wide range of products, which cover eight principle business lines of clinical care, wound management, blood management, pharma packaging, medical testing, anesthesia and surgery, orthopaedic products and interventional products. The Group's products are sold under its own brand names, including "Jierui", "Wego Ortho", "Yahua", "Bangde" and "Hai Xing". The products are sold throughout the PRC and exported to overseas. As at the date of this report, the Group newly added 136 hospitals, 57 other medical institutions and 68 distributors to its PRC customer base, and the Group has a PRC customer base of 5,378 in aggregate (including 2,566 hospitals, 414 blood stations, 644 other medical units and 1,754 distributors) and an overseas customer base of 4,418 in aggregate (including 2,873 hospitals, 1,377 other medical units and 168 distributors).

山東威高集團醫用高分子製品股份有限公司（「本公司」）及其附屬公司（統稱「本集團」）主要從事研發、生產及銷售一次性醫療器械及於中國經營融資租賃及保理業務。本集團的產品種類繁多，包括臨床護理、創傷管理、血液管理、藥品包裝、醫學檢驗、麻醉及手術相關產品、骨科及介入產品八個主要業務領域。本集團以自有品牌包括「潔瑞」、「威高骨科」、「亞華」、「邦德」及「海星」出售產品。產品銷售中國各地和出口至海外。於本報告日期，本集團國內客戶新增136家醫院，57家其他醫療機構以及68家經銷商，本集團的國內客戶總數為5,378家（包括醫院2,566家、血站414家、其他醫療單位644家和經銷商1,754家），海外客戶總數為4,418家（包括醫院2,873家、其他醫療單位1,377家和經銷商168家）。



	Revenue of principal products (RMBm) 主要產品收入 (百萬人民幣)			% of revenues 收入佔比 (%)	
	2018 二零一八年	2017 二零一七年	%Change 年增長 (%)	2018 二零一八年	2017 二零一七年
Clinical Care 臨床護理	3,892	3,581	8.7%	44.2%	56.9%
Wound Management 創傷管理	300	222	35.5%	3.4%	3.5%
Blood Management 血液管理	402	352	14.1%	4.6%	5.6%
Pharma Packaging 藥品包裝	956	719	32.9%	10.8%	11.4%
Medical Testing 醫學檢驗	151	119	26.7%	1.7%	1.9%
Anesthesia and Surgery 麻醉及手術	106	36	192.4%	1.2%	0.6%
Orthopaedic Products 骨科產品	1,181	870	35.6%	13.4%	13.8%
Interventional Products 介入產品	1,444	149	868.6%	16.4%	2.4%
Other Consumables 其他耗材	377	245	54.9%	4.3%	3.9%
<b>Total 總計</b>	<b>8,809</b>	<b>6,293</b>	<b>40.0%</b>	<b>100.0%</b>	<b>100.0%</b>

On behalf of the board of directors (the "Board") of Shandong Weigao Group Medical Polymer Company Limited, I would like to present the audited consolidated results of the Group for the year ended 31 December 2018 (the "Year").

本人欣然代表山東威高集團醫用高分子製品股份有限公司董事會（「董事會」）提呈本集團截至二零一八年十二月三十一日止年度（「本年度」）的經審核綜合業績。

## FINANCIAL SUMMARY

## 財務摘要

### Financial Summary

### 財務摘要

		<b>2018</b> <b>二零一八年</b> <b>RMB'000</b> <b>人民幣千元</b>	2017 二零一七年 RMB'000 人民幣千元	Increase 增長 %
Turnover from continuing operations	來自持續經營業務營業額	<b>8,808,861</b>	6,292,641	40.0%
Gross profit from continuing operations	來自持續經營業務毛利	<b>5,389,154</b>	3,992,823	35.0%
Net profit attributable to the owners of the Company	本公司擁有人應佔純利	<b>1,472,935</b>	1,728,660	(14.8%)
Net profit attributable to the owners of the Company (excluding extraordinary items)	不計特殊項目本公司擁有人應佔純利	<b>1,586,834</b>	1,337,592	18.6%

### As at 31 December 於十二月三十一日

		<b>2018</b> <b>二零一八年</b> <b>RMB'000</b> <b>人民幣千元</b>	2017 二零一七年 RMB'000 人民幣千元 (restated) (經重列)
ASSETS AND LIABILITIES	資產及負債		
Total assets	總資產	<b>23,986,873</b>	16,781,017
Total liabilities	總負債	<b>(8,795,973)</b>	(3,142,567)
Non-controlling interests	非控股權益	<b>(676,327)</b>	(303,945)
Equity attributable to owners of the Company	本公司擁有人應佔權益	<b>14,514,573</b>	13,334,505

**ANNUAL GENERAL MEETING AND CLOSURE  
OF REGISTER OF MEMBERS**

**Attending and Voting in the Annual General Meeting**

In order to determine the shareholders who are entitled to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Saturday, 1 June 2019 to Tuesday, 2 July 2019 (both days inclusive), during which period no transfer of H Shares will be effected. In order to qualify for attending and voting in the Annual General Meeting, Shareholders should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company's H Share registrar, Tricor Standard Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Friday, 31 May 2019.

In order to qualify for attending and voting in the Annual General Meeting:-

Latest time to lodge in transfer instrument accompanied by the share certificates for H Shares . . . . . 4:30 p.m., Friday, 31 May 2019

Closure of register of members of the Company for attending and voting in the Annual General Meeting . . . . . Saturday, 1 June 2019 to Tuesday, 2 July 2019 (both days inclusive)

Latest time to lodge in the reply slip . . . . . Tuesday, 11 June 2019

Date of the Annual General Meeting . . . . . Tuesday, 2 July 2019

**股東週年大會及暫停辦理股份過戶登記手續**

**出席股東週年大會並於會上投票**

為釐定股東出席股東週年大會並於會上投票的資格，本公司將於二零一九年六月一日（星期六）至二零一九年七月二日（星期二）（首尾兩日包括在內）暫停過戶登記，於該期間將不會辦理H股的過戶登記手續。為符合資格出席股東週年大會並於會上投票，股東應確保所有過戶文件連同有關股票不遲於二零一九年五月三十一日（星期五）下午四時三十分送交本公司的H股過戶登記處卓佳標準有限公司，地址為香港皇后大道東183號合和中心22樓，以辦理登記手續。

為符合資格出席股東週年大會並於會上投票：

交回過戶文件連同H股股票之最後時限 . . . . . 二零一九年五月三十一日（星期五）下午四時三十分

本公司暫停股份過戶登記以出席股東週年大會並於會上投票 . . . . . 二零一九年六月一日（星期六）至二零一九年七月二日（星期二）（首尾兩日包括在內）

交回回條之最後時限 . . . . . 二零一九年六月十一日（星期二）

股東週年大會日期 . . . . . 二零一九年七月二日（星期二）

## Entitlement of Proposed Final dividend

In order to determine entitlement to the proposed final dividend payment, the register of members of the Company for H Shares will be closed from Tuesday, 9 July 2019 to Sunday, 14 July 2019 (both days inclusive), during which period no transfer of H Shares will be effected. In order to qualify for entitlement of the proposed final dividend, Shareholders should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Company's H Share registrar, Tricor Standard Limited, at 22/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Monday, 8 July 2019.

In order to qualify to entitle the final dividend for the year ended 31 December 2018:-

Latest time to lodge in transfer instrument accompanied by the share certificates for H Shares . . . . . 4:30 p.m., Monday, 8 July 2019

Closure of register of members of the Company for entitlement of the final dividend for the year ended 31 December 2018 . . . . . Tuesday, 9 July 2019 to Sunday, 14 July 2019 (both day inclusive)

Record date for the entitlement of the final dividend . . . . . Sunday, 14 July 2019

Expected despatch date of the final dividend . . . . . Thursday, 15 August 2019

## 建議末期股息之權利

為確定股東收取建議末期股息付款之權利，本公司將於二零一九年七月九日（星期二）至二零一九年七月十四日（星期日）（首尾兩日包括在內）暫停H股的過戶登記，於該期間將不會辦理H股的過戶登記手續。為符合資格收取建議末期股息之權利，股東應確保所有過戶文件連同有關股票不遲於二零一九年七月八日（星期一）下午四時三十分送交本公司之H股過戶登記處卓佳標準有限公司，地址為香港灣仔皇后大道東183號合和中心22樓，以辦理登記手續。

為符合資格獲派截至二零一八年十二月三十一日止年度之末期股息：

交回過戶文件連同H股股票之最後時限 . . . . . 二零一九年七月八日（星期一）下午四時三十分

本公司暫停股份過戶登記以釐定截至二零一八年十二月三十一日止年度之末期股息之權利 . . . . . 二零一九年七月九日（星期二）至二零一九年七月十四日（星期日）（首尾兩日包括在內）

釐定末期股息權利之記錄日期 . . . . . 二零一九年七月十四日（星期日）

預期末期股息寄發日期 . . . . . 二零一九年八月十五日（星期四）



## CHAIRMAN'S STATEMENT 主席報告書

The final dividend will be despatched at the risk of those entitled thereto to their respective registered addresses on or before Thursday, 15 August 2019.

### PROPOSED FINAL DIVIDEND

The Board proposed the distribution of a final dividend for the year ended 31 December 2018 of RMB0.052 (2017: RMB0.046) (before considering any tax effect) per share totaling RMB235,161,000 (2017: RMB208,027,000), which will be subject to the approval of shareholders of the Company at the forthcoming 2018 annual general meeting. Dividend payable to Shareholders will be declared in Renminbi and paid in Hong Kong dollars, the exchange rate of which will be calculated based on the average exchange rate published by The People's Bank of China during the week prior to the Annual General Meeting. Subject to the approval of the Annual General Meeting, the 2018 final dividend will be paid on 15 August 2019.

### ACKNOWLEDGEMENTS

The Group's various achievements as mentioned above are attributable to the continued supports of the staff, customers and business partners and shareholders. I would like to take this opportunity to express my most sincere thanks for all your contributions!

On behalf of the Board

**Zhang Hua Wei**

*Chairman*

27 March 2019

末期股息將於二零一九年八月十五日(星期四)或之前按有權獲派末期股息之持有人各自之登記地址寄發予彼等,郵誤風險由彼等自行承擔。

### 建議末期股息

董事會建議派發截至二零一八年十二月三十一日止年度之末期股息每股人民幣0.052元(二零一七年:每股人民幣0.046元(未考慮任何稅務影響)),涉及總額為人民幣235,161,000元(二零一七年:人民幣208,027,000元),須於即將舉行之二零一八年股東週年大會獲批准後,方可作實。應付股東之股息將以人民幣宣派並以港元支付,匯率將按股東週年大會前一週中國人民銀行公佈之平均匯率計算。待股東週年大會批准後,二零一八年末期股息將於二零一九年八月十五日派付。

### 致謝

本人在上文提及本集團各項成就,均有賴於全體僱員、顧客及業務夥伴和各位股東一貫以來不斷的支持。對於彼等的貢獻,本人謹此致以深切感謝!

代表董事會

**張華威**

*主席*

二零一九年三月二十七日

## OPTIMIZATION OF PRODUCT MIX

During the Year, the gross profit margin from continuing operations of the Group slightly decreased to 62.2% (before deducting extraordinary items: 61.2%) from 63.5% of last year, mainly attributable to the effect from change of product structure.

At the beginning of the year, the Group re-structured the product strategies and optimised the previous classification into eight business lines, comprising clinical care, wound management, blood management, pharma packaging, medical testing, anesthesia and surgery, orthopedics and interventional products to highlight the Company's product development direction. These business lines cover an enormous size of market. The Group continues to upgrade from the multi-product strategy to the strategy of providing total systematic solution with comprehensive services, in various specialized business lines, which will facilitate steady development of the Company in the long run.

The existing major products under each re-structured business lines are as follows:

1. Clinical care business includes vascular and non-vascular access infusion devices include infusion sets, syringes, puncture needles, specialized single-use clinical collection kits.
2. Wound management business includes wound healing dressings, wound suture, wound cleaning and nonvascular catheter supporting extracorporeal devices.
3. Blood management business includes blood collection, storage, separation and sterilization.
4. Pharma packaging business includes prefilled syringes and pre-filled flush syringes.
5. Medical testing business includes blood collection devices and blood glucose testing.
6. Anesthesia and surgery business includes general anesthesia consumables, local anesthesia consumables, anesthesia auxiliary consumables, ICU equipment, open and minimally invasive surgical equipment.

## 產品結構優化調整

年內，本集團毛利率由去年的63.5%下降到62.2%（扣除特殊項目前約為61.2%），主要是產品結構變化產生的影響。

自年初，本集團對產品戰略進行重新規劃，由以往的分類方式優化為臨床護理、創傷管理、血液管理、藥品包裝、醫學檢驗、麻醉及手術、骨科、介入產品八個業務領域，以突出公司產品發展方向。該等領域所覆蓋市場規模極大。本集團堅信，由以往多品種策略上升為提供各專業領域系統化整體解決方案的全面服務策略將推動公司長期穩定發展。

重新規劃的各業務領域現有主要產品如下：

1. 臨床護理業務包括輸液、注射、穿刺等血管輸液器械及非血管輸液器械、臨床特定用途的一次性使用各種套裝。
2. 創傷管理業務包括：創面愈合敷料、傷口縫合、傷口清理、與非血管內導管配套用體外器械。
3. 血液管理業務包括：血液采集、貯存、分離、滅菌消毒。
4. 藥品包裝業務包括：預灌封注射器、沖管注射器。
5. 醫學檢驗業務包括：采血器具、血糖檢驗。
6. 麻醉及手術業務包括：全身麻醉耗材、局部麻耗材、麻醉輔助耗材、ICU使用的器械；開放及微創手術器械。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論與分析

7. Orthopedics business includes trauma, spinal implant, artificial joints, sports injury, soft tissue repair, reconstruction implant, orthopedic filling, and orthopedic related surgical tools.
8. Interventional products business includes tumor intervention, vascular intervention and interventional imaging.
- (1). During the Year, the clinical care business recorded a turnover of approximately RMB3,891,672,000, an overall increase of 8.7% in revenue over last year, the growth is principally due to rich product mix. The Group continued to maintain a dominant position in the market segment.
- (2). During the Year, the pharma packaging business recorded a turnover of approximately RMB955,609,000, representing an increase of 32.9% over last year and the Company continues to maintain a strong growth momentum. Prefilled syringes have further expanded its market influence in the segment of pre-pack bio-pharmaceuticals and built a broad customer base. Prefilled flush syringes maintained rapid growth.
- (3). During the Year, the orthopedics business recorded a turnover of approximately RMB1,180,563,000, representing an increase of 35.6% over last year. Measures such as further consolidating its market position in the spine segment, increased marketing of joint products, further penetration of distribution channels and establishment of a logistic platform have driven sales growth.
- (4). During the Year, as a result of consolidating products of Argon Medical Devices Holdings, Inc. ("Argon") from the US, the interventional business recorded a turnover of approximately RMB1,444,238,000, representing an increase of 868.6% over last year. The Group will expand sales of Argon products in the PRC market through leveraging resources.
7. 骨科業務：創傷、脊柱植入物，人工關節，運動損傷、軟組織修復及重建植入物、骨填充材料、骨科相關手術工具。
8. 介入產品業務：腫瘤介入、血管介入、影像介入。
- (1). 年內，臨床護理業務錄得營業額約為人民幣3,891,672,000元，憑借豐富產品組合，拉動整體收入較去年增長8.7%；本集團繼續於該領域市場保持優勢地位。
- (2). 年內，藥品包裝業務錄得營業額約為人民幣955,609,000元，較去年增長32.9%，仍保持強勁增長勢頭。預充式注射器進一步擴大在生物制藥包裝領域的市場影響力，形成廣泛客戶基礎。沖管注射器繼續保持高速增長。
- (3). 年內，骨科業務營業收入約為人民幣1,180,563,000元，較去年增長35.6%，通過進一步鞏固在脊柱領域的市場地位、加大關節產品市場推廣，以及渠道下沉、搭建物流平台等措施，較好的拉動銷售增長。
- (4). 年內，介入業務由於加入美國愛琅醫療器械控股有限公司（「愛琅」）產品，錄得營業額約為人民幣1,444,238,000元，較去年增長868.6%，本集團將利用資源擴大愛琅產品在中國市場的銷售。

During the Year, as a result of product mix adjustment, the percentage of turnover from high value-added products (products with gross profit margins over 60%) to total turnover was about 59.9% (2017: 59.7%).

受以上產品結構調整舉措的影響，年內，本集團高附加值產品（毛利率超過60%）之營業收入佔營業收入總額之百分比約為59.9%（二零一七年：59.7%）。

## RESEARCH AND DEVELOPMENT

For the year ended 31 December 2018, the Group obtained 34 new patents and 136 new patents are under application in the PRC. Product registration certificates for 65 new products were obtained. The research and development for 23 products were completed for which application for product registration certificates are underway. For overseas market, 19 new patents are under application and the research and development for 47 products were completed for which application for product registration certificates are underway.

The strategy of placing strong emphasis on research and development has enhanced the competitiveness and laid a foundation for the Company to fully leverage on its customer resources and provided the Group with new profit growth drivers.

For the year ended 31 December 2018, the Group had over 434 product registration certificates and 471 patents, of which 67 were patents on invention, in the PRC. For overseas market, the Group had over 584 product registration certificates and 161 patents.

In view of the need for the strategic adjustments to product mix, the Group continued to increase efforts on improvement and subdivision of product layout in existing products series, so as to further improve its product series and expand product range. The Group continued to maintain the leading position in research and development capability in China. For the year ended 31 December 2018, total research and development expenses from continuing operations amounted to approximately RMB311,163,000 (2017: approximately RMB273,825,000), representing 3.5% (2017: 4.4%) of the revenue from continuing operations of the Group.

## PRODUCTION

During the Year, in order to constantly expand production capacity, the Group continued to expand its production facilities including workshops of pre-filled flush syringe and pre-filled syringe to satisfy the sales demand for future market growth. Meanwhile, the Group proactively promoted improvement of production processes and enhanced intellectualization and automation of production equipment. The production costs were reduced through efficiency enhancement and scientific management, maintaining the Company's overall profitability.

## 研究與開發

截至二零一八年十二月三十一日止年度，本集團中國國內新獲得專利34項，正在申請中的136項，新取得產品註冊證65項，已經研發完成、尚在取證過程中的有23項。海外市場，正在申請中的專利19項，已經研發完成、尚在取證過程中的產品註冊證有47項。

注重研發的策略提升了公司的競爭力，為充分利用客戶資源奠定了基礎，並為集團盈利提供了新的增長點。

截至二零一八年十二月三十一日止年度，本集團國內擁有434餘項產品註冊證，471餘項專利，其中67項是發明專利。海外，擁有584餘項產品註冊證，161餘項專利。

基於產品結構戰略性調整的要求，本集團繼續加大在現有產品系列框架內完善細分產品佈局，持續保持本土研發實力的領先地位。截至二零一八年十二月三十一日止年度，持續經營業務研發之總開支約為人民幣311,163,000元（二零一七年：約人民幣273,825,000元），佔本集團持續經營業務收入的3.5%（二零一七年：4.4%）。

## 生產

年內，本集團為了持續擴大產能，繼續擴建了包括沖管注射器車間、預充注射器車間等生產設施，以滿足未來市場增長的銷售需求。同時積極推進生產工藝改進，生產設備智能化、自動化水平，通過效率提升和科學管理降低生產成本，保持公司整體盈利能力。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### SALES AND MARKETING

During the Year, the Group consolidated the marketing management system and further adhered to the strategy of sales channel integration and product mix adjustment and to focus on marketing resources on customer development and maintenance in the core healthcare market. The Group achieved substantial results in key client accounts management. As at the date of this report, the Group newly added 136 hospitals, 57 other medical institutions and 68 distributors to its PRC customer base, and the Group has a PRC customer base of 5,378 in aggregate (including 2,566 hospitals, 414 blood stations, 644 other medical units and 1,754 distributors) and an overseas customer base of 4,418 in aggregate (including 2,873 hospitals, 1,377 other medical units and 168 distributors).

Sales from continuing operations comparison by geographical regions when compared with the last year is set out as follows:

### TURNOVER BY GEOGRAPHICAL INFORMATION

### 銷售及市場推廣

年度內，本集團強化了營銷管理體系，繼續堅持銷售渠道整合與產品結構調整之策略，將營銷資源重點聚焦於核心醫療市場的客戶開發與維護。本集團開展大客戶管理取得顯著成效。於本報告刊發日期，本集團國內客戶新增136家醫院，57家其他醫療機構以及68家經銷商，本集團的國內客戶總數為5,378家（包括醫院2,566家、血站414家、其他醫療單位644家和經銷商1,754家），海外客戶總數為4,418家（包括醫院2,873家、其他醫療單位1,377家和經銷商168家）。

持續經營業務在不同地區的銷售佔比及與去年對比如下：

### 營業收入地區資料

Regions 地區		2018	2017	Over corresponding period 較同期 增減 %
		二零一八年 RMB'000 人民幣千元	二零一七年 RMB'000 人民幣千元	
The PRC	國內			
– Eastern and Central	– 華東與華中	<b>3,428,935</b>	2,698,118	27.1%
– Northern	– 華北	<b>1,639,138</b>	1,407,858	16.4%
– Northeast	– 東北	<b>752,229</b>	676,203	11.2%
– Southern	– 華南	<b>562,070</b>	471,260	19.3%
– Southwest	– 西南	<b>563,553</b>	502,137	12.2%
– Northwest	– 西北	<b>203,802</b>	200,499	1.6%
PRC sub-total	國內小計	<b>7,149,727</b>	5,956,075	20.0%
Overseas	海外			
– The US	– 美國	<b>814,588</b>	21,393	3,707.7%
– Europe, Middle East and Africa	– 歐洲、中東及非洲	<b>410,967</b>	158,289	159.6%
– Asia	– 亞洲	<b>267,480</b>	94,408	183.3%
– Others	– 其他	<b>166,099</b>	62,476	165.9%
Overseas sub-total	海外小計	<b>1,659,134</b>	336,566	393.0%
Total	總計	<b>8,808,861</b>	6,292,641	40.0%

**TURNOVER BY GEOGRAPHICAL INFORMATION** (continued)

**營業收入地區資料** (續)

The integration of sales channels has strengthened the Group's market penetration and influence over the core customers. It enhanced sales contribution per customer and continued to drive up the product penetration to high-end customers and was an important approach in generating revenue growth for the Group.

渠道的整合，增強了本集團在核心客戶群的滲透力、影響力，提高了單客戶的貢獻率，持續推進核心客戶的產品滲透率，是本集團拉動收入增長的一項重要手段。

Adjustment in product mix was another important factor in enhancing the results for the Year. During the Year, the Group enhanced the sales of all product lines, resulting in an increase in the proportion of revenue from high value-added products over its total revenue. Comparison of revenue of principal products with that in last year is as follows:

產品結構的調整為提升年內業績的另一項重要因素，年內本集團全面推進各產品線銷售，使高附加值產品收入佔總收入之比例增長。各主導產品收入與上年對比情況如下：

Product category 產品類別	For the year ended 31 December 截至十二月三十一日止年度			For the six months ended 31 December 截至十二月三十一日止六個月		
	2018	2017	Over corresponding period 較同期	2018	2017	Over corresponding period 較同期
	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	%
Clinical care 臨床護理	3,891,672	3,581,168	8.7%	2,011,914	1,882,999	6.8%
Wound management 創傷管理	299,905	221,377	35.5%	179,699	112,376	59.9%
Blood management 血液管理	402,008	352,258	14.1%	222,525	197,823	12.5%
Pharma packaging products 藥品包裝	955,609	718,920	32.9%	482,071	348,992	38.1%
Medical testing 醫學檢驗	150,678	118,956	26.7%	80,413	66,351	21.2%
Anesthesia and surgical related products 麻醉及手術 產品	105,942	36,228	192.4%	75,949	21,334	256.0%
Orthopedic products 骨科產品	1,180,563	870,386	35.6%	656,923	480,797	36.6%
Interventional products 介入產品	1,444,238	149,103	868.6%	763,668	78,836	868.7%
Other consumables 其他耗材	378,246	244,245	54.9%	185,201	125,203	47.9%
<b>Total</b> <b>總計</b>	<b>8,808,861</b>	<b>6,292,641</b>	<b>40.0%</b>	<b>4,658,363</b>	<b>3,314,711</b>	<b>40.5%</b>

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### HUMAN RESOURCES

As at 31 December 2018, the Group employed a total of 9,562 employees. The breakdown by departments when compared with last year is as follows:

#### DEPARTMENT

		2018 二零一八年	2017 二零一七年
Production	生產	4,999	3,842
Sales and marketing	銷售及市場推廣	2,507	2,287
Research and development	研發	1,124	1,037
Finance and administration	財務及行政	460	320
Quality control	質量控制	194	163
Management	管理	167	154
Purchasing	採購	111	63
<b>Total</b>	<b>總計</b>	<b>9,562</b>	<b>7,866</b>

There are a total of 755 overseas employees who are resided in Hong Kong, the US and Europe. Other employees of the Group are resided in Mainland China. During the Year, the total cost of salaries, welfare and social benefits of the Group amounted to approximately RMB1,456,905,000 (2017: approximately RMB1,231,337,000).

### REMUNERATION SYSTEM

The Group's remuneration policy has been determined based on its performance, changes in the local consumption power and competition in human resources market. The remuneration policy so determined has become the basis of determining the salary level of employees recruited for different positions. The salary of each employee is determined according to the employee's performance, ability, employment conditions and the salary standards set by the Company. Remuneration of directors is proposed by the Remuneration Committee with reference to the operating results of the Company, personal performance of the directors and market competition. The proposed remuneration of directors is proposed by the Board subject to approval by shareholders at forthcoming annual general meeting.

### 人力資源

於二零一八年十二月三十一日，本集團共聘用9,562名僱員，與去年比較的部門分析如下：

#### 部門

	2018 二零一八年	2017 二零一七年
Production	4,999	3,842
Sales and marketing	2,507	2,287
Research and development	1,124	1,037
Finance and administration	460	320
Quality control	194	163
Management	167	154
Purchasing	111	63
<b>Total</b>	<b>9,562</b>	<b>7,866</b>

海外僱員755名，分別於香港、美國、歐洲等地居住，本集團的其他僱員均位於中國內地。年內，本集團在員工薪資、福利、社會保障等的成本總額約為人民幣1,456,905,000元（二零一七年：約為人民幣1,231,337,000元）。

### 薪酬訂立制度

本集團的薪酬政策是根據其表現，本地的消費水平變化和人力資源市場競爭狀況釐定。該釐定的薪酬政策作為聘任不同崗位僱員薪資水平的基準。每位僱員的薪資視乎僱員的表現、能力、任職條件及本公司的預定薪資標準而定。董事的酬金是由薪酬委員會經參考本公司的經營業績、董事個人表現及市場競爭情況的基礎上制定薪酬方案，並經股東於股東週年大會上授權董事會釐定。

## FINANCIAL REVIEW

For the year ended 31 December 2018, the Group recorded a turnover from continuing operations of RMB8,808,861,000, representing an increase of 40.0% over the previous financial year. Net profit attributable to the owners of the Company was approximately RMB1,472,935,000 (2017: approximately RMB1,728,660,000), representing a decrease of approximately 14.8% as compared with the previous year. Net profit attributable to the owners of the Company (excluding extraordinary items) was approximately RMB1,586,834,000 (2017: approximately RMB1,337,592,000), representing an increase of approximately 18.6% over the previous year.

## FINANCIAL SUMMARY

		<b>2018</b> <b>二零一八年</b> <b>RMB'000</b> <b>人民幣千元</b>	2017 二零一七年 RMB'000 人民幣千元	Increase 增長 %
Turnover from continuing operations	來自持續經營業務營業額	<b>8,808,861</b>	6,292,641	40.0%
Gross profit from continuing operations	來自持續經營業務毛利	<b>5,389,154</b>	3,992,823	35.0%
Net profit attributable to the owners of the Company	本公司擁有人應佔純利	<b>1,472,935</b>	1,728,660	(14.8%)
Net profit attributable to the owners of the Company (excluding extraordinary items)	不計特殊項目本公司擁有人應佔純利	<b>1,586,834</b>	1,337,592	18.6%

During the Year, extraordinary items include increase in cost of good sold of approximately RMB76,962,000 for the current period from inventory appreciation based on valuation resulted from the acquisition of Argon and an one-off transaction expenses of approximately RMB36,937,000 for the acquisition of Argon. (In 2017: extraordinary items recorded an accounting gain for Weigao Blood Purification Products Company Limited ("Weigao Blood Purification") after it became an associate of the Company upon the completion of capital increase, among which approximately RMB391,068,000).

## 財務回顧

截至二零一八年十二月三十一日止年度，來自持續經營業務營業額達至人民幣8,808,861,000元，較上一財政年度增長了40.0%。本公司擁有人應佔純利約人民幣1,472,935,000元（二零一七年：約人民幣1,728,660,000元），較上一年度下降約14.8%。不計特殊項目的本公司擁有人應佔純利約人民幣1,586,834,000元（二零一七年：約人民幣1,337,592,000元），較上一年度上升約18.6%。

## 財務摘要

		<b>2018</b> <b>二零一八年</b> <b>RMB'000</b> <b>人民幣千元</b>	2017 二零一七年 RMB'000 人民幣千元	Increase 增長 %
Turnover from continuing operations	來自持續經營業務營業額	<b>8,808,861</b>	6,292,641	40.0%
Gross profit from continuing operations	來自持續經營業務毛利	<b>5,389,154</b>	3,992,823	35.0%
Net profit attributable to the owners of the Company	本公司擁有人應佔純利	<b>1,472,935</b>	1,728,660	(14.8%)
Net profit attributable to the owners of the Company (excluding extraordinary items)	不計特殊項目本公司擁有人應佔純利	<b>1,586,834</b>	1,337,592	18.6%

年內，特殊項目為收購愛琅致存貨評估增值，增加本期銷售成本約為人民幣76,962,000元和收購愛琅一次性交易費用約為人民幣36,937,000元（二零一七年：特殊項目為威海威高血液淨化製品有限公司（「威高血液淨化」）完成增資後成為本公司之聯營公司而錄得的會計收益，影響本公司擁有人應佔純利約為人民幣391,068,000元）。



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### LIQUIDITY AND FINANCIAL RESOURCES

The Group has maintained a sound financial position during the Year. As at 31 December 2018, the Group's cash and bank balance amounted to approximately RMB3,812,446,000. For the year ended 31 December 2018, net cash flow from operating activities of the Group amounted to approximately RMB2,219,196,000. The Group has maintained a sound cash flow position.

Total interest expenses from continuing operations of the Group for the year ended 31 December 2018 were approximately RMB284,408,000 (2017: approximately RMB23,889,000).

### GEARING RATIO

Due to the acquisition of Argon in January 2018, our gearing ratio as at the end of 2018 increased to 36.8% (2017: 7.5%), higher than that for the previous year.

As at 31 December 2018, total net liabilities of the Group amounted to approximately RMB1,525,602,000 (2017: total net cash of RMB2,779,065,000). The gearing ratio which represents total debt as a percentage of total capital. Total debt is calculated as total borrowings. Total capital is calculated as the Group's shareholders' fund.

### FOREIGN EXCHANGE RISKS

The Group's purchases and sales are mainly conducted in the PRC and the United States. Assets, liabilities and transactions in the PRC are denominated in RMB, while overseas assets and transactions are mainly denominated in US dollars. For the year ended 31 December 2018, the Group had not encountered any material difficulty due to currency fluctuation nor had it affected its funds for operation purpose. However, due to the relatively long repayment cycle with steady revenue in US dollars from overseas subsidiaries, the outstanding borrowings in US dollars will not cause significant foreign currency risk to the Group. Notwithstanding, the management will closely monitor risks of exchange rate and consider hedging significant currency risks when necessary.

### 流動資金及財務資源

本集團於本年度維持良好的財務狀況。於二零一八年十二月三十一日，本集團現金及銀行結餘約為人民幣3,812,446,000元。截至二零一八年十二月三十一日止年度，本集團經營活動現金流量淨額約為人民幣2,219,196,000元，現金流量狀況健康。

截至二零一八年十二月三十一日止年度，本集團持續經營業務的利息支出總額約為人民幣284,408,000元（二零一七年：約為人民幣23,889,000元）。

### 資本負債比率

受二零一八年一月收購愛琅公司的影響，我們二零一八年年末的資本負債比率上升至36.8%（二零一七年：為7.5%），比往年有所提高。

於二零一八年十二月三十一日，本集團淨負債總額約為人民幣1,525,602,000元（二零一七年：淨現金總額為人民幣2,779,065,000元）。資本負債比率指債務總額與資本總額之百分比。債務總額乃按借貸總額計算。資本總額乃按本集團之股東資金計算。

### 匯率風險

本集團的採購和銷售以中國、美國兩地為主。中國境內資產、負債及交易以人民幣計值，海外資產及交易主要以美元計值。截至二零一八年十二月三十一日止年度，本集團並無因匯率波動而遇到重大困難或自身的營運資金而受到影響。未償還的美元借貸，因還款周期較長，且海外子公司有穩定的美元收入，不會對本集團產生重大外幣風險。然而，管理層會緊密監察匯率風險，並會於需要時考慮對沖重大貨幣風險。

## FOREIGN EXCHANGE RISKS (continued)

Due to the change in exchange rates, foreign exchange gain from continuing operations equivalent to RMB1,769,000 for the year ended 31 December 2018 was recognised (2017: foreign exchange gain equivalent to RMB1,883,000) by the Company.

## CONTINGENT LIABILITIES

The Group had no material contingent liabilities as at 31 December 2018.

## MATERIAL INVESTMENTS/FUTURE MATERIAL INVESTMENT PLANS

1. During the Year, the Group continued to invest approximately RMB651,495,000 for building of properties and production facilities and for the construction of the Group's medical consumables industrial zone.
2. On 23 January 2018, the Group completed the acquisition of Argon through a joint venture formed by Weigao International Medical Company Limited ("Weigao International"), a subsidiary of the Group, and an independent third party for a consideration of US\$850,888,000, of which US\$405,443,000 was debt financing raised by Argon. The remaining of US\$445,445,000 was funded by Weigao International from its internal resources.
3. In 2019, the Group plans to invest approximately RMB280,000,000 for purchase of new production lines, which are expected to be in production successively by the end of 2021.
4. In 2019, the Group plans to further invest approximately RMB150,000,000 for upgrading and reconfiguration of the single-use consumables production equipment to further enhance the level of production automation.
5. It is planned to invest US\$40,000,000 in outsourced research and development projects of interventional products to enrich the Company's high-end product line.

## 匯率風險 (續)

由於匯率變動，本公司於截至二零一八年十二月三十一日止年度，持續經營業務實現匯兌收益折合人民幣1,769,000元（二零一七年：匯兌收益折合人民幣1,883,000元）。

## 或有負債

本集團截至二零一八年十二月三十一日止，不存在重大的或有負債。

## 重大投資／未來重大投資計劃

1. 本年度，本集團繼續投資約人民幣651,495,000元，用於購買物業、生產設備與建設廠房，為完善本集團醫療耗材工業園整體建設之用。
2. 於二零一八年一月二十三日，本集團透過附屬公司威高國際醫療有限公司（「威高國際」）與一名獨立第三方成立的合營公司，完成對愛琅收購，代價為850,888,000美元，其中405,443,000美元為愛琅籌集的債務融資。餘下445,445,000美元已由威高國際透過其內部資源撥付完畢。
3. 二零一九年計劃投資約人民幣280,000,000元，購置新生產線，預計二零二一年末可陸續投入生產。
4. 二零一九年計劃繼續投入約人民幣150,000,000元，持續用於一次性耗材的設備更新與改造項目，進一步提升生產的自動化水平。
5. 計劃投資4,000萬美元，用於介入類產品委外研發項目，以豐富本公司高端產品線。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### MATERIAL INVESTMENTS/FUTURE MATERIAL INVESTMENT PLANS (continued)

Save for the above material investments and investment plans, the Group had no material capital plans or any future plans involving significant investments or capital assets acquisition as at 31 December 2018.

### CAPITAL COMMITMENTS

As at 31 December 2018, the capital commitments of the Group and the Company contracted but not provided for in respect of the acquisition of property, plant and equipment and other commitments amounted to approximately RMB726,184,000 (2017: RMB2,948,758,000). The above amounts will be financed by the internal resources of the Group.

### PLEDGE OF THE GROUP'S ASSETS

As at 31 December 2018, the Group had pledged the equity interest in Weigao Jierui, a wholly-owned subsidiary of the Group, to secure the long-term borrowings from International Finance Corporation, and pledged bank deposits of RMB222,270,000 (2017: RMB96,178,000) to secure the bills and letters of credit granted to the Group.

The Financial Leasing Company had pledged accounts receivable of RMB202,983,000 (2017: RMB239,589,000) to secure financing.

The Group had pledged bills receivable of RMB58,029,000 (2017: nil) to secure bank facilities. The Group had a security package of 100% equity interests in Argon and its subsidiaries as well as the property, plant and equipment, intangible assets, inventories, trade and other receivables, bank deposits and cash of Argon to secure the loan with a principal of US\$420,000,000.

### 重大投資／未來重大投資計劃 (續)

除上述重大投資與投資計劃外，於二零一八年十二月三十一日，本集團並無參與重大投資或購入資本資產之未來計劃。

### 資本承擔

於二零一八年十二月三十一日，本集團及本公司已經簽約但尚未作出撥備的購置物業、廠房及設備等的資本承擔約為人民幣726,184,000元（二零一七年：人民幣2,948,758,000元），上述款項將以本集團之內部資源支付。

### 本集團資產抵押

於二零一八年十二月三十一日，本集團已質押對全資子公司威高潔瑞的股權以獲取國際金融公司的長期借款，及已抵押存款人民幣222,270,000元（二零一七年：人民幣96,178,000元）以獲取授予本集團的票據及信用證額度。

融資租賃公司質押應收賬款人民幣202,983,000元（二零一七年：人民幣239,589,000元）獲得融資。

本集團已質押應收票據人民幣58,029,000元（二零一七年：無）以取得銀行信用額度。以愛琅及其子公司的100%股權共同擔保獲得貸款本金420,000,000美元，作為擔保物品的還有愛琅的物業、廠房及設備、無形資產、存貨、貿易和其他應收款、銀行和現金。

## RESERVES AND DISTRIBUTABLE RESERVES

As at 31 December 2018, total reserves of the Group amounted to RMB14,062,340,000 (2017: RMB12,882,272,000).

Under the PRC laws and regulations, the Company's distributable reserves will be based on the lower of the amount calculated according to the PRC accounting principles and rules and the amount calculated according to the Hong Kong generally accepted accounting principles. As at 31 December 2018, the distributable reserves of the Company were approximately RMB3,824,559,000 (2017: RMB3,391,686,000).

## REVIEW AND OUTLOOK

During the Year, the Company continued to adhere to product mix optimisation and adjustment strategy, accelerated products iteration, and increased investment in engineering technologies, with a focus to enhance production efficiency and improve product quality; in addition to enhancing the sales management strategy and integrating marketing resources, sharing of key accounts as well as implementing staff incentive arrangement, the Company continued to maintain growth in revenue and profit despite intensified competition.

During the Year, the management re-structured and streamlined the product strategy and determined on eight major business lines for future development, which extensively covered various subdivided markets and explore products with rapid growth, large market and high gross profit as main area of focus. Leveraging various resources accumulated over the years and efficient management of the Company, the Group continued to consolidate its advantageous position in medical device sector in the PRC.

During the Year, the domestic healthcare industry faced different complicated circumstances brought by the continuous deepening medical reform in the PRC. Government policy adjustment will be implemented further in various aspects. With profound experience in the industry, multi-segments, continual launch of serialized and competitive products as well as overseas resources integration, the Group is capable to cope with all risks and challenges.

## 儲備及可供分派儲備

於二零一八年十二月三十一日，本集團儲備總額為人民幣14,062,340,000元（二零一七年：人民幣12,882,272,000元）。

根據中國的法律及條例，本公司可供分派的儲備將以按照中國會計原則及規則所計算金額與按照香港公認會計原則所計算金額中的較低者為基準。於二零一八年十二月三十一日，本公司可供分派的儲備約為人民幣3,824,559,000元（二零一七年：人民幣3,391,686,000元）。

## 回顧與展望

年內，公司持續堅持產品結構優化與調整的策略、加快產品迭代、加大技術改造投入，提升生產效率，改善產品質量；改進銷售管理策略，整合營銷資源，通過上市公司內部共享大客戶平台、員工激勵等各種管理措施，在競爭日趨激烈的情況下，繼續保持收入與利潤穩健增長。

年內，管理層對產品戰略重新規劃和梳理，確定未來發展八大業務領域，廣泛覆蓋各細分市場，挖掘快速增長且具有較大市場規模、高毛利產品作為主打產品，憑借公司多年積累的各種資源及高效的管理措施，本集團在中國醫療器械領域的優勢地位獲得持續鞏固。

年內，國內醫療行業面臨醫療改革持續深化所帶來的各種複雜情況的影響，政府政策調整將持續全面深入開展，本集團憑借深厚行業經驗、多領域布局、系列化具競爭力產品不斷推出、及海外資源整合，有能力應對各種風險和挑戰。

## LOOKING FORWARD TO 2019

Through resources integration, the Company will strengthen product upgrading and research and development capabilities. The Company will continue to increase investment in research and development, further strengthen existing product lines and intensify the marketing of new products. The Company will place more effort to promote product safety and patient application safety, improve patient treatment experience and quicken the pace in launching pipeline products, which could help to offset numerous adverse impacts and to maintain its competitive edge.

In view of the effectiveness achieved by key client accounts management, the Company will continue to focus on such strategy and increase single customer contribution by promoting various products via the key accounts management.

The in-depth implementation of national medical reform policies may cause fluctuations in the financial performance to a certain extent in the short term but will facilitate industry concentration and increase the market share of excellent brands in the long-term and benefit the rapid growth of leading enterprises in the industry.

As overseas market is the focus of our medium and long-term strategic plan, the Company will proactively develop its overseas business layout and proceed with sales of marketable product in target market, and it will gradually establish long-term stable sales channel and network. The proportion of sales in overseas markets to the total revenue of the Group is expected to increase gradually.

## 展望二零一九年

公司將通過資源整合，強化產品升級與產品研發能力，加大研發投入，進一步豐富現有產品線，加大新產品市場推廣力度，突出產品操作安全與患者使用安全理念，改善患者治療體驗，更多、更快地推出、儲備產品。抵消各種不利因素影響，保持公司競爭優勢。

大客戶平台策略的實施已取得良好效果，公司將繼續保持該策略的延續性，持續將公司各種產品透過大客戶平台提升單一客戶貢獻。

對於國家醫改政策的深入實施，在短期內可能對業績造成波動，但長期將提高行業集中度，提高優秀品牌市場佔有率，有利於行業內領先企業的快速成長。

海外市場是公司中長期戰略佈局之重點，公司將積極開展海外業務佈局，推進適銷產品在目標市場銷售，逐步建立長期穩定的銷售渠道和網絡，預計海外市場收入佔集團總收入比例將逐步提高。

**LOOKING FORWARD TO 2019** (continued)

On 23 January 2018, WW Medical and Healthcare Holdings Corporation (“WW Holding”), the Group’s 89.8% owned subsidiary, acquired 100% of the shares of Argon for consideration of USD850,888,000 (equivalent to RMB5,446,449,000). Argon is principally engaged in the production and sale of medical devices for interventional radiology, vascular surgery, interventional cardiology and oncology. At the strategic level, Argon will become the Group’s platform for overseas expansion and play an active role in technological upgrade, product innovation and mergers and acquisitions. At the business operation level, the Group will work with the management team of Argon to implement the sale of interventional products in the market in China. The management considers that Argon as an important business unit of Weigao will make contributions to the long-term stable development of the Group.

While continuously carrying out engineering technologies, automation and supply chain management improvement in production, the Company will continue to improve its product quality and to, increase production efficiency to maintain cost advantages.

By relying on its extensive strategic layout in the business fields and high quality products and insistence on adapting to market and future-oriented operating strategy and motivation of employee creativity, the management believes that the Company will continue to maintain its leading position in the PRC market. Meanwhile, the Company will proactively develop overseas business to achieve the coordinated development of domestic and foreign markets, supporting the stable growth in the operating results of the Group. Argon will become the Group’s platform for overseas expansion and interventional product operations expansion.

**展望二零一九年** (續)

於二零一八年一月二十三日，本集團擁有89.8%權益的附屬公司WW Medical and Healthcare Holdings Corporation (「WW Holding」)完成收購愛琅之100%股份，代價為850,888,000美元(相等於人民幣5,446,449,000元)。該收購事項採用購買方法入賬。愛琅主要從事生產及銷售用於介入放射學、血管外科學、介入心臟學及腫瘤學之醫療器械。愛琅將作為本集團的海外拓展平台，在技術升級、產品創新、併購等諸多方面發揮積極作用；在經營層面本集團將與愛琅管理團隊全面實施介入系列產品在中國市場的銷售。管理層認為，愛琅作為威高的重要業務單元將對本集團長期穩定發展做出貢獻。

公司將持續開展生產領域工程技術、自動化改造與供應鏈管理改進，不斷提高產品質量、提升生產效率，保持成本優勢。

管理層相信，憑借公司廣泛的業務領域戰略佈局及高質量產品，堅持適應市場、面向未來的經營策略，激勵僱員的創造性，公司將繼續保持中國市場領先地位、同時積極發展海外業務，實現國內外市場協同發展，支持本集團經營業績穩健增長。愛琅將成為本集團海外擴展及介入產品業務擴張的平台。

# REPORT OF THE SUPERVISORY COMMITTEE

## 監事會報告書

### To all shareholders:

The Supervisory Committee (the “Supervisory Committee”) of Shandong Weigao Group Medical Polymer Company Limited, in compliance with the relevant requirements of the Company Law and the Articles of Association of the Company, has conducted its work in accordance with the fiduciary principle, and has taken up an active role to work seriously and with diligence to protect the interests of the Company and its shareholders.

During the Year, the Supervisory Committee had reviewed cautiously the development plans of the Company and provided reasonable suggestions and opinions to the Board. It also strictly and effectively monitored and supervised the Company’s management in making significant policies and decisions to ensure that they are in compliance with the relevant requirements of the Company Law and the Articles of Association of the Company, and in the interests of its shareholders.

We have reviewed and agreed to the report of the Directors, audited financial statements and the dividend to be proposed by the Board for presentation at the forthcoming annual general meeting. We are of the opinion that the Directors, the chief executive officer and other senior management of the Company are able to strictly observe their fiduciary duty, to act diligently, to exercise their authority faithfully in the best interests of the Company and to work in accordance with the Articles of Association of the Company. The transactions between the Company and connected parties are in the interests of the shareholders as a whole and under fair and reasonable price.

As of today, none of the Directors, chief executive officer and senior management staff had been found to have abused their authority, damaged the interests of the Company or infringed upon the interests of its shareholders and employees. None of them was found to be in breach of any laws and regulations or the Articles of Association of the Company.

### 致各位股東：

山東威高集團醫用高分子製品股份有限公司監事會（「本監事會」）遵照公司法及本公司組織章程細則的有關規定，遵守誠信原則，認真履行職責，保護本公司及其股東利益，勤勉主動地開展工作。

在年度內，本監事會對本公司的發展計劃進行謹慎審核，並向董事會提出合理的建議和意見，對本公司管理層的重大決策及決定是否符合公司法及本公司組織章程細則的有關規定，是否符合股東利益等，進行了嚴謹及有效的監督。

本監事會已審閱並同意董事會提呈予應屆股東週年大會的董事會報告、經審核財務報表及建議派發的股息。本監事會認為本公司董事、行政總裁及其他高級管理人員能夠嚴格遵守誠信原則，工作勤勉盡職並真誠地以本公司最佳利益為出發點行使職權，並按照本公司組織章程細則開展各項工作。本公司與關連人士進行的交易均符合股東的整體利益，且價格公平合理。

本監事會至今並無發現董事、行政總裁及高級管理人員濫用職權，損害本公司利益或侵犯本公司股東和員工權益的行為，亦未發現上述人員違反任何法律法規或本公司的組織章程細則。

REPORT OF THE SUPERVISORY COMMITTEE  
監事會報告書

The Supervisory Committee is satisfied with the achievement and cost-effectiveness of the Company in 2018 and has great confidence in the future prospect of the Company.

本監事會對本公司於二零一八年的各項工作和取得的成本效益表示滿意，並對本公司的未來前景充滿信心。

By Order of the Supervisory Committee  
**Shandong Weigao Group Medical Polymer  
Company Limited**  
**Bi Dong Mei**  
*Chairman of Supervisory Committee*  
Weihai, Shandong Province, the PRC

27 March 2019

承監事會命  
**山東威高集團醫用高分子製品股份  
有限公司**  
監事會主席  
**畢冬梅**  
中國山東省威海市

二零一九年三月二十七日



## REPORT OF THE DIRECTORS 董事會報告

The Directors are pleased to submit their annual report, including discussion on the Company's environmental policies and performance on pages 67 to 98 to this report and the audited financial statements of the Group for the year ended 31 December 2018.

The Company was established and registered as a joint stock company with limited liability in the PRC under the Company Law of the PRC on 28 December 2000. The H Shares of the Company were listed on GEM of the Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 27 February 2004 and were transferred to Main Board of the Stock Exchange on 29 July 2010. On 7 August 2018, the Company completed the H share full circulation pilot project to convert and list 2,638,600,000 unlisted or domestic shares into H shares.

### PRINCIPAL ACTIVITIES

Based in Shandong province, the Company is principally engaged in the research and development, production and sale of single-use medical device products and operates finance lease and factoring business in the PRC. The Group has a wide range of products, which cover eight principle business lines of clinical care, wound management, blood management, pharma packaging, medical testing, anesthesia and surgery, orthopaedic products and interventional products. The Group's products are sold under its own brand names, including "Jierui", "Wego Ortho", "Yahua", "Bangde" and "Hai Xing". The products are sold throughout the PRC and exported to overseas. During the reporting period, the Group newly added 136 hospitals, 57 other medical institutions and 68 distributors to its PRC customer base, and the Group has a PRC customer base of 5,378 in aggregate (including 2,566 hospitals, 414 blood stations, 644 other medical units and 1,754 distributors) and an overseas customer base of 4,418 in aggregate (including 2,873 hospitals, 1,377 other medical units and 168 distributors).

### PROPERTY, PLANT AND EQUIPMENT

The Group acquired property, plant and equipment during the year of 2018 at an aggregate cost of approximately RMB753,894,000 in order to enhance its production capacity. Details of movements in the property, plant and equipment of the Group are set out in note 15 to the financial statements.

董事欣然提呈本集團截至二零一八年十二月三十一日止年度的年報(包括有關本報告第67至98頁之本公司環境政策及表現之討論)及經審核財務報表。

本公司於二零零零年十二月二十八日根據中國公司法在中國成立並註冊為股份有限公司。本公司H股自二零零四年二月二十七日起在香港聯合交易所有限公司(「聯交所」)GEM上市,並於二零一零年七月二十九日轉板至聯交所主板。於二零一八年八月七日,本公司完成H股全流通試點項目,將2,638,600,000股非上市股份或內資股轉換為H股並上市。

### 主要業務

本公司位於山東省,主要從事研發、生產及銷售一次性醫療器械產品及於中國經營融資租賃及保理業務。本集團的產品種類繁多,包括臨床護理、創傷管理、血液管理、藥品包裝、醫學檢驗、麻醉及手術相關產品、骨科產品及介入產品八個主要業務領域。本集團以自有品牌包括「潔瑞」、「威高骨科」、「亞華」、「邦德」及「海星」出售產品。產品銷售中國各地和出口至海外。於本報告日期,本集團國內客戶新增136家醫院,57家其他醫療機構以及68家經銷商,本集團的國內客戶總數為5,378家(包括醫院2,566家、血站414家、其他醫療單位644家和經銷商1,754家),海外客戶總數為4,418家(包括醫院2,873家、其他醫療單位1,377家和經銷商168家)。

### 物業、廠房及設備

本集團為提高產能而於二零一八年內購置物業、廠房及設備的總成本約人民幣753,894,000元。有關本集團物業、廠房及設備的變動詳情,載於財務報表附註15。

## SHARE CAPITAL

2,638,600,000 unlisted or domestic shares were converted into H-shares on 7 August 2018. As at 31 December 2018, there was a total issued share capital of 4,522,332,324 shares of the Company (the "Shares").

The changes in share capital of the Company are set out in note 36 to the financial statements.

## RESERVES AND DISTRIBUTABLE RESERVES

As at 31 December 2018, total reserves of the Group amounted to RMB14,062,340,000 (2017: RMB12,882,272,000).

Under the PRC laws and regulations, the Company's distributable reserves will be based on the lower of the amount calculated according to the PRC accounting principles and rules and the amount calculated according to the Hong Kong generally accepted accounting principles. As at 31 December 2018, the distributable reserves of the Company were approximately RMB3,824,559,000 (2017: RMB3,391,686,000).

## DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The directors of the Company during the Year were:

### Executive directors

Mr. Zhang Hua Wei, (*Chairman*)  
Mr. Long Jing, (*Chief Executive Officer*)  
Mr. Wang Yi  
Mr. Gong Jian Bo

### Non-executive director

Mrs. Zhou Shu Hua

### Independent non-executive directors

Mr. Lo Wai Hung  
Mrs. Fu Ming Zhong  
Mrs. Wang Jin Xia

## 股本

於二零一八年八月七日，2,638,600,000股非上市股份或內資股轉換為H股。於二零一八年十二月三十一日，本公司全部已發行股本為4,522,332,324股股份（「股份」）。

本公司的股本變動載於財務報表附註36。

## 儲備及可供分派儲備

於二零一八年十二月三十一日，本集團儲備總額為人民幣14,062,340,000元（二零一七年：人民幣12,882,272,000元）。

根據中國的法律及條例，本公司可供分派的儲備將以按照中國會計原則及規則所計算金額與按照香港公認會計原則所計算金額中的較低者為基準。於二零一八年十二月三十一日，本公司可供分派的儲備約為人民幣3,824,559,000元（二零一七年：人民幣3,391,686,000元）。

## 董事及董事服務合約

年內，本公司的董事為：

### 執行董事

張華威先生，（*主席*）  
龍經先生，（*行政總裁*）  
王毅先生  
弓劍波先生

### 非執行董事

周淑華女士

### 獨立非執行董事

盧偉雄先生  
付明仲女士  
王錦霞女士

## DIRECTORS AND DIRECTORS' SERVICE CONTRACTS (continued)

Each of the directors entered into service agreements with the Company. The service contracts were signed for an initial term of three years, unless and until terminated by either party by giving notice to the other party with three months' notice in writing. In accordance with the Company's Articles of Association, the service agreements of all directors are renewable for successive three-year terms upon expiry.

The service agreements for directors do not stipulate for any amount of remuneration or bonus payment to be paid for services provided. The executive directors are paid with a fixed sum of annual salaries for holding positions in the Company and entitled to welfare benefits (including retirement benefits and medical insurance) in accordance with the relevant laws and regulations in the PRC. The non-executive director waived her directors' remuneration for the year ended 31 December 2018 and accepted a nominal annual fee of RMB1.00.

According to the respective service agreements entered into between the Company and each of three independent non-executive directors, each of Mrs. Fu Ming Zhong and Mrs. Wang Jin Xia received an annual fee of RMB108,000, and Mr. Lo Wai Hung received an annual fee of HK\$180,000.

Apart from the foregoing, no directors have a service contract with the Company which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

## DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed, no transaction, arrangement or contract of significance in relation to the Group's business to which the Company, its fellow subsidiaries or its holding company or the Group was a party and in which a Director or an entity connected with a Director (with meetings as ascribed to it under the Listing Rules) had a material interest, whether directly or indirectly, were entered into or subsisted during or at the end of the year.

## 董事及董事服務合約 (續)

每名董事已與本公司訂立服務合約。服務合約已簽署初步為期三年，除非及直至任何一方給予另一方三個月的書面通知予以終止。根據本公司的組織章程細則，所有董事的服務協議均可於屆滿時再續三年。

董事的服務協議均無訂明其提供服務可獲取的任何酬金或花紅款額。執行董事獲支付固定年薪以擔任本公司職務，並根據中國有關法律和法規，有權享有各項福利待遇（包括退休福利及醫療保險）。非執行董事於截至二零一八年十二月三十一日止年度放棄其董事酬金，收取名義年度袍金人民幣1.00元。

根據本公司與三名獨立非執行董事各自訂立之有關服務協議，付明仲女士及王錦霞女士各自收取年度袍金人民幣108,000元，而盧偉雄先生收取年度袍金180,000港元。

除上述者外，董事概無與本公司訂立本公司不可於一年內未有支付賠償（法定賠償除外）而終止的服務合約。

## 董事於合約之權益

除披露外，本公司、其同系附屬公司或其控股公司或本集團概無於年內或本年度末訂有任何董事或其關連實體（定義見上市規則）於當中直接或間接擁有任何重大權益且與本集團業務有關之重大交易、安排或合約。

## DIRECTORS' INTERESTS AND LONG POSITIONS IN SHARES

As at 31 December 2018, the interests of the directors in the share capital of the Company and their associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong ("SFO")), (i) 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 or short positions which they were taken or deemed to have under such provision of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities transactions by Directors of Listed Companies (the "Model Code") contained in the Listing Rules:

### (i) Long positions of non-listed Shares of RMB0.10 each of the Company

Name of Director	Types of interests	Capacity	Total number of H Shares	Approximate percentage of the issued share capital of the Company 佔本公司已發行股本的概約百分比
董事姓名	權益類別	身份	H股總數	
Mr. Zhang Hua Wei 張華威先生	Personal 個人	Beneficial owner 實益擁有人	32,400,000	0.716%
Mr. Wang Yi 王毅先生	Personal 個人	Beneficial owner 實益擁有人	23,400,000	0.517%
Mrs. Zhou Shu Hua 周淑華女士	Personal 個人	Beneficial owner 實益擁有人	15,300,000	0.338%

In addition, Mr. Chen Lin, son of Mr. Chen Xue Li is holder of the Company's 196,000 H Shares, representing 0.004% of the issue share capital of the Company.

## 董事於股份的權益及好倉

於二零一八年十二月三十一日，董事於本公司及其相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）之股本中擁有(i)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（包括根據證券及期貨條例的相關條文彼等視作或被視為擁有的權益或淡倉），或(ii)將予記入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，或(iii)根據上市規則所載的上市公司董事進行證券交易之標準守則（「標準守則」）而須知會本公司及聯交所之權益如下：

### (i) 於本公司每股面值人民幣0.10元非上市股份中的好倉

另外，陳學利先生之子陳林先生乃本公司196,000股H股的持有人，佔本公司已發行股本的0.004%。

**DIRECTORS' INTERESTS AND LONG POSITIONS IN SHARES** (continued)

**董事於股份的權益及好倉** (續)

**(ii) Long positions in the registered capital of the ultimate holding company, Weigao Holding, an associated corporation of the Company**

**(ii) 於最終控股公司威高集團公司(本公司相聯法團)註冊資本的好倉**

Name of director	Capacity	Amount of registered capital	Approximate percentage of the registered capital of Weigao Holding 佔威高集團註冊資本概約百分比
董事姓名	身份	註冊資本金額	
Weihai Weigao International Medical Investment Holding Company Limited* (Note) 威海威高國際醫療投資控股有限公司(附註)	Registered owner 登記擁有人	1,078,000,000	89.83%
Mr. Chen Xue Li 陳學利先生	Beneficial owner 實益擁有人	69,540,000	5.79%
Mr. Zhang Hua Wei 張華威先生	Beneficial owner 實益擁有人	21,960,000	1.83%
Mrs. Zhou Shu Hua 周淑華女士	Beneficial owner 實益擁有人	12,200,000	1.02%
Mr. Wang Yi 王毅先生	Beneficial owner 實益擁有人	4,880,000	0.41%

Note: 威海威高國際醫療投資控股有限公司 (Weihai Weigao International Medical Investment Holding Company Limited\*) is owned as to 55.89% by Mr. Chen Xue Li, 18% by Mr. Zhang Hua Wei, 10% by Mrs. Zhou Shu Hua, 5.11% by Mr. Wang Yi and 8% by Mr. Chen Lin

附註：威海威高國際醫療投資控股有限公司由陳學利先生、張華威先生、周淑華女士、王毅先生及陳林先生分別擁有55.89%、18%、10%、5.11%及8%權益

Other than as disclosed above, none of the Directors nor their associates had any interests or short positions in any shares of the Company or any of its associated corporations as at the date of this report.

除上文披露者外，於本報告日期，概無董事及其聯繫人於本公司或其任何相聯法團任何股份中擁有任何權益或淡倉。

## PURCHASE, SALE OR REDEMPTION OF SECURITIES

At no time during the Year were rights to acquire benefits by means of the acquisition of shares in or debenture of the Company granted to any directors or their respective associates or were any such rights exercised by them; or was the Company, its ultimate holding company or any subsidiaries of its ultimate holding company or fellow subsidiaries a party to any arrangement to enable the directors of the Company to acquire such rights in the Company or any other body corporate.

## SUBSTANTIAL SHAREHOLDERS

As at 31 December 2018, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO recorded that other than the interests disclosed above in respect of certain Directors, the following shareholder had notified the Company of relevant interest in the issued share capital of the Company.

Name of Shareholder	Capacity	Number of H shares	Percentage of total issued share capital 佔已發行股本總額的百分比
股東名稱	身份	H股數目	
Weigao Holding Company Limited 威高集團有限公司	Beneficial owner 實益擁有人	2,159,755,676	47.76%

## 購買、出售或贖回證券

於年內任何時間，概無任何董事或彼等各自的聯繫人獲授以收購本公司股份或債券方式獲利的權利，而彼等亦無行使任何該等權利；或本公司、其最終控股公司或其最終控股公司的任何附屬公司或同系附屬公司的任何附屬公司概無訂立任何安排，使本公司董事可收購於本公司或任何其他法人團體的該等權利。

## 主要股東

於二零一八年十二月三十一日，按本公司根據證券及期貨條例第336節存置的主要股東登記冊所示，除上文披露有關若干董事的權益外，下列股東已知會本公司其於本公司已發行股本中的有關權益。

## SUBSTANTIAL SHAREHOLDERS (continued)

Save as disclosed above, the following shareholders have disclosed their relevant interests or long positions in the issued share capital of the Company.

Name of substantial shareholder 主要股東名稱	Number of H shares interested 擁有權益 H股數目	% of Issued Share Capital 佔已發行 股本百分比
Mr. Chen Xue Li 陳學利先生	2,159,755,676(L)	47.76(L)
Weihai Weigao International Medical Investment Holding Company Limited# 威海威高國際醫療投資控股有限公司	2,159,755,676(L)	47.76(L)
Weigao Holding Company Limited# 威高集團有限公司	2,159,755,676(L)	47.76(L)

Note: (L) – Long Position  
 \* Source: Website of Hong Kong Stock Exchange  
 # For identification purpose only

## 主要股東 (續)

除上文披露者外，下列股東已披露彼等於本公司已發行股本中擁有的相關權益或好倉。

Name of substantial shareholder 主要股東名稱	Number of H shares interested 擁有權益 H股數目	% of Issued Share Capital 佔已發行 股本百分比
Mr. Chen Xue Li 陳學利先生	2,159,755,676(L)	47.76(L)
Weihai Weigao International Medical Investment Holding Company Limited# 威海威高國際醫療投資控股有限公司	2,159,755,676(L)	47.76(L)
Weigao Holding Company Limited# 威高集團有限公司	2,159,755,676(L)	47.76(L)

附註： (L)–好倉  
 \* 資料來源：香港聯交所網站  
 # 僅供識別

## MAJOR CUSTOMERS AND SUPPLIERS

In 2018, sales to the Group's five largest customers accounted for 3.4% of the total sales for the Year and sales to the largest customer included therein accounted for 0.8% of the total sales of the Year. Purchases from the Group's five largest suppliers accounted for 14.8% of the total purchases for the Year and purchases from the largest supplier included therein accounted for 3.4% of the total purchases of the Year. During the Year, none of the directors of the Company or any of their associates or any shareholders (which to the knowledge of the directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the top five customers and suppliers of the Group.

## 主要客戶及供應商

於二零一八年，向本集團五大客戶的銷售佔年內總銷售3.4%，而向其中最大客戶的銷售則佔年內總銷售0.8%。向本集團五大供應商所作採購佔年內總採購額14.8%，而向其中最大供應商所作採購則佔年內總銷售額3.4%。年內，本公司董事、其任何聯繫人或據董事所知擁有本公司已發行股本5%以上的股東概無於本集團五大客戶及供應商中擁有任何實益權益。

## SHARE AWARD SCHEME REGARDING NON-LISTED SHARES

On 17 November 2014 (the "Adoption Date"), the Company's share award scheme ("Incentive Share Scheme") was adopted by the extraordinary general meeting, of the Company. The maximum number of shares which may be issued under the share award scheme would be 223,818,616, which represent 5% of the issued share capital of the Company or approximately 4.76% of the issued share capital of the Company as enlarged by the issue of the 223,818,616 shares as of the date of the Adoption Date, respectively, as incentive shares to key personnel of the Group, and other persons as approved by the Remuneration Committee (the "Selected Employee"), in batches in subsequent years. On 11 December 2015, the first batch of the Incentive Share Scheme granted 45,960,000 shares. The life of the Incentive Share Scheme is for 10 years. Details of the Incentive Share Scheme are set out in the Company's announcement and circular dated 15 August 2014 and 30 September 2014, respectively.

According to the Incentive Share Scheme, the incentive shares will be granted to the Selected Employee, subject to vesting conditions. For the Year, the Company did not grant any incentive shares. Details of the number of incentive Shares issued are set out in note 37(a) on pages 244 to 246 of this report.

## ACQUISITION OF ARGON MEDICAL DEVICES HOLDINGS, INC

On 23 January 2018, WW Holding, a 89.8% owned subsidiary of the Company acquired 100% of the shares of Argon for consideration of USD850,888,000 (equivalent to RMB5,446,449,000). Argon is principally engaged in production and sale of medical devices for interventional radiology, vascular surgery, interventional cardiology and oncology. Argon becomes the Group's platform for overseas expansion and interventional product operations expansion. Details of the transaction could be referred to an announcements dated 22 September 2017 and 24 January 2018.

## 有關非上市股份之員工股份激勵計劃

於二零一四年十一月十七日（「採納日期」），本公司通過股東特別大會採納股份激勵計劃（「激勵股份計劃」）。根據股份激勵計劃可發行股份之最多數目將為223,818,616股，分別相當於本公司截至採納日期之已發行股本5%或經發行223,818,616股非上市股份擴大後本公司已發行股本約4.76%，於隨後年度向本集團主要人員及薪酬委員會批准的其他人士（「受益人」）分批發行作為激勵股份。於二零一五年十二月十一日，第一批激勵股份計劃授出45,960,000股股份。激勵股份計劃之年期為十年。激勵股份計劃之詳情分別載於本公司日期為二零一四年八月十五日及二零一四年九月三十日之公佈及通函內。

根據激勵股份計劃，激勵股份將在歸屬條件的規限下授予受益人。年內，本公司並無授出任何激勵股份。已發行激勵股份數目之詳情載於本年報第244至246頁附註37(a)。

## 收購愛琅醫療器械控股有限公司

於二零一八年一月二十三日，本集團擁有89.8%權益的附屬公司WW Holding完成收購愛琅之100%股份，代價為850,888,000美元（相等於人民幣5,446,449,000元）。愛琅主要從事生產及銷售用於介入放射學、血管外科學、介入心臟學及腫瘤學之醫療器械。愛琅成為本集團的海外拓展及介入產品經營拓展平台。交易詳情請參閱日期為二零一七年九月二十二日及二零一八年一月二十四日的公告。



## GRANTING OF SHARE OPTIONS TO A SUBSIDIARY OF THE COMPANY

The adoption of a share option scheme of WW Medical and Healthcare Company Limited (“WW Medical”) was approved by shareholders on 16 April 2018. As WW Medical is a subsidiary of the Company, the WW Medical Share Option Scheme is a share option scheme governed by Chapter 17 of the Listing Rules. The adoption of WW Medical Share Option Scheme of 1,200,000 share options of WW Medical were granted to Mr. George A. Leondis, who is a director and the chief executive officer of Argon. Details of the share option could be referred to an announcement and circular dated 26 February 2018 and 28 February 2018 respectively or refer to note 37(b) on pages 247 to 249 of this report.

