

# 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 2017年報

**WEGO 威高**

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## DIRECTORS AND SUPERVISORS

### Executive Directors

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

### Non-executive Directors

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  
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

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 includes: i) consumables (infusion sets, syringes, medical needles, blood bags, pre-filled syringes, wound management, blood sampling products, and others); and ii) orthopedic products. The Group’s main production facilities are situated in Weihai, Shandong Province.

The Group is incorporated in the People’s Republic of China. The continuing operations of the Group has an extensive sales network comprising 32 sales offices, 32 customer service centers and 235 cities with sales representatives. As at the date of this report, the Group has an total customer base of 5,117 (including 2,430 hospitals, 414 blood stations, 587 other medical units and 1,686 distributors).

The Group produces a wide range of products in following major categories, namely:

- I. Single use medical consumables and materials (including infusion (transfusion) sets, syringes, blood bags and blood component segregators consumable, blood sampling products, pre-filled syringes for pre-pack medication and medical needles which mainly include intravenous needles, syringe needles, intravenous catheter needles, wound management, blood sampling needles and irregular needles; and
- II. Orthopedic materials and instruments, including trauma products of steel plates and screws, spinal implants and artificial joints;

## 關於山東威高集團醫用高分子製品股份有限公司

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。本集團提供不同種類產品，包括：i) 耗材（輸液器、注射器、醫用針製品、血袋、預充式注射器、創傷手術護理、採血產品及其他）；及ii) 骨科材料。本集團主要生產基地位於山東省威海市。

本集團在中華人民共和國註冊成立。本集團持續經營業務擁有一個由32個銷售辦事處、32個客戶服務中心和235個具有銷售代表之城市組成的龐大銷售網絡。於本報告日期，本集團擁有總計5,117家（包括2,430家醫院、414家血站、587家其他醫療單位及1,686家經銷商）的客戶基礎。

本集團生產的多種產品，主要可分為以下系列，即：

- I. 一次性使用醫療耗材及原料，其中包括輸液（血）器、注射器、血袋與血液成份分離耗材、採血系列耗材、用於藥品包裝的預充式注射器及醫用針製品，主要包括靜脈針、注射針、留置針、創傷手術護理、採血針、異形針等系列製品等；及
- II. 骨科材料及工具，主要包括鋼板、螺釘等創傷治療耗材、脊柱系列耗材及人工關節系列耗材；

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 2017 (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」）提呈本集團截至二零一七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>2017</b>	2016	Increase
		<b>二零一七年</b>	二零一六年	增長
		<b>RMB'000</b>	RMB'000	%
		<b>人民幣千元</b>	人民幣千元	%
Turnover from continuing operations	來自持續經營業務營業額	<b>6,292,641</b>	5,619,842	12.0%
Gross profit from continuing operations	來自持續經營業務毛利	<b>3,992,823</b>	3,577,745	11.6%
Net profit attributable to the owners of the Company	本公司擁有人應佔純利	<b>1,729,924</b>	1,105,933	56.4%
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>1,338,856</b>	1,308,964	2.3%
Net profit from continuing operations attributable to the owners of the Company (excluding extraordinary items)	不計特殊項目本公司擁有人應佔持續經營業務純利	<b>1,256,484</b>	1,235,637	1.7%

During the Year, extraordinary items recorded an accounting gain for Weihei 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 (2016: among the expenses incurred due to the implementation of orthopaedic share award scheme arising from extraordinary items, approximately RMB203,031,000 had affected the net profit attributable to owners of the Company) had affected the net profit attributable to owners of the Company.

年內，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（二零一六年：特殊項目為骨科股權激勵產生之費用中，影響本公司擁有人應佔純利的部分，約為人民幣203,031,000元）。

# CHAIRMAN'S STATEMENT

## 主席報告書

### 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 for both H Shares and Non-listed Shares will be closed from Saturday, 19 May 2018 to Monday, 18 June 2018 (both days inclusive), during which period no transfer of H Shares or Non-listed 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 18 May 2018.

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

Latest time to lodge in the transfer instrument accompanied by the share certificates	4:30pm, Friday 18 May 2018
Closure of register of members of the Company for attendance of the annual general meeting	Saturday, 19 May 2018 to Monday, 18 June 2018
Latest time to lodge in the reply slip	Tuesday, 29 May 2018
Date of annual general meeting	Tuesday, 19 June 2018

#### Entitlement of Proposed Final dividend

In order to determine entitlement to the proposed final dividend payment, the register of members of the Company for both H Shares and Non-listed Shares will be closed from Saturday, 23 June 2018 to Thursday, 28 June 2018 (both days inclusive), during which period no transfer of H Shares or Non-listed Shares will be effected. In order to qualify for entitlement of the proposed final dividend, holders of H Shares 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 Friday, 22 June 2018.

### 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，本公司將於二零一八年五月十九日（星期六）至二零一八年六月十八日（星期一）（首尾兩日包括在內）暫停H股及非上市股份的過戶登記，於該期間將不會辦理H股和非上市股份的過戶登記手續。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二零一八年五月十八日（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：

交回過戶文件連同股票之最後時限	二零一八年五月十八日（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	二零一八年五月十九日（星期六）至二零一八年六月十八日（星期一）
交回回條之最後時限	二零一八年五月二十九日（星期二）
股東週年大會日期	二零一八年六月十九日（星期二）

#### 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，本公司將於二零一八年六月二十三日（星期六）至二零一八年六月二十八日（星期四）（首尾兩日包括在內）暫停H股及非上市股份的過戶登記，於該期間將不會辦理H股或非上市股份的過戶登記手續。為符合資格收取建議末期股息之權利，H股持有人應確保所有過戶文件連同有關股票不遲於二零一八年六月二十二日（星期五）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。

## ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS (continued)

### Entitlement of Proposed Final dividend (continued)

In order to qualify to entitle the final dividend for the year ended 31 December 2017:

Latest time to lodge in the transfer instrument accompanied by the share certificates	4:30 pm, Friday, 22 June 2018
Closure of register of members of the Company for entitlement of final dividend	Saturday, 23 June 2018 to Thursday, 28 June 2018
Record date for entitlement of final dividend	Thursday, 28 June 2018
Despatch date of final dividend	Friday, 27 July 2018

The final dividend will be despatched at the risk of those entitled thereto to their respective registered addresses on or before Friday, 27 July 2018.

## PROPOSED FINAL DIVIDEND

The Board proposed the distribution of a final dividend for the year ended 31 December 2017 of RMB0.046 (2016: RMB0.046) (before considering any tax effect) per share was approximately RMB208,027,000 (2016: RMB208,027,000), which will be subject to the approval of shareholders of the Company at the forthcoming 2017 annual general meeting. Dividend payable to holders of non-listed shares and holders of H shares participating in the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect will be paid in Renminbi, whereas dividend payable to holders of the H shares 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 2017 final dividend will be despatched on 27 July 2018.

## 股東週年大會及暫停辦理股份過戶登記手續 (續)

### 建議末期股息之權利 (續)

為符合資格獲派截至二零一七年十二月三十一日止年度之末期股息:

交回過戶文件連同股票之最後時限	二零一八年六月二十二日 (星期五)下午四時三十分
本公司暫停股份過戶登記以釐定末期股息之權利	二零一八年六月二十三日 (星期六)至二零一八年六月二十八日 (星期四)
釐定末期股息權利之記錄日期	二零一八年六月二十八日 (星期四)
末期股息寄發日期	二零一八年七月二十七日 (星期五)

末期股息將於二零一八年七月二十七日 (星期五)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二零一七年十二月三十一日止年度之末期股息每股人民幣0.046元 (二零一六年: 人民幣0.046元 (未考慮任何稅務影響))，涉及總額約為人民幣208,027,000元 (二零一六年: 人民幣208,027,000元)，須於即將舉行之二零一七年股東週年大會獲本公司股東批准後，方可作實。應付非上市股份持有人及滬港通及深港通所涉及的H股持有人的股息將以人民幣支付，而應付H股持有人的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，二零一七年末期股息將於二零一八年七月二十七日派發。



**PROPOSED FINAL DIVIDEND** (continued)

In accordance with the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) and its implementation rules effective on 1 January 2008, where a PRC domestic enterprise distributes dividends for financial periods beginning from 1 January 2008 to non-resident enterprise shareholders, it is required to withhold 10% enterprise income tax for such non-resident enterprise shareholders. Therefore, as a PRC domestic enterprise, the Company will, after withholding 10% of the final dividend as enterprise income tax, distribute the final dividend to non-resident enterprise shareholders, i.e. any shareholders who hold the Company's shares in the name of non-individual shareholders, including but not limited to HKSCC Nominees Limited, other nominees, trustees, or holders of H Shares registered in the name of other organizations and groups.

Pursuant to the PRC Individual Income Tax Law (《中華人民共和國個人所得稅法》), the Implementation Regulations of the PRC Individual Income Tax Law (《中華人民共和國個人所得稅法實施條例》), the Notice of the State Administration of Taxation in relation to the Administrative Measures on Preferential Treatment Entitled by Non-residents under Tax Treaties (Tentative) (Guo Shui Fa [2009] No. 124) (《國家稅務總局關於印發〈非居民享受稅收協定待遇管理辦法(試行)〉的通知》(國稅發[2009]124號)) (the "Tax Treaties Notice"), other relevant laws and regulations and other regulatory documents, the Company shall, as a withholding agent, withhold and pay individual income tax for the individual holders of H shares in respect of the dividend to be distributed to them. However, the individual holders of H shares may be entitled to certain tax preferential treatments pursuant to the tax treaties between the PRC and the countries (regions) in which the individual holders of H shares are domiciled and the tax arrangements between Mainland China, Hong Kong or Macau. For individual holders of H shares in general, the Company will withhold and pay individual income tax at the rate of 10% on behalf of the individual holders of H shares in the distribution of the dividend. However, the tax rates applicable to individual holders of H Shares overseas may vary depending on the tax treaties between the PRC and the countries (regions) in which the individual holders of H shares are domiciled, and the Company will withhold and pay individual income tax on behalf of the individual holders of H shares in the distribution of the dividend accordingly.