## LOAN AGREEMENT WITH INTERNATIONAL FINANCE CORPORATION

On 27 January 2015, the Company entered into a five (5) years loan agreement (the “Loan Agreement”) for the principal amount of RMB600 million (the “Loan”) with the International Finance Corporation (“IFC”), a member of the World Bank Group and the largest global development institution focused exclusively on the private sector. The Company shall repay the Loan in one lump sum on 15 March 2020. As at 31 December 2018, the balance included a long-term loan of RMB600,000,000 (31 December 2017: RMB600,000,000) obtained from International Finance Corporation in 2015. The Loan is jointly secured by 100% equity interest of Weihai Jierui Medical Products Company Limited that owned by the Company.

## 向本公司一間附屬公司授出購股權

於二零一八年四月十六日，WW Medical and Healthcare Company Limited (「WW Medical」)之購股權計劃已獲股東批准採納。由於WW Medical為本公司附屬公司，WW Medical購股權計劃為受上市規則第17章監管之購股權計劃。WW Medical購股權計劃項下向愛琅董事兼首席執行官George A. Leondis先生授出WW Medical 1,200,000份購股權。購股權詳情請分別參閱日期為二零一八年二月二十六日及二零一八年二月二十八日的公告及通函或參閱本報告第247至249頁的附註37(b)。

## 與國際金融公司訂立之貸款協議

於二零一五年一月二十七日，本公司與世界銀行集團成員公司及全球最大之專注於私人市場之發展機構國際金融公司(「國際金融公司」)訂立本金額為人民幣600,000,000元(「貸款」)之五(5)年期貸款協議(「貸款協議」)。本公司將於二零二零年三月十五日一筆過償還貸款。於二零一八年十二月三十一日，結餘包括於二零一五年自國際金融公司取得一項人民幣600,000,000元之長期貸款(二零一七年十二月三十一日：人民幣600,000,000元)。貸款以本公司擁有的威海潔瑞醫用製品有限公司全部股權。

## CONTINUING CONNECTED TRANSACTIONS IN RESPECT OF FRAMEWORK AGREEMENTS

## 有關框架協議之持續關連交易

The Company and subsidiaries (collectively the “Group”) renewed the framework purchase agreement, framework sales agreement, framework tenancy agreement and framework services agreement (collectively the “Framework Agreements”) with Weigao Holding Company Limited or its subsidiaries (collectively “Weigao Holding Group”) on 25 November 2016 regarding the respective annual caps for the continuing connected transactions contemplated under the Framework Agreements between the Group and Weigao Holding Group for two years from 1 January 2017 to 31 December 2018. Details of the Framework Agreements were set out in the announcement of the Company dated 25 November 2016.

本公司及附屬公司（統稱「本集團」）與威高集團有限公司或其附屬公司（統稱「威高集團」）於二零一六年十一月二十五日重續框架採購協議、框架銷售協議、框架租賃協議以及框架服務協議（統稱「框架協議」），內容有關本集團與威高集團自二零一七年一月一日起至二零一八年十二月三十一日止兩個年度之框架協議項下擬進行之持續關連交易之有關年度上限。框架協議之詳情載於本公司日期為二零一六年十一月二十五日之公佈內。

### 1. Framework Purchase Agreement

An agreement pursuant to which the Group agrees to purchase and Weigao Holding Group agrees to sell services and medical based products, including and not limited to, medical equipment, medical raw materials, medical packaging materials, pharmaceutical machine accessories and parts and office stationery on a non-exclusive basis. The annual cap for the purchase transactions between the Group and Weigao Holding Group shall not exceed RMB270,000,000 for the year ended 31 December 2018. During the Year, the actual amount of transactions in relation to the Framework Purchase Agreement was approximately RMB259,996,000.

### 1. 框架採購協議

根據該協議，本集團同意按非獨家基準採購，而威高集團同意按非獨家基準出售服務及醫用產品，包括（但不限於）醫療設備、醫用原材料、醫用包裝材料、製藥、工具配件及辦公勞保用品。於截至二零一八年十二月三十一日止年度，本集團與威高集團之採購交易之年度上限不得超過人民幣270,000,000元。年內，有關框架採購協議之實際交易金額約為人民幣259,996,000元。

### 2. Framework Sales Agreement

An agreement pursuant to which the Group agrees to sell and Weigao Holding Group agrees purchase, including and not limited to, medical devices, carton box and moulding on a non-exclusive basis. The annual cap for the sales transactions between the Group and Weigao Holding Group shall not exceed RMB260,000,000 for the year ended 31 December 2018. During the Year, the actual amount of transactions in relation to the Framework Sales Agreement was approximately RMB184,841,000.

### 2. 框架銷售協議

根據該協議，本集團同意按非獨家基準出售，而威高集團同意按非獨家基準採購包括（但不限於）醫療器械、硬紙盒及模具。於截至二零一八年十二月三十一日止年度，本集團與威高集團之銷售交易之年度上限不得超過人民幣260,000,000元。年內，有關框架銷售協議之實際交易金額約為人民幣184,841,000元。

### CONTINUING CONNECTED TRANSACTIONS IN RESPECT OF FRAMEWORK AGREEMENTS (continued)

#### 3. Framework Tenancy Agreement

The Group entered into framework tenancy agreement with Weigao Holding Group regarding lease of premises located at industrial zone at Chucun in Weihai in Shandong Province, the PRC. The annual rental cap between the Group and Weigao Holding Group shall not exceed RMB20,000,000 for the year ended 31 December 2018. During the Year, the actual rental amount in relation to the Framework Tenancy Agreement was approximately RMB14,651,000.

#### 4. Framework Services Agreement

The Group entered into framework services agreement regarding procurement of factory workers transportation services, dormitory, canteen and catering services provided by Weigao Holding Group to the Group. The annual cap between the Group and Weigao Holding Group shall not exceed RMB100,100,000 for the year ended 31 December 2018. During the Year, the actual amount of transactions in relation to the Framework Services Agreement was approximately RMB39,898,000.

Weigao Holding is the controlling shareholder of the Company and is therefore a connected person of the Company, the transactions contemplated under the Framework Agreements constitute continuing connected transactions of the Group for the purpose of Chapter 14A of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

### CONTINUING CONNECTED TRANSACTION IN RESPECT OF FINANCE LEASE AND FACTORING FRAMEWORK AGREEMENT

On 25 November 2016, the Group renewed and entered into the finance leasing and factoring framework agreement with Weigao Holding Group to provide finance leasing and factoring services to Weigao Holding Group with a principal of not exceeding RMB290,000,000 for the year ended 31 December 2018. During the Year, the actual amount of transactions in relation to the financial leasing and factoring framework agreement was approximately RMB283,788,000.

### 有關框架協議之持續關連交易 (續)

#### 3. 框架租賃協議

根據該協議，本集團與威高集團訂立框架租賃協議，內容有關租賃位於中國山東省威海初村之物業。於截至二零一八年十二月三十一日止年度，本集團與威高集團之年度租賃上限不得超過人民幣20,000,000元。年內，有關框架租賃協議之實際租金約為人民幣14,651,000元。

#### 4. 框架服務協議

本集團訂立框架服務協議，內容有關威高集團向本集團提供工廠工人運輸服務、宿舍、食堂及餐飲服務。於截至二零一八年十二月三十一日止年度，本集團與威高集團之年度上限不得超過人民幣100,100,000元。年內，有關框架服務協議之實際交易金額約為人民幣39,898,000元。

威高集團公司為本公司之控股股東，因此為本公司之關連人士，故就香港聯合交易所有限公司證券上市規則第14A章而言，框架協議項下擬進行之交易構成本集團之持續關連交易。

### 有關融資租賃及保理框架協議之 持續關連交易

於二零一六年十一月二十五日，本集團與威高集團重續及訂立融資租賃及保理框架協議以於截至二零一八年十二月三十一日止年度向威高集團提供本金額不超過人民幣290,000,000元的融資租賃及保理服務。年內，有關融資租賃及保理框架協議之實際交易金額為約人民幣283,788,000元。

## CONTINUING CONNECTED TRANSACTION IN RESPECT OF DEPOSIT SERVICES AGREEMENT WITH LANHAI BANK

## 持續關連交易有關與藍海銀行訂 立之存款服務協議

On 23 August 2017, the Company and 威海藍海銀行股份有限公司 (Weihai Lanhai Banking Corporation\*) (“Lanhai Bank”) entered into the deposit services agreement, pursuant to which the Group utilizes the deposit services offered by Lanhai Bank. Pursuant to the deposit services agreement, Lanhai Bank provides deposit services to the Group and the Group utilizes such deposit services on a non-exclusive basis. Lanhai Bank is one of a number of financial institutions which provide deposit services to the Group. The Group may obtain deposit services available from any other financial institutions as it sees fit. The deposit services agreement shall be for an initial term of three years commencing from the date of agreement. Upon expiry of the initial term of the deposit services agreement, the agreement may be renewed for further terms of three years automatically unless either party objects by giving a written notice at least one month prior to the expiry of the deposit services agreement. The annual cap for the year ended 31 December 2018 is RMB300,000,000. During the Year, the maximum daily balance of deposits in relation to the deposit service agreement was approximately RMB170,166,000. Lanhai Bank is a 30%-controlled company of Weigao Holding, the controlling shareholder of the Company. Details of the transaction has been disclosed in the announcement dated 23 August 2017.

Pursuant to Rule 14A.56 of the Listing Rules, the Board appointed the auditor of the Company to report on the above continuing connected transactions between the Company and the connected persons for the year ended 31 December 2018.

The auditor of the Company was engaged in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” and with reference to Practice Note 740 “Auditor’s Letter on Continuing Connected Transactions under the Hong Kong Listing Rules” issued by the HKICPA and reported the following conclusion to the Board:

二零一七年八月二十三日，本公司與威海藍海銀行股份有限公司（「藍海銀行」）於訂立存款服務協議，據此，本集團使用藍海銀行提供之存款服務。根據存款服務協議，藍海銀行向本集團提供存款服務，而本集團按非獨家基準使用有關存款服務。藍海銀行為向本集團提供存款服務之多家金融機構之一。本集團可於其認為屬適當之情況下，向任何其他金融機構取得可用之存款服務。存款服務協議之初步年期將為自協議日期起計三年。於存款服務協議之初步年期屆滿後，該協議可再自動重續進一步年期三年，除非任何訂約方於存款服務協議屆滿前至少一個月通過發出書面通知提出反對。截至二零一八年十二月三十一日止年度，有關年度上限為人民幣300,000,000元。年內，有關存款服務協議交易之存款最高每日結餘為約人民幣170,166,000元。藍海銀行為由威高集團公司（本公司之控股股東）控制30%權益之公司。交易詳情已於日期為二零一七年八月二十三日之公佈內披露。

根據上市規則第14A.56條，董事會委任本公司核數師就截至二零一八年十二月三十一日止年度之本公司與關連人士之上述持續關連交易進行匯報。

本公司已根據香港鑒證業務準則第3000號（經修訂）「審計或審閱歷史財務資料以外的鑒證工作」，並參照香港會計師公會頒佈的實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」委聘核數師，並向董事會呈報以下結論：

### CONTINUING CONNECTED TRANSACTION IN RESPECT OF DEPOSIT SERVICES AGREEMENT WITH LANHAI BANK (continued)

Based on the foregoing, in respect of the continuing connected transactions of the Company:

- (i) have received approval from the Board;
- (ii) were conducted in accordance to the pricing policy;
- (iii) have been entered into in accordance with the relevant agreement governing such transactions; and
- (iv) have not exceeded the cap amount for the financial year ended 31 December 2018 disclosed in the relevant announcements.

### RENEWAL OF ANNUAL CAPS OF CONTINUING CONNECTED TRANSACTIONS

On 5 December 2018, the Group renewed annual caps of the Purchase Framework Agreement, the Sales Framework Agreement, the Tenancy Framework Agreement, the Services Framework Agreement, the Finance Leasing and Factoring Agreement under the Framework Agreements 2018 with the Weigao Holding Group for a term of two years commencing from 1 January 2019 and expiring on 31 December 2020. The Group also entered into the Logistic and Distribution Services Framework Agreement 2018 with Weigao Holding Group, pursuant to which the Weigao Holding Group has agreed to provide medical device related distribution services to the Group for a term of two years commencing 1 January 2019 and expiring 31 December 2020 on 5 December 2018. Details of the transactions could be referred to an announcement dated 5 December 2018. Details of the transactions could be referred to an announcement of the Company dated 5 December 2018.

### CONNECTED TRANSACTION IN RESPECT OF PURCHASE OF A SUBSIDIARY

On 6 June 2018, the Group's subsidiary Shandong Weigao Orthopaedic Device Company Limited acquired 80% interests in Shandong Mingde Biomedical Engineering Co., Ltd. ("Shandong Mingde") from Weigao Holding, at a consideration of RMB4,516,000 settled by cash. Shandong Mingde is engaged in the construction of implant materials and artificial organs, medical suture materials and adhesives. Details of the transaction could be referred to note 3 on pages 130 to 132 of this report.

### 持續關連交易有關與藍海銀行訂 立之存款服務協議 (續)

基於上文所述，有關本公司之持續關連交易：

- (i) 已獲董事會批准；
- (ii) 已根據定價政策進行；
- (iii) 已根據規管該等交易之有關協議進行；及
- (iv) 並無超越有關公佈所披露之截至二零一八年十二月三十一日止財政年度之上限金額。

### 更新持續關連交易年度上限

於二零一八年十二月五日，本集團更新與威高集團之間於二零一八年框架協議項下採購框架協議、銷售框架協議、租賃框架協議、服務框架協議、融資租賃及保理協議之年度上限，由二零一九年一月一日開始至二零二零年十二月三十一日屆滿，進一步為期兩年。於二零一八年十二月五日，本集團亦與威高集團訂立二零一八年委託配送服務框架協議，據此，威高集團已同意向本集團提供醫療器械相關配送服務，自二零一九年一月一日起至二零二零年十二月三十一日止，為期兩年。交易詳情可參閱本公司日期為二零一八年十二月五日的公告。

### 有關收購附屬公司的關聯交易

於二零一八年六月六日，本公司附屬公司山東威高骨科材料股份有限公司收購威高集團之附屬公司山東明德生物醫學工程有限公司(「山東明德」)80%股權，代價為人民幣4,516,000元，以支付現金對價的方式結算。山東明德從事三類植入材料和人工器官、三類醫用縫合材料及粘合劑的生產項目建設。交易詳情請參閱本報告第130頁至132頁的附註3。

## COMPETITION AND CONFLICT OF INTERESTS

None of the Directors or the management shareholders as defined under the “Listing Rules” of the Company or their respective associates has any interest in a business which competes or may compete with the business of the Group or has any other conflict of interests with the Group.

## DISCLOSURE OF INFORMATION ON DIRECTOR, THE CHIEF FINANCIAL OFFICER AND SUPERVISOR

Pursuant to Rule 13.51B of the Listing Rules, the changes of information on director and supervisor during the Year are stated as follows:

- (1) Mr. Wang Yi (“**Mr. Wang**”), an executive director, has been re-designated as a non-executive director of the Company with effect from 29 August 2018.
- (2) Mr. Wang has tendered resignation as the Chief Executive Officer of the Company with effect from 29 August 2018.
- (3) Mr. Long has been appointed as the Chief Executive Officer of the Company with effect from 29 August 2018.
- (4) Mr. Long Jing (“**Mr. Long**”) has been appointed as an executive director of the Company with effect from 6 December 2018.
- (5) Mr. Wang, a non-executive director has been re-designated as an executive director of the Company with effect from 14 March 2019.

## DIVERSITY OF DIRECTORS

The Company has adopted its diversity policy with respect to the composition of the Board. In assessing candidates running for directorships, the Nomination Committee will consider a number of factors, including but not limited to gender, age, educational background, professional experience, technical expertise and the ability to fulfill the requirements of the Board. Details on the biographies and experience of the Directors are set out on pages 60 to 63 of this report.

## 競爭及利益衝突

本公司的董事或管理層股東（定義見「上市規則」）或其各自的聯繫人概無在與本集團業務構成或可能構成競爭或與本集團有任何其他利益衝突的業務中有任何權益。

## 披露董事、財務總監及監事資料

根據上市規則第13.51B條，董事及監事資料於本期間之變動載列如下：

1. 執行董事王毅先生（「**王先生**」）調任為本公司之非執行董事，自二零一八年八月二十九日起生效。
2. 王先生已提呈辭任本公司總經理，自二零一八年八月二十九日起生效。
3. 龍先生已獲委任為本公司總經理，自二零一八年八月二十九日起生效。
4. 龍經先生（「**龍先生**」）已獲委任為本公司之執行董事，自二零一八年十二月六日起生效。
5. 非執行董事王先生已獲重新委任為本公司執行董事，自二零一九年三月十四日起生效。

## 董事多元化

本公司已採納有關董事會組成之董事會成員多元化政策。提名委員會於評估董事候選人時將考慮多項因素，包括但不限於性別、年齡、教育背景、專業經驗、技術專長及達至董事會之要求之能力。董事履歷及經驗詳情載於本報告第60至63頁。

## PUBLIC FLOAT AND MARKET CAPITALIZATION

Based on the publicly available information known to the Company and to the best of the Directors' knowledge, as of the date of this report, the public float of the Company is in compliance with that stipulated under Rule 8.08 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited. As at 31 December 2018, the market capitalization of the Company was approximately HK\$28.7billion.

## DIRECTORS RESPONSIBILITIES IN PREPARING THE GROUP'S FINANCIAL STATEMENTS

The Directors acknowledged the responsibility for preparing the accounts and have confirmed that the preparation of the Group's financial statement is in compliance with the relevant regulations and applicable accounting standards.

In preparing the financial statements for the Year, the Directors adopted appropriate and consistent accounting policies and made prudent and reasonable judgments and estimations.

The financial statements for the Year have been prepared by the Directors on a going concern basis. There are no material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. A statement by the external auditors of the Company regarding their reporting responsibilities on the accounts of the Group is set out in the "Independent Auditor's" in this annual report.

## AUDITORS

A resolution will be proposed at the forthcoming annual general meeting to re-appoint Deloitte Touche Tohmatsu as the auditors of the Company.

On behalf of the Board  
**Zhang Hua Wei**  
Chairman

Weihai, Shandong, the PRC  
27 March 2019

## 公眾持股量及市值

根據本公司所知之公眾可得資料及就董事所深知，於本報告日期，本公司之公眾持股量符合香港聯合交易所有限公司證券上市規則第8.08條訂明之規定。於二零一八年十二月三十一日，本公司之市值約為287億港元。

## 董事就編製本集團財務報表承擔之責任

董事承認有編製賬目的責任及已確認本集團財務報表的編製符合有關法規及適用之會計準則。

於編製本年度財務報表時，董事已採用適當及一致的會計政策，並已作出審慎和合理的判斷與估計。

董事已按持續經營基準編製本年度的財務報表。並無可能對本公司持續經營的能力構成重大疑問的事件或情況相關的重大不明朗因素存在。本公司的外聘核數師就其對本集團的賬目應負的報告責任發出的聲明，已載於本年報「獨立核數師報告書」內。

## 核數師

在應屆股東週年大會上，將會呈交一項決議案，以重新委任德勤•關黃陳方會計師行作為本公司的核數師。

代表董事會  
**張華威**  
主席

中國山東威海  
二零一九年三月二十七日

## OVERVIEW

The Board of Directors of the Company recognize the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of the Group so as to achieve effective accountability. This report outlines the principles and the code provisions of the Code on Corporate Governance Practices (the “Code”) contained in the Listing Rules, which have been adopted by the Group since its listing on 28 February 2004.

## COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as the standard for securities transactions by Directors. The Company has made specific enquiries of all the Directors and all the Directors confirmed that they have complied with the required standards set out in the Model Code and its code of conduct regarding directors’ securities transactions throughout the year of 2018.

The following summarizes the corporate governance practices of the Company:

### The Board of Directors

The Board take responsibility to oversee all major matters of the Company, including the formulation and approval of overall business strategies, internal control and risk management systems, and monitoring the performance of the senior management. The management is responsible for the daily operations of the Group under the leadership of the Chief Executive Officer. The Directors have the responsibility to act objectively in the interests of the Company.

## 概覽

本公司董事會深知在本集團的管理架構及內部監控程序引入優良的企業管治元素的重要性，藉以達致有效的問責性。本報告概述上市規則所載的企業管治常規守則（「守則」）的原則及守則條文，本集團已自其於二零零四年二月二十八日上市以來採納該守則及守則條文。

## 遵守董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載的標準守則作為董事進行證券交易的標準。本公司已向全體董事作出特定查詢，而全體董事亦已確認彼等在二零一八年度一直遵守標準守則所載標準及其有關董事進行證券交易的行為守則。

以下概述本公司的企業管治常規：

### 董事會

董事會負責監察本公司的所有重要事宜，包括制定及批准整體業務策略、內部監控及風險管理系統，以及監督高級管理人員的表現。管理層在行政總裁的領導下負責本集團的日常營運。董事負責以本公司利益客觀行事。



**COMPLIANCE WITH THE MODEL CODE FOR  
DIRECTORS' SECURITIES TRANSACTIONS**

(continued)

**The Board of Directors** (continued)

Currently, the Board comprises eight Directors, including four executive Directors, one non-executive Directors and three independent non-executive Directors.

**Executive Directors:**

Mr. Zhang Hua Wei (*Chairman*)  
Mr. Long Jing (*Chief Executive Officer*)  
Mr. Wang Yi  
Mr. Gong Jian Bo

**Non-executive Director:**

Mrs. Zhou Shu Hua

**Independent non-executive Directors:**

Mr. Lo Wai Hung  
Mrs. Fu Ming Zhong  
Mrs. Wang Jin Xia

**遵守董事進行證券交易的標準  
守則 (續)**

**董事會 (續)**

目前，董事會由八名董事組成，包括四名執行董事、一名非執行董事以及三名獨立非執行董事。

**執行董事：**

張華威先生 (主席)  
龍經先生 (行政總裁)  
王毅先生  
弓劍波先生

**非執行董事：**

周淑華女士

**獨立非執行董事：**

盧偉雄先生  
付明仲女士  
王錦霞女士

## COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

(continued)

### The Board of Directors (continued)

In compliance of Rule 3.10(1) of the Listing Rules, the Board currently comprises three independent non-executive Directors. Pursuant to paragraph 12B of the Appendix 16 of the Listing Rules, each of the independent non-executive Directors has confirmed by annual confirmation that he/she has complied with the independence criteria set out in Rules 3.13 of the Listing Rules. The Director consider that all three independent non-executive Directors are independent under these independence criteria and are capable to effectively exercise independent judgment. Amongst the three independent non-executive Directors, Mr. Lo Wai Hung has the appropriate professional qualifications and accounting and related financial management expertise required under Rule 3.10 (2) of the Listing Rules.

### Board Meetings

Board meetings were held two times during this year to review and approve financial and operating performance, interim and annual results. Ad-hoc meetings will also be convened if necessary to discuss the overall strategy as well as the operation and financial performance of the Group. Notice of board meeting will be sent to all Directors at least 14 days prior to a regular board meeting. Reasonable notice will be given to Directors for ad-hoc board meetings. Directors may participate either in person or through electronic means of communications.

The Company will adopt the practice to provide relevant materials to all the Directors relating to the matters brought before the meetings. All the Directors will be provided with sufficient resources to discharge their duties, and, upon reasonable requests, the Directors will be able to seek independent professional advice in appropriate circumstances, at the Company's expenses. All Directors will have the opportunity to include matters in the agenda for Board meetings.

## 遵守董事進行證券交易的標準守則 (續)

### 董事會 (續)

為符合上市規則第3.10(1)條，董事會目前包括三名獨立非執行董事。根據上市規則附錄十六第12B段，各獨立非執行董事均已以年度確認書確認，彼符合上市規則第3.13條所載獨立身份標準。董事認為，根據此等獨立身份標準，全部三名獨立非執行董事均為獨立人士，能有效作出獨立判斷。在三名獨立非執行董事中，盧偉雄先生具備上市規則第3.10(2)條所規定的適當專業資格及會計以及相關財務管理專業知識。

### 董事會會議

年內，本公司舉行兩次董事會會議，以審核及批准財務及經營業績、中期及年度業績。需要時亦會召開臨時會議，以商討整體策略以及本集團的營運和財務表現。全體董事將於舉行定期董事會會議前最少十四天獲發董事會會議通告，而臨時董事會會議通告則於合理時間內派發予董事。董事可親身或通過電子通訊方式出席。

本公司於大會前向所有董事提供會上討論事項的相關資料。全體董事將獲得充分的資源以履行其職責，並在合理的要求下，董事可於合適情況下尋求獨立專業意見，費用由本公司承擔。全體董事均有機會於董事會會議議程內加入議題。

**COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS**

(continued)

**遵守董事進行證券交易的標準守則 (續)**

**Board Meetings** (continued)

Number of Board meetings held during the year 2018: 5.

The attendance of each Director at Board meetings during the year ended 31 December 2018 was as follows:

**董事會會議 (續)**

於二零一八年度舉行的董事會會議次數：五次。

截至二零一八年十二月三十一日止年度，各董事出席董事會會議的情況載列如下：

**Attendance in 2018  
於二零一八年的出席率**

**Executive Directors**

Mr. Zhang Hua Wei  
Mr. Long Jing (appointed on 29 August 2018)

Mr. Wang Yi  
Mr. Gong Jian Bo

**執行董事**

張華威先生  
龍經先生 (於二零一八年八月二十九日獲委任)

王毅先生  
弓劍波先生

100%  
100%  
100%  
100%

**Non-executive Director**

Mrs. Zhou Shu Hua

**非執行董事**

周淑華女士

100%

**Independent non-executive Directors**

Mr. Lo Wai Hung  
Mrs. Fu Ming Zhong  
Mrs. Wang Jin Xia

**獨立非執行董事**

盧偉雄先生  
付明仲女士  
王錦霞女士

100%  
100%  
100%

Minutes of the Board and the committee meetings are recorded, and draft minutes and final version are submitted to Directors for review within reasonable time after the meetings, normally 14 days after the meetings.

Secretary of the Board assists the chairman to establish meeting agenda, and each Director may request inclusion of items in the agenda.

董事會及委員會會議均備有記錄，而記錄草稿與最終稿均在大會後合理時間內（一般為大會後十四日內）送交董事審閱。

董事會秘書協助主席編製會議議程，而各董事可要求在議程內加入議題。

## COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

(continued)

### Board Meetings (continued)

Matters on transactions where Directors are considered having conflict of interests or material interests will not be dealt with by way of written resolutions. The Directors concerned can express views but will not be counted in the quorum of meetings and shall abstain from voting on the relevant resolution(s).

All Directors have access to the company secretary who is responsible for ensuring that the Board procedures are complied with, and advising the Board on compliance matters.

Minutes of the Board and the committee meetings are kept by the company secretary and are open for inspection by Directors.

### Chairman and Chief Executive Officer

Under provision A2.1 of the Code, the roles of the Chairman and the Chief Executive Officer should be separate and should not be performed by the same individual. Mr. Zhang Hua Wei is the Chairman of the Board and an executive Director of the Group's business. Mr. Long Jing is the Chief Executive Officer of the Company and an executive Director of the Company.

The Chairman of the Board is appointed by the Board itself, who is responsible for the leadership of the effective operation of the Board, and ensuring that all major and appropriate issues are discussed by the Board on a timely basis and in a constructive manner. The Chief Executive Officer is appointed by the Board. He is responsible for the management of daily operations of the Company and the implementation of the strategies and plans determined by the Board.

### Experience

The executive Directors and non-executive Directors possess administrative leadership, diversified knowledge and extensive management experience in the industry. The independent non-executive Directors possess extensive knowledge, experience and judgment in different areas. The Board will seriously consider the objective views of the independent non-executive Directors for making decisions, and regard this as an effective guidance for the Group's business direction.

## 遵守董事進行證券交易的標準守則 (續)

### 董事會會議 (續)

對於董事被視為存在利益衝突或擁有重大權益的交易事宜，將不會通過書面決議案方式處理。有關董事可在會上表達意見，但不會計入會議法定人數，並須就有關決議案放棄表決。

全體董事均可接觸公司秘書，而公司秘書負責確保董事會程序得以遵守，並就合規事宜向董事會提供意見。

董事會及委員會會議的會議記錄均由公司秘書保存，而董事可隨時查閱。

### 主席與行政總裁

根據守則第A2.1條條文，主席及行政總裁的職責應分開且不得由同一人士擔任。張華威先生為董事會主席兼本集團業務之執行董事。龍經先生為本公司的行政總裁兼本公司執行董事。

董事會主席由董事會自行委任，負責領導董事會，並使其有效運作，同時確保董事會以適時及具建設性的方式討論所有主要及適當的事項。行政總裁由董事會委任，負責管理本公司的日常業務以及執行董事會釐定的戰略及計劃。

### 經驗

執行董事和非執行董事具有行政領導能力、多元化知識及豐富行業管理經驗。獨立非執行董事擁有不同領域的豐富知識、經驗及判斷力。董事會作決策時將認真考慮獨立非執行董事的客觀意見，以此作為本集團業務方針的有效指引。

## COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

(continued)

### Directors' responsibility

The Board manages the business of the Company on behalf of its shareholders. The Directors consider that they are obliged to fulfill their responsibilities in a prudent, diligent and faithful manner, so as to create value for shareholders and safeguard the best interests of the Company and its shareholders.

### Remuneration Committee

The Company established a remuneration committee on 12 August 2005 in accordance with the requirement of the Code. The remuneration committee comprises three independent non-executive Directors, namely Mr. Lo Wai Hung, Mrs. Fu Ming Zhong, Mrs. Wang Jin Xia and a non-executive director, Mrs. Zhou Shu Hua.

The remuneration committee has reviewed the remuneration policy, the performance and the remuneration of executive Directors and members of senior management, the existing terms of service contracts of the executive Directors. The objective of the remuneration policy is to ensure that the Company is able to attract, retain and motivate high-caliber staff, which is vital to the success of the Company.

In reviewing and determining the remuneration packages of the executive Directors and members of senior management, the remuneration committee considers their responsibilities, skills, expertise and contribution to the Group's performance and whether remuneration packages are competitive and sufficient to ensure that the Group is able to attract and retain the best available executive talent.

Remuneration of Directors is subject to annual assessment and recommendation by the Remuneration Committee to the Board for further review and approval, which is subsequently subject to shareholders' approval at annual general meeting. The primary goal of the remuneration policy on executive Directors remuneration packages is to enable the Company to retain and motivate executive Directors by linking their compensation with performance as measured against corporate objectives. Under the policy, a Director is not allowed to approve his own remuneration.

## 遵守董事進行證券交易的標準守則 (續)

### 董事責任

董事會代表其股東管理本公司業務。董事認為，彼等須謹慎、勤勉且忠誠地履行職責，為股東創造價值，維護本公司及其股東的最佳利益。

### 薪酬委員會

本公司已根據守則規定於二零零五年八月十二日成立薪酬委員會。薪酬委員會由三名獨立非執行董事盧偉雄先生、付明仲女士及王錦霞女士及一名非執行董事周淑華女士組成。

薪酬委員會已檢討薪酬政策、執行董事及高級管理層成員的表現及薪酬，以及執行董事的服務合約現有條款。薪酬政策的目標是確保本公司能吸納、挽留及激勵優秀員工，而此對本公司的成功十分重要。

在審閱及釐定執行董事及高級管理層成員的薪酬時，薪酬委員會將考慮他們的職責、技能、專業知識及對本集團業績作出的貢獻，以及薪酬待遇是否具競爭能力，以及是否足以保證本集團能吸引及挽留頂尖的行政人才。

董事酬金須由薪酬委員會進行年度評估並將建議提交董事會，董事會進一步審議並通過之後再提呈股東週年大會經股東批准後方可作實。執行董事的酬金組合政策主旨是使本公司執行董事的酬金及其表現與公司目標掛鈎有助激勵執行董事的工作表現及留任。根據該政策，董事不可批准其本身的薪酬。

## COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

(continued)

### Remuneration Committee (continued)

During the Year, four meetings have been held by the remuneration committee. All members of the remuneration committee attended the meeting during which the remuneration package of directors, supervisors and senior management of the Company for the year 2018. The chairman of the remuneration committee reports the findings and provides recommendations to the Board after each meeting.

### Nomination Committee

The Company established a nomination committee on 21 May 2012 in accordance with the requirement of the Code. The nomination committee comprises Mr. Lo Wai Hung, Mrs. Fu Ming Zhong, Mrs. Wang Jin Xia and Mrs. Zhou Shu Hua. The chairman of the nomination committee is Mr. Lo Wai Hung. The terms of reference of the nomination committee have been defined. The principal duties include:

- to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy.
- to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships.
- to assess the independence of independent non-executive directors.
- to make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the chairman of the Board and the chief executive.

## 遵守董事進行證券交易的標準守則 (續)

### 薪酬委員會 (續)

年內，薪酬委員會舉行過四次會議。所有薪酬委員會成員均參加了會議。會議審議通過了本公司二零一八年度董事、監事及高級管理人員薪金方案。薪酬委員會主席於每次會議後向董事會匯報討論結果，並提供建議。

### 提名委員會

本公司已根據守則規定於二零一二年五月二十一日成立提名委員會。提名委員會由盧偉雄先生、付明仲女士、王錦霞女士及周淑華女士組成。盧偉雄先生為提名委員會主席。提名委員會之職權範圍已界定。主要職責包括：

- 至少每年檢討董事會的架構、人數及組成（包括技能、知識及經驗方面），並就任何為配合本公司的公司策略而擬對董事會作出的變動提出建議。
- 物色具備合適資格成為董事會成員的人士，並挑選提名有關人士出任董事或就此向董事會提供意見。
- 評核獨立非執行董事的獨立性。
- 就董事委任或重新委任以及董事（尤其是董事會主席及行政總裁）繼任計劃向董事會提出建議。

## COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

(continued)

### Nomination Committee (continued)

The Nomination Committee provided with sufficient resources to perform its duties and shall have access to independent professional advice if necessary. All members of the Nomination Committee have access to the advice and services of the company secretary, and separate and independent access to the Company's senior management for obtaining necessary information.

Each of the Directors of the Company has entered into a service contract with the Company for a specific term of three years, and are subject to retirement by rotation and re-election in accordance with the Articles of Association of the Company.

The Company has not experienced any casual vacancy for members of the Board. In the event that there is such circumstance, the Director appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after his appointment.

The Board selects and nominates Director candidates based on whether they possess the skills and experience needed for the Group's development.

### Corporate Governance Committee

The Company established a corporate governance committee on 30 May 2013. The corporate governance committee comprises Mr. Zhang Hua Wei as the chairman of the committee, Mr. Lo Wai Hung, Mrs. Fu Ming Zhong and Mrs. Wang Jin Xia as members. The terms of reference of the corporate governance committee have been defined. The principal duties include:

- (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 and senior management;

## 遵守董事進行證券交易的標準守則 (續)

### 提名委員會 (續)

提名委員會已獲提供充足資源以履行其職責，及在有需要時可尋求獨立專業意見。提名委員會的所有成員均可聯絡公司秘書及獲取其服務，個別成員亦可聯絡本公司的高級管理人員以獲取所需資料。

本公司各董事均與本公司訂立一份指定任期為三年的服務合約，並須根據本公司的組織章程細則輪值告退及膺選連任。

本公司未曾出現過董事會成員臨時空缺的情況。倘出現該等情況，為填補臨時空缺而獲委任的董事將在接受委任後的首次股東大會上接受股東選舉。

董事會根據本集團發展需要的技能與經驗來挑選及提名董事候選人。

### 企業管治委員會

本公司於二零一三年五月三十日成立企業管治委員會。企業管治委員會包括張華威先生（作為委員會主席）、盧偉雄先生、付明仲女士及王錦霞女士（作為成員）。企業管治委員會之職權範圍已界定。主要職責包括：

- (a) 制定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) 檢討及監察董事及高級管理人員的培訓及持續專業發展；

## COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

(continued)

### Corporate Governance Committee (continued)

- (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 (if any) applicable to employees and directors; and
- (e) to review the Company's compliance with the code and disclosure in the corporate governance report.

The Corporate Governance Committee will be provided with sufficient resources to perform its duties and shall have access to independent professional advice if necessary. All members of the Corporate Governance Committee will have access to the advice and services of the company secretary and separate and independent access to the Company's senior management for obtaining necessary information.

## ACCOUNTABILITY AND AUDIT

### Financial Reporting

All Directors are provided with explanations and information by the management of the Company so as to enable them to have discussions and make assessment at Board meetings.

All Directors acknowledge the responsibility for the preparation of its accounts, with the responsibility statement in respect to the financial reports made by the Directors set out in this annual report. The auditors have also made a statement about their responsibilities in the auditor's report.

The Board presents a comprehensive, balanced and understandable assessment on the position and prospects of the Group in all shareholder communications.

## 遵守董事進行證券交易的標準守則 (續)

### 企業管治委員會 (續)

- (c) 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
- (d) 制定、檢討及監察僱員及董事的操守準則及合規手冊（如有）；及
- (e) 檢討本公司遵守守則的情況及在企業管治報告內的披露。

企業管治委員會將獲提供充足資源以履行其職責，及在有需要時可尋求獨立專業意見。企業管治委員會的所有成員將可聯絡公司秘書及獲取其意見及服務，個別成員亦可聯絡本公司的高級管理人員以獲取所需資料。

## 問責及核數

### 財務報告

全體董事均能夠獲得本公司管理層提供的解釋及資料，以供其在董事會會議上討論與評審。

本公司的全體董事均知悉其編製賬目的責任，於本年報內載有董事就財務報告作出的責任聲明。核數師亦已於核數師報告中就彼等的責任作出了聲明。

董事會於所有股東通訊中，對本集團的狀況及前景作出了全面、均衡及易於理解的評估。



## ACCOUNTABILITY AND AUDIT (continued)

### Internal control

Directors are responsible for reviewing the internal control and risk management system of the Company periodically to ensure its effectiveness and efficiency. With the support of the internal audit department, they will review the practices, procedures, expenditure and internal control of the Company and its subsidiaries on a regular basis. The management will regularly monitor the concerns as reported by the internal audit department to ensure appropriate remedial measures have been implemented. The Board or senior management can also request the internal audit group to review the specific scope of concerns and report the significant findings of such review to the Board and the audit committee.

The Board has conducted a review of the effectiveness of the system of internal control of the Group.

The Board has considered the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training program and budget.

### Audit Committee

As at the date of this report, the audit committee of the Company comprises three independent non-executive Directors, namely Mr. Lo Wai Hung (chairman of the audit committee), Mrs. Fu Ming Zhong, Mrs. Wang Jin Xia and a non-executive Director, Mrs. Zhou Shu Hua. The terms of reference of the audit committee have been clearly defined. Its principal responsibilities include:

- To be primarily responsible for making recommendations to the Board regarding the appointment, reappointment and removal of external auditors; to formulate the remuneration and terms of engagement of external auditors and to propose the Board to submit the same at the general meeting for consideration. To approve the remuneration and terms of engagement of the external auditors when the general meeting is authorizing the Board to determine the remuneration of the auditors, and to address any questions regarding the resignation or retirement of that auditor.

## 問責及核數 (續)

### 內部監控

董事負責定期檢討本公司的內部監控及風險管理系統，確保其有效性及效率。在內部核數部門的支持下，彼等將定期對本公司及其附屬公司的常規、程序、開支及內部監控進行檢討。管理層將定期監察內部核數部門所匯報的關注事項，確保實施適當的補救措施。董事會或高級管理人員亦可要求內部審核小組對特定的關注範圍進行檢討，並向董事會及審核委員會匯報重要的檢討結果。

董事會已審查本集團內部監控系統的效能。

董事會已考慮資源的充足性、本公司會計及財務報告部門員工的資歷及經驗以及彼等的培訓計劃及預算。

### 審核委員會

截至本報告日期，本公司的審核委員會由三位獨立非執行董事盧偉雄先生（審核委員會主席）、付明仲女士及王錦霞女士以及一位非執行董事周淑華女士組成。審核委員會的職權範圍已清晰界定，其主要職責包括：

- 主要負責就外聘核數師的委任、重新委任及罷免向董事會提供建議；制訂外聘核數師的薪酬及聘用條款，並提請董事會提交股東大會審議。在股東大會授權董事會確定核數師的薪酬時，批准外聘核數師的薪酬及聘用條款；及處理任何有關核數師辭職或退任的問題。

## ACCOUNTABILITY AND AUDIT (continued)

### Audit Committee (continued)

- To review and oversee the independence and objectivity of engaging external auditors and the effectiveness of the audit process in accordance with applicable standards. The Committee shall discuss with the auditors regarding the nature and scope of the audit and the relevant reporting obligations before commencing the audit.
- To develop and implement policy in engaging external auditors to provide non-auditing services. For the purpose of this requirement, external auditors includes any entity that is under common control, ownership or management with that audit firm or any entity that a reasonable and informed third party knowing all relevant information would reasonably conclude to be part of the audit firm domestically or internationally. The Committee shall report to the Board, in respect of any matters in which it considers that an action or improvement is needed and to make recommendations as to the steps to be taken.
- To monitor the completeness of the financial statements of the Company and the annual report and accounts and half-year report of the Company and to review the significant opinion of the respective financial reporting contained therein. In this regard, the committee will review the relevant statements and reports of the respective annual report and accounts and half-year report of the Company before submitting the same to the Board.
- To oversee the financial reporting system and internal control procedures of the Company.

## 問責及核數 (續)

### 審核委員會 (續)

- 按適用的標準檢討及監察外聘核數師是否獨立客觀及核數程序是否有效。委員會應於核數工作開始前先與核數師討論核數性質及範疇及有關申報責任。
- 就外聘核數師提供非核數服務制定政策，並予以執行。就此規定而言，外聘核數師包括與該核數公司處於同一控制權、所有權或管理權之下的任何機構，或一個合理知悉所有有關資料的第三方，在合理情況下會斷定該機構屬於該核數公司的本土或國際業務的一部分的任何機構。委員會應就其認為必須採取的行動或改善的事項向董事會報告，並建議可採取的步驟。
- 監察本公司的財務報表及本公司年度報告及賬目及半年度報告的完整性，並審閱報表及報告所載有關財務申報的重大意見。在這方面，委員會在向董事會提交有關本公司年度報告及賬目及半年度報告前審閱有關報表及報告。
- 監管本公司財務申報制度及內部監控程序。

## ACCOUNTABILITY AND AUDIT (continued)

### Audit Committee (continued)

During the Year, the audit committee has convened three meetings, at which, they have primarily discussed and reviewed the interim and annual results and have discussed and considered the internal control procedures of the Group. The attendance of each Director is set out below:

		<b>Attendance in 2018 於二零一八年的出席率</b>
<b>Independent non-executive Directors</b>	<b>獨立非執行董事</b>	
Mr. Lo Wai Hung	盧偉雄先生	100%
Mrs. Fu Ming Zhong	付明仲女士	100%
Mrs. Wang Jin Xia	王錦霞女士	100%
<b>Non-executive Director</b>	<b>非執行董事</b>	
Mrs. Zhou Shu Hua	周淑華女士	100%

The scope of responsibilities of the audit committee is available on the websites of Company and the Stock Exchange of Hong Kong Limited.

There was no disagreement between the audit committee and the Board in respect of the selection, appointment, resignation or removal of external auditors during the year of 2018.

The audit committee can consult independent professional advice in accordance with stated procedures at the expense of the Company.

In 2018, the audit fees paid to the external auditors by the Company was approximately RMB6,237,000.

### Mandate Granted to the Board

The Board should assume the responsibility for the leadership and monitoring of the Company, and is collectively responsible for promoting the success of the Company. The responsibilities of the Board are defined explicitly in the Articles of Association of the Company.

## 問責及核數 (續)

### 審核委員會 (續)

於本年度，審核委員會共召開三次會議，會上主要討論與審閱中期及年度業績，並就本集團內部監控程序進行了討論與審議。各董事的出席率如下：

審核委員會的職權範圍可於本公司及香港聯合交易所有限公司網站查閱。

於二零一八年度，審核委員會與董事會在外聘核數師的挑選、委聘、辭任或罷免方面並無分歧。

審核委員會可按既定程序諮詢獨立專業意見，費用由本公司支付。

於二零一八年，本公司向外聘核數師支付的核數費用約為人民幣6,237,000元。

### 董事會的授權

董事會應負有領導及監控本公司的責任，同時集體負責促進本公司成功。董事會的職權已在本公司的組織章程細則內清晰界定。

**ACCOUNTABILITY AND AUDIT** (continued)

**問責及核數** (續)

**Mandate Granted to the Board** (continued)

**董事會的授權** (續)

- |   |   |
|---|---|
| (1) to be responsible for convening shareholders' meetings and report on its work at shareholders' meetings;  | (一) 負責召集股東大會，並於股東大會報告工作；                                      |
| (2) to implement the resolutions passed at shareholders' meetings;  | (二) 執行股東大會通過的決議案；   |
| (3) to determine the business plans and investment plans of the Company;  | (三) 決定本公司的經營計劃和投資方案；  |
| (4) to formulate the annual fiscal budgets and final accounts of the Company;   | (四) 制訂本公司的年度財務預算方案及決算方案；                                      |
| (5) to formulate profit distribution proposals and loss recovery proposals of the Company;  | (五) 制訂本公司的利潤分配方案和彌補虧損方案；                                      |
| (6) to formulate proposals for increasing or reducing of the registered capital of the Company and proposals for issue of debentures of the Company;  | (六) 制訂本公司增加或削減註冊資本的方案以及發行本公司債券的方案；                            |
| (7) to draft proposals for the merger, division and dissolution of the Company;   | (七) 擬定本公司合併、分拆及解散的方案；   |
| (8) to determine the establishment of the internal management bodies of the Company;  | (八) 決定本公司內部管理機構的組成；   |
| (9) to appoint or dismiss the general manager of the Company, and to appoint or dismiss the deputy general manager and other senior management, including the person in charge of finance, pursuant to the recommendations of the general manager, as well as to determine their compensations; | (九) 聘任或解聘本公司總經理，並根據總經理的推薦，聘任或解聘副總經理和其他高級管理人員（包括財務負責人），並釐定其報酬； |
| (10) to formulate the basic management system of the Company;   | (十) 制訂本公司的基本管理制度；   |
| (11) to formulate proposals for amendments to the Articles of Association of the Company; and   | (十一) 制訂本公司組織章程細則的修改方案；及                                       |
| (12) to exercise other functions as stipulated by the articles of association or granted by the shareholders' meetings.   | (十二) 行使本公司組織章程細則規定或股東大會授予的其他職能。                               |

## ACCOUNTABILITY AND AUDIT (continued)

### Mandate Granted to the Board (continued)

The Board has granted authority to the chief executive officer to implement the following strategies and to be responsible for the day-to-day operation:

- (1) to be in charge of the management of production and operation and to organize the implementation of the resolutions of the Board;
- (2) to organize the implementation of the annual business plans and investment plans of the Company;
- (3) to draft proposals for the establishment of internal management bodies of the Company;
- (4) to draft the basis management system of the Company;
- (5) to formulate the basic rules and regulations of the Company;
- (6) to propose the appointment or removal of the deputy general manager and other senior management, including the person in charge of finance, of the Company;
- (7) to appoint or dismiss the management personnel other than those required to be appointed or dismissed by the Board; and
- (8) to exercise other functions granted by the Articles of Association and the Board.

The chief executive officer grants authorisation to chief financial officer, and senior management within his terms of reference.

The Board is supported by four committees, namely the audit committee, the remuneration committee, nomination committee and corporate governance committee. Each of the committees has its defined terms of reference covering its duties, rights and functions. The chairman of the respective committees report to the Board regularly and make recommendations on matters discussed as appropriate.

## 問責及核數 (續)

### 董事會的授權 (續)

董事會授權行政總裁執行以下各項策略及負責日常業務：

- (一) 負責本公司的生產經營管理工作並組織實施董事會決議案；
- (二) 組織實施本公司年度經營計劃和投資方案；
- (三) 擬訂本公司內部管理機構的組成方案；
- (四) 擬訂本公司的基本管理制度；
- (五) 制訂本公司的基本規章；
- (六) 提請聘任或罷免本公司副總經理和其他高級管理人員（包括財務負責人）；
- (七) 聘任或解聘管理人員，惟應由董事會聘任或解聘者除外；及
- (八) 行使組織章程細則和董事會授予的其他職權。

行政總裁在其職權範圍內向財務總監及高級管理人員授權。

董事會下設四個委員會：即審核委員會、薪酬委員會、提名委員會及企業管治委員會。每個委員會各有涵蓋其責任、權利和職能的職權範圍。各委員會的主席會定期向董事會匯報，並按情況需要就討論事宜提出建議。

## ACCOUNTABILITY AND AUDIT (continued)

### Investor Relations

The Company is committed to a policy of open and regular communication and reasonable disclosure of information to its shareholders. Information of the Company is disseminated to the shareholders in the following manner:

- delivery of the interim and annual results and reports to all shareholders;
- publication of announcements on the interim and annual results on the Stock Exchange website, and issue of other announcements and shareholders' circulars in accordance with the continuing disclosure obligations under the Listing Rules; and
- the general meeting of the Company is also an effective communication channel between the Board and shareholders.

The Board has maintained an on-going dialogue with Shareholders and investors, and will regularly review this policy to ensure its effectiveness. Information will be communicated to Shareholders and investors mainly through the Company's financial reports (interim and annual announcements and reports), annual general meetings and other general meetings that may be convened, as well as by making available all the information submitted by the Company to the website of the Stock Exchange and its corporate communications on the Company's website. Shareholders can direct their questions about their shareholdings to the Company's branch share registrar in Hong Kong. Shareholders and investors may at any time make a request for the Company's information to the extent such information is publicly available.

### Communications with shareholders

Separate resolutions are proposed at general meetings on each substantially separate issue, including the election of individual Director.

The shareholders' meeting provides an effective forum for shareholders to exchange views with the Board. The chairman, together with the chairmen or members of the audit committee, the remuneration committee and nomination committee are available to answer shareholders' questions.

## 問責及核數 (續)

### 與投資者關係

本公司堅持採取開誠的態度，定期與股東溝通，並向股東作出合理的資料披露。本公司資料以下列方式向股東傳達：

- 向全體股東送呈中期及年度業績與報告；
- 在聯交所網站上刊發有關中期及年度業績的公佈及根據上市規則的持續披露規定刊發的其他公佈及股東通函；及
- 本公司的股東大會亦為董事會與股東之間進行有效溝通的渠道之一。

董事會會持續與股東及投資者保持對話，亦會定期檢討本政策，以確保其有效性。本公司向股東及投資者傳達資訊的主要渠道為：本公司的財務報告（中期及年度公佈及報告）、股東週年大會及其他可能召開的股東大會，並將所有本公司呈交予聯交所網站的資料，以及公司通訊登載於本公司網站。股東如對名下持股有任何問題，可向本公司的香港股份過戶登記分處提出。股東及投資者可隨時要求索取本公司的公開資料。

### 與股東的溝通

每項實際獨立的事宜，均會在股東大會上以個別決議案提呈，包括個別董事的選舉。

股東大會為股東提供一個有效的場合，以與董事會交流意見。主席以及審核委員會、薪酬委員會及提名委員會的主席或成員將會在大會上解答股東的提問。

## ACCOUNTABILITY AND AUDIT (continued)

### Communications with shareholders (continued)

The procedures demanding for a poll and the rights of shareholders to demand for a poll are included in the notice of shareholders' meeting and the accompanying circular. The relevant procedures are explained at the shareholders' meetings.

The external auditor has been appointed as the scrutineer to ensure the votes cast are properly counted and recorded.

The results of the poll have been posted on the websites of the Stock Exchange of Hong Kong Limited and the Company on the business day following the meeting.

Furthermore, the Company continues to enhance the ongoing communications amongst the shareholders, investors and analysts, including:

- establishing specialized bodies and employing staff to serve investors and analysts and answer their relevant questions;
- arranging site visits to the production bases of the Company in order to keep them abreast of the operations and the latest developments of the Company;
- collecting and analyzing, in a timely manner, the respective opinions and recommendations on the operations of the Company given by securities analysts and investors and compiling them into reports periodically, and selectively adopting them in the operations of the Company;
- providing relevant information, including introduction to the Company, the Board and corporate governance, results of the Company, financial summary, marketing materials of the Company and press releases on the website of the Company; and
- taking the initiative to communicate with various parties, particularly following the announcement of interim, annual results and substantial investment decisions, organizing briefings, press conferences and one-on-one interviews with investment institutions. Besides, the Company also regularly communicates with investors on an one-on-one basis.

## 問責及核數 (續)

### 與股東的溝通 (續)

要求以投票方式表決的程序及股東可要求以投票方式表決的權利載於股東大會通告及隨附的通函內。有關程序亦會於股東大會上解釋。

已委任外聘核數師擔任監票員，以確保所有票數均適當點算及記錄在案。

投票表決結果已於大會後首個營業日刊登在香港聯合交易所有限公司及本公司網站上。

此外，本公司亦不斷加強與股東、投資者及分析員的持續溝通，其中包括：

- 設置專門機構及聘請人員接待投資者和分析員並解答彼等提出的相關問題；
- 安排彼等到本公司的生產基地進行實地考察，便於彼等及時了解本公司的經營情況及業務發展的最新動向；
- 本公司及時收集並分析證券分析員及投資者對本公司營運的各種意見及建議，定期匯集成報告，並在本公司的營運中有選擇地加以採納；
- 通過本公司網站提供有關資料，包括本公司簡介、董事會及企業管治、本公司業績、財務摘要、公司推介材料及新聞稿等；及
- 本公司主動與各方人士溝通，特別是在中期、年度業績公佈及作出重大投資決策事項後，舉行推介會、記者招待會以及與投資機構單對單會談。除此，本公司亦定期與投資者進行單對單的溝通。

## RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges that it is their responsibility for the risk management and internal control systems and reviewing their effectiveness, and such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives. The Audit Committee assists the Board in fulfilling its oversight and corporate governance roles in relation to the Group's financial, operational, compliance, risk management and internal controls, and internal audit functions. The Board has responsibility to ensure the Group maintains sound and effective controls to safeguard its assets and shareholders' investment.

The Group has internal control systems to formalize the risk management of the Group, to build up a standard and effective risk management system to manage risk and to provide reasonable assurance against material misstatement or loss. Appropriate policies and controls have been designed and established to ensure the assets are safeguarded against improper use or disposal, relevant rules and regulations are adhered to and complied with, reliable financial and accounting records are maintained in accordance with relevant accounting standards and regulatory reporting requirement and key risks that may impact on the Group's performance are appropriately managed.

## 風險管理及內部監控

董事會承認其須對風險管理及內部監控系統負責，並有責任檢討該等系統的有效性。該等系統旨在管理而非消除未能達成業務目標的風險。審核委員會協助董事會履行其於本集團財務、營運、合規、風險管理及內部監控以及內部審核動能方面的監管及企業管治角色。董事會有責任確保本集團維持健全有效的監控以保障其資產及股東投資。

本集團擁有內部監控系統以規範本集團的風險管理，建立標準及有效的風險管理系統以管理風險及合理保證並無重大失實陳述或損失。適當的政策及監控經已訂立及制定，以確保保障資產不會在未經許可下使用或處置，依從及遵守相關規則及規例，根據相關會計標準及監管申報規定保存可靠的財務及會計記錄，以及適當地管理可能影響本集團表現的主要風險。



## RISK MANAGEMENT AND INTERNAL CONTROL(continued)

The Group has established an organizational structure with defined levels of responsibility and reporting procedures. The Company has retained an independent professional firm as external advisor to assist the Company to perform an assessment on risk management and internal control mechanism of the Group. We have our own Internal Audit Department to fulfil the requirement of internal audit function. Together with the supports from the external advisor, the internal audit function can facilitate the Audit Committee and the Board of Directors in ascertaining the effectiveness of the Group's risk management and internal control systems on an annual and ongoing basis. During the year ended 31 December 2018, the Group has updated an internal audit charter which defined the scope and the duties and responsibilities of the internal audit function and its reporting protocol. The Group has conducted an annual risk assessment which identified respective strategic risks, operational risks, financial risks and compliance risks for each of the major business segment of the Group. Risk factors were analysed and consolidated at the Group level. Based on the risk assessment results following a risk based methodology audit approach, a three-years' audit plan was devised which prioritized the risks identified into annual audit projects. The Group's internal audit department performed the annual reviews in accordance with the audit plan with a view to assisting the Board and the Audit Committee to evaluate the effectiveness of the Group's risk management and internal control systems.

The Group strictly regulates the handling and dissemination of inside information as set out in information disclosure policy to ensure potential inside information remains confidential until such information is appropriately approved and the dissemination of such information is efficiently and consistently made.

Based on the risk management and internal control systems established and maintained by the Group, the work performed by the internal audit department, the Audit Committee and the Board are of the view that the Group has maintained adequate and effective risk management and internal control system during the year ended 31 December 2018.

## 風險管理及內部監控 (續)

本集團已建立一個具備明確職責等級及報告程序的組織架構。本公司已委聘獨立專業公司擔任外部顧問，協助本公司對本集團風險管理及內部監控系統進行評估。我們擁有自己的內部審核部門履行內部審核功能規定。連同外部顧問的支持，內部審核部門可幫助審核委員會及董事會，每年及持續地確定風險管理及內部監控系統的有效性。截至二零一八年十二月三十一日止年度，本集團已更新內部審核章程，其界定內部審核部門的範圍及職責及其報告框架。本集團已進行年度風險評估，可識別本集團各主要業務分部的相關策略風險、經營風險、財務風險及合規風險。風險因素乃於本集團層面進行分析及綜合。根據風險評估結果及風險導向的審核方法，本集團已制定一個三年審核計劃，可據此將所識別之風險優先列入年度審核項目。本集團內部審核部門根據審核計劃進行年度檢討，旨在協助董事會及審核委員會評估本集團風險管理及內部監控系統的有效性。

誠如信息披露政策所載，本集團嚴格監管內幕消息的處理及發佈，以確保潛在內幕消息在獲適當批准披露前維持保密，並以有效率及一致的方式發佈有關消息。

根據本集團建立及維持的風險管理及內部監控系統，有關工作由內部審核部門進行，審核委員會及董事會認為，本集團已於截至二零一八年十二月三十一日止年度維持有效及充分的風險管理及內部監控系統。

## DIRECTOR'S TRAINING

## 董事之培訓

### Directors' continuous training and development

### 董事之持續培訓及發展

Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution into the Board remains informed and relevant. The directors are committed to complying with the Corporate Governance Code A6.5 on directors' training. All directors have participated in continuous professional development by attending seminars and/or studying materials to director's duties and responsibility and provided a record of training they received for the financial year ended 31 December 2018 to the Company.

董事須參與持續專業發展，以深造及更新彼等的知識及技能。此為確保彼等向董事會作出知情及相關之貢獻。董事承諾遵守有關董事培訓之企業管治守則第A6.5條。全體董事均透過出席與董事職責及責任有關之研討會及／或研習資料以參與持續專業發展，並已向本公司提供其於截至二零一八年十二月三十一日止財政年度所接受培訓之記錄。

The Directors are regularly briefed on the amendments to or updates on the relevant laws, rules and regulations. In addition, the Company has been encouraging the Directors and senior executives to enrol in a wide range of professional development courses or and seminars relating to the Listing Rules, companies ordinance or act and corporate governance practices organised by professional bodies and independent auditors so that they can continuously update and further improve their relevant knowledge and skills.

董事定期均會獲知會相關法例、規則及規例之修訂或最新版本。此外，本公司一直鼓勵董事及高級行政人員報讀由專業團體及獨立核數師舉辦有關上市規則、公司條例或法例及企業管治常規之廣泛專業發展課程及講座，使彼等可持續更新及進一步提高其相關知識及技能。

**DIRECTOR'S TRAINING** (continued)

**Directors' continuous training and development**  
(continued)

From time to time, Directors are provided with written materials to develop and refresh their professional skills; the company secretary also organises and arranges seminars on the latest development of applicable laws, rules and regulations for the Directors to assist them in discharging their duties.

According to the records maintained by the Company, the Directors received the following training with an emphasis on the roles, functions and duties of a director of a listed company in compliance with the new requirement of the CG Code on continuous professional development during the Year:

**董事之培訓** (續)

**董事之持續培訓及發展** (續)

董事將不時獲提供旨在制定及更新其專業技能之書面材料；公司秘書亦會為董事舉辦及安排有關適用法例、規則及規例最新發展之講座，以協助彼等履行其職責。

根據本公司存置之記錄，為符合企業管治守則關於持續專業發展之新規定，董事於本年度內接受以下重點在於上市公司董事之角色、職能及職責之培訓：

**Corporate Governance/Updates on laws, rules and regulations**  
**企業管治／關於法例、規則及規例之更新**  
**Read materials**      **Attend workshops**  
**閱讀材料**              **出席研討會**

**Executive Directors**

**執行董事**

Mr. Zhang Hua Wei  
Mr. Long Jing  
Mr. Wang Yi  
Mr. Gong Jian Bo

張華威先生  
龍經先生  
王毅先生  
弓劍波先生

✓  
✓  
✓  
✓

✓  
✓  
✓  
✓

**Non-executive Director**

**非執行董事**

Mrs. Zhou Shu Hua

周淑華女士

✓

✓

**Independent non-executive Directors**

**獨立非執行董事**

Mr. Lo Wai Hung  
Mrs. Fu Ming Zhong  
Mrs. Wang Jin Xia

盧偉雄先生  
付明仲女士  
王錦霞女士

✓  
✓  
✓

✓  
✓  
✓

## DIRECTORS' LIABILITIES INSURANCE

The Company has arranged appropriate insurance cover for Directors' liabilities in respect of potential legal actions against the Directors arising out of corporate activities of the Group pursuant to Code Provision A.1.8 of the new Corporate Governance Code. Such directors' liability insurance will be reviewed and renewed annually.

Throughout the year ended 31 December 2018, no claim has been made against the Directors.

## COMPANY SECRETARY

Mrs. Wong Miu Ling, Phillis was appointed as the company secretary of the Company with effective from 26 May 2006. All Directors have access to the advice and services of the company secretary. During the year ended 31 December 2018, Mrs. Wong Miu Ling, Phillis has taken no less than 15 hours of relevant professional trainings to update her skills and knowledge.

## CHANGE IN CONSTITUTIONAL DOCUMENTS

During the Year, amendments to the Articles of Association of the Company were approved by the shareholders of the Company and amendments regarding the change in a number of directors with effect from 19 June 2018 and 6 December 2018 and relevant articles on description and number of shares which were effective upon the completion of the H shares full convention on 7 August 2018. An updated version of the Articles of Association of the Company is available on the websites of the Company and the Stock Exchange.

## 董事責任保險

本公司已按照新企業管治守則之守則條文A.1.8條，就董事可能因本集團企業活動而面對之潛在法律行動作適當董事責任投保安排。有關董事責任保險將每年檢討及續保。

於截至二零一八年十二月三十一日止整個年度並無針對董事之申索。

## 公司秘書

黃妙玲女士已獲委任為本公司公司秘書，自二零零六年五月二十六日起生效。所有董事均可獲公司秘書提供意見及服務。截至二零一八年十二月三十一日止年度，黃妙玲女士已接受不少於15個小時的相關專業培訓以更新其技能及知識。

## 憲法文件之變更

於年內，本公司股東已審批本公司章程細則之修訂，而有關公司董事人數變更之修訂已自二零一八年六月十九日及二零一八年十二月六日生效及有關股份說明及數量的相關細則已自二零一八年八月七日H股全流通完成時生效。本公司章程細則之更新版本可於本公司及聯交所網頁查閱。

# DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

## 董事、監事及高級管理人員

### BOARD OF DIRECTORS

#### Executive Directors

**Mr. Zhang Hua Wei**, aged 55, is the chairman and an executive director of the Company and chairman of Weigao Holding Company Limited ("Weigao Holding"). Mr. Zhang studied politics and economics at the Weihai Campus of Shandong University from 1996 to 1998. Mr. Zhang was the deputy factory director of Weigao Holding from 1988 to 1998, and has been the general manager of Weigao Holding since 1998. Mr. Zhang joined the Company in December 2000.

**Mr. Long Jing**, aged 44, is the chief executive officer and executive director of the Company, responsible for the marketing management of the Company. Mr. Long has over 10 years of valuable experiences in sales and marketing in the medical device industry in China. Mr. Long joined the Company in July 2005 and served as the assistant manager and sales manager of sales department of the Company. Prior to joining the Company, Mr. Long served as the sales chief of 山東省塑料工業總公司 (Shandong Plastic Materials Industry Company\*) from 1996 to 2002 and was principally responsible for the sales and marketing of raw materials. Mr. Long is a certified public accountant in the PRC. In 1996, Mr. Long obtained a bachelor degree in marketing from Shandong Economic University and a master degree in business administration from Shandong University in 2005.

**Mr. Wang Yi**, aged 59, is the vice chairman and an executive director of the Company. Mr. Wang studied Business Administration at the Shandong Cadres Distance Learning University from 1994 to 1997. He joined Weigao Holding in 1988 and was production director from 1988 to 1989, head of the No. 2 branch of Weigao Holding from 1989 to 1992 and manager of the No. 3 branch of Weigao Holding from 1992 to 2004. Mr. Wang joined the Company in December 2000.

### 董事會

#### 執行董事

**張華威先生**，55歲，本公司主席兼執行董事及威高集團有限公司（「威高集團公司」）主席。張先生於一九九六年至一九九八年在山東大學威海分校修讀政治及經濟學。張先生於一九八八年至一九九八年任威高集團公司副廠長，自一九九八年起為威高集團公司總經理。張先生於二零零零年十二月加入本公司。

**龍經**，44歲，本公司首席執行官兼執行董事，負責公司營銷管理工作。龍先生於中國醫療器械行業擁有逾十年之銷售及市場推廣方面的寶貴經驗。龍先生於二零零五年七月加入本公司，歷任本公司銷售管理部副經理、銷售經理。於加入本公司前，龍先生於一九九六年至二零零二年在山東省塑料工業總公司擔任銷售主管，主要負責原材料的銷售及市場推廣工作。龍先生乃中國註冊會計師。龍先生於一九九六年取得山東經濟學院市場營銷專業學士學位，二零零五年取得山東大學工商管理碩士學位。

**王毅先生**，59歲，本公司副主席兼執行董事。王先生於一九九四年至一九九七年在山東幹部函授大學攻讀工商管理，彼於一九八八年加入威高集團公司，歷任生產科長（一九八八年至一九八九年）、威高集團公司第二分廠主管（一九八九年至一九九二年）、威高集團公司第三分廠經理（一九九二年至二零零四年）。王先生於二零零零年十二月加入本公司。

## DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT 董事、監事及高級管理人員

### BOARD OF DIRECTORS (continued)

#### Executive Directors (continued)

**Mr. Gong Jian Bo**, aged 51, is an executive Director of the Company and the general manager of Shandong Weigao Orthopaedic Device Company Limited (“Weigao Orthopaedic”). Mr. Gong graduated from 常州市武進前黃學校 (Changzhou Wujin Qian Huang College\*) in 1987. Prior to joining the Company, Mr. Gong joined 常州市武進第三醫療器械廠 (Changzhou Wujin The Third Medical Device Factory\*) (“Changzhou Wujin”) in 1988. He served as an assistant to the factory director and worked in technical and sales departments and was subsequently promoted to factory director in 1993. Changzhou Wujin is principally engaged in the research and development, sales and production of medical devices in China. Mr. Gong joined Weigao Orthopaedic in February 2005. Mr. Gong has over 20 years of valuable experience in medical device industry in China.

#### Non-executive Director

**Mrs. Zhou Shu Hua**, aged 62, is a non-executive Director of the Company and financial deputy general manager of Weigao Holding. Mrs. Zhou studied Business Administration at the Weihai Campus of Shandong University from 1999 to 2001. Mrs. Zhou joined Weigao Holding in 1989 and held a number of positions such as head of the finance division in the finance department, manager of the finance department and deputy general manager of Weigao Holding.

#### Independent Non-executive Directors

**Mr. Lo Wai Hung**, aged 59, obtained a bachelor degree in Commerce from James Cook University of North Queensland, Australia in 1985. Mr. Lo is an associate member of Institute of Chartered Accountants in Australia and a fellow member of Hong Kong Institute of Certified Public Accountants. Mr. Lo was appointed as an independent non-executive director, the chairman of audit committee, the chairman of remuneration committee, the chairman of nomination committee and a member of corporate governance committee of the Company. Mr. Lo is also an independent non-executive director of Talent Property Group Limited (stock code:760) and C Cheng Holdings Limited (stock code: 1486). Mr. Lo was also an independent non-executive director of Lerthai Group Limited (formerly known as LT Commercial Real Estate Limited) (Stock code: 112) since March 2017 till November 2018. The shares of these companies are listed on the Stock Exchange of Hong Kong Limited. Mr. Lo was also an independent director of China Merchant Property Development Co. Ltd since 2011 and the shares of which were ceased from listing on the Shenzhen Stock Exchange on 30 December 2015.

### 董事會 (續)

#### 執行董事 (續)

**弓劍波先生**，51歲，本公司之執行董事及山東威高骨科材料有限公司（「威高骨科」）總經理。弓先生於一九八七年畢業於常州市武進前黃學校。於加入本公司前，弓先生於一九八八年加入常州市武進第三醫療器械廠（「常州武進」）。彼曾擔任廠長助理並參予技術及銷售部門之工作並其後於一九九三年晉升為廠長。常州武進主要於中國從事醫療設備之研發、銷售及生產。弓先生於二零零五年二月加入威高骨科。弓先生於中國醫療設備行業擁有逾20年之寶貴從業經驗。

#### 非執行董事

**周淑華女士**，62歲，本公司非執行董事兼威高集團公司財務副總經理。周女士於一九九九年至二零零一年在山東大學威海分校修讀工商管理。周女士於一九八九年加入威高集團公司，歷任威高集團公司財務部財務科長、財務部經理及財務副總經理等職。

#### 獨立非執行董事

**盧偉雄先生**，59歲，於一九八五年獲澳洲北崑士蘭詹姆斯庫克大學 (James Cook University of North Queensland) 頒授商學學士學位。盧先生為澳洲特許會計師公會會員及香港會計師公會資深會員。盧先生獲委任為本公司獨立非執行董事、審核委員會主席、薪酬委員會主席、提名委員會主席及企業管治委員會成員。盧先生亦為新天地產集團有限公司（股份代號：760）及思城控股有限公司（股份代號：1486）之獨立非執行董事及於二零一七年三月至二零一八年十一月亦擔任勒泰集團有限公司（前稱勒泰商業地產有限公司）（股份代號：112）獨立非執行董事（該等公司之股份均於香港聯合交易所有限公司上市）。盧先生自二零一一年起亦擔任招商局地產控股股份有限公司（其股份於二零一五年十二月三十日停止於深圳證券交易所上市）之獨立董事。

## DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT 董事、監事及高級管理人員

### BOARD OF DIRECTORS (continued)

#### Independent Non-executive Directors (continued)

**Mrs. Fu Ming Zhong**, aged 68, senior economist and associate chief pharmacist and has over 40 years of working experience, particular in the area of management experience in the pharmaceutical and healthcare products industry. Mrs. Fu obtained a master's degree in engineering from the Harbin Institute of Technology in March 1995. Mrs. Fu was previously a deputy workshop director, the office head and the vice factory manager of The Third Harbin Pharmaceutical Factory from June 1972 to March 1992. Mrs. Fu was a director of Harbin City Pharmaceutical Group and the general manager of Harbin Pharmaceutical Company Limited from March 1992 to December 1997. She was also a deputy general manager of China Medicines Group from December 1997 to January 1999 and she was a director of China Medicines Group Corporation from January 1999 to October 2009 respectively. Mrs. Fu was the executive deputy general manager of China National Pharmaceutical industry Corporation from January 1999 to January 2001. Ms. Fu was the chairman of National Medicines Company Limited (a company listed on the Shanghai Stock Exchange) from January 2001 to February 2008. Mrs. Fu has been a director of Shenzhen Accord Pharmaceutical Company Ltd. (a company listed on the Shenzhen Stock Exchange) since April 2008 and was the chairman from April 2008 to December 2008. Ms. Fu has also been a director of Sinopharm Industrial Investment Co., Ltd. from July 2008 to December 2010. Mrs. Fu was the general manager, duty chairman and director of Sinopharm Group Co. Ltd. (a company listed on the Hong Kong Stock Exchange) during the period from January 2006 to December 2009, and December 2009 to November 2010 respectively.

Mrs. Fu is currently the chairman of China Association of Pharmaceutical Commerce and she joined the Company in October 2011.

### 董事會 (續)

#### 獨立非執行董事 (續)

**付明仲女士**，68歲，高級經濟師及副主任藥師並擁有逾40年工作經驗，尤其是於藥品及保健品行業方面之管理經驗。付女士於一九九五年三月獲得哈爾濱工業大學工學碩士學位。付女士自一九七二年六月至一九九二年三月歷任哈爾濱製藥三廠之車間副主任、辦公室主任及副廠長。付女士曾自一九九二年三月至一九九七年十二月擔任哈藥集團之董事及哈爾濱市醫藥公司之總經理。彼亦分別於一九九七年十二月至一九九九年一月擔任中國醫藥(集團)公司之副總經理及一九九九年一月至二零零九年十月擔任中國醫藥集團之董事。付女士於一九九九年一月至二零零一年一月擔任中國醫藥工業公司常務副總經理，並於二零零一年一月至二零零八年二月擔任國藥集團藥業股份有限公司(一間於上海證券交易所上市之公司)之董事長。付女士自二零零八年四月起亦一直擔任深圳一致藥業有限公司(一間於深圳證券交易所上市之公司)之董事，並於二零零八年四月至二零零八年十二月擔任其董事長。付女士亦自二零零八年七月至二零一零年十二月擔任國藥產業投資有限公司之董事。付女士於二零零六年一月至二零零九年十二月及二零零九年十二月至二零一零年十一月期間分別擔任國藥控股有限公司(一間於香港聯交所上市之公司)總經理、副董事長及董事。

付女士現時亦為中國醫藥商業協會執行會長及彼於二零一一年十月加入本公司。

**BOARD OF DIRECTORS** (continued)

**董事會** (續)

**Independent Non-executive Directors** (continued)

**獨立非執行董事** (續)

**Mrs. Wang Jin Xia**, aged 64, an independent non-executive Director of the Company. Mrs. Wang is a senior economist and has over 30 years of working experience, especially the management experience in the pharmaceutical commerce and pharmaceutical industry. Mrs. Wang obtained a bachelor degree in economics (經濟學學士) from Dongbei University of Finance and Economics in July 1983 and was assigned to work in State Pharmaceutical Administration of China Pharmaceutical Company (國家醫藥管理局中國醫藥公司). Mrs. Wang was deputy director of the finance division, director of the information division of China Pharmaceutical Company (中國醫藥公司), the general secretary and the vice president of China Association of Pharmaceutical Commerce (中國醫藥商業協會) and the person in charge of the pharmaceutical chains branch of China Association of Pharmaceutical Commerce (中國醫藥商業協會連鎖藥店分會). She is also a senior advisor of China Nonprescription Medicines Association (中國非處方藥協會).

**王錦霞女士**，64歲，本公司之獨立非執行董事。王女士為高級經濟師及擁有逾30年工作經驗，尤其於藥品流通及醫藥行業的管理經驗。王女士於一九八三年七月在東北財經大學獲得經濟學學士學位，被分配到國家醫藥管理局中國醫藥公司工作。王女士曾任中國醫藥公司財務處副處長、信息處處長、中國醫藥商業協會秘書長及副會長以及中國醫藥商業協會連鎖藥店分會負責人。彼亦為中國非處方藥協會高級顧問。

Currently, Mrs. Wang also acts as the independent director of Jointown Pharmaceutical Group Co., Ltd. (九州通醫藥集團股份有限公司) (stock code: 600998), HPGC Renmintongtai Pharmaceutical Corporation (哈藥集團人民同泰醫藥股份有限公司) (stock code: 600829) and Xinjiang Ready Health Industry Co., Ltd. (新疆同濟堂健康產業股份有限公司) (stock code: 600090).

王女士現亦任九州通醫藥集團股份有限公司(股份代號: 600998)、哈藥集團人民同泰醫藥股份有限公司(股份代號: 600829)及新疆同濟堂健康產業股份有限公司(股份代號: 600090)獨立董事。



# DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT

## 董事、監事及高級管理人員

### BOARD OF DIRECTORS (continued)

#### Supervisors

The Company has a committee of Supervisors whose primary duty is to supervise the senior management of the Company, including the Board, Directors, managers and other senior officers. The function of the committee of Supervisors is to ensure that the senior management of the Company acts in the interests of the Company, and does not violate the rights of the Company's shareholders and employees. The committee of Supervisors reports to the shareholders in general meetings. The articles of association provides that the committee of Supervisors has the right to investigate the Group's financial affairs; to supervise the directors, general manager and other senior officers of the Company in the event that they contravene any laws, administrative regulations or the articles of association in the performance of their duties; to require the Directors, general managers and other senior management to rectify any activities committed by them that is harmful to the interests of the Company; to examine financial reports, result reports, profit distribution plans and other financial documents prepared by the Board to be submitted to shareholders in general meeting, and in appropriate cases, to appoint certified accountants or certified practicing auditors in the name of the Company to assist in such review; to propose the convening of extraordinary general meetings of shareholders; to represent the Company during negotiations with the Directors or to initiate legal proceedings against the Directors; and other functions and powers given by the shareholders in general meeting. The committee of Supervisors currently comprises the following three members:

**Mrs. Bi Dong Mei**, aged 55, is the supervisor of the Company and the audit consultant of Weigao Holding. Mrs. Bi graduated from the Economic Management Department of Shandong Cadres Distance Learning University in 1997. She joined Weigao Holding in December 1988 and has been the head of the finance division and the deputy manager of the infusion sets branch, the audit manager and auditor general of Weigao Holding.

### 董事會 (續)

#### 監事

本公司設有監事會，主要職責為監督本公司的高級管理人員，包括董事會、董事、經理及其他高級主管人員。監事會職能為確保本公司高級管理人員依據本公司的利益行事，且不會損害本公司股東及僱員的利益。監事會在股東大會上向股東匯報。組織章程細則規定監事會有權調查本集團的財務狀況；監督本公司董事、總經理及其他高級管理人員在履行彼等的職責時不會違反任何法律、行政法規或組織章程細則；要求董事、總經理及其他高級管理人員停止進行有違本公司利益的活動；審核董事會編製並於股東大會向股東呈交的財務報告、業績報告、溢利分配計劃及其他財務文件，並在適當情況下，代表本公司委聘執業會計師或執業核數師協助有關審核工作；建議召開股東特別大會；代表本公司與董事磋商或對董事提出法律訴訟；以及股東在股東大會上所授予的其他職權。目前，監事會由以下三名成員組成：

**畢冬梅女士**，55歲，本公司監事及威高集團公司審計顧問。畢女士於一九九七年畢業於山東幹部函授大學經濟管理系，於一九八八年十二月加入威高集團公司，歷任輸液器分公司財務科長及副經理，威高集團公司審計經理、審計長。

## DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT 董事、監事及高級管理人員

### BOARD OF DIRECTORS (continued)

#### Supervisors (continued)

**Ms. Chen Xiao Yun**, aged 45, is the supervisor of the Company and the chief financial officer of Weigao Holding. Ms. Chen studied financial accounting at the Shandong Broadcast and Television University from 1994 to 1998. She joined Weigao Holding in July 1991 and was the head of the finance division in finance department and the assistant to the manager of infusion sets branch, and the financial manager of Weigao Holding.

**Mr. Yue Chun Liang**, aged 38, is the employee representative supervisor of the Company. Mr. Yue obtained a degree in Polymer Materials and Engineering from the University of Yantai in 2005. Mr. Yue joined the Company in 2005 and served in the research and development department and was subsequently transferred to production department of the infusion sets branch company. Mr. Yue is currently the assistant manager of the infusion set branch company.

#### Senior Management

**Mr. Wu Xue Feng**, aged 40, the chief financial officer of the Company, has over 15 years of extensive experience in the accounting and finance sectors. Mr. Wu joined the finance department of the Company in July 2001. He has been the manager of the finance department of the production unit of the Company since January 2005 and responsible for production cost auditing and control. He has been the manager of the finance department of the sales unit of the Company since June 2009 and responsible for auditing and management of sales business. He worked as the manager of the risk management department of Weigao Holding Company Limited, the controlling shareholder of the Company, since July 2012. He has been appointed as the financial controller of the distribution business department of Weigao Holding Company Limited since October 2013. Mr. Wu graduated and obtained a bachelor degree in finance management from the University of QiQiHar in Heilongjiang Province and obtained a master degree in business management from the Missouri State University, the United States in 2016.

### 董事會 (續)

#### 監事 (續)

**陳曉雲女士**，45歲，本公司監事及威高集團公司之財務總監。陳女士於一九九四年至一九九八年在山東廣播電視大學修讀財務會計。彼於一九九一年七月加入威高集團公司，曾任財務部財務科長及輸液器製品分公司經理助理，威高集團公司財務經理。

**岳春良先生**，38歲，本公司職工代表監事。岳先生於二零零五年獲得煙台大學高分子材料與工程學位。岳先生於二零零五年加入本公司並任職於研發部及其後調任至輸液器分公司之生產部。岳先生現任輸液器分公司之副經理。

#### 高級管理人員

**吳雪峰先生**，40歲，本公司財務總監，於會計及財務方面擁有逾15年豐富經驗。吳先生於二零零一年七月加入本公司財務部。二零零五年一月起擔任本公司製造財務部經理，負責製造成本核算和控制。二零零九年六月起擔任本公司銷售財務部經理，負責銷售業務的核算和管理。二零一二年七月起擔任威高集團有限公司（本公司之控股股東）風險管理部經理。二零一三年十月起擔任威高集團有限公司醫藥分銷事業部財務總監。吳先生畢業於黑龍江省齊齊哈爾大學，獲得財務管理學學士學位，並於二零一六年獲得美國密蘇里州立大學(Missouri State University)企業管理碩士學位。

## DIRECTORS, SUPERVISORS AND SENIOR MANAGEMENT 董事、監事及高級管理人員

### BOARD OF DIRECTORS (continued)

#### Senior Management (continued)

**Mr. Ju Hong Feng**, age 44, is the vice-general manager of the Company. Mr. Ju graduated from Shandong University and obtained a MBA degree from Northwestern University in 2014. Mr. Ju joined the Company in June 2002 and acted as the manager of financial and accounts department of the Company. He acted as the chief financial officer of the Company since January 2009, the chief operating officer of Weigao Holding Company Limited and the general manager of the pharmaceutical distribution business division since February 2014 and the vice-general manager of the production and supply chain of the Company since January 2016. Mr. Ju has over 10 years of valuable experiences in finance and operating in the medical device industry in China.

**Ms. Wong Miu Ling, Phillis**, aged 50, is the company secretary of the Company. Ms. Wong joined the Company in May 2006. She is an fellowship member of both the Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators. Ms. Wong has over 18 years of experience in corporate finance and management.

### 董事會 (續)

#### 高級管理人員 (續)

**鞠洪峰先生**，44歲，本公司副總經理。鞠先生畢業於山東大學，並於二零一四年取得西北大學工商管理碩士學位。鞠先生於二零零二年六月加入本公司擔任財務與會計部經理，二零零九年一月起擔任本公司財務總監，二零一四年二月起擔任威高集團有限公司運營總監兼醫藥分銷事業部總經理，二零一六年一月起擔任本公司生產與供應鏈副總經理。鞠先生於中國醫療器械行業擁有逾十年之財務及運營方面的寶貴經驗。

**黃妙玲女士**，50歲，本公司的公司秘書，於二零零六年五月加入本公司。黃女士為香港特許秘書公會及英國特許秘書及行政人員公會資深會員。黃女士於企業融資及管理方面積逾十八年經驗。

## I. ABOUT THIS REPORT

The purpose of this Environmental, Social and Governance Report (“ESG Report”) is not only to communicate the sustainability strategies, management approaches and performances of Shandong Weigao Group Medical Polymer Company Limited (collectively the “Group” or “we”) with the stakeholders, but also strengthen the Group’s understanding towards their ongoing activities in sustainable development of the society and the environment as a whole. The ESG report outlines the relevant systems established by the Group on corporate social responsibility and sustainable development and its performance during the year.

The Group hopes to develop its business objectives and creates shareholder/investor value, while at the same time protects the ecological environment by fully utilizing resources and minimizing the emission of pollutants during operation. The Group understands the importance of sustainable development and proactively shoulders the responsibility of protecting the environment and contributing to society while striving to provide professional medical assistance to doctors, nurses and patients and to promote the sustainable development of the entire medical industry worldwide. As a responsible and forward-looking enterprise, we often balance the relationship between our operational measures and the environment, and continuously optimize operation governance, business strategy, environmental protection, talent cultivation and community investment to promote the sustainable development of the Earth, human and business.

## 一、關於本報告

本環境、社會及管治（以下簡稱「ESG」）報告的目的不僅為了提升持份者對山東威高集團醫用高分子製品股份有限公司（統稱「本集團」或「我們」）在可持續發展策略、管理方針及表現的認識，還增進其對本集團就有關社會及環境可持續發展及行動的了解。ESG報告概述了本集團在企業社會責任及可持續發展方面所設立的有關制度以及於本年度之表現。

本集團希望在發展公司營業目標及為股東／投資者創造價值的同時，在營運過程中能充分利用各種資源以及將污染物減至最少，藉此保護生態環境。本集團深明可持續發展的重要性，在努力為醫生、護士、病人提供專業醫療援助以及促進全球整個醫療行業持續發展的同時，積極地肩負起對保護環境和貢獻社會的責任。作為一間有責任心及有遠見的企業。我們常常平衡各營運措施與環境之間的關係，藉著不斷優化營運管治、經營策略、環境保護、人才培養及社區投資以推動地球、人類和業務的可持續發展。

## I. ABOUT THIS REPORT(continued)

### Scope and Period of Reporting

The ESG Report covers the manufacture of medical consumables, orthopedic products and equipment of the Group and presents the Group's strategic approach to sustainability and performance in the environmental and social aspects; the environmental indicators and the performance data are listed out at the "Environmental Performance Data Summary" section to this report. In addition to the business operations in the PRC, the ESG report also covers the sustainable development strategy of Argon headquartered in the United States as newly acquired by the Group. The reporting period is the financial year ended 31 December 2018.

### Reporting Guidelines

The ESG Report has been prepared in accordance with the Environmental, Social and Governance Reporting Guide as set out in Appendix 27 to the Listing Rules issued by the Stock Exchange.

## 一、關於本報告 (續)

### 報告範圍及報告期間

ESG報告主要涵蓋本集團的醫療耗材、骨科材料及設備的製造業務並載有相關之環境及社會方面的可持續發展策略方針與表現；而各環境相關指標之表現數據，可參閱ESG報告「環境數據表現摘要」部分。除了中國的業務外，ESG報告亦涵蓋本集團新收購總部位於美國的愛琅有關可持續發展策略的方針。報告期為截至二零一八年十二月三十一日止的財政年度。

### 報告指引

ESG報告乃根據聯交所頒布載於上市規則附錄二十七的《環境、社會及管治報告指引》而編製。

## II. STAKEHOLDER ENGAGEMENT

## 二、持份者參與

The Group is committed to maintaining the sustainable development of its businesses and providing support to environmental protection and the community in which it operates. The Group maintains a close tie with government/regulatory organizations, shareholders/investors, employees, customers, suppliers, communities and other stakeholders, and strives to balance their opinions and interests through constructive communications in order to determine the directions of our sustainable development. We assess and determine its environmental, social and governance risks, and ensuring that the relevant risk management and internal control systems are operating properly and effectively. The table below sets out the management's response to stakeholders' expectations and requirements:

本集團致力維持業務的可持續發展，並為環保及業務所在的社區提供支持。我們與政府／監管組織、股東／投資者、員工、客戶、供應商、社區等持份者保持密切聯繫，力求透過建設性交流平衡意見與利益，從而確定我們的可持續發展方向。我們評估及釐定環境、社會及管治風險，確保相關風險管理及內部控制制度妥善及有效地運行。以下表格是管理層對持份者期望與要求的回應：

Stakeholders 持份者	Expectations and requirements 期望與要求	Response from management 管理層回應
Government/regulatory organizations 政府／監管組織	<ul style="list-style-type: none"> <li>Compliance with laws and regulations 遵守法律法規</li> <li>Fulfillment of tax obligation 履行稅務責任</li> </ul>	<ul style="list-style-type: none"> <li>Upholding integrity and compliance in operations 於營運中秉持誠信及合規</li> <li>Paying tax on time in return contributing to the society 按時繳稅以回饋社會</li> </ul>
Shareholders/investors 股東／投資者	<ul style="list-style-type: none"> <li>Return on investment 投資回報</li> <li>Information transparency 資訊透明度</li> <li>Corporate governance system 公司管治制度</li> </ul>	<ul style="list-style-type: none"> <li>Management has relevant experience and expertise to ensure business sustainability 管理層具有相關經驗和專業知識，確保業務的可持續性</li> <li>Regular dissemination of information through the websites of the Stock Exchange and the Company 透過於聯交所及本公司網站定期發放資訊</li> <li>Endeavouring to improve internal control and risk management 盡力改善內部監控及風險管理</li> </ul>

II. STAKEHOLDER ENGAGEMENT (continued)

二、持份者參與 (續)

Stakeholders 持份者	Expectations and requirements 期望與要求	Response from management 管理層回應
Employees 員工	<ul style="list-style-type: none"> <li>• Labour rights 勞工權益</li> <li>• Career development 事業發展</li> <li>• Treatment and benefits 待遇和福利</li> <li>• Health and safety 健康及安全</li> </ul>	<ul style="list-style-type: none"> <li>• Development of contractual obligations to protect labor rights 制定合約責任以保護勞工權益</li> <li>• Encouragement of employees to participate in continuing education and professional training to improve their ability 鼓勵員工參與持續教育及專業培訓以提高能力</li> <li>• Establishment of a fair, reasonable and competitive compensation system 建立公平、合理和具競爭力的薪酬體系</li> <li>• Focus on occupational health and safety 注重職業健康及安全</li> </ul>
Customers 客戶	<ul style="list-style-type: none"> <li>• Quality products and services 優質產品與服務</li> <li>• Reasonable price 價格合理</li> </ul>	<ul style="list-style-type: none"> <li>• Continuous provision of quality products and services to satisfy customers 持續提供優質產品與服務以滿足客戶</li> <li>• Ensuring fulfillment of contractual obligations 確保履行合約責任</li> </ul>
Suppliers 供應商	<ul style="list-style-type: none"> <li>• Stable demand 需求穩定</li> <li>• Maintaining good relationship with the Company 與公司保持良好關係</li> <li>• Corporate reputation 企業信譽</li> </ul>	<ul style="list-style-type: none"> <li>• Ensuring fulfillment of contractual obligations 確保履行合約責任</li> <li>• Maintaining strong and long-term cooperation relationships 保持強大與長期的合作關係</li> <li>• Strict screening of suppliers 嚴謹篩選供應商</li> </ul>
Community 社區	<ul style="list-style-type: none"> <li>• Environmental protection 環境保護</li> <li>• Community involvement 社區參與</li> <li>• Economic development 經濟發展</li> </ul>	<ul style="list-style-type: none"> <li>• Focus on climate changes 關注氣候變化</li> <li>• Encouragement of employees to proactively participate in charitable activities and voluntary services 鼓勵員工積極參與慈善活動和志願服務</li> <li>• Ensuring good financial performance and business growth 確保良好的財務業績和業務增長</li> </ul>

### III. MATERIALITY MATRIX

### 三、重要性矩陣

During the reporting period, the Group has identified a number of environmental, social and operational related issues and assessed the importance of stakeholders and the Group attached to such issues through various channels. These assessments will help the Group to ensure that business development meet the expectations and requirements of stakeholders. The matters of concern to the Group and stakeholders are presented in the following materiality matrix:

於報告期內，本集團已找出多項涵蓋環境、社會及營運相關的事宜，並透過不同渠道評估持份者與本集團對各項目的重視程度，此等評估有助本集團確保業務發展能符合持份者的期望與要求。而本集團和持份者所關心的事項均呈現於以下的重要性矩陣內：

**Materiality Matrix 重要性矩陣**

Importance to stakeholders 對持份者的重要性	High 高	<ul style="list-style-type: none"> <li>◆ Anti discrimination 反歧視</li> <li>◆ Safeguarding human rights 保障人權</li> </ul>	<ul style="list-style-type: none"> <li>◆ Employee training and promotion 員工培訓與晉升</li> <li>◆ Employee compensation and benefits 員工報酬與福利</li> <li>▲ Customer satisfaction 客戶滿意度</li> </ul>	<ul style="list-style-type: none"> <li>● Waste water discharge 廢水排放</li> <li>● Non-hazardous waste discharge 無害廢棄物排放</li> <li>● Hazardous waste discharge 有害廢棄物排放</li> </ul>
	Medium 中	<ul style="list-style-type: none"> <li>▲ Community involvement 社會參與</li> <li>● Exhaust emission 廢氣排放</li> </ul>	<ul style="list-style-type: none"> <li>● Emission of greenhouse gases 溫室氣體排放</li> <li>● Energy use 能源使用</li> <li>▲ Anti-corruption 反貪污</li> </ul>	<ul style="list-style-type: none"> <li>◆ Occupational health and safety 職業健康與安全</li> <li>▲ Operational compliance 營運合規</li> </ul>
	Low 低	<ul style="list-style-type: none"> <li>▲ Protection of customer privacy 保護客戶私隱</li> <li>◆ Measures to prevent child labor and forced labor 預防童工及強制勞工的措施</li> </ul>	<ul style="list-style-type: none"> <li>● Water use 水資源使用</li> <li>● Energy saving measures 節約能源措施</li> </ul>	<ul style="list-style-type: none"> <li>▲ Supplier management 供應商管理</li> <li>◆ Talent management 人才管理</li> </ul>
		Low 低	Medium 中	High 高

**Importance to the Group 對本集團的重要性**

● Environment 環境方面      ◆ Employee 員工方面      ▲ Operation 營運方面



## IV. ENVIRONMENTAL PROTECTION

The Group has been adhering to the management philosophy of sustainable development, and is committed to keeping a watchful eye on and caring for the nature. It proactively participates in and supports environmental production activities, and hopes to start from each individual to create a beautiful and livable environment. In order to provide employees with a better understanding of the impact of our personal lifestyle and the Company's operating activities on the environment, we continuously reduce our carbon footprint through various measures and actions.

### 1. Management of Emissions

The Group is mainly engaged in research and development, production, and sale of single-use medical supplies and devices for multiple medical purposes. The operations involving major emissions are mainly concentrated in domestic plants. We have formulated management measures for emissions in response to government policies and environmental factors at the locations of each plant. The emissions directly generated by our business operations mainly include liquid waste and solid waste, and the use of electricity and vehicles generates greenhouse gases. We are committed to the environmental management of our plants to reduce environmental pollution caused by liquid waste, solid waste and greenhouse gases.

## 四、環境保護

本集團一直秉承著可持續發展的管理理念，並致力於關注及愛護大自然，積極參與及支持環保活動，希望從每一個人做起，共同創造美好宜居環境。為了讓員工更瞭解我們的個人生活習慣與公司營運活動對環境的影響，我們不斷透過各種措施和行動，減少我們的碳足跡。

### 1. 排放物的管理

本集團主要研究、開發、生產及銷售用於多種醫療用途的一次性醫療用品及器械，涉及重大排放物的營運主要集中於國內的工廠，我們因應各工廠所在地的政府政策及環境因素而制定排放物管理辦法。我們從業務營運中直接產生的排放物主要包括液體廢物及固體廢物，而透過使用電力及車輛會排放溫室氣體。我們致力於各工廠的環境管理工作，以減少液體廢物、固體廢物及溫室氣體對環境造成的污染。

#### IV. ENVIRONMENTAL PROTECTION (continued)

#### 四、環境保護 (續)

##### 1. Management of Emissions (continued)

##### 1. 排放物的管理 (續)

###### **Management of Liquid Waste Treatment**

###### **液體廢物處置的管理**

The Group has developed a waste water discharge management system in accordance with the Law of the People's Republic of China on the Prevention and Control of Water Pollution. We assign employees to be responsible for the treatment of industrial wastewater and conduct monitoring and routing inspection of pollution discharge by the production department, to master and evaluate the environmental quality. During the reporting period, we invested in the construction of sewage treatment facilities that can process 300 tonnes of sewage a day to ensure that the sewage quality meets the Class B standard under the Standards on Sewage Discharged into Urban Sewer (GB/T31962-2015). In order to ensure the proper operation of the sewage treatment facilities, we attach importance to the daily repair and maintenance of the facilities.

本集團以《中華人民共和國水污染防治法》為基礎，制定廢水排放的管理制度。我們指派員工專門負責工業廢水的治理工作，對生產部門排污進行監測及巡檢，掌握和評估環境質量狀況。於報告期內，我們投資建設了污水處理設施，可以一天處理300噸污水，保證污水水質達到《污水排入城鎮下水道水質標準》(GB/T31962-2015) B級標準。為了確保污水處理設施正常運作，我們重視設施的日常維修和保養。

###### **Management of Solid Waste Treatment**

###### **固體廢物處置的管理**

In order to comply with the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes and relevant laws and regulations, the Group has formulated relevant internal rules and regulations to manage and supervise the process of solid waste treatment. For the solid waste generated, the Group has engaged professional consultants to assist in treatment. Hazardous solid waste shall be subject to treatment by a licensed hazardous waste treatment service provider as publicized by the Central People's Government of China. For general non-hazardous waste, the Group has set up corresponding recycling methods according to the waste generation process, and the production departments carry out sorting and stacking of waste, transport the waste to a designated place in a centralized way, and entrust collectors who have passed local environmental certification for recycling.

為了符合《中華人民共和國固體廢物污染環境防治法》及相關法律法規，本集團制定了相關的內部規章制度，以管理及監察處置固體廢物的流程。對於所產生的固體廢物，本集團已委聘專業顧問協助處置。有害的固態廢料必須由中國中央人民政府所頒佈的持牌有害廢料處理服務供應商負責。針對一般無害廢棄物，本集團根據廢棄物產生過程，設置相應的回收方式，生產部門會進行分類堆放，集中運送至指定的地方，並委託符合當地環保認證的收集商進行回收處理。

#### IV. ENVIRONMENTAL PROTECTION (continued)

#### 四、環境保護 (續)

##### 1. Management of Emissions (continued)

###### **Management of Greenhouse Gas Emissions**

The greenhouse gas emissions generated by the Group mainly come from the use of electricity in offices, dormitories and plants, and the fuel use of vehicles. Under the rigorous national rectification policy on air pollution, the Group has realized that this may have an impact on the Group's operations; considering the future development policy, we have been optimizing the environmental protection facilities of production plants, including energy-efficient lamps, LED lighting systems, and proactive energy saving renovation for the production and electrical equipment in plants. The departments of the Group perform their duties, monitor each control point and cooperate with each other to ensure that greenhouse gas emissions meet national standards.

##### 2. Management of Resources Utilization

In order to comply with the Energy Conservation Law of the People's Republic of China and relevant laws, regulations and policies, relevant internal rules and regulations have been formulated for each plant. To ensure that every employee understands the importance of saving resources, we have adopted a number of measures to make full use of resources to maximize their effectiveness and avoid waste.

##### 1. 排放物的管理 (續)

###### **溫室氣體排放的管理**

本集團造成的溫室氣體排放主要來自辦公室、宿舍及工廠的電力使用、公司車輛的燃料使用。在國家對大氣污染日漸嚴謹的整治方針下，本集團意識到這可能為集團營運帶來影響；考慮到日後的發展方針，我們一直優化各生產廠房的環保設施，如高效節能燈具、LED照明系統及於工廠區域積極對各項生產及用電設備進行節能改造等。本集團的每個部門各司其職，對各個控制點加以監控並互相配合，確保溫室氣體的排放能達到國家標準。

##### 2. 資源使用的管理

為了遵守有關《中華人民共和國節約能源法》及有關法律法規與政策，於各廠區制定了相關的內部規章制度。為確保每位員工明白節約資源的重要性，我們通過多項措施，以充分利用資源，發揮其最大效能，避免浪費。

## IV. ENVIRONMENTAL PROTECTION (continued)

## 四、環境保護 (續)

### 2. Management of Resources Utilization (continued)

### 2. 資源使用的管理 (續)

#### **Conservation of Energy**

#### **節約能源**

For office areas, the Group controls the use of energy and improves resource usage efficiency through daily management and monitoring of energy consumption. We promote the use of energy-efficient lighting. Lights must be turned off if there is enough daylight. Employees are also required to check and ensure their own or their department's electrical appliances, computers and other electrical equipment are switched off before they get off work. At each office, LED lighting system is built to reduce power consumption. In addition, our colleagues at engineering department proactively carry out energy-saving renovation for various production and electrical equipment in the plant area, and take improvement measures for energy use according to the load or use conditions of the equipment. We encourage our employees to reduce the use of equipment incorrectly, thereby reducing unnecessary energy consumption.

本集團於辦公室區域透過日常管理，控制能源使用和提升資源使用效益。我們推廣使用高效節能燈具，白天的光線如果能滿足工作要求，必須將照明燈關掉。我們並要求員工下班時檢查及確保自己及其部門使用的電器、電腦等用電設備已關掉，做到節約用電。於各辦事處，建立LED照明系統減少耗電量。另外，我們工程部同事於工廠區域積極對各項生產及用電設備進行節能改造，根據設備的負載或使用狀況進行能源使用的改善措施。我們鼓勵員工減少不正確使用設備，從而降低不必要的耗能機會。

During the reporting period, the Group consumed approximately 118,248MWh of electricity. In addition, the Group proactively promotes the use of electric vehicles in the plant area, to reduce gasoline and diesel consumption. During the reporting period, the Group consumed approximately 259,936 liters and 47,026 liters of gasoline and diesel, respectively. The decrease in electricity and vehicle fuel consumption compared to the same period last year was due to the fact that Weihei Weigao Blood Purification Products Company Limited ("Weigao Blood Purification") ceased to be a subsidiary of the Group, resulting in a decrease in total consumption of the Group.

於報告期內，本集團共消耗電力約118,248兆瓦時。另外，本集團積極推廣於工廠區域使用電動車，從而減少汽油及柴油消耗量。於報告期內，本集團共分別消耗汽油及柴油約259,936公升和47,026公升。電力及車輛燃料消耗量比去年同期減少的原因是於報告期內，威海威高血液淨化製品有限公司("威高血液")不再為本集團之附屬公司，令集團總消耗量減少。

IV. ENVIRONMENTAL PROTECTION (continued)

四、環境保護 (續)

2. Management of Resources Utilization  
(continued)

2. 資源使用的管理 (續)

	Unit 單位	2018 二零一八年	2017 二零一七年
<b>Electricity consumption:</b>			
<b>電力消耗量：</b>			
Consumption 消耗量	MWh 兆瓦時	<b>118,248</b>	139,916
<i>Intensity</i> 密度	(calculated based on per million of production unit) (按每一百萬產量單位計算)	<b>29.30</b>	39.78
<b>Gasoline consumption:</b>			
<b>汽油消耗量：</b>			
Consumption 消耗量	liter 公升	<b>259,936</b>	484,366
<i>Intensity</i> 密度	(calculated based on per million of production unit) (按每一百萬產量單位計算)	<b>64.42</b>	137.70
<b>Diesel consumption:</b>			
<b>柴油消耗量：</b>			
Consumption 消耗量	liter 公升	<b>47,026</b>	209,842
<i>Intensity</i> 密度	(calculated based on per million of production unit) (按每一百萬產量單位計算)	<b>11.65</b>	59.65

IV. ENVIRONMENTAL PROTECTION (continued)

四、環境保護 (續)

2. Management of Resources Utilization  
(continued)

2. 資源使用的管理 (續)

With reference to the guidelines of the Greenhouse Gas Protocol and the regional emission factors, greenhouse gas emissions are calculated from the abovementioned data. During the reporting period, the Group's greenhouse gas emissions were 96,336 tonnes CO<sub>2</sub>e, representing a decrease of approximately 16% as compared to the last year.

根據溫室氣體核算體系指引，結合所在地的排放系數，我們對上述能源活動的溫室氣體排放進行核算。於報告期內，集團共排放96,336噸二氧化碳當量的溫室氣體，比去年減少了約16%。

	Unit 單位	2018 二零一八年	2017 二零一七年
<b>Greenhouse gases:</b>			
<b>溫室氣體：</b>			
Scope 1:			
範圍一：			
Emissions	Tonne		
排放量	噸	<b>721</b>	1,841
Scope 2:			
範圍二：			
Emissions	Tonne		
排放量	噸	<b>95,615</b>	113,136
<b>Total</b>	Tonne		
<b>總量</b>	噸	<b>96,336</b>	114,977
	(calculated based on		
	per million of production unit)		
<i>Intensity</i>	(按每一百萬產量單位計算)	<b>23.87</b>	32.69
<i>密度</i>			

IV. ENVIRONMENTAL PROTECTION (continued)

四、環境保護 (續)

2. Management of Resources Utilization  
(continued)

2. 資源使用的管理 (續)

**Conservation of Water**

**節約用水**

We hope every staff can make the best use of water resources and reduce wastage. Each production department and office has to check regularly its water facilities, pipes and taps to prevent wasting water. We also enhance our staff's awareness in water conservation, with a view to start the most basic environmental production education at the source. Once damaged pipes or valves or water leakage is found, the staff shall notify the maintenance department promptly for repair. In addition, about 50% of the wastewater will be recycled to reduce the amount of cleaning wastewater generated in the plant area.

我們希望每位員工能充分利用水資源，減少浪費。各生產部門及辦公室須定期檢查其範圍內的用水設施、管道、水龍頭等，以防止浪費用水。我們亦提醒員工提高節約用水的意識，希望從源頭著手進行最基本的環保教育。任何同事一旦發現管道、閘門有損壞漏水的情況，應立即通知維修部門進行維修。另外，為減少於工廠區域所產生的各類清洗廢水，約50%的廢水會循環使用。

	Unit 單位	2018 二零一八年	2017 二零一七年
<b>Water consumption:</b>			
<b>水資源消耗量：</b>			
Consumption 消耗量	Tonne 噸	<b>1,015,012</b>	1,196,376
<i>Intensity</i> 密度	(calculated based on per million of production unit) (按每一百萬產量單位計算)	<b>251.53</b>	340.11

**IV. ENVIRONMENTAL PROTECTION** (continued)

**四、環境保護** (續)

**2. Management of Resources Utilization**  
(continued)

**2. 資源使用的管理** (續)

**Conservation of Paper**

**節約用紙**

Paper is an important natural resource. In order to avoid waste, we encourage employees to implement the principle of “think before print” and carefully select the documents to be printed to reduce the use of paper. We encourage print jobs in double-sides, reuse single-sided papers, and put recycle double-sided printed papers in recycle paper collection boxes; we also encourage transfer of files in an electronic way. During the reporting period, the Group consumed a total of approximately 4.75 tonnes of paper, an increase of approximately 10% over the previous year. We will continue to focus on paper saving in our business operations.

紙張是重要的天然資源，為了避免浪費，我們鼓勵員工須貫徹「列印前想清楚」的原則，謹慎選擇所需要列印的文件，以減少使用紙張。在影印或打印文件時，盡量雙面列印；循環使用單面列印的紙張，並將兩面都已使用過的廢紙放入再造紙收集箱；鼓勵以電子檔案形式傳遞文件。於報告期內，本集團共消耗紙張約4.75噸，比去年增加了約10%，我們會繼續於業務營運中多注重節約用紙。

	<b>Unit</b> <b>單位</b>	<b>2018</b> <b>二零一八年</b>	<b>2017</b> <b>二零一七年</b>
<b>Paper consumption:</b> <b>紙消耗量：</b>			
Consumption 消耗量	Tonne 噸	<b>4.75</b>	4.32
<i>Intensity</i> 密度	(calculated based on per billion of production unit) (按每十億產量單位計算)	<b>1.18</b>	1.23

**Compliance**

**合規**

During the reporting period, there were no confirmed noncompliance incidents in relation to environmental protection that have a significant impact on the Group.

於報告期內，並無涉及與環境保護相關並對本集團有重大影響的已確認違規事件。



#### IV. ENVIRONMENTAL PROTECTION (continued)

##### 3. The Environment and Natural Resources

The Group has strived to care for and to protect the nature, everyone should take part in it. We hope to implement appropriate environmental management policies for the source through various policies, measures, and actions and that every staff can start from themselves, convey the message of protecting the environment to their families, friends and business partners; to build more powerful cohesion, in alleviating climate change together. As a responsible enterprise, we have developed a management system that conforms to national standards, continuously improve and transform production facilities and processes, and apply clean energy and raw materials, to improve resource utilization ratio and reduce pollutants generated during production. We hope that we can not only meet the increasing demands of customers for environmental protection, but also make contributions to environmental protection.

#### V. EMPLOYMENT AND LABOR PRACTICES

The Group always regards employees as the most valuable assets, adheres to people-oriented and strategic positioning of seeking for development relying on talents. It has established a talent management mechanism, which plays a key role in the sustainable and long-term development of the Company. We provide equal opportunities in our recruitment policy, and we do not discriminate against any working colleagues or other applicants in the process of selection on the ground of race, color, religion, nationality, origin, age or gender. We are committed to creating a non-discriminatory, equitable and harmonious working environment with the goal of mutual respect and establishment of good relationship with our employees.

#### 四、環境保護 (續)

##### 3. 環境及天然資源

本集團努力關注及愛護大自然環境，希望從每一個人做起。我們希望透過各種政策、措施和行動，對源頭實施適當的環保管理方針，期望每位員工能身體力行，並將環保訊息傳給身邊的家人、朋友及業務夥伴等，建立更有力量的凝聚力，攜手紓緩氣候變化。作為一間負責任的企業，我們制定符合國家標準的管理制度，不斷改良、改造生產設施和工藝，應用清潔能源及原料，提高資源利用率，以減少於生產過程中產生的污染物，我們希望不但能滿足客戶對環保日益關注的要求，還為保護環境出一分力。

#### 五、僱傭及勞工常規

本集團一直視員工為最寶貴的資產，堅持以人為本，以人才求發展的戰略定位，建立人才管理機制，為企業的可持續和長遠發展起著關鍵作用。我們在招聘政策上是機會平等的，在挑選過程中對於任何在職同事們或其他申請者絕無任何種族、膚色、宗教、國籍、出身、年齡或性別等歧視。我們致力打造非歧視、平等及和諧的工作環境，並以互相尊重、與員工建立良好的關係為目標。

## V. EMPLOYMENT AND LABOR PRACTICES (continued)

In addition to the basic medical insurance and life insurance provided to its American employees, Argon also provides educational support and develops employee assistance programs to support the continuous learning of its employees and provide them and their immediate family members with problem evaluation and professional consultancy services.

### Talent Selection

We follow the principles of fairness, equality and openness and non-discrimination to hire outstanding talents, and devote to protect human rights and privacy of employees. During staff recruitment, knowledge, ability, morality, physical conditions and job requirements are used as the selection standards, and they are not discriminated against because of their age, gender, sexual orientation, race, disability, marital status, pregnancy, religion, or political orientation, so as to maintain equal employment opportunities. We provide equal opportunities to employees in providing benefits, promotion, performance appraisal, training and career development. We only consider their morality, knowledge, ability and technical skills, etc. We work with our employees together to create a win-win situation.

### Labor Standards

The Group respects human rights and strictly prohibits any unethical hiring practices, including child labor and forced labor in the workplace. Policies and procedures are established to comply with the relevant labor laws and regulations. During the recruitment process, we review the identity documents of the applicants and never hire any applicant below the legal working age. In addition, our professional colleagues in the Legal Affairs Department regularly review the Employment Regulations to ensure that the Group's personnel system complies with relevant labor laws and regulations.

## 五、僱傭及勞工常規 (續)

愛琅除了為美國員工提供基本醫療保險及人壽保險外，還提供教育援助及員工援助計劃，資助員工不斷學習及為他們和其直系親屬提供問題評估和專業諮詢服務。

### 人才甄選

招聘員工是按照公開招募篩選任用、堅持無歧視的基本原則，並致力保護員工的人權和個人隱私。員工的招聘和甄選是以學識、能力、品德、身體狀況及適合工作所需條件作為標準，並採用公平、公正、公開的原則，招聘和甄選優秀適用之人才。為保障員工就業機會平等，他們不會因年齡、性別、性取向、種族、殘疾、婚姻狀況、懷孕、宗教及政治取向等因素，受到歧視或被剝奪任何機會。在提供公司福利、晉升階梯、績效考核、培訓和事業發展等方面，我們為員工提供平等的機會，希望員工與企業能共同發展，達致雙贏的局面。

### 勞工準則

本集團尊重人權，嚴格禁止任何不道德的僱傭手法，包括在工作場所僱用童工和強迫勞工。政策和程序已制定以符合有關的勞動法律法規。在招聘的過程中，我們必須核對應聘者的身份證明資料，絕不聘用低於法定工作年齡的員工。另外，我們有法律事務部的專業同事定期審核僱傭條例，確保本集團的人事制度符合有關的勞動法律法規。

**V. EMPLOYMENT AND LABOR PRACTICES**  
(continued)

**Staff Compensation and Welfare**

The Group conducts internal reviews of the remuneration levels of employees at all levels on a regular basis and reviews and adjusts the remuneration with reference to the remuneration of the labour market on a yearly basis. The management adjusts the remuneration of employees based on their attendance performance, individual performance and after giving consideration to their length of service, qualifications, market conditions and other relevant factors. Staff salaries level are decided based on one's knowledge, skills, experiences and education background relevant to their work requirements, striving to establish a fair, reasonable and competitive remuneration system. We strictly abide by the local labor laws, and the working hours of employees must comply with the labor laws. We terminate and compensate staffs in accordance with local laws and regulations.

In order to enhance the cohesion among employees, enhance the sense of belonging of employees and reduce employees' work stress, we organize regular gatherings for employees, including dating activities, basketball games and Mid-Autumn Festival parties. In addition to organizing activities for employees, it will also provide assistance to children of employees, including grants to the employees' children who are enrolled as full-time undergraduates and provision of trusteeship classes for young children, and also charter vehicles to send employees to return home during the Spring Festival to visit relatives. We want to encourage employees to work hard while showing care to their families.

In addition to basic medical insurance and life insurance, Argon also provides education aid and employee aid program to the employees in the United States to subsidize them for continuous study and provides problem assessment and professional consulting services for them and their direct relatives.

**五、僱傭及勞工常規 (續)**

**員工待遇**

本集團定期進行內部評審各級員工的薪酬水平，參考勞工市場薪酬情況並每年進行薪酬檢討及調整。管理層根據個別員工的考勤表現、個人績效表現以及考慮其服務年資、資歷、市場情況及其他相關因素予以調整。員工的薪酬是按照每一職位所要求的知識、技能、經驗和教育背景等因素而釐定，力求建立公平、合理、具競爭力的薪酬體系。我們嚴格遵守各地方的勞動法，員工的工作時數均必須符合勞工法例。如解僱員工或因此而需要作出賠償時，我們會按照當地的法律法規進行解僱並作出賠償。

為了增強員工之間的凝聚力、提升員工的歸屬感和減輕員工的工作壓力，我們會定期為員工組織聚會，包括相親交友活動、籃球比賽和中秋晚會等。除了為員工舉辦活動外，還會為員工的子女提供協助，包括為考入全日制本科的員工子女發放助學金和為年幼的子女提供托管班，亦會於春節期間包車免費送員工回鄉探親。我們希望除了鼓勵員工勤力工作外，更要分配時間關顧家庭。

愛琅除了為美國員工提供基本醫療保險及人壽保險外，還提供教育援助及員工援助計劃，資助員工不斷學習及為他們和其直系親屬提供問題評估和專業諮詢服務。

## V. EMPLOYMENT AND LABOR PRACTICES

(continued)

### Development and Training

In order to align the staff career development with the long-term corporate business plan, we establish a comprehensive staff training programme aiming at building an excellent, professional, well-trained and responsible corporate team. This can raise our people's quality and ability, and can also enhance their team cohesion; thereby increasing the work efficiency.

In addition, we also provide on-the-job training to employees at different positions and conduct training according to their actual work needs. Senior management will be provided with relevant training covering law and management skills, middle managers will accept the training of engineering technology and quality control, and general sales staff will be provided with legal training on product knowledge, marketing knowledge and work risks. For production employees, the main focus of the training is on production and operation skills and safety. The training methods include classroom instruction and self-study on online platform. We hope to improve the work efficiency of employees through on-the-job training.

## 五、僱傭及勞工常規 (續)

### 發展及培訓

為了配合企業長遠發展及員工職業生涯規劃，本集團為員工訂立了一套完善的培訓計劃，打造一支優秀、專業、訓練有素及具責任心的企業團隊，這不但提升員工質素和工作能力，還提高員工的凝聚力，從而增加工作效率。

除此之外，我們亦會提供在職培訓給不同崗位的員工，根據他們的實際工作需要進行培訓。高級管理人員會獲提供涵蓋法律領域及管理技能等相關的培訓，中層管理人員會參加工程技術及質量控制領域的培訓，一般銷售員工獲提供有關產品知識、銷售知識及其工作風險的法律培訓。對於生產員工，培訓內容的主要重點在於生產操作技能及安全培訓。培訓方式有課堂講授式和網上平台自學，希望透過在職培訓提高員工的工作效率。

**V. EMPLOYMENT AND LABOR PRACTICES**  
(continued)

**Health and Safety**

The Group cares about our employees' health and provides a safe working environment in order to prevent occupational hazards. To comply with the relevant local safety production laws and regulations, we have prepared Safety Production Inspection System, Occupational Disease Prevention Management System, Safety Management System for Inflammable and Explosive Sites, and Occupational Safety Education Management System. We hope that managers and employees at all levels must clearly understand their own safety responsibilities and strictly perform their duties. Employees are required to undergo various types of machine operation training, understand the production process and guidelines of the production department, the operation technology of each facility, and accept safety education from the production department and team. In order to strengthen employees' occupational safety awareness, we will regularly organize job technical training to ensure that employees can meet their safety standards in terms of thinking, knowledge and technology. We will continue to encourage and endeavour to provide training to reduce the risks to occupational health and safety in the production process. Moreover, we educate all employees on environmental and occupational, health and safety awareness to let them understand the Company's policy on environmental protection and to raise their awareness of environmental production, occupational health and safety and consciousness for continuous improvement.

**五、僱傭及勞工常規 (續)**

**健康和安**

本集團一向注重員工的健康及提供安全的工作環境，預防及避免員工受到職業性的危害。為了符合當地有關安全生產的法律法規，我們制定影響員工權益的《安全生產檢查制度》、《職業病預防管理制度》、《易燃易爆場所安全管理制度》和《職業安全教育管理制度》等公司制度和政策，我們希望各級管理層和各員工必須清楚了解自身的安全職責，並嚴格履行安全職責。員工需接受各類型的機器操作訓練，了解生產部門的工作流程和指引、各項設施的操作技術，並接受生產部門及班組的安全教育。為了加強員工的職業安全意識，我們會定期組織崗位技術培訓，以確保員工於思想上、知識上和技術上均能達到安全標準履行其職責。我們將繼續鼓勵及盡力提供各種培訓，以減低生產過程中對職業健康與安全構成風險。此外，我們對所有員工進行環境和職業、健康、安全意識教育，使他們理解公司對環境保護的方針，提高環保意識、職業健康安全和持續改進的自覺性。

## V. EMPLOYMENT AND LABOR PRACTICES (continued)

### Health and Safety (continued)

The safety department is responsible for monitoring and management of hazards to ensure that safety hazards in the production workshop can be identified in a timely manner, and taking appropriate measures to eliminate or control risks, so that employees can work in a safe environment. The engineering department is responsible for maintenance of production machines. In case of fault, it is necessary to report for repair immediately to ensure that the employees work in a safe environment. In order to ensure that the machinery and equipment are in good condition to reduce the risk of safety accidents, the engineering department regularly inspects the production machinery and equipment and fire-fighting facilities (including fire extinguishers, fire hoses, etc.). If abnormal conditions are found, they must be repaired immediately. In accordance with the requirements of the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, we have established an occupational health management system and constantly improve it to protect the health and rights of workers. We provide employees with labor protection products (such as masks, protective gloves, protective clothing, etc.) that meet national standards, supervise and educate employees to wear and use the same according to regulations, and set up strict safety work and fire safety guidelines.

### Compliance

During the reporting period, there were no identified violations that were related to employment, labor practices, health and safety and labor standards with a significant impact on the Group.

## 五、僱傭及勞工常規 (續)

### 健康和 safety (續)

安全部門負責危害因素的監測管理工作，確保於生產車間的安全隱患能及時被辨識，以及採取適當的措施消除或控制風險，務求讓員工能在安全的環境下工作。工程部負責生產機器的維護，如果有故障，需馬上上報維修，確保員工在安全的環境下工作。為確保機器設備處於良好的狀態，以減少發生安全事故的風險，工程定期檢查生產機器設備及消防設施（包括滅火筒、滅火喉等），如發現異常情況，須立即進行檢修。按照《中華人民共和國職業病防治法》的要求，我們建立了職業衛生管理制度，並不斷加以完善，以保護勞動者健康及其權益。我們為員工提供符合國家標準的勞動防護用品（如口罩、防護手套、防護衣等），監督及教育員工按照規定佩戴及使用，並且設立嚴謹的安全工作及消防指引。

### 合規

於報告期內，並無涉及與僱傭、勞工措施、健康與安全及勞工準則相關並對本集團有重大影響的已確認違法、違規事件。

## VI. OPERATIONAL PRACTICES

### Supply Chain Management

The Group hopes to establish long-term and stable strategic partnership with powerful suppliers; and develop together with suppliers on the equality and win-win basis. Before we conclude our contract with our major business partners, we assess the quality and ethical standards of our business partners based on different criteria. We have developed strict internal rules and regulations, a review system for primary selection, alternative selection and renewal of suppliers and a “list of qualified suppliers”. When selecting new suppliers, we need to assess the suppliers’ qualifications, management systems, production equipment, etc.; after the new raw materials have passed the trial, we will choose to cooperate with the best suppliers and require suppliers to have accredited qualification and good internal management system, stable quality, punctual delivery, legal compliance, due professional technologies/quality, to ensure that suppliers are competitive and the products and services provided by them have quality. During the reporting period, the Group did not receive any reports on serious violations in this regard.

### Product Responsibility

The Group is committed to satisfying customers with quality products. With technological advancement and improved living standards, customers are increasingly demanding for product quality. Therefore, we implement effective quality control and keep improving product quality. Employees themselves are experts in their jobs, and their wisdom, valuable experience, and advice on quality improvement play a significant role for products. The Group holds monthly quality meetings attended by middle management personnel to review and study the problems we encountered during the production and operation process. Through the internal review or invitation of external review for departments of production, research and development, quality, sales and other departments, the Group will develop relevant improvement measures for the problems found.

## 六、營運慣例

### 供應鏈管理

本集團希望與有實力的供應商建立長期、穩定的戰略合作關係；在平等、雙贏的基礎上，與供應商共同發展。我們堅持與主要業務夥伴訂立合約之前，我們會根據不同方面的標準評估業務夥伴的質素及道德標準，我們制訂了嚴謹的內部規章制度，對供應商的初選、備選和續用設有評審制度，並編制了「合格供應商名單」。於挑選新供應商時，我們需考核供應商的資質、管理系統、生產設備等方面；當新原材料經過試用合格後，我們會選擇與最優質的供應商合作，要求供應商具認可資格、有良好的內部管理制度、品質穩定、準時交貨、合法合規、具應有專業技術／質素等，確保供應商具競爭性和其提供的產品和服務具高質素。於報告期內，本集團並無收到任何有關此方面之嚴重違反報告。

### 產品責任

本集團承諾以優質的產品滿足客戶。隨著科技水平與生活水準的不斷提高，客戶對產品的品質要求日益嚴謹，因此，我們實施有效的品質管理和持續的品質改善。員工本身是工作崗位上的專家，他們的智慧、寶貴經驗、以及對品質改良所提出來的意見，對產品起著極大的作用。本集團每月會召開中層管理人員以上參加的質量會議，檢討和研究我們在生產經營過程中遇到的問題，通過本集團內部審查或邀請外部審查部門對生產、研發、質量、銷售等多部門進行定期審核，發現問題後會制定相關改善措施。

## VI. OPERATIONAL PRACTICES (continued)

### Product Responsibility (continued)

If a customer finds that there is a problem with the quality of the product or the product does not meet its needs, the customer can process with the circumstance through our after-sales service mechanism and the problematic product will be recovered according to the Recall Control Procedures and Unqualified Product Control Procedures. In addition, if we receive customer complaints about our products, we will improve the quality of our products in accordance with the Feedback and Complaint Disposal Control Procedures and Adverse Event Reporting Control Procedures.

Argon has a quality management system and has prepared the relevant quality control manual for the product production processes and categories in accordance with index of these procedures under ISO13485 and the standards of the U.S. Food and Drug Administration and the Public Health Agency of Canada to ensure that the quality of products is in line with international standards.

### Compliance

During the reporting period, there were no identified violations that were related to products with a significant impact on the Group.

## 六、營運慣例 (續)

### 產品責任 (續)

如果客戶發現產品質量出現問題或產品不符合其需求，客戶可透過我們的售後服務機制處理，根據所制定的《召回控制程序》和《不合格品控制程序》回收有問題的產品。另外，如接獲客戶投訴我們的產品，我們會根據所制定的《反饋及投訴處置控制程序》和《不良事件報告控制程序》跟進，改善產品的質素。

愛琅設有品質管理系統，在產品的生產過程和各範疇根據ISO13485、美國食品藥品監督管理局和加拿大衛生部標準對這些程序的索引來訂立相關的品質控制手冊，確保產品的品質符合國際標準。

### 合規

於報告期內，本集團沒有涉及與產品相關並對本集團有重大影響之已確認違法、違規事件。



## VI. OPERATIONAL PRACTICES (continued)

### Anti-corruption

The Group firmly believes fairness, honesty and integrity are the important commercial assets of the Group. Upholding professionalism and integrity, the Group will not tolerate any form of bribery, extortion, fraud and money laundering. We are determinant in combating corruption and contribute to building a clean society. The Group requires all employees and management to comply with the Prevention of Bribery Ordinance of Hong Kong and the Criminal Law of the People's Republic of China, and have formulated and implemented internal policies to clarify ethical standards of conduct, to jointly prevent commercial bribery, safeguard the Company's legitimate rights and interests, and maintain good business practices. In addition, we also require all partners not to bribe the employees of the Group in any way.

### Compliance

During the reporting period, there was no legal action against the Group and our employees for corruption.

## VII. COMMUNITY INVESTMENT

As a good corporate citizen, the Group proactively participates in social welfare, donation and other activities. In January 2018, the Group won the "China Red Cross Universal Fraternity Medal" in recognition of the Group's donation of a number of organ transport boxes to the Red Cross Society of China. The Group also donated money to hospitals, the Chinese Society of Blood Transfusion and the relief funds, hoping to help those in need.

## 六、營運慣例 (續)

### 反貪污

本集團深信公平、誠實及廉潔是重要的商業資產，秉承著專業和誠信精神，決不容忍任何形式的賄賂、勒索、欺詐及洗黑錢等行為。我們堅決反腐倡廉，為構造清廉的社會環境盡力。本集團要求全體僱員及管理層遵照香港《防止賄賂條例》及《中華人民共和國刑法》，亦制定及實施內部政策以闡明道德行為標準，為共同防止商業賄賂行為、維護公司合法權益及保持良好商業風紀共同努力。另外，我們同樣要求所有合作伙伴不得以任何方式賄賂本集團的員工。

### 合規

於報告期內，並沒有涉及指控本集團或本集團員工貪污的訴訟案件。

## 七、社區投資

作為良好的企業公民，本集團積極參與社會公益及捐贈等活動。於二零一八年一月，本集團榮獲「中國紅十字博愛獎章」，以表彰本集團對中國紅十字會捐助一批器官運輸箱。本集團亦向醫院、中國輸血協會和救助基金等機構捐款，希望能幫助社會有需要的人士。

## VII. COMMUNITY INVESTMENT (continued)

The original intention of the Group's development is to alleviate the suffering of patients and allow patients to exercise freely, which is the corporate responsibility and social responsibility that we have never forgotten. We have established the "Weigao Love Program" to help families with poverty and provide effective treatment for adolescents and children who are suffering from scoliosis. For the disabled with income below social level, we have set up a "Bethune Foundation, to fund their hospitalization and surgery costs. The Group also cooperates with China Association of Persons with Physical Disability to carry out the "Weigao Scoliosis Relief" program to provide protection for the disabled at the grassroots level.

In addition to support to the charities in the PRC, Argon of the Group also sponsors a number of U.S. foundations including Heart of America Foundation and brain therapy foundation, to make contributions in terms of money and efforts to charity.

The Group has always paid tax according to law and spare no effort to help solve local employment pressure. It provides the disabled people with employment opportunities as well as relevant facilities and a suitable working environment, and pays attention to the cultural and health training for disabled employees. We plan retirement for our employees, and pay five insurances and one housing fund for our employees in the PRC and participate in the MPF scheme for employees in Hong Kong to prepare for their retirement. We have always maintained good operation management and created a good development order. We have made certain contributions to maintaining social stability and building a harmonious community.

## 七、社區投資 (續)

本集團的發展初衷是減輕患者痛苦，讓患者自由運動，這是至今我們時刻不忘所擔負的企業責任和社會責任。我們設立了「威高愛心工程」項目，為幫助家庭貧困並患有脊柱側彎的青少年及兒童能夠得到有效的治療。而對於收入低於社會水平的貧困殘疾人士，我們設立了「白求恩基金會」資助他們的住院及手術等費用。本集團亦與中國肢殘人協會合作開展「威高愛脊柱側彎救助」項目，為基層肢殘人士提供保障。

除了支持中國的慈善團體外，本集團旗下的愛琅贊助多個美國的基金會例如美國心臟基金會及腦治療基金會等，為慈善出錢出力。

本集團向來依法經營納稅，不遺餘力地協助解決當地的就業壓力，並提供殘疾人士就業機會，為他們提供相關的設施和合適的工作環境，注重殘疾員工的文化健康培訓。我們為員工好好計劃退休生活，為國內員工繳納五險一金及為香港員工參加強積金計劃，為其退休後的生活作準備。我們一直保持良好的營運管理及營造良好的發展秩序，在保持社會穩定及建設和諧社區方面，有一定的貢獻。

VIII. ENVIRONMENTAL PERFORMANCE DATA SUMMARY 八、環境數據表現摘要

	Unit 單位	Note 附註	2018 二零一八年	2017 二零一七年
<b>Greenhouse gas:</b>				
<b>溫室氣體：</b>				
Scope 1:				
範圍一：				
Emissions	Tonne	1		
排放量	噸		<b>721</b>	1,841
Scope 2:				
範圍二：				
Emissions	Tonne	2		
排放量	噸		<b>95,615</b>	113,136
<b>Total</b>	Tonne			
<b>總量</b>	噸		<b>96,336</b>	114,977
	(calculated based on per million of production unit)			
<i>Intensity</i>	(按每一百萬產量單位計算)		<b>23.87</b>	32.69
<i>密度</i>				
<b>Air emission:</b>				
<b>廢氣總排放量：</b>				
Nitrogen oxides	Tonne			
氮氧化物	噸		<b>55</b>	127
	(calculated based on per billion of production unit)			
<i>Intensity</i>	(按每十億產量單位計算)		<b>13.63</b>	36.10
<i>密度</i>				
Sulfur oxides	Tonne			
硫氧化物	噸		<b>5</b>	12
	(calculated based on per billion of production unit)			
<i>Intensity</i>	(按每十億產量單位計算)		<b>1.24</b>	3.41
<i>密度</i>				
Particles	Tonne			
顆粒	噸		<b>8</b>	23
	(calculated based on per billion of production unit)			
<i>Intensity</i>	(按每十億產量單位計算)		<b>1.98</b>	6.54
<i>密度</i>				

**VIII. ENVIRONMENTAL PERFORMANCE DATA SUMMARY** (continued) **八、環境數據表現摘要** (續)

	<b>Unit</b> <b>單位</b>	Note 附註	<b>2018</b> <b>二零一八年</b>	2017 二零一七年
<b>Discharge of liquid and solid wastes:</b>				
<b>液體及固體廢物排放量：</b>				
Liquid waste 液體廢物	Tonne 噸		<b>74,262</b>	95,828
<i>Intensity</i> 密度	(calculated based on per million of production unit) (按每一百萬產量單位計算)		<b>18.40</b>	27.24
Solid waste 固體廢物	Tonne 噸		<b>44</b>	50
<i>Intensity</i> 密度	(calculated based on per billion of production unit) (按每十億產量單位計算)		<b>10.90</b>	14.21
<b>Energy and water consumption:</b>				
<b>能源及水資源消耗量：</b>				
Electricity: 電力：				
Consumption 消耗量	MWh 兆瓦時		<b>118,248</b>	139,916
<i>Intensity</i> 密度	(calculated based on per million of production unit) (按每一百萬產量單位計算)		<b>29.30</b>	39.78
Gasoline: 汽油：				
Consumption 消耗量	Liter 公升		<b>259,936</b>	484,366
<i>Intensity</i> 密度	(calculated based on per million of production unit) (按每一百萬產量單位計算)		<b>64.42</b>	137.70
Diesel: 柴油：				
Consumption 消耗量	Liter 公升		<b>47,026</b>	209,842
<i>Intensity</i> 密度	(calculated based on per million of production unit) (按每一百萬產量單位計算)		<b>11.65</b>	59.65

**VIII. ENVIRONMENTAL PERFORMANCE DATA SUMMARY** (continued) **八、環境數據表現摘要** (續)

	<b>Unit</b> <b>單位</b>	Note 附註	<b>2018</b> <b>二零一八年</b>	2017 二零一七年
Water resources:				
水資源:				
Consumption 消耗量	Tonne 噸		<b>1,015,012</b>	1,196,376
<i>Intensity</i> 密度	(calculated based on per million of production unit) (按每一百萬產量單位計算)		<b>251.53</b>	340.11
<b>Paper:</b>				
紙:				
Consumption 消耗量	Tonne 噸		<b>4.75</b>	4.32
<i>Intensity</i> 密度	(calculated based on per billion of production unit) (按每十億產量單位計算)		<b>1.18</b>	1.23

Scope 1 refers to greenhouse gas emissions generated by the Group's operations, including the use of gasoline and diesel.

範圍一是指本集團業務所產生的溫室氣體排放，包括使用汽油及柴油。

Scope 2 refers to the "indirect energy" greenhouse gas emissions caused by the internal consumption of purchased electricity by the Group's business.