**建議末期股息** (續)

根據二零零八年一月一日生效之《中華人民共和國企業所得稅法》及其實施規則，凡中國境內企業於二零零八年一月一日開始之財政期間向非居民企業股東派發股息，須按10%的稅率就有關非居民企業股東代扣企業所得稅。因此，作為中國境內企業，本公司將在代扣代繳末期股息中10%企業所得稅後向非居民企業股東（即以非個人股東名義持有本公司股份之任何股東，包括但不限於以香港中央結算（代理人）有限公司、或其他代理人或受託人、或其他組織及團體名義登記的H股股東）派發末期股息。

根據《中華人民共和國個人所得稅法》、《中華人民共和國個人所得稅法實施條例》、《國家稅務總局關於印發〈非居民享受稅收協定待遇管理辦法(試行)〉的通知》(國稅發[2009]124號)（「稅收協定通知」）、其他相關法律及法規以及其他監管檔，作為代扣代理，本公司須就H股個人持有人獲派之股息代扣代繳個人所得稅。然而，H股個人持有人可根據中國與其居民身份所屬國家（地區）簽署的稅收協議及中國內地和香港或澳門之間的稅收安排的規定，享有若干稅收優惠。就H股個人持有人整體而言，本公司將按10%稅率代H股個人持有人代扣代繳派發股息的個人所得稅。然而，海外H股個人持有人之適用稅率可能因中國與其居民身份所屬國家（地區）簽署的稅收協議而有所不同，因此，本公司將就派發股息代H股個人持有人代扣代繳個人所得稅。

## PROPOSED FINAL DIVIDEND (continued)

The cash dividends for investors through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect will be paid in Renminbi. Pursuant to the Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (Caishui [2014] No.81 《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知(財稅[2014]81號)》 and the Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (Caishui [2016] No.127 《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知(財稅[2016]127號)》, for dividend received by domestic individual investors from investing in H shares listed on the Hong Kong Stock Exchange through Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, the company of such H shares shall withhold and pay individual income tax at the rate of 20% on behalf of the investors.

The Company will identify the country of domicile of the individual holders of H shares according to their registered address on the H share register of members of the Company (the "Registered Address"). If the domicile of an individual holders of H shares is not the same as the Registered Address or if the individual holders of H shares would like to apply for a refund of the additional amount of tax finally withheld and paid, the individual holders of H shares shall notify and provide relevant supporting documents to the Company. Upon examination of the supporting documents by the relevant tax authorities, the Company will follow the guidance given by the tax authorities to implement the relevant tax withholding provisions and arrangements. Individual holders of H shares may either personally or appoint a representative to attend to the procedures in accordance with the requirements under the Tax Treaties Notice if they do not provide the relevant supporting documents to the Company.

The Company assumes no responsibility and disclaims all liabilities whatsoever in relation to the tax status or tax treatment of the individual holders of H shares and for any claims arising from or in connection with any delay in or inaccurate determination of the tax status or tax treatment of the individual holders of H shares or any disputes over the withholding mechanism or arrangements.

Shareholders are recommended to consult their tax advisors regarding the PRC, Hong Kong and other tax implications arising from or in connection with their holding and disposal of the H shares of the Company.

## 建議末期股息 (續)

投資者通過滬港通和深港通取得的現金紅利將以人民幣派發。根據《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知(財稅[2014]81號)》和《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知(財稅[2016]127號)》,對內地個人投資者通過滬港通和深港通投資於香港證券交易所上市的H股取得的股息,有關H股公司按照20%的稅率代投資者代扣個人所得稅。

本公司將根據名列本公司H股股東名冊的H股個人股東的登記地址(「登記地址」)確定其所在國家。如H股個人股東的住所與登記地址不符或希望申請退還最終多扣繳的稅款, H股個人股東須通知本公司並提供相關證明文件,證明文件經相關稅務機關審核後,本公司會遵照稅務機關的指引執行與代扣稅款相關的規定和安排。如H股個人股東未能向本公司提供相關證明文件,可按稅收協定通知的有關規定自行或委託代理人辦理有關手續。

對於H股個人股東的納稅身份或稅務待遇及因H股個人股東的納稅身份或稅務待遇未能及時確定或不準確確定而引致或相關的任何申索或對於代扣機制或安排的任何爭議,本公司概不負責,亦不承擔任何責任。

建議股東就彼等擁有及處置本公司H股所涉及的中國、香港及其他地方的稅務影響,諮詢彼等之稅務顧問。

## CHAIRMAN'S STATEMENT 主席報告書

### 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 2018

### 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*

二零一八年三月二十七日

## OPTIMIZATION OF PRODUCT MIX

During the Year, gross profit margin from continuing operations of the Group remained stable at 63.5% (2016: 63.7%). With continuous optimization of product mix, management improvement and technology updates, the Company was able to offset the rise in product costs caused by the substantial increase in raw materials procurement costs.

1. Consumables: the Group recorded a turnover for consumable products of approximately RMB5,422,255,000, representing an increase of 12.6% when compared with the previous year.

During the Year, the sales of the Group's specialized infusion sets with precision filter, infusion sets for special use and the infusion sets made of proprietary non-PVC based material continued to grow. The turnover of infusion sets of the Group amounted to approximately RMB1,668,532,000, representing an increase of 6.1% over last year. The Directors believe that specialized infusion sets with precision filter, infusion sets for clinical special use and non-PVC based infusion sets have development potential in the PRC. The Group will continue to consolidate its core competitiveness in this sector.

Turnover for needle products of the Group for the Year was approximately RMB1,017,672,000, representing an increase of 13.7% when compared with the previous year. During the Year, in view of the intensive competition from domestic needle products manufacturers, the Company further improved and enhanced its product functionalities, conducted product segmentation and accelerated new products launch, whereby leading to an increase in overall revenue of such products through sales of safety intravenous catheter needles and intravenous catheter needles ancillary consumables. The Company would continue to increase its ongoing investments in needle products to enable such products to remain as one of the important segments for the future development of the Company.

## 產品結構優化調整

年內，本集團來自持續經營業務的毛利率水平維持穩定為63.5%（二零一六年：63.7%）。隨着產品結構持續優化，管理改進、技術更新持續開展，本公司能彌補由於原材料採購成本大幅上升造成的產品成本上升。

1. 常規耗材：本集團常規產品錄得營業額約人民幣5,422,255,000元，較去年增長12.6%。

年內，本集團特種精密過濾輸液器、特定用途輸液器與發明的非PVC材料所製造之輸液器的銷售保持了持續增長態勢，帶動本集團輸液器產品錄得銷售額約為人民幣1,668,532,000元，較去年增長6.1%。董事相信，帶有精密過濾器及滿足臨床特定用途之輸液器與非PVC輸液器產品在中國市場具有發展空間，本集團將繼續鞏固在該領域的核心競爭優勢。

年內，本集團針類製品錄得營業額約人民幣1,017,672,000元，較去年增長13.7%。本年，國內針類製品廠商的銷售還呈激烈競爭的態勢，本公司進一步完善和提升產品功能、進行產品細分，加快新產品上市速度，透過安全型留置針及留置針配套耗材的銷售帶動該產品整體收入的增加，公司將加強在針製品業務的持續投入，使該產品仍為本公司日後發展的重要領域之一。

**OPTIMIZATION OF PRODUCT MIX** (continued)

1. (continued)

Turnover of syringe products for the Year amounted to approximately RMB859,933,000, representing an increase of 13.5% when compared with previous year. The remarkable growth of radiation-resistant infusion sets and exported syringes led to an increase in the revenue of syringe products. The Board is of the view that there will be a good market development for the radiation-resistant infusion sets because of improvement in product safety and on the environment.

Turnover of pre-filled syringes and pre-filled flush syringe products for the Year amounted to approximately RMB717,990,000, representing an increase of 19.9% when compared with previous year. The pre-filled syringes and pre-filled flush syringes achieved optional utilization of production capacity. With advantages of pre-filled syringes in multiple segment markets, it continued to maintain a good growth pace. Pre-filled flush syringes continued to maintain a relatively high growth momentum driving the overall growth of consumables. The Group will continue to maintain a favourable position in such market.

Turnover of wound management products for the Year amounted to approximately RMB182,004,000, representing an increase of 6.0% when compared with last year. Market development for anastomat, sutures and functional dressing progressed smoothly with higher sales growth.

2. Orthopaedic business recorded a turnover of approximately RMB870,386,000 during the Year, representing an increase of 8.3% as compared with previous year. During the Year, orthopaedic segment promoted sales growth by establishing regional warehouses and logistics platform and continued launching of new products. With continued launching of spine and joint products to the market, it provided strong supports for sales growth.

During the Year, as a result of product mix adjustment, the percentage of turnover from high value-added products under continuing operation (products with gross profit margins over 60%) to total turnover was at 59.7% (2016: 59.6%).

**產品結構優化調整** (續)

1. (續)

年內，本集團注射器產品錄得營業額約人民幣859,933,000元，較去年增長13.5%。耐輻照注射器及出口注射器增長顯著帶動注射器產品收入增長。董事認為，由於安全性提升及環保改善，耐輻照注射器將有較好市場發展。

年內，預充式注射器及沖管注射器產品錄得營業額約為人民幣717,990,000元，較去年增長19.9%。預充式注射器及沖管注射器產能發揮良好。預充式注射器充分發揮多個細分市場優勢，仍保持良好增長速度。沖管注射器繼續保持高速增長勢頭，對耗材整體增長起帶動作用。本集團將繼續於該領域市場保持優勢地位。

年內，創傷手術護理產品錄得營業額約為人民幣182,004,000元，較去年增長6.0%。吻合器、縫合線及功能性敷料等產品市場拓展良好，銷售額增長較大。

2. 骨科業務年內營業收入約人民幣870,386,000元，較去年增長8.3%。骨科分部本年通過渠道下沉、搭建物流平台，持續推出新產品措施，拉動了銷售增長。前期陸續投入市場的脊柱類、關節類產品為銷售增長提供有力支撐。

受以上產品結構調整舉措的影響，年內，本集團持續經營業務高附加值產品（毛利率超過60%）之營業收入佔營業收入總額之百分比為59.7%（二零一六年：59.6%）。

## RESEARCH AND DEVELOPMENT

For the twelve months ended 31 December 2017, product registration certificates for 29 new products under continuing operation were obtained by the Group. The research and development for 30 products were completed for which applications for product registration certificates are underway. The Group obtained 44 new patents and 76 new patents are under application.

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 twelve months ended 31 December 2017, the continuing operations of the Group had over 360 product registration certificates and over 440 patents, of which 53 were patents on invention.

In view of the need for the strategic adjustments to product mix, the Group continued to increase the investments in the research and development in existing products series and new medical devices, 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 twelve months ended 31 December 2017, total research and development expenses from continuing operation amounted to approximately RMB273,825,000 (2016: approximately RMB266,037,000), representing 4.4% (2016: 4.7%) of the revenue of the Group.

## PRODUCTION

During the Year, in order to constantly expand production capacity, the Group continued to expand its production facilities including pre-filled flush syringe workshop and pre-filled syringe workshop to satisfy the sales demand for future market growth.