範圍二是指本集團業務內部消耗購回來的電力所引致的「間接能源」溫室氣體排放。

**IX. “ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE” BY HONG KONG STOCK EXCHANGE**

**九、香港聯合交易所對《環境、社會及管治報告》的指引**

**Key Performance Indicators (“KPIs”) Reporting Guideline**  
**關鍵績效指標 報告指引**

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**A. Environmental**  
**A. 環境**

**Aspect A1**  
**層面A1**

**Emissions**  
**排放物**

General Disclosure  
一般披露

Information on:  
有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的：

- (a) the policies; and  
政策；及
- (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.  
遵守對發行人有重大影響的相關法律及規例的資料。

KPI A1.1

The types of emissions and respective emissions data.  
排放物種類及相關排放數據。

KPI A1.2

Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).  
溫室氣體總排放量（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）。

KPI A1.3

Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).  
所產生有害廢棄物總量（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）。

KPI A1.4

Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).  
所產生無害廢棄物總量（以噸計算）及（如適用）密度（如以每產量單位、每項設施計算）。

**IX. “ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE” BY HONG KONG STOCK EXCHANGE**

(continued)

**九、香港聯合交易所對《環境、社會及管治報告》的指引（續）**

**Key Performance Indicators (“KPIs”) Reporting Guideline**  
**關鍵績效指標 報告指引**

**A. Environmental (continued)**

**A. 環境（續）**

KPI A1.5	Description of measures to mitigate emissions and results achieved. 描述減低排放量的措施及所得成果。
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。
<b>Aspect A2</b>	<b>Use of Resources</b>
<b>層面A2</b>	<b>資源使用</b>
General Disclosure 一般披露	Policies on the efficient use of resources, including energy, water and other raw materials. 有效使用資源（包括能源、水及其他原材料）的政策。
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (MWh) and intensity (e.g. per unit of production volume, per facility).
KPI A2.1	按類型劃分的直接及／或間接能源（如電、氣或油）總耗量（以兆瓦時計算）及密度（如以每產量單位、每項設施計算）。
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).
KPI A2.2	總耗水量及密度（如以每產量單位、每項設施計算）。
KPI A2.3	Description of energy use efficiency initiatives and results achieved.
KPI A2.3	描述能源使用效益計劃及所得成果

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(continued)

**Key Performance Indicators (“KPIs”) Reporting Guideline**  
**關鍵績效指標 報告指引**

**A. Environmental (continued)**

**A. 環境（續）**

KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.
KPI A2.4	描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果。
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.
KPI A2.5	製成品所用包裝材料的總量（以噸計算）及（如適用）每生產單位佔量。

**Aspect A3**  
**層面A3**

**The Environment and Natural Resources**  
**環境及天然資源**

General Disclosure 一般披露	Policies on minimizing the issuer’s significant impact on the environment and natural resources 減低發行人對環境及天然資源造成重大影響的政策。
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.
KPI A3.1	描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。



**IX. “ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE” BY HONG KONG STOCK EXCHANGE**

(continued)

**九、香港聯合交易所對《環境、社會及管治報告》的指引(續)**

**Key Performance Indicators (“KPIs”) Reporting Guideline**  
**關鍵績效指標 報告指引**

**B. Social<sup>1</sup>**

**B.社會<sup>1</sup>**

**Aspect B1**  
**層面B1**

**Employment**  
**僱傭**

General Disclosure  
一般披露

Information on:  
有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的：

- (a) the policies; and  
(a) 政策；及
- (b) compliance with relevant laws and regulations that have a significant impact on the issuer  
relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.  
(b) 遵守對發行人有重大影響的相關法律及規例的資料。

**Aspect B2**  
**層面B2**

**Health and Safety**  
**健康與安全**

General Disclosure  
一般披露

Information on:  
有關提供安全工作環境及保障僱員避免職業性危害的：

- (a) the policies; and  
(a) 政策；及
- (b) compliance with relevant laws and regulations that have a significant impact on the issuer  
relating to providing a safe working environment and protecting employees from occupational hazards.  
(b) 遵守對發行人有重大影響的相關法律及規例的資料。

**IX. “ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE” BY HONG KONG STOCK EXCHANGE**

(continued)

**九、香港聯合交易所對《環境、社會及管治報告》的指引(續)**

**Key Performance Indicators (“KPIs”) Reporting Guideline**  
**關鍵績效指標 報告指引**

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**B. Social<sup>1</sup> (continued)**

**B.社會<sup>1</sup>(續)**

**Aspect B3**  
**層面B3**

**Development and Training**  
**發展及培訓**

General Disclosure  
一般披露

Policies on improving employees’ knowledge and skills for discharging duties at work. Description of training activities.  
有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。

**Aspect B4**  
**層面B4**

**Labor Standards**  
**勞工準則**

General Disclosure  
一般披露

Information on:  
有關防止童工或強制勞工的：  
(a) the policies; and  
(a) 政策；及  
(b) compliance with relevant laws and regulations that have a significant impact on the issuer  
relating to preventing child and forced labor.  
(b) 遵守對發行人有重大影響的相關法律及規例的資料。

**Aspect B5**  
**層面B5**

**Supply Chain Management**  
**供應鏈管理**

General Disclosure  
一般披露

Policies on managing environmental and social risks of the supply chain.  
管理供應鏈的環境及社會風險政策。

**IX. "ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING GUIDE" BY HONG KONG STOCK EXCHANGE**

(continued)

**九、香港聯合交易所對《環境、社會及管治報告》的指引(續)**

**Key Performance Indicators ("KPIs") Reporting Guideline**  
**關鍵績效指標 報告指引**

**B. Social<sup>1</sup> (continued)**  
**B.社會<sup>1</sup>(續)**

**Aspect B6**  
**層面B6**

**Product Responsibility**  
**產品責任**

General Disclosure  
一般披露

Information on:  
有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的：  
(a) the policies; and  
(a) 政策；及  
(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters in respect of products and services provided and methods of redress.  
(b) 遵守對發行人有重大影響的相關法律及規例的資料。

**Aspect B7**  
**層面B7**

**Anti-corruption**  
**反貪污**

General Disclosure  
一般披露

Information on:  
有關防止賄賂、勒索、欺詐及洗黑錢的：  
(a) the policies; and  
(a) 政策；及  
(b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.  
(b) 遵守對發行人有重大影響的相關法律及規例的資料。

**Aspect B8**  
**層面B8**

**Community Investment**  
**社區投資**

General Disclosure  
一般披露

Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.  
有關以社區參與來瞭解營運所在社區需要和確保其業務活動會考慮社區利益的政策。

Note:

<sup>1</sup> Pursuant to Appendix 27 to the "Main Board Listing Rules", the KPIs under Area B "Social" are recommended disclosures only. Therefore, the Group chooses not to disclose those KPIs in this report.

附註：

<sup>1</sup> 由於《主板上市規則》附錄27有關「主要範疇B.社會」的關鍵績效指標只屬建議披露條文；因此，本集團選擇不披露該等關鍵績效指標。



德勤

**TO THE SHAREHOLDERS OF  
SHANDONG WEIGAO GROUP MEDICAL POLYMER  
COMPANY LIMITED**

**山東威高集團醫用高分子製品股份有限公司**

*(A joint stock limited company established in the People's Republic of China)*

**致山東威高集團醫用高分子製品股份有限公司股東**

*(於中華人民共和國成立的股份有限公司)*

**OPINION**

We have audited the consolidated financial statements of Shandong Weigao Group Medical Polymer Company Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 106 to 291, which comprise the consolidated statement of financial position as at 31 December 2018, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and 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 2018, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

**BASIS FOR OPINION**

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

**意見**

本行已完成審核第106至291頁所載山東威高集團醫用高分子製品股份有限公司(「貴公司」)及其附屬公司(統稱為「貴集團」)的綜合財務報表，該等綜合財務報表包括於二零一八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入報表、綜合權益變動報表及綜合現金流量報表，及該等綜合財務報表附註(包括主要會計政策的概要)。

本行認為，綜合財務報表按照香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實及公平地反映貴集團於二零一八年十二月三十一日的綜合財務狀況，以及截至該日止年度的綜合財務表現及其綜合現金流量狀況，並已依據香港公司條例的披露規定妥為編製。

**意見基準**

本行是按照香港會計師公會頒佈的香港核數準則(「香港核數準則」)進行審核工作。本行於該等標準項下之責任進一步詳述於本報告「核數師就審核綜合財務報表須承擔的責任」一節。根據香港會計師公會的專業會計師道德守則(「守則」)，本行獨立於貴集團，並根據守則履行吾等其他道德責任。本行相信，吾等所取得的審核憑證已足夠及適當地為吾等的審核意見提供基礎。

## KEY AUDIT MATTERS

## 關鍵審核事項

Key audit matters are those matters that, in our professional judgment, 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.

關鍵審核事項為吾等的專業判斷中，審核本期綜合財務報表中最重要的事項。本行於審核整體綜合財務報表及就此形成意見時處理此等事項，而不會就此等事項單獨發表意見。

### Key audit matter 關鍵審核事項

### How our audit addressed the key audit matter 處理關鍵審核事項之方法

#### Fair value determination of the intangible assets 釐定無形資產的公平值

We identified the fair value determination of the intangible assets acquired in the acquisition of Argon Medical Devices Holding, Inc. ("Argon") amounting to RMB2,413,139,000 as a key audit matter due to its significance to the consolidated financial statements and the significant management estimate involved in determining the fair value of the intangible assets.

吾等已確認釐定收購愛琅醫療器械控股有限公司（「愛琅」）中所收購無形資產的公平值（金額為人民幣2,413,139,000元）作為關鍵審核事項，因為其對於綜合財務報表具有重大影響及釐定無形資產公平值時涉及重大的管理層估計。

The fair value of the intangible assets acquired in the acquisition of Argon is disclosed in notes 18 and 38 to the consolidated financial statements.

收購愛琅中所收購無形資產的公平值於綜合財務報表附注18及38中披露。

The fair values of the intangible assets acquired in the transaction are determined by reference to the valuation performed by an independent external valuer which required the exercise of significant judgement and estimation including discount rate and revenue growth rates.

交易中所收購無形資產的公平值乃參考獨立外部估值師所進行的估值釐定，該估值需要行使重大判斷及估計，包括貼現率及收入增長率。

Our audit procedures in relation to fair value determination of the intangible assets included:

吾等就釐定無形資產的公平值的審核程序包括：

- Evaluating the competence, capabilities, and objectivity of the external valuer;
- 評估外部估值師的權限、能力及客觀性；
- Evaluating the valuation methodology and long-term growth rate with the assistance of our internal valuation specialists;
- 在內部估值專家的協助下評估估值方法及長期增長率；
- Evaluating the discount rate, including developing a range of independent estimates and comparing those with the discount rate selected by management, with the assistance of our internal valuation specialists; and
- 在我們內部估值專家的協助下評估貼現率，包括編制一系列獨立估算，並將其與管理層選擇的貼現率比較；及
- Evaluating the revenue growth rates, by comparing with the historical performance and industry data.
- 通過與過往表現及行業數據比較評估收入增長率。

**KEY AUDIT MATTERS** (continued)

**關鍵審核事項** (續)

**Key audit matter** (continued)

**關鍵審核事項** (續)

**How our audit addressed the key audit matter**  
(continued)

**處理關鍵審核事項之方法** (續)

**Impairment assessment of goodwill**

**商譽減值評估**

We identified impairment assessment of the goodwill arising from acquisition of Argon amounting to RMB3,136,169,000 as a key audit matter due to its significance to the consolidated financial statements and the significant management estimate involved in assessing the impairment of goodwill.

吾等已確認收購愛琅產生的商譽(金額為人民幣3,136,169,000元)減值評估作為關鍵審核事項,因為其對於綜合財務報表具有重大影響及評估商譽減值時涉及重大的管理層估計。

In estimating the recoverable amount of the cash generating units to which goodwill have been allocated, the management has made a number of significant assumptions in the value in use calculation. The key assumptions mainly include discount rate and revenue growth rates applied.

於估計商譽獲分配的現金產生單位之可回收金額時,管理層於使用價值計算中使用若干重大假設。關鍵假設主要包括所使用的貼現率和收入增長率。

Details of significant judgments and assumptions in the impairment assessment are disclosed in notes 5 and 22 to the consolidated financial statements.

減值評估中的重大判斷及假設詳情於綜合財務報表附註5及22中披露。

Our procedures in relation to the impairment assessment of the goodwill arising from acquisition of Argon included:

吾等就收購愛琅產生的商譽減值評估的審核程序包括:

- Understanding the key assumptions adopted in estimating the recoverable amount through enquiries with the management;
- 通過諮詢管理層了解估計可回收金額時採納的關鍵假設;
- Evaluating the valuation methodology and assumption of discount rate used in determining the recoverable amount; and
- 評估釐定可回收金額所用估值方法及貼現率假設;
- Evaluating the revenue growth rates by comparing with historical performance, industry data, relevant operation plans and the forecasts prepared at the time of acquisition.
- 通過與過往表現、行業數據、相關經營計劃及收購時編制的預測比較評估收入增長率。

# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告書

### OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

### RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### 其他資料

貴公司董事對其他資料負責。其他資料包括年報內所載的資料，惟不包括綜合財務報表及吾等就此作出之核數師報告。

吾等對綜合財務報表作出的意見並未涵蓋其他資料。吾等不對其他資料發表任何形式的核證結論。

就審核綜合財務報表而言，吾等的責任是閱讀其他資料，從而考慮其他資料是否與綜合財務報表或吾等在審核過程中獲悉的資料存在重大不符，或似乎存在重大錯誤陳述。倘若吾等基於已完成的工作認為其他資料出現重大錯誤陳述，吾等須報告該事實。吾等就此並無任何事項須報告。

### 董事及治理層就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製真實而公平的綜合財務報表，並對董事認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，董事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，以及使用持續經營為會計基礎，除非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。

治理層須負責監督貴集團的財務報告過程。

## 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 solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional skepticism 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.

## 核數師就審核綜合財務報表須承 擔的責任

本行的目標乃對綜合財務報表整體是否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，並出具包括本行意見的核數師報告，並按照協定的委聘條款僅向閣下（作為整體）報告，除此之外本報告別無其他目的。本行概不就本報告的內容對任何其他人士負責或承擔責任。合理保證為高水平的保證，但不能保證按照香港審核準則進行的審核總能發現重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，如果合理預期其單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

作為根據香港審核準則進行審核其中一環，本行運用專業判斷，保持專業懷疑態度。本行亦：

- 識別及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，作為本行意見的基礎。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出現重大錯誤陳述的風險高於未能發現因錯誤而導致出現重大錯誤陳述的風險。
- 瞭解與審核相關的內部控制，以設計在有關情況下屬適當的審核程序，但目的並非對貴集團內部控制的有效性發表意見。



**AUDITOR'S RESPONSIBILITIES FOR THE  
AUDIT OF THE CONSOLIDATED FINANCIAL  
STATEMENTS** (continued)

- 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.
  - 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.
- 評估董事所採用會計政策的適當性以及作出會計估計及相關披露的合理性。
  - 對董事採用持續經營會計基礎的適當性作出結論，並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。倘本行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，則修訂本行的意見。本行的結論乃基於直至核數師報告日止所取得的審核憑證。然而，未來事項或情況可能導致貴集團不能持續經營業務。
  - 評估綜合財務報表的整體列報方式、結構及內容（包括披露）事項以及綜合財務報表是否公平反映相關交易及事項。
  - 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。本行負責貴集團審核的方向、監督及執行。本行為審核意見承擔全部責任。

**核數師就審核綜合財務報表須承  
擔的責任（續）**

**AUDITOR'S RESPONSIBILITIES FOR THE  
AUDIT OF THE CONSOLIDATED FINANCIAL  
STATEMENTS** (continued)

We communicate with those charged with governance 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 those charged with governance 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, related safeguards.

From the matters communicated with those charged with governance, 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 the independent auditor's report is Tung Wai Lung Ricky.

**Deloitte Touche Tohmatsu**  
*Certified Public Accountants*  
Hong Kong

27 March 2019

**核數師就審核綜合財務報表須承  
擔的責任 (續)**

本行與治理層溝通審核的計劃範圍及時間以及重大審核發現等，其中包括本行在審核中識別出內部控制的任何重大不足之處。

本行亦向治理層提交聲明，表明本行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被認為會影響本行獨立性的所有關係及其他事項以及在適用的情況下相關的防範措施。

從與治理層溝通的事項中，本行確定該等對本期綜合財務報表的審計最為重要的事項，因而構成關鍵審計事項。本行在核數師報告中闡釋該等事項，除非法律或規例不允許公開披露該等事項，或在極端罕見的情況下，合理預期倘於本行之報告中註明某事項造成的負面後果超過產生的公眾利益，則本行決定不應在報告中註明該事項。

出具獨立核數師報告的審核項目合夥人為董偉龍。

**德勤•關黃陳方會計師行**  
*執業會計師*  
香港

二零一九年三月二十七日

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收入報表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

		NOTES	2018 RMB'000	2017 RMB'000 (restated)
		附註	二零一八年 人民幣千元	二零一七年 人民幣千元 (經重列)
Continuing operations	持續經營業務			
Revenue	收入	6	<b>8,808,861</b>	6,292,641
Cost of sales	銷售成本		<b>(3,419,707)</b>	(2,299,818)
Gross profit	毛利		<b>5,389,154</b>	3,992,823
Other income, gains and losses	其他收入、收益及虧損	7	<b>316,192</b>	172,793
Selling and distribution costs	銷售及分銷成本		<b>(2,438,194)</b>	(1,922,146)
Administrative expenses	行政開支		<b>(929,612)</b>	(421,491)
Research and development expenses	研發開支		<b>(311,163)</b>	(273,825)
Finance costs	融資成本	8	<b>(284,408)</b>	(23,889)
Share of profit of an associate	應佔一間聯營公司盈利		<b>33,246</b>	–
Gain on disposal of a subsidiary	出售一間附屬公司之收益	39	–	1,346
Profit before taxation	除稅前溢利		<b>1,775,215</b>	1,525,611
Income tax expense	所得稅開支	9	<b>(258,431)</b>	(224,399)
Profit for the year from continuing operations	持續經營業務之年內溢利	10	<b>1,516,784</b>	1,301,212
Discontinued operation	已終止經營業務			
Profit for the year from discontinued operation	已終止經營業務之年內溢利	11	–	524,121
Profit for the year	年內溢利		<b>1,516,784</b>	1,825,333
Other comprehensive income (expense)	其他全面收入(開支)			
<i>Item that may be reclassified subsequently to profit or loss:</i>	<i>其後可重新分類至損益之項目:</i>			
Exchange differences arising on translation of foreign operations – subsidiaries	換算海外業務產生之匯兌差額 – 附屬公司		<b>124,999</b>	(7,769)
Total comprehensive income for the year	年內全面收入總額		<b>1,641,783</b>	1,817,564
Profit for the year attributable to owners of the Company	年內溢利下列各項應佔:			
– from continuing operations	– 來自持續經營業務		<b>1,472,935</b>	1,255,220
– from discontinued operation	– 來自已終止經營業務		–	473,440
Profit for the year attributable to owners of the Company	本公司擁有人應佔年內溢利		<b>1,472,935</b>	1,728,660

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收入報表

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

		NOTE	2018 RMB'000 二零一八年 人民幣千元	2017 RMB'000 (restated) 二零一七年 人民幣千元 (經重列)
		附註		
Profit for the year attributable to non-controlling interests	非控股權益應佔年內溢利			
– from continuing operations	– 來自持續經營業務		<b>43,849</b>	45,992
– from discontinued operation	– 來自已終止經營業務		–	50,681
Profit for the year attributable to non-controlling interests	非控股權益應佔年內溢利		<b>43,849</b>	96,673
			<b>1,516,784</b>	1,825,333
Total comprehensive income for the year attributable to:	全面收入總額			
Owners of the Company	下列各項應佔： 本公司擁有人		<b>1,585,730</b>	1,720,891
Non-controlling interests	非控股權益		<b>56,053</b>	96,673
			<b>1,641,783</b>	1,817,564
Earnings per share	每股盈利			
From continuing and discontinued operations	來自持續及 已終止經營業務			
Basic (RMB per share)	基本（每股人民幣元）	14	<b>0.33</b>	0.39
Diluted (RMB per share)	攤薄（每股人民幣元）		<b>0.33</b>	0.39
From continuing operations	來自持續經營業務			
Basic (RMB per share)	基本（每股人民幣元）	14	<b>0.33</b>	0.28
Diluted (RMB per share)	攤薄（每股人民幣元）		<b>0.33</b>	0.28

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31 December 2018 於二零一八年十二月三十一日

		NOTES	2018 RMB'000	2017 RMB'000 (restated)
		附註	二零一八年 人民幣千元	二零一七年 人民幣千元 (經重列)
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	15	<b>4,468,162</b>	3,912,137
Investment properties	投資物業	16	<b>131,476</b>	186,956
Deposits paid for acquiring property, plant and equipment	就收購物業、廠房及設備之已付按金		<b>143,295</b>	69,865
Prepaid lease payments	預付租賃款項	17	<b>386,869</b>	405,035
Intangible assets	無形資產	18	<b>2,409,736</b>	41,947
Interests in an associate	於一間聯營公司的權益	19	<b>970,746</b>	937,500
Available-for-sale investments	可供出售投資	20	–	81,517
Financial assets at fair value through profit or loss	按公平值計入損益計量之金融資產	21	<b>107,339</b>	–
Goodwill	商譽	22	<b>3,339,069</b>	202,900
Deferred tax assets	遞延稅項資產	23	<b>78,093</b>	60,628
Finance lease receivables	應收融資租賃款項	24	<b>293,361</b>	354,081
Loan receivables	應收貸款	25	<b>941,201</b>	1,474,260
			<b>13,269,347</b>	7,726,826
Current assets	流動資產			
Inventories	存貨	26	<b>1,137,312</b>	805,562
Loan receivables	應收貸款	25	<b>896,585</b>	497,963
Trade and other receivables	應收貿易賬款及其他應收款項	27	<b>4,103,675</b>	3,683,676
Debt instruments at fair value through other comprehensive income	按公平值計入其他全面收益計量之債務工具	28	<b>349,531</b>	–
Finance lease receivables	應收融資租賃款項	24	<b>195,707</b>	186,259
Pledged bank deposits	已抵押銀行存款	29	<b>222,270</b>	96,178
Bank balances and cash	銀行結餘及現金	30	<b>3,812,446</b>	3,784,553
			<b>10,717,526</b>	9,054,191
Current liabilities	流動負債			
Trade and other payables	應付貿易賬款及其他應付款項	31	<b>2,800,218</b>	2,022,113
Contract liabilities	合約負債	32	<b>96,297</b>	–
Borrowings	借款	33	<b>130,925</b>	97,906
Tax payable	應付稅項		<b>179,211</b>	75,976
Deferred income	遞延收入	34	<b>5,844</b>	4,158
Loans from the ultimate holding company	來自最終控股公司貸款	35	<b>114,234</b>	103,311
			<b>3,326,729</b>	2,303,464
Net current assets	流動資產淨額		<b>7,390,797</b>	6,750,727
Total Assets less Current Liabilities	總資產減流動負債		<b>20,660,144</b>	14,477,553

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31 December 2018 於二零一八年十二月三十一日

		NOTES	<b>2018</b> <b>RMB'000</b>	2017 RMB'000 (restated)
		附註	<b>二零一八年</b> <b>人民幣千元</b>	二零一七年 人民幣千元 (經重列)
Capital and reserves	資本及儲備			
Share capital	股本	36	<b>452,233</b>	452,233
Reserves	儲備		<b>14,062,340</b>	12,882,272
Equity attributable to owners of the Company	本公司擁有人應佔權益		<b>14,514,573</b>	13,334,505
Non-controlling interests	非控股權益		<b>676,327</b>	303,945
Total equity	權益總額		<b>15,190,900</b>	13,638,450
Non-current liabilities	非流動負債			
Borrowings	借款	33	<b>5,092,889</b>	804,271
Deferred income	遞延收入	34	<b>36,789</b>	34,832
Deferred tax liabilities	遞延稅項負債	23	<b>339,566</b>	-
			<b>5,469,244</b>	839,103
			<b>20,660,144</b>	14,477,553

The consolidated financial statements on pages 106 to 291 were approved and authorised for issue by the Board of Directors on 27 March 2019 and are signed on its behalf by:

第106至291頁的綜合財務報表已獲董事會於二零一九年三月二十七日批准及授權刊發，並由以下董事代表董事會簽署：

**Zhang Hua Wei**  
**張華威**

DIRECTOR  
董事

**Long Jing**  
**龍經**

DIRECTOR  
董事

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動報表

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

		Attributable to owners of the Company 本公司擁有人應佔									
		Share capital	Share premium reserve	Statutory surplus reserve	Translation reserve	Share-based payments reserve	Other reserves	Retained profits	Total	Non-controlling interests	Total Equity
		RMB'000	RMB'000	RMB'000 (Note a)	RMB'000	RMB'000	RMB'000 (Note b)	RMB'000	RMB'000	RMB'000	RMB'000
		股本	股份溢價儲備	法定盈餘儲備	匯兌儲備	以股份為基礎付款儲備	其他儲備	保留溢利	總計	非控股權益	權益總額
		人民幣千元	人民幣千元	人民幣千元 (附註a)	人民幣千元	人民幣千元	人民幣千元 (附註b)	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2017	於二零一七年一月一日	452,233	2,575,060	257,956	14,520	23,847	335,768	8,207,193	11,866,577	338,687	12,205,264
Profit for the year (restated)	本年度溢利(經重列)	-	-	-	-	-	-	1,728,660	1,728,660	96,673	1,825,333
Exchange differences arising on translation of foreign operations - subsidiaries	換算海外業務產生的匯兌差額 - 附屬公司	-	-	-	(7,769)	-	-	-	(7,769)	-	(7,769)
Total comprehensive income (expense) for the year (restated)	年內全面收入(開支)總額(經重列)	-	-	-	(7,769)	-	-	1,728,660	1,720,891	96,673	1,817,564
Capital contribution by non-controlling shareholders (restated)	非控股股東注資(經重列)	-	-	-	-	-	185,153	-	185,153	385,298	570,451
Adjustments for the business combination under common control (restated)	就同一控制下的企業合併做出的調整(經重列)	-	-	-	-	-	(2,402)	-	(2,402)	(1,506)	(3,908)
Disposal of a subsidiary	出售一間附屬公司	-	-	-	-	-	(62,729)	-	(62,729)	(515,207)	(577,936)
Share-based payments (note 37)	以股份為基礎付款(附註37)	-	-	-	-	25,412	-	-	25,412	-	25,412
Dividends recognised as distribution (note 13)	確認為分派的股息(附註13)	-	-	-	-	-	-	(398,397)	(398,397)	-	(398,397)
At 31 December 2017 (restated)	於二零一七年十二月三十一日(經重列)	452,233	2,575,060	257,956	6,751	49,259	455,790	9,537,456	13,334,505	303,945	13,638,450
Profit for the year	本年度溢利	-	-	-	-	-	-	1,472,935	1,472,935	43,849	1,516,784
Exchange differences arising on translation of foreign operations - subsidiaries	換算海外業務產生的匯兌差額 - 附屬公司	-	-	-	112,795	-	-	-	112,795	12,204	124,999
Total comprehensive income for the year	年內全面收入總額	-	-	-	112,795	-	-	1,472,935	1,585,730	56,053	1,641,783
Capital contribution by non-controlling shareholders	非控股股東注資	-	-	-	-	-	(5,890)	-	(5,890)	314,850	308,960
Business combination under common control	同一控制下的業務合併	-	-	-	-	-	(3,658)	-	(3,658)	(858)	(4,516)
Share-based payments (note 37)	以股份為基礎付款(附註37)	-	-	-	-	39,684	-	-	39,684	2,337	42,021
Repurchase of shares under a share award scheme (note 37)	根據股份激勵計劃回購股份(附註37)	-	-	-	-	(13,785)	3,242	-	(10,543)	-	(10,543)
Dividends recognised as distribution (note 13)	確認為分派的股息(附註13)	-	-	-	-	-	-	(425,255)	(425,255)	-	(425,255)
At 31 December 2018	於二零一八年十二月三十一日	452,233	2,575,060	257,956	119,546	75,158	449,484	10,585,136	14,514,573	676,327	15,190,900

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動報表

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

Notes:

- (a) The Articles of Association of the Company and its subsidiaries established in PRC (as defined in note 1) require the appropriation of 10% of profit after taxation (prepared under the generally accepted accounting principles in the PRC) each year to the statutory surplus reserve until the balance reaches 50% of the registered share capital. According to the provisions of the Articles of Association of the PRC companies, in normal circumstances, the statutory surplus reserve shall only be used for making up losses, capitalisation into capital and expansion of its production and operation. For the capitalisation of statutory surplus reserve into capital, the remaining amount of such reserve shall not be less than 25% of the registered capital.
- (b) Other reserves mainly represent the difference between the amounts by which the non-controlling interests are adjusted and the fair value of the consideration paid to acquire the additional interest in subsidiaries, and the cost of the ordinary shares held by the trustees under a share award scheme.

During the year ended 31 December 2017, the amount of RMB185,153,000 resulted from the capital contribution by non-controlling shareholders of Weihai Weigao Blood Purification products Company ("Weigao Blood Purification") under the subscription agreement, as detailed in note 19.

附註：

- (a) 本公司及其於中國成立之附屬公司的組織章程細則（定義見附註1）規定將其各年除稅後溢利（根據中國公認會計原則編製）的10%分派至法定盈餘儲備，直至法定盈餘儲備的結餘達註冊股本的50%為止。根據中國公司的組織章程細則的條文規定，在一般情況下，法定盈餘儲備僅可用作彌補虧損、撥充股本及擴充生產及營運。將法定盈餘儲備撥充股本後，該儲備的餘額不得低於註冊股本的25%。
- (b) 其他儲備主要指就收購附屬公司額外權益經調整的非控股權益的金額與所支付的代價的公平值之間的差額，及受託人根據股份獎勵計劃持有普通股的成本之間的差額。

截至二零一七年十二月三十一日止年度，金額人民幣185,153,000元產生自威海威高血液淨化製品有限公司（「威高血液淨化」）非控股股東根據認購協議注資（如附註19所詳述）。



# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量報表

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

		2018 RMB'000 二零一八年 人民幣千元	2017 RMB'000 (restated) 二零一七年 人民幣千元 (經重列)
<b>OPERATING ACTIVITIES</b>			
Profit before taxation from continuing and discontinued operations	經營業務 來自持續及已終止經營業務 除稅前溢利	<b>1,775,215</b>	2,084,019
Adjustments for:	經作出下列調整:		
Interest income	利息收入	<b>(125,171)</b>	(56,170)
Finance costs	融資成本	<b>284,408</b>	58,372
Depreciation of property, plant and equipment	物業、廠房及設備折舊	<b>344,551</b>	357,093
Depreciation of investment properties	投資物業折舊	<b>2,959</b>	4,229
Prepaid lease payments charged to profit or loss	從損益中扣除的 預付租賃款項	<b>13,492</b>	11,003
Allowances for credit losses	信貸虧損撥備	<b>17,911</b>	37,688
Allowances for inventories	存貨撥備	<b>611</b>	1,712
Amortisation of intangible assets	無形資產攤銷	<b>215,048</b>	3,687
Amortisation of sponsorship rights	贊助權利攤銷	<b>-</b>	4,600
Share-based payment expenses	以股份為基礎之付款開支	<b>42,021</b>	25,412
Share of loss (profit) of an associate and joint ventures	應佔聯營公司及 合營公司虧損(溢利)	<b>(33,246)</b>	23,904
Gain on disposal of subsidiaries	出售附屬公司之收益	<b>-</b>	(392,414)
Loss on disposal of property, plant and equipment	出售物業、廠房及 設備之虧損	<b>2,044</b>	1,684
Release of deferred income	遞延收入付回	<b>(4,654)</b>	(15,281)
Gain from changes in fair value of financial assets at fair value through profit or loss	按公平值計入損益計量之 金融資產公平值變動收益	<b>(17,603)</b>	-
Exchange gain	匯兌收益	<b>(20,692)</b>	(249)
		<b>2,496,894</b>	2,149,289
Movements in working capital	營運資金變動		
Increase in inventories	存貨增加	<b>(52,173)</b>	(97,884)
Increase in trade and other receivables	應收貿易賬款及 其他應收款項增加	<b>(444,537)</b>	(73,415)
Decrease (increase) in finance lease receivables	應收融資租賃款項 減少(增加)	<b>55,778</b>	(4,298)
Increase in loan receivables	應收貸款增加	<b>-</b>	(350,000)
Increase in debt instruments at fair value through other comprehensive income	按公平值計入其他全面收益 計量之債務工具增加	<b>(107,933)</b>	-
Increase (decrease) in trade and other payables	應付貿易賬款及 其他應付款項增加(減少)	<b>470,797</b>	(63,335)
Increase in contract liabilities	合約負債增加	<b>32,873</b>	-
Increase in deferred income	遞延收入增加	<b>8,297</b>	800
Cash generated from operations	經營所得現金	<b>2,459,996</b>	1,561,157
Income taxes paid	已付所得稅	<b>(240,800)</b>	(295,297)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>經營業務所得現金淨額</b>	<b>2,219,196</b>	1,265,860

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量報表

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

	<b>2018</b>	2017
	<b>RMB'000</b>	RMB'000
	<b>二零一八年</b>	二零一七年
	<b>人民幣千元</b>	人民幣千元
		(restated)
		(經重列)
<b>INVESTING ACTIVITIES</b>	<b>投資業務</b>	
Purchases of property, plant and equipment	(651,495)	(1,358,944)
Purchases of intangible assets	(690)	-
Deposits paid for acquiring property, plant and equipment	(143,295)	(69,865)
Addition of prepaid lease payments	-	(83,837)
Net cash outflow on acquisition of a subsidiary (note 38)	(5,420,082)	(39,648)
Proceeds from disposal of property, plant and equipment	18,880	19,922
Interest received	54,325	45,807
Withdrawal of pledged bank deposits	1,497,849	220,882
Placement of pledged bank deposits	(1,623,941)	(280,080)
Purchase of available-for-sale investments	-	(585,573)
Purchase of financial assets at fair value through profit or loss	(8,745)	-
Payments for loans	(10,000)	(44,000)
Disposal of available-for-sale investments	-	543,000
Repayment of loans	200,123	-
Net cash outflow on disposal of subsidiaries (note 39)	-	(175,721)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>投資業務所用現金淨額</b>	<b>(6,087,071)</b>
<b>FINANCING ACTIVITIES</b>	<b>融資業務</b>	
Repayments of borrowings	(1,498,447)	(362,810)
New borrowings raised	5,557,599	603,787
Interest paid	(271,133)	(59,472)
Dividends paid	(217,904)	(490,555)
Capital contribution by non-controlling shareholders	308,960	570,451
New loans raised from the ultimate holding company	10,535	-
Repurchase of shares under a share award scheme	(10,543)	-
Net cash flow on the business combination under common control (note 3)	(4,516)	997
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>融資業務產生之現金淨額</b>	<b>3,874,551</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物</b>	
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>增加(減少)淨額</b>	<b>6,676</b>
Effect of foreign exchange rate changes	21,217	(7,520)
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR, represented by bank balances and cash</b>	<b>於年初的現金及現金等價物</b>	<b>3,784,553</b>
	<b>於年末的現金及現金等價物，指銀行結餘及現金</b>	<b>4,071,892</b>
	<b>3,812,446</b>	<b>3,784,553</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 1. GENERAL

Shandong Weigao Group Medical Polymer Company Limited (the “Company”) was established and registered as a joint stock company with limited liability in the People’s Republic of China (the “PRC”) under the Company Law of the PRC on 28 December 2000 and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its immediate and ultimate holding company is Weigao Holding Company Limited (“Weigao Holding”), a company registered in the PRC with limited liability. Its ultimate controlling party is Chen Xue Li. The address of the registered office and principal place of business of the Company is No. 18, Xing Shan Road, Weihai, Shandong Province, PRC.

The Company and its subsidiaries (hereinafter collectively referred to as the “Group”) are principally engaged in the research and development, production and sale of medical device products, orthopaedic products, interventional products, pharma packaging products and blood management products, and operate financing business.

The consolidated financial statements are presented in Renminbi (“RMB”), which is the functional currency of the Company.

### 1. 概述

山東威高集團醫用高分子製品股份有限公司（「本公司」）於二零零零年十二月二十八日根據中華人民共和國（「中國」）公司法在中國成立及註冊為股份有限公司，及其股份於香港聯合交易所有限公司（「聯交所」）主板上市。本公司直接及最終控股公司為威高集團有限公司（「威高集團公司」），其為於中國註冊的有限責任公司。其最終控股人士為陳學利先生。本公司之註冊辦事處及主要營業地點為中國山東省威海興山路18號。

本公司及其附屬公司（以下統稱「本集團」）主要從事研究及開發、生產及銷售醫療器械、骨科產品、介入產品、藥品包裝產品及血液管理產品，及經營融資業務。

綜合財務報表以本公司的功能貨幣人民幣（「人民幣」）呈列。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

## 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

### New and amendments to HKFRSs that are mandatorily effective for the current year

The Group has applied the following new and amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time in the current year:

HKFRS 9	<i>Financial Instruments</i>
HKFRS 15	<i>Revenue from Contracts with Customers and the related Amendments</i>
HK(IFRIC)-Int 22	<i>Foreign Currency Transactions and Advance Consideration</i>
Amendments to HKFRS 2	<i>Classification and Measurement of Share-based Payment Transactions</i>
Amendments to HKFRS 4	<i>Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts</i>
Amendments to HKAS 28	<i>As part of the Annual Improvements to HKFRSs 2014-2016 Cycle</i>
Amendments to HKAS 40	<i>Transfers of Investment Property</i>

Except as described below, the application of the new and amendments to HKFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

## 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

### 於本年度強制生效的新訂及經修訂香港財務報告準則

於本年度，本集團已首次應用香港會計師公會（「香港會計師公會」）頒佈的下列香港財務報告準則修訂本：

香港財務報告準則第9號	金融工具
香港財務報告準則第15號	客戶合約收入及相關修訂
香港（國際財務報告詮釋委員會）第22號	外幣交易及預付代價
香港財務報告準則第2號（修訂）	以股份為基礎之付款交易的分類與計量
香港財務報告準則第4號（修訂）	應用香港財務報告準則第9號金融工具與香港財務報告準則第4號保險合約
香港會計準則第28號（修訂）	作為香港財務報告準則二零一四年至二零一六年週期之年度改進之一部分
香港會計準則第40號（修訂）	轉讓投資物業

除下文所述者外，本年度內應用新訂香港財務報告準則及香港財務報告準則修訂本並無對本集團於本年度及過往年度的財務表現及狀況及／或該等綜合財務報表所載披露造成重大影響。

## 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

### **HKFRS 15 Revenue from Contracts with Customers**

The Group has applied HKFRS 15 for the first time in the current year. HKFRS 15 superseded HKAS 18 Revenue, HKAS 11 Construction Contracts and the related interpretations.

The Group has applied HKFRS 15 retrospectively with the cumulative effect of initially applying this Standard recognised at the date of initial application, 1 January 2018. Any difference at the date of initial application is recognised in the opening retained profits and comparative information has not been restated. Furthermore, in accordance with the transition provisions in HKFRS 15, the Group has elected to apply the Standard retrospectively only to contracts that are not completed at 1 January 2018. Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 18 Revenue and the related interpretations.

The Group recognises revenue from manufacturing and sales of medical products which arise from contracts with customers.

Information about the Group’s performance obligations and the accounting policies resulting from application of HKFRS 15 are disclosed in notes 6 and 4 respectively.

### **Summary of effects arising from initial application of HKFRS 15**

The transition to HKFRS15 has no material impact on the Group’s retained profits at 1 January 2018.

## 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

### **香港財務報告準則第15號客戶合約收入**

本集團已於本年度首次應用香港財務報告準則第15號。香港財務報告準則第15號已取代香港會計準則第18號收益、香港會計準則第11號建築合約及相關詮釋。

本集團已追溯應用香港財務報告準則第15號，而首次應用該準則之累計影響於二零一八年一月一日首次應用當日確認。於首次應用日期之任何差額已於期初保留溢利（或權益之其他部分，倘適用）中確認，且並無重列比較資料。此外，根據香港財務報告準則第15號之過渡條文，本集團選擇僅就於二零一八年一月一日尚未完成之合約追溯應用該準則。因此，由於比較資料乃根據香港會計準則第18號收入及相關詮釋編制，若干比較資料不能比較。

本集團確認與客戶簽訂合約產生的醫療產品製造及銷售收入。

有關本集團履約責任及應用香港財務報告準則第15號所產生的會計政策的資料分別於附註6及4披露。

### **初次應用香港財務報告準則第15號之影響概述**

過渡至香港財務報告準則第15號對本集團於二零一八年一月一日的保留溢利並無重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

**2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)**

**HKFRS 15 Revenue from Contracts with Customers (continued)**

**Summary of effects arising from initial application of HKFRS 15 (continued)**

The following adjustments were made to the amounts recognised in the consolidated statement of financial position at 1 January 2018. Line items that were not affected by the changes have not been included.

**2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）**

**香港財務報告準則第15號客戶合約收入（續）**

**初次應用香港財務報告準則第15號之影響概述（續）**

於二零一八年一月一日綜合財務狀況表中確認的金額予以下列調整。未列示未受變更影響的項目。

		Carrying amounts previously reported at 31 December 2017 RMB'000 (restated)	Reclassification RMB'000	Carrying amounts under HKFRS 15 at 1 January 2018* RMB'000
		於二零一七年十二月三十一日 先前呈報的 賬面值 人民幣千元 (經重列)	重新分類 人民幣千元	於二零一八年一月一日 國際財務報告 準則第15號 項下賬面值* 人民幣千元
Trade and other payables	應付貿易賬款及其他應付款項	2,022,113	(63,424)	1,958,689
Contract liabilities	合約負債	-	63,424	63,424
		2,022,113	-	2,022,113

\* The amounts in this column are before the adjustments from the application of HKFRS 9.

Note: As at 1 January 2018, advances from customers of RMB63,424,000 in respect of contracts previously included in trade and other payables were reclassified to contract liabilities.

The following tables summarise the impacts of applying HKFRS 15 on the Group's consolidated statement of financial position as at 31 December 2018 and its consolidated statement of cash flows for the current year. Line items that were not affected by the changes have not been included. There was no material impact on the consolidated statement of profit or loss and other comprehensive income for the current year.

\* 本欄中的金額乃於因應用香港財務報告準則第9號作出調整前的金額。

附註：於二零一八年一月一日，應付貿易賬款及其他應付款項中之前所含合約的相關來自客戶墊款人民幣63,424,000元已重新分類為合約負債。

以下列表概述應用香港財務報告準則第15號對本集團於二零一八年十二月三十一日之綜合財務狀況表及其本年度綜合現金流量報表的影響。未列示未受變更影響的項目。本年度的綜合損益及其他全面收入報表並無受到重大影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

#### HKFRS 15 Revenue from Contracts with Customers (continued)

#### Summary of effects arising from initial application of HKFRS 15 (continued)

Impact on the consolidated statement of financial position

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 香港財務報告準則第15號客戶合約收入（續）

#### 初次應用香港財務報告準則第15號之影響概述（續）

對綜合財務狀況表之影響

		As reported RMB'000	Adjustments RMB'000	Amounts without application of HKFRS 15 RMB'000 無採用 香港財務報告 準則第15號 之金額 人民幣千元
		如呈報 人民幣千元	調整 人民幣千元	人民幣千元
Trade and other payables	應付貿易賬款及 其他應付款項	2,800,218	96,297	2,896,515
Contract liabilities	合約負債	96,297	(96,297)	–
		<u>2,896,515</u>	<u>–</u>	<u>2,896,515</u>

Impact on the consolidated statement of cash flows

對綜合現金流量報表的影響

		As reported RMB'000	Adjustments RMB'000	Amounts without application of HKFRS 15 RMB'000 無採用 香港財務報告 準則第15號 之金額 人民幣千元
		如呈報 人民幣千元	調整 人民幣千元	人民幣千元
Increase trade and other payables	應付貿易賬款及 其他應付款項增加	470,797	32,873	503,670
Increase in contract liabilities	合約負債增加	32,873	(32,873)	–
		<u>503,670</u>	<u>–</u>	<u>503,670</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

## 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

### HKFRS 9 *Financial Instruments*

In the current year, the Group has applied HKFRS 9 Financial Instruments and the related consequential amendments to other HKFRSs. HKFRS 9 introduces new requirements for 1) the classification and measurement of financial assets and financial liabilities, 2) expected credit losses (“ECL”) for financial assets, lease receivables and financial guarantee contracts and 3) general hedge accounting.

The Group has applied HKFRS 9 in accordance with the transition provisions set out in HKFRS 9, i.e. applied the classification and measurement requirements (including impairment under ECL model) retrospectively to instruments that have not been derecognised as at 1 January 2018 (date of initial application) and has not applied the requirements to instruments that have already been derecognised as at 1 January 2018. The difference between carrying amounts as at 31 December 2017 and the carrying amounts as at 1 January 2018 are recognised in the opening retained profits and other components of equity, without restating comparative information.

Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 39 Financial Instruments: Recognition and Measurement.

Accounting policies resulting from application of HKFRS 9 are disclosed in note 4.

## 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

### 香港財務報告準則第9號金融工具

於本年度，本集團已採用香港財務報告準則第9號金融工具及其他香港財務報告準則的相關相應修訂。香港財務報告準則第9號就1)金融資產及金融負債的分類及計量、2)金融資產的預期信貸虧損（「預期信貸虧損」）、應收租賃款項及金融擔保合約及3)一般對沖會計引入新規定。

本集團已根據香港財務報告準則第9號所載的過渡條文採用香港財務報告準則第9號，即將分類及計量規定（包括預期信貸虧損模式下的減值）追溯應用於二零一八年一月一日（首次應用日期）尚未取消確認的工具，且並無將該等規定應用於已於二零一八年一月一日取消確認的工具。於二零一七年十二月三十一日之賬面值與二零一八年一月一日之賬面值間的差額於期初保留溢利及其他權益組成部分中確認，並無重列比較資料。

由於若干比較資料乃根據香港會計準則第39號金融工具：確認及計量編製，因此，若干比較資料可能無法用作比較。

應用香港財務報告準則第9號產生的會計政策於附註4披露。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

#### HKFRS 9 *Financial Instruments* (continued)

#### Summary of effects arising from initial application of HKFRS 9

The table below illustrates the classification and measurement of financial assets and financial liabilities and other items subject to ECL under HKFRS 9 and HKAS 39 at the date of initial application, 1 January 2018.

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 香港財務報告準則第9號金融工具（續）

#### 初次應用香港財務報告準則第9號之影響概述

下表顯示根據香港財務報告準則第9號及香港會計準則第39號於首次應用日期二零一八年一月一日的金融資產及金融負債及受預期信貸虧損影響的其他項目的分類及計量。

	Available-for-sale investments RMB'000	Financial assets at FVTPL required by HKFRS 9 RMB'000	Debt instruments at FVTOCI RMB'000	Financial assets at amortised cost (previously classified as loans and receivables) RMB'000
	可供出售投資 人民幣千元	香港財務報告準則第9號規定的按公平值計入損益計量之金融資產 人民幣千元	按公平值計入其他全面收益計量之債務工具 人民幣千元	按攤銷成本計量之金融資產（過往分類為貸款及應收款項） 人民幣千元
Closing balance at 31 December 2017 – HKAS 39 (restated)	81,517	–	–	9,403,956
Effect arising from initial application of HKFRS 9: Reclassification	(81,517)	81,517	241,598	(241,598)
Opening balance at 1 January 2018	–	81,517	241,598	9,162,358

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

## 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

### HKFRS 9 *Financial Instruments* (continued)

#### *Summary of effects arising from initial application of HKFRS 9 (continued)*

##### (a) *Available-for-sale (“AFS”) investments*

From AFS investments to fair value through profit or loss (“FVTPL”)

At the date of initial application of HKFRS 9, the Group’s equity investment of RMB81,517,000 were reclassified from available-for-sale investments to financial assets at FVTPL. The carrying amounts of these financial assets approximated their fair values, so no fair value gain/loss was recognised as at 1 January 2018.

##### (b) *Loans and receivables*

As part of the Group’s cash flow management, the Group has the practice of endorsing some of the bills received before the bills are due for payment and derecognises bills endorsed on the basis that the Group has transferred substantially all risks and rewards to the relevant counterparties. Accordingly, the Group’s bills receivable of RMB241,598,000 were considered as within the hold to collect contractual cash flows and to sell business model, and reclassified to debt instruments at fair value through other comprehensive income (“FVTOCI”). No material fair value gain/loss was recognised as at 1 January 2018.

## 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

### 香港財務報告準則第9號金融工具（續）

#### 初次應用香港財務報告準則第9號之影響概述（續）

##### (a) 可供出售（「可供出售」）投資

由可供出售投資轉至按公平值計入損益計量

於首次應用香港財務報告準則第9號的日期，本集團權益投資人民幣81,517,000元已由可供出售投資重新分類至按公平值計入損益計量之金融資產。該等金融資產的賬面金額與其公平值相近，因此於二零一八年一月一日並無確認公平值損益。

##### (b) 貸款及應收款項

作為本集團現金流量管理其中一環，本集團的慣例為於票據到期前背書部分收到的票據並根據本集團已轉移絕大部分風險及回報予相關交易對手的基準終止確認已背書票據。因此，本集團的應收票據人民幣241,598,000元被視為在收取合約現金流量及出售業務模式內持有，並重新分類為按公平值計入其他全面收益計量（「按公平值計入其他全面收益計量」）之債務工具。於二零一八年一月一日，概無確認重大公平值損益。

**2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)** (continued)

**HKFRS 9 *Financial Instruments*** (continued)

***Summary of effects arising from initial application of HKFRS 9*** (continued)

(c) *Impairment under ECL model*

No material additional credit loss allowance was recognised on the Group’s retained profits upon application of expected credit loss approach on 1 January 2018.

**Impacts on opening consolidated statement of financial position arising from the application of all new standards**

As a result of the changes in the Group’s accounting policies above, the opening consolidated statement of financial position had to be restated. The following table show the adjustments recognised for each of the line items affected. Line items that were not affected by the changes have not been included.

**2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）**（續）

**香港財務報告準則第9號金融工具**（續）

**初次應用香港財務報告準則第9號之影響概述**（續）

(c) 根據預期信貸虧損模式的減值

於二零一八年一月一日採用預期信貸虧損方法後，概無就本集團的保留溢利確認重大額外信貸虧損撥備。

**應用所有新準則對期初綜合財務狀況表的影響**

由於上述本集團會計政策之變動，期初綜合財務狀況表須作重列。下表呈列就每個個別項目確認之調整。未列示未受變更影響的項目。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

**2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSS”) (continued)**

**2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）**

**Impacts on opening consolidated statement of financial position arising from the application of all new standards (continued)**

**應用所有新準則對期初綜合財務狀況表的影響（續）**

		31 December 2017 RMB'000 (Restated) 二零一七年 十二月 三十一日 人民幣千元 (經重列)	HKFRS 15 RMB'000 香港財務 報告準則 第15號 人民幣千元	HKFRS 9 RMB'000 香港財務 報告準則 第9號 人民幣千元	1 January 2018 RMB'000 (Restated) 二零一八年 一月一日 人民幣千元 (經重列)
<b>Non-Current Assets</b>	<b>非流動資產</b>				
Available-for-sale investments	可供出售投資	81,517	-	(81,517)	-
Financial assets at FVTPL	按公平值計入損益 計量之金融資產	-	-	81,517	81,517
<b>Current Assets</b>	<b>流動資產</b>				
Debt instruments at FVTOCI	按公平值計入其他全面 收益計量之債務工具	-	-	241,598	241,598
Trade and other receivables	應收貿易賬款及 其他應收款項	3,683,676	-	(241,598)	3,442,078
<b>Current Liabilities</b>	<b>流動負債</b>				
Trade and other payables	應付貿易賬款及 其他應付款項	2,022,113	(63,424)	-	1,958,689
Contract liabilities	合約負債	-	63,424	-	63,424

Note: For the purposes of reporting cash flows from operating activities under indirect method for the year ended 31 December 2018, movements in working capital have been computed based on opening consolidated statement of financial position as at 1 January 2018 as disclosed above.

附註：為以間接法報告截至二零一八年十二月三十一日止年度經營業務產生之現金流量，營運資金變動已按如上文披露於二零一八年一月一日之綜合財務狀況表之期初結餘計算。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

#### New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

HKFRS 16	<i>Leases</i> <sup>1</sup>
HKFRS 17	<i>Insurance Contracts</i> <sup>3</sup>
HK(IFRIC) – Int 23	<i>Uncertainty over Income Tax Treatments</i> <sup>1</sup>
Amendments to HKFRS 3	<i>Definition of a Business</i> <sup>4</sup>
Amendments to HKFRS 9	<i>Prepayment Features with Negative Compensation</i> <sup>1</sup>
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> <sup>2</sup>
Amendments to HKAS 1 and HKAS 8	<i>Definition of Material</i> <sup>5</sup>

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 已頒佈但尚未生效的新訂及經修訂香港財務報告準則

本集團並未提早應用以下已頒佈但尚未生效的新訂及經修訂香港財務報告準則：

香港財務報告準則第16號	租賃 <sup>1</sup>
香港財務報告準則第17號	保險合約 <sup>3</sup>
香港（國際財務報告詮釋委員會）— 詮釋第23號	所得稅處理之 不確定性 <sup>1</sup>
香港財務報告準則第3號（修訂）	業務的定義 <sup>4</sup>
香港財務報告準則第9號（修訂）	具有負補償之 提前還款特性 <sup>1</sup>
香港財務報告準則第10號及香港會計準則第28號（修訂）	投資者與其聯營 企業及合營企業 之間的資產 出售或注資 <sup>2</sup>
香港會計準則第1號及香港會計準則第8號之修訂	重要之定義 <sup>5</sup>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

**2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)**

**2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）**

**New and amendments to HKFRSs in issue but not yet effective (continued)**

**已頒佈但尚未生效的新訂及經修訂香港財務報告準則（續）**

Amendments to HKAS 19	<i>Plan Amendment, Curtailment or Settlement</i> <sup>1</sup>
Amendments to HKAS 28	<i>Long-term Interests in Associates and Joint Ventures</i> <sup>1</sup>
Amendments to HKFRSs	<i>Annual Improvements to HKFRSs 2015 – 2017 Cycle</i> <sup>1</sup>

香港會計準則第19號（修訂）	計畫修正、縮減或清償 <sup>1</sup>
香港會計準則第28號（修訂）	於聯營公司或合營企業之長期權益 <sup>1</sup>
香港財務報告準則的改進	香港財務報告準則二零一五年至二零一七年週期的年度改進 <sup>1</sup>

- <sup>1</sup> Effective for annual periods beginning on or after 1 January 2019.
- <sup>2</sup> Effective for annual periods beginning on or after a date to be determined.
- <sup>3</sup> Effective for annual periods beginning on or after 1 January 2021
- <sup>4</sup> Effective for business combinations and asset acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020
- <sup>5</sup> Effective for annual periods beginning on or after 1 January 2020

- <sup>1</sup> 於二零一九年一月一日或之後開始之年度期間生效。
- <sup>2</sup> 於待定日期或之後開始之年度期間生效。
- <sup>3</sup> 於二零二一年一月一日或之後開始之年度期間生效。
- <sup>4</sup> 對收購日期為二零二零年一月一日或之後開始的首個年度期間開始之日或之後之業務合併及資產收購有效
- <sup>5</sup> 於二零二零年一月一日或之後開始之年度期間生效。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

#### New and amendments to HKFRSs in issue but not yet effective (continued)

Except for the new and amendments to HKFRSs mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRSs and Interpretations will have no material impact on the consolidated financial statements in the foreseeable future.

#### HKFRS 16 Leases

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 Leases and the related interpretations when it becomes effective.

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. In addition, HKFRS 16 requires sales and leaseback transactions to be determined based on the requirements of HKFRS 15 as to whether the transfer of the relevant asset should be accounted as a sale. HKFRS 16 also includes requirements relating to subleases and lease modifications.

Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 已頒佈但尚未生效的新訂及經修訂香港財務報告準則（續）

除下文所述之新訂及經修訂香港財務報告準則外，本公司董事預期，應用所有其他新訂及經修訂香港財務報告準則於可見將來不會對綜合財務報表造成重大影響。

#### 香港財務報告準則第16號租賃

香港財務報告準則第16號就識別租賃安排以及出租人及承租人之會計處理引進一個綜合模式。香港財務報告準則第16號生效後將取代香港會計準則第17號租賃及相關詮釋。

香港財務報告準則第16號根據所識別資產是否由客戶控制來區分租賃及服務合約。此外，香港財務報告準則第16號規定售後租回交易根據香港財務報告準則第15號有關轉讓相關資產是否應作為銷售入賬的規定而釐定。香港財務報告準則第16號亦包括有關分租及租賃修改的規定。

除短期租賃及低值資產租賃外，經營租賃及融資租賃的差異自承租人會計處理中移除，並由承租人須就所有租賃確認使用權資產及相應負債的模式替代。

## 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

### HKFRS 16 *Leases* (continued)

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents upfront prepaid lease payments as investing cash flows in relation to leasehold lands for owned use and those classified as investment properties while other operating lease payments are presented as operating cash flows. Upon application of HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing and operating cash flows respectively by the Group, upfront prepaid lease payments will continue to be presented as investing or operating cash flows in accordance to the nature, as appropriate.

Under HKAS 17, the Group has already recognised prepaid lease payments for leasehold lands where the Group is a lessee. The application of HKFRS 16 may result in potential changes in classification of these assets depending on whether the Group presents right-of-use assets separately or within the same line item at which the corresponding underlying assets would be presented if they were owned.

## 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

### 香港財務報告準則第16號租賃（續）

使用權資產初步按成本計量，並隨後以成本（惟若干例外情況除外）減累計折舊及減值虧損計量，並就租賃負債之任何重新計量作出調整。租賃負債初步按租賃付款（非當日支付）之現值計量。隨後，租賃負債就（其中包括）利息及租賃付款以及租賃修訂的影響作出調整。就現金流量分類而言，本集團目前將前期預付租賃款項列作與自用租賃土地及分類為投資物業的租賃土地有關的投資現金流量，其他經營租賃付款則列作經營現金流量。於應用香港財務報告準則第16號時，有關租賃負債的租賃付款將分配至本金及利息部分，分別列作融資及經營現金流量，而預付租賃款項將繼續按性質呈列為投資或經營現金流（如適用）。

根據香港會計準則第17號，本集團已就其作為承租人之確認租賃土地預付款。應用香港財務報告準則第16號可能導致該等資產之分類出現潛在變動，取決於本集團是否分開呈列使用權資產或於將呈列相應有關資產（倘擁有）之同一分列項目內呈列。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

#### HKFRS 16 *Leases* (continued)

Other than certain requirements which are also applicable to lessor, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by HKFRS 16.

As at 31 December 2018, the Group has non-cancellable operating lease commitments of RMB24,366,000 as disclosed in note 40. A preliminary assessment indicates that these arrangements will meet the definition of a lease. Upon application of HKFRS 16, the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases.

In addition, the Group currently considers refundable rental deposits paid as rights under leases to which HKAS 17 applies. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortised cost. Adjustments to refundable rental deposits paid would be considered as additional lease payments and included in the carrying amount of right-of-use assets.

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 香港財務報告準則第16號租賃（續）

除亦適用於出租人的若干規定外，香港財務報告準則第16號大致保留香港會計準則第17號內出租人會計規定，並繼續規定出租人將租賃分類為經營租賃或融資租賃。

此外，香港財務報告準則第16號亦要求較廣泛的披露。

於二零一八年十二月三十一日，本集團擁有附註40所披露之不可撤銷經營租賃承擔人民幣24,366,000元。初步評估顯示，該等安排將符合租賃定義。於應用香港財務報告準則第16號時，本集團將就所有該等租賃確認使用權資產及相應負債，除非有關租賃符合低值或短期租賃之資格。

此外，本集團目前將已支付的可退還租賃按金視為香港會計準則第17號適用的租賃下的權利。根據香港財務報告準則第16號下租賃付款的定義，有關按金並非與相關資產使用權有關的款項，因此，該等按金的賬面值可能會調整為攤銷成本。對已支付的可退還租賃按金作出的調整將被視為額外租賃付款並計入使用權資產的賬面值中。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

## 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

### HKFRS 16 *Leases* (continued)

The application of new requirements may result in changes in measurement, presentation and disclosure as indicated above. The Group intends to elect the practical expedient to apply IFRS 16 to contracts that were previously identified as leases applying IAS 17 and IFRIC 4 Determining whether an Arrangement contains a Lease and not apply this standard to contracts that were not previously identified as containing a lease applying IAS 17 and IFRIC 4. Therefore, the Group will not reassess whether the contracts are, or contain a lease which already existed prior to the date of initial application. Furthermore, the Group intends to elect the modified retrospective approach for the application of IFRS 16 as lessee and will recognise the cumulative effect of initial application to opening retained profits without restating comparative information.

### Amendments to IAS 1 and IAS 8 Definition of Material

The amendments provide refinements to the definition of material by including additional guidance and explanations in making materiality judgements. The amendments also align the definition across all IFRS Standards and will be mandatorily effective for the Group’s annual period beginning on 1 January 2020. The application of the amendments is not expected to have significant impact on the financial position and performance of the Group but may affect the presentation and disclosures in the consolidated financial statements.

## 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

### 香港財務報告準則第16號租賃（續）

應用新規定可能導致上文所述之計量、呈列及披露出現變動。本集團擬選擇可行之權宜之計，將國際財務報告準則第16號應用於先前應用國際會計準則第17號及國際財務報告詮釋委員會第4號釐定安排是否包含租賃時識別為租賃之合約，而並無將此準則應用於先前應用國際會計準則第17號及國際財務報告詮釋委員會第4號時並未識別為包括租賃之合約。因此，本集團未有重新評估合約是否屬於或包含於首次應用日期前已存在的租賃。此外，本集團作為承租人擬選擇經修訂追溯法應用國際財務報告準則第16號，並已於期初留存溢利中確認首次應用的累計影響，而毋須重列比較資料。

### 修訂國際會計準則第1號及國際會計準則第8號重要之定義

該等修訂通過在作出重大性判斷時加入額外指引及解釋對重要之定義予以完善。修訂亦統一全部國際財務報告準則中的釋義並將於自二零二零年一月一日開始之本集團的年度期間強制生效。預期應用該等修訂對本集團的財務狀況及業績不會存在重大影響，但可能影響綜合財務報表中的呈列及披露。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 3. MERGER ACCOUNTING AND RESTATEMENTS

The Group accounts for all its business combinations involving entities under common control using the principles of merger accounting.

In current year, the Group's subsidiary Shandong Weigao Orthopaedic Device Company Limited ("Weigao Ortho") acquired 80% interests in Shandong Mingde Biomedical Engineering Co., Ltd. ("Shandong Mingde") from Weigao Holding, at a consideration of RMB4,516,000 settled by cash. Shandong Mingde is engaged in the construction of implant materials and artificial organs, medical suture materials and adhesives. The acquisition was completed on 6 June 2018.

Shandong Mingde was acquired by Weigao Holding from an independent third party on 29 June 2017, and thereby the Group and Shandong Mingde came under common control of Weigao Holding. Since Shandong Mingde and the Group are under common control by Weigao Holding before and after the acquisition, the Group has applied the principles of merger accounting with reference to Accounting Guideline 5 Merger Accounting for Common Control Combinations to the Acquisition issued by the HKICPA as if the common control combination had been effected since 29 June 2017.

The consolidated statements of financial position of the Group as at 31 December 2017 have been restated to include the assets and liabilities of Shandong Mingde as if they were within the Group since 29 June 2017. The consolidated statement of profit or loss and other comprehensive income and the consolidated statement of cash flows for the year ended 31 December 2017 have also been restated to include the results and the cash flows of Shandong Mingde since Shandong Mingde and the Group were under common control by Weigao Holding from 29 June 2017.

### 3. 合併會計與重列

本集團對其所有涉及共同控制下實體之業務合併，均採用合併會計法原則入賬。

本年度，本集團附屬公司山東威高骨科材料有限公司（「威高骨科」）向威高集團公司收購山東明德生物醫學工程有限公司（「山東明德」）80%的股權，代價為人民幣4,516,000元，以現金結算。山東明德從事植入材料和人工器官、醫用縫合材料及粘合劑的建設。收購已於二零一八年六月六日完成。

威高集團於二零一七年六月二十九日自獨立第三方收購山東明德，從而本集團與山東明德處於威高集團的共同控制下。由於山東明德及本集團於收購事項前後均由威高集團共同控制，故本集團已參考香港會計師公會發佈的會計指引第5號共同控制合併下的合併會計處理對收購事項採用合併會計原則，猶如共同控制合併已自二零一七年六月二十九日起已生效。

本集團於二零一七年十二月三十一日的綜合財務狀況表已重列，以包括山東明德的資產及負債，猶如該等資產及負債自二零一七年六月二十九日起已在本集團內。由於山東明德及本集團自二零一七年六月二十九日受威高集團共同控制，截至二零一七年十二月三十一日止年度的綜合損益及其他全面收入報表及綜合現金流量報表亦已重列，以包括自山東明德的業績及現金流量。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 3. MERGER ACCOUNTING AND RESTATEMENTS (continued)

The effects of the application of merger accounting on the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2017 are as follows. Line items that were not affected by the changes have not been included.

### 3. 合併會計與重列 (續)

採用合併會計法對截至二零一七年十二月三十一日止年度之綜合損益及其他全面收入報表之影響如下：未列示未受變更影響的項目。

		2017 as previously reported RMB'000 二零一七年 先前呈列 人民幣千元	Adjustments RMB'000 調整 人民幣千元	2017 as restated RMB'000 二零一七年 重列 人民幣千元
<b>Continuing operations</b>	<b>持續經營業務</b>			
Other income, gains and losses	其他收入、收益及虧損	172,786	7	172,793
Administrative expenses	行政開支	(419,544)	(1,947)	(421,491)
Finance costs	融資成本	(23,879)	(10)	(23,889)
Profit for the year	本年度溢利	1,827,283	(1,950)	1,825,333
Total comprehensive income for the year	年內全面收入總額	1,819,514	(1,950)	1,817,564
Profit for the year attributable to:	年內下列各項應佔溢利：			
Owners of the Company	本公司擁有人	1,729,924	(1,264)	1,728,660
Non-controlling interests	非控股權益	97,359	(686)	96,673
		1,827,283	(1,950)	1,825,333
Total comprehensive income for the year attributable to:	年內下列各項應佔全面收入總額：			
Owners of the Company	本公司擁有人	1,722,155	(1,264)	1,720,891
Non-controlling interests	非控股權益	97,359	(686)	96,673
		1,819,514	(1,950)	1,817,564

No effect on the basic and diluted earnings per share arose from the application of merger accounting.

採用合併會計法對每股基本及攤薄盈利無影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 3. MERGER ACCOUNTING AND RESTATEMENTS (continued)

The effects of the application of merger accounting on the consolidated statement of financial position as at 31 December 2017 are summarised below. Line items that were not affected by the changes have not been included.

### 3. 合併會計與重列 (續)

採用合併會計法對於二零一七年十二月三十一日之綜合財務狀況表之影響概列如下：未列示未受變更影響的項目。

		As at 31 December 2017 as previously reported RMB'000 截至 二零一七年 十二月 三十一日 先前呈列 人民幣千元	Adjustments RMB'000 調整 人民幣千元	As at 31 December 2017 as restated RMB'000 截至 二零一七年 十二月 三十一日 重列 人民幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	3,912,050	87	3,912,137
Current assets	流動資產			
Inventories	存貨	804,611	951	805,562
Trade and other receivables	應收貿易賬款及 其他應收款項	3,686,566	(2,890)	3,683,676
Bank balances and cash	銀行結餘及現金	3,784,543	10	3,784,553
Current liabilities	流動負債			
Trade and other payables	應付貿易賬款及 其他應付款項	2,018,297	3,816	2,022,113
Capital and reserves	股本及儲備			
Equity attributable to owners of the Company	本公司擁有人應佔權益	13,338,171	(3,666)	13,334,505
Non-controlling interests	非控股權益	305,937	(1,992)	303,945

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES

#### Statement of compliance

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

#### Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 Share-based Payment, leasing transactions that are within the scope of HKAS 17 Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 Inventories or value in use in HKAS 36 Impairment of Assets.

### 4. 主要會計政策

#### 合規聲明

綜合財務報表乃按照香港會計師公會頒佈之香港財務報告準則編製。此外，綜合財務報表載有聯交所證券上市規則及香港公司條例規定的適用披露。

#### 編製基準

除於各報告期末若干金融工具按公平值計量外，綜合財務報表乃以歷史成本為基礎編製。

歷史成本一般以換取貨品及服務所作出代價之公平值為基準。

公平值指市場參與者之間於計量日期進行的有序交易中出售一項資產所收取的價格或轉移一項負債所支付的價格，無論該價格為直接觀察得出或採用其他估值技術作出的估計。在對資產或負債的公平值作出估計時，本集團考慮了市場參與者於計量日期為該資產或負債進行定價時將會考慮的該等特徵。在該等綜合財務報表中計量及／或披露的公平值均按此基礎予以確定，惟香港財務報告準則第2號以股份為基準付款範圍內的以股份為基礎付款交易、香港會計準則第17號租賃範圍內的租賃交易、以及與公平值類似但並非公平值的計量（例如，香港會計準則第2號存貨中的可變現淨值或香港會計準則第36號資產減值中的使用價值）除外。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Basis of preparation (continued)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

#### Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

### 4. 主要會計政策 (續)

#### 編製基準 (續)

此外，就財務報告而言，公平值計量根據公平值計量的輸入數據可觀察程度及公平值計量的輸入數據對其整體的重要性分類為第一級、第二級或第三級，概述如下：

- 第一級輸入數據指該實體於計量日期可以取得的相同資產或負債於活躍市場的報價（未經調整）；
- 第二級輸入數據指就資產或負債直接或間接地可觀察的輸入數據（第一級內包括的報價除外）；及
- 第三級輸入數據指資產或負債的不可觀察輸入數據。

主要會計政策載列如下。

#### 綜合基準

綜合財務報表包含本公司以及本公司及其附屬公司所控制的實體（包括結構性實體）的財務報表。當本公司符合以下情況，即取得控制權：

- 有權控制被投資方；
- 因其參與被投資方業務而獲得或有權獲得可變回報；及
- 有能力以其權力影響其回報。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (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 listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

### 4. 主要會計政策 (續)

#### 綜合基準 (續)

倘有事實及情況顯示上述三項控制權要素有一項或多項出現變動，則本集團會重新評估其是否控制被投資方。

附屬公司於本集團取得附屬公司的控制權時開始綜合入賬，並於本集團喪失對附屬公司的控制權時終止。特別是，年內收購或出售附屬公司的收入及開支自本集團取得控制權當日起直至本集團不再控制附屬公司之日止於綜合損益及其他全面收益表列賬。

損益及各其他全面收入項目歸屬於本公司擁有人及非控股權益。附屬公司的全面收入總額會歸屬於本公司擁有人及非控股權益，即使其將導致非控股權益為赤字結餘。

本集團於必要時會對附屬公司的財務報表作出調整，以使附屬公司的會計政策與本集團的會計政策相符一致。

與本集團成員公司間交易有關的所有集團內資產及負債、權益、收入、開支及現金流量均於綜合賬目時悉數對銷。

於附屬公司之非控股權益與本集團於當中的權益分開呈列，指現時擁有之權益且賦予持有人權利於清盤時按比例分佔相關附屬公司淨資產。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Basis of consolidation (continued)

#### *Changes in the Group's interests in existing subsidiaries*

Changes in the Group's interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries, including re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group's and the non-controlling interests' proportionate interests.

Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interest (if any) are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified that to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKFRS 9/HKAS 39, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

### 4. 主要會計政策 (續)

#### 綜合基準 (續)

#### **本集團於現有附屬公司的擁有權權益的變動**

並無導致本集團失去附屬公司控制權的本集團於附屬公司的擁有權權益變動，乃按權益交易入賬。本集團相關權益部分（包括儲備）及非控股權益的賬面金額，乃予以調整以反映彼等於附屬公司相關權益的變動。

重新分配相關權益部分後非控股權益數額的調整額與已付或已收代價公平值之間的任何差額，乃於權益直接確認，並歸本公司擁有人。

當本集團失去一間附屬公司之控制權時，盈虧於損益內確認，並按：(i) 已收代價公平值及任何保留權益公平值總額與(ii)本公司擁有人應佔之資產（包括商譽）及負債以及任何非控股權益之先前賬面值之差額計算。所有先前於其他全面收益確認之有關該附屬公司之款項，將按猶如本集團已直接出售該附屬公司之相關資產或負債入賬（適用香港財務報告準則之規定／許可條文重新分類至損益或轉撥至另一類權益）。於失去控制權當日在前附屬公司保留之任何投資之公平值根據香港財務報告準則第9號／香港會計準則第39號，在其後入賬時被列作初步確認之公平值，或（如適用）初步確認於聯營公司或共同控制實體之投資之成本。

#### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Business combinations

Acquisitions of businesses, other than business combination under common control, are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred 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. Acquisition related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- Deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 Income Taxes and HKAS 19 Employee Benefits respectively;

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

#### 4. 主要會計政策 (續)

##### 業務合併

收購業務(共同控制下的業務合併除外)以收購法入賬。於業務合併轉移之代價以公平值計量,其計算乃按於收購日期本集團轉移資產、本集團向被收購方之前擁有人所承擔之負債及本集團用以換取被收購方之控制權而發行之股本權益之公平值總和。收購相關成本一般在發生時於損益中確認。

於收購日期,可識別之已收購資產及已承擔負債乃按公平值確認,惟:

- 遞延稅項資產或負債及員工福利安排之相關資產或負債分別按照香港會計準則第12號所得稅及香港會計準則第19號僱員福利來確認和計量;

商譽乃按已轉移之代價,被收購方之非控股權益金額及收購方以往持有被收購方之股本權益(如有)之公平值的總和,超出於收購日期可識別之已收購資產及已承擔負債之淨額計量。倘重新評估後,可識別之已收購資產及已承擔負債之淨額,超出已轉移之代價、被收購方之非控股權益金額及收購方以往持有被收購方之股本權益(如有)之公平值的總和時,超出之金額即時於損益中確認為議價收購收益。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Business combinations (continued)

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets or at fair value.

#### Merger accounting for business combination involving businesses under common control

The consolidated financial statements incorporate the financial statements items of the combining businesses in which the common control combination occurs as if they had been combined from the date when the combining businesses first came under the control of the controlling party.

The net assets of the combining businesses are consolidated using the existing book values from the controlling party's perspective. No amount is recognised in respect of goodwill or bargain purchase gain at the time of common control combination.

The consolidated statement of profit or loss and other comprehensive income includes the results of each of the combining businesses from the earliest date presented or since the date when the combining businesses first came under the common control, where this is a shorter period.

The comparative amounts in the consolidated financial statements are presented as if the businesses had been combined at the end of the previous reporting period or when they first came under common control, whichever is shorter.

### 4. 主要會計政策 (續)

#### 業務合併 (續)

屬現有擁有權益並賦予持有人可於清盤時按比例攤佔相關附屬公司之資產淨額之非控股權益，按非控股權益比例攤佔被收購方之可識別淨資產之已確認金額或按公平值作初始計量。計量基準之選擇乃按逐筆交易為基礎作出。其他類型之非控股權益，乃按公平值計量。

#### 涉及共同控制業務的業務合併的合併會計法

綜合財務報表包括發生共同控制合併的合併業務的財務報表項目，猶如該等合併業務自其首次受控制方控制當日起已經合併。

對於控制方而言，合併業務的資產淨值乃按現有賬面值進行合併。共同控制合併時並無就商譽或溢價收購利得確認金額。

綜合損益及其他全面收入報表包括自最早呈列日期或合併業務首次受共同控制當日（以期限較短者為準）起各合併業務的業績。

合併財務報表中的比較數額乃按猶如有關業務已於先前報告期末或首次受共同控制時（以期限較短者為準）合併的方式呈列。

**4. SIGNIFICANT ACCOUNTING POLICIES**

(continued)

**Goodwill**

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's relevant cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of cash-generating units).

**4. 主要會計政策 (續)****商譽**

收購業務產生之商譽按收購業務日期的成本(見上述會計政策)減任何累計減值虧損(如有)列賬。

就減值測試而言,商譽會分配至預期可受惠於收購的協同效益的本集團之各有關現金產生單位或現金產生單位組合,而該單位或單位組合指就內部管理目的監控商譽的最低水平且不超過經營分類。

獲分配商譽的現金產生單位(或現金產生單位組合)會每年或於有跡象顯示該單位可能出現減值時更頻繁進行減值測試。就報告期內收購所產生的商譽而言,獲分配商譽的現金產生單位(或現金產生單位組合)會於該報告期末前進行減值測試。倘可收回金額低於其賬面值,則減值虧損會先分配以調減任何商譽的賬面值,其後則按該單位(或現金產生單位組合)內各項資產的賬面值的比例分配至該單位的其他資產。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

##### Goodwill (continued)

On disposal of the relevant cash-generating unit or any of the cash-generating unit within the group of cash-generating units, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal. When the Group disposes of an operation within the cash-generating unit (or a cash-generating unit within a group of cash-generating units), the amount of goodwill disposed of is measured on the basis of the relative values of the operation (or the cash-generating unit) disposed of and the portion of the cash-generating unit (or the group of cash-generating units) retained.

The Group's policy for goodwill arising on the acquisition of an associate is described below.

##### Investments in an associate and joint ventures

An associate is an entity over which the Group has 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 joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

#### 4. 主要會計政策 (續)

##### 商譽 (續)

於出售相關現金產生單位或現金產生單位組別中任何現金產生單位時，商譽的應佔金額計入釐定的出售損益金額。當本集團出售現金產生單位（或現金產生單位組別中的一個現金產生單位）內的業務時，所出售商譽金額按所出售業務（或現金產生單位）與所保留現金單位（或現金產生單位組別）部分的相對價值計量。

本集團有關收購聯營公司產生的商譽的政策載於下文。

##### 於聯營公司及合營公司的投資

聯營公司指本集團對其擁有重大影響力的實體。重大影響力是有權參與被投資方的財務及經營決策，而不是控制或共同控制該等政策。

合營公司指一項共同安排，據此於安排擁有共同控制權的訂約方對共同安排的資產淨值擁有權利。共同控制是指按照合約約定對某項安排所共有的控制，共同控制僅在當相關活動要求共同享有控制權的各方作出一致同意的決定時存在。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Investments in an associate and joint ventures (continued)

The results and assets and liabilities of an associate and joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates and joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. Changes in net assets of the associate/joint venture other than profit or loss and other comprehensive income are not accounted for unless such changes resulted in changes in ownership interest held by the Group. When the Group's share of losses of an associate or joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

### 4. 主要會計政策 (續)

#### 於聯營公司及合營公司的投資 (續)

聯營公司及合營公司之業績、資產及負債利用權益會計法載入該等綜合財務報表內。作會計權益法用途的聯營公司及合營公司的財務報表乃按與本集團就同類交易及同類情況下事項的統一會計政策編製。根據權益法，於聯營公司或合營公司的投資乃初步於綜合財務狀況表按成本值確認，並於其後作出調整以確認本集團應佔聯營公司或合營公司的損益及其他全面收益。損益及其他全面收益除外，聯營公司／合營企業的淨資產變動不會入賬，除非該等變動導致本集團持有的所有權權益出現變動。當本集團應佔一間聯營公司或合營公司虧損超出本集團於該聯營公司或合營公司的權益時（包括任何實際上構成本集團於聯營公司或合營公司投資淨值一部分的長期權益），本集團會終止確認其應佔的進一步虧損。當本集團產生法定或推定責任或代表聯營公司或合營公司付款時，方會確認額外虧損。

於被投資方成為一家聯營公司或合營公司當日，對於聯營公司或合營公司的投資採用權益法入賬。於收購一間聯營公司或合營公司的投資時，投資成本超過本集團分佔該被投資方可識別資產及負債公平淨值的任何部分乃確認為商譽，並計入投資之賬面值。本集團應佔可識別資產及負債的公平淨值超出投資成本的任何差額，於重新評估後即時於投資被收購之期間於損益確認。

**4. SIGNIFICANT ACCOUNTING POLICIES**

(continued)

**Investments in an associate and joint ventures** (continued)

The Group assesses whether there is an objective evidence that the interest in an associate or a joint venture may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset within the scope of HKFRS 9/HKAS 39, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate or joint venture and the fair value of any retained interest and any proceeds from disposing of the relevant interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) upon disposal/partial disposal of the relevant associate or joint venture.

**4. 主要會計政策 (續)****於聯營公司及合營公司的投資** (續)

本集團評估是否有客觀證據表明於聯營公司或合營企業的權益可能出現減值。如存在任何客觀證據，則將投資的全部賬面值（包括商譽）作為單一資產根據香港會計準則第36號資產減值，透過比較其可收回金額（使用價值與公允價值減銷售成本之較高者）與賬面值而測試有否減值。任何確認的減值虧損屬投資賬面值之一部份。倘其後投資的可收回金額增加，則根據香港會計準則第36號確認該減值虧損的撥回。

當本集團不再對聯營公司擁有重大影響力或於合營公司擁有共同控制權時，則按出售於該被投資公司的全部權益入帳，所產生的收益或虧損於損益中確認。倘本集團於前聯營公司或合營公司中保留權益，而保留權益又屬香港財務報告準則第9號／香港會計準則第39號範圍的金融資產，則本集團按該日公平值計量保留權益，而公平值視為其於初始確認時的公平值。於釐定出售聯營公司或合營企業之收益或虧損時考慮聯營公司或合營公司的賬面值與任何保留權益的公平值及出售聯營公司或合營公司的相關權益的任何所得款項之間的差額。此外，倘該聯營公司或合營公司直接出售相關資產或負債，則本集團可能需要按相同基準計入有關該聯營公司或合營公司的以往於其他全面收入確認的所有金額。因此，倘聯營公司或合營公司以往於其他全面收入確認的盈虧重新分類為出售相關資產或負債的損益，則本集團將於出售／部分出售相關聯營公司或合營公司時將盈虧由權益重新分類至損益（列作重新分類調整）。

#### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

##### Investments in an associate and joint ventures (continued)

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

##### Revenue from contracts with customers (upon application of HKFRS 15 in accordance with transitions in note 2)

Under HKFRS 15, the Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

#### 4. 主要會計政策 (續)

##### 於聯營公司及合營公司的投資 (續)

倘集團實體與本集團聯營公司或合營公司進行交易，則與聯營公司或合營公司進行交易所產生之溢利及虧損乃按與本集團無關之於聯營公司或合營公司之權益於本集團之綜合財務報表內確認。

##### 客戶合約收入 (根據附註2中的過渡首次應用香港財務報告準則第15號時)

根據香港財務報告準則第15號，本集團於完成履約責任時（即當貨品或服務按特定履約責任之「控制權」轉移予客戶時）確認收入。

履約責任指個別的商品或服務（或一組商品或服務）或一系列大致相同的個別商品或服務。

倘符合以下其中一項條件，則控制權隨時間轉移，而收入將參照完全履行相關履約責任的進展情況而隨時間確認：

- 於本集團履約時，客戶同時收取及耗用本集團履約所帶來的利益；
- 於本集團履約時，自本集團之履約產生及提升一項由客戶控制的資產；或
- 本集團之履約並無產生對本集團有替代用途的資產，且本集團可享有強制執行權利，以收回至今已履約部份的款項。



#### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

##### Revenue from contracts with customers (upon application of HKFRS 15 in accordance with transitions in note 2) (continued)

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

##### **Principal versus agent**

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent).

#### 4. 主要會計政策 (續)

##### 客戶合約收入 (根據附註2中的過渡首次應用香港財務報告準則第15號時) (續)

否則，收入於客戶取得明確商品或服務的控制權時確認。

合約資產指本集團就向客戶換取本集團已轉讓的商品或服務收取代價的權利 (尚未成為無條件)。其根據香港財務報告準則第9號評估減值。相反，應收款項指本集團收取代價的無條件權利，即代價僅隨時間推移即成為到期支付。

合約負債指本集團因已自客戶收取代價 (或到期的代價金額)，而須向客戶轉讓商品或服務之責任。

與相同合約有關的合約資產及合約負債按淨額入賬及呈列。

##### **主事人與代理人**

倘向客戶提供商品或服務涉及另一方，本集團會釐定其承諾性質是否為其本身提供指定商品或服務的履約責任 (即本集團為主事人)，抑或是安排另一方提供該等商品或服務 (即本集團為代理人)。

**4. SIGNIFICANT ACCOUNTING POLICIES**

(continued)

**Revenue from contracts with customers (upon application of HKFRS 15 in accordance with transitions in note 2)** (continued)**Principal versus agent** (continued)

The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer.

The Group is an agent if its performance obligation is to arrange for the provision of the specified good or service by another party. In this case, the Group does not control the specified good or service provided by another party before that good or service is transferred to the customer. When the Group acts as an agent, it recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.

**Revenue recognition (prior to 1 January 2018)**

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities, as described below.

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed.

**4. 主要會計政策 (續)****客戶合約收入 (根據附註2中的過渡首次應用香港財務報告準則第15號時)** (續)**主事人與代理人 (續)**

倘本集團於向客戶轉移指定商品或服務前控制該商品或服務，則為主事人。

倘本集團的履約責任為安排另一方提供指定商品或服務，則為代理人。在這一情況下，本集團於指定商品或服務轉讓予客戶之前，不控制由另一方提供的該商品或服務。倘本集團作為代理人行事，其所確認收入的金額為就安排另一方提供指定商品或服務作為交換應收取的任何費用或佣金。

**收入確認 (二零一八年一月一日之前)**

收入乃按已收或應收代價之公平值計量。收益就估計客戶退貨、回扣及其他類似撥備作出扣減。

收入金額能夠可靠地計量；倘未來經濟利益流入本集團且當本集團各業務達成特定標準時，方會確認收入，概述如下。

銷售貨品的收入於交付貨品及轉移擁有權時確認。

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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Revenue recognition (prior to 1 January 2018)

(continued)

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### Leases

A lease is an agreement whereby the lessor conveys to the lessee in return for a payment or series of payments the right to use an asset for an agreed period of time.

A series of transactions that involve the legal form of a lease is linked and accounted for as one transaction when the overall economic effect cannot be understood without reference to the series of transactions as a whole. The accounting reflects the substance of the arrangement.

An arrangement that involves a legal form of a lease is not, in substance, accounted for as a lease if:

- the Group retains all the risks and rewards incident to ownership of an underlying asset and enjoys substantially the same rights to its use as before the arrangement;
- the primary reason for the arrangement is not to convey the right to use an asset; and
- an option is included on terms that make its exercise almost certain.

### 4. 主要會計政策 (續)

#### 收入確認 (二零一八年一月一日之前) (續)

投資的股息收入於股東收取款項的權利確立時確認。

利息收入乃參考未償還本金及適用實際利率按時間基準累計。實際利率指於金融資產預計年期將估計未來現金收入準確貼現至該資產初步確認時的賬面淨值的利率。

#### 租賃

租約為一份協議，據此，出租人向承租人轉讓於協定期間內使用資產的權利，以交換一筆款項或一連串款項。

法律形式上與租賃有關之一系列交易，於須將所有交易視為整體方可瞭解其整體經濟效應時，此等交易為互相關連，並應視為單一交易處理。會計處理應反映協議之實質。

當安排涉及租賃之法律形式時，實質上可能並未涉及於租賃記賬，倘：

- 本集團保留相關資產擁有權附帶之所有風險及回報而實質上享有與安排前相同之使用權；
- 安排之主要原因並非轉移資產之使用權；及
- 條款列入選擇權，基本確定行使選擇期。

**4. SIGNIFICANT ACCOUNTING POLICIES**

(continued)

**Leases** (continued)

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

***The Group as lessor***

Amounts due from lessees under financial leases are recognised as receivables at the amount of the Group's net investment in the leases. Financial lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset, such costs are recognised as an expense on a straight-line basis over the lease term.

***The Group as lessee***

Operating lease payments are recognised as an expense on a straight-line basis over the lease term

**4. 主要會計政策 (續)****租賃 (續)**

租約條款列明將所有權的絕大部分風險及回報轉移予承租人的租約分類為融資租約。所有其他租約則被分類為經營租約。

**本集團作為出租人**

融資租賃項下應收承租人的款項按本集團於租賃的淨投資金額確認為應收款項。融資租賃收入分配至會計期間，以反映本集團有關租賃的淨投資餘額的固定週期回報率。

經營租約的租金收入以直線法按有關租約年期於損益中確認。於磋商及安排經營租約時引致的初步直接成本乃加至租賃資產的賬面值。相關成本按租約年期以直線法確認為開支。

**本集團作為承租人**

經營租約付款以直線法按租約年期確認為開支。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

##### Leases (continued)

##### **Leasehold land and building**

When the Group makes payments for a property interest which includes both leasehold land and building elements, the Group assesses the classification of each element separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire property is accounted as an operating lease. Specifically, the entire consideration (including any lump-sum upfront payments) are allocated between the leasehold land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element at initial recognition.

To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "prepaid lease payments" in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis. When the payments cannot be allocated reliably between the leasehold land and building elements, the entire property is generally classified as if the leasehold land is under finance lease.

##### **Foreign currencies**

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

#### 4. 主要會計政策 (續)

##### 租賃 (續)

##### **租賃土地及樓宇**

倘若本集團對一項物業權益(包括租賃土地及樓宇部份)進行付款時,本集團根據對各部份之擁有權附帶之所有風險及回報是否已轉讓予本集團之評估,分別將各部份的分類評定,除非兩個部份明顯均為經營租賃,則整份物業計入經營租賃。具體而言,整項代價(包括任何一筆過預付款項)於初步確認時按租賃土地部份及樓宇部份中的租賃權益相對公平值比例於土地及樓宇間分配。

倘相關付款能可靠分配,則以經營租賃入賬的土地租賃權益在綜合財務狀況表中列為「預付租賃付款」,且於租期內按直線法攤銷。倘若租賃付款無法於租賃土地及樓宇分部間可靠分配時,則整項物業通常會按租賃土地屬融資租賃之方式分類。

##### **外幣**

在編製各個別集團實體的財務報表時,以實體功能貨幣以外貨幣(外幣)進行的交易按交易日通用的匯率記錄。於報告期末,以外幣列值的貨幣項目以該日通用的匯率重新換算。以外幣歷史成本計算的非貨幣項目不會重新換算。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Foreign currencies (continued)

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise, except for exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the Group's interests in associates/joint ventures.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. RMB) using exchange rate prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the year. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate).

Goodwill and fair value adjustments on identifiable assets acquired and liabilities assumed arising on an acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

### 4. 主要會計政策 (續)

#### 外幣 (續)

結算及重新換算貨幣項目時產生的匯兌差額會於產生期間在損益確認，惟應收或應付海外業務的貨幣項目的匯兌差額除外，就此，有關結算未納入計劃中亦無可能產生（因此形成海外業務投資淨額部分），且就出售或部份出售本集團於聯營公司／合營公司權益而初步於其他全面收益中確認並自權益中重新分類至損益。

為呈報綜合財務報表，本集團海外業務的資產及負債乃按報告期末的通用匯率換算為本集團的呈列貨幣（即人民幣），而其收支按年內平均匯率換算。所產生的匯兌差額（如有）會在其他全面收入確認並於權益內的匯兌儲備項下累計（倘適用，則歸屬於非控股權益）。

收購境外業務及承擔負債產生的可辨認資產商譽及公允價值調整均視為該境外業務的資產及負債，按各報告期末的現行匯率換算。所產生的匯兌差額於其他全面收益確認。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

##### Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

##### Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

#### 4. 主要會計政策 (續)

##### 借貸成本

收購、建造或生產合資格資產所直接產生的借貸成本乃撥充該等資產的成本，直至有關資產大致上可作擬定用途或銷售為止，而合資格資產為需較長時間預備以用於擬定用途或銷售的資產。

特定借貸於撥作合資格資產的支出前用作臨時投資所賺取的投資收入，會從可撥充資本的借貸成本中扣除。

所有其他借貸成本於其產生年度在損益中確認。

##### 政府補助

在合理地保證本集團會遵守政府補助的附帶條件以及將會得到補助後，政府補助方會予以確認。

政府補助按系統化基準於本集團將由補助擬補償的相關成本確認為開支的各期間在損益內確認。具體而言，主要條件為本集團應購買、興建或以其他方式收購非流動資產的政府補助乃於綜合財務狀況表確認為遞延收入並且在有關資產的可使用年期內有系統及合理地轉移至損益內。

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### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Government grants (continued)

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

#### Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

#### Share-based payments

##### *Equity-settled share-based payment transactions*

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of equity instrument at the grant date.

The fair value of the equity settled share-based payments determined at the grant date without taking into consideration of all non-market vesting considerations is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share-based payments reserve). At the end of the reporting period, the Group revises its estimates of the number of granted shares that are expected to ultimately vest based on assessment of all relevant non-market vesting condition. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share-based payments reserve.

### 4. 主要會計政策 (續)

#### 政府補助 (續)

用作補償本集團已產生支出或虧損或旨在為本集團提供即時財務資助 (而無未來相關成本) 的應收政府補助, 乃於應收期間於損益內確認。

#### 退休福利成本及辭退福利

向定額供款退休福利計劃作出的供款於僱員已提供服務以有權獲取供款時確認為開支。

#### 以股份為基礎付款

##### *以股權結算之股份基礎付款交易*

向僱員及提供類似服務之其他人士作出之以股權結算之股份基礎付款乃按股本工具於授出日期之公平值計量。

不計及所有非市場歸屬代價, 以股權結算之股份基礎付款於授出日期釐定之公平值乃於歸屬期內按直線法支銷, 並相應增加權益 (股份付款儲備)。於報告期末, 本集團根據對所有相關非市場歸屬條件的評估修訂其對預期最終歸屬的已授出股份數目的估計。修訂原先估計的影響 (如有) 於損益內確認, 因此, 累計開支反映經修訂估計, 並對以股份為基礎付款儲備作相應調整。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Share-based payments (continued)

##### **Equity-settled share-based payment transactions** (continued)

When the award shares/share options are exercised, the amount previously recognised in share-based payments reserve will be transferred to other reserve. When the award shares/share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share-based payments reserve will be transferred to retained profits.

#### Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before taxation' as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

### 4. 主要會計政策 (續)

#### 以股份為基礎付款 (續)

##### **以股權結算之股份基礎付款交易** (續)

倘獎勵股份／購股權獲行使，先前於股份付款儲備內確認之金額將轉撥至其他儲備。倘獎勵股份／購股權於歸屬日期後或直至到期日仍未獲行使而獲沒收，先前於股份付款儲備內確認之金額將轉撥至保留溢利。

#### 稅項

所得稅開支指現時應付的稅項及遞延稅項總和。

現時應付的稅項以年內的應納稅溢利為基礎。由於於其他年度應納稅或可扣稅的收支項目及不應納稅或不可扣稅的項目，應納稅溢利有別於綜合損益及其他全面收入報表所報的「除稅前溢利」。本集團目前的稅務責任乃採用報告期末已製定或大致上已製定的稅率計算。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Taxation (continued)

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and an associate, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

### 4. 主要會計政策 (續)

#### 稅項 (續)

遞延稅項就綜合財務報表內資產及負債的賬面值與用以計算應納稅溢利的相關稅基的暫時差額而確認。遞延稅項負債一般就所有應納稅暫時差額確認。倘有應納稅溢利將可用以抵銷可動用可扣稅暫時差額，遞延稅項資產一般就所有可扣稅暫時差額確認。倘暫時差額來自商譽或來自一項不會影響應納稅溢利或會計溢利的交易的其他資產及負債的初步確認(業務合併除外)，則該等資產及負債不會予以確認。此外，倘初步確認商譽產生暫時差額，則遞延稅項發債予以確認。

遞延稅項負債乃按因於附屬公司及聯營公司之投資及於合營公司的權益而產生的應課稅暫時差額而確認，惟若本集團可令暫時差額撥回及暫時差額有可能未必於可見將來撥回之情況除外。與該等投資及權益相關的可扣稅暫時差額所產生的遞延稅項資產僅於可能有足夠應課稅溢利可以使用暫時差額的益處且預計於可見將來可以撥回時確認。

於各報告期末審閱遞延稅項資產的賬面值，及倘應納稅溢利不再足夠收回全部或部分資產，即減少遞延稅項資產的賬面值。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

##### Taxation (continued)

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax is recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

#### 4. 主要會計政策 (續)

##### 稅項 (續)

遞延稅項資產及負債乃根據於報告期末已實施或大致上已實施的稅率(及稅法)，按預期於負債清償或資產變現期間適用的稅率計算。

遞延稅項負債與資產的計算，反映按照本集團於報告期末時預期收回或清償資產及負債賬面值的方式所產生稅務結果。

當有合法執行權利許可將即期稅項資產與即期稅項負債抵銷，且與同一稅務機關徵收之所得稅有關且本集團擬按淨額基準結算其即期稅項資產及負債時，則遞延稅項資產及負債可互相對銷。

即期及遞延稅項於損益內確認，惟倘即期及遞延稅項涉及於其他全面收益或直接在權益確認項目，則即期及遞延稅項亦會分別於其他全面收益或直接於權益內確認。倘因業務合併之初步會計方法而產生即期或遞延稅項，有關稅務影響會計入業務合併之會計方法內。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Property, plant and equipment

Property, plant and equipment including buildings held for use in the production of goods, or for administrative purposes (other than properties under construction as described below), are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Freehold land is stated at cost less any recognised impairment loss. Freehold land is not depreciated.

Surgical instruments produced by the Group that are dedicated for use with the Group's orthopedic implant products will commence depreciation upon they are provided to the distributors that in the location for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than construction in progress) less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for a prospective basis.

### 4. 主要會計政策 (續)

#### 物業、廠房及設備

物業、廠房及設備包括持有用於生產貨物，或用於行政用途之樓宇（不包括下文所述的在建物業），乃按照成本減其後累計折舊及其後累計減值虧損（如有）於綜合財務狀況表列賬。

在建造作生產、供應或行政用途的物業按成本減任何已確認減值虧損列賬。成本包括專業費及（就合資格資產而言）根據本集團的會計政策資本化的借貸成本。該等物業於竣工時及可用於擬定用途時歸類為適當類別的物業、廠房及設備。該等資產的折舊基準與其他物業資產相同，乃於資產可供用於擬定用途時開始計提。

自由保有土地按成本減任何已確認減值虧損列賬。自由保有土地未折舊。

本集團所生產專門配合本集團的骨科植入物產品使用的手術工具將於提供予所在地的分銷商作其擬定用途時開始計提折舊。

折舊乃確認以撇銷按直線法在其估計可使用年期內的資產（在建資產除外）成本減其剩餘價值。估計可使用年期、殘值和折舊方法會在每個報告期末覆核，並採用未來適用法對任何估計變更的影響進行核算。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

##### Property, plant and equipment (continued)

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

##### Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are stated at cost less subsequent accumulated depreciation and any accumulated impairment losses. Depreciation is recognised so as to write off the cost of investment properties over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals.

Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

#### 4. 主要會計政策 (續)

##### 物業、廠房及設備 (續)

物業、廠房及設備項目於出售或預期日後繼續使用資產時不再產生經濟利益時終止確認。處置或報廢物業、廠房及設備項目所產生的損益釐定為資產的銷售所得款項與賬面值的差額並於損益中確認。

##### 投資物業

投資物業指持作賺取租金及／或作資本增值的物業。

投資物業初步乃以成本(包括任何直接應佔開支)計值。初步確認後,投資物業乃按成本減其後累計折舊及任何累計減值虧損計值。確認折舊以便於經考慮投資物業的估計剩餘價值後採用直線法按估計使用年限撇銷其成本。

當投資物業出售或永久停止使用及預計不會從出售該項物業中獲得未來經濟收益時,即取消確認該項投資物業。

取消確認某項物業所產生的任何收益或虧損(按出售所得款項淨額與該資產的賬面值兩者之差額計算),於取消確認物業的期間於損益表中確認。

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For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### **Investment properties** (continued)

Transfers to, or from, investment property when, and only when, there is a change in use, evidenced by end of owner-occupation or of development with a view to owner-occupation, for a transfer from owner-occupied property to investment property; or commencement of owner-occupation, for a transfer from investment property to owner-occupied property.

#### ***Transfers (Effective prior to 1 January 2018)***

Transfers to, or from, investment property when, and only when, there is a change in use, evidenced by end of owner-occupation, for a transfer from owner-occupied property to investment property; or commencement of owner-occupation, for a transfer from investment property to owner-occupied property.

#### **Intangible assets**

#### ***Intangible assets acquired separately***

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

#### ***Internally-generated intangible assets – research and development expenditure***

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

### 4. 主要會計政策 (續)

#### **投資物業 (續)**

當且僅當存在業主佔用或以業主佔用為目的的開發結束而自業主佔用物業轉至投資物業；或開始業主佔用而自投資物業轉至業主佔用物業證明用途改變時，才可轉入或轉出投資物業。

#### ***轉移 (二零一八年一月一日之前生效)***

當且僅當存在業主佔用結束而自業主佔用物業轉至投資物業；或開始業主佔用而自投資物業轉至業主佔用物業證明用途改變時，才可轉入或轉出投資物業。

#### **無形資產**

#### ***獨立收購的無形資產***

個別收購且具備有限可使用年期的無形資產按成本減累計攤銷及任何累計減值虧損入賬。攤銷於其估計可使用年期內按直線基準確認。估計可使用年期及攤銷法於各報告期末檢討，而估計之任何變動影響按未來適用法予以入賬。

#### ***內部產生無形資產 – 研發開支***

研究活動的支出在其產生的期間內列為一項開支。

#### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

##### Intangible assets (continued)

##### **Intangible assets acquired in a business combination**

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

##### **Derecognition of intangible assets**

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

##### **Impairment of tangible and intangible assets other than goodwill**

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss, if any.

#### 4. 主要會計政策 (續)

##### 無形資產 (續)

##### **於業務合併中收購的無形資產**

於業務合併中收購的無形資產乃以獨立於商譽的方式確認，並於收購日期初步按公平值（被視為其成本）確認。

於初步確認後，於業務合併中收購且具備有限可使用年期的無形資產按成本減累計攤銷及累計減值虧損根據與獨立收購無形資產的相同基準呈報。

##### **取消確認無形資產**

無形資產於出售或當預期使用或出售時不會帶來未來經濟利益時取消確認。終止確認無形資產所產生的收益或虧損乃以出售所得款項淨額與該項資產賬面值之間的差額計量，並於該項資產終止確認時於損益表中確認。

##### **除商譽外之有形及無形資產減值**

於報告期末，本集團審閱其有限使用年期之有形及無形資產之賬面值，以確定是否有任何跡象顯示該等資產出現減值虧損。倘有任何該等跡象存在，將估計相關資產之可收回金額以釐定其減值虧損（如有）。

**4. SIGNIFICANT ACCOUNTING POLICIES**

(continued)

**Impairment of tangible and intangible assets other than goodwill** (continued)

The recoverable amount of tangible and intangible assets are estimated individually, when it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit. An impairment loss is recognised immediately in profit or loss.

**4. 主要會計政策 (續)****除商譽外之有形及無形資產減值** (續)

無形及有形資產的可回收金額單獨估計，倘不能估計個別資產之可收回金額時，本集團則估計該資產所屬之現金產生單位之可收回金額。倘有合理及一致的分配基準，公司資產亦會分配至個別現金產生單位，否則會被分配至最小之現金產生單位組合，當中有合理及一致的分配基準。

可收回金額為公平值減出售成本及使用價值之較高者。評估使用價值時，乃使用能反映現行市場所評估金錢之時間價值之稅前貼現率貼現至其現在價值，而該資產（或現金產生單位）之預計未來現金流量則未有調整相關風險。

倘一項資產（或現金產生單位）之估計可收回金額低於其賬面值，則該資產（或現金產生單位）之賬面值將調低至其可收回金額。於分配減值虧損時，首先分配減值虧損以減少任何商譽的賬面值（如適用），然後按比例根據該單位各資產的賬面值分配至其他資產。資產賬面值不得減少至低於其公平值減出售成本（如可計量）、其使用價值（如可計量）及零之中的最高值。已另行分配至資產之減值虧損數額按比例分配至該單位其他資產。減值虧損會即時於損益確認。



### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Impairment of tangible and intangible assets other than goodwill (continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

#### Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on the weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

#### Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

### 4. 主要會計政策 (續)

#### 除商譽外之有形及無形資產減值 (續)

倘減值虧損其後撥回，該項資產（或現金產生單位）之賬面值將增加至其經修訂之估計可收回金額，惟增加後之賬面值不得超過倘若該資產（或現金產生單位）於過往年度並無確認減值虧損所釐定之賬面值。減值虧損撥回隨即於損益內確認。

#### 存貨

存貨按成本與可變現淨值兩者中較低者列賬。存貨成本按加權平均法釐定。可變現淨值指存貨估計售價減所有估計完成成本及就進行銷售而言屬必要的成本。

#### 金融工具

金融資產及金融負債乃於某集團實體成為工具合同條文的訂約方時確認。金融資產的所有日常買賣乃按交易日基準確認及終止確認。常規方式買賣乃指遵循一般法規或市場慣例在設定的時限內交付資產的金融資產買賣。

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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15 since 1 January 2018. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest/dividend income which are derived from the Group's ordinary course of business are presented as other income.

### 4. 主要會計政策 (續)

#### 金融工具 (續)

金融資產及金融負債初步按公平值計量，自二零一八年一月一日起根據香港財務報告準則第15號初始計量的來自客戶合約的應收貿易賬款除外。收購或發行金融資產及金融負債（按公平值計入損益的金融資產或金融負債除外）直接應佔的交易成本乃於初步確認時，計入金融資產或金融負債的公平值內或自當中扣除（如適用）。收購按公平值計入損益的金融資產或金融負債直接產生的交易成本即時於損益中確認。

實際利率法是計算金融資產或金融負債攤銷成本及按有關期間分配利息收入及利息開支的方法。實際利率是將估計日後現金收入及付款（包括所付或所收屬於實際利率組成部分的一切費用及代價、交易成本及其他溢價或折扣）按金融資產或金融負債的預期年期或（如適用）較短期間準確貼現至初步確認時賬面淨值的利率。

本集團日常業務產生的利息／股息收入列示為其他收入。

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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Financial instruments (continued)

##### Financial assets

*Classification and subsequent measurement of financial assets (upon application of HKFRS 9 in accordance with transitions in note 2)*

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL.

### 4. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產

金融資產的分類及後續計量 (根據附註2中過渡應用香港財務報告準則第9號後)

符合下列條件的金融資產其後按攤銷成本計量:

- 金融資產乃按旨在收取合約現金流量的業務模式持有; 及
- 合約條款於指定日期產生純粹為支付未償還本金及利息的現金流量。

符合下列條件的金融資產其後按公平值計入其他全面收益計量:

- 金融資產乃按旨在同時收取合約現金流量及出售金融資產的業務模式持有; 及
- 合約條款於指定日期產生純粹為支付未償還本金及利息的現金流量。

所有其他金融資產其後按公平值計入損益計量。

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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

#### *Financial assets (continued)*

*Classification and subsequent measurement of financial assets (upon application of HKFRS 9 in accordance with transitions in note 2) (continued)*

(i) Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost and debt instruments/receivables subsequently measured at FVTOCI. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

### 4. 主要會計政策 (續)

#### 金融工具 (續)

#### 金融資產 (續)

金融資產的分類及後續計量 (根據附註2中過渡應用香港財務報告準則第9號後) (續)

(i) 攤銷成本及利息收入

其後按攤銷成本計量的金融資產及其後按公平值計入其他全面收益計量的應收款項的利息收入乃使用實際利息法予以確認。利息收入乃對一項金融資產賬面總值應用實際利率予以計算，惟其後出現信貸減值的金融資產除外 (見下文)。就其後出現信貸減值的金融資產而言，自下一報告期起，利息收入乃對金融資產攤銷成本應用實際利率予以確認。倘信貸減值金融工具的信貸風險好轉，使金融資產不再出現信貸減值，於釐定資產不再出現信貸減值後，自報告期開始起利息收入乃對金融資產賬面總值應用實際利率予以確認。

**4. SIGNIFICANT ACCOUNTING POLICIES**

(continued)

**Financial instruments** (continued)

**Financial assets** (continued)

*Classification and subsequent measurement of financial assets (upon application of HKFRS 9 in accordance with transitions in note 2) (continued)*

- (ii) Debt instruments classified as at FVTOCI

Subsequent changes in the carrying amounts for debt instruments classified as at FVTOCI as a result of interest income calculated using the effective interest method are recognised in profit or loss. All other changes in the carrying amount of these debt instruments are recognised in other comprehensive income and accumulated under the heading of FVTOCI reserve. Impairment allowances are recognised in profit or loss with corresponding adjustment to other comprehensive income without reducing the carrying amounts of these debt instruments. The amounts that are recognised in profit or loss are the same as the amounts that would have been recognised in profit or loss if these debt instruments had been measured at amortised cost. When these debt instruments are derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss.

**4. 主要會計政策 (續)**

**金融工具 (續)**

**金融資產 (續)**

*金融資產的分類及後續計量 (根據附註2中過渡應用香港財務報告準則第9號後) (續)*

- (ii) 分類為按公平值計入其他全面收益計量之債務工具

由於按實際利率法計算的利息收入而分類為按公平值計入其他全面收益之債務工具的賬面值的後續變動在損益中確認。該等債務工具賬面值的所有其他變動均於其他全面收益中確認，並於按公平值計入其他全面收益計量儲備項下累計。減值準備於損益中確認，並在不減少該等債務工具賬面值的情況下對其他全面收益作出相應調整。如果這些債務工具以攤銷成本計量，則在損益中確認的金額與本應在損益中確認的金額相同。當終止確認該等債務工具時，先前於其他全面收益確認的累計收益或虧損將重新分類至損益。

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For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

#### Financial assets (continued)

*Classification and subsequent measurement of financial assets (upon application of HKFRS 9 in accordance with transitions in note 2) (continued)*

#### (iii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the "other income, gains and losses" line item.

*Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 2)*

The Group recognises a loss allowance for ECL on financial assets which are subject to impairment under HKFRS 9 (including debt instruments at FVTOCI, trade receivables, loan receivables receivables from factoring business, other receivables, pledged bank deposits and bank balances and cash), lease receivables and financial guarantee contracts. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

### 4. 主要會計政策 (續)

#### 金融工具 (續)

#### 金融資產 (續)

金融資產的分類及後續計量 (根據附註2中過渡應用香港財務報告準則第9號後) (續)

#### (iii) 按公平值計入損益計量之金融資產

金融資產如不符合按攤銷成本計量或按公平值計入其他全面收益計量或指定按公平值計入其他全面收益的計量標準，則按公平值計入損益計量。

於各報告期末，按公平值計入損益計量之金融資產按公平值計量，而任何公平值收益或虧損於損益中確認。於損益中確認的收益或虧損淨額包括就金融資產所賺取的任何股息或利息，並計入「其他收入、收益及虧損」項目內。

金融資產減值 (根據附註2中過渡應用香港財務報告準則第9號後)

本集團根據香港財務報告準則第9號項下減值的金融資產 (包括按公平值計入其他全面收益計量之債務工具、應收貿易賬款、應收貸款、來自保理業務之應收款項、其他應收款項、已抵押銀行存款及銀行結餘及現金)、應收租賃款項及金融擔保合約確認預期信貸虧損的虧損撥備。預期信貸虧損的金額於各呈報日期更新，以反映自首次確認起的信貸風險變動。

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### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Financial instruments (continued)

##### *Financial assets (continued)*

*Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 2) (continued)*

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables and lease receivables. The ECL on these assets are assessed individually for debtors with significant balances and/or collectively using a provision matrix with appropriate groupings.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

### 4. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

金融資產減值 (根據附註2中過渡應用香港財務報告準則第9號後) (續)

整個週期的預期信貸虧損指相關工具於預計年期內所有可能的違約事件將產生的預期信貸虧損。相反，12個月預期信貸虧損(「12個月預期信貸虧損」)指於呈報日期後12個月內可能發生的違約事件預計產生的該部分整個週期的預期信貸虧損。評估乃根據本集團過往信貸虧損經驗為基礎，並就債務人特定因素、整體經濟環境及報告日期當前及未來情況預測的評估作出調整。

本集團一直就應收貿易賬款及應收租賃款項確認整個週期的預期信貸虧損。對債務人具有重大結餘的該等資產的預期信貸虧損單獨進行評估及／或一併使用合適組別的撥備矩陣進行評估。

對於所有其他工具，本集團按12個月預期信貸虧損的相同金額計量該財務工具的損失撥備，除非當自首次確認以來信貸風險顯著上升，則本集團確認整個週期的預期信貸虧損。評估整個週期的預期信貸虧損是否應確認乃基於自首次確認以來發生違約的可能性或風險顯著上升。

**4. SIGNIFICANT ACCOUNTING POLICIES**

(continued)

**Financial instruments** (continued)**Financial assets** (continued)

*Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 2)*  
(continued)

## (i) Significant increase in credit risk

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

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

**4. 主要會計政策 (續)****金融工具 (續)****金融資產 (續)**

*金融資產減值 (根據附註2中過渡應用香港財務報告準則第9號後)*  
(續)

## (i) 信貸風險顯著上升

於評估信貸風險是否自初始確認以來顯著上升時，本集團會將金融工具於呈報日期發生違約的風險與金融工具於初始確認日期發生違約的風險進行比較。作出評估時，本集團會考慮合理及具支持性的定量及定性資料，包括過往經驗及可以合理成本及努力獲得的前瞻性資料。

具體而言，在評估信貸風險是否顯著上升時，會考慮以下資料：

- 金融工具外部 (如有) 或內部信貸評級的實際或預期顯著惡化；
- 信貸風險的外界市場指標顯著惡化，例如：債務人的信貸息差、信貸違約掉期價格大幅上升；
- 現有或預期的商業、金融或經濟狀況的不利變動，導致債務人償還債項能力大幅下降；



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### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Financial instruments (continued)

#### Financial assets (continued)

*Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 2) (continued)*

(i) Significant increase in credit risk (continued)

- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A debt instrument is determined to have low credit risk if i) it has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group's debt instruments at FVTOCI only comprise bills receivable that are issued and guaranteed by the reputable PRC banks and therefore are considered to be low credit risk.

### 4. 主要會計政策 (續)

#### 金融工具 (續)

#### 金融資產 (續)

*金融資產減值 (根據附註2中過渡應用香港財務報告準則第9號後) (續)*

(i) 信貸風險顯著上升 (續)

- 債務人經營業績的實際或預期顯著惡化；
- 債務人的監管、經濟或技術環境有實際或預期的重大不利變動，導致債務人償還債項的能力大幅下降。

儘管如此，倘債務工具於呈報日期被確定信貸風險較低，則本集團假設該債務工具的信貸風險自初始確認以來並無大幅上升。倘若債務工具符合以下條件，則被確定信貸風險較低：i) 違約風險低，ii) 借款人於近期內具有雄厚實力履行其合約現金流責任，及iii) 經濟及商業狀況的不利變化從長遠來看，可能但未必會降低借款人履行合約現金流責任的能力。本集團之按公平值計入其他全面收益計量之債務工具僅包括由聲譽良好的中國銀行發行及擔保的應收票據且因此被視為具有較低信貸風險。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

#### Financial assets (continued)

*Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 2)*  
(continued)

(i) Significant increase in credit risk (continued)

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

### 4. 主要會計政策 (續)

#### 金融工具 (續)

#### 金融資產 (續)

金融資產減值 (根據附註2中過渡應用香港財務報告準則第9號後)  
(續)

(i) 信貸風險顯著上升 (續)

就財務擔保合約而言，本集團不可撤回成為該承擔的相關方當日，被視為評估財務工具減值的首次確認日。在評估信貸風險在首次確認財務擔保合約後有否大幅攀升時，本集團會考慮該特定債務人違約所引起的風險變動。

本集團定期監控用以識別信貸風險有否顯著增加的標準之效益，且修訂標準（如適當）來確保標準能在金額逾期前識別信貸風險顯著增加。

(ii) 違約定義

就內部信貸風險管理而言，本集團認為，違約事件在內部制訂或得自外界來源的資料顯示債務人不大可能悉數向債權人（包括本集團）還款（未計及本集團所持任何抵押品）時發生。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Financial instruments (continued)

##### Financial assets (continued)

*Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 2) (continued)*

#### (iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

### 4. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

*金融資產減值 (根據附註2中過渡應用香港財務報告準則第9號後) (續)*

#### (iii) 信用減值金融資產

金融資產在一項或以上違約事件 (對該金融資產估計未來現金流量構成不利影響) 發生時維持信用減值。金融資產維持信用減值的證據包括有關下列事件的可觀察數據:

- (a) 發行人或借款人的重大財困;
- (b) 違反合約 (如違約或逾期事件);
- (c) 借款人的貸款人因有關借款人財困的經濟或合約理由而向借款人批出貸款人不會另行考慮的優惠;
- (d) 借款人將可能陷入破產或其他財務重組; 或
- (e) 由於出現財務困難, 金融資產活躍市場消失。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

#### Financial assets (continued)

*Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 2)*  
(continued)

#### (iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

#### (v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition. For a lease receivable, the cash flows used for determining the ECL is consistent with the cash flows used in measuring the lease receivable in accordance with HKAS 17 Leases.

### 4. 主要會計政策 (續)

#### 金融工具 (續)

#### 金融資產 (續)

*金融資產減值 (根據附註2中過渡應用香港財務報告準則第9號後)*  
(續)

#### (iv) 撇銷政策

資料顯示對手方處於嚴重財困及無實際收回可能時 (例如對手方被清盤或已進入破產程序時), 本集團則撇銷金融資產。經考慮法律意見後 (倘合適), 遭撇銷的金融資產可能仍須按本集團收回程序進行強制執行活動。撇銷構成取消確認事項。任何其後收回在損益中確認。

#### (v) 預期信貸損失之計量及確認

預期信貸損失之計量為違約概率、違約虧損 (即違約時虧損大小) 及違約時風險敞口之函數。違約概率及違約虧損之評估乃基於歷史數據按前瞻性資料作調整。預期信貸損失的預估乃無偏概率加權平均金額, 以各自發生違約的風險為權重確定。

一般而言, 預期信貸虧損為根據合約應付本集團的所有合約現金流與本集團預期將收取的現金流之間的差額, 並按初始確認時釐定的實際利率貼現。就租賃應收款項而言, 釐定預期信貸虧損所用的現金流與根據香港會計準則第17號租賃計量租賃應收款項所用的現金流一致。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Financial instruments (continued)

##### Financial assets (continued)

*Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 2) (continued)*

(v) Measurement and recognition of ECL (continued)

For a financial guarantee contract, the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed. Accordingly, the expected losses is the present value of the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the basis:

- Nature of financial instruments (i.e. the Group's trade and other receivables, finance lease receivables are each assessed as a separate group. Loans to related parties are assessed for expected credit losses on an individual basis);
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

### 4. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

*金融資產減值 (根據附註2中過渡應用香港財務報告準則第9號後) (續)*

(v) 預期信貸損失之計量及確認 (續)

就財務擔保合約而言，本集團僅須在債務人違反所擔保工具條款的情況下付款。因此，預期損失乃補償持有人就所產生信貸損失之預期款項之現值，減任何本集團預期從該持有人、債務人或任何其他方所收取之任何金額。

倘預期信用損失按集體基準計量或迎合個別工具水平證據未必存在的情況，則金融工具按以下基準歸類：

- 金融工具性質 (即本集團貿易應收款項及其他應收款項、應收融資租賃款項各自評為獨立組別。向關聯方授出的貸款乃按個別基準評估預期信貸虧損)；
- 逾期狀況；
- 債務人的性質、規模及行業；及
- 外部信貸評級 (倘有)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

#### Financial assets (continued)

*Impairment of financial assets (upon application HKFRS 9 with transitions in accordance with note 2)*  
(continued)

(v) Measurement and recognition of ECL (continued)

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

For financial guarantee contracts, the loss allowances are recognised at the higher of the amount of the loss allowance determined in accordance with HKFRS 9; and the amount initially recognised less, where appropriate, cumulative amount of income recognised over the guarantee period.

Except for debt instruments that are measured at FVTOCI and financial guarantee contracts, the Group recognises an impairment gain or loss in profit or loss for all financial instruments by recognising the corresponding adjustment through a loss allowance account. For investments in debt instruments that are measured at FVTOCI, the loss allowance is recognised in other comprehensive income and accumulated in the FVTOCI reserve without reducing the carrying amount of these debt instruments.

### 4. 主要會計政策 (續)

#### 金融工具 (續)

#### 金融資產 (續)

金融資產減值 (根據附註2中過渡應用香港財務報告準則第9號後)  
(續)

(v) 預期信貸損失之計量及確認  
(續)

歸類工作經管理層定期檢討，以確保各組別成份繼續分擔類似信貸風險特性。

利息收入乃根據金融資產的總賬面值計算，惟金融資產出現信貸減值則除外，在此情況下，利息收入根據金融資產的攤銷成本計算。

就貸款承擔而言，虧損撥備乃根據香港財務報告準則第9號釐定之虧損撥備與初步確認金額當中較高者，減去 (倘適用) 擔保期間所確認累計收入。

除按公平值計入其他全面收益計量的債務工具及金融擔保合約外，本集團通過利用虧損撥備賬目確認相應調整確認所有金融工具的減值損益。就按公平值計入其他全面收益計量的債務工具投資而言，虧損撥備於其他全面收益中確認，並累計於按公平值計入其他全面收益計量的儲備，而不會減少該等債務工具的賬面值。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Financial instruments (continued)

#### Financial assets (continued)

*Classification and subsequent measurement of financial assets (before application of HKFRS 9 on 1 January 2018)*

The Group's financial assets are classified into the following specified categories: available-for-sale ("AFS") financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

(i) AFS financial assets

AFS financial assets are non-derivatives that are either designated as available-for-sale or are not classified as (a) loans and receivables, (b) held-to-maturity investments or (c) financial assets at FVTPL.

### 4. 主要會計政策 (續)

#### 金融工具 (續)

#### 金融資產 (續)

*金融資產的分類及後續計量 (於二零一八年一月一日應用香港財務報告準則第9號之前)*

本集團的金融資產分為以下特定類別：可供出售（「可供出售」）金融資產及貸款及應收款項。分類取決於金融資產的性質及目的，並於初步確認時釐定。所有常規方式買賣的金融資產概於交易日予以確認及取消確認。常規方式買賣乃指遵循法規或市場慣例在約定時間內交付資產的金融資產買賣。

(i) 可供出售金融資產

可供出售金融資產為指定為可供出售或並非分類為(a)貸款及應收款項、(b)持至到期投資或(c)按公平值計入損益的金融資產的非衍生工具。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

#### Financial assets (continued)

*Classification and subsequent measurement of financial assets (before application of HKFRS 9 on 1 January 2018) (continued)*

(i) AFS financial assets (continued)

Equity and debt securities held by the Group that are classified as AFS financial assets are measured at fair value at the end of each reporting period except for unquoted equity investments whose fair value cannot be reliably measured. Changes in the carrying amount of AFS debt instruments relating to interest income calculated using the effective interest method, and changes in foreign exchange rates are recognised in profit or loss. Dividends on AFS equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established. Other changes in the carrying amount of AFS financial assets are recognised in other comprehensive income and accumulated under other reserves. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the other reserves is reclassified to profit or loss.

AFS equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost less any identified impairment losses at the end of each reporting period.

### 4. 主要會計政策 (續)

#### 金融工具 (續)

#### 金融資產 (續)

金融資產的分類及後續計量 (於二零一八年一月一日應用香港財務報告準則第9號之前) (續)

(i) 可供出售金融資產 (續)

本集團持有的權益及債務證券於各報告期末分類為可供出售金融資產，按公平值計量，惟公平值不能可靠計量的無報價股本投資除外。可供出售債務工具賬面值變動與按實際利率法計量的利息收入及外幣匯率變動有關，倘適用，則於損益確認。可供出售權益工具之股息於本集團收取股息之權利成立時於損益中確認。可供出售金融資產賬面值其他變動於其他全面收益中確認及於其他儲備中累積。當該投資出售或被認定為減值時，先前於其他儲備中累積之損益，將重新分類到損益中。

於活躍市場並無市價報價及其公平值未能可靠計量的可供出售股本投資於各報告期末按成本減任何已識別減值虧損計量。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Financial instruments (continued)

##### Financial assets (continued)

*Classification and subsequent measurement of financial assets (before application of HKFRS 9 on 1 January 2018) (continued)*

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables, loan receivables, bank balances and cash and pledged bank deposits) are carried at amortised cost using the effective interest method, less any identified impairment losses.

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

*Impairment of financial assets (before application of HKFRS 9 on 1 January 2018)*

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For AFS equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

### 4. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

*金融資產的分類及後續計量 (於二零一八年一月一日應用香港財務報告準則第9號之前) (續)*

(ii) 貸款及應收款項

貸款及應收款項乃並非於活躍市場報價而具備固定或可釐定款項的非衍生金融資產。於首次確認後，貸款及應收款項 (包括應收貿易賬款及其他應收款項、應收貸款、銀行結餘及現金以及已抵押銀行存款) 乃採用實際利率法按攤銷成本減任何已確認減值虧損計值。

利息收入以實際利率確認，惟所確認利息可能極少之短期應收款項除外。

*金融資產減值 (於二零一八年一月一日應用香港財務報告準則第9號之前)*

於各報告期末評定金融資產是否有減值跡象。當有客觀證據顯示金融資產的估計未來現金流量因於初步確認該金融資產後發生之一項或多項事件而受到影響時，即該金融資產被視為已減值。

就可供出售股本投資而言，抵押品之公平值大幅或長期下跌至低於其成本被認為屬減值的客觀證據。

**4. SIGNIFICANT ACCOUNTING POLICIES**

(continued)

**Financial instruments** (continued)**Financial assets** (continued)*Impairment of financial assets (before application of HKFRS 9 on 1 January 2018) (continued)*

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contracts, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis.

Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the credit period of 90-180 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets that are carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

**4. 主要會計政策 (續)****金融工具 (續)****金融資產 (續)***金融資產減值 (於二零一八年一月一日應用香港財務報告準則第9號之前) (續)*

就所有其他金融資產而言，減值的客觀證據包括：

- 發行人或對手方出現重大財政困難；或
- 違反合約，如逾期或拖欠利息或本金還款；或
- 借款人有可能面臨破產或財務重組。

就若干類金融資產（例如應收貿易賬款）而言，不會單獨作出減值的資產會於其後匯集一併評估減值。

應收款項組合出現減值的客觀證據包括本集團過往收款記錄，組合內超出90至180天信貸期的延遲付款數量有所增加，以及國家或地區經濟狀況出現明顯變動（與應收款項未能償還的情況吻合）。

對於按攤銷成本計值的金融資產而言，已確認減值虧損金額為按該資產的賬面值與按金融資產原先實際利率貼現之估計未來現金流量之現值間的差額。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Financial instruments (continued)

#### Financial assets (continued)

#### Impairment of financial assets (before application of HKFRS 9 on 1 January 2018) (continued)

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables and finance lease receivables and loan receivables where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade receivable, other receivable, finance lease receivable or loan receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

### 4. 主要會計政策 (續)

#### 金融工具 (續)

#### 金融資產 (續)

#### 金融資產減值 (於二零一八年一月一日應用香港財務報告準則第9號之前) (續)

就按成本列賬的金融資產而言，減值虧損金額乃按資產賬面值與按類似金融資產的現行市場回報率貼現的估計未來現金流量的現值之間的差額計量。有關減值虧損將不會於其後期間撥回。

所有金融資產的減值虧損會直接於金融資產的賬面值中作出扣減，惟應收貿易賬款及其他應收款項以及金融租賃應收款項和貸款應收款項除外，應收貿易賬款及其他應收款項的賬面值會透過撥備賬作出扣減。撥備賬內的賬面值變動會於損益中確認。當應收貿易賬款、其他應收款項、應收融資租賃或應收貸款被視為不可收回時，其將於撥備賬內撇銷。之前已撇銷的款項如其後收回，將計入損益內。

當可供出售金融資產被視為減值，先前於其他全面收入內確認的累計收益或虧損於期內重新分類至損益。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

#### Financial assets (continued)

#### Impairment of financial assets (before application of HKFRS 9 on 1 January 2018) (continued)

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases, and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of AFS equity investments, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of other reserve.

#### Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

### 4. 主要會計政策 (續)

#### 金融工具 (續)

#### 金融資產 (續)

#### 金融資產減值 (於二零一八年一月一日應用香港財務報告準則第9號之前) (續)

對於按攤銷成本計值的金融資產而言，倘減值虧損金額於隨後期間有所減少，而有關減少在客觀上與確認減值後發生的事件有關，則先前已確認的減值虧損將透過損益予以撥回，惟該資產於減值被撥回當日的賬面值不得超過未確認減值時之已攤銷成本。

就可供出售權益投資而言，過往於損益確認之減值虧損並無通過損益撥回。減值虧損後公平值的任何增加均直接於其他全面收入確認及於其他儲備累計。

#### 終止確認金融資產

倘從資產收取現金流量之合約權利已到期，或金融資產已轉讓且本集團已將其於金融資產擁有權之絕大部份風險及回報轉移至另一實體，則金融資產將被取消確認。倘若本集團並無轉讓或保留擁有權之絕大部份風險及回報，並繼續控制已轉讓之資產，則本集團會確認其於資產的保留權益及可能需要支付的相關負債款項。倘若本集團保留已轉讓金融資產擁有權之絕大部份風險及回報，則本集團繼續確認金融資產並同時就所得收益確認抵押借款。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Financial instruments (continued)

##### Financial assets (continued)

##### Derecognition of financial assets (continued)

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of an investment in a debt instrument classified as at FVTOCI upon application of HKFRS 9, the cumulative gain or loss previously accumulated in the FVTOCI reserve is reclassified to profit or loss.

On derecognition of an AFS financial asset, the cumulative gain or loss previously accumulated in the AFS revaluation reserve is reclassified to profit or loss.

#### Financial liabilities and equity

##### Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

##### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

### 4. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

##### 終止確認金融資產 (續)

當以攤銷成本計量的金融資產終止確認時，資產的賬面值與已收及應收代價款項總額之間的差額將於損益中確認。

於應用香港財務報告準則第9號後終止確認分類為按公平值計入其他全面收益計量的債務工具投資時，先前於按公平值計入其他全面收益計量儲備中累計的累計收益或虧損將重新分類至損益。

當可供出售金融資產終止確認時，先前於可供出售重估儲備累計的累計收益或虧損將重新分類至損益。

#### 金融負債及權益

##### 分類為負債或權益

負債及股本工具乃根據合約安排的性質與金融負債及股本工具的定義分類為金融負債或權益。

##### 股本工具

股本工具乃證明實體於扣減所有負債後的資產中擁有剩餘權益之任何合約。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 4. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

#### Financial liabilities and equity (continued)

##### Financial liabilities at amortised cost

Financial liabilities including borrowings, loans from the ultimate holding company and trade and other payables are subsequently measured at amortised cost, using the effective interest method.

##### Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

### 5. KEY SOURCES OF ESTIMATION UNCERTAINTY

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

#### Acquisition of subsidiaries

The initial accounting on the acquisition of subsidiaries, which are not under common control, involves identifying and determining the fair value to be assigned to the identified assets and liabilities of the acquired entities. The fair value of the identified assets are determined by reference to the valuation performed by independent valuer. Any changes in assumptions used and estimates made in determining the fair value will impact the carrying amount of these assets and liabilities. Details of the Group's acquisition of subsidiaries are set out in note 38.

### 4. 主要會計政策 (續)

#### 金融工具 (續)

#### 金融負債及權益 (續)

##### 按攤銷成本計量之金融負債

金融負債(包括借款、來自最終控股公司的貸款以及應付貿易賬款及其他應付款項)其後按攤銷成本採用實際利率法計量。

##### 終止確認金融負債

當及僅當本集團的責任獲解除、取消或屆滿時，本集團便會終止確認金融負債。終止確認的金融負債的賬面值與已付及應付代價之間的差額於損益中確認。

### 5. 估計不明朗因素的主要來源

以下為有關未來的主要假設，而於各報告期末具有重大風險會導致資產及負債的賬面值於未來財政年度內需要作出重大調整的估計不確定因素的其他主要來源。

#### 收購附屬公司

收購非處於共同控制下的附屬公司的初始會計涉及識別及釐定分配予被收購實體或業務的可識別資產及負債的公允價值。可識別淨資產的公允價值乃參考獨立估價師進行的估值而釐定。釐定公允價值所用的假設及所作的估算的任何變動將對該等資產及負債的賬面值產生影響。本集團收購附屬公司的詳情載於附註38。

## 5. KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

### Impairment assessment of goodwill

Determining whether goodwill is impaired requires an estimation of the recoverable amount of the cash generating unit to which goodwill has been allocated, which is the higher of the value in use or fair value less costs of disposal. The calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value.

Where the actual future cash flows are less than expected, or change in facts and circumstances which results in downward revision of future cash, a material impairment loss/further impairment loss may arise. Details of the recoverable amount calculation are disclosed in note 22.

## 6. REVENUE AND SEGMENT INFORMATION

The Group is principally engaged in the research and development, production and sale of medical device products, orthopaedic products, interventional products, pharma packaging products, blood management products, and operates financing business.

For management purposes, the Group is currently organised into six operating divisions – medical device products, orthopaedic products, interventional products, pharma packaging products, blood management products and others, among which interventional products were produced by Argon Medical Devices Holding, Inc. (“Argon”). These divisions are the basis of the internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (Managing Director) in order to allocate resources to segments and to assess their performance.

## 5. 估計不明朗因素的主要來源 (續)

### 商譽減值評估

釐定商譽是否減值須要估計獲分配有關商譽之現金產生單位之可收回金額，即使用價值或公允值減出售成本兩者之較高者。計算使用價值須要本集團對預期可自現金產生單位獲得之未來現金流量，以及適合計算所得現值之折現率作出估計。

倘未來實際現金流量較預期為少，或事實及情況有變以致未來現金向下調整，則可能產生重大減值虧損／進一步減值虧損。可回收金額計算詳情於附註22中披露。

## 6. 收入及分部資料

本集團主要從事研發、生產及銷售醫療器械產品、骨科產品、介入產品、藥品包裝產品、血液管理產品，及經營融資業務。

就管理而言，本集團目前分為六個經營分部：醫療器械產品、骨科產品、介入產品、藥品包裝產品、血液管理產品及其他，其中介入產品由愛琅醫療器械控股有限公司（「愛琅」）生產。該等分部乃按本集團各部的內部呈報基準劃分，定期由主要營運決策者（董事總經理）審核，以分配資源至分部並評估其表現。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 6. REVENUE AND SEGMENT INFORMATION (continued)

### 6. 收入及分部資料 (續)

Principal activities of the Group's operating and reportable segments are as follows:

本集團經營及可呈報分部的主要業務如下：

- Medical device products – production and sale of clinical care, wound management, medical testing, anesthesia and surgical related products and other consumables
- Orthopaedic products – production and sale of orthopaedic products
- Interventional products – production and sale of tumour and blood vessel interventional instruments
- Pharma packaging products – production and sale of pre-filled syringes and flushing syringes
- Blood management products – production and sale of blood collection, storage, separation and sterilization products
- Others – finance lease and factoring business

- 醫療器械產品 – 生產及銷售臨床護理、創傷護理、醫學檢驗、麻醉及手術相關產品。
- 骨科產品 – 生產及銷售骨科產品。
- 介入產品 – 生產及銷售腫瘤及血管介入器械。
- 藥品包裝產品 – 生產及銷售預充式注射器及沖管注射器。
- 血液管理產品 – 生產及銷售血液採集、貯存、分離、滅菌消毒產品。
- 其他 – 融資租賃及保理業務。

In 2017, the Group was organised into three operating divisions – single use medical device products, orthopaedic products, and others. The operation regarding the manufacture and sale of blood purification products was discontinued. The reported segment information does not include any amounts for this discontinued operation, which are described in more details in note 11.

於二零一七年，本集團分為三個經營分部：一次性使用醫療器械產品、骨科產品及其他。有關製造及銷售血液淨化產品之經營分部已終止。所呈報的分部資料並不包括此項已終止經營業務之任何金額，更多詳情載於附註11。

The comparative amounts of segment information have been reclassified to conform to the current year's classification of operating segments and presentation.

分部資料之比較數據已予以重新分類以與本年度之經營分部分類及呈列保持一致。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 6. REVENUE AND SEGMENT INFORMATION

(continued)

#### Segment revenues and results

The following is an analysis of the Group's revenue and results by operating and reportable segments:

2018

#### Continuing operations

### 6. 收入及分部資料 (續)

#### 分部收益及業績

本集團按經營及可報告分部分析其持續經營業務之收益及業績如下：

二零一八年

#### 持續經營業務

		Medical device products	Orthopaedic products	Interventional products	Pharma packaging products	Blood management products	Others	Eliminations	Total
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		醫療器械產品	骨科產品	介入產品	藥品包裝產品	血液管理產品	其他	抵減	合計
		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	人民幣千元
Revenue	收益								
External sales	外部銷售	5,010,655	1,180,563	1,260,026	955,609	402,008	-	-	8,808,861
Inter-segment sales	內部分部銷售	195	5,299	1,502	-	-	-	(6,996)	-
<b>Total</b>	<b>合計</b>	<b>5,010,850</b>	<b>1,185,862</b>	<b>1,261,528</b>	<b>955,609</b>	<b>402,008</b>	<b>-</b>	<b>(6,996)</b>	<b>8,808,861</b>
Segment profit	分部溢利	955,868	353,653	(102,932)	327,758	51,659	61,760	-	1,647,766
Depreciation of investment properties	投資物業之折舊								(2,959)
Unallocated other income, gains and losses	未分配其他收入、收益及虧損								(136)
Rental income of investment properties	投資物業之租金收入								17,602
Interest income from bank	銀行利息收入								62,093
Gain from changes in fair value of financial assets at FVTPL	按公平值計入損益計量之金融資產公平值變動收益								17,603
Share of profit of an associate	應佔一間聯營公司溢利								33,246
Profit before taxation (continuing operations)	除稅前溢利 (持續經營業務)								1,775,215

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

**6. REVENUE AND SEGMENT INFORMATION** (continued) **6. 收入及分部資料** (續)

**Segment revenues and results** (continued)

**分部收益及業績** (續)

**2017**

**二零一七年**

**Continuing operations**

**持續經營業務**

		Medical device products RMB'000 (restated) 醫療器械 產品 人民幣千元 (經重列)	Orthopaedic products RMB'000 (restated) 骨科產品 人民幣千元 (經重列)	Interventional products RMB'000 (restated) 介入產品 人民幣千元 (經重列)	Pharma packaging products RMB'000 (restated) 藥品包裝 產品 人民幣千元 (經重列)	Blood management products RMB'000 (restated) 血液管理 產品 人民幣千元 (經重列)	Others RMB'000 (restated) 其他 人民幣千元 (經重列)	Eliminations RMB'000 (restated) 抵減 人民幣千元 (經重列)	Total RMB'000 (restated) 合計 人民幣千元 (經重列)
Revenue	收益								
External sales	外部銷售	4,351,077	870,386	-	718,920	352,258	-	-	6,292,641
Inter-segment sales	內部分部銷售	16,130	1,622	-	-	-	-	(17,752)	-
<b>Total</b>	<b>合計</b>	<b>4,367,207</b>	<b>872,008</b>	<b>-</b>	<b>718,920</b>	<b>352,258</b>	<b>-</b>	<b>(17,752)</b>	<b>6,292,641</b>
Segment profit	分部溢利	863,622	289,633	-	251,050	44,288	39,963	-	1,488,556
Depreciation of investment properties	投資物業之折舊								(4,229)
Unallocated other income, gains and losses	未分配其他收入、收益及虧損								(14,101)
Rental income of investment properties	投資物業之租金收入								11,438
Interest income from bank	銀行利息收入								42,601
Gain on disposal of a subsidiary	出售一間附屬公司之收益								1,346
Profit before taxation (continuing operations)	除稅前溢利 (持續經營業務)								1,525,611

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 6. REVENUE AND SEGMENT INFORMATION (continued)

#### Segment revenues and results (continued)

The accounting policies of the operating and reportable segments are the same as the Group's accounting policies described in note 4. Segment profit represents the profit earned by each segment without allocation of depreciation and rental income of investment properties, other income, gains and losses of the corporate function, interest income from bank, gain from changes in fair value of financial assets at FVTPL, share of profit of an associate, and gain on disposal of a subsidiary. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and performance assessment.