## 研究與開發

截至二零一七年十二月三十一日止十二個月，本集團持續經營業務新取得產品註冊證29項，已經研發完成、尚在取證過程中的有30項，新獲得專利44項，正在申請中的76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。

截至二零一七年十二月三十一日止十二個月，本集團持續經營業務擁有超過360項產品註冊證，超過440項專利，其中53項是發明專利。

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和多個新醫療器械領域的研發投入，以進一步完善產品系列和拓寬產品領域，持續保持本土研發實力的領先地位。截至二零一七年十二月三十一日止十二個月，持續經營業務研發之總開支約為人民幣273,825,000元（二零一六年：約人民幣266,037,000元），佔收入的4.4%（二零一六年：4.7%）。

## 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。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### SALES AND MARKETING

The Group continually optimized marketing management, built and expanded the sales teams of specialized products in the consumables sector and further increased the market share of newly launched products. The Group achieved substantial results in key client accounts management. The Group also increased the staff headcount for clinical marketing, placed more resources to support market channels and continued to promote hospital administrators and medical staff training projects.

During the Year, the Group strengthened its sales management system. The Group focused on its marketing resources on customer development and maintained the relationship with hospitals from the grade-A of tier two or above (二甲級以上醫院). As at the date of this announcement, the continuing operations of the Group has a total customer base of 5,117 (including 2,430 hospitals, 414 blood stations, 587 other medical units and 1,686 distributors).

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

### TURNOVER BY GEOGRAPHICAL SEGMENTS

		2017 二零一七年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	Increase/ (Decrease) over corresponding period % 較同期增減%
Eastern and Central	華東與華中	<b>2,698,118</b>	2,495,657	8.1%
Northern	華北	<b>1,407,858</b>	1,196,515	17.7%
Northeast	東北	<b>676,203</b>	562,832	20.1%
Southern	華南	<b>471,260</b>	438,303	7.5%
Southwest	西南	<b>502,137</b>	475,632	5.6%
Northwest	西北	<b>200,499</b>	187,525	6.9%
Overseas	海外	<b>336,566</b>	263,378	27.8%
Sub-total	小計	<b>6,292,641</b>	5,619,842	12.0%

### 銷售及市場推廣

本集團持續優化了營銷管理，搭建及擴大耗材領域專業產品銷售團隊，進一步提高新上市產品市場佔有率。本集團開展大客戶管理取得顯著成效。增加臨床推介人員的數量，投放更多資源以支持市場渠道，並繼續推廣院長及醫護人員培訓項目。

年度內，本集團強化了銷售管理體系，將營銷資源重點聚焦於二甲級以上醫院的客戶開發與維護。於本公佈刊發日期，本集團持續經營業務的客戶總數為5,117名（包括醫院2,430家、血站414家、其它醫療單位587家和經銷商1,686家）。

來自持續經營業務的各種產品在不同地區的銷售佔比及與去年對比如下：

### 營業收入地區分部

## TURNOVER BY GEOGRAPHICAL SEGMENTS

(continued)

The integration of sales channels has strengthened the Group's market penetration and influence over the direct sales to high-end customers. It enhanced sales contribution per customer and average sales per customer were increased by approximately 10.3% when compared with last year. It continued to drive up the product penetration to high-end customers and was an important approach in generating revenue growth for the Group.

Adjustment in product mix was another important factor in enhancing the results for the Year. During the Year, the Group focused on sales and marketing of high value-added infusion sets. It has increased the proportion of revenue from high value-added products over its total revenue. Comparison of sales revenue of principal products from continuing operations with that in last year is as follows:

## 營業收入地區分部 (續)

渠道的整合，增強了本集團在直銷高端客戶群的滲透力、影響力，提高了單客戶的貢獻率，使單客戶平均銷售額較去年增長約10.3%。持續推進高端客戶的產品滲透率，是本集團拉動收入增長的一項重要手段。

產品結構的調整為提升年內業績的另一項重要因素，年內本集團重點推進高附加值輸液器的銷售，使高附值產品收入佔總收入之比例增長。來自持續經營業務的各主導產品銷售收入與上年對比情況如下：

Product category 產品類別	For the twelve months ended 31 December 截至十二月三十一日止十二個月			For the six months ended 31 December 截至十二月三十一日止六個月		
	2017	2016	Over corresponding period	2017	2016	Over corresponding period
	二零一七年 RMB'000 人民幣千元	二零一六年 RMB'000 人民幣千元	較同期 %	二零一七年 RMB'000 人民幣千元	二零一六年 RMB'000 人民幣千元	較同期 %
Infusion sets 輸液器	1,668,532	1,572,897	6.1%	862,068	814,992	5.8%
Needles 醫用針製品	1,017,672	895,272	13.7%	545,996	468,449	16.6%
Syringes 注射器	859,933	757,702	13.5%	457,998	389,080	17.7%
Pre-filled syringes 預充式注射器	717,990	598,839	19.9%	349,018	307,107	13.6%
Blood bags 血袋製品	307,241	274,623	11.9%	166,570	141,973	17.3%
Wound management 創傷手術護理	182,004	171,624	6.0%	91,159	87,668	4.0%
Blood sampling products 採血產品	109,470	89,640	22.1%	59,821	46,283	29.3%
PVC granules PVC粒料	66,360	53,003	25.2%	37,050	25,939	42.8%
Others 其他	493,053	402,744	22.4%	264,234	183,343	44.1%
<b>Sub-total for single-use consumables</b> 一次性使用耗材小計	<b>5,422,255</b>	4,816,344	12.6%	<b>2,833,914</b>	2,464,834	15.0%
Orthopaedic products 骨科產品	870,386	803,498	8.3%	480,797	462,986	3.8%
<b>Total</b> 總計	<b>6,292,641</b>	5,619,842	12.0%	<b>3,314,711</b>	2,927,820	13.2%



# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### HUMAN RESOURCES

As at 31 December 2017, the continuing operations of the Group employed a total of 7,866 employees. The breakdown by departments when compared with last year is as follows:

#### DEPARTMENT

		2017 二零一七年	2016 二零一六年
Production	生產	3,842	4,296
Sales and marketing	銷售及市場推廣	2,287	2,309
Research and development	研發	1,037	1,007
Finance and administration	財務及行政	320	358
Quality control	質量控制	163	135
Management	管理	154	153
Purchasing	採購	63	62
<b>Total</b>	<b>總計</b>	<b>7,866</b>	<b>8,320</b>

Save for the four employees (including company secretary) who are resided in Hong Kong and Europe, all the employees of the Group are resided in Mainland China. During the Year, total cost of salaries, the welfare and social benefits from continuing operations of the Group amounted to approximately RMB1,231,337,000 (2016: RMB1,324,525,000).

### 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

於二零一七年十二月三十一日，本集團持續經營業務共聘用7,866名僱員，與去年比較的部門分析如下：

#### 部門

		2017 二零一七年	2016 二零一六年
Production	生產	3,842	4,296
Sales and marketing	銷售及市場推廣	2,287	2,309
Research and development	研發	1,037	1,007
Finance and administration	財務及行政	320	358
Quality control	質量控制	163	135
Management	管理	154	153
Purchasing	採購	63	62
<b>Total</b>	<b>總計</b>	<b>7,866</b>	<b>8,320</b>

除4名僱員（包括公司秘書）於香港、歐洲居住外，本集團的所有僱員均位於中國內地。本年度，本集團持續經營業務在員工薪資、福利、社會保障等的成本總額約為人民幣1,231,337,000元（二零一六年：人民幣1,324,525,000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 2017, the Group recorded a turnover from continuing operations of RMB6,292,641,000, representing an increase of 12.0% over the previous financial year. Net profit attributable to the owners of the Company was approximately RMB1,729,924,000 (2016: net profit attributable to the owners of the Company of approximately RMB1,105,933,000), representing an increase of approximately 56.4% as compared with the previous year. Net profit attributable to the owners of the Company (excluding extraordinary items) was approximately RMB1,338,856,000 (2016: net profit attributable to the owners of the Company (excluding extraordinary items) of approximately RMB1,308,964,000), representing an increase of approximately 2.3% over the previous year. Net profit from continuing operation attributable to the owners of the Company was approximately RMB1,256,484,000 (2016: net profit from continuing operation attributable to the owners of the Company (excluding extraordinary items) of approximately RMB1,235,637,000), representing an increase of approximately 1.7% over the previous year.

## FINANCIAL SUMMARY

## 財務回顧

截至二零一七年十二月三十一日止年度，年度來自持續經營業務營業額達至人民幣6,292,641,000元，較上一財政年度增長了12.0%。本公司擁有人應佔純利約人民幣1,729,924,000元（二零一六年：本公司擁有人應佔純利約人民幣1,105,933,000元），較上一年度上升約56.4%。不計特殊項目的本公司擁有人應佔純利約人民幣1,338,856,000元（二零一六年：不計特殊項目的本公司擁有人應佔純利約人民幣1,308,964,000元），較上一年度上升約2.3%。本公司擁有人應佔持續經營業務純利約人民幣1,256,484,000元（二零一六年：不計特殊項目的本公司擁有人應佔持續經營業務純利約人民幣1,235,637,000元），較上一年度上升約1.7%。

## 財務摘要

		<b>2017</b>	2016	Increase
		<b>二零一七年</b>	二零一六年	增長
		<b>RMB'000</b>	RMB'000	%
		<b>人民幣千元</b>	人民幣千元	%
Turnover from continuing operations	來自持續經營業務營業額	<b>6,292,641</b>	5,619,842	12.0%
Gross profit from continuing operations	來自持續經營業務毛利	<b>3,992,823</b>	3,577,745	11.6%
Net profit attributable to the owners of the Company	本公司擁有人應佔純利	<b>1,729,924</b>	1,105,933	56.4%
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>1,338,856</b>	1,308,964	2.3%
Net profit from continuing operations attributable to the owners of the Company (excluding extraordinary items)	不計特殊項目本公司擁有人應佔持續經營業務純利	<b>1,256,484</b>	1,235,637	1.7%

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### FINANCIAL SUMMARY (continued)

During the Year, extraordinary items recorded an accounting gain for Weigao Blood Purification after it became an associate of the Company upon the completion of capital increase, among which approximately RMB391,068,000 (2016: among the expenses incurred due to the implementation of orthopaedic share award scheme arising from extraordinary items, approximately RMB203,031,000 had affected the net profit attributable to owners of the Company) had affected the net profit attributable to owners of the Company.

### LIQUIDITY AND FINANCIAL RESOURCES

The Group has maintained a sound financial position during the Year. As at 31 December 2017, the Group's cash and bank balance amounted to approximately RMB3,784,543,000. For the year ended 31 December 2017, net cash flow from operating activities of the Group amounted to approximately RMB1,267,008,000. The Group has maintained a sound cash flow position.

Total interest expenses from continuing operation of the Group for the year ended 31 December 2017 were approximately RMB23,879,000 (2016: approximately RMB25,065,000).

### GEARING RATIO

As at 31 December 2017, total net cash of the Group amounted to approximately RMB2,779,055,000 (2016: RMB2,879,281,000) and the gearing ratio of the Group was 7.5%, compared to 10.1% as of the same period last year. 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.

### 財務摘要 (續)

年內，特殊項目為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（二零一六年：特殊項目為骨科股權激勵產生之費用中，影響本公司擁有人應佔純利的部分，約為人民幣203,031,000元）。

### 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。於二零一七年十二月三十一日，本集團現金及銀行結餘約為人民幣3,784,543,000元。截至二零一七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1,267,008,000元，現金流量狀況健康。

截至二零一七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23,879,000元（二零一六年：約為人民幣25,065,000元）。

### 資本負債比率

於二零一七年十二月三十一日，本集團淨現金總額約為人民幣2,779,055,000元（二零一六年：人民幣2,879,281,000元）及本集團之資本負債比率為7.5%，而去年同期為10.1%。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。

## FOREIGN EXCHANGE RISKS

The Group's purchases and sales are mainly conducted in the PRC. All of its assets, liabilities and transactions are denominated in RMB. For the year ended 31 December 2017, the Group had not encountered any material difficulty due to currency fluctuation nor affecting its own operating funds. For the twelve months ended 31 December 2017, the Group had no significant exposure to foreign exchange fluctuation or hedging for such risk.

Due to the change in exchange rates, foreign exchange gain from continuing operations equivalent to RMB1,883,000 for the year ended 31 December 2017 was recognised (2016: foreign exchange loss equivalent to RMB4,056,000) by the Company.

## CONTINGENT LIABILITIES

The Group had no material contingent liabilities as at 31 December 2017.

## MATERIAL INVESTMENTS/FUTURE MATERIAL INVESTMENT PLANS

1. During the Year, the Group continued to invest approximately RMB1,512,637,000 for purchase of properties and production facilities; and for the construction of the Group's medical consumables industrial zone.
2. During the Year, Weihai Weigao Blood Purification Products Company Limited ("Weigao Blood Purification") issued new shares to its management and some of its existing shareholders and a strategic investor. The shareholding of the Company has been diluted from 70% to 46.875%. Due to the change in the composition of the board of directors of Weigao Blood Purification, the Company no longer controls the board of Weigao Blood Purification. Weigao Blood Purification ceased to be a subsidiary of the Company and is accounted for as an associated company. As such, segment reporting on the manufacturing and sale of blood purification products had been ceased during the Year.

## 匯率風險

本集團的採購和銷售以中國為主。其所有資產、負債及交易均以人民幣計值。截至二零一七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因此受到影響。截至二零一七年十二月三十一日止十二個月，本集團並無任何重大外匯波動及任何相關風險之對沖。

由於匯率變動，本公司於截至二零一七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1,883,000元（二零一六年：匯兌虧損折合人民幣4,056,000元）。

## 或有負債

本集團截至二零一七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1,512,637,000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. 年內，威海威高血液淨化製品有限公司（「威高血液淨化」）向其管理層及若干現有股東及一名戰略投資者發行新股份。本公司之股權由70%攤薄至46.875%。由於威高血液淨化之董事會組成發生變動，故本公司不再控制威高血液淨化之董事會。威高血液淨化不再為本公司之附屬公司及入賬為一間聯營公司。因此，有關製造及銷售血液淨化產品之經營分部已於本年度內終止。

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

3. In 2017, the Group through its 100% wholly owned subsidiary, Weigao International Medical Company Limited (“Weigao International”) formed a joint venture (“JV”) with an independent third party. The JV is owned as to 90% by Weigao International and 10% of the JV partner. On 23 January 2018, the JV completed the acquisition of Argon Medical Devices Holdings, Inc. (“Argon”) for a consideration of US\$844.2 million (subject to customary post-closing adjustments) of which US\$420 million was debt financing raised by Argon. The remaining 90% of US\$424.2 million, being US\$381.8 million, was funded by Weigao International from its internal resources. Argon will become one of the core platforms for the overseas expansion of the Group.
4. In 2018, the Group plans to invest approximately RMB250,000,000 for constructing new pre-filled syringe production workshops and purchase of new production lines, which are expected to be in production successively by the end of 2019.
5. The upgrading and reconfiguration of the single-use consumables production equipment is ongoing in 2018. It is planned that an additional approximately RMB120,000,000 will be invested to further raise the level of production automation.

Save for the above material investments and investment plans, the Group had no material capital commitments or any future plans involving significant investments or capital assets acquisition as at 31 December 2017.

**CAPITAL COMMITMENTS**

As at 31 December 2017, the capital commitments of the Group and the Company contracted but not provided for in respect of the acquisition of Argon and the acquisition of property, plant and equipment amounted to approximately RMB2,948,758,000 (2016: RMB643,540,000). The above amounts will be financed by the internal resources of the Group.

**重大投資／未來重大投資計劃**  
(續)

3. 於二零一七年，本集團透過其全資擁有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一間合營公司（「合營公司」）。合營公司由威高國際擁有90%權益及合營夥伴擁有10%權益。於二零一八年一月二十三日，合營公司完成收購愛琅醫療器械控股有限公司（「愛琅」），代價為844,200,000美元（可按慣例結賬後調整），其中420,000,000美元為愛琅籌集的債務融資。餘下424,200,000美元的90%（即381,800,000美元）已由威高國際透過其內部資源撥付。愛琅將成為本集團海外拓展的核心平台之一。
4. 2018年計劃投資約人民幣250,000,000元，建設預充新生產車間及購置新生產線，預計2019年末可陸續投入生產。
5. 2018年一次性耗材的設備更新與改造項目還在持續進行中，計劃繼續投入約人民幣120,000,000元，進一步提升生產的自動化水平。

除上述重大投資與投資計劃外，於二零一七年十二月三十一日，本集團並無重大資本承擔，無參與重大投資或購入資本資產之未來計劃。

**資本承擔**

於二零一七年十二月三十一日，本集團及本公司已經簽約但尚未作出撥備的收購愛琅及購置物業、廠房及設備等的資本承擔約為人民幣2,948,758,000元（二零一六年：人民幣643,540,000元），上述款項將以本集團之內部資源支付。

## PLEDGE OF THE GROUP'S ASSETS

As at 31 December 2017, the Group did not pledge the land use rights and buildings (2016: RMB Nil), but 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 RMB96,178,000 (2016: RMB36,980,000) to secure the bills and banking facilities granted to the Group.

## RESERVES AND DISTRIBUTABLE RESERVES

As at 31 December 2017, total reserves of the Group amounted to RMB12,885,938,000 (2016: RMB11,414,344,000).

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 2017, the distributable reserves of the Company were approximately RMB3,391,686,000 (2016: RMB2,942,314,000).

## REVIEW AND OUTLOOK

In 2017, by overcoming the impact from various adverse factors such as lower tender prices, government policies of price control, in regulating distribution arrangement in medical device sector and the rise in production costs, the Company continued to adhere to product mix optimisation and adjustment strategy, constantly improved and upgraded product functionality and increased investment in technical renovation, with an aim to enhance production efficiency, improve product quality and constantly launching new products. In addition to enhancing the sales management strategy and integrating marketing resources, sharing of key accounts and financing arrangements to facilitate sales as well as implementing staff incentive arrangement, the Company continued to maintain growth in revenue and profit despite obvious slowdown in industry growth and intensified competition.

## 本集團資產抵押

於二零一七年十二月三十一日，本集團並無抵押土地使用權及樓宇（二零一六年：人民幣零元），惟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96,178,000元（二零一六年：人民幣36,980,000元）以獲取授予本集團的票據及銀行貸款額度。

## 儲備及可供分派儲備

於二零一七年十二月三十一日，本集團儲備總額為人民幣12,885,938,000元（二零一六年：人民幣11,414,344,000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。於二零一七年十二月三十一日，本公司可供分派的儲備約為人民幣3,391,686,000元（二零一六年：人民幣2,942,314,000元）。

## 回顧與展望

二零一七年度，公司克服招標降價、多項控費政策、國家醫療器械流通領域整治、生產要素價格上漲等諸多不利因素影響，持續堅持產品結構優化與調整的策略、不斷完善升級產品功能、加大技術改造投入，提升生產效率，改善產品質量，持續推出新產品；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，產融結合、員工激勵等各種管理措施，在行業增速明顯放緩、競爭日趨激烈的情況下，繼續保持收入與利潤穩健增長。

## LOOKING FORWARD TO 2018

Through proprietary research and development and leveraging on the cooperation with research institutes, the Company will strengthen product upgrading and research and development capabilities, further strengthening existing product lines, intensify the marketing of wound management products, highlight product safety and patient application safety, improve patient treatment experience and quicken the pace in launching pipeline products, offsetting numerous adverse impacts to maintain its competitive edge. During the Year, the Company will reinforce or launch a series of new products including DEHP-free infusion sets, radiation-resistant infusion sets, central venous catheters, flush syringes (cyclo olefin polymer), orthopedic spines, joints and ultrasonic bone scalpel.

In view of the effectiveness achieved by key client accounts management, the Company will continue such strategy and increase single customer contribution by promoting various products via the key accounts management. By developing the financing lease business around the Company's industry chain and forming synergies and driving sales between financial services and product sales.

Regarding the in-depth implementation of national medical reform policies such as "two-invoice system", proportion control of medical consumables in public hospitals and single-disease payment, the Company considers that despite such policies may have adverse impact on the financial performance to a certain extent in the short term, however, they will facilitate industry concentration and increase the market share of domestic branded products in the long-term and benefit the growth of outstanding 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 marketable product registration in target market, gradually establish long-term stable sales channel and network, and explore the production and marketing pattern in overseas market. The proportion of sales in overseas markets to the total revenue of the Group is expected to increase gradually.

## 展望二零一八年

公司通過自身研發及與借助科研院所的合作，強化產品升級與產品研發能力，進一步鞏固現有產品線，加大創傷手術護理產品市場推廣力度，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。年內公司將強化和推出非鄰苯輸液器、耐輻照輸液器、中心靜脈導管、COP（環烯烴聚合物）沖管注射器、骨科脊柱、關節和超聲骨刀（ultrasonic bone scalpel）等一系列新產品。

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。圍繞公司產業鏈開展融資租賃業務，形成金融服務與產品銷售相互拉動。

對於「兩票制」、公立醫院醫用耗材佔比控制、按單病種付費等國家醫改政策的深入實施，公司認為該等政策在短期內對業績可能造成一定程度的不利影響，但長期將提高行業集中度，提高國產品牌市場佔有率，有利於行業內優秀企業的成長。

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的註冊工作，逐步建立長期穩定的銷售渠道和網絡，探索在海外市場生產並銷售的模式，預計海外市場收入佔集團總收入比例將逐步提高。

**LOOKING FORWARD TO 2018** (continued)

The acquisition of Argon has been successfully completed. 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 formulate a plan with the management team of Argon to implement the sale of interventional products in the market in China. The management considers that Argon as a part of Weigao will make an important contribution to the long-term stable development of the Group.