#### Segment assets and liabilities

##### Segment assets

Continuing operations	持續經營業務	31/12/2018 RMB'000 二零一八年 十二月 三十一日 人民幣千元	31/12/2017 RMB'000 (restated) 二零一七年 十二月 三十一日 人民幣千元 (經重列)
Medical device products	醫療器械產品	8,840,343	8,175,298
Orthopaedic products	骨科產品	1,497,061	1,372,782
Interventional products	介入產品	6,073,665	-
Pharma packaging products	藥品包裝產品	791,261	579,256
Blood management products	血液管理產品	377,619	331,437
Others	其他	1,084,554	1,174,912
Total segment assets	分部總資產	<b>18,664,503</b>	11,633,685
Available-for-sale investments	可供出售投資	-	81,517
Financial assets at FVTPL	按公平值計入損益計量之 金融資產	<b>107,339</b>	-
Interests in an associate	於一間聯營公司的權益	<b>970,746</b>	937,500
Investment properties	投資物業	<b>131,476</b>	186,956
Deferred tax assets	遞延稅項資產	<b>78,093</b>	60,628
Pledged bank deposits	已抵押銀行存款	<b>222,270</b>	96,178
Bank balances and cash	銀行結餘及現金	<b>3,812,446</b>	3,784,553
Consolidated assets	綜合資產	<b>23,986,873</b>	16,781,017

### 6. 收入及分部資料 (續)

#### 分部收益及業績 (續)

經營及可呈報分部的會計政策與附註4所述的本集團會計政策相同。分部溢利指各分部所賺取的溢利，未計及投資物業之折舊及租金收入、其他收入、企業職能的收益及虧損、銀行利息收入、按公平值計入損益計量之金融資產公平值變動收益、應佔一間聯營公司盈利及出售附屬公司之收益。此為向主要營運決策者就資源分配及表現評估呈報的計量方式。

#### 分部資產及負債

##### 分部資產

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For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

6. REVENUE AND SEGMENT INFORMATION

(continued)

6. 收入及分部資料 (續)

Segment assets and liabilities (continued)

分部資產及負債 (續)

Segment liabilities

分部負債

Continuing operations	持續經營業務	31/12/2018 RMB'000 二零一八年 十二月 三十一日 人民幣千元	31/12/2017 RMB'000 (restated) 二零一七年 十二月 三十一日 人民幣千元 (經重列)
Medical device products	醫療器械產品	4,596,944	2,349,669
Orthopaedic products	骨科產品	347,957	200,860
Interventional products	介入產品	2,952,878	-
Pharma packaging products	藥品包裝產品	122,474	129,103
Blood management products	血液管理產品	107,152	103,282
Others	其他	329,002	359,653
Total segment liabilities	分部總負債	8,456,407	3,142,567
Deferred tax liabilities	遞延稅項負債	339,566	-
Consolidated liabilities	綜合負債	8,795,973	3,142,567

For the purposes of monitoring segment performances and allocating resources between segments:

為監控分部表現及在分部之間分配資源：

- all assets are allocated to operating segments other than investment properties, pledged bank deposits, bank balances and cash, deferred tax assets, available-for-sale investments, financial assets at FVTPL and interests in an associate; and
- all liabilities are allocated to operating segments other than deferred tax liabilities.

- 所有資產分配至經營分部，惟投資物業、已抵押銀行存款、銀行結餘及現金、遞延稅項資產、可供出售投資、按公平值計入損益計量之金融資產及於一間聯營公司的權益除外；及
- 所有負債分配至除遞延稅項負債外的經營分部。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 6. REVENUE AND SEGMENT INFORMATION (continued)

### 6. 收入及分部資料 (續)

#### Other segment information

#### 其他分部資料

2018

二零一八年

#### Continuing operations

#### 持續經營業務

	Medical device products	Orthopaedic products	Interventional products	Pharma packaging products	Blood management products	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	醫療器械產品	骨科產品	介入產品	藥品包裝產品	血液管理產品	其他	合計
	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
Amounts included in the measure of segment profit or segment assets:	計量分部溢利或分部資產時應計款項：						
Additions to property, plant and equipment	494,654	92,897	35,331	95,451	35,553	8	753,894
Allowances for credit losses	11,541	1,102	730	3,250	650	638	17,911
Allowances for inventories	-	611	-	-	-	-	611
Release of prepaid lease payments	4,924	6,561	-	767	1,240	-	13,492
Amortisation of intangible assets	-	77	214,971	-	-	-	215,048
Depreciation of property, plant and equipment	196,131	72,565	21,506	41,642	12,371	336	344,551
Loss on disposal of property, plant and equipment	1,908	19	117	-	-	-	2,044
Research and development expenditure	210,153	48,571	9,622	24,809	18,008	-	311,163
Share-based payment expenses	15,167	-	22,930	2,022	1,902	-	42,021
Government grants	(1,856)	(8,201)	-	(2,144)	(28)	-	(12,229)
Rebate of value added tax ("VAT")	(81,079)	-	-	-	-	-	(81,079)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 6. REVENUE AND SEGMENT INFORMATION (continued) 6. 收入及分部資料 (續)

#### Other segment information (continued)

#### 其他分部資料 (續)

2017

二零一七年

#### Continuing operations

#### 持續經營業務

	Medical device products	Orthopaedic products	Interventional products	Pharma packaging products	Blood management products	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(restated)	(restated)	(restated)	(restated)	(restated)	(restated)	(restated)
	醫療器械產品	骨科產品	介入產品	藥品包裝產品	血液管理產品	其他	合計
	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
	(經重列)	(經重列)	(經重列)	(經重列)	(經重列)	(經重列)	(經重列)

Amounts included in the measure of segment profit or segment assets:	計量分部溢利或分部資產時應計款項:						
Additions to property, plant and equipment	新增物業、廠房及設備	557,432	62,675	-	100,048	7,558	728,344
Allowances for bad and doubtful debts	呆壞賬撥備	21,784	1,676	-	3,250	610	35,023
Allowances for inventories	存貨撥備	-	1,712	-	-	-	1,712
Release of prepaid lease payments	預付租賃款項付回	4,716	1,829	-	767	1,240	8,552
Amortisation of intangible assets	無形資產攤銷	-	3,687	-	-	-	3,687
Depreciation of property, plant and equipment	物業、廠房及設備折舊	143,336	64,816	-	33,984	12,279	254,681
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	466	1	-	-	-	467
Research and development expenditure	研發開支	195,961	35,054	-	26,828	15,982	273,825
Share-based payment expenses	以股份為基礎的付款開支	19,552	-	-	3,050	2,810	25,412
Government grants	政府補助	(9,022)	(6,157)	-	-	(1,565)	(18,014)
Rebate of value added tax ("VAT")	增值稅(「增值稅」)退款	(81,488)	-	-	-	-	(81,488)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 6. REVENUE AND SEGMENT INFORMATION (continued)

#### Revenue from major products

The following is an analysis of the Group's revenue from continuing operations from its major products and services.

		<b>2018</b>	2017
		<b>RMB'000</b>	RMB'000
		<b>二零一八年</b>	二零一七年
		<b>人民幣千元</b>	人民幣千元 (經重列)
Sale of medical device products	銷售醫療器械產品		
– Clinical care	– 臨床護理	<b>3,891,672</b>	3,581,168
– Wound management	– 創傷護理	<b>299,905</b>	221,377
– Anesthesia and surgical related products	– 麻醉及手術相關產品	<b>105,942</b>	36,228
– Medical testing	– 醫學檢驗	<b>150,678</b>	118,956
– Other consumables	– 其他耗材	<b>378,246</b>	244,245
Sale of orthopaedic products	銷售骨科產品	<b>1,180,563</b>	870,386
Sale of interventional products	銷售介入產品	<b>1,444,238</b>	149,103
Sale of pharma packaging products	銷售藥品包裝產品	<b>955,609</b>	718,920
Sale of blood management products	銷售血液管理產品	<b>402,008</b>	352,258
		<b>8,808,861</b>	6,292,641

#### Information about major customers

There is no single customer contributing over 10% of total sales of the Group for both years.

#### Geographical information

Information about the Group's revenue from continuing operations from external customers is presented based on the location of the customers. Information about the Group's non-current assets is presented based on the geographical location of the assets.

### 6. 收入及分部資料 (續)

#### 主要產品收益

以下為本集團來自其主要產品及服務之持續經營業務收入之分析。

		<b>2018</b>	2017
		<b>RMB'000</b>	RMB'000
		<b>二零一八年</b>	二零一七年
		<b>人民幣千元</b>	人民幣千元 (經重列)
Sale of medical device products	銷售醫療器械產品		
– Clinical care	– 臨床護理	<b>3,891,672</b>	3,581,168
– Wound management	– 創傷護理	<b>299,905</b>	221,377
– Anesthesia and surgical related products	– 麻醉及手術相關產品	<b>105,942</b>	36,228
– Medical testing	– 醫學檢驗	<b>150,678</b>	118,956
– Other consumables	– 其他耗材	<b>378,246</b>	244,245
Sale of orthopaedic products	銷售骨科產品	<b>1,180,563</b>	870,386
Sale of interventional products	銷售介入產品	<b>1,444,238</b>	149,103
Sale of pharma packaging products	銷售藥品包裝產品	<b>955,609</b>	718,920
Sale of blood management products	銷售血液管理產品	<b>402,008</b>	352,258
		<b>8,808,861</b>	6,292,641

#### 主要客戶的資料

於兩個年度內，概無單一客戶銷售額超逾本集團總銷售額的10%。

#### 地區資料

本集團來自外部客戶之持續經營業務收益之資料乃按客戶位置呈列。本集團非流動資產之資料乃按資產地理位置呈列。

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**6. REVENUE AND SEGMENT INFORMATION** **6. 收入及分部資料 (續)**  
(continued)

**Geographical information** (continued)

**地區資料 (續)**

		Revenue from external customers		Non-current assets	
		Year ended		31/12/2017	
		31/12/2018	31/12/2017	31/12/2018	31/12/2017
		RMB'000	RMB'000	RMB'000	RMB'000
			(Restated)		(Restated)
		來自外部客戶之收益		非流動資產	
		截至	截至	截至	截至
		二零一八年	二零一七年	二零一八年	二零一七年
		十二月	十二月	十二月	十二月
		三十一日	三十一日	三十一日	三十一日
		止年度	止年度	止年度	止年度
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
			(經重列)		(經重列)
PRC	中國	<b>7,149,727</b>	5,956,075	<b>6,509,306</b>	6,110,421
United States	美國	<b>814,588</b>	21,393	<b>5,633,039</b>	-
Europe, the Middle East and Africa	歐洲、中東及非洲	<b>410,967</b>	158,289	<b>295</b>	-
Other districts	其他地區	<b>433,579</b>	156,884	<b>74</b>	-
		<b>8,808,861</b>	6,292,641	<b>12,142,714</b>	6,110,421

Non-current assets excluded financial assets at FVTPL/ AFS investments, loan receivables and deferred tax assets.

非流動資產不包括按公平值計入損益計量之資產／可供出售投資、應收貸款及遞延稅項資產。

**Transaction price allocated to the remaining performance obligation for contracts with customers**

**分配至與客戶合約之餘下履約責任的交易價**

All contracts are for periods of one year or less. As permitted by HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

所有合約的期限為一年或更短。根據香港財務報告準則第15號所批准，並未披露分配至該等未履行合約的交易價。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 7. OTHER INCOME, GAINS AND LOSSES

### 7. 其他收入、收益及虧損

Continuing operations	持續經營業務	2018 RMB'000 二零一八年 人民幣千元	2017 RMB'000 (restated) 二零一七年 人民幣千元 (經重列)
Other income:	其他收入：		
Rebate of VAT (note a)	增值稅退款（附註a）	<b>81,079</b>	81,488
Government grants (note b)	政府補助（附註b）	<b>12,229</b>	18,014
Operating rental income	經營租金收入	<b>17,602</b>	11,438
Finance lease income	金融租賃收入	<b>35,803</b>	39,034
Interest income from bank	銀行利息收入	<b>62,093</b>	42,601
Interest income from factoring business	保理業務之利息收入	<b>19,223</b>	18,794
Interest income from loan receivables	應收貸款之利息收入	<b>89,493</b>	10,844
		<b>317,522</b>	222,213
Other gains and losses:	其他收入及虧損：		
Allowances for credit losses	信貸虧損撥備	<b>(17,911)</b>	(35,023)
Allowances for inventories	存貨撥備	<b>(611)</b>	(1,712)
Net exchange gain	匯兌收益之淨額	<b>1,769</b>	1,883
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	<b>(2,044)</b>	(467)
Gain from changes in fair value of financial assets at FVTPL	按公平值計入損益計量之金融資產公平值變動收益	<b>17,603</b>	-
Donation paid	已付捐贈	<b>(2,729)</b>	(16,016)
Others	其他	<b>2,593</b>	1,915
		<b>(1,330)</b>	(49,420)
		<b>316,192</b>	172,793

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 7. OTHER INCOME, GAINS AND LOSSES (continued)

Notes:

- (a) As Weihai Jierui Medical Products Company Limited ("Jierui"), one of the subsidiary of the Company, was recognised as a "Social Welfare Entity", the Tax Bureau in Weihai granted a rebate of VAT paid by Jierui with effect from 1 May 1999 on the basis of "payment first then rebate". Pursuant to Caishui [2016] No.52 issued by the State Council, with effect from 1 May 2016, Jierui was granted a rebate of VAT determined with reference to the number of staff with physical disability. For each staff with physical disability, four times of the minimum salary approved by the local government in Weihai is granted to Jierui as rebate of VAT.

Pursuant to Caishui [2016] No.36, Weigao Financial Leasing Co., Ltd., one of the subsidiary of the Company, is entitled to immediate tax rebates upon collection when the actual VAT tax burden rate exceeds 3%.

- (b) During the year, government grants were awarded to the Group mainly for business development and certain research and development expenses occurred and were recognised as other income when the government grants were received. There were no unfulfilled conditions in the year in which they were recognised.

### 8. FINANCE COSTS

### 7. 其他收入、收益及虧損 (續)

附註：

- (a) 由於威海潔瑞醫用製品有限公司(「潔瑞」)獲確認為「社會福利企業」，因此威海稅務局向潔瑞授出增值稅退稅，由一九九九年五月一日起生效，原則為「先付款後退還」。根據國務院發出之財稅[2016]第52號文件，由二零一六年五月一日起生效，潔瑞獲授出的增值稅退稅乃參考殘障員工之數目釐定。就每名殘障員工而言，將授予相當於由威海市地方政府所批准之最低薪金四倍之金額予潔瑞，作為增值稅退稅。

根據財稅[2016]第36號文件，山東威高融資租賃有限公司有權於實際增值稅稅務負擔超過3%時，立即獲退稅款。

- (b) 年內，本集團主要就本年度的業務發展及已完成的特定研發項目獲獎勵政府補助，並於收取政府補助時確認為收入。在確認年度內概無未達成條件。

### 8. 融資成本

Continuing operations	持續經營業務	2018 RMB'000 二零一八年 人民幣千元	2017 RMB'000 (restated) 二零一七年 人民幣千元 (經重列)
Interest on bank loans and other borrowings	銀行借貸及其他借款利息	<b>284,408</b>	23,889

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## 綜合財務報表附註

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### 9. INCOME TAX EXPENSE

### 9. 所得稅開支

Continuing operations	持續經營業務	2018 RMB'000 二零一八年 人民幣千元	2017 RMB'000 二零一七年 人民幣千元
Enterprise Income Tax	企業所得稅		
Current tax	即期稅項	<b>321,830</b>	225,427
Underprovision in prior years	過往年度撥備不足	<b>4,679</b>	6,379
Deferred taxation	遞延稅項	<b>(68,078)</b>	(7,407)
		<b>258,431</b>	224,399

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

The Company, Jierui and Weigao Ortho were recognised as Shandong Province New and High Technical Enterprises (山東省高新技術企業) from the year 2017 to 2020. In accordance with the "Notice of the State Tax Bureau of the Ministry of Finance Regarding Certain Preferential Treatment Policies on Enterprise Income Tax", New and High Technical Enterprise was subject to income tax at a tax rate of 15%.

Jierui has been recognised as a "Social Welfare Entity". Pursuant to Caishui [2016] No. 52 issued by the State Council, with effect from 1 May 2016, Social Welfare Entity is subject to income tax rate of 15%, and an amount equivalent to the total salaries paid to staff with physical disability is further deducted from the taxable income of Jierui. The tax charge provided for the years ended 31 December 2018 and 2017 were made after taking these tax incentives into account.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions. The subsidiaries in the U.S. are subject to federal income tax at a tax rate of 21% and state income tax.

根據《中華人民共和國企業所得稅法》(「企業所得稅法」)及《企業所得稅法實施條例》，中國附屬公司之稅率為25%。

本公司、潔瑞及威高骨科獲確認為二零一七年度至二零二零年度山東省高新技術企業。根據《財政部國家稅務總局有關企業所得稅若干優惠政策的通知》，高新技術企業可按15%稅率繳付所得稅。

潔瑞獲確認為「社會福利企業」。根據國務院發出之財稅[2016]第52號文件，自二零一六年五月一日起，潔瑞亦須按15%稅率繳付所得稅，及相等於支付予殘障員工薪金總額之金額進一步自潔瑞的應課稅收入中扣減。截至二零一八年及二零一七年十二月三十一日止年度作出之稅項開支撥備已計及該等稅務優惠。

其他司法權區產生的稅項按相關司法權區的現行稅率計算。於美國的附屬公司須按21%的稅率繳納聯邦所得稅及須繳納州所得稅。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 9. INCOME TAX EXPENSE (continued)

### 9. 所得稅開支 (續)

The charge for the year can be reconciled to the profit per the consolidated statement of profit or loss and other comprehensive income as follows:

本年度的支出與綜合損益及其他全面收入報表中的溢利對賬如下：

		2018 RMB'000 二零一八年 人民幣千元	2017 RMB'000 (restated) 二零一七年 人民幣千元 (經重列)
Profit before taxation (from continuing operations)	除稅前溢利 (來自持續經營業務)	<b>1,775,215</b>	1,525,611
Taxation at the domestic income tax rate of 15% (2017: 15%)	按15%國內所得稅率計算的稅項(二零一七年: 15%)	<b>266,282</b>	228,841
Tax effect of share of an associate	應佔一間聯營公司之稅務影響	<b>(4,987)</b>	-
Tax effect of income not taxable for tax purpose	就稅務而言毋須課稅收入之稅務影響	<b>(2,107)</b>	-
Effect of additional tax deduction for research and development expenses	有關研發費用之額外稅務扣減之影響	<b>(27,950)</b>	(17,386)
Additional tax benefit to a Social Welfare Entity	社會福利實體之額外稅務優惠	<b>(5,690)</b>	(5,466)
Utilisation of tax losses previously not recognised	動用過往未確認的稅項虧損	<b>(931)</b>	(1,829)
Tax effect on tax losses and deductible temporary difference not recognised	未確認的稅項虧損及可抵扣暫時性差異的稅務影響	<b>4,052</b>	4,053
Tax effect on expenses not deductible for tax purpose	就稅務而言不可抵扣稅務開支的稅務影響	<b>9,327</b>	2,442
State and local income taxes for U.S. subsidiaries	適用於美國附屬公司的國家及地方所得稅	<b>(4,593)</b>	-
Effect on different tax rates of subsidiaries	不同稅率對附屬公司的影響	<b>20,349</b>	7,365
Underprovision in prior years	過往年度撥備不足	<b>4,679</b>	6,379
Income tax expense for the year (relating to continuing operations)	年內所得稅支出 (與持續經營業務有關)	<b>258,431</b>	224,399

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 10. PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS

### 10. 持續經營業務之年內溢利

Continuing operations	持續經營業務	2018 RMB'000 二零一八年 人民幣千元	2017 RMB'000 (restated) 二零一七年 人民幣千元 (經重列)
Profit for the year has been arrived at after charging:	本年度溢利經扣除下列項目後達致：		
Allowances for credit losses	信貸虧損撥備	<b>17,911</b>	35,023
Allowances for inventories	存貨撥備	<b>611</b>	1,712
Amortisation of intangible assets	無形資產攤銷	<b>215,048</b>	3,687
Auditors' remuneration	核數師酬金	<b>6,237</b>	4,264
Depreciation of property, plant and equipment	物業、廠房及設備折舊	<b>344,551</b>	254,681
Depreciation of investment properties	投資物業折舊	<b>2,959</b>	4,229
Prepaid lease payments charged to profit or loss	在損益扣除的預付租賃款項	<b>13,492</b>	8,552
Rental payments in respect of premises under operating leases	經營租賃的物業租金	<b>19,921</b>	16,967
Cost of inventories recognised as an expense	確認為開支的存貨成本	<b>3,419,707</b>	2,299,818
Staff costs, including directors' and supervisors' remuneration	員工成本 (包括董事及監事薪酬)		
– Retirement benefits scheme contributions	– 退休福利計劃供款	<b>101,707</b>	96,494
– Salaries and other allowances	– 薪金及其他津貼	<b>1,313,177</b>	1,109,431
– Share-based payment expenses (note 37)	– 以股份為基礎的付款開支 (附註37)	<b>42,021</b>	25,412
Total staff costs	員工成本總額	<b>1,456,905</b>	1,231,337
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	<b>2,044</b>	467

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 11. DISCONTINUED OPERATION

In 2017, Weigao Blood Purification, previously a subsidiary of the Company, which carried out all of the blood purification products operation, was deemed as disposed upon the completion of the subscriptions as disclosed in note 39.

The profit for the year ended 31 December 2017 from the discontinued blood purification products operation is set out below.

### 11. 已終止經營業務

如附註39所披露，於二零一七年，威高血液淨化（先前為本公司之附屬公司，其經營所有血液淨化產品業務）於完成認購後視為出售事項。

已終止血液淨化產品業務之截至二零一七年十二月三十一日止年度溢利載於下文。

		2017 RMB'000 二零一七年 人民幣千元
Profit of blood purification products operation for the year	本年度血液淨化產品業務之溢利	133,053
Gain on deemed disposal of blood purification products operation (note 39)	視為出售血液淨化產品業務之收益（附註39）	391,068
		524,121

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 11. DISCONTINUED OPERATION (continued)

The results of blood purification products operation in 2017, which have been included in the consolidated statement of profit or loss and other comprehensive income, were as follows:

		2017 RMB'000 二零一七年 人民幣千元
Revenue	收入	1,392,903
Cost of sales	銷售成本	(712,753)
Other income, gains and losses	其他收入、收益及虧損	17,231
Selling and distribution costs	銷售及分銷成本	(346,244)
Administrative expenses	行政開支	(94,308)
Research and development expenses	研發開支	(31,102)
Finance costs	融資成本	(34,483)
Share of loss of joint ventures	分佔合營公司虧損	(23,904)
Profit before tax	除稅前溢利	167,340
Income tax expense	所得稅開支	(34,287)
Profit for the year	年內溢利	133,053

In 2017, the contribution from the discontinued operation to the Group's net cash flows were as following:

計入綜合損益及其他全面收入報表之二零一七年血液淨化產品業務業績載於下文：

於二零一七年，已終止經營業務對本集團現金流量淨額的貢獻如下：

		2017 RMB'000 二零一七年 人民幣千元
Cash flows from discontinued operation	已終止經營業務之現金流量	
Net cash inflows from operating activities	經營活動之現金流量淨額	162,715
Net cash outflows from investing activities	投資活動之現金流出淨額	(794,430)
Net cash inflows from financing activities	融資活動之現金流入淨額	562,758
Net cash outflows	現金流出淨額	(68,957)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 11. DISCONTINUED OPERATION (continued)

The carrying amounts of the assets and liabilities of Weigao Blood Purification at the date of disposal are disclosed in note 39.

### 11. 已終止經營業務 (續)

威高血液淨化於出售日期之資產及負債賬面值於附註39披露。

### 12. DIRECTORS', SUPERVISORS' AND EMPLOYEES' EMOLUMENTS

#### Directors' and supervisors' emoluments

Supervisors are the members of the supervisory committee of the Company.

The emoluments of directors and supervisors during the year are analysed as follows:

### 12. 董事、監事及僱員酬金

#### 董事及監事酬金

監事為本公司監事會的成員。

年內，董事及監事的酬金分析如下：

		2018 二零一八年					
		Fee	Salaries and other allowances	Retirement benefits schemes contributions	Performance related bonus (note)	Share-based payment expenses	Total
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		袍金	薪金及其他津貼	退休福利計劃供款	表現相關花紅(附註)	以股份為基礎的付款開支	總計
		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
<b>Chief executive and executive director</b>	<b>行政總裁兼執行董事</b>						
Mr. Zhang Hua Wei	張華威先生	-	1,348	-	958	-	2,306
<b>Executive directors</b>	<b>執行董事</b>						
Mr. Gong Jian Bo	弓劍波先生	-	1,826	44	9,022	-	10,892
Mr. Long Jing (assigned on 6 December 2018)	龍經先生(於二零一八年十二月六日獲委任)	-	1,469	34	-	822	2,325
Mr. Wang Yi*	王毅先生*	-	742	14	518	-	1,274
		-	4,037	92	9,540	822	14,491



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 12. DIRECTORS', SUPERVISORS' AND EMPLOYEES' EMOLUMENTS (continued)

### 12. 董事、監事及僱員酬金 (續)

#### Directors' and supervisors' emoluments (continued)

The emoluments of directors and supervisors during the year are analysed as follows: (continued)

#### 董事及監事酬金 (續)

年內，董事及監事的酬金分析如下：  
(續)

		2018 二零一八年					
		Fee	Salaries and other allowances	Retirement benefits schemes contributions	Performance related bonus (note)	Share-based payment expenses	Total
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		袍金	薪金及其他津貼	退休福利計劃供款	表現相關花紅 (附註)	以股份為基礎的付款開支	總計
		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
<b>Non-executive directors</b>	<b>非執行董事</b>						
Mrs. Zhou Shu Hua	周淑華女士	-	-	-	-	-	-
Mr. Wang Yi*	王毅先生*	-	-	-	-	-	-
		-	-	-	-	-	-
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>						
Mr. Lo Wai Hung	盧偉雄先生	154	-	-	-	-	154
Mrs. Fu Ming Zhong	付明仲女士	108	-	-	-	-	108
Mrs. Wang Jin Xia	王錦霞女士	108	-	-	-	-	108
		370	-	-	-	-	370
<b>Supervisors</b>	<b>監事</b>						
Mr. Yue Chun Liang	岳春良先生	-	139	18	31	-	188
Ms. Bi Dong Mei*	畢冬梅女士*	-	-	-	-	-	-
Ms. Chen Xiao Yun*	陳曉雲女士*	-	-	-	-	-	-
		-	139	18	31	-	188
		370	5,524	110	10,529	822	17,355

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

**12. DIRECTORS', SUPERVISORS' AND EMPLOYEES' EMOLUMENTS** (continued)

**12. 董事、監事及僱員酬金** (續)

**Directors' and supervisors' emoluments**  
(continued)

**董事及監事酬金** (續)

The emoluments of directors and supervisors during the year are analysed as follows: (continued)

年內，董事及監事的酬金分析如下：  
(續)

		2017 二零一七年					
		Fee RMB'000 袍金 人民幣千元	Salaries and other allowances RMB'000 薪金及 其他津貼 人民幣千元	Retirement benefits schemes contributions RMB'000 退休福利 計劃供款 人民幣千元	Performance related bonus (note) RMB'000 表現 相關花紅 (附註) 人民幣千元	Share-based payment expenses RMB'000 以股份 為基礎的 付款開支 人民幣千元	Total RMB'000 總計 人民幣千元
<b>Chief executive and executive director</b>	<b>行政總裁 兼執行董事</b>						
Mr. Zhang Hua Wei	張華威先生	-	1,814	-	-	-	1,814
<b>Executive directors</b>	<b>執行董事</b>						
Mr. Wang Yi	王毅先生	-	1,610	34	-	-	1,644
Mr. Gong Jian Bo	弓劍波先生	-	1,810	-	9,224	-	11,034
Mr. Xia Lie Bo (resigned on 4 December 2017)	夏列波先生 (於二零一七年十二月四日辭任)	-	1,501	42	-	-	1,543
		-	4,921	76	9,224	-	14,221
<b>Non-executive director</b>	<b>非執行董事</b>						
Mrs. Zhou Shu Hua	周淑華女士	-	-	-	-	-	-

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 12. DIRECTORS', SUPERVISORS' AND EMPLOYEES' EMOLUMENTS (continued)

#### Directors' and supervisors' emoluments (continued)

The emoluments of directors and supervisors during the year are analysed as follows: (continued)

### 12. 董事、監事及僱員酬金 (續)

#### 董事及監事酬金 (續)

年內，董事及監事的酬金分析如下：  
(續)

		2017 二零一七年					
	Fee RMB'000 袍金 人民幣千元	Salaries and other allowances RMB'000 薪金及 其他津貼 人民幣千元	Retirement benefits schemes contributions RMB'000 退休福利 計劃供款 人民幣千元	Performance related bonus (note) RMB'000 表現 相關花紅 (附註) 人民幣千元	Share-based payment expenses RMB'000 以股份 為基礎的 付款開支 人民幣千元	Total RMB'000 總計 人民幣千元	
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>						
Mr. Lo Wai Hung	156	-	-	-	-	156	
Mrs. Fu Ming Zhong	108	-	-	-	-	108	
Mrs. Wang Jin Xia	108	-	-	-	-	108	
	372	-	-	-	-	372	
<b>Supervisors</b>	<b>監事</b>						
Mr. Yue Chun Liang	-	141	18	-	-	159	
Ms. Bi Dong Mei <sup>#</sup>	-	-	-	-	-	-	
Ms. Chen Xiao Yun <sup>#</sup>	-	-	-	-	-	-	
	-	141	18	-	-	159	
	372	6,876	94	9,224	-	16,566	

Note: The performance related bonus payment is determined by reference to the individual performance of the directors and the chief executive and approved by the Remuneration Committee.

Mr. Wang Yi was reassigned to be non-executive director on 29 August 2018, after then he worked for Weigao Holding, and his salaries and other allowances and retirement benefits schemes contributions were paid by Weigao Holding.

<sup>#</sup> The two supervisors have been worked for Weigao Holding since 2012, and the salaries and other allowances and retirement benefits schemes contributions were paid by Weigao Holding.

附註：表現相關花紅付款乃參考董事及行政總裁之個人表現而釐定及經薪酬委員會批准。

於二零一八年八月二十九日，王毅先生獲重新委任為非執行董事，且之後，王毅先生為威高集團公司工作。薪金及其他津貼及退休福利計劃供款由威高集團公司支付。

<sup>#</sup> 兩名監事自二零一二年起一直任職於威高集團公司，其薪金及其他津貼及退休福利計劃供款由威高集團公司支付。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 12. DIRECTORS', SUPERVISORS' AND EMPLOYEES' EMOLUMENTS (continued)

### 12. 董事、監事及僱員酬金 (續)

#### Five highest paid employees

The five highest paid employees of the Group during the year included one director (2017: four directors), details of whose remuneration are set out above. Details of the remuneration for the year of the remaining four (2017: one) highest paid employees who are neither a director nor chief executive of the Group are as follows:

#### 五名最高酬金僱員

於年內本集團五名最高薪酬僱員包括一名董事(二零一七年:四名),其薪酬詳情載列於上文。其餘四名(二零一七年:一名)最高薪酬僱員(非本公司董事或主要行政人員)年內的薪酬詳情如下:

		<b>2018</b> <b>RMB'000</b> <b>二零一八年</b> <b>人民幣千元</b>	2017 RMB'000 二零一七年 人民幣千元
Salaries and other benefits	薪金及其他福利	<b>28,434</b>	2,714

The number of the highest paid employees who are not the directors of the Company whose remuneration fell within the following bands is as follows:

薪酬介乎於以下範圍且並非本公司董事之最高薪酬僱員數目如下:

		<b>2018</b> <b>No. of</b> <b>employees</b> <b>二零一八年</b> <b>僱員人數</b>	2017 No. of employees 二零一七年 僱員人數
HKD2,500,001 to HKD4,000,000	2,500,001港元至4,000,000港元	-	1
HKD4,000,001 to HKD5,000,000	4,000,001港元至5,000,000港元	<b>1</b>	-
HKD5,000,001 to HKD6,000,000	5,000,001港元至6,000,000港元	<b>1</b>	-
HKD7,000,001 to HKD8,000,000	7,000,001港元至8,000,000港元	<b>1</b>	-
HKD16,000,001 to HKD17,000,000	16,000,001港元 至17,000,000港元	<b>1</b>	-

During the two years ended 31 December 2018, no emoluments were paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office.

於截至二零一八年十二月三十一日止兩個年度內,本集團並無支付酬金予董事,作為吸引加入本集團或於加入時的獎勵,或作為離職補償。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 13. DIVIDENDS

### 13. 股息

		2018 RMB'000 二零一八年 人民幣千元	2017 RMB'000 二零一七年 人民幣千元
Dividends recognised as distribution during the year:	年內確認為分派的股息：		
2018 Interim – RMB0.049 (2017: interim dividend – RMB0.043) per share	二零一八年中 期股息 每股人民幣0.049元 (二零一七年：中 期股息 每股人民幣0.043元)	<b>221,594</b>	194,460
2017 Final – RMB0.046 (2016: final dividend – RMB0.046) per share	二零一七年末 期股息 每股人民幣0.046元 (二零一六年：末 期股息 每股人民幣0.046元)	<b>208,027</b>	208,027
Total	總計	<b>429,621</b>	402,487
Less: distribution to the shares held by the trustees under a share award scheme (note 37(a))	減：分配至受託人根據股份激勵計劃持有之股份 (附註37(a))	<b>4,366</b>	4,090
		<b>425,255</b>	398,397

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 December 2018 of RMB0.052 (2017: RMB0.046) per share, amounting to RMB235,161,000 (2017: RMB208,027,000) in total, has been proposed by the directors and is subject to approval by the shareholders in the forthcoming general meeting.

於報告期末後，董事建議派付截至二零一八年十二月三十一日止年度的末期股息每股人民幣0.052元（二零一七年：人民幣0.046元），合共人民幣235,161,000元（二零一七年：人民幣208,027,000元）。該建議須經股東在即將舉行的股東大會上批准後，方可作實。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

## 14. EARNINGS PER SHARE

## 14. 每股盈利

### For continuing operations

### 持續經營業務

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

本公司擁有人應佔每股基本及攤薄盈利乃根據下列數據計算：

Earnings figures are calculated as follows:

盈利數據計算如下：

		<b>2018</b> <b>RMB'000</b> <b>二零一八年</b> <b>人民幣千元</b>	2017 RMB'000 (restated) 二零一七年 人民幣千元 (經重列)
Profit for the year attributable to owners of the Company	本公司擁有人應佔年內溢利	<b>1,472,935</b>	1,728,660
Less:	減：		
Profit for the year attributable to owners of the Company from discontinued operation	本公司應佔已終止經營業務年內溢利	-	473,440
Earnings for the purpose of basic/diluted earnings per share from continuing operations	就計算來自持續經營業務每股基本／攤薄盈利而言的盈利	<b>1,472,935</b>	1,255,220
		<b>2018</b> <b>'000</b> <b>二零一八年</b> <b>千股</b>	2017 '000 二零一七年 千股
<b>Number of shares</b>	<b>股份數目</b>		
Number of shares for the purpose of basic earnings per share	就計算每股基本盈利而言的股份數目	<b>4,476,372</b>	4,476,372
Effect of dilutive potential ordinary shares:	普通股潛在攤薄的影響：		
Incentive shares	激勵股份	<b>7,507</b>	6,924
Weighted average number of ordinary shares for the purpose of diluted earnings per share	就計算每股攤薄盈利而言的普通股加權平均數	<b>4,483,879</b>	4,483,296

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 14. EARNINGS PER SHARE (continued)

#### From continuing and discontinued operations

The calculation of the basic and diluted earnings per share from continuing and discontinued operations attributable to owners of the Company is based on the following data:

		<b>2018</b>	2017
		<b>RMB'000</b>	RMB'000
			(restated)
		<b>二零一八年</b>	二零一七年
		<b>人民幣千元</b>	人民幣千元
			(經重列)
<b>Earnings</b>	<b>盈利</b>		
Profit for the year attributable to owners of the Company	本公司擁有人應佔年內溢利	<b>1,472,935</b>	1,728,660

The denominators used are the same as those detailed above for both basic and diluted earnings per share.

#### From discontinued operation

For the year ended 31 December 2018, no profit is from the discontinued operation. For the year ended 31 December 2017, basic earnings per share for the discontinued operation is RMB0.11 per share and diluted earnings per share for the discontinued operation is RMB0.11 per share, based on the profit for the year from the discontinued operation of RMB473,440,000 and the denominators detailed above for both basic and diluted earnings per share.

### 14. 每股盈利 (續)

#### 來自持續及已終止經營業務

本公司擁有人應佔持續及已終止經營業務之每股基本及攤薄盈利乃根據以下數據計算：

		<b>2018</b>	2017
		<b>RMB'000</b>	RMB'000
			(restated)
		<b>二零一八年</b>	二零一七年
		<b>人民幣千元</b>	人民幣千元
			(經重列)
<b>Earnings</b>	<b>盈利</b>		
Profit for the year attributable to owners of the Company	本公司擁有人應佔年內溢利	<b>1,472,935</b>	1,728,660

就每股基本及攤薄盈利而言，所用分母與上文所詳述者相同。

#### 來自已終止經營業務

截至二零一八年十二月三十一日止年度，概無溢利來自已終止經營業務。截至二零一七年十二月三十一日止年度，已終止經營業務之每股基本盈利為每股人民幣0.11元及已終止經營業務之每股攤薄盈利為每股人民幣0.11元，乃根據已終止經營業務之年內溢利人民幣473,440,000元及上文所詳述之每股基本及攤薄盈利之分母計算。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 15. PROPERTY, PLANT AND EQUIPMENT

### 15. 物業、廠房及設備

		Construction In progress RMB'000	Buildings RMB'000	Plant and machinery RMB'000	Motor vehicles RMB'000	Furniture, Fixtures equipment and tools RMB'000	Freehold Land RMB'000	Total RMB'000
		在建工程 人民幣千元	建築物 人民幣千元	廠房及機器 人民幣千元	汽車 人民幣千元	傢俱、 固定裝置 及工具 人民幣千元	自由保有 土地 人民幣千元	總計 人民幣千元
<b>COST</b>	<b>成本</b>							
At 1 January 2017	於二零一七年一月一日	1,673,021	2,303,367	1,943,526	73,254	731,992	-	6,725,160
Adjustment for the business combination under common control (restated)	就共同控制下業務合併調整 (經重列)	-	-	-	-	104	-	104
Additions (restated)	添置 (經重列)	864,938	117,827	130,177	12,478	69,833	-	1,195,253
Transfer	轉讓	(770,472)	600,924	112,953	220	56,375	-	-
Acquisition of a subsidiary (note 38)	收購一間附屬公司 (附註38)	-	5,825	426	-	1,882	-	8,133
Transfer to investment properties	轉撥至投資物業	-	(149,557)	-	-	-	-	(149,557)
Transfer from investment properties	轉撥自投資物業	-	1,360	-	-	-	-	1,360
Disposals	出售	-	-	(23,940)	(5,780)	(33,149)	-	(62,869)
Disposal of subsidiaries (note 39)	出售附屬公司 (附註39)	(1,047,555)	(598,742)	(755,490)	(13,347)	(113,377)	-	(2,528,511)
At 31 December 2017 (restated)	於二零一七年 十二月三十一日 (經重列)	719,932	2,281,004	1,407,652	66,825	713,660	-	5,189,073
Additions	添置	496,964	2,493	182,069	7,880	64,488	-	753,894
Transfer	轉讓	(520,578)	444,211	30,803	-	45,564	-	-
Acquisition of a subsidiary (note 38)	收購一間附屬公司 (附註38)	19,892	47,670	23,439	34	9,993	7,872	108,900
Transfer from investment properties	轉撥自投資物業	-	53,602	-	-	-	-	53,602
Disposals	出售	-	-	(70,403)	(2,994)	(81,911)	-	(155,308)
Exchange adjustments	匯兌調整	1,437	3,443	1,693	2	722	569	7,866
At 31 December 2018	於二零一八年 十二月三十一日	717,647	2,832,423	1,575,253	71,747	752,516	8,441	5,958,027



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 15. PROPERTY, PLANT AND EQUIPMENT

(continued)

### 15. 物業、廠房及設備 (續)

		Construction In progress RMB'000	Buildings RMB'000	Plant and machinery RMB'000	Motor vehicles RMB'000	Furniture, Fixtures equipment and tools RMB'000	Freehold Land RMB'000	Total RMB'000
		在建工程 人民幣千元	建築物 人民幣千元	廠房及機器 人民幣千元	汽車 人民幣千元	傢俱、 固定裝置 及工具 人民幣千元	自由保有 土地 人民幣千元	總計 人民幣千元
<b>DEPRECIATION AND IMPAIRMENT</b>	<b>折舊及減值</b>							
At 1 January 2017	於二零一七年一月一日	2,314	204,093	771,057	39,973	336,571	-	1,354,008
Adjustment for the business combination under common control (restated)	就共同控制下業務合併調整 (經重列)	-	-	-	-	15	-	15
Provided for the year (restated)	年內撥備 (經重列)	-	72,220	185,568	7,928	91,377	-	357,093
Transfer to investment properties	轉撥至投資物業	-	(8,556)	-	-	-	-	(8,556)
Transfer from investment properties	轉撥自投資物業	-	129	-	-	-	-	129
Eliminated on disposals	於出售時抵銷	-	-	(18,036)	(4,590)	(18,637)	-	(41,263)
Disposal of subsidiaries (note 39)	出售附屬公司 (附註39)	-	(41,401)	(292,838)	(5,169)	(45,082)	-	(384,490)
At 31 December 2017 (restated)	於二零一七年 十二月三十一日 (經重列)	2,314	226,485	645,751	38,142	364,244	-	1,276,936
Provided for the year	年內撥備	-	89,729	147,784	6,572	100,466	-	344,551
Transfer from investment properties	轉撥自投資物業	-	1,081	-	-	-	-	1,081
Eliminated on disposals	於出售時抵銷	-	-	(57,939)	(2,096)	(73,197)	-	(133,232)
Exchange adjustments	匯兌調整	-	84	324	1	120	-	529
At 31 December 2018	於二零一八年 十二月三十一日	2,314	317,379	735,920	42,619	391,633	-	1,489,865
<b>CARRYING AMOUNTS</b>	<b>賬面值</b>							
At 31 December 2018	於二零一八年 十二月三十一日	715,333	2,515,044	839,333	29,128	360,883	8,441	4,468,162
At 31 December 2017 (restated)	於二零一七年 十二月三十一日 (經重列)	717,618	2,054,519	761,901	28,683	349,416	-	3,912,137

The above items of property, plant and equipment, other than construction in progress and freehold land, are depreciated on a straight-line basis after taking into account of their estimated residual values and at the following rates per annum:

上述的物業、廠房及設備項目 (在建工程及自由保有土地除外) 以直線法就計入其估計剩餘價值後, 按下列年率折舊:

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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 15. PROPERTY, PLANT AND EQUIPMENT

(continued)

Buildings	3.2 – 9.5%
Plant and machinery	9.5 – 19%
Motor vehicles	19 – 31.7%
Furniture, fixtures equipment and tools	19 – 47.5%

As at 31 December 2018, total net book value of Property, Plant and Equipment served as collateral for the Group's borrowing amounted to RMB129,703,000 (2017: nil).

### 15. 物業、廠房及設備 (續)

建築物	3.2 – 9.5%
廠房及機器	9.5 – 19%
汽車	19 – 31.7%
傢俱、固定裝置及工具	19 – 47.5%

於二零一八年十二月三十一日，作為本集團借款抵押品的物業、廠房及設備的賬面淨值總額為人民幣129,703,000元(二零一七年：無)。

### 16. INVESTMENT PROPERTIES

### 16. 投資物業

		RMB'000 人民幣千元
<b>COST</b>	<b>成本</b>	
At 1 January 2017	於二零一七年一月一日	55,932
Transfer from property, plant and equipment	轉撥自物業、廠房及設備	149,557
Transfer to property, plant and equipment	轉撥至物業、廠房及設備	<u>(1,360)</u>
At 31 December 2017	於二零一七年十二月三十一日	204,129
Transfer to property, plant and equipment	轉撥至物業、廠房及設備	<u>(53,602)</u>
At 31 December 2018	於二零一八年十二月三十一日	<u>150,527</u>
<b>DEPRECIATION</b>	<b>折舊</b>	
At 1 January 2017	於二零一七年一月一日	4,517
Provided for the year	年內撥備	4,229
Transfer from property, plant and equipment	轉撥自物業、廠房及設備	8,556
Transfer to property, plant and equipment	轉撥至物業、廠房及設備	<u>(129)</u>
At 31 December 2017	於二零一七年十二月三十一日	17,173
Provided for the year	年內撥備	2,959
Transfer to property, plant and equipment	轉撥至物業、廠房及設備	<u>(1,081)</u>
At 31 December 2018	於二零一八年十二月三十一日	<u>19,051</u>
<b>CARRYING VALUES</b>	<b>賬面值</b>	
At 31 December 2018	於二零一八年十二月三十一日	<u>131,476</u>
At 31 December 2017	於二零一七年十二月三十一日	<u>186,956</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 16. INVESTMENT PROPERTIES (continued)

The fair value of the Group's investment properties of approximately RMB170,920,000 as at 31 December 2018 (2017: RMB243,043,000) has been determined by the Company.

The fair value was determined based on the income approach, where the market rentals of all lettable units of the properties are assessed and discounted at the market yield expected by investors for this type of properties. The market rentals are assessed by reference to the rentals achieved in the lettable units of the properties as well as other lettings of similar properties in the neighbourhood. The discount rate is determined by reference to the yields derived from analysing the sales transactions of similar commercial properties in the PRC and adjusted to take into account the market expectation from property investors to reflect factors specific to the Group's investment properties. The current use of the investment properties is their highest and best use.

The above investment properties are depreciated on a straight-line basis at 3.2% per annum.

The carrying value of investment properties shown above comprise of buildings erected on:

### 16. 投資物業 (續)

本集團投資物業於二零一八年十二月三十一日的公平值約為人民幣170,920,000元(二零一七年:人民幣243,043,000元),該公平值已由本公司釐定。

公平值乃按投資方法釐定,而物業所有可出租單位之市場租金則按投資者對此類物業預期之市場收益率評估及貼現。市場租金乃參考物業之可出租單位可得租金及該區其他類似物業之出租情況予以評估。貼現率乃參考中國同類商用物業之銷售交易分析所得之收益率予以釐定,並就物業投資者之市場預期作出調整,以反映本集團投資物業之特定因素。物業的最高及最佳用途為其現時之用途。

上述投資物業按直線法以年率3.2%予以折舊。

以上所述投資物業的賬面值包括建於下述土地上之建築物:

		<b>31/12/2018</b>	31/12/2017
		<b>RMB'000</b>	RMB'000
		<b>二零一八年</b>	二零一七年
		<b>十二月</b>	十二月
		<b>三十一日</b>	三十一日
		<b>人民幣千元</b>	人民幣千元
Land in PRC	於中國的土地		
Medium term lease	中期租約	<b>131,476</b>	186,956

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一止年度

### 17. PREPAID LEASE PAYMENTS

### 17. 預付租賃款項

		<b>31/12/2018</b>	31/12/2017
		<b>RMB'000</b>	RMB'000
		<b>二零一八年</b>	二零一七年
		<b>十二月</b>	十二月
		<b>三十一日</b>	三十一日
		<b>人民幣千元</b>	人民幣千元
The Group's prepaid lease payments	本集團的預付租賃款項包括：		
comprise:			
Leasehold land in the PRC	於中國的租賃土地		
Medium-term lease	中期租約	<b>400,522</b>	414,014
Analysed for reporting purposes as:	就呈報目的分析為：		
Current portion (note 27)	即期部分 (附註27)	<b>13,653</b>	8,979
Non-current portion	非即期部分	<b>386,869</b>	405,035
		<b>400,522</b>	414,014

The leasehold land in the PRC is held under medium-term lease of 41-50 years.

在中國的租賃土地乃根據41至50年的中期租約持有。

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## 綜合財務報表附註

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### 18. INTANGIBLE ASSETS

### 18. 無形資產

		Product Technology RMB'000 產品技術 人民幣千元	Patent Rights RMB'000 專利權 人民幣千元	Customer Relationship RMB'000 客戶關係 人民幣千元	Trademarks RMB'000 商標 人民幣千元	Total RMB'000 總計 人民幣千元
<b>COST</b>		<b>成本</b>				
At 1 January 2017	於二零一七年一月一日	31,144	5,200	-	-	36,344
Disposal of a subsidiary (note 39)	出售一間附屬公司(附註39)	-	(5,200)	-	-	(5,200)
Acquisition of a subsidiary	收購一間附屬公司	43,474	-	-	-	43,474
At 31 December 2017	於二零一七年十二月三十一日	74,618	-	-	-	74,618
Additions	添置	690	-	-	-	690
Acquisition of a subsidiary (note 38)	收購一間附屬公司(附註38)	1,216,171	-	1,030,545	166,423	2,413,139
Exchange adjustments	匯兌調整	87,837	-	74,430	12,020	174,287
At 31 December 2018	於二零一八年十二月三十一日	1,379,316	-	1,104,975	178,443	2,662,734
<b>AMORTISATION</b>		<b>攤銷</b>				
At 1 January 2017	於二零一七年一月一日	28,984	-	-	-	28,984
Charge for the year	年內開支	3,687	-	-	-	3,687
At 31 December 2017	於二零一七年十二月三十一日	32,671	-	-	-	32,671
Charge for the year	年內開支	100,230	-	101,096	13,722	215,048
Exchange adjustments	匯兌調整	2,459	-	2,483	337	5,279
At 31 December 2018	於二零一八年十二月三十一日	135,360	-	103,579	14,059	252,998
<b>CARRYING VALUES</b>		<b>賬面值</b>				
At 31 December 2018	於二零一八年十二月三十一日	1,243,956	-	1,001,396	164,384	2,409,736
At 31 December 2017	於二零一七年十二月三十一日	41,947	-	-	-	41,947

The above intangible assets have finite useful lives other than patent rights. Such intangible assets are amortised on a straight-line basis over the following periods:

Product technology	10-12 years
Customer relationship	8-11 years
Trademarks	11-12 years

As at 31 December 2018, total net book value of intangible assets served as collateral for the Group's borrowing amounted to RMB2,367,176,000 (2017: nil).

上述無形資產(專利權除外)具有有限可使用年期。該等無形資產於以下期間按直線法攤銷:

產品技術	10-12年
客戶關係	8-11年
商標	11-12年

於二零一八年十二月三十一日, 作為本集團借款抵押品的無形資產的賬面淨值總額為人民幣2,367,176,000元(二零一七年: 無)。

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綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

## 19. INTERESTS IN AN ASSOCIATE

## 19. 於一間聯營公司的權益

		<b>31/12/2018</b>	31/12/2017
		<b>RMB'000</b>	RMB'000
		<b>二零一八年</b>	二零一七年
		<b>十二月</b>	十二月
		<b>三十一日</b>	三十一日
		<b>人民幣千元</b>	人民幣千元
Cost of investment in associates	投資聯營公司的成本	<b>937,500</b>	937,500
Share of post-acquisition profits and other comprehensive income	應佔收購後利潤及其他全面收入	<b>33,246</b>	-
		<b>970,746</b>	937,500

On 23 January 2017, Weigao Blood Purification and three existing non-controlling shareholders entered into subscription agreements with the aggregate consideration of RMB536,833,000. Upon the completion of the subscription, the equity interests of the Company in Weigao Blood Purification reduced from 70% to approximately 49.342%. Under the then Articles of Association of Weigao Blood Purification, the Company had the power to appoint two out of three directors in its board of directors, and relevant activities of Weigao Blood Purification were determined by the board of directors on simple majority votes. Therefore, the directors of the Company concluded that the Company had control over Weigao Blood Purification.

On 4 December 2017, Weigao Blood Purification and a subscriber entered into the subscription agreement with the aggregate consideration of RMB100,000,000. The subscription was completed on 19 December 2017. Accordingly, the equity interests of the Company in Weigao Blood Purification were reduced from 49.342% to approximately 46.875%. Upon the completion of this subscription, the Company lost the control of Weigao Blood Purification, yet the Company is able to exercise significant influence over Weigao Blood Purification because it has the power to appoint two out of the five directors of Weigao Blood Purification under the Articles of Association of Weigao Blood Purification.

於二零一七年一月二十三日，威高血液淨化以總代價人民幣536,833,000元與三名現有非控股股東訂立認購協議。於認購事項完成後，本公司於威高血液淨化的股本權益自70%下降至約49.342%。根據當時威高血液淨化的組織章程細則，本公司有權委任其董事會三名中的兩名董事，而威高血液淨化的相關活動乃根據董事會簡單多數投票釐定。因此，本公司董事認為本公司對威高血液淨化具有控制權。

於二零一七年十二月四日，威高血液淨化以總代價人民幣100,000,000元與一名認購人訂立認購協議。認購事項於二零一七年十二月十九日完成。因此，本公司於威高血液淨化的股本權益自49.342%下降至約46.875%。於該認購事項完成時，本公司失去對威高血液淨化的控制權，而本公司仍能夠對威高血液淨化實施重大影響，此乃由於根據威高血液淨化的組織章程細則，本公司有權委任威高血液淨化五名中的兩名董事。

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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 19. INTERESTS IN AN ASSOCIATE (continued)

Details of the Group's associate at the end of the reporting period are as follow:

Name of entity	Country of incorporation/ registration	Principal place of business	Proportion of ownership interest held by the Group		Proportion of voting rights held by the Group		Principal activity
			31/12/2018	31/12/2017	31/12/2018	31/12/2017	
實體名稱	註冊成立/ 註冊所在國家	主要營業地點	本集團所持 所有者權益比例		本集團所持 投票權比例		主營業務
			二零一八年 十二月 三十一日	二零一七年 十二月 三十一日	二零一八年 十二月 三十一日	二零一七年 十二月 三十一日	
Weigao Blood Purification	PRC	PRC	<b>46.875%</b>	46.875%	<b>46.875%</b>	46.875%	Manufacturing of medical blood purification treatments and related consumables
威高血液淨化	中國	中國	<b>46.875%</b>	46.875%	<b>46.875%</b>	46.875%	制造醫學血液淨化處理及相關消耗品

#### Summarised financial information of the material associate

Summarised financial information in respect of the Group's an associate is set out below. The summarised financial information represents amounts shown in the associate's financial statements prepared in accordance with HKFRSs.

The associate is accounted for using the equity method in the consolidated financial statements.

### 19. 於一間聯營公司的權益 (續)

於報告期末，本集團的聯營公司詳情如下：

#### 重大聯營公司之財務資料概要

有關本集團的一間聯營公司之財務資料概要載列如下。聯營公司之財務資料概要指於根據香港財務報告準則編製之聯營公司財務報表中列示之金額。

聯營公司使用權益法於綜合財務報表入賬。

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19. INTERESTS IN AN ASSOCIATE (continued)

19. 於一間聯營公司的權益 (續)

**Weigao Blood Purification**

**威高血液淨化**

		<b>31/12/2018</b>	31/12/2017
		<b>RMB'000</b>	RMB'000
		<b>二零一八年</b>	二零一七年
		<b>十二月</b>	十二月
		<b>三十一日</b>	三十一日
		<b>人民幣千元</b>	人民幣千元
Current assets	流動資產	<b>1,390,984</b>	1,091,306
Non-current assets	非流動資產	<b>3,028,076</b>	2,920,177
Current liabilities	流動負債	<b>(1,864,423)</b>	(928,662)
Non-current liabilities	非流動負債	<b>(861,676)</b>	(1,444,369)

		<b>Year ended</b>
		<b>31/12/2018</b>
		<b>RMB'000</b>
		<b>截至</b>
		<b>二零一八年</b>
		<b>十二月</b>
		<b>三十一日</b>
		<b>止年度</b>
		<b>人民幣千元</b>
Revenue	收入	<b>1,773,672</b>
Profit for the year	本年度溢利	<b>63,752</b>
Profit for the year attributable to owners of the Weigao Blood Purification	威高血液淨化擁有人應佔本年度溢利	<b>70,924</b>
Profit for the year attributable to non-controlling interests of Weigao Blood Purification	威高血液淨化非控股權益擁有人本年度溢利	<b>(7,172)</b>



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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 19. INTERESTS IN AN ASSOCIATE (continued)

#### Weigao Blood Purification (continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statement:

	<b>31/12/2018</b>	31/12/2017
	<b>RMB'000</b>	RMB'000
	<b>二零一八年</b>	二零一七年
	<b>十二月</b>	十二月
	<b>三十一日</b>	三十一日
	<b>人民幣千元</b>	人民幣千元
Net assets of Weigao Blood Purification 威高血液淨化之資產淨值	<b>1,692,961</b>	1,638,452
Non-controlling interests of Weigao Blood Purification 威高血液淨化之非控股權益	<b>(518)</b>	(16,933)
	<b>1,692,443</b>	1,621,519
Proportion of the Company's ownership interest in Weigao Blood Purification 本集團於威高血液淨化之所有權權益比例	<b>46.875%</b>	46.875%
The Company's share of net assets of Weigao Blood Purification 本公司應佔威高血液淨化資產淨值	<b>793,333</b>	760,087
Goodwill (note) 商譽(附註)	<b>177,413</b>	177,413
Carrying amount of the Group's interest in Weigao Blood Purification 本集團於威高血液淨化權益之賬面值	<b>970,746</b>	937,500

Note: The goodwill was recognised when Weigao Blood Purification became an associate as a result of the deemed disposal of the previous subsidiary. It was measured based on the provisional fair values of the net identifiable assets of the associate as at 31 December 2017. In 2018, due to the completion of the valuation, the provisional amounts were adjusted accordingly. The fair values of the net identifiable assets of Weigao Blood Purification as at 31 December 2017 were adjusted from RMB1,224,369,000 to RMB1,638,452,000. The goodwill was adjusted from RMB371,514,000 to RMB177,413,000.

### 19. 於一間聯營公司的權益 (續)

#### 威高血液淨化 (續)

上文概述之財務資料與於綜合財務報表確認的於聯營公司權益之賬面值的對賬：

	<b>31/12/2018</b>	31/12/2017
	<b>RMB'000</b>	RMB'000
	<b>二零一八年</b>	二零一七年
	<b>十二月</b>	十二月
	<b>三十一日</b>	三十一日
	<b>人民幣千元</b>	人民幣千元
Net assets of Weigao Blood Purification 威高血液淨化之資產淨值	<b>1,692,961</b>	1,638,452
Non-controlling interests of Weigao Blood Purification 威高血液淨化之非控股權益	<b>(518)</b>	(16,933)
	<b>1,692,443</b>	1,621,519
Proportion of the Company's ownership interest in Weigao Blood Purification 本集團於威高血液淨化之所有權權益比例	<b>46.875%</b>	46.875%
The Company's share of net assets of Weigao Blood Purification 本公司應佔威高血液淨化資產淨值	<b>793,333</b>	760,087
Goodwill (note) 商譽(附註)	<b>177,413</b>	177,413
Carrying amount of the Group's interest in Weigao Blood Purification 本集團於威高血液淨化權益之賬面值	<b>970,746</b>	937,500

附註：於威高血液淨化因視作出售先前附屬公司成為聯營公司時確認商譽。其按聯營公司於二零一七年十二月三十一日可識別淨資產暫定公平值計量。於二零一八年，由於估值完成，暫定金額獲相應調整。威高血液淨化可識別淨資產於二零一七年十二月三十一日的公平值由人民幣1,224,369,000元調整為人民幣1,638,452,000元。商譽由人民幣371,514,000元調整為人民幣177,413,000元。

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綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

## 20. AVAILABLE-FOR-SALE INVESTMENTS

## 20. 可供出售投資

31/12/2017  
RMB'000  
二零一七年  
十二月  
三十一日  
人民幣千元

Unlisted investments, at cost	非上市投資(按成本計算)	
Investment fund	投資基金	81,517
Analysed for reporting purposes as:	就呈報目的分析為:	
Current assets	流動資產	-
Non-current assets	非流動資產	81,517
		<u>81,517</u>

As at 31 December 2017, the amount of RMB69,752,000 represents 11.76% of the interest in a health science fund. The investment is measured at cost less impairment at the end of the reporting period because the range of reasonable fair value estimates is so significant that the directors of the Company are of the opinion that their fair values cannot be measured reliably.

於二零一七年十二月三十一日，金額人民幣69,752,000元指健康科學基金之11.76%權益。該投資於報告期末按成本扣除減值計量，原因為合理公平值估計的範圍甚大而致使本公司董事認為其公平值不能可靠地計量。

The remaining balance of RMB11,765,000 represents 2.5% of the interest in an investment fund. The investment is measured at cost less impairment at the end of the reporting period because the range of reasonable fair value estimates is so significant that the directors of the Company are of the opinion that their fair values cannot be measured reliably. As of 31 December 2017, the Group has a commitment of RMB8,233,000 to this fund.

餘額人民幣11,765,000元指投資基金之2.5%權益。該投資於報告期末按成本扣除減值計量，原因為合理公平值估計的範圍甚大而致使本公司董事認為其公平值不能可靠地計量。截至二零一七年十二月三十一日，本集團就該基金擁有人民幣8,233,000元之承擔。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 21. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

### 21. 按公平值計入損益計量之金融資產

		31/12/2018 RMB'000 二零一八年 十二月 三十一日 人民幣千元
Unlisted investments:	非上市投資：	
– Equity securities	– 股本證券	681
– Investment funds	– 投資基金	106,658
		<b>107,339</b>
Analysed for reporting purposes as:	就呈報目的分析為：	
– Current assets	– 流動資產	–
– Non-current assets	– 非流動資產	107,339
		<b>107,339</b>

As at 31 December 2018, the amount of RMB90,354,000 represents 11.76% of the interest in a health science fund. The amount of RMB16,304,000 represents 3.75% of the interest in an investment fund. The remaining balance of RMB681,000 represents 15% of the interest in an unlisted company.

於二零一八年十二月三十一日，金額人民幣90,354,000元指健康科學基金之11.76%權益。金額人民幣16,304,000元指投資基金3.75%權益。餘額人民幣681,000元指非上市公司15%權益。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 22. GOODWILL

### 22. 商譽

		<b>31/12/2018</b>	31/12/2017
		<b>RMB'000</b>	RMB'000
		<b>二零一八年</b>	二零一七年
		<b>十二月</b>	十二月
		<b>三十一日</b>	三十一日
		<b>人民幣千元</b>	人民幣千元
Cost	成本		
At 1 January	於一月一日	<b>202,900</b>	202,900
Arising on acquisition of a subsidiary (note 38)	自收購一間附屬公司產生 (附註38)	<b>2,924,920</b>	-
Exchange adjustments	匯兌調整	<b>211,249</b>	-
At 31 December	於十二月三十一日	<b>3,339,069</b>	202,900

#### Impairment testing on goodwill

The Group uses operating divisions as the basis for reporting segment information. For the purposes of impairment testing, goodwill has been allocated to the following groups of cash generating units ("CGUs"). The carrying amounts of goodwill as at 31 December 2018 and 2017 are as follows:

#### 商譽減值測試

本集團使用經營分部作為其報告分部資料的基準。為進行減值測試，商譽被分配到以下現金產生單位（「現金產生單位」）組別。於二零一八年及二零一七年十二月三十一日，商譽之賬面值如下：

		<b>31/12/2018</b>	31/12/2017
		<b>RMB'000</b>	RMB'000
		<b>二零一八年</b>	二零一七年
		<b>十二月</b>	十二月
		<b>三十一日</b>	三十一日
		<b>人民幣千元</b>	人民幣千元
Medical device products	醫療器械產品	<b>28,934</b>	28,934
Orthopaedic products	骨科產品	<b>173,966</b>	173,966
Interventional products	介入產品	<b>3,136,169</b>	-
		<b>3,339,069</b>	202,900

### 22. GOODWILL (continued)

#### Impairment testing on goodwill (continued)

The Group tests goodwill annually for impairment or more frequently if there are indications that goodwill might be impaired.

The management considers that groups of CGUs are represented by different groups of subsidiaries for the purpose of goodwill impairment testing.

The recoverable amounts of the groups of CGUs of medical device products have been determined based on a value in use calculation. The recoverable amount is based on the financial budget approved by management covering a 5-year period (2017: 5-year), and discount rate of 14% (2017: 15%). The cash flows for the following years are extrapolated using a steady 2.5% growth rate (2017: 2.5%). A key assumption for the value in use calculations is the budgeted growth rate, which is determined based on past performance and management's expectations for the market development.

The recoverable amounts of the groups of CGUs of orthopaedic products have been determined based on a value in use calculation. The recoverable amount is based on the financial budget approved by management covering a 5-year period (2017: 5-year), and discount rate of 14% (2017: 11%). The cash flows for the following years are extrapolated using a steady 2.5% growth rate (2017: 2.5%). A key assumption for the value in use calculations is the budgeted growth rate, which is determined based on past performance and management's expectations for the market development.

### 22. 商譽 (續)

#### 商譽減值測試 (續)

本集團每年測試商譽減值，或倘有跡象顯示商譽可能已減值，則會更頻密測試減值。

就商譽減值測試而言，管理層認為現金產生單位組別指不同的附屬公司組別。

醫療器械產品之現金產生單位組別之可收回金額乃按使用價值計算而釐定。可收回金額以管理層批准之五年（二零一七年：五年）財政預算及貼現率14%（二零一七年：15%）為基礎。將來年度的現金流量採用2.5%（二零一七年：2.5%）的穩定增長率推算。計算使用價值之主要假設為預算增長率，乃按過往表現及管理層對市場發展之預期而釐定。

骨科產品之現金產生單位組別之可收回金額乃按使用價值計算而釐定。可收回金額以管理層批准之五年（二零一七年：五年）財政預算及貼現率14%（二零一七年：11%）為基礎。將來年度的現金流量採用2.5%（二零一七年：2.5%）的穩定增長率推算。計算使用價值之主要假設為預算增長率，乃按過往表現及管理層對市場發展之預期而釐定。

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## 綜合財務報表附註

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### 22. GOODWILL (continued)

#### Impairment testing on goodwill (continued)

The recoverable amounts of the groups of CGUs of interventional products have been determined based on a value in use calculation. The recoverable amount is based on the financial budget approved by management covering a 10-year period, and discount rate of 13%. The cash flows for the following years are extrapolated using a steady 3% growth rate. A key assumption for the value in use calculations is the budgeted growth rate, which is determined based on past performance and management's expectations for the market development.