The Company will continue to improve and extend existing product lines and introduce advanced technologies through equity investments and mergers and acquisitions.

While continuously carrying out 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 enriched product lines and solid research and development advantages, continue to launch new products and improve product upgrades, insist on adapting to market and future-oriented operating strategy, and motivate 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.

**展望二零一八年** (續)

愛琅收購已經成功完成，在集團戰略層面，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籌劃並實施介入系列產品在中國市場的銷售。管理層認為，愛琅作為威高的一部分將對本集團長期穩定發展做出重要貢獻。

公司將持續通過股權投資、併購等多種方式完善、延伸現有產品線、引進先進技術。

公司將持續開展生產領域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，憑借公司豐富的產品線及堅實的研發優勢，不斷推出新產品、完善產品升級，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。



# 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 2017 and has great confidence in the future prospect of the Company.

本監事會對本公司於二零一七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 2018

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

二零一八年三月二十七日

## 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 77 to 90 to this report and the audited financial statements of the Group for the year ended 31 December 2017.

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 board 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.

### 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 includes: 1) consumables (infusion set, syringes, medical needle, blood bags, pre-filled syringes, wound management, blood sampling products, and other consumables); and 2) orthopedic products. The Group's products are sold under its own brand names, including "Jierui" and "Wego Ortho". The products are sold throughout the PRC and exported to overseas. As at the date of this report, the Group has a total customer base of 5,117 (including 2,430 hospitals, 414 blood stations, 587 other medical units and 1,686 distributors).

### PROPERTY, PLANT AND EQUIPMENT

The Group acquired property, plant and equipment during the year of 2017 at an aggregate cost of approximately RMB1,195,244,000 in order to enhance its production capacity. Details of movements in the property, plant and equipment of the Group are set out in note 14 to the financial statements.

### SHARE CAPITAL

As at 31 December 2017, there was a total issued share capital of 4,522,332,324 shares of the Company (the "Shares") which include:

董事欣然提呈本集團截至二零一七年十二月三十一日止年度的年報(包括有關本報告第77至90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」)創業板上市，並於二零一零年七月二十九日轉板至聯交所主板。

### 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：1) 耗材(輸液器、注射器、醫用針製品、血袋、預充式注射器、創傷手術護理、採血產品及其他使用耗材)；及2) 骨科材料。本集團以自有品牌包括「潔瑞」及「威高骨科」出售產品。產品銷售中國各地和出口至海外。於本報告日期，本集團擁有總計5,117家(包括2,430家醫院、414家血站、587家其他醫療單位及1,686家經銷商)的客戶基礎。

### 物業、廠房及設備

本集團為提高產能而於二零一七年年內購置物業、廠房及設備的總成本約人民幣1,195,244,000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14。

### 股本

於二零一七年十二月三十一日，本公司全部已發行股本為4,522,332,324股股份(「股份」)，當中包括：

		Number of Shares 股份數目	Approximate percentages 概約百分比
Non-listed Shares	非上市股份	2,638,600,000	58.35%
H Shares	H股	1,883,732,324	41.65%

## SHARE CAPITAL (continued)

The changes in share capital of the Company are set out in note 33 to the financial statements.

## RESERVES AND DISTRIBUTABLE RESERVES

As at 31 December 2017, total reserves of the Group amounted to RMB12,885,938,000 (2016: RMB11,414,344,000).

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 2017, the distributable reserves of the Company were approximately RMB3,391,686,000 (2016: RMB2,942,314,000)

## DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The directors of the Company during the Year were:

### Executive directors

Mr. Zhang Hua Wei  
Mr. Wang Yi  
Mr. Gong Jian Bo  
Mr. Xia Lie Bo  
(resigned on 4 December 2017)

### 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 (續)

本公司的股本變動載於財務報表附註33。

## 儲備及可供分派儲備

於二零一七年十二月三十一日，本集團儲備總額為人民幣12,885,938,000元（二零一六年：人民幣11,414,344,000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。於二零一七年十二月三十一日，本公司可供分派的儲備約為人民幣3,391,686,000元（二零一六年：人民幣2,942,314,000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  
王毅先生  
弓劍波先生  
夏列波先生  
(已於二零一七年十二月四日辭任)

### 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 2017 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

No director, either directly or indirectly, is in any contract of significance to the business of the Group to which the Company, its holding company, or any of its subsidiaries or fellow subsidiaries was a party during 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）。非執行董事於截至二零一七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。

## 董事於合約中的權益

概無董事於年內簽訂對本集團業務直接或間接屬重大的任何合約，而本公司、其控股公司或其任何附屬公司或同系附屬公司屬訂約方。

## DIRECTORS' INTERESTS AND LONG POSITIONS IN SHARES

As at 31 December 2017, 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 non-listed 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	非上市股份總數	
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 200,000 non-listed Shares, representing 0.004% of the issue share capital of the Company.

## 董事於股份的權益及好倉

於二零一七年十二月三十一日，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200,000股非上市股份的持有人，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 2017, 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.

## 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

於二零一七年十二月三十一日，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。

Name of Shareholder	Capacity	Number of non-listed shares	Percentage of issued non-listed Shares 佔已發行非上市股份百分比	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	非上市股份數目		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	81.85%	0	47.76%



## 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 shares interested (See *Notes below) 擁有權益 股份數目 (見下文附註)	% of issued share capital (See *Notes below) 佔已發行 股本百分比 (見下文附註)
JPMorgan Chase & Co.	188,101,549(L) 768,000(S) 181,198,370(P)	9.98(L) 0.04(S) 9.61(P)
BlackRock, Inc.	150,615,443(L) 2,988,000(S)	7.99(L) 0.16(S)
Invesco Hong Kong Limited 景順投資管理有限公司	94,925,000(L)	5.04(L)

Note: (L) – Long Position, (S)– Short Position, (P) – Lending Pool

\*Source: Website of Hong Kong Stock Exchange

## MAJOR CUSTOMERS AND SUPPLIERS

In 2017, sales to the Group's five largest customers accounted for 3.7% of the total sales for the year and sales to the largest customer included therein accounted for 1.0% of the total sales of the year. Purchases from the Group's five largest suppliers accounted for 12.7% of the total purchases for the year and purchases from the largest supplier included therein accounted for 3.0% 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 shares interested (See *Notes below) 擁有權益 股份數目 (見下文附註)	% of issued share capital (See *Notes below) 佔已發行 股本百分比 (見下文附註)
JPMorgan Chase & Co.	188,101,549(L) 768,000(S) 181,198,370(P)	9.98(L) 0.04(S) 9.61(P)
BlackRock, Inc.	150,615,443(L) 2,988,000(S)	7.99(L) 0.16(S)
Invesco Hong Kong Limited 景順投資管理有限公司	94,925,000(L)	5.04(L)

附註：(L)–好倉、(S)–淡倉、(P)–可供借出的股份

\*資料來源：香港聯交所網站

## 主要客戶及供應商

於二零一七年，向本集團五大客戶的銷售佔年內總銷售3.7%，而向其中最大客戶的銷售則佔年內總銷售1.0%。向本集團五大供應商所作採購佔年內總採購額12.7%，而向其中最大供應商所作採購則佔年內總銷售額3.0%。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, the class meeting of holders of H shares and the class meeting of holders of non-listed shares of the Company. 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 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 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 35(a) on pages 200 to 202 of this report.

## SHARE ARRANGEMENT OF WEIGAO ORTHO

On 12 May 2016, two limited partnerships (named Weihai Hong Yang Rui Information Technology Centre (Limited Partnership) (威海弘陽瑞信息技術中心(有限合夥)), and Weihai Glory Trading Centre (Limited Partnership) (威海永耀貿易中心(有限合夥)), respectively), subscribed 22,222,222 shares which represent 10% equity interests in Weigao Ortho with consideration of RMB311,111,000. The two limited partnerships are controlled and beneficially owned by members of the management team of Weigao Ortho. The subscription aims to recognise the contribution of and incentivise the members of the management team. The difference between the consideration and the fair value of the shares issued of RMB294,889,000 was recognised for the year ended 31 December 2016 as share-based payment expenses. Details are set out in note 35(b) on page 203 of this report.

## 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、H股持有人類別大會及本公司非上市股份持有人類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200至202頁附註35(a)。

## 有關威高骨科之股份安排

於二零一六年五月十二日,兩家有限合夥企業(即威海弘陽瑞信息技術中心(有限合夥)及威海永耀貿易中心(有限合夥))以代價人民幣311,111,000元認購22,222,222股股份(相當於威高骨科之10%股權)。兩家有限合夥企業均由威高骨科管理團隊成員控制及實益擁有。認購事項旨在嘉許管理團隊的貢獻及激勵管理團隊成員。代價與已發行股份公平值之間的差額人民幣294,889,000元確認為截至二零一六年十二月三十一日止年度的以股份為基礎的付款開支。詳情載於本報告第203頁附註35(b)。

## 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.

Under the share pledge agreement entered into between Weigao Holding Company Limited (“Weigao Holding”), the Company and IFC on 27 January 2015 (the “Share Pledge Agreement”), Weigao Holding must ensure at any time the equivalent market value of the shares pledged shall be equivalent to at least one point five (1.5) times the outstanding amount of the loan. The shares pledged to secure the long-term borrowing is 230 million non-listed shares held by Weigao Holding and the equity interest of the Company in Weihai Jierui Medical Products Company Limited. As at the date of this report, Weigao Holding holds 2,159,755,676 shares in the Company, representing 47.76% of the total issued share capital of the Company. Details of the Loan Agreement are set out in the announcement of the Company dated 27 January 2015.

## 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。

根據威高集團有限公司（「威高集團公司」）、本公司與國際金融公司於二零一五年一月二十七日訂立之股份質押協議（「股份質押協議」），威高集團公司須確保於任何時間已質押股份之相等市值須相等於尚未償還貸款金額之最少一點五(1.5)倍。已質押以獲得長期借貸之股份乃威高集團所持有之230,000,000股非上市股份及本公司於威海潔瑞醫用製品有限公司之股權。於本報告日期，威高集團公司於本公司持有2,159,755,676股股份，相當於本公司之已發行股本總數之47.76%。貸款協議之詳情載於本公司日期為二零一五年一月二十七日之公佈內。

## CONTINUING CONNECTED TRANSACTIONS IN RESPECT OF FRAMEWORK AGREEMENTS

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.

### 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 RMB250,000,000 for the year ended 31 December 2017. During the Year, the actual amount of transactions in relation to the Framework Purchase Agreement was approximately RMB203,920,000.

## 有關框架協議之持續關連交易

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. 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。於截至二零一七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250,000,000元。年內，有關框架採購協議之實際交易金額約為人民幣203,920,000元。

## CONTINUING CONNECTED TRANSACTIONS IN RESPECT OF FRAMEWORK AGREEMENTS

(continued)

### 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 RMB200,000,000 for the year ended 31 December 2017. During the Year, the actual amount of transactions in relation to the Framework Sales Agreement was approximately RMB161,846,000.

### 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 2017. During the Year, the actual rental amount in relation to the Framework Tenancy Agreement was approximately RMB11,438,000.

### 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 RMB83,300,000 for the year ended 31 December 2017. During the Year, the actual amount of transactions in relation to the Framework Services Agreement was approximately RMB62,665,000.

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.

## 有關框架協議之持續關連交易 (續)

### 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、硬紙盆及模具。於截至二零一七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200,000,000元。年內，有關框架銷售協議之實際交易金額約為人民幣161,846,000元。

### 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。於截至二零一七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11,438,000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。於截至二零一七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83,300,000元。年內，有關框架服務協議之實際交易金額約為人民幣62,665,000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。

## 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 and its subsidiaries (the "Weigao Holding Group") to provide finance leasing and factoring services to Weigao Holding Group with a principal of not exceeding RMB290,000,000 for two years commencing from 1 January 2017 and expiry 31 December 2018.

As one or more applicable percentage ratios (as defined in Rule 14.07 under the Listing Rules) in respect of the transactions contemplated under the financial leasing and factoring framework agreement exceeds 0.1%, but is less than 5.0%. such transactions are therefore only subject to the reporting and announcement requirements under relevant rules in chapter 14A of the Listing Rules but are exempt from the Independent Shareholders' approval requirements. Please refer to the announcements of the Company dated 25 November 2016 for details.

The annual cap between the Group and Weigao Holding Group has not exceed RMB290,000,000 for the year ended 31 December 2017. During the Year, the actual amount of transactions in relation to the financial leasing and factoring framework agreement was approximately RMB286,581,000.

## 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，本集團與威高集團公司及其附屬公司（「威高集團」）重續及訂立融資租賃及保理框架協議以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，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為期兩年。

由於有關融資租賃及保理框架協議項下擬進行交易的一項或多項適用百分比率（定義見上市規則第14.07條）超過0.1%但低於5.0%，故根據上市規則第14A章有關規則，有關交易僅須遵守申報及公佈規定，惟獲豁免遵守獨立股東批准規定。有關詳情請參閱本公司日期為二零一六年十一月二十五日之公佈。

本集團與威高集團截至二零一七年十二月三十一日止年度之年度上限不得超過人民幣290,000,000元。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286,581,000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 will utilize the deposit services offered by Lanhai Bank. Pursuant to the deposit services agreement, Lanhai Bank will provide deposit services to the Group and the Group will utilize such deposit services on a non-exclusive basis. The deposit services agreement does not create any obligation on the part of Group to utilize any particular services of Lanhai Bank. Other than the deposits which have specified deposit terms, the Group may at any time withdraw the funds deposited with Lanhai Bank without incurring any penalty. 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 interest rates for the Group’s deposits with Lanhai Bank is determined based on the RMB deposit benchmark rate promulgated by the People’s Bank of China, and shall not be lower than the same level deposit rate available to the Group from other independent commercial banks in China for the same period. 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 respective annual caps for the three years ending 31 December 2019 are RMB300,000,000. During the Year, the maximum daily balance of deposits in relation to the deposit service agreement was approximately RMB255,930,000. Lanhai Bank is a 30%-controlled company of Weigao Holding, the controlling shareholder of the Company. Details of which have 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 2017.

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，本集團將使用藍海銀行提供之存款服務。根據存款服務協議，藍海銀行將向本集團提供存款服務，而本集團將按非獨家基準使用有關存款服務。存款服務協議不會構成本集團須使用藍海銀行之任何特定服務之任何義務。除具有指定存款期之存款外，本集團可於任何時間提取存置於藍海銀行之資金而不會產生任何罰款。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。本集團於藍海銀行之存款利率乃按中國人民銀行頒佈之人民幣存款基準利率而釐定，且不得低於本集團於同一期間可自中國其他獨立商業銀行取得之同一水平存款利率。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。截至二零一九年十二月三十一日止三年，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255,930,000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。有關詳情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二零一七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 2017 disclosed in the relevant announcements.

## EXEMPTED CONNECTED TRANSACTION DEEMED DISPOSAL OF INTEREST IN WEIGAO BLOOD

On 23 January 2017, Weigao Blood Purification, Mr. Chen Lin, Mr. Xia Lie Bo and 威海凱德信息技術中心(有限合夥)(Weihai Kaide Information Technology Centre (Limited Partnership)\*) entered into the subscription agreement. Weigao Blood Purification has agreed to increase its registered capital from RMB120,000,000 to RMB170,240,000. Of the increased registered capital, Mr. Chen Lin agreed to subscribe for RMB12,920,000 at the subscription price of RMB138,085,472, Mr. Xia Lie Bo agreed to subscribe for RMB3,270,000 at the subscription price of RMB34,894,169 and Weihai Kaide Information Technology Centre (Limited Partnership) agreed to subscribe for RMB34,050,000 at the subscription price of RMB363,853,727. The aggregate consideration for the subscription was approximately RMB537,000,000. Upon completion of the subscription agreements, the equity interest of the Company in Weigao Blood reduced from 70% to approximately 49.34%. Details of which have been disclosed in the announcement dated 23 January 2017.

## 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二零一七年十二月三十一日止財政年度之上限金額。

## 獲豁免關連交易 視作出售於威高血液之權益

於二零一七年一月二十三日，威高血液淨化、陳林先生、夏列波先生與威海凱德信息技術中心(有限合夥)訂立認購協議。威高血液淨化已同意將其註冊資本由人民幣120,000,000元增加至人民幣170,240,000元。就新增註冊資本而言，陳林先生已同意按認購價人民幣138,085,472元認購人民幣12,920,000元、夏列波先生已同意按認購價人民幣34,894,169元認購人民幣3,270,000元及威海凱德信息技術中心(有限合夥)已同意按認購價人民幣363,853,727元認購人民幣34,050,000元。認購事項之總代價約為人民幣537,000,000元。於認購協議完成後，本公司於威高血液之股權由70%下降至約49.34%。有關詳情於日期為二零一七年一月二十三日之公佈內披露。



## CONNECTED TRANSACTION

### ACQUISITION OF PROPERTY AT SHANDONG PROVINCE

On 1 June 2017, the Company as purchaser entered into the sale and purchase agreement with Weigao Holding as vendor, pursuant to which the Company agreed to acquire and Weigao Holding agreed to sell the property for a total consideration of approximately RMB84 million. The property comprises the land use rights of the land and the buildings. The total area of the land is approximately 30,000 sqm. The property is located at nos. 500-1, 500-2 and 500-3 Xi Cui Jia Kou Village, Ge Jia Zhen, Wendeng District, Weihai City, Shandong Province, the PRC (中國山東省威海市文登區葛家鎮西崔家口村500-1號、500-2號、500-3號). The term of the land use rights of the land is 40 years until the year of 2056 and its permitted usage is for commercial or other use. Details of which have been disclosed in the announcement dated 1 June 2017.

## CONNECTED TRANSACTION

### ACQUISITION OF PROPERTIES AS STAFF QUARTERS

On 1 June 2017, the Company entered into the sale and purchase agreement with 威海威高房地產開發有限公司 (Weihai Weigao Real Estate Development Company Limited\*) (“Weigao Real Estate”), pursuant to which the Company agreed to acquire and Weigao Real Estate agreed to sell the properties for a total consideration of approximately RMB187 million. The properties comprise 409 residential units in the buildings on the land, and are equipped with water, gas and heat supplies. Details of which have been disclosed in the announcement dated 1 June 2017.

## 關連交易

### 收購山東省之物業

於二零一七年六月一日，本公司（作為買方）與威高集團公司（作為賣方）訂立買賣協議，據此，本公司同意收購而威高集團公司同意出售物業，總代價約為人民幣84,000,000元。物業包括該土地之土地使用權及該等樓宇。該土地之總面積為約30,000平方米。物業位於中國山東省威海市文登區葛家鎮西崔家口村500-1號、500-2號及500-3號。該土地之土地使用權期限為40年，直至二零五六年止，及其許可用途為商業或其他用途。有關詳情於日期為二零一七年六月一日之公佈內披露。

## 關連交易

### 收購該等物業用作員工宿舍

於二零一七年六月一日，本公司與威海威高房地產開發有限公司（「威高房地產」）訂立買賣協議，據此，本公司同意收購而威高房地產同意出售該等物業，總代價約為人民幣187,000,000元。該等物業由該土地上該等樓宇之409個住宅單元組成，並配備供水、供氣及供熱。有關詳情於日期為二零一七年六月一日之公佈內披露。

## CONNECTED TRANSACTIONS

### DISPOSALS OF A SUBSIDIARY THE EQUITY TRANSFER AGREEMENTS

On 1 June 2017, (i) the equity transfer agreement A was entered into between the Company and 威海威高富森醫用材料有限公司 (Weihai Weigao Foosin Medical Supplies Inc., Limited\*) (“Weigao Foosin”), a subsidiary of Weigao Holding in relation to the disposal of 50% equity interest of 山東威高新生醫療器械有限公司 (Shandong Weigao Newlife Medical Device Co., Ltd.\*) by the Company to Weigao Foosin at a consideration of RMB8,000,000; and (ii) the equity transfer agreement B was entered into between Wellford Capital Limited, a wholly owned subsidiary of the Company and the Weigao Foosin in relation to the disposal of 50% equity interest of Weigao Foosin at a consideration of RMB8,000,000. Details of which have been disclosed in the announcement dated 1 June 2017.

## CONNECTED TRANSACTION

### DISPOSAL OF 29.9% EQUITY INTEREST IN TARGET COMPANY

On 5 September 2017, Wellford Capital Limited (“Wellford”), a wholly owned subsidiary of the Company and 山東維心醫療器有限公司 (Shandong Weixin Medical Device Company\*) (“Shandong Weixin”), a subsidiary of the Weigao Holding as the purchaser entered into the conditional sale and purchase agreement, pursuant to which, the vendor has conditionally agreed to dispose its 100% equity interests in Better City Limited, the sole asset of Better City Limited is 100% equity interest in Lucky Goal Limited whose sole asset is 29.9% equity interest in Zurich Medical Corporation (“Zurich”), to the purchaser at the consideration of USD8.55 million. Details of which have been disclosed in the announcement dated 5 September 2017.