Management believes that any reasonably possible change in any of the assumption would not cause the aggregate carrying amount of the above CGUs to exceed the aggregate recoverable amount of the above CGUs, thus there is no impairment on goodwill.

### 23. DEFERRED TAXATION

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purpose.

Deferred tax assets 遞延稅項資產  
Deferred tax liabilities 遞延稅項負債

### 22. 商譽 (續)

#### 商譽減值測試 (續)

介入產品之現金產生單位組別之可收回金額乃按使用價值計算而釐定。可收回金額以管理層批准之十年財政預算及貼現率13%為基礎。將來年度的現金流量採用3%的穩定增長率推算。計算使用價值之主要假設為預算增長率，乃按過往表現及管理層對市場發展之預期而釐定。

管理層相信，任何假設之任何合理可能變動不會令上述現金產生單位之總賬面值超出其可收回總額，因此商譽並無減值。

### 23. 遞延稅項

為呈列綜合財務狀況表，遞延稅項資產及負債已被抵銷。就財務申報目的作出之遞延稅項結餘分析如下：

		<b>31/12/2018</b>	31/12/2017
		<b>RMB'000</b>	RMB'000
		<b>二零一八年</b>	二零一七年
		<b>十二月</b>	十二月
		<b>三十一日</b>	三十一日
		<b>人民幣千元</b>	人民幣千元
		<b>78,093</b>	60,628
		<b>(339,566)</b>	-
		<b>(261,473)</b>	60,628

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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 23. DEFERRED TAXATION (continued)

### 23. 遞延稅項 (續)

The followings are the major deferred tax assets and liabilities recognised and movements thereon during the current and prior reporting year:

於本年度及過往年度，已確認的主要遞延稅項資產及負債及其變動載列如下：

		Time difference of property, plants and equipment	Time difference of intangible assets	Unrealised profit	Share-based payments reserve	Unpaid bonus and salary	Disallowed impairment of assets	Disallowed interest expense	Deductible losses	Others (note)	Total	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
		物業、廠房及設備的	無形資產的	未變現溢利	以股份為基礎的	未支付花紅及薪金	未獲允許	可抵扣	其他			
		遞延收入	時間差	時間差	溢利	付款儲備	及薪金	資產減值	利息支出	虧損	(附註)	總計
		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	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2017	於二零一七年一月一日	7,181	5,563	-	7,028	3,505	7,943	28,265	-	-	-	59,485
Charged to profit or loss	於損益扣除	(1,016)	(2,569)	-	(3,635)	3,812	3,632	4,154	-	-	-	4,378
Derecognised due to loss of control of subsidiary	失去對附屬公司之控制權而終止確認	(1,421)	2,274	-	-	-	-	(4,088)	-	-	-	(3,235)
At 31 December 2017	於二零一七年十二月三十一日	4,744	5,268	-	3,393	7,317	11,575	28,331	-	-	-	60,628
Acquisition of a subsidiary	收購一間附屬公司	-	(4,468)	(383,880)	1,169	-	2,982	2,955	3,069	22,568	(9,452)	(365,057)
Credited (debited) to profit or loss	計入(扣除)損益	502	(2,686)	33,403	7,624	4,837	1,308	3,198	20,812	(20,522)	19,602	68,078
Exchange adjustments	匯兌調整	-	(402)	(26,905)	86	49	194	197	733	1,126	(200)	(25,122)
At 31 December 2018	於二零一八年十二月三十一日	5,246	(2,288)	(377,382)	12,272	12,203	16,059	34,681	24,614	3,172	9,950	(261,473)

Note: The others mainly comprised transaction cost, prepaid expense, inventory capitalization adjustment etc., due to the time differences under U.S. income tax code.

附註：其他主要包括美國所得稅法項下時間差產生的交易成本、預付開支、存貨資本化調整等。

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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 23. DEFERRED TAXATION (continued)

At the end of reporting period, no deferred tax asset has been recognised in relation to the following deductible temporary difference as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

### 23. 遞延稅項 (續)

於報告期末，概無就以下可扣稅減暫時差異確認遞延稅項資產，因為應課稅溢利不可能用於抵銷可扣稅暫時差異。

		<b>31/12/2018</b>	31/12/2017
		<b>RMB'000</b>	RMB'000
			(restated)
		<b>二零一八年</b>	二零一七年
		<b>十二月</b>	十二月
		<b>三十一日</b>	三十一日
		<b>人民幣千元</b>	人民幣千元
			(經重列)
Arising from impairment of assets	自資產減值產生	<b>17,767</b>	17,240
Arising from other temporary differences	自其他暫時差異產生	<b>4,280</b>	-
		<b>22,047</b>	17,240

As at 31 December 2017, in respect of the deemed disposal gain of RMB391,068,000 from the disposal of Weigao Blood Purification, as disclosed in note 39, no deferred taxation liabilities have been recognised because the Group is in a position to control the timing of reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

於二零一七年十二月三十一日，概無就出售威高血液淨化產生的視作出售收益人民幣391,068,000元（誠如附註39所披露）確認遞延稅項負債，此乃由於本集團能夠控制撥回該暫時差異之時間，及該等差異在可預見將來或不會撥回所致。



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### 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

#### 23. DEFERRED TAXATION (continued)

As at 31 December 2018, the Group has estimated unused tax losses of approximately RMB49,617,000 (2017: RMB48,581,000) available for offset against future profits. No deferred tax asset has been recognised in respect of the tax losses due to the unpredictability of future profit streams. The above tax losses will be expired in the following years:

2018	二零一八年
2019	二零一九年
2020	二零二零年
2021	二零二一年
2022	二零二二年
2023	二零二三年

#### 23. 遞延稅項 (續)

於二零一八年十二月三十一日，本集團擁有可供抵銷未來溢利的估計未使用稅項虧損約人民幣49,617,000元（二零一七年：人民幣48,581,000元）。由於未能預測未來的溢利來源，故並無就稅項虧損確認遞延稅項資產。上述稅項虧損將於下列年限到期：

31/12/2018 RMB'000	31/12/2017 RMB'000 (restated)
二零一八年 十二月 三十一日 人民幣千元	二零一七年 十二月 三十一日 人民幣千元 (經重列)
-	12,568
4,792	7,144
9,644	9,710
9,607	10,897
8,247	8,262
17,327	-
<b>49,617</b>	<b>48,581</b>

#### 24. FINANCE LEASE RECEIVABLES

The Group entered into certain finance lease agreements, all interest rates inherent in the leases are fixed at the contract date over the leases terms.

Analysed as:	分析為：
Current	流動
Non-current	非流動

#### 24. 應收融資租賃款項

本集團訂立若干融資租賃協議，有關租賃之全部利率均根據租期於合約日期釐定。

31/12/2018 RMB'000	31/12/2017 RMB'000
二零一八年 十二月 三十一日 人民幣千元	二零一七年 十二月 三十一日 人民幣千元
195,707	186,259
293,361	354,081
<b>489,068</b>	<b>540,340</b>

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綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

24. FINANCE LEASE RECEIVABLES (continued)

24. 應收融資租賃款項 (續)

		Minimum lease receivables		Present value of minimum lease receivables	
		31/12/2018	31/12/2017	31/12/2018	31/12/2017
		RMB'000	RMB'000	RMB'000	RMB'000
		應收最低租賃款項	應收最低租賃款項	應收最低租賃款項之現值	應收最低租賃款項之現值
		二零一八年	二零一七年	二零一八年	二零一七年
		十二月	十二月	十二月	十二月
		三十一日	三十一日	三十一日	三十一日
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Finance lease receivables comprise	應收融資租賃款項包括				
Within one year	於一年內	<b>204,738</b>	203,814	<b>195,707</b>	186,259
In more than one year but not more than two years	超過一年但不超過兩年	<b>173,060</b>	179,221	<b>155,739</b>	161,739
In more than two years but not more than five years	超過兩年但不超過五年	<b>179,224</b>	238,121	<b>145,193</b>	204,419
		<b>557,022</b>	621,156	<b>496,639</b>	552,417
Less: unearned finance income allowance for credit losses	減：未賺取融資收益 信貸虧損撥備	<b>(60,383)</b> <b>(7,571)</b>	(68,739) (12,077)	- <b>(7,571)</b>	- (12,077)
		<b>489,068</b>	540,340	<b>489,068</b>	540,340

Effective interest rates of the above finance leases range from 4.43% to 9.00% per annum (2017: 4.43% to 9.00%).

上述融資租賃之實際年利率介乎4.43厘至9.00厘(二零一七年：4.43厘至9.00厘)。

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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 24. FINANCE LEASE RECEIVABLES (continued)

### 24. 應收融資租賃款項 (續)

Movement in the allowance for bad and doubtful debts:

呆壞賬撥備變動：

		2017 RMB'000 二零一七年 人民幣千元
At 1 January	於一月一日	7,385
Impairment losses recognised on finance lease receivables	就應收融資租賃款項確認的 減值虧損	<u>4,692</u>
At 31 December	於十二月三十一日	<u>12,077</u>

Finance lease receivables are secured over the machineries leased. The Group is not permitted to sell or repledge the collateral in the absence of default by the lessee.

應收融資租賃款項以所租機器作抵押。本集團不允許在承租人未違約情況下出售或再抵押抵押品。

Included in finance lease receivables is an amount due from fellow subsidiaries of RMB96,575,000 (2017: RMB140,965,000).

應收融資租賃款項包括應收同系附屬公司款項人民幣96,575,000元(二零一七年：人民幣140,965,000元)。

Included in finance lease receivables is an amount of RMB202,983,000 (2017: RMB239,589,000) pledged for the Group's borrowing.

應收融資租賃款項包括就本集團借款抵押款項人民幣202,983,000元(二零一七年：人民幣239,589,000元)。

Details of impairment assessment of financial lease receivables for the year ended 31 December 2018 are set out in note 43.

截至二零一八年十二月三十一止年度的應收融資租賃款項減值評估詳情載於附註43。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 25. LOAN RECEIVABLES

### 25. 應收貸款

		<b>31/12/2018</b>	31/12/2017
		<b>RMB'000</b>	RMB'000
		<b>二零一八年</b>	二零一七年
		<b>十二月</b>	十二月
		<b>三十一日</b>	三十一日
		<b>人民幣千元</b>	人民幣千元
Interest-free loan receivables (note a)	免息應收貸款 (附註a)	<b>1,221,562</b>	1,369,525
Fixed-rate loan receivables (note b)	固定利率應收貸款 (附註b)	<b>350,000</b>	350,000
Variable-rate loan receivables (note c)	浮動利率應收貸款 (附註c)	<b>273,224</b>	252,698
Less: Allowance for credit losses	減：信貸虧損撥備	<b>(7,000)</b>	-
		<b>1,837,786</b>	1,972,223
Analysed as:			
Receivables within one year	分析為： 於一年內應收款項	<b>896,585</b>	497,963
Receivables after one year	於一年後應收款項	<b>941,201</b>	1,474,260
		<b>1,837,786</b>	1,972,223

Notes:

- (a) As at 31 December 2018, the loans of RMB1,293,232,000 were provided to Weigao Blood Purification (2017: RMB1,493,355,000). The loans were interest-free and the balance represents the present value calculated with effective interest rate of 3.8% per annum based on management's expected settlement schedule. Upon initial recognition, the difference between the principle amount and the present value of the loan receivable was treated as deemed contribution to Weigao Blood Purification.
- (b) As at 31 December 2018, the amount of RMB350,000,000 represents the loans provided to a third party (2017: RMB350,000,000). The loans are secured by the using right of certain sea area, carrying the effective interest rate of 8% per annum. The loans were matured in June 2018, and settlement has been extended to June 2019.

附註：

- (a) 於二零一八年十二月三十一日，向威高血液淨化提供貸款人民幣1,293,232,000元（二零一七年：人民幣1,493,355,000元）。該等貸款免息且結餘指根據管理層預期結算時間表按實際年利率3.8厘計算的現值。於初始確認后，應收貸款之本金和現值之差額被視為視作對威高血液淨化注資。
- (b) 於二零一八年十二月三十一日，人民幣350,000,000元指提供於獨立第三方之貸款（二零一七年：人民幣350,000,000元）。該貸款以某海域使用權作擔保，實際年利率為8厘，於六個月到期。該貸款已於二零一八年六月到期，且結算已延期至二零一九年六月。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 25. LOAN RECEIVABLES (continued)

Notes: (continued)

- (c) Within the balance as at 31 December 2018 is loans of RMB221,600,000 which were provided to the management of Weigao Ortho with a period of five years for their subscription under the share arrangement of Weigao Ortho (2017: RMB221,600,000). The loans are unsecured, and bearing the benchmark lending rate that published by the People's Bank of China. As of 31 December 2018, the accrued interest of the loans included in the balance of loan receivables was RMB27,624,000 (2017: RMB17,098,000). The entire amount of principle and interest is due on 15 May 2021.

Details of impairment assessment of loan receivables for the year ended 31 December 2018 are set out in note 43.

### 26. INVENTORIES

Raw materials	原料
Finished goods	製成品

As at 31 December 2018, total net book value of inventories served as collateral for the Group's borrowing amounted to RMB197,674,000 (2017: nil).

### 25. 應收貸款 (續)

附註：(續)

- (c) 於二零一八年十二月三十一日，結餘人民幣221,600,000元(二零一七年：人民幣221,600,000元)指向威高骨科之管理層就其於威高骨科之股份安排項下之認購提供貸款，為期五年。貸款為無抵押，及按中國人民銀行公佈的基準貸款利率計息。於二零一八年十二月三十一日，計入應收貸款結餘之應計利息為人民幣27,624,000元(二零一七年：人民幣17,098,000元)。全部本金及利息將於二零二一年五月十五日到期。

截至二零一八年十二月三十一日止年度應收貸款減值評估詳情載於附註43。

### 26. 存貨

<b>31/12/2018</b>	31/12/2017
<b>RMB'000</b>	RMB'000
<b>二零一八年</b>	二零一七年
<b>十二月</b>	十二月
<b>三十一日</b>	三十一日
<b>人民幣千元</b>	人民幣千元
	(經重列)
<b>267,894</b>	117,497
<b>869,418</b>	688,065
<b>1,137,312</b>	805,562

於二零一八年十二月三十一日，用作本集團借款抵押品的存貨總賬面淨值為人民幣197,674,000元(二零一七年：零)。

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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 27. TRADE AND OTHER RECEIVABLES

### 27. 應收貿易賬款及其他應收款項

		<b>31/12/2018</b>	31/12/2017
		<b>RMB'000</b>	RMB'000
		<b>二零一八年</b>	二零一七年
		<b>十二月</b>	十二月
		<b>三十一日</b>	三十一日
		<b>人民幣千元</b>	人民幣千元
			(經重列)
Trade receivables	應收貿易賬款	<b>3,662,622</b>	3,034,798
Less: Allowance for credit losses	減：信貸虧損撥備	<b>(202,228)</b>	(183,330)
		<b>3,460,394</b>	2,851,468
Receivables from factoring business	來自保理業務之應收款項	<b>253,274</b>	285,101
Less: Allowance for credit losses	減：信貸虧損撥備	<b>(1,719)</b>	(3,576)
		<b>251,555</b>	281,525
Other receivables	其他應收款項	<b>238,972</b>	177,918
Less: Allowance for credit losses	減：信貸虧損撥備	<b>(1,765)</b>	(1,507)
		<b>237,207</b>	176,411
Bills receivable	應收票據	-	241,598
Prepayments	預付款項	<b>140,866</b>	123,695
Prepaid lease payments (note 17)	預付租賃款項(附註17)	<b>13,653</b>	8,979
		<b>4,103,675</b>	3,683,676

All the bills receivable will be matured within one year.

As at 31 December 2018 and 1 January 2018, trade receivables from contracts with customers amounted to RMB3,662,622,000 and RMB3,034,798,000 respectively.

Included in trade receivables are an amount due from fellow subsidiaries of RMB135,224,000 (2017: RMB130,904,000), an amount due from ultimate holding company of RMB215,000 (2017: RMB107,000), and an amount due from an associate of RMB132,376,000 (2017: RMB106,422,000). The amounts are unsecured, interest-free and repayable on demand.

所有應收票據均將於一年內到期。

於二零一八年十二月三十一日及二零一八年一月一日，來自與客戶合約的應收貿易賬款分別為人民幣3,662,622,000元及人民幣3,034,798,000元。

應收貿易賬款包括應收同系附屬公司款項人民幣135,224,000元(二零一七年：人民幣130,904,000元)、應收最終控股公司款項人民幣215,000元(二零一七年：人民幣107,000元)，及應收一間聯營公司款項人民幣132,376,000元(二零一七年：人民幣106,422,000元)。該等款項為無抵押、免息及須於要求時償還。

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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 27. TRADE AND OTHER RECEIVABLES

(continued)

Included in receivables from factoring business are an amount due from fellow subsidiaries of RMB210,800,000 (2017: RMB70,100,000), and an amount due from an associate of RMB7,000,000 (2017: nil). The amounts are due in one year with effective interest rates ranging from 3.5% to 18.63% (2017: 4.98% to 12.09%) per annum.

Included in other receivables are an amount due from fellow subsidiaries of RMB135,763,000 (2017: RMB73,442,000), an amount due from ultimate holding company of RMB14,990,000 (2017: RMB12,161,000), and an amount due from an associate of RMB83,000 (2017: RMB9,171,000). The amounts are unsecured and repayable on demand.

Included in prepayments are an amount paid to fellow subsidiaries of RMB14,392,000 (2017: RMB1,847,000), and an amount paid to an associate of RMB4,285,000 (2017: nil).

The following is an aged analysis of trade receivables net of allowance for credit losses presented based on the invoice date at the end of the reporting period.

### 27. 應收貿易賬款及其他應收款項

(續)

來自保理業務之應收款項包括應收同系附屬公司款項人民幣210,800,000元(二零一七年:人民幣70,100,000元)及應收一間聯營公司款項人民幣7,000,000元(二零一七年:無)。該等款項於一年內到期,實際年利率介乎3.5厘至18.63厘(二零一七年:4.98厘至12.09厘)。

其他應收款項包括應收同系附屬公司款項人民幣135,763,000元(二零一七年:人民幣73,442,000元),應收最終控股公司款項人民幣14,990,000元(二零一七年:人民幣12,161,000元),及應收一間聯營公司款項人民幣83,000元(二零一七年:人民幣9,171,000元)。該等款項為無抵押及須於要求時償還。

預付款項包括已付同系附屬公司款項人民幣14,392,000元(二零一七年:人民幣1,847,000元),及已付最終控股公司款項人民幣4,285,000元(二零一七年:無)。

按報告期末的發票日呈列的應收貿易賬款(經扣減信貸虧損撥備)之賬齡分析如下。

		<b>31/12/2018</b>	31/12/2017
		<b>RMB'000</b>	RMB'000
		<b>二零一八年</b>	二零一七年
		<b>十二月</b>	十二月
		<b>三十一日</b>	三十一日
		<b>人民幣千元</b>	人民幣千元
0 to 90 days	0至90天	<b>1,944,541</b>	1,163,561
91 to 180 days	91至180天	<b>806,726</b>	1,009,557
181 to 365 days	181至365天	<b>492,543</b>	423,621
Over 365 days	365天以上	<b>216,584</b>	254,729
Trade receivables	應收貿易賬款	<b>3,460,394</b>	2,851,468

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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 27. TRADE AND OTHER RECEIVABLES

(continued)

As at 31 December 2018, included in the Group's trade receivables balance are debtors with aggregate carrying amount of RMB739,873,000 which are past due as at the reporting date.

As at 31 December 2018, total net book value of trade and other receivables served as collateral for the Group's borrowing amounted to RMB152,336,000.

As at 31 December 2017, 76% of the trade receivables that are neither past due nor impaired have good repayment history with the Group.

As at 31 December 2017, included in the Group's trade receivable balance are debtors with aggregate carrying amount of RMB678,350,000 which are past due as at the reporting date for which the Group has not provided for impairment loss as there has not been a significant change in credit quality and the amounts are still considered recoverable. The Group does not hold any collateral over these balances.

Aged analysis of trade receivables which are past due but not impaired:

### 27. 應收貿易賬款及其他應收款項

(續)

於二零一八年十二月三十一日，本集團的應收貿易賬款結餘已包括賬面總值為人民幣739,873,000元的應收賬款，其已於報告日期逾期。

於二零一八年十二月三十一日，作為本集團借款抵押品的應收貿易賬款及其他應收款項的賬面淨值總額為人民幣152,336,000元。

於二零一七年十二月三十一日，本集團76%未逾期或減值的應收貿易賬款具有良好償還歷史。

於二零一七年十二月三十一日，本集團的應收貿易賬款結餘已包括賬面總值為人民幣678,350,000元的應收賬款，其已於報告日期逾期，本集團並無就該等應收賬款作出減值虧損撥備，因為信貸素質並無重大變化且該等款項仍被視為可收回。本集團概無就該等結餘持有任何抵押品。

已逾期但未減值的應收貿易賬款的賬齡分析：

31/12/2017  
RMB'000  
二零一七年  
十二月  
三十一日  
人民幣千元

Overdue by	逾期	
0 to 180 days	0至180天	423,621
Over 181 days	181天以上	254,729
		<u>678,350</u>



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## 綜合財務報表附註

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### 27. TRADE AND OTHER RECEIVABLES

(continued)

Movements in the allowance for bad and doubtful debts:

		2017 RMB'000 二零一七年 人民幣千元
At 1 January	於一月一日	188,844
Impairment losses recognised	已確認減值虧損	32,053
Impairment losses reversed	已撥回減值虧損	(3,008)
Amounts written off as uncollectible	撇銷為不能收回的款項	(3,179)
Disposal of subsidiaries	出售附屬公司	(31,380)
At 31 December	於十二月三十一日	<u>183,330</u>

Movements in the allowance for bad and doubtful debts of other receivables:

		2017 RMB'000 二零一七年 人民幣千元
At 1 January	於一月一日	2,459
Impairment losses recognised on other receivables	就其他應收款項確認的減值虧損	1,093
Impairment losses reversed	已撥回減值虧損	(717)
Disposal of subsidiaries	出售附屬公司	(1,328)
At 31 December	於十二月三十一日	<u>1,507</u>

Receivables that were not impaired relate to a wide range of counter parties for whom there was no recent history of default and with good credit quality.

並未減值的應收款項與近期並無拖欠記錄且信用質素良好的眾多客戶有關。

Details of impairment assessment of trade and other receivables for the year ended 31 December 2018 are set out in note 43.

截至二零一八年十二月三十一止年度應收貿易賬款及其他應收款項的減值評估詳情載於附註43。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 28. DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

### 28. 按公平值計入其他全面收益計量之債務工具

		31/12/2018 RMB'000 二零一八年 十二月 三十一日 人民幣千元
Unlisted investments:	非上市投資：	
– Bills receivable	– 應收票據	<b>349,531</b>
		<b>349,531</b>

As at 31 December 2018, the Group endorsed bills receivable of RMB279,515,000 (2017: RMB200,489,000) for the settlement of trade and other payables. In the opinion of the directors of the Company, the Group has transferred the significant risks and rewards relating to these bills receivable, and the Group's obligations to the corresponding counterparties were discharged in accordance with the commercial practice in the PRC and the risk of the default in payment of the endorsed bills receivable is low because all endorsed bills receivable are issued and guaranteed by the reputable PRC banks. As a result, the relevant assets and liabilities were derecognised. The maximum exposure to the Group that may result from the default of these endorsed bills receivable are RMB279,515,000 (2017: RMB200,489,000). All bills received by the Group are with a maturity period of less than one year.

As at 31 December 2018, the Group has pledged bills receivable of RMB58,029,000 (2017: nil) to secure the letter of credit.

於二零一八年十二月三十一日，本集團已背書應收票據人民幣279,515,000元（二零一七年：人民幣200,489,000元）以支付應付貿易賬款及其他應付款項。本公司董事認為，本集團已轉移有關該等應收票據的重大風險及回報，而本集團對相對應手的責任已根據中國商業慣例獲解除。鑒於所有已背書應收票據均由聲譽良好的中國銀行發出及擔保，故已背書應收票據出現拖欠付款的風險低。因此，相關資產及負債已取消確認。本集團可能因該等已背書應收票據出現拖欠付款所蒙受的最大風險為人民幣279,515,000元（二零一七年：人民幣200,489,000元）。本集團收到的所有票據均於一年內到期。

於二零一八年十二月三十一日，本集團已抵押應收票據人民幣58,029,000元（二零一七年：零）用於取得信用證。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

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#### 29. PLEDGED BANK DEPOSITS

As at 31 December 2018, pledged bank balances represent deposits pledged to banks to secure trade facilities such as bills payable and letter of credit amounting to RMB222,270,000 (2017: RMB96,178,000).

The pledged bank balances carry fixed interest rates which range from 0.35% to 1.65% per annum as at 31 December 2018 (2017: 0.3% to 1.65% per annum).

#### 30. BANK BALANCES AND CASH

Bank balances and cash comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less. The deposits carry interest rates which range from nil to 4.5% per annum (2017: 0.3% to 3.2% per annum).

As at 31 December 2018, bank balances included deposits of RMB170,166,000 (2017: RMB235,872,000), carrying interest rates which range from 0.35% to 0.675% per annum (2017: 0.8%), in an associate of ultimate holding company.

As at 31 December 2018, bank balances and cash served as collateral for the Group's borrowing amounted to RMB202,717,000 (2017: nil).

#### 29. 已抵押銀行存款

於二零一八年十二月三十一日，已抵押銀行結餘指抵押予銀行以擔保貿易融資（例如應付票據及信用證）之存款金額人民幣222,270,000元（二零一七年：人民幣96,178,000元）。

於二零一八年十二月三十一日，已抵押銀行結餘按固定利率介乎每年0.35厘至1.65厘（二零一七年：每年0.3厘至1.65厘）計息。

#### 30. 銀行結餘及現金

銀行結餘及現金包括本集團持有的現金及原到期時間為三個月或以下的短期銀行存款。有關存款按介乎於每年0至4.5厘之間的利率（二零一七年：每年0.3厘至3.2厘）計息。

於二零一八年十二月三十一日，銀行結餘包括最終控股公司之一間聯營公司之按金人民幣170,166,000元（二零一七年：人民幣235,872,000元）按每年0.35厘至0.675厘的利率（二零一七年：0.8厘）計息。

於二零一八年十二月三十一日，用作本集團借款抵押品的銀行結餘及現金為人民幣202,717,000元（二零一七年：零）。

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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 31. TRADE AND OTHER PAYABLES

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

### 31. 應付貿易賬款及其他應付款項

按報告期末的發票日期呈列的應付貿易賬款的賬齡分析如下：

		<b>31/12/2018</b>	31/12/2017
		<b>RMB'000</b>	RMB'000
			(restated)
		<b>二零一八年</b>	二零一七年
		<b>十二月</b>	十二月
		<b>三十一日</b>	三十一日
		<b>人民幣千元</b>	人民幣千元
			(經重列)
0 to 90 days	0至90天	<b>488,842</b>	381,989
91 to 180 days	91至180天	<b>109,455</b>	77,192
181 to 365 days	181至365天	<b>29,416</b>	10,617
Over 365 days	365天以上	<b>31,916</b>	27,312
Trade payables	應付貿易賬款	<b>659,629</b>	497,110
Bills payable	應付票據	<b>286,436</b>	154,660
Other tax payables	其他應付稅項	<b>65,569</b>	109,472
Construction cost and retention payables	建築成本及應付保留金	<b>94,528</b>	61,930
Selling expense payables	應付銷售開支	<b>843,004</b>	644,154
Other payables	其他應付款項	<b>643,701</b>	480,581
Dividend payables	應付股息	<b>207,351</b>	-
Advances from customers	來自客戶墊款	-	74,206
		<b>2,800,218</b>	2,022,113

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### 綜合財務報表附註

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#### 31. TRADE AND OTHER PAYABLES (continued)

The normal credit period taken for trade purchases is 30-180 days. All the bills payable will mature within six months.

Included in trade payables are an amount due to fellow subsidiaries of RMB70,513,000 (2017: RMB15,258,000), an amount due to an associate of RMB32,627,000 (2017: RMB45,394,000), and an amount due to ultimate holding company of RMB1,000 (2017: RMB1,000). The amounts are unsecured, interest-free and repayable on demand.

Included in other payables are an amount due to fellow subsidiaries of RMB12,590,000 (2017: RMB49,990,000), an amount due to an associate of nil (2017: RMB9,010,000), and an amount due to ultimate holding company of RMB20,003,000 (2017: RMB14,431,000). The amounts are unsecured, interest-free and repayable on demand.

As at 31 December 2017, included in advances from customers are an amount received from fellow subsidiaries of RMB830,000, an amount received from an associate of RMB652,000, and an amount received from ultimate holding company of RMB9,000.

#### 31. 應付貿易賬款及其他應付款項 (續)

貿易採購的正常信貸期為30至180天。所有應付票據均將於六個月內到期。

應付貿易賬款包括應付同系附屬公司款項人民幣70,513,000元(二零一七年:人民幣15,258,000元),應付一間聯營公司款項人民幣32,627,000元(二零一七年:人民幣45,394,000元),及應付最終控股公司款項人民幣1,000元(二零一七年:人民幣1,000元)。該等款項為無抵押、免息及於要求時償還。

其他應付款項包括應付同系附屬公司款項人民幣12,590,000元(二零一七年:人民幣49,990,000元),應付聯營公司款項為零(二零一七年:人民幣9,010,000元),及應付最終控股公司款項人民幣20,003,000元(二零一七年:人民幣14,431,000元)。該等款項為無抵押、免息及於要求時償還。

於二零一七年十二月三十一日,來自客戶墊款包括應收同系附屬公司款項人民幣830,000元,應收一間聯營公司款項人民幣652,000元,及應收最終控股公司款項人民幣9,000元。

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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 32. CONTRACT LIABILITIES

### 32. 合約負債

		<b>31/12/2018</b>	01/01/2018*
		<b>RMB'000</b>	RMB'000
		<b>二零一八年</b>	二零一八年
		<b>十二月</b>	一月一日*
		<b>三十一日</b>	人民幣千元
		<b>人民幣千元</b>	人民幣千元
Sales of goods	銷售商品	<b>96,297</b>	63,424
Current	流動	<b>96,297</b>	63,424

\* The amounts in this column are after the adjustments from the application of HKFRS 15.

The revenue recognised in the current year relates to carried-forward contract liabilities amounted to RMB63,424,000.

Included in contract liabilities are an amount received from fellow subsidiaries of RMB2,883,000, and an amount received from ultimate holding company of RMB5,000.

\* 本欄金額基於香港財務報告準則第15號之應用而調整列示。

本年度確認的與結轉合約負債相關的收入為人民幣63,424,000元。本年度並無確認與過往期間已履行履約義務有關的收入。

合約負債包括預收同系附屬公司款項人民幣2,883,000元及預收最終控股公司款項人民幣5,000元。

### 33. BORROWINGS

### 33. 借款

		<b>31/12/2018</b>	31/12/2017
		<b>RMB'000</b>	RMB'000
		<b>二零一八年</b>	二零一七年
		<b>十二月</b>	十二月
		<b>三十一日</b>	三十一日
		<b>人民幣千元</b>	人民幣千元
Bank borrowings at variable-rate (note a)	按浮動利率計息的銀行借款(附註a)	<b>4,623,814</b>	302,177
Bank borrowings at fixed-rate (note b)	按固定利率計息的銀行借款(附註b)	<b>600,000</b>	600,000
		<b>5,223,814</b>	902,177
Secured (note c)	有抵押(附註c)	<b>4,784,214</b>	837,377
Unsecured	無抵押	<b>439,600</b>	64,800

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## 綜合財務報表附註

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### 33. BORROWINGS (continued)

### 33. 借款 (續)

The borrowings are repayable as follows:

借款須於下列期間償還：

		<b>31/12/2018</b>	31/12/2017
		<b>RMB'000</b>	RMB'000
		<b>二零一八年</b>	二零一七年
		<b>十二月</b>	十二月
		<b>三十一日</b>	三十一日
		<b>人民幣千元</b>	人民幣千元
Within one year	於一年內	<b>130,925</b>	97,906
More than one year, but not exceeding two years	於一年以上但不超過兩年	<b>811,229</b>	109,233
More than two years, but not exceeding five years	於兩年以上但不超過五年	<b>1,560,378</b>	695,038
More than five years	超過五年	<b>2,721,282</b>	-
		<b>5,223,814</b>	902,177
Less: Amount due within one year shown under current liabilities	減：列為流動負債而於一年以內到期的款項	<b>(130,925)</b>	(97,906)
Amount due after one year shown under non-current liabilities	列為非流動負債而於一年後到期的款項	<b>5,092,889</b>	804,271

Notes:

附註：

- (a) As at 31 December 2018, the variable-rate borrowings carry interest rates ranged from 4.31% to 10.34% per annum (2017: 4.51% to 4.99% per annum).
- (b) As at 31 December 2018, the fixed-rate borrowings carry interest rate of 5.25% per annum (2017: 5.25% per annum).
- (c) As at 31 December 2018, the balance included a long-term loan of RMB600,000,000 (31 December 2017: RMB600,000,000) obtained from International Finance Corporation in 2015. The Loan is jointly secured by 100% equity interest of Jierui that owned by the Company and 230,000,000 shares of the Company that owned by Weigao Holding.

- (a) 於二零一八年十二月三十一日，浮動利率借款按介於每年4.31厘至10.34厘之間的利率（二零一七年：每年4.51厘至4.99厘）計息。
- (b) 於二零一八年十二月三十一日，固定利率借款按每年5.25厘的利率（二零一七年：每年5.25厘）計息。
- (c) 於二零一八年十二月三十一日，結餘包括於二零一五年自國際金融公司取得一項人民幣600,000,000元之長期貸款（二零一七年十二月三十一日：人民幣600,000,000元）。貸款以本公司擁有的潔瑞全部股權及威高集團公司擁有的本公司230,000,000股股份共同作抵押。

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## 綜合財務報表附註

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### 33. BORROWINGS (continued)

### 33. 借款 (續)

Notes: (continued)

附註: (續)

(c) (continued)

(c) (續)

As at 31 December 2018, the balance included loans of RMB202,983,000 (2017: RMB237,377,000) secured by pledge of certain of the Group's finance lease receivables of RMB202,983,000 (2017: RMB239,589,000).

於二零一八年十二月三十一日，結餘包括貸款人民幣202,983,000元（二零一七年：人民幣237,377,000元），通過抵押本集團人民幣202,983,000元（二零一七年：人民幣239,589,000元）之若干應收融資租賃款項提供擔保。

On 17 January 2018, WW Medical and Healthcare Company Limited ("WW Cayman"), a subsidiary of the company, entered into a Tranche A Loan Credit Agreement in the aggregate principal amount of USD212,000,000 (equal to RMB1,363,902,000), bearing interest at a per annum rate equal to one month Libor plus 1.40%, and a Tranche B Loan Credit Agreement ("Tranche B Loan") in the aggregate principal amount of USD175,000,000 (equal to RMB1,125,863,000), bearing interest at a per annum rate equal to three month Libor plus 1.50%.

於二零一八年一月十七日，本公司附屬公司WW Medical and Healthcare Company Limited（「WW Cayman」）訂立一份本金總額為212,000,000美元（相等於人民幣1,363,902,000元）的Tranche A貸款信貸協議，年利率為一個月Libor加1.40%，及一份本金總額為175,000,000美元（相等於人民幣1,125,863,000元）的Tranche B貸款信貸協議（「Tranche B貸款」），年利率為三個月Libor加1.50%。

Outstanding debt as of 31 December 2018 is wholly from Tranche B Loan in aggregate principal amount of USD175,000,000 (equal to RMB1,201,060,000). As of 31 December 2018, Tranche B Loan matures as follows:

於二零一八年十二月三十一日的未償還債務全部來自Tranche B貸款，本金總額為175,000,000美元（相等於人民幣1,201,060,000元）。於二零一八年十二月三十一日，Tranche B貸款期限如下：

		<b>31/12/2018</b> <b>RMB'000</b> <b>二零一八年</b> <b>十二月</b> <b>三十一日</b> <b>人民幣千元</b>
Within one year	一年以內	<b>120,106</b>
More than one year, but not exceeding two years	超過一年，但不超過兩年	<b>240,212</b>
More than two years, but not exceeding five years	超過兩年，但不超過五年	<b>840,742</b>
		<b>1,201,060</b>



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## 綜合財務報表附註

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### 33. BORROWINGS (continued)

Notes: (continued)

(c) (continued)

On 23 January 2018, WW Medical and Healthcare Holdings Corporation ("WW Holding") as holdings, and Argon, both subsidiaries of the company, entered into a First Lien Credit Agreement ("First Lien Term Loan") with a bank, in the aggregate principal amount of USD310,000,000 (equal to RMB1,984,279,000), bearing interest at a rate per annum of Libor plus 3.75%, and a Second Lien Credit Agreement ("Second Lien Term Loan") in the aggregate principal amount of USD110,000,000 (equal to RMB704,099,000), bearing interest at a rate per annum of Libor Plus 8%. The First Lien Term Loan includes a revolving credit commitments in the principal amount of up to USD15,000,000 (equal to RMB96,014,000), bearing interest at a rate per annum of Libor plus 3.75%, as of 31 December 2018, no loan balance is from this revolving credit commitments.

Outstanding debt as of 31 December 2018 excluding debt discount, matures as follows:

### 33. 借款 (續)

附註: (續)

(c) (續)

二零一八年一月二十三日，本公司兩間附屬公司WW Medical and Healthcare Holdings Corporation (「WW Holding」) (作為控股公司) 及Argon訂立第一留置權信貸協議 (「第一留置權定期貸款」)，本金總額為310,000,000美元 (相等於人民幣1,984,279,000元)，年利率為Libor加3.75%，及第二留置權信貸協議 (「第二留置權定期貸款」)，本金總額為110,000,000美元 (相等於人民幣704,099,000元)，年利率為Libor加8%。第一留置權定期貸款包括已替換的循環信貸承諾，本金額達15,000,000美元 (相等於人民幣96,014,000元)，年利率為Libor加3.75%，且於二零一八年十二月三十一日，概無貸款結餘來自該循環信貸承諾。

於二零一八年十二月三十一日，除債務貼現外的未償債務期限如下：

		31/12/2018 RMB'000 二零一八年 十二月 三十一日 人民幣千元
Within one year	一年以內	21,276
More than one year, but not exceeding two years	超過一年，但不超過兩年	21,276
More than two years, but not exceeding five years	超過兩年，但不超過五年	63,828
More than five years	超過五年	2,760,207
		<b>2,866,587</b>

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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 33. BORROWINGS (continued)

Notes: (continued)

(c) (continued)

The First Lien Term Loan and Second Lien Term Loan are jointly secured by 100% equity interest of Argon and its subsidiaries that ultimately owned by the WW Holding. Certain of the Argon's assets serve as collateral for borrowings under the First Lien Term Loan and Second Lien Term Loan. On 31 December 2018, the details are as follow:

### 33. 借款 (續)

附註：(續)

(c) (續)

第一留置權定期貸款及第二留置權定期貸款由Argon及其附屬公司(由WW Holding最終擁有)的100%股權共同擔保。Argon若干資產作為第一留置權定期貸款及第二留置權定期貸款項下借款的抵押品。於二零一八年十二月三十一日，詳情如下：

		31/12/2018 RMB'000 二零一八年 十二月 三十一日 人民幣千元
Property, plant and equipment	物業、廠房及設備	129,703
Intangible Assets	無形資產	2,367,176
Inventories	存貨	197,674
Trade and other receivables	應收貿易賬款及其他應收款項	152,336
Bank balances and cash	銀行結餘及現金	202,717
		<b>3,049,606</b>

### 34. DEFERRED INCOME

### 34. 遞延收入

		31/12/2018 RMB'000 二零一八年 十二月 三十一日 人民幣千元	31/12/2017 RMB'000 二零一七年 十二月 三十一日 人民幣千元
Arising from government grants	來自政府補助	42,633	38,990
Analysed as:	分析為：		
Current	流動	5,844	4,158
Non-current	非流動	36,789	34,832
		<b>42,633</b>	38,990

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

#### 34. DEFERRED INCOME (continued)

During the year, the Group received new government grants from the government authorities amounting to in aggregate RMB8,297,000 (2017: RMB800,000) to subsidy the Group's certain capital expenditures. The Group has complied with the conditions attached to the grants as at the end of the reporting periods and will transfer the grants to profit or loss over the useful lives of the related assets. During the year, the Group recognised these government grants to other income amounting to RMB4,654,000 (2017: RMB15,281,000).

#### 34. 遞延收入 (續)

年內，本集團收到政府部門合共人民幣8,297,000元(二零一七年：人民幣800,000元)之新政府補助，以為本集團的若干資本開支提供補助。於報告期末，本集團已遵守補助的附帶條件，並按有關資產之可使用年期內轉撥該等補助至損益。年內，本集團確認該等政府補助至其他收入人民幣4,654,000元(二零一七年：人民幣15,281,000元)。

#### 35. LOANS FROM THE ULTIMATE HOLDING COMPANY

#### 35. 最終控股公司提供的貸款

		<b>31/12/2018</b>	31/12/2017
		<b>RMB'000</b>	RMB'000
		<b>二零一八年</b>	二零一七年
		<b>十二月</b>	十二月
		<b>三十一日</b>	三十一日
		<b>人民幣千元</b>	人民幣千元
Loans from the ultimate holding company	最終控股公司提供的貸款	<b>114,234</b>	103,311
Analysed as:	分析為：		
Within one year	一年內	<b>114,234</b>	103,311

The principal of loans amounting to RMB101,112,000 provided by the ultimate holding company is carrying a fixed interest rate of 4.35% (2017: 4.35%) per annum for the subscription of the incentive shares under a share award scheme (note 37(a)), and the loans are secured by these incentive shares of the Company held by the trustees, which is matured on 12 March 2019. Subsequent to the end of the reporting period, the loans have been extended to 12 March 2020, and the fixed interest rate has been changed to 4.785%.

最終控股公司提供本金額為人民幣101,112,000元的貸款的固定利率為每年4.35% (二零一七年：4.35%)，用於根據股份激勵計劃認購激勵股份(附註37(a))，且貸款由受託人持有的本公司激勵股份擔保，貸款將於二零一九年三月十二日到期。報告期結束後，貸款已延期至二零二零年三月十二日，且固定利率變更為4.785%。

The principal of loans amounting to RMB10,535,000 provided by the ultimate holding company are carrying a fixed interest rate of 4.785% per annum for the repurchase of the incentive shares under a share award scheme (note 37(a)), which is due on 12 December 2019.

最終控股公司提供本金額為人民幣10,535,000元的貸款的固定利率為每年4.785%，用於回購股份激勵計劃項下的激勵股份(附註37(a))，貸款將於二零一九年十二月十二日到期。

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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 36. SHARE CAPITAL

### 36. 股本

		Nominal value of each share RMB 每股 股份面值 人民幣	Number of Non-listed shares (note a) 非上市 股份數目 (附註a)	Number of H shares (note a) H股數目 (附註a)	Total number of shares 股份總數	Value RMB'000 價值 人民幣千元
Registered: At 31 December 2017	註冊: 於二零一七年十二月三十一日	0.1	2,638,600,000	1,883,732,324	4,522,332,324	452,233
Conversion of Non-listed shares to H shares (note b)	非上市股份轉換為H股(附註b)	0.1	(2,638,600,000)	2,638,600,000	-	-
At 31 December 2018	於二零一八年十二月三十一日	0.1	-	4,522,332,324	4,522,332,324	452,233
Issued and fully paid: At 31 December 2017	已發行及繳足: 於二零一七年十二月三十一日	0.1	2,638,600,000	1,883,732,324	4,522,332,324	452,233
Conversion of Non-listed shares to H shares (note b)	非上市股份轉換為H股(附註b)	0.1	(2,638,600,000)	2,638,600,000	-	-
At 31 December 2018	於二零一八年十二月三十一日	0.1	-	4,522,332,324	4,522,332,324	452,233

Notes:

附註:

- |   |   |
|---|---|
| <p>(a) Non-listed shares and H shares are all ordinary shares in the share capital of the Company. However, H shares may only be subscribed for by, and traded in currencies other than RMB between, legal or natural persons of Hong Kong, the Macau Special Administrative Region, Taiwan or any country other than the PRC. Non-listed shares must be subscribed for and traded in RMB. All dividends in respect of H Shares are to be paid by the Company in Hong Kong dollars whereas all dividends in respect of non-listed shares are to be paid by the Company in RMB. The non-listed shares and the H shares rank pari passu with each other in all other respects and in particular, rank equally for all dividends or distributions declared, paid or made.</p> <p>(b) 2,638,600,000 Non-listed shares were converted into H-shares with approval of the Listing Committee of the Stock Exchange on 7 August 2018.</p> | <p>(a) 本公司股本中之非上市股份及H股均為普通股。然而，H股僅可由在香港、澳門特別行政區、台灣或除中國以外任何國家之法人或自然人以人民幣以外的貨幣認購及在彼等之間買賣。非上市股份必須以人民幣認購及買賣。本公司就H股派付之所有股息均以港元支付，而本公司就非上市股份派付之所有股息均以人民幣支付。非上市股份及H股彼此於所有其他方面均享有同等地位，特別是就所有已宣派、支付或作出之股息或分派方面享有同等地位。</p> <p>(b) 於二零一八年八月七日，經聯交所上市委員會批准，2,638,600,000股非上市股份獲轉換為H股。</p> |
|---|---|

**37. SHARE-BASED PAYMENTS****(a) Share Award Scheme of the Company**

On 17 November 2014, the Company's share award scheme (the "Incentive Share Scheme") was adopted by the extraordinary general meeting. The maximum number of non-listed Shares which may be issued under the share award scheme would be 223,818,616, which represent 5% of the existing issued share capital of the Company or approximately 4.76% of the issued share capital of the Company as enlarged by the issue of the 223,818,616 non-listed shares, respectively, as incentive shares to key personnel of the Group, and other persons as approved by the Remuneration Committee (the "Selected Employee"), in batches in subsequent years. The life of the Incentive Share Scheme is for 10 years starting from 17 November 2014. Details of the Incentive Share Scheme are set out in the Company's announcement dated 15 August 2014.

According to the Incentive Share Scheme, the incentive shares will be granted to the Selected Employee, subject to non-market performance vesting conditions.

According to the Incentive Share Scheme, for Selected Employee with a domestic identity, the trustee will administer the incentive shares, which may be organised in forms of companies owned by the employees, limited partnership, or qualified trust companies in the PRC, or for Selected Employee with a foreign identity, the trustee will hold the incentive shares outside the PRC.

**37. 以股份為基礎付款****(a) 本公司股份激勵計劃**

於二零一四年十一月十七日，本公司通過股東特別大會採納股份激勵計劃（「激勵股份計劃」）。根據股份激勵計劃可發行非上市股份之最多數目將為223,818,616股，分別相當於本公司現有已發行股本5%或經發行223,818,616股非上市股份擴大後本公司已發行股本約4.76%，於隨後年度向本集團主要人員及薪酬委員會批准的其他人（「受益人」）分批發行作為激勵股份。激勵股份計劃之年期為自二零一四年十一月十七日起計十年。激勵股份計劃之詳情載於本公司日期為二零一四年八月十五日之公佈內。

根據激勵股份計劃，激勵股份將在非市場業績歸屬條件的規限下授予受益人。

根據激勵股份計劃，就持有境內身份的受益人而言，受託人將管理激勵股份，其可能以僱員擁有的公司、於中國的有限合夥公司或合資格信託公司的方式作出，或就持有境外身份的受益人而言，受託人將在中國境外持有激勵股份。

**37. SHARE-BASED PAYMENTS** (continued)**37. 以股份為基礎付款** (續)**(a) Share Award Scheme of the Company**  
(continued)

On 11 December 2015, the Company granted first 45,960,000 incentive shares to 111 Selected Employees. On 4 January 2016, the trustees subscribed the 45,960,000 shares with the consideration of RMB101,112,000 at the issue price of RMB2.20 per share.

The fair value of the incentive shares as at grant date amounted to RMB205,251,000 which determined by market price of listing shares of the Company.

For grants of shares that are satisfying specified vesting conditions, the difference between the fair value and the issue price of the vested shares is expensed on a straight-line basis over the periods in which services are expected to be rendered by the relevant employees. The Group recognised the incentive share expenses of approximately RMB19,091,000 (2017: RMB25,412,000) into the profit or loss during the current year.

Three limited partnerships (named Weihai Chang Hong Enterprise Management Consulting Centre (Limited Partnership) (威海長弘企業管理諮詢中心(有限合夥)), Weihai Yang Fan Enterprise Management Consulting Centre (Limited Partnership) (威海揚帆企業管理諮詢中心(有限合夥)) and Weihai Hong Tu Enterprise Management Consulting Centre (Limited Partnership) (威海宏圖企業管理諮詢中心(有限合夥)), respectively) were set up for the purpose of administering the Incentive Share Scheme and holding the shares, and hereby regarded as special purpose entities of the Company and consolidated to the Group accordingly.

**(a) 本公司股份激勵計劃** (續)

於二零一五年十二月十一日，本公司首次授出45,960,000股激勵股份予111名受益人。於二零一六年一月四日，受託人以每股股份人民幣2.20元之發行價認購45,960,000股股份，代價為人民幣101,112,000元。

於授予日期之激勵股份之公平值人民幣205,251,000元乃經參考本公司上市股份之市價而釐定。

就授出須符合指定歸屬條件的股份而言，公平值與已歸屬股份發行價之間的差額於預期將由有關僱員提供服務的歸屬期內以直線法確認為開支。於本年度，本集團於損益確認激勵股份開支約人民幣19,091,000元（二零一七年：人民幣25,412,000元）。

就管理激勵股份計劃及持有股份設立之三間有限合夥公司（即分別為威海長弘企業管理諮詢中心(有限合夥)、威海揚帆企業管理諮詢中心(有限合夥)及威海宏圖企業管理諮詢中心(有限合夥)），據此視為本公司之特殊目的實體及因此於本集團綜合入賬。

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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 37. SHARE-BASED PAYMENTS (continued)

#### (a) Share Award Scheme of the Company (continued)

Details of specific categories of options are as follows:

Batch 1  
第1批

Note: The granted shares are vested in five tranches with the vesting date on 31 December of each year from 2015 to 2019, the vested shares are excisable after two years lock up period following vested.

As of 31 December 2018, the outstanding incentive shares under the Incentive Share Scheme were 45,960,000(2017: 45,960,000), included 8,296,000 exercisable shares (2017: 7,180,000).

In 2018, the trustees repurchased 6,084,000 shares which would be taken up by the Selected Employees with the net consideration of RMB10,543,000 at the price of RMB3.93 per share. The controlling shareholder provided the required funds for repurchase, and it will absorb, and will not claim for, any shortfalls in repayment. The repurchased shares are held by the trustees for the benefit of the Share Award Scheme, to grant to other selected employees or to sell for the repayment of the loan provided by the controlling shareholder.

### 37. 以股份為基礎付款 (續)

#### (a) 本公司股份激勵計劃 (續)

具體購股權類別的詳情如下：

Date of grant 授出日期	Vesting period 歸屬期	Exercise Price 行使價
11/12/2015 二零一五年 十二月十一日	5 years 5年	RMB2.2 人民幣2.2元

附註：授出的股份將分5批予以歸屬，歸屬日期為二零一五年至二零一九年各年之十二月三十一日，已歸屬股份可於歸屬後兩年鎖定期屆滿後予以行使。

於二零一八年十二月三十一日，激勵股份計劃項下之尚未行使激勵股份為45,960,000股（二零一七年：45,960,000股），包括8,296,000股可行使股份（二零一七年：7,180,000股）。

於二零一八年，受託人以每股人民幣3.93元的價格回購擬由受益人所接納的6,084,000股股份，代價淨額為人民幣10,543,000元。控股股東提供回購所需資金，且其將收回還款差額及不會就還款差額索償。回購股份由受託人為股份激勵計劃的利益持有，以向其他受益人授出或出售以償還控股股東提供的貸款。

**37. SHARE-BASED PAYMENTS** (continued)**37. 以股份為基礎付款** (續)**(b) Share Option Scheme by WW Cayman**

On July 26 2018, WW Cayman, a subsidiary of the Company, adopted a non-qualified share option plan (the "Share Option Scheme") for the primary purpose of providing incentives to directors and eligible employees of WW Cayman and its subsidiaries, which shall be valid and effective for a period of 10 years commencing from the adoption date. Under the Share Option Scheme, a committee designated by the board of directors of the WW Cayman may from time to time in its sole discretion grant options to the eligible employees.

The total number of shares in respect of which options may be granted under the Share Option Scheme is not permitted to exceed 8% of the shares of the WW Cayman in issue at closing date. As at 31 December 2018, the number of shares in respect of which options had been granted and remained outstanding under the Scheme was 3,110,600, representing 7% of the shares at that date.

No consideration is payable on the grant of an option. Options may be exercised at any time after vesting and will be cancelled if not exercised before the 10th anniversary of the date of grant. The exercise price is determined by the committee, and will not be less than the fair market value of a share of stock on the date of grant.

**(b) WW Cayman的購股權計劃**

於二零一八年七月二十六日，本公司附屬公司WW Cayman採納非限定購股權計劃（「購股權計劃」），其主要目的是為WW Cayman及其附屬公司的董事及合資格僱員提供激勵，自採用日期起10年內有效。根據購股權計劃，WW Cayman董事會指定的委員會可不時全權酌情向合資格僱員授出購股權。

根據購股權計劃可授出購股權的相關股份總數不得超過交割日期已發行的WW Cayman股份的8%。於二零一八年十二月三十一日，計劃項下已授出及仍發行在外的股份數目為3,110,600，佔於該日期股份總數的7%。

授出購股權無需支付代價。購股權可於歸屬後的任何時間行使，且倘未於授出日期起滿10年之前獲行使，則將被註銷。行使價由委員會釐定，且不低於授出日期股票的公平市場價值。



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For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 37. SHARE-BASED PAYMENTS (continued)

### 37. 以股份為基礎付款 (續)

#### (b) Share Option Scheme by WW Cayman (continued)

#### (b) WW Cayman的購股權計劃 (續)

Details of specific categories of options are as follows:

具體購股權類別詳情如下：

	Date of grant 授出日期	Vesting period 歸屬期	Exercise Price 行使價
Time-based options 時間基準購股權	26/07/2018 二零一八年 七月二十六日	4 years 4年	USD10.00 10.00美元
Performance-based Options 表現基準購股權	26/07/2018 二零一八年 七月二十六日	4 years 4年	USD10.00 10.00美元

The following table discloses movements of the share options held by employees during the year:

下表披露年內僱員所持購股權的變動情況：

Option type 購股權類型	Outstanding at 1/1/2018 於二零一八年 一月一日 發行在外	Granted during year 年內授出	Forfeited during year 年內沒收	Outstanding at 31/12/2018 於二零一八年 十二月 三十一日 發行在外
Time-based options 時間基準購股權	-	1,558,300	(3,000)	1,555,300
Performance-based options 表現基準購股權	-	1,558,300	(3,000)	1,555,300
	-	3,116,600	(6,000)	3,110,600

During the year ended 31 December 2018, options were granted on 26 July 2018. The estimated weighted average fair values of the options granted on those dates are USD3.62.

於截至二零一八年十二月三十一日的年度，購股權於二零一八年七月二十六日獲授出。於該等日期授出的購股權的估計公平值為3.62美元。

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綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

## 37. SHARE-BASED PAYMENTS (continued)

## 37. 以股份為基礎付款 (續)

### (b) Share Option Scheme by WW Cayman (continued)

The fair value of time-based options was calculated using the Black-Scholes pricing model and the fair value of the performance-based options was calculated using a combination of the Black-Scholes pricing model and a Monte-Carlo simulation. The inputs into the model were as follows:

### (b) WW Cayman的購股權計劃 (續)

時間基準購股權之公平值採用Black-Scholes定價模型計算及表現基準購股權之公平值聯合採用Black-Scholes定價模型及Monte-Carlo模擬計算。模型的輸入數據如下：

	<b>2018 二零一八年</b>
Weighted average share price 加權平均股價	<b>USD10 10美元</b>
Exercise price 行使價	<b>USD10 10美元</b>
Expected volatility 預期波動率	<b>40% 40%</b>
Expected life 預期年期	<b>7 years 7年</b>
Risk-free rate 無風險利率	<b>2.91% 2.91%</b>

Expected volatility was determined by using the historical volatility of the comparable companies over the previous 7 years. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

預期波動率乃通過使用過去7年可資比較公司的歷史波動率確定。基於管理層的最佳估計，模型中使用的預期年期已根據不可轉移性、行使限制及行為考慮因素的影響作出調整。

The Group recognised the total expense of USD3,423,000 (equivalent to RMB22,930,000) for the year ended 31 December 2018 in relation to share options granted under the Share Option Scheme by WW Cayman.

本集團就WW Cayman根據購股權計劃授出的購股權確認截至二零一八年十二月三十一日止年度總開支為3,423,000美元(相等於人民幣22,930,000元)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 38. ACQUISITION OF SUBSIDIARIES

### 38. 收購附屬公司

#### (a) For the year ended 31 December 2018

#### (a) 截至二零一八年十二月三十一止年度

On 23 January 2018, WW Holding, the Group's 89.81% owned subsidiary, acquired 100% of the shares of Argon for consideration of USD850,888,000 (equivalent to RMB5,446,449,000). This acquisition has been accounted for using the purchase method. Argon is principally engaged in the production and sale of medical devices for interventional radiology, vascular surgery, interventional cardiology and oncology. Argon will become the Group's platform for overseas expansion and interventional product operations expansion.

於二零一八年一月二十三日，本集團擁有89.81%權益的附屬公司WW Holding完成收購愛琅之100%股份，代價為850,888,000美元（相等於人民幣5,446,449,000元）。該收購事項採用購買方法入賬。愛琅主要從事生產及銷售用於介入放射學、血管外科學、介入性心臟學及腫瘤學之醫療器械。愛琅將成為本集團海外擴展及介入產品業務擴張的平台。

Consideration transferred	已轉移代價	RMB'000 人民幣千元
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Cash	現金	5,446,449
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Acquisition-related costs amounting to USD6,140,000 (equivalent to RMB41,129,000) have been excluded from the consideration transferred and have been recognised as an expense.	收購相關成本6,140,000美元（相等於人民幣41,129,000元）已從已轉移代價中扣除並確認為開支。	
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The fair value of the net identifiable assets/ (liabilities) acquired at the date of acquisition are as follows:	收購日期已收購的可識別淨資產／（負債）的公平值如下：	
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		RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	108,900
Intangible assets	無形資產	2,413,139
Inventories	存貨	263,157
Trade and other receivables	應收貿易賬款及其他應收款項	224,271
Bank balances and cash	銀行結餘及現金	26,367
Trade and other payables	應付貿易賬款及其他應付款項	(133,042)
Income tax payable	應付所得稅	(16,206)
Deferred tax liability	遞延稅項負債	(365,057)
		2,521,529

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

**38. ACQUISITION OF SUBSIDIARIES** (continued)

**38. 收購附屬公司** (續)

**(a) For the year ended 31 December 2018**  
(continued)

The fair values of the identifiable assets and liabilities acquired in the transaction are determined by reference to the valuation performed by an independent valuer.

**Goodwill arising on acquisition:**

		RMB'000 人民幣千元
Consideration transferred	已轉移代價	5,446,449
Less: net assets acquired	減：所收購淨資產	<u>(2,521,529)</u>
Goodwill arising on acquisition	收購所產生的商譽	<u>2,924,920</u>

Goodwill arose in the acquisition of Argon because the consideration paid for the combination included the benefit of expected synergies, revenue growth, future market development, and the assembled workforce of Argon. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

The goodwill arising on the acquisition is not expected to be deductible for tax purposes.

**(a) 截至二零一八年十二月三十一止年度** (續)

交易中所收購可識別資產及負債的公平值乃經參考獨立估值師進行的估值釐定。

**收購所產生的商譽：**

收購愛琅產生商譽，因為就合併支付的代價包括與預期協同效應、收入增長、未來市場發展及愛琅的組合勞力所帶來的利益。該等利益並無與商譽分開確認，乃由於該等利益並不符合可識別無形資產的確認標準。

預期就稅項而言收購產生的商譽不可扣減。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 38. ACQUISITION OF SUBSIDIARIES (continued)

### 38. 收購附屬公司 (續)

#### (a) For the year ended 31 December 2018 (continued)

#### (a) 截至二零一八年十二月三十一 止年度 (續)

#### Net cash outflow on the acquisition

#### 收購所產生的現金流出淨額

		RMB'000 人民幣千元
Acquisition consideration in cash and cash equivalents	現金及現金等價物中的收購代價	5,446,449
Less: Cash and cash equivalents of the acquired subsidiary	減：所收購附屬公司的現金及現金等價物	26,367
Net outflow of cash and cash equivalents paid upon acquisition of subsidiary	就收購附屬公司支付的現金及現金等價物淨流出	5,420,082

Included in the profit for the year is the loss of RMB82,451,000 attributable to Argon after the acquisition. Revenue for the year includes RMB1,261,528,000 generated from Argon after the acquisition.

年內溢利包括愛琅於收購後產生的虧損人民幣82,451,000元。年內收入包括愛琅於收購後產生的人民幣1,261,528,000元。

Had the acquisition been completed on 1 January 2018, the Group's revenue for the year would have been RMB8,880,590,000, and profit for the year from continuing operations would have been RMB1,513,338,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2018, nor is it intended to be a projection of future results.

倘收購於二零一八年一月一日完成，則本集團本年度收益將為人民幣8,880,590,000元，本年度溢利將為人民幣1,513,338,000元。備考資料只作說明之用，並非必然表示倘收購於二零一八年一月一日完成，則本集團將實際達到的收益及營運業績，亦無意作為對未來業績的預測。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 38. ACQUISITION OF SUBSIDIARIES (continued)

### 38. 收購附屬公司 (續)

#### (b) For the year ended 31 December 2017

#### (b) 截至二零一七年十二月三十一日止年度

On 6 September 2017, Weigao Ortho completed its acquisition of 100% interest in Weihai Hai Xing Medical Devices Co., Ltd. from a third party for consideration of RMB40,144,000. This acquisition has been accounted for using the purchase method. Weihai Hai Xing Medical Devices Co., Ltd. was acquired so as to continue the expansion of the Group's orthopaedic products business.

於二零一七年九月六日，威高骨科完成自第三方收購Weihai Hai Xing Medical Devices Co., Ltd.之全部權益，代價為人民幣40,144,000元。是項收購已使用購買法入賬。Weihai Hai Xing Medical Devices Co., Ltd.已收購以繼續擴展本集團的骨科產品業務。

<b>Consideration transferred</b>	<b>已轉讓代價</b>	RMB'000 人民幣千元
Cash	現金	40,144

The fair value of the net identifiable assets/ (liabilities) acquired at the date of acquisition are as follows:

收購日期已收購的可識別淨資產／(負債)的公平值如下：

		RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	8,133
Prepaid lease payment	預付租賃款項	3,518
Intangible assets	無形資產	43,474
Inventories	存貨	8,112
Trade and other receivables	應收貿易賬款及其他應收款項	2,951
Bank balances and cash	銀行結餘及現金	496
Trade and other payables	應付貿易賬款及其他應付款項	(26,540)
		<u>40,144</u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 38. ACQUISITION OF SUBSIDIARIES (continued)

#### (b) For the year ended 31 December 2017 (continued)

##### Net cash outflow on the acquisition

Cash consideration paid  
Less: cash and cash equivalent balance  
acquired

##### 收購所產生的 現金流出淨額

已付現金代價  
減：所收購的現金及現金等  
值物結餘

RMB'000  
人民幣千元

(40,144)

496

(39,648)

Had the acquisition been completed on 1 January 2017, total group revenue from continuing operations for the year would have been RMB6,293 million, and profit for the year from continuing operations would have been RMB1,690 million. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 January 2017, nor is it intended to be a projection of future results.

倘收購於二零一七年一月一日完成，則本集團於本年度來自持續經營業務的收益總額將為人民幣6,293,000,000元，本年度來自持續經營業務的溢利將為人民幣1,690,000,000元。備考資料只作說明之用，並非必然表示倘收購於二零一七年一月一日完成，則本集團將實際達到的收益及營運業績，亦無意作為對未來業績的預測。

### 39. DISPOSAL OF SUBSIDIARIES

For the year ended 31 December 2017

#### Deemed disposal of partial interests in a subsidiary resulting in loss of control

As referred to in note 19, as of 31 December 2017, Weigao Blood Purification, previously a subsidiary of the Group, issued new shares to some of its existing shareholders and introduced a strategic investor, resulting in a dilution of the Company's shareholding from 70% to 46.875% and the Company lost control over Weigao Blood Purification. The transaction was accounted for as deemed disposal of a subsidiary. Upon the completion of the disposal, Weigao Blood Purification became an associate of the Group. The fair value of the 46.875% retained interest in Weigao Blood Purification at the date on which control was lost was regarded as the cost in initial recognition of the Group's interest in an associate.

### 39. 出售附屬公司

截至二零一七年十二月三十一日止  
年度

#### 視作出售於一間附屬公司之部分權 益而導致失去控制權

誠如附註19所述，截至二零一七年十二月三十一日，本集團之前附屬公司威高血液淨化向其部分現有股東發行新股份並引入戰略投資者，令本公司之股權由70%攤薄至46.875%，且本公司失去對威高血液淨化的控制權。是項交易已作為視作出售一間附屬公司入賬。於出售完成後，威高血液淨化成為本集團一間聯營公司。於失去控制權日期，於威高血液淨化46.875%保留權益之公平值被視為初次確認本集團於聯營公司權益之成本。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

## 39. DISPOSAL OF SUBSIDIARIES (continued)

## 39. 出售附屬公司 (續)

### Deemed disposal of partial interests in a subsidiary resulting in loss of control

(continued)

### 視作出售於一間附屬公司之部分權益而導致失去控制權 (續)

Assets and liabilities derecognised at the date of loss of control of Weigao Blood Purification are as follows:

於失去對威高血液淨化控制權日期之終止確認資產及負債如下：

		RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	2,125,404
Interests in joint ventures	於合營公司的權益	86,224
Prepaid lease payment	預付租賃款項	140,968
Loan receivables	應收貸款	55,000
Sponsorship right	贊助權利	33,518
Intangible assets	無形資產	5,200
Deposits paid for acquiring property, plant and equipment	就收購物業、廠房及設備之已付按金	23,059
Deferred tax assets	遞延稅項資產	3,235
Inventories	存貨	203,744
Trade and other receivables	應收貿易賬款及其他應收款項	586,735
Bank balances and cash	銀行結餘及現金	167,341
Borrowings	借款	(427,000)
Deferred income	遞延收入	(30,835)
Tax payable	應付稅項	1,305
Trade and other payables	應付貿易賬款及其他應付款項	(480,004)
Loan from a shareholder	股東貸款	(1,369,525)
Net assets disposed of	已出售資產淨值	<u>1,124,369</u>
Non-controlling interest	非控股權益	<u>(16,932)</u>
Gain on deemed disposal of a subsidiary:	視作出售一間附屬公司之收益：	
Fair value of interest retained in an associate	於一間聯營公司保留權益之公平值	937,500
Net assets disposed of	已出售資產淨值	(1,124,369)
Non-controlling interests	非控股權益	16,932
Proportion of the Company's ownership interest in Weigao Blood Purification at the date of loss control (%)	於失去對威高血液淨化控制權日期本公司擁有權益應佔比例(%)	<u>49.342</u>
		<u>(546,432)</u>
Gain on deemed disposal of a subsidiary	視作出售一間附屬公司之收益	<u>391,068</u>
<b>Net cash outflow arising on disposal:</b>	<b>出售所產生的現金流出淨額：</b>	
Bank balance and cash disposed of	已出售銀行結餘及現金	<u>(167,341)</u>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 39. DISPOSAL OF SUBSIDIARIES (continued)

### 39. 出售附屬公司 (續)

#### Disposal of whole interests in a subsidiary

#### 出售一間附屬公司之全部權益

The Company entered an agreement with a fellow subsidiary to dispose its 100% interest in Shandong Weigao New Life Medical Device Company Limited. ("Weigao New Life Medical") and the transaction was completed as at 26 June 2017. The net assets of Weigao New Life Medical at the date of disposal were as follows:

本公司與一間同系附屬公司訂立協議，以出售其於山東威高新生醫療器械有限公司（「威高新生醫療」）之全部權益，是項交易於二零一七年六月二十六日完成。威高新生醫療於出售日期之資產淨值如下：

<b>Consideration received</b>	<b>已收代價</b>	RMB'000 人民幣千元
Deferred cash consideration	遞延現金代價	16,000
<b>Analysis of assets and liabilities over which control was lost:</b>		
	<b>失去控制權之資產及負債分析：</b>	RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	18,617
Inventories	存貨	13,356
Trade and other receivables	應收貿易賬款及其他應收款項	71,810
Bank balances and cash	銀行結餘及現金	8,380
Trade and other payables	應付貿易賬款及其他應付款項	(97,509)
Net assets disposed of	已出售資產淨值	14,654
<b>Gain on disposal of a subsidiary:</b>		
	<b>出售一間附屬公司之收益：</b>	
Deferred cash consideration	遞延現金代價	16,000
Net assets disposed of	已出售資產淨值	(14,654)
Gain on disposal	出售之收益	1,346
<b>Net cash outflow arising on disposal:</b>		
	<b>出售所產生的現金流出淨額：</b>	
Cash consideration	現金代價	-
Less: bank balance and cash disposed of	減：已出售銀行結餘及現金	(8,380)
		(8,380)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

## 40. OPERATING LEASES

## 40. 經營租約

### The Group as lessee

### 本集團作為承租人

		<b>2018</b>	2017
		<b>RMB'000</b>	RMB'000
		<b>二零一八年</b>	二零一七年
		<b>人民幣千元</b>	人民幣千元
Minimum lease payments paid under operating leases during the year	於年內根據經營租約支付的最低租金	<b>19,921</b>	16,967
Properties	物業		

As at 31 December 2018 and 2017, the Group had commitment for future minimum leases payments under non-cancellable operating leases which fall due as follows:

於二零一八年及二零一七年十二月三十一日，本集團根據不可取消經營租約，有於下列日期到期的未來最低租賃付款金額承擔：

		<b>31/12/2018</b>	31/12/2017
		<b>RMB'000</b>	RMB'000
		<b>二零一八年</b>	二零一七年
		<b>十二月</b>	十二月
		<b>三十一日</b>	三十一日
		<b>人民幣千元</b>	人民幣千元
Within one year	於一年內	<b>12,543</b>	12,034
In the second to fifth year inclusive	於第二至第五年 (包括首尾兩年)	<b>11,823</b>	4,256
		<b>24,366</b>	16,290

Operating lease payments relate to the Group's branch office premises, staff quarters and warehouses. Leases are mainly negotiated for a period ranging from two to five years and all rentals are fixed.