## 關連交易

### 出售一間附屬公司股權轉讓協議

於二零一七年六月一日，(i)本公司與威海威高富森醫用材料有限公司（「威高富森」，一間威高控股之附屬公司）就按代價人民幣8,000,000元進行本公司向威高富森出售山東威高新生醫療器械有限公司之50%股權而訂立股權轉讓協議A；及(ii)Wellford Capital（本公司全資附屬公司）與威高富森就按代價人民幣8,000,000元進行出售威高富森之50%股權而訂立股權轉讓協議B。有關詳情於日期為二零一七年六月一日之公佈內披露。

## 關連交易

### 出售於目標公司之29.9%股權

於二零一七年九月五日，Wellford Capital Limited（「Wellford」，本公司之全資附屬公司）與山東維心醫療器有限公司（「山東維心」，威高集團公司之附屬公司）（作為買方）訂立有條件買賣協議，據此，賣方已有條件同意向買方出售其於城佳有限公司（城佳有限公司之唯一資產為其於祥標有限公司之100%股權，而祥標有限公司之唯一資產為其於Zurich Medical Corporation（「Zurich」）之29.9%股權）之100%股權，代價為8,550,000美元。有關詳情於日期為二零一七年九月五日之公佈內披露。

## DISCLOSEABLE AND EXEMPTED CONNECTED TRANSACTION

### SUBSCRIPTION FOR ADDITIONAL CAPITAL IN WEIGAO BLOOD PURIFICATION AND EXEMPTED CONNECTED TRANSACTION – PUT OPTION IN RESPECT OF INTEREST IN WEIGAO BLOOD PURIFICATION

On 4 December 2017, the Company, the existing joint venture partners and Nikkiso entered into the capital increase agreement under which Nikkiso agreed to subscribe for additional capital in Weigao Blood Purification, a subsidiary of the Company, for a total consideration of RMB100 million. Upon completion of the capital increase, Nikkiso and the Company will hold 5.0% and 46.875%, respectively, of the enlarged registered capital of Weigao Blood Purification, and there will be a change of the board composition of Weigao Blood Purification. As a result of the change in the board composition, the Company will cease to control the board of Weigao Blood Purification upon completion of the capital increase. the shareholding interest of the Company in Weigao Blood Purification will be diluted from 49.34% to 46.875%. Weigao Blood Purification ceased to be a subsidiary of the Company and Weigao Blood Purification will become an associated company of the Company after the capital increase. Details of which have been disclosed in the announcement dated 5 September 2017.

All the connected transactions in 2017 have been reviewed by the independent non-executive directors of the Company. The independent non-executive directors have confirmed that the connected transactions have been entered into (a) in the ordinary and usual course of business of the Company; (b) on normal commercial terms or on terms no less favourable than those available to or from independent third parties; (c) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests the shareholders of the Company as a whole.

## 須予披露及獲豁免關連交易

### 認購威高血液淨化額外資本及 獲豁免關連交易－有關威高血液淨化權 益之認沽期權

於二零一七年十二月四日，本公司、現有合營公司夥伴與日機裝訂立增資協議，據此，日機裝同意認購威高血液淨化（本公司一間附屬公司）之額外資本，總代價為人民幣100,000,000元。於增資完成後，日機裝及本公司將分別持有威高血液淨化經擴大註冊資本5.0%及46.875%，而威高血液淨化之董事會組成將出現變動。由於董事會組成出現變動，本公司於增資完成後將不再控制威高血液淨化董事會。本公司於威高血液淨化之股權將由49.34%攤薄至46.875%。於增資後，威高血液淨化不再為本公司之附屬公司及將成為本公司一間聯營公司。有關詳情於日期為二零一七年九月五日之公佈內披露。

二零一七年之所有關連交易已由本公司獨立非執行董事審閱。獨立非執行董事已確認，關連交易是(a)在本公司日常及正常業務過程中；(b)根據一般商業條款或根據不遜於該等向或自獨立第三方提供或獲得的條款；(c)按照規管該等交易的相關協議根據公平合理且符合本公司股東整體利益的條款訂立。

## MAJOR AND DISCLOSEABLE TRANSACTIONS

### TERMINATION OF ASSET TRANSFER AGREEMENT

Reference is made to the announcements of the Company dated 15 June 2016, 6 July 2016, 28 July 2016, 18 August 2016, 29 September 2016, 20 October 2016, 3 November 2016 and 29 November 2016 (collectively, the "Announcements"). On 30 March 2017, (i) the Company and Weigao Logistic, among others, entered into the termination agreement to terminate the asset transfer agreement; (ii) the Company and 珠海恒基達鑫國際化工倉儲股份有限公司 (Zhuhai Winbase International Chemical Tank Terminal Co., Ltd.\*), ("Winbase International") entered into the termination agreement to terminate the compensation agreement; (iii) the Company and 珠海實友化工有限公司 (Zhuhai Shi You Chemical Co., Ltd.\*) entered into the termination agreement to terminate the share transfer agreement; (iv) Winbase International and the Company entered into the termination agreement to terminate the subscription agreement; and (v) Winbase International and the placees entered into termination agreements in respect of the placing agreements, with immediate effect. The rights and obligations of the parties to each of the asset transfer agreement, the compensation agreement, the share transfer agreement, the subscription agreement and the placing agreements have ceased upon termination. Details of which have been disclosed in the announcement dated 30 March 2017.

## 主要及須予披露交易

### 終止資產轉讓協議

謹此提述本公司日期為二零一六年六月十五日、二零一六年七月六日、二零一六年七月二十八日、二零一六年八月十八日、二零一六年九月二十九日、二零一六年十月二十日、二零一六年十一月三日及二零一六年十一月二十九日之公佈(統稱為「該等公佈」)。於二零一七年三月三十日，(i)本公司與威高物流(其中包括)訂立終止協議以終止資產轉讓協議；(ii)本公司與珠海基達鑫國際化工倉儲股份有限公司(「基達鑫國際」)訂立終止協議以終止補償協議；(iii)本公司與珠海實友化工有限公司訂立終止協議以終止股份轉讓協議；(iv)基達鑫國際與本公司訂立終止協議以終止認購協議；及(v)基達鑫國際與承配人就配售協議訂立終止協議，即時生效。資產轉讓協議、補償協議、股份轉讓協議、認購協議及配售協議各自訂約方之權利及責任已於終止時終止。有關詳情於日期為二零一七年三月三十日之公佈內披露。

## DISCLOSEABLE TRANSACTION

### FORMATION OF A JOINT VENTURE FOR THE ACQUISITION OF ARGON MEDICAL DEVICES HOLDINGS, INC.

On 22 September 2017, the Company, the joint venture partner, WW Medical and Healthcare Holdings Corporation (the "Purchaser"), WW Medical and Healthcare Corporation (the "Subsidiary"), Roundtable Healthcare Partners III, L.P (the "Vendor Representative") and Argon Medical Devices Holdings, Inc. (the "Target Company") entered into the Agreement. The Purchaser is a wholly owned subsidiary of the Joint Venture. The Joint Venture was formed by Weigao International Medical Company Limited ("Weigao International"), which is a wholly-owned subsidiary of the Company, and the joint venture partner. The Joint Venture is held as to 90% by Weigao International and as to 10% by the joint venture partner. Weigao International and the joint venture partner will fund the Purchaser for the acquisition according to their respective shareholdings in the joint venture. The acquisition was completed on 23 January 2018. The consideration (after adjustments) was approximately US\$844.2 million. Upon Completion, Argon Medical Devices Holdings, Inc. became a subsidiary of the Company with its financial results and performance consolidated into the financial statements the Group. Details of which have been disclosed in the announcement dated 22 September 2017.

## 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.

## 須予披露交易

### 就收購愛琅醫療器械控股有限公司成立合營公司

於二零一七年九月二十二日，本公司、合營夥伴、WW Medical and Healthcare Holdings Corporation（「買方」）、WW Medical and Healthcare Corporation（「附屬公司」）、Roundtable Healthcare Partners III, L.P（「賣方代表」）及愛琅醫療器械控股有限公司（「目標公司」）訂立該協議。買方為合營公司之全資附屬公司。合營公司乃由威高國際醫療有限公司（「威高國際」）（其為本公司之全資附屬公司）與合營夥伴成立。合營公司乃由威高國際及合營夥伴分別擁有90%及10%權益。威高國際及合營夥伴將按彼等各自於合營公司之股權就收購事項向買方提供資金。該收購事項於二零一八年一月二十三日完成。代價（經調整後）約為844,200,000美元。於完成後，愛琅醫療器械控股有限公司成為本公司的附屬公司，而其財務業績及表現將綜合列入本集團之財務報表。有關詳情於日期為二零一七年九月二十二日之公佈內披露。

## 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。

## 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. Cui Jin has resigned as the Chief Financial Officer of the Company with effect from 17 February 2017.
2. Mr. Wu Xue Feng has been appointed as the Chief Financial Officer of the Company with effect from 17 February 2017.
3. Mr. Xia Lie Bo (夏列波) has resigned as an executive Director with effect from 4 December 2017.

## 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 69 to 76 of this report.

## 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 2017, the market capitalization of the Company was approximately HK\$25.2 billion (including H Shares and Non-listed Shares).

## 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. 崔謹先生已辭任本公司財務總監，自二零一七年二月十七日起生效。
2. 吳雪峰先生已獲委任為本公司財務總監，自二零一七年二月十七日起生效。
3. 夏列波先生已辭任執行董事，自二零一七年十二月四日起生效。

## 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69至76頁。

## 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。於二零一七年十二月三十一日，本公司之市值約為252億港元（包括H股及非上市股份）。

## 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 2018

## 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  
二零一八年三月二十七日

## 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 2017.

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 CEO. 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二零一七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 seven Directors, including three executive Directors, one non-executive Directors and three independent non-executive Directors. The Directors as at 31 December 2017 are:

**Executive Directors:**

Mr. Zhang Hua Wei (*Chairman*)  
Mr. Wang Yi  
Mr. Gong Jian Bo  
Mr. Xia Lie Bo  
(resigned on 4 December 2017)

**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，董事會由七名董事組成，包括三名執行董事、一名非執行董事以及三名獨立非執行董事。於二零一七年十二月三十一日，董事的具體名單如下：

**執行董事：**

張華威先生 (主席)  
王毅先生  
弓劍波先生  
夏列波先生  
(於二零一七年十二月四日辭任)

**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 5 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5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 2017: 5.

The attendance of each Director at Board meetings during the year ended 31 December 2017 was as follows:

**董事會會議 (續)**

於二零一七年度舉行的董事會會議次數：  
五次。

截至二零一七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 2017  
於二零一七年  
的出席率**

**Executive Directors**

Mr. Zhang Hua Wei  
Mr. Wang Yi  
Mr. Gong Jian Bo  
Mr. Xia Lie Bo  
(resigned on 4 December 2017)

**執行董事**

張華威先生  
王毅先生  
弓劍波先生  
夏列波先生  
(於二零一七年十二月四日辭任)

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.