經營租約款項與本集團之分公司辦公物業、員工宿舍及貨倉有關。租約年期主要磋商為介乎二年至五年，而所有租金均固定不變。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 40. OPERATING LEASES (continued)

#### The Group as lessor

Property rental income earned during the year was approximately RMB17,602,000 (2017: RMB12,914,000).

### 41. CAPITAL COMMITMENTS

As at 31 December 2018, the Group had commitments which were contracted for but not provided in the consolidated financial statements:

Acquisition of property, plant and equipment	收購物業、廠房及設備
Incorporation of a joint venture	註冊成立一間合營公司
Investment fund	投資基金

### 42. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debt (which includes borrowings net of cash and cash equivalents) and equity attributable to owners of the Company (comprising issued share capital, share premium, reserves and retained profits).

### 40. 經營租約 (續)

#### 本集團作為出租人

於年內，所賺取的物業租金收入約為人民幣17,602,000元（二零一七年：人民幣12,914,000元）。

### 41. 資本承擔

於二零一八年十二月三十一日，本集團於綜合財務報表中擁有已訂約但未撥備的承擔：

**31/12/2018**  
**RMB'000**  
**二零一八年**  
**十二月**  
**三十一日**  
**人民幣千元**

**575,511**  
**150,000**  
**673**

### 42. 資本風險管理

本集團其管理資本乃為確保本集團內各實體將可以持續方式經營，同時透過適當優化債務與權益結餘為股東帶來最大回報。本集團的整體策略與以往年度保持不變。

本集團的資本結構包括債務淨額（包括扣除現金及現金等價物後之借款）以及本公司擁有人應佔權益（包括已發行股本、股份溢價、儲備及保留溢利）。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 42. CAPITAL RISK MANAGEMENT (continued)

The directors of the Company review the capital structure on a semi-annual basis. As part of this review, the directors consider the cost of capital and the risks associates with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends and issue of new shares as well as the issue of new debt or the repayment of existing debt.

### 42. 資本風險管理 (續)

本公司董事按半年基準對資本結構進行檢討。作為是次檢討的一環，董事會考慮資本成本及與各類資本有關的風險。根據董事建議，本集團將透過派付股息、發行新股份及發行新債務或償還現有債務平衡其整體資本結構。

### 43. FINANCIAL INSTRUMENTS

### 43. 金融工具

#### Categories of financial instruments

#### 金融工具類別

		<b>31/12/2018</b>	31/12/2017
		<b>RMB'000</b>	RMB'000
			(restated)
		<b>二零一八年</b>	二零一七年
		<b>十二月</b>	十二月
		<b>三十一日</b>	三十一日
		<b>人民幣千元</b>	人民幣千元
			(經重列)
<b>Financial assets</b>	<b>金融資產</b>		
Financial assets at FVTPL	按公平值計入損益計量之 金融資產	<b>107,339</b>	-
Financial assets at amortised cost	按攤銷成本計量之金融資產	<b>9,821,658</b>	-
Debt instruments at FVTOCI	按公平值計入其他全面 收益計量之債務工具	<b>349,531</b>	-
Loans and receivables (including cash and cash equivalents)	貸款及應收款項 (包括現金及現金等價物)	-	9,403,956
Available-for-sale investments	可供出售投資	-	81,517
<b>Financial liabilities</b>	<b>金融負債</b>		
Amortised cost	攤銷成本	<b>8,072,697</b>	2,843,923

**43. FINANCIAL INSTRUMENTS** (continued)**Financial risk management objectives and policies**

The Group's major financial instruments include receivables from factoring business, loan receivables, Financial assets at FVTPL, debt instruments at FVTOCI, trade and other receivables, pledged bank deposits, bank balances and cash, trade and other payables, borrowings and loans from the ultimate holding company. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

**Market risk***Currency risk*

Some subsidiaries of the Group undertakes certain operating transactions in foreign currencies other than functional currencies, which expose the Group to foreign currency risk. The Group does not use any derivative contracts to hedge against its exposure to currency risk. The management manages its currency risk by closely monitoring the movement of the foreign currency rates and considering hedging significant foreign currency exposure should such need arise.

**43. 金融工具** (續)**財務風險管理目標及政策**

本集團的主要金融工具包括來自保理業務之應收款項、應收貸款、按公平值計入損益計量之金融資產、按公平值計入其他全面收益計量之債務工具、應收貿易賬款及其他應收款項、已抵押銀行存款、銀行結餘及現金、應付貿易賬款及其他應付款項、借款及來自最終控股公司貸款。該等金融工具詳情於各附註披露。與該等金融工具有關的風險包括市場風險（貨幣風險及利率風險）、信貸風險及流動資金風險。下文載列如何降低該等風險的政策。管理層管理及監控該等風險，以確保及時有效地採取適當的措施。

**市場風險***貨幣風險*

本集團若干附屬公司以功能貨幣以外的其他外幣進行若干經營交易，令本集團面臨外匯風險。本集團並無使用任何衍生工具合約對沖其貨幣風險。管理層通過密切監控外幣匯率變動來管理其貨幣風險，並考慮在有需要時對沖重大外幣風險。

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## 綜合財務報表附註

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### 43. FINANCIAL INSTRUMENTS (continued)

### 43. 金融工具 (續)

#### Financial risk management objectives and policies (continued)

#### 財務風險管理目標及政策 (續)

#### Market risk (continued)

#### 市場風險 (續)

#### Currency risk (continued)

#### 貨幣風險 (續)

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

於報告期末，本集團以外幣列值之貨幣資產及貨幣負債之賬面值如下。

		Liabilities		Assets	
		31/12/2018	31/12/2017	31/12/2018	31/12/2017
		RMB'000	RMB'000	RMB'000	RMB'000
		負債		資產	
		二零一八年 十二月 三十一日 人民幣千元	二零一七年 十二月 三十一日 人民幣千元	二零一八年 十二月 三十一日 人民幣千元	二零一七年 十二月 三十一日 人民幣千元
Group entities in PRC	本集團於中國的實體				
Currency of SGD	新加坡元	-	-	47,244	93,483
Currency of EUR	歐元	-	-	613	219
Currency of HKD	港元	11,513	-	27,543	110,093
Currency of USD	美元	1,022	8,334	176,293	39,907
Currency of JPY	日圓	568	-	184	173
Currency of GBP	英鎊	-	-	-	291
Group entities in U.S.	本集團於美國的實體				
Currency of EUR	歐元	2,591	-	36,115	-
Currency of SGD	新加坡元	-	-	475	-
Currency of NOK	挪威克朗	1,318	-	3,556	-
Currency of CHF	瑞士法郎	46	-	655	-
Currency of DKK	丹麥克朗	957	-	4,782	-
Currency of SEK	瑞典克朗	1,077	-	3,828	-

The Group's foreign currency risk is concentrated on the fluctuation of RMB and USD against foreign currency.

本集團的外匯風險主要集中在人民幣及美元兌外幣的波動。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 43. FINANCIAL INSTRUMENTS (continued)

#### Financial risk management objectives and policies (continued)

##### Market risk (continued)

##### Currency risk (continued)

The following table details the Group's sensitivity to a 5% (2017: 5%) increase and decrease in the RMB and USD against the relevant foreign currencies. 5% represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in post-tax profit for the year where RMB and USD weakens 5% against the relevant currency. For a 5% strengthening of RMB and USD against the relevant currency, there would be an opposite impact on the post-tax profit for the year.

		2018 RMB'000 二零一八年 人民幣千元	2017 RMB'000 二零一七年 人民幣千元
Profit for the year	本年度稅後溢利		
– Group entities in PRC	– 本集團於中國的實體	10,148	10,023
– Group entities in U.S.	– 本集團於美國的實體	1,715	–

##### Interest rate risk

The Group is exposed to fair value interest rate risk in relation to loan receivables, pledged bank balances, borrowings and loans from the ultimate holding company with fixed interest rate (notes 25, 29, 33 and 35).

### 43. 金融工具 (續)

#### 財務風險管理目標及政策 (續)

##### 市場風險 (續)

##### 貨幣風險 (續)

下表詳列本集團對人民幣及美元兌相關外幣之匯率上升及下跌5% (二零一七年: 5%) 之敏感度。5% 為管理層對外匯匯率合理可能變動之評估。敏感度分析僅包括未結付之以外幣列值之貨幣項目，並於期末按5%之外匯匯率變動調整彼等之換算。以下正數表示當人民幣及美元兌相關外幣貶值5%時之本年度稅後溢利之升幅。倘人民幣兌相及美元關外幣升值5%，則會對本年度稅後溢利有相反影響。

##### 利率風險

本集團面臨有關應收貸款、已抵押銀行結餘、借款及來自最終控股公司定息貸款的公平值利率風險 (附註25、29、33及35)。

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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 43. FINANCIAL INSTRUMENTS (continued)

### 43. 金融工具 (續)

#### Financial risk management objectives and policies (continued)

#### 財務風險管理目標及政策 (續)

##### Market risk (continued)

##### 市場風險 (續)

##### Interest rate risk (continued)

##### 利率風險 (續)

The Group is also exposed to cash flow interest rate risk in relation to loan receivables, bank balances and borrowings with variable interest rate (notes 25, 30 and 33). The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of saving/lending rate promulgated by the People's Bank of China and Libor.

本集團亦面臨有關應收貸款、銀行結餘及浮息借款的現金流量利率風險(附註25、30及33)。本集團的現金流量利率風險主要集中於中國人民銀行頒佈的存款/貸款利率及Libor波動。

The Group manages its interest rate exposure based on the interest rate level and outlook as well as potential impact on the Group's financial position arising from volatility of the interest rate.

本集團基於利率水平及展望以及因利率波動對本集團財政狀況的潛在影響管理其利率風險。

The Group currently does not have interest rate hedging policy. However, the management will consider hedging significant interest rate exposure should the need arise.

本集團現時並無利率對沖政策。然而，管理層將於有需要時考慮對沖重大利率風險。

Total interest income from financial assets that are measured at amortised cost are as follows:

以攤銷成本計量的金融資產的利息收入總額如下：

		31/12/2018 RMB'000 二零一八年 十二月 三十一日 人民幣千元
Interest income	利息收入	
Financial assets at amortised cost	按攤銷成本計量之金融資產	<b>170,809</b>



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## 綜合財務報表附註

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### 43. FINANCIAL INSTRUMENTS (continued)

### 43. 金融工具 (續)

#### Financial risk management objectives and policies (continued)

#### 財務風險管理目標及政策 (續)

#### Market risk (continued)

#### 市場風險 (續)

#### Interest rate risk (continued)

#### 利率風險 (續)

		31/12/2017
		RMB'000
		二零一七年
		十二月
		三十一日
		人民幣千元
Interest income	利息收入	
Loans and receivables (including bank balances and cash)	貸款及應收款項 (包括銀行結餘及現金)	74,964
Interest expense on financial liabilities not measured at FVTPL:	未按公平值計入損益計量之金融負債的利息開支:	
		<b>31/12/2018</b>
		<b>RMB'000</b>
		<b>二零一八年</b>
		<b>十二月</b>
		<b>三十一日</b>
		<b>人民幣千元</b>
Financial liabilities at amortised cost	按攤銷成本之金融負債	<b>284,408</b>
		58,362

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 43. FINANCIAL INSTRUMENTS (continued)

### 43. 金融工具 (續)

#### Financial risk management objectives and policies (continued)

#### 財務風險管理目標及政策 (續)

#### Market risk (continued)

#### 市場風險 (續)

#### Sensitivity analysis

#### 敏感度分析

The sensitivity analysis below has been determined based on the exposure to interest rates for loan receivables, bank balances and borrowings with variable interest rate at the end of the reporting period. The analysis is prepared assuming the variable-rate loan receivables, bank balances and variable-rate borrowings at the end of the reporting period were outstanding for the whole year. A 25 basis points (2017: 25 basis points) increase or decrease represents management's assessment of the reasonably possible change in interest rates.

下文的敏感度分析已按於報告期末應收貸款、銀行結餘及浮息借款承受的利率風險釐定。分析經假設於報告期末的浮息應收貸款、銀行結餘及浮息借款於全年均屬未償還而編製。25個基本點子(二零一七年: 25個基本點子)增加或減少代表管理層對利率的合理可能變動作出的評估。

If interest rates on variable-rate loan receivables, bank balances and variable-rate borrowings had been 25 basis points (2017: 25 basis points) higher/lower and all other variables were held constant, the Group's post-tax profit for the year ended 31 December 2018 would have decreased/increased by RMB1,345,000 (2017: increased/decreased by RMB7,900,000).

倘浮息應收貸款、銀行結餘及浮息借款利率升高/降低25個基本點子(二零一七年: 25個基本點子), 所有其他變動維持不變, 則本集團於截至二零一八年十二月三十一日止年度的稅後溢利將增加/減少人民幣1,345,000元(二零一七年: 增加/減少人民幣7,900,000元)。

The Group's sensitivity to interest rates has decreased during the current year mainly due to the increase in variable rate debt instruments.

本集團於本年度對利率的敏感度減少乃主要由於浮動利率債務工具增加。

**43. FINANCIAL INSTRUMENTS** (continued)**Financial risk management objectives and policies** (continued)***Credit risk and impairment assessment***

As at 31 December 2018, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge the obligations by the counterparties is arising from the carrying amount of those assets as stated in the consolidated statement of financial position. Credit risk is primarily attributable to unexpired financial guarantees issued by the group, debt instruments at FVTOCI, finance lease receivables, receivables from factoring business, trade receivables, loan receivables, other receivables, pledged bank deposits and bank balances and cash.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debtors. For finance lease business and factoring business, the Group also has delegated a team responsible for (i) designing and implementation of overall risk management internal control policies and procedures and establishing appropriate risk appetite; (ii) designing and execution of due diligence procedures; (iii) reviewing the creditworthiness of customers. In addition, the Group performs impairment assessment under ECL model upon application of HKFRS 9 (2017: incurred loss model) on receivable balances individually or based on provision matrix.

**43. 金融工具** (續)**財務風險管理目標及政策** (續)**信貸風險及減值評估**

於二零一八年十二月三十一日，倘因對手方未能履行責任而將導致本集團產生財務虧損，則本集團須承受的最大信貸風險為已於綜合財務狀況表列賬的該等資產賬面值。信貸風險主要來自本集團發行的未到期金融擔保、按公平值計入其他全面收益計量的債務工具、應收融資租賃款項、來自保理業務之應收款項、應收貿易賬款、應收貸款、其他應收款項、已抵押銀行存款及銀行結餘及現金。

為盡量降低信貸風險，本集團管理層已委派一組人員負責釐定信貸限額、信貸審批及其他監控措施，以確保採取跟進措施收回逾期債項。就融資租賃業務及保理業務而言，本集團亦組建團隊負責(i)設計及實施全面風險管理的內部控制政策及程序，並設定適當的風險承受能力；(ii)設計及執行盡職調查程序；(iii)審查客戶的信貸情況。此外，本集團於應用香港財務報告準則第9號按預期信貸虧損模式(二零一七年：已產生虧損模式)單獨或根據撥備矩陣對應收結餘進行減值評估。

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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 43. FINANCIAL INSTRUMENTS (continued)

#### Financial risk management objectives and policies (continued)

##### Credit risk and impairment assessment (continued)

The Group's debt instruments at FVTOCI only comprise bills receivable that are issued and guaranteed by the reputable PRC banks and therefore are considered to be low credit risk.

The Group has concentration of credit risk on liquid funds which are deposited with several banks. However, the credit risk on cash and cash equivalents and certificate of deposit is limited because the majority of the counterparties are banks with good reputation.

For trade receivables, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. Except for debtors with significant outstanding balances or credit-impaired, the Group determines the ECL on these items by using a provision matrix grouped by risk portfolio, which is estimated based on the financial quality of the debtors, historical credit loss experience and the past due status of the debtors, general economic conditions of the industry in which the debtors operate and assessment of both the current as well as the forward-looking information that available without undue cost or effort at the reporting date.

The following table provides information about the exposure to credit risk for trade receivables which are assessed based on provision matrix as at 31 December 2018 within lifetime ECL (not credit impaired). Debtors with significant outstanding balances or credit-impaired with gross carrying amounts of RMB398,069,000 and RMB7,751,000 respectively as at 31 December 2018 were assessed individually.

### 43. 金融工具 (續)

#### 財務風險管理目標及政策 (續)

##### 信貸風險及減值評估 (續)

鑒於本集團的按公平值計入其他全面收益計量之債務工具僅包括由聲譽良好的中國銀行發出及擔保的應收票據，因此被視為低信貸風險。

本集團之信貸風險集中於存置於若干銀行之流動資金。然而，現金及現金等價物及存款單之信貸風險有限，原因為大部分對手方為信譽良好之銀行。

就應收貿易賬款而言，本集團已採用香港財務報告準則第9號中的簡化方法按全期預期信貸虧損計量虧損撥備。除具有重大未償還餘額或信貸減值的債務外，本集團通過使用按風險組合分組的撥備矩陣釐定該等項目的預期信貸虧損，此乃根據債務人的財務質素、基於債務人逾期狀況的歷史信貸虧損經驗、債務人經營所在行業的一般經濟狀況以及報告日期無須耗費龐大人力物力而取得的前瞻性信息現有及前瞻性信息進行估計。

下表載列有關貿易應收款項信貸風險敞口的資料，該等應收貿易賬款在全期預期信貸虧損（無信貸減值）內基於二零一八年十二月三十一日的撥備矩陣評估。於二零一八年十二月三十一日具有重大未償還結餘或信貸減值，賬面總值分別為人民幣398,069,000元及人民幣7,751,000元的債務人獲單獨評估。

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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 43. FINANCIAL INSTRUMENTS (continued)

#### Financial risk management objectives and policies (continued)

#### Credit risk and impairment assessment (continued)

### 43. 金融工具 (續)

#### 財務風險管理目標及政策 (續)

#### 信貸風險及減值評估 (續)

		Average loss rate	Trade receivables – Gross carrying amount RMB'000 應收貿易賬款 – 賬面總值 人民幣千元
		平均虧損率	
Low risk type customer	低風險型客戶	2.95%	2,229,466
Normal risk type customer	正常風險型客戶	9.29%	1,027,336
Total	總計		3,256,802

The following table shows the movement in lifetime ECL that has been recognised for trade receivables under the simplified approach.

下表顯示採用簡化方法就應收貿易賬款確認的全期預期信貸虧損變動。

		Lifetime ECL (not credit-impaired) RMB'000 全期預期 信貸虧損 (無信貸減值) 人民幣千元	Lifetime ECL (credit-impaired) RMB'000 全期預期 信貸虧損 (信貸減值) 人民幣千元	Total RMB'000 總計 人民幣千元
As at 1 January 2018	於二零一八年一月一日	179,491	3,839	183,330
Transfer to credit-impaired	轉至信貸減值	(312)	312	-
Purchase of a subsidiary	收購一間附屬公司	2,610	-	2,610
Impairment losses recognised	已確認減值虧損	19,168	4,148	23,316
Impairment losses reversed	已撥回減值虧損	(5,752)	(548)	(6,300)
Write-offs	撇銷	(745)	-	(745)
Exchange adjustments	匯兌調整	17	-	17
As at 31 December 2018	於二零一八年 十二月三十一日	194,477	7,751	202,228

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 43. FINANCIAL INSTRUMENTS (continued)

#### Financial risk management objectives and policies (continued)

#### Credit risk and impairment assessment (continued)

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. None of the trade receivables that have been written off is subject to enforcement activities.

For finance lease receivables, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL.

The following tables show reconciliation of loss allowances that has been recognised for finance lease receivables.

### 43. 金融工具 (續)

#### 財務風險管理目標及政策 (續)

#### 信貸風險及減值評估 (續)

倘有資料顯示債務人面對嚴重財務困難且收回款項的機率不大(如債務人遭清盤或啟動破產程序),本集團將撇銷應收貿易賬款。概無應收貿易賬款因執法行動而撇銷。

本集團已採用香港財務報告準則第9號中的簡化方法按全期預期信貸虧損計量虧損撥備。

下表載列就應收融資租賃款項確認的虧損撥備對賬。

		Lifetime ECL (not credit -impaired) RMB'000 全期預期 信貸虧損 (無信貸減值) 人民幣千元	Lifetime ECL (credit -impaired) RMB'000 全期預期 信貸虧損 (信貸減值) 人民幣千元	Total RMB'000 總計 人民幣千元
As at 1 January 2018	於二零一八年一月一日	12,077	-	12,077
Impairment losses reversed	已撥回減值虧損	(4,506)	-	(4,506)
As at 31 December 2018	於二零一八年 十二月三十一日	7,571	-	7,571

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 43. FINANCIAL INSTRUMENTS (continued)

#### Financial risk management objectives and policies (continued)

#### Credit risk and impairment assessment (continued)

The following tables show reconciliation of loss allowances that has been recognised for receivables from factoring business.

		12 m ECL RMB'000 12個月預期 信貸虧損 (無信貸減值) 人民幣千元	Lifetime ECL (credit -impaired) RMB'000 全期預期 信貸虧損 (信貸減值) 人民幣千元	Total RMB'000 總計 人民幣千元
As at 1 January 2018	於二零一八年一月一日	3,576	-	3,576
Impairment losses recognised	已確認減值虧損	225	-	225
Impairment losses reversed	已撥回減值虧損	(2,082)	-	(2,082)
As at 31 December 2018	於二零一八年十二月三十一日	1,719	-	1,719

The following tables show reconciliation of loss allowances that has been recognised for other receivables.

		12 m ECL RMB'000 12個月 預期信貸虧損 人民幣千元	Lifetime ECL (not credit -impaired) RMB'000 全期預期 信貸虧損 (無信貸減值) 人民幣千元	Lifetime ECL (credit -impaired) RMB'000 全期預期 信貸虧損 (信貸減值) 人民幣千元	Total RMB'000 總計 人民幣千元
As at 1 January 2018	於二零一八年一月一日	1,179	328	-	1,507
Impairment losses recognised	已確認減值虧損	258	-	-	258
At 31 December 2018	於二零一八年十二月三十一日	1,437	328	-	1,765

### 43. 金融工具 (續)

#### 財務風險管理目標及政策 (續)

#### 信貸風險 (續)

下表載列就來自保理業務之應收款項確認的虧損撥備對賬。

下表載列就其他應收款項確認的虧損撥備對賬。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 43. FINANCIAL INSTRUMENTS (continued)

#### Financial risk management objectives and policies (continued)

#### Credit risk and impairment assessment (continued)

The following tables show reconciliation of loss allowances that has been recognised for loan receivables.

		Lifetime ECL (not credit -impaired) RMB'000 全期預期 信貸虧損 (無信貸減值) 人民幣千元	Lifetime ECL (credit -impaired) RMB'000 全期預期 信貸虧損 (信貸減值) 人民幣千元	Total RMB'000 總計 人民幣千元
As at 1 January 2018	於二零一八年一月一日	-	-	-
Impairment losses recognised	已確認減值虧損	7,000	-	7,000
As at 31 December 2018	於二零一八年十二月三十一日	7,000	-	7,000

#### Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of borrowings and ensures compliance with loan covenants.

The amounts included below for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates different to those estimates of interest rates determined at the end of the reporting period.

### 43. 金融工具 (續)

#### 財務風險管理目標及政策 (續)

#### 信貸風險 (續)

下表載列就應收貸款確認的虧損撥備對賬。

#### 流動資金風險

在管理流動資金風險時，本集團監察及維持管理層視為足夠水平的現金及現金等價物，以為本集團營運提供資金並減輕現金流量波動所帶來的影響。管理層監察借款的使用情況並確保符合貸款契約。

倘可變利率變動有別於報告期末所釐定之利率估計，則以下就非衍生金融負債之可變利率工具納入之數額會出現變動。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 43. FINANCIAL INSTRUMENTS (continued)

### 43. 金融工具 (續)

#### Financial risk management objectives and policies (continued)

#### 財務風險管理目標及政策 (續)

##### Liquidity risk (continued)

##### 流動資金風險 (續)

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from the interest rate at the end of the reporting period.

下表根據協定償還期限詳細載列本集團非衍生金融負債的剩餘合約到期日。該表乃根據要求本集團償還金融負債的最早日期的金融負債的未貼現現金流量而編製。該表包括利息及本金現金流量。因利息流為浮動利率，於報告期末之未貼現款項源自於利率。

##### Liquidity tables

##### 流動資金表

		Weighted average interest rate %	On demand or less than 1 year RMB'000	1-2 years RMB'000	2-5 years RMB'000	Over 5 years RMB'000	Total undiscounted cash flows RMB'000	Carrying amount at 31/12/2018 RMB'000
		加權平均實際利率 %	按要求或少於1年 人民幣千元	1至2年 人民幣千元	2至5年 人民幣千元	超過5年 人民幣千元	未貼現現金流量總額 人民幣千元	於二零一八年十二月三十一日的賬面值 人民幣千元
2018	二零一八年							
<b>Non-derivative financial liabilities</b>	<b>非衍生金融負債</b>							
Trade payables	應付貿易賬款		659,629	-	-	-	659,629	659,629
Construction cost and retention payables	建築成本及應付保留金		94,528	-	-	-	94,528	94,528
Bills payable	應付票據		286,436	-	-	-	286,436	286,436
Other payables	其他應付款項		1,694,056	-	-	-	1,694,056	1,694,056
Loans from the ultimate holding company	來自最終控股公司貸款	4.39	115,596	-	-	-	115,596	114,234
Borrowings	借款							
- fixed rate	- 固定利率	5.25	31,500	606,455	-	-	637,955	600,000
- variable rate	- 浮動利率	6.10	426,676	496,142	2,272,274	3,050,510	6,245,602	4,623,814
			3,308,421	1,102,597	2,272,274	3,050,510	9,733,802	8,072,697

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 43. FINANCIAL INSTRUMENTS (continued)

### 43. 金融工具 (續)

#### Financial risk management objectives and policies (continued)

#### 財務風險管理目標及政策 (續)

#### Liquidity risk (continued)

#### 流動資金風險 (續)

#### Liquidity tables (continued)

#### 流動資金表 (續)

	Weighted average effective interest rate	On demand or less than 1 year	1-2 years	2-5 years	Over 5 years	Total undiscounted cash flows	Carrying amount at 31/12/2017
	%	RMB'000 (restated)	RMB'000 (restated)	RMB'000 (restated)	RMB'000 (restated)	RMB'000 (restated)	RMB'000 (restated)
	加權平均實際利率	按要求或少於1年	1至2年	2至5年	超過5年	未貼現現金流量總額	於二零一七年十二月三十一日的賬面值
	%	人民幣千元 (經重列)	人民幣千元 (經重列)	人民幣千元 (經重列)	人民幣千元 (經重列)	人民幣千元 (經重列)	人民幣千元 (經重列)
2017							
<b>Non-derivative financial liabilities</b>		<b>非衍生金融負債</b>					
Trade payables		497,110	-	-	-	497,110	497,110
Construction cost and retention payables		61,930	-	-	-	61,930	61,930
Bills payable		154,660	-	-	-	154,660	154,660
Other payables		1,124,735	-	-	-	1,124,735	1,124,735
Loans from the ultimate holding company	4.35	104,411	-	-	-	104,411	103,311
Borrowings							
- fixed rate	5.25	31,500	31,500	606,455	-	669,455	600,000
- variable rate	4.73	110,123	116,898	99,117	-	326,138	302,177
		2,084,469	148,398	705,572	-	2,938,439	2,843,923

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 43. FINANCIAL INSTRUMENTS (continued)

### 43. 金融工具 (續)

#### Fair value measurements of financial instruments

#### 金融工具的公平值計量

#### Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

#### 本集團以經常性基準按公平值計量的金融資產及金融負債的公平值

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

本集團部分金融資產於各報告期末按公平值計量。下表載列有關如何釐定該等金融資產及金融負債公平值之資料(尤其是,所用估值方法及輸入數據)。

Financial assets	Fair value as at (RMB'000)		Fair value hierarchy	Valuation technique(s) and key input(s)
	31/12/2018	1/1/2018		
金融資產	於以下日期的公平值 (人民幣千元)		公平值等級	估值方法及關鍵輸入數據
	二零一八年 十二月三十一日	二零一八年 一月一日		
Financial assets at FVTPL (2017: classified as AFS measured at cost)	<b>107,339</b>	81,517	Level 3	Income approach – in this approach, the discounted cash flow method was used to capture the present value of the expected future economic benefits to be derived from the ownership of this investee, based on an appropriate discount rate.
按公平值計入損益計量之 金融資產 (二零一七年:分類為按成本 計量的可供出售金融資產)			第三級	收入法—此方法中,使用貼現現金 流量法獲得將自該等投資對象的 擁有權取得的預期未來經濟利益 的現值(按適用貼現率計量)
Debt instruments at FVTOCI (2017: classified as loans and receivables measured at cost)	<b>349,531</b>	241,598	Level 2	Discounted cash flow – future cash flows discounted at a rate that reflects the credit risk of various counterparties.
按公平值計入其他全面收益 計量之債務工具 (二零一七年:分類為按成本 計量的貸款及應收款項)			第二級	貼現現金流量。以反映各交易對手 信貸風險的貼現率貼現的 未來現金流量。

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綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

43. FINANCIAL INSTRUMENTS (continued)

43. 金融工具 (續)

Fair value measurements of financial instruments (continued)

金融工具的公平值計量 (續)

Reconciliation of Level 3 fair value measurements

第三級公平值計量的對賬

31 December 2018	二零一八年十二月三十一日	Financial assets at FVTPL RMB'000 按公平值計入損益計量之金融資產 人民幣千元
Opening balance	期初結餘	81,517
Total gains (losses): – in profit or loss	收益 (虧損) 總額: – 於損益	17,603
Addition	增加	8,745
Exchange adjustments	匯兌調整	(526)
Closing balance	期末結餘	<b>107,339</b>

Fair value of financial instruments that are recorded at amortized cost

按攤銷成本入賬的金融工具的公平值

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

董事認為，該等綜合財務報表中按攤銷成本入賬的金融資產及金融負債的賬面值與其公平值相若。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

#### 44. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flow were, or future cash flows will be classified in the Group's consolidated statement of cash flows from financing activities.

#### 44. 融資活動產生的負債之對賬

下表詳述本集團融資活動所產生的負債變動(包括現金及非現金變動)。融資活動所產生的負債已經或將會於來自融資活動之本集團綜合現金流量報表內分類。

		Borrowings RMB'000 (note 33)	Loans from the ultimate holding company RMB'000 (note 35)	Dividend payable RMB'000 (note 31)	Total RMB'000
		借款 人民幣千元 (附註33)	來自 最終控股的 貸款 人民幣千元 (附註35)	應付股息 人民幣千元 (附註31)	合計 人民幣千元
At 1 January 2018	於二零一八年一月一日	902,177	103,311	-	1,005,488
Dividend declared	已宣派股息	-	-	425,255	425,255
Interest accrued	應計利息	279,988	4,420	-	284,408
Exchange adjustments	匯兌調整	249,598	-	-	249,598
Financing cash flows	融資現金流量	3,792,051	6,503	(217,904)	3,580,650
At 31 December 2018	於二零一八年 十二月三十一日	5,223,814	114,234	207,351	5,545,399

#### 45. MAJOR NON-CASH TRANSACTIONS

During the year, the Group endorsed bill receivables of RMB1,133,421,000 (2017: RMB877,905,000) to settle the trade and other payables.

#### 45. 主要非現金交易

年內，本集團就結算應付貿易賬款及其他應付款項背書應收票據人民幣1,133,421,000元(二零一七年：人民幣877,905,000元)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 46. RELATED PARTY TRANSACTIONS

### 46. 關連人士交易

(a) The Group had the following related party transactions during the two years ended 31 December 2018 and 2017:

(a) 於截至二零一八年及二零一七年十二月三十一日止兩個年度內，本集團有下列關連人士交易：

		2018 RMB'000 二零一八年 人民幣千元	2017 RMB'000 二零一七年 人民幣千元
Sales to fellow subsidiaries	銷售予同系附屬公司	<b>184,648</b>	161,755
Sales to the ultimate holding company	銷售予最終控股公司	<b>193</b>	91
Sales to an associate	銷售予一間聯營公司	<b>25,709</b>	-
Purchases from fellow subsidiaries	向同系附屬公司採購	<b>259,996</b>	373,331
Purchases from the ultimate holding company	向最終控股公司採購	-	83,906
Purchases from an associate	向一間聯營公司採購	<b>63,778</b>	-
Purchases from a joint venture	向一間合營公司採購	-	215,779
Operating lease income from fellow subsidiaries	來自同系附屬公司之經營租賃收入	<b>14,651</b>	11,438
Finance lease income from fellow subsidiaries	來自同系附屬公司之融資租賃收入	<b>9,467</b>	9,314
Interest income from factoring business from fellow subsidiaries	來自同系附屬公司之保理業務之利息收入	<b>11,914</b>	5,647
Interest income from factoring business from an associate	來自一間聯營公司之保理業務之利息收入	<b>132</b>	-
Service received from fellow subsidiaries	自同系附屬公司接獲之服務	<b>35,116</b>	24,875
Service received from the ultimate holding company	自最終控股公司接獲之服務	<b>4,782</b>	37,790
Service provided to fellow subsidiaries	向同系附屬公司提供之服務	<b>5,238</b>	4,224
Service provided to the ultimate holding company	向最終控股公司提供之服務	-	410
Construction service received from fellow subsidiaries	自同系附屬公司獲取之建設服務	-	17,780
Interest income from an associate	一間聯營公司之利息收入	<b>52,160</b>	-
Interest income from an associate of the ultimate holding company	最終控股公司的一間聯營公司之利息收入	<b>2,879</b>	846
Interest income from joint ventures	合營公司之利息收入	-	1,798
Interest expense arising from the ultimate holding company	最終控股公司產生之利息支出	<b>4,419</b>	4,398

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 46. RELATED PARTY TRANSACTIONS

(continued)

(a) (continued)

Details of amounts due from/to related parties are set out in notes 24, 25, 27, 30, 31, 32 and 35.

During the year, the principal of the finance lease business provided to fellow subsidiaries by the Group amounted to RMB26,988,000 (2017: RMB129,581,000).

During the year, the principal of the factoring business provided to fellow subsidiaries by the Group amounted to RMB256,800,000 (2017: RMB157,000,000).

During the year, the principal of the factoring business provided to an associate by the Group amounted to RMB7,000,000 (2017: nil).

A long-term loan of the Group is secured by 230,000,000 shares of the Company that owned by the ultimate holding company in both years.

As at 31 December 2018, the Company provided guarantees of RMB125,000,000 (2017: RMB127,000,000) to an associate of the Group related to its two long-term bank borrowings.

During the year ended 31 December 2018, the Group obtained new loans of RMB10,535,000 (2017: nil) from the ultimate holding company with interest rate at 4.785% per annum (2017:nil).

As at 31 December 2018, the ultimate holding company provided guarantees of RMB1,201,060,000 (2017:nil) to the Group related to its long-term bank borrowings.

During the year ended 31 December 2018, the Group acquired a subsidiary from a fellow subsidiary of the Group at a consideration of RMB4,516,000. Detail are set out in note 3.

### 46. 關連人士交易 (續)

(a) (續)

應收／付關連人士款項的詳情載於附註24、25、27、30、31、32及35。

年內，本集團向同系附屬公司提供之融資租賃業務本金額為人民幣26,988,000元(二零一七年：人民幣129,581,000元)。

年內，本集團向同系附屬公司提供之保理業務本金額為人民幣256,800,000元(二零一七年：人民幣157,000,000元)。

年內，本集團向一間聯營公司提供之保理業務本金額為人民幣7,000,000元(二零一七年：無)。

於兩個年度內，本集團之長期貸款乃以最終控股公司持有之本公司之230,000,000股股份作抵押。

於二零一八十二月三十一日，本公司就本集團兩項長期銀行借款向其一間聯營公司提供人民幣125,000,000元(二零一七年：人民幣127,000,000元)之擔保。

截至二零一八年十二月三十一日止年度，本集團自最終控股公司獲得新貸款人民幣10,535,000元(二零一七年：無)，年利率為4.785%(二零一七年：零)。

於二零一八年十二月三十一日，最終控股公司向本集團一間同系附屬公司之長期銀行借款向其提供擔保人民幣1,201,060,000元(二零一七年：無)。

於截至二零一八年十二月三十一日止年度，本集團向其一間同系附屬公司收購一間附屬公司，代價為人民幣4,516,000元。詳情載於附註3。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 46. RELATED PARTY TRANSACTIONS

(continued)

#### (b) Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

Short-term employee benefits	短期僱員福利
Post-employment benefits	離職後福利

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

### 46. 關連人士交易 (續)

#### (b) 主要管理人員的報酬

於年內，董事及主要管理層的其他成員的薪酬如下：

	2018 RMB'000 二零一八年 人民幣千元	2017 RMB'000 二零一七年 人民幣千元
Short-term employee benefits	19,837	21,187
Post-employment benefits	178	195
	<b>20,015</b>	21,382

董事及主要行政人員的薪酬乃由薪酬委員會就個別人士的表現及市場趨勢而釐定。

### 47. RETIREMENT BENEFITS SCHEMES

The Group participates in a Mandatory Provident Fund Scheme established under the Mandatory Provident Fund Ordinance in December 2000. The assets of the schemes are held separately from those of the Group, in funds under the control of trustees. All Hong Kong employees joining the Group are required to join the Mandatory Provident Fund Scheme.

The employees of the Group's subsidiaries in the PRC are members of a state-managed retirement benefit scheme operated by the government of mainland. These subsidiaries are required to contribute 18% of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions.

### 47. 退休福利計劃

本集團於二零零零年十二月參與根據強制性公積金計劃條例而設立之強制性公積金計劃。該等計劃之資產乃由受託人監管之基金，與本集團之資產分開持有。所有加盟本集團之香港僱員均須參與強制性公積金計劃。

本集團之中國附屬公司之僱員均為大陸政府經營之國家管理退休福利計劃之成員。該等附屬公司須按薪金成本之18%向退休福利計劃供款以作為福利所需資金。本集團對退休福利計劃之唯一責任為作出指定之供款。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

#### 47. RETIREMENT BENEFITS SCHEMES

(continued)

Argon sponsors a 401(k) profit sharing plan for all Argon employees. This plan allows for both discretionary and nondiscretionary employer matching contributions for participating employees.

Other subsidiaries in jurisdictions outside of the PRC contribute to statutory retirement plans on behalf of their employees which in many cases are managed by the government in those territories. Those subsidiaries make periodic contributions to the statutory retirement plans as required and contributions are generally determined as a percentage of employees' basic salaries or a fixed amount per employee per calendar year depending on the jurisdiction.

The contributions paid and payable to the schemes by the Group are disclosed in note 10.

#### 47. 退休福利計劃 (續)

愛琅為所有愛琅僱員提供401(k)利潤分享計劃。該計劃允許為參與僱員作出酌情及非酌情雇主匹配供款。

中國以外司法權區的其他附屬公司代表其僱員參與法定退休計劃，而在許多情況下，該等計劃由該等地區政府管理。該等附屬公司按求定期向法定退休計劃供款，且供款通常按僱員基本工資的百分比或根據司法權區每個日曆年度每名僱員的固定金額釐定。

本集團就該等計劃已付及應付的供款於附註10作出披露。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 48. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

### 48. 本公司主要附屬公司詳情

Particulars of the Company's subsidiaries as at 31 December 2018 and 2017 are as follows:

於二零一八年及二零一七年十二月三十一日，本公司附屬公司的詳情如下：

Name of subsidiary	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
附屬公司名稱	註冊地點	已發行實繳/ 註冊資本	31/12/2018	31/12/2017	31/12/2018	31/12/2017	主要業務
			於十二月三十一日 本集團應佔之實際股權				
			% (直接)		% (間接)		
			二零一八年 十二月 三十一日	二零一七年 十二月 三十一日	二零一八年 十二月 三十一日	二零一七年 十二月 三十一日	
Shandong Weigao Orthopaedic Device Company Limited (山東威高骨科材料股份有限公司)	PRC	RMB222,222,222	62.63	62.63	18.37	18.37	Manufacturing of orthopaedic medical device products
山東威高骨科材料股份有限公司	中國	人民幣222,222,222元					製造骨科醫療設備產品
Beijing Weigao Yahua Artificial Joints Development Company Limited (北京威高亞華人工關節開發有限公司)	PRC	RMB70,000,000	-	-	81	81	Research, services and sales of medical devices
北京威高亞華人工關節開發有限公司	中國	人民幣70,000,000元					醫療設備的研發、服務及銷售
Changzhou Jianli Bangde Medical Devices Co., Ltd. (常州健力邦德醫療器械有限公司)	PRC	RMB65,000,000	-	-	81	81	Manufacturing of orthopaedic devices, implantation materials and artificial organs
常州健力邦德醫療器械有限公司	中國	人民幣65,000,000元					製造骨科設備、移植材料及人造器官
Weihai Weigao Management Asset Management Co., Ltd. (威海威高資產管理有限公司)	PRC	RMB10,000,000	-	-	81	81	Asset management and enterprise consulting service
威海威高資產管理有限公司	中國	人民幣10,000,000元					資產管理及企業顧問服務
Weigao Group (Weihai) Medical Products Marketing Co., Ltd. (威高集團(威海)醫用製品營銷有限公司)	PRC	RMB950,000,000	25	25	75	75	Wholesale of Type I medical devices, surgical devices and other disposal medical products
威高集團(威海)醫用製品營銷有限公司	中國	人民幣950,000,000元					批發第一類醫療設備、手術設備及其他一次性醫療產品

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 48. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

### 48. 本公司主要附屬公司詳情

(續)

Name of subsidiary	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities	
			% (direct)		% (indirect)			
附屬公司名稱	註冊地點	已發行實繳/ 註冊資本	31/12/2018	31/12/2017	31/12/2018	31/12/2017	主要業務	
			於十二月三十一日		本集團應佔之實際股權			
			% (直接)		% (間接)			
			二零一八年 十二月 三十一日	二零一七年 十二月 三十一日	二零一八年 十二月 三十一日	二零一七年 十二月 三十一日		
Weigao Group (Weihai) Medical Products Material Supply Co., Ltd. (威高集團(威海)醫用製品材料供應有限公司)	PRC	RMB1,006,000,000	25	25	75	75	Wholesale of Type I medical devices, surgical devices and other disposal medical products	
威高集團(威海)醫用製品材料供應有限公司	中國	人民幣1,006,000,000元					批發第一類醫療設備、手術設備及其他一次性醫療產品	
Weihai Jierui Medical Products Company Limited (威海潔瑞醫用製品有限公司)	PRC	RMB32,000,000	100	100	-	-	Manufacturing of medical PVC granules, plastic packing bags and carton boxes	
威海潔瑞醫用製品有限公司	中國	人民幣32,000,000元					製造醫用PVC粒料、塑料包裝袋及紙箱	
Shandong Weigao Automatic Equipment Company Limited (山東威高自動化設備有限公司)	PRC	RMB5,000,000	-	-	100	100	Manufacturing of industrial automatic equipment and parts	
山東威高自動化設備有限公司	中國	人民幣5,000,000元					製造工業自動化設備及配件	
Shandong Weigao Group Logistic Company Limited* (山東威高集團物流有限公司)	PRC	RMB20,000,000	100	100	-	-	Provision of logistics and storage services	
山東威高集團物流有限公司	中國	人民幣20,000,000元					提供物流及儲存服務	
Weihai Weigao Group Mould Company Limited* (威海威高集團模具有限公司)	PRC	RMB8,000,000	90	90	10	10	Manufacturing of moulds	
威海威高集團模具有限公司	中國	人民幣8,000,000元					製造模具	

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 48. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

### 48. 本公司主要附屬公司詳情

(續)

Name of subsidiary	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
附屬公司名稱	註冊地點	已發行實繳/ 註冊資本	31/12/2018	31/12/2017	31/12/2018	31/12/2017	主要業務
			於十二月三十一日 本集團應佔之實際股權				
			% (直接)		% (間接)		
			二零一八年 十二月 三十一日	二零一七年 十二月 三十一日	二零一八年 十二月 三十一日	二零一七年 十二月 三十一日	
Sichuan Jierui Weigao Medical Device Company Limited* (四川潔瑞威高醫療器械有限公司)	PRC	RMB2,000,000	100	100	-	-	Trading of medical products
四川潔瑞威高醫療器械有限公司	中國	人民幣2,000,000元					買賣醫療產品
Weihai Weigao Jiesheng Medical Devices Co., Ltd.* (威海威高潔盛醫療器材有限公司)	PRC	RMB20,000,000	100	100	-	-	Trading of medical products
威海威高潔盛醫療器材有限公司	中國	人民幣20,000,000元					買賣醫療產品
Weihai Weigao Medical International Trading Co., Ltd.* (威海威高醫療國際貿易有限公司)	PRC	RMB5,000,000	80	80	20	20	Sales of medical devices, imports and exports of registered products
威海威高醫療國際貿易有限公司	中國	人民幣5,000,000元					銷售醫療設備、進出口登記產品
Weigao International Medical Co., Ltd. (威高國際醫療有限公司)	Hong Kong	HKD207,699,690	100	100	-	-	Investment holding and trading
威高國際醫療有限公司	香港	207,699,690港元					投資控股及貿易
Wellford Capital Limited	British Virgin Islands ("BVI")	USD50,000	-	-	100	100	Investment holding
Wellford Capital Limited	英屬處女群島 (「英屬處女群島」)	50,000美元					投資控股
Shandong Weigao Financial Leasing Co., Ltd.* (山東威高融資租賃有限公司)	PRC	RMB500,000,000	-	-	100	100	Engaged in various financial leasing business of medical equipment
山東威高融資租賃有限公司	中國	人民幣500,000,000元					從事醫療設備的各類融資租賃業務

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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 48. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

### 48. 本公司主要附屬公司詳情 (續)

Name of subsidiary	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
附屬公司名稱	註冊地點	已發行實繳/ 註冊資本	31/12/2018	31/12/2017	31/12/2018	31/12/2017	主要業務
			於十二月三十一日 本集團應佔之實際股權		於十二月三十一日 本集團應佔之實際股權		
			% (直接)		% (間接)		
			二零一八年 十二月 三十一日	二零一七年 十二月 三十一日	二零一八年 十二月 三十一日	二零一七年 十二月 三十一日	
Wego Medical Holding Company Limited (威高醫療控股有限公司)	Hong Kong	HKD1,000,000	-	-	100	100	Investment holding
威高醫療控股有限公司	香港	1,000,000港元					投資控股
Weigao Hemodialysis Technology Development Co., Ltd.* (威海威高血液透析科技發展有限公司)	PRC	RMB150,000,000/ RMB200,000,000	-	-	86.72	86.72	Manufacturing and sales of hemo-dialysis equipment
威海威高血液透析科技發展有限公司	中國	人民幣150,000,000元/ 人民幣200,000,000元					血液透析設備的製造及出售
Shanghai Weigao Financing Lease Co., Limited* (上海威高融資租賃有限公司)	PRC	USD45,000,000/ USD50,000,000	-	-	100	100	Engaged in various financial leasing business
上海威高融資租賃有限公司	中國	45,000,000美元/ 50,000,000美元					從事各類融資租賃業務
Champion Falcon limited (翔冠有限公司)	Hong Kong	HKD1	-	-	100	100	Investment holding
翔冠有限公司	香港	1港元					投資控股
Brilliant Grace limited (耀恩有限公司)	BVI	USD1	-	-	100	100	Investment holding
耀恩有限公司	英屬處女群島	1美元					投資控股
Fuzhou Fanshun Medical Device Technology Company Limited* (福州帆順醫療器械技術有限公司)	PRC	RMB500,000	95	95	-	-	Wholesale, sales and purchases of disposable sterile medical devices
福州帆順醫療器械技術有限公司	中國	人民幣500,000元					一次性醫療設備的批發、銷售及採購

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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 48. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

### 48. 本公司主要附屬公司詳情 (續)

Name of subsidiary	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
附屬公司名稱	註冊地點	已發行實繳/ 註冊資本	31/12/2018	31/12/2017	31/12/2018	31/12/2017	主要業務
			於十二月三十一日 本集團應佔之實際股權				
			% (直接)		% (間接)		
			二零一八年 十二月 三十一日	二零一七年 十二月 三十一日	二零一八年 十二月 三十一日	二零一七年 十二月 三十一日	
Weihai Weigao Blood Supplies Co., Limited* (威海威高采血耗材有限公司) 威海威高采血耗材有限公司	PRC 中國	RMB10,000,000 人民幣10,000,000元	100	100	-	-	Trading of medical products 買賣醫療產品
Weihai Weigao Anesthesia Products Co., Limited* (威海威高麻醉製品有限公司) 威海威高麻醉製品有限公司	PRC 中國	nil/ RMB1,000,000 無/ 人民幣1,000,000元	90	90	10	10	Production and sales of Type I Type II and Type III medical devices 生產及銷售第一類、第二類及第三類醫療設備
Taian Weixin Medical Products Co., Ltd. (泰安市威新醫用制品有限公司) 泰安市威新醫用制品有限公司	PRC 中國	RMB800,000/ RMB30,000,000 人民幣800,000元/ 人民幣30,000,000元	1	1	99	99	Trading of medical products 買賣醫療產品
Weihai Chang Hong Enterprise Management Consulting Centre (Limited Partnership)* (威海長弘企業管理諮詢中心(有限合夥)) 威海長弘企業管理諮詢中心(有限合夥)	PRC 中國	RMB50 人民幣50元	-	-	-	-	Enterprise management advisory services 企業管理顧問服務
Weihai Yang Fan Enterprise Management Consulting Centre (Limited Partnership)* (威海揚帆企業管理諮詢中心(有限合夥)) 威海揚帆企業管理諮詢中心(有限合夥)	PRC 中國	RMB50 人民幣50元	-	-	-	-	Enterprise management advisory services 企業管理顧問服務

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## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 48. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

### 48. 本公司主要附屬公司詳情 (續)

Name of subsidiary	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
附屬公司名稱	註冊地點	已發行實繳/ 註冊資本	31/12/2018	31/12/2017	31/12/2018	31/12/2017	主要業務
			於十二月三十一日 本集團應佔之實際股權		於十二月三十一日 本集團應佔之實際股權		
			% (直接)		% (間接)		
			二零一八年 十二月 三十一日	二零一七年 十二月 三十一日	二零一八年 十二月 三十一日	二零一七年 十二月 三十一日	
Weihai Hong Tu Enterprise Management Consulting Centre (Limited Partnership) * (威海宏圖企業管理諮詢中心(有限合夥))	PRC	nil/ RMB41	-	-	-	-	Enterprise management advisory services
威海宏圖企業管理諮詢中心(有限合夥)	中國	無/人民幣41元					企業管理顧問服務
Anhui Weigao Orthopaedic Medical Device Co., Ltd. * (安徽威高骨科醫療器械有限公司)	PRC	RMB40,920,595.50/ RMB150,000,000	-	-	41.31	41.31	Sales of Type I, Type II and Type III medical device; Enterprise management advisory services
安徽威高骨科醫療器械有限公司	中國	人民幣 40,920,595.50元/ 人民幣150,000,000元					第一類、第二類及第三類醫療設備的銷售； 企業管理顧問服務
Weihai Hai Xing Medical Devices Co., Ltd. (威海海星醫療器械有限公司)	PRC	RMB70,000,000	-	-	81	81	Production and sales of Type III medical implant material and artificial organ (6846); production and sales of Type I medical devices.
威海海星醫療器械有限公司	中國	人民幣70,000,000元					生產及銷售第三類醫療植入物材料及人造器官(6846)；生產及銷售第一類醫療製品
Sichuan Weigao Tianfu Medical Technology Co. Ltd.. * (四川威高天府醫藥科技有限公司)	PRC	nil/ RMB20,000,000	90	90	10	10	Research, sales of medicines and medical devices
四川威高天府醫藥科技有限公司	中國	無/ 人民幣20,000,000元					醫藥及醫療設備的研發、銷售

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 48. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

### 48. 本公司主要附屬公司詳情

(續)

Name of subsidiary	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
附屬公司名稱	註冊地點	已發行實繳/ 註冊資本	31/12/2018	31/12/2017	31/12/2018	31/12/2017	主要業務
			於十二月三十一日 本集團應佔之實際股權				
			% (直接)		% (間接)		
			二零一八年 十二月 三十一日	二零一七年 十二月 三十一日	二零一八年 十二月 三十一日	二零一七年 十二月 三十一日	
Jilin Weigao Bao Ren Medical Products Co., Ltd. * (吉林省威高寶仁醫用制品有限公司)	PRC	RMB20,116,810/ RMB50,000,000	<b>65</b>	65	-	-	Wholesale and retail of medical products and medical devices
吉林省威高寶仁醫用制品有限公司	中國	人民幣20,116,810元/ 人民幣50,000,000元					批發及零售醫療產品及醫療設備
Weihai Weigao Yi Kang Medical Device Sales Co., Ltd. * (威海威高億康醫療器械銷售有限公司)	PRC	RMB100,000 RMB30,000,000	<b>10</b>	10	<b>90</b>	90	Sales of medical devices
威海威高億康醫療器械銷售有限公司	中國	人民幣100,000元 人民幣30,000,000元					銷售醫療產品
WW Medical and Healthcare Company Limited	Cayman Islands	USD50,000	-	-	<b>89.81</b>	90	Investment holding
WW Medical and Healthcare Company Limited	開曼群島	50,000美元					投資控股
WW Medical and Healthcare Holdings Corporation	U.S.	USD1,000	-	-	<b>89.81</b>	90	Investment holding
WW Medical and Healthcare Holdings Corporation	美國	1,000美元					投資控股
WW Medical and Healthcare Corporation**	U.S.	USD1,000	-	-	<b>89.81</b>	90	Investment holding
WW Medical and Healthcare Corporation**	美國	1,000美元					投資控股
Argon Medical Devices Holding, Inc.	U.S.	USD1/ USD2,000,000	-	-	<b>89.81</b>	-	Investment holding
Argon Medical Devices Holding, Inc.	美國	1美元/ 2,000,000美元					投資控股



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 48. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

### 48. 本公司主要附屬公司詳情 (續)

Name of subsidiary	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
附屬公司名稱	註冊地點	已發行實繳/ 註冊資本	31/12/2018	31/12/2017	31/12/2018	31/12/2017	主要業務
			於十二月三十一日 本集團應佔之實際股權		於十二月三十一日 本集團應佔之實際股權		
			% (直接)		% (間接)		
			二零一八年 十二月 三十一日	二零一七年 十二月 三十一日	二零一八年 十二月 三十一日	二零一七年 十二月 三十一日	
Weihai Weigao Medical Products Co., Ltd. * (威海威高醫用制品有限公司)	PRC	nil/ RMB10,000,000	-	-	100	-	Sales of medical devices
威海威高醫用制品有限公司	中國	無/ 人民幣10,000,000元					銷售醫療設備
Shandong Weigao Jiahe Pharmaceutical Technology Co., Ltd. * (山東威高佳禾醫藥科技有限公司)	PRC	RMB5,000,000	67	-	-	-	Sales of Type I, Type II and Type III medical device; Biotechnology Extension Service
山東威高佳禾醫藥科技有限公司	中國	人民幣5,000,000元					銷售第一類、第二類及第三類醫療設備； 生物技術推廣服務
Argon Medical Devices (Hong Kong) Co., Ltd. * (愛琅醫療器械(香港)有限公司)	Hong Kong	HKD1	-	-	100	-	Investment holding
愛琅醫療器械(香港)有限公司	香港	1港元					投資控股
Argon Medical Devices (Shanghai) Co., Ltd. * (愛琅(上海)醫療器械有限公司)	PRC	nil/ RMB1,000,000	-	-	100	-	Sales of Type II and Type III medical device; technical services and technology transfer.
愛琅(上海)醫療器械有限公司	中國	無/ 人民幣1,000,000元					銷售第一類、第二類及第三類醫療設備； 技術服務及技術轉讓
Shandong Weigao Puri Pharmaceutical Packaging Co., Ltd. * (山東威高普瑞醫藥包裝有限公司)	PRC	nil/ RMB100,000,000	100	-	-	-	Production and marketing of medical polymer materials and products, injection puncture instruments
山東威高普瑞醫藥包裝有限公司	中國	無/ 人民幣100,000,000元					生產及銷售醫用高分子材料及產品、注射穿刺器械

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 48. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

### 48. 本公司主要附屬公司詳情 (續)

Name of subsidiary	Place of registration	Paid up issued/ registered capital	Effective equity interest attributable to the Group as at 31 December				Principal activities
			% (direct)		% (indirect)		
附屬公司名稱	註冊地點	已發行實繳/ 註冊資本	31/12/2018	31/12/2017	31/12/2018	31/12/2017	主要業務
			於十二月三十一日 本集團應佔之實際股權				
			% (直接)		% (間接)		
			二零一八年 十二月 三十一日	二零一七年 十二月 三十一日	二零一八年 十二月 三十一日	二零一七年 十二月 三十一日	
Shandong Mingde Biomedical Engineering Co., Ltd. * (山東明德生物醫學工程有限公司)	PRC	RMB18,703,417/ RMB20,000,000	-	-	64.8	-	Production and marketing of medical polymer materials and products, injection puncture
山東明德生物醫學工程有限公司	中國	人民幣18,703,417元/ 人民幣20,000,000元					生產及銷售醫用高分子材料 及產品、注射穿刺器械
Gao An Weigao Orthopaedic Medical Devices Co., Ltd. * (高安威高骨科醫療器械有限公司)	PRC	nil/ RMB5,000,000	-	-	81	-	Sales of Type I, Type II and Type III medical device;
高安威高骨科醫療器械有限公司	中國	無/ 人民幣5,000,000元					銷售第一類、第二類及第三類醫療設備；
Yichun Weigao Orthopaedic Medical Devices Co., Ltd. * (宜春市威高骨科醫療器械有限公司)	PRC	nil/ RMB5,000,000	-	-	81	-	Sales of Type I, Type II and Type III medical device;
宜春市威高骨科醫療器械有限公司	中國	無/ 人民幣5,000,000元					銷售第一類、第二類及第三類醫療設備；
Yunnan Weigao Orthopaedic Medical Devices Co., Ltd. * (云南威高骨科醫療器械有限公司)	PRC	RMB50,000/ RMB50,000,000	-	-	41.31	-	Sales of medical devices
云南威高骨科醫療器械有限公司	中國	人民幣50,000元/ 人民幣50,000,000元					銷售醫療設備

\* For identification purposes only

\* 僅供識別

\*\* This company was stroked off the company register on 20 August 2018.

\*\* 該公司於二零一八年八月二十日從公司登記簿上刪除。

None of the subsidiaries had issued any debt securities at the end of the year.

概無附屬公司於年末發行任何債務證券。

In the opinion of the directors of the Company, there is no subsidiary that has non-controlling interests which is material to the Group.

本公司董事認為，概無擁有對本集團有重大影響之非控股權益之附屬公司。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

### 49. COMPANY'S STATEMENT OF FINANCIAL POSITION

### 49. 本公司之財務狀況表

		<b>31/12/2018</b>	31/12/2017
		<b>RMB'000</b>	RMB'000
		<b>二零一八年</b>	二零一七年
		<b>十二月</b>	十二月
		<b>三十一日</b>	三十一日
		<b>人民幣千元</b>	人民幣千元
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	<b>3,130,686</b>	2,747,309
Investment properties	投資物業	<b>210,790</b>	250,554
Prepaid lease payments	預付租賃款項	<b>227,682</b>	233,969
Intangible assets	無形資產	-	2,750
Investments in subsidiaries	於附屬公司的投資	<b>1,010,121</b>	993,810
Interests in an associate	於一間聯營公司的權益	<b>694,068</b>	626,643
Deferred tax asset	遞延稅項資產	<b>51,483</b>	47,580
Loan receivables	應收貸款	<b>917,201</b>	1,460,260
Deposit paid for acquiring property, plant and equipment	就收購物業、廠房及設備支付的按金	<b>56,541</b>	42,709
		<b>6,298,572</b>	6,405,584
Current assets	流動資產		
Inventories	存貨	<b>522,576</b>	402,365
Loan receivables	應收貸款	<b>553,585</b>	147,963
Trade and other receivables	應收貿易賬款及其他應收款項	<b>2,764,336</b>	2,552,753
Debt instruments at fair value through other comprehensive income	按公平值計入其他全面收益計量之債務工具	<b>177,589</b>	-
Amount due from subsidiaries	應收附屬公司款項	<b>1,746,453</b>	442,836
Pledged bank deposits	已抵押銀行存款	<b>264,415</b>	93,081
Bank balances and cash	銀行結餘及現金	<b>2,431,926</b>	2,627,149
		<b>8,460,880</b>	6,266,147
Current liabilities	流動負債		
Trade and other payables	應付貿易賬款及其他應付款項	<b>2,401,491</b>	1,443,000
Contract liabilities	合約負債	<b>82,257</b>	-
Amount due to subsidiaries	應付附屬公司款項	<b>3,817,094</b>	3,667,398
Tax payable	應付稅項	<b>66,068</b>	25,057
		<b>6,366,910</b>	5,135,455
Net current assets	流動資產淨額	<b>2,093,970</b>	1,130,692
		<b>8,392,542</b>	7,536,276

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2018 截至二零一八年十二月三十一日止年度

**49. COMPANY'S STATEMENT OF FINANCIAL POSITION** (continued) **49. 本公司之財務狀況表** (續)

		<b>31/12/2018</b> <b>RMB'000</b> <b>二零一八年</b> <b>十二月</b> <b>三十一日</b> <b>人民幣千元</b>	31/12/2017 RMB'000 二零一七年 十二月 三十一日 人民幣千元
Capital and reserves	股本及儲備		
Share capital	股本	<b>452,233</b>	452,233
Reserves	儲備	<b>6,917,977</b>	6,466,013
<b>Total equity</b>	<b>權益總額</b>	<b>7,370,210</b>	6,918,246
Non-current liabilities	非流動負債		
Borrowings	借款	<b>1,000,000</b>	600,000
Deferred income	遞延收入	<b>22,332</b>	18,030
		<b>1,022,332</b>	618,030
<b>Total equity and non-current liabilities</b>	<b>權益及非流動負債總額</b>	<b>8,392,542</b>	7,536,276

Information about the movements in reserves of the Company at the end of the reporting period includes:

有關本公司於報告期末之儲備變動表之資料包括：

		<b>Share premium</b> RMB'000 股份溢價 人民幣千元	<b>Other reserves</b> RMB'000 其他儲備 人民幣千元	<b>Statutory surplus reserve</b> RMB'000 法定盈餘儲備 人民幣千元	<b>Retained profits</b> RMB'000 保留溢利 人民幣千元	<b>Total</b> RMB'000 總計 人民幣千元
At 1 January 2017	於二零一七年一月一日	2,575,060	23,847	226,117	2,942,314	5,767,338
Profit for the year	本年度溢利	-	-	-	762,258	762,258
Share-based payments (note 37(a))	以股份為基礎付款 (附註37(a))	-	25,412	-	-	25,412
Disposal of a subsidiary	出售一間附屬公司	-	223,891	-	89,601	313,492
Dividends recognised as distribution	確認為分派的股息	-	-	-	(402,487)	(402,487)
<b>At 31 December 2017</b>	<b>於二零一七年十二月三十一日</b>	<b>2,575,060</b>	<b>273,150</b>	<b>226,117</b>	<b>3,391,686</b>	<b>6,466,013</b>
Profit for the year	本年度溢利	-	-	-	862,494	862,494
Share-based payments (note 37(a))	以股份為基礎付款 (附註37(a))	-	19,091	-	-	19,091
Dividends recognised as distribution	確認為分派的股息	-	-	-	(429,621)	(429,621)
<b>At 31 December 2018</b>	<b>於二零一八年十二月三十一日</b>	<b>2,575,060</b>	<b>292,241</b>	<b>226,117</b>	<b>3,824,559</b>	<b>6,917,977</b>

# FINANCIAL SUMMARY

## 財務概要

		<b>For the year ended 31 December</b>					
		<b>2018</b>	2017	2016	2015	2014	
		<b>RMB'000</b>	RMB'000	RMB'000	RMB'000	RMB'000	
			(restated)				
			<b>截至十二月三十一日止年度</b>				
		<b>二零一八年</b>	二零一七年	二零一六年	二零一五年	二零一四年	
		<b>人民幣千元</b>	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
			(經重列)				
<b>RESULTS</b>	<b>業績</b>						
Revenue	收入	<b>8,808,861</b>	7,685,544	6,730,340	5,918,930	5,277,827	
Profit before taxation	除稅前溢利	<b>1,775,215</b>	2,084,019	1,314,346	1,335,505	1,275,664	
Taxation	稅項	<b>(258,431)</b>	(258,686)	(176,754)	(186,647)	(180,844)	
Profit for the year	本年度溢利	<b>1,516,784</b>	1,825,333	1,137,592	1,148,858	1,094,820	
Profit for the year attributable to:	年內下列各項應佔溢利：						
Owners of the Company	本公司擁有人	<b>1,472,935</b>	1,728,660	1,105,933	1,112,736	1,084,948	
Non-controlling interests	非控股權益	<b>43,849</b>	96,673	31,659	36,122	9,872	
		<b>1,516,784</b>	1,825,333	1,137,592	1,148,858	1,094,820	
			<b>As at 31 December</b>				
		<b>2018</b>	2017	2016	2015	2014	
		<b>RMB'000</b>	RMB'000	RMB'000	RMB'000	RMB'000	
			(restated)				
			<b>於十二月三十一日</b>				
		<b>二零一八年</b>	二零一七年	二零一六年	二零一五年	二零一四年	
		<b>人民幣千元</b>	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
			(經重列)				
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>						
Total assets	總資產	<b>23,986,873</b>	16,781,017	15,756,309	13,519,246	12,070,107	
Total liabilities	總負債	<b>(8,795,973)</b>	(3,142,567)	(3,551,045)	(2,732,423)	(2,190,516)	
Non-controlling interests	非控股權益	<b>(676,327)</b>	(303,945)	(338,687)	(128,646)	(31,686)	
Equity attributable to owners of the Company	本公司擁有人應佔權益	<b>14,514,573</b>	13,334,505	11,866,577	10,658,177	9,847,905	

***WEGO* 威高**