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。

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 CEO 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. Wang Yi is the CEO 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 CEO 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。王毅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, two meeting has 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 2017. 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，薪酬委員會舉行過兩次會議。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二零一七年度董事、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 2017 於二零一七年的 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 2017.

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

In 2017, the audit fees paid to the external auditors by the Company was approximately RMB4,264,000.

### 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。

於二零一七年度，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。

於二零一七年，本公司向外聘核數師支付的核數費用約為人民幣4,264,000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計職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 2017, 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 2017.

## 風險管理及內部監控 (續)

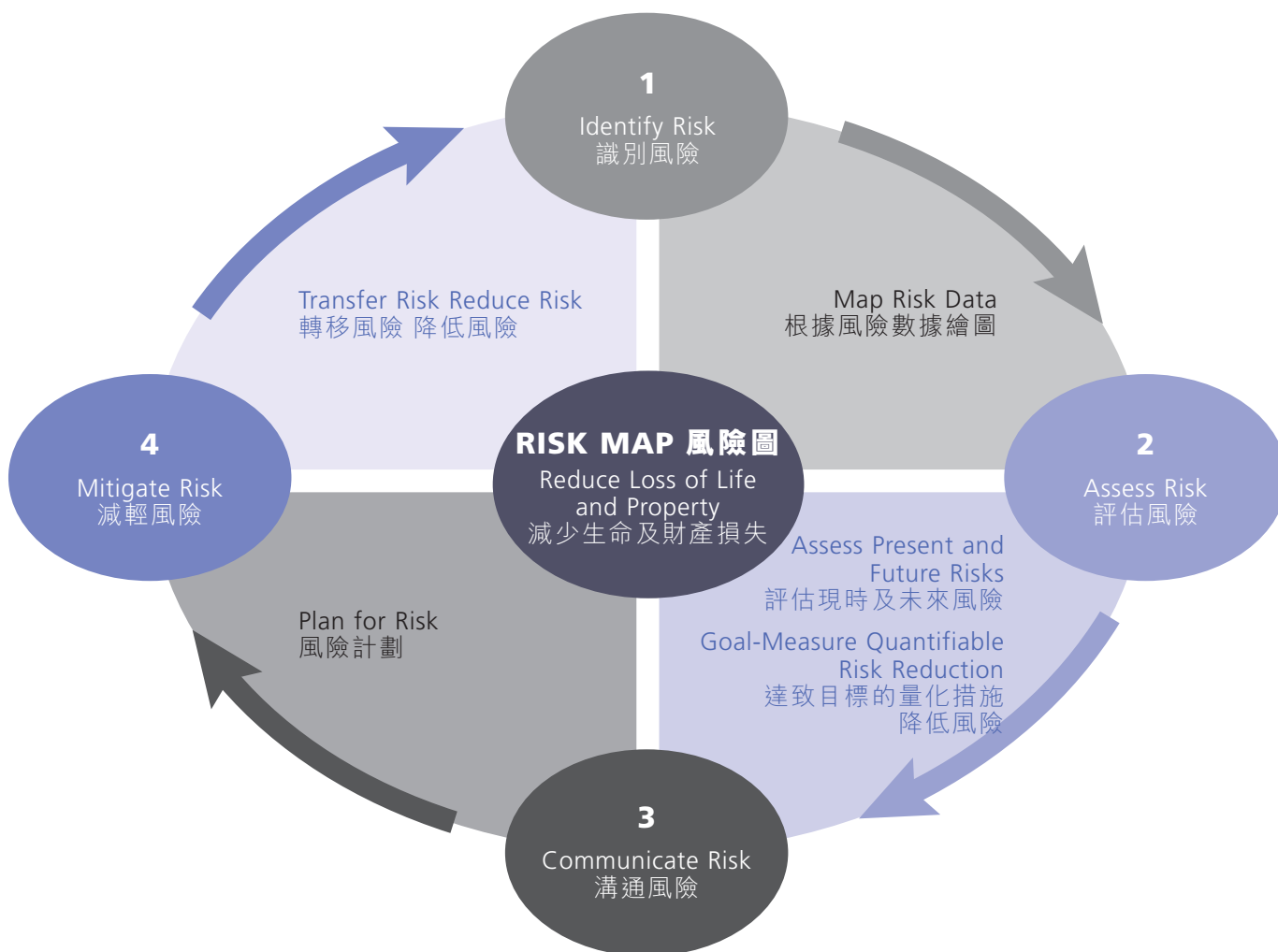
本集團已建立一個具備明確職責等級及報告程序的組織架構。本公司已委聘獨立專業公司擔任外部顧問，協助本公司對本集團風險管理及內部監控系統進行評估。我們擁有自己的內部審核部門履行內部審核部門規定。連同外部顧問的支持，內部審核部門可幫助審核委員會及董事會，每年及按持續基準確定風險管理及內部監控系統的有效性。截至二零一七年十二月三十一日止年度，本集團已更新內部審核章程，其界定內部審核部門的範圍及職責及其報告政策。本集團已進行年度風險評估，可識別本集團各主要業務分部的相關策略風險、經營風險、財務風險及合規風險。風險因素乃於本集團層面進行分析及綜合。根據採納風險主導的審核方法後的風險評估結果，本集團已制定一個三年審核計劃，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，本集團已於截至二零一七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。

RISK MANAGEMENT CYCLE

風險管理週期



## DIRECTOR'S TRAINING

### Directors' continuous training and development

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 2017 to the Company.

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.

## 董事之培訓

### 董事之持續培訓及發展

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二零一七年十二月三十一日止財政年度所接受培訓之記錄。

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 閱讀材料	Attend workshops 出席研討會
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#### Executive Directors

#### 執行董事

Mr. Zhang Hua Wei	張華威先生	✓	✓
Mr. Wang Yi	王毅先生	✓	✓
Mr. Gong Jian Bo	弓劍波先生	✓	✓
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)	✓	✓

#### Non-executive Director

#### 非執行董事

Mrs. Zhou Shu Hua	周淑華女士	✓	✓
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#### Independent non-executive Directors

#### 獨立非執行董事

Mr. Lo Wai Hung	盧偉雄先生	✓	✓
Mrs. Fu Ming Zhong	付明仲女士	✓	✓
Mrs. Wang Jin Xia	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 2017, 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 2017, 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 of business scope were effective from 23 October 2017. 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。

於截至二零一七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。截至二零一七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，而有關公司經營範圍變更之修訂已自二零一七年十月二十三日生效。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 54, is the chairman and an executive director of the Company and vice 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. Wang Yi**, aged 58, is the vice chairman, the chief executive officer 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.

**Mr. Gong Jian Bo**, aged 50, 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.

### 董事會

#### 執行董事

**張華威先生**，54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」）副主席。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。

**王毅先生**，58歲，本公司副主席、行政總裁兼執行董事。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。

**弓劍波先生**，50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」）。他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。

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

### BOARD OF DIRECTORS (continued)

#### Executive Directors (continued)

**Mr. Xia Lie Bo**, aged 40, is an executive Director of the Company and the general manager and the chairman of Weihai Weigao Blood Purification Products Company Limited ("Weigao Blood Purification"). Mr. Xia graduated from 寧波高等專科學校 (Ningbo Advanced Technical College\*) in 1998. Prior to joining the Company, Mr. Xia served as a management trainee in the quality control division in 寧波亞泰醫療器械有限公司 (Ningbo Yatai Medical Device Company Limited\*) ("Ningbo Yatai") since August 1998. Ningbo Yatai is a sino-foreign joint venture company which is principally engaged in research and development, manufacture and sale of plasma segregator and blood lavage set. Mr. Xia subsequently joined 浙江玉環衛康醫療器械有限公司 (Zhejiang Yu Huan Wei Kang Medical Equipment Company Limited\*) ("Yu Huan") in November 2000 and was responsible for strategic planning and management in Yu Huan which is principally engaged in research and development of protein A-based immune absorption column in China. In April 2002, Mr. Xia joined 浙江科銳生物科技有限公司 (Zhejiang Ke Rui Biotech Company Limited\*) which is principally engaged in research and development of blood purification related products and he was responsible for overall business management. In May 2003, Mr. Xia joined as a project manager in 上海和祥醫療器械有限公司 (Shanghai Hoxen Company Limited\*) which is engaged in distribution of renal failure treatment equipment and blood purification therapy instrument in China. Mr. Xia joined Weigao Blood Purification in October 2004. Mr. Xia has over 10 years of valuable experience in operation and management in blood purification industry in China.

### 董事會 (續)

#### 執行董事 (續)

**夏列波先生**，40歲，本公司之執行董事及威海威高血液淨化製品有限公司（「威高血液淨化」）總經理兼董事長。夏先生於一九九八年畢業於寧波高等專科學校。於加入本公司前，自一九九八年八月起，夏先生曾任職於寧波亞泰醫療器械有限公司（「寧波亞泰」），擔任品質部見習管理人員職務。寧波亞泰為一間主要從事血漿分離器及血液灌流器之研發、生產及銷售業務之中外合營企業。隨後於二零零零年十一月，夏先生加入浙江玉環衛康醫療器械有限公司（「玉環」），負責玉環（主要於中國從事蛋白A免疫吸附柱之研發）之策略規劃及管理。於二零零二年四月，夏先生加入浙江科銳生物科技有限公司（主要從事血液淨化相關產品之研發），負責整體業務管理。於二零零三年五月，夏先生加入上海和祥醫療器械有限公司擔任項目經理職務，該公司於中國從事腎功能衰竭治療設備及血液淨化治療儀之分銷業務。於二零零四年十月，夏先生加入威高血液淨化。夏先生在中國血液淨化製品行業擁有逾10年之寶貴經營管理經驗。

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

### BOARD OF DIRECTORS (continued)

#### Non-executive Directors

**Mrs. Zhou Shu Hua**, aged 61, 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 58, obtained a bachelor degree in Commerce from James Cook University of North Queensland, Australia. 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, C Cheng Holdings Limited and LT Commercial Real Estate Limited which are listed on the Stock Exchange of Hong Kong Limited. During the period from December 2011 to 30 December 2015. Mr. Lo had been an independent director of China Merchant Property Development Co. Ltd and the shares of which were ceased from listing on the Shenzhen Stock Exchange on 30 December 2015.

### 董事會 (續)

#### 非執行董事

**周淑華女士**，61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**，58歲，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、思城控股有限公司及勒泰商業地產有限公司(均於香港聯合交易所有限公司上市)之獨立非執行董事。於二零一一年十二月至二零一五年十二月三十日期間，盧先生曾為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 67, 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 1992. 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 1999. 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 July 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 February 2001 to April 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 February 2006 to December 2009, and December 2009 to January 2011 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**，67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。付女士於一九九二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一九九九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七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，並於二零零一年二月至二零零八年四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二月至二零零九年十二月及二零零九年十二月至二零一一年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。

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

### 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 63, 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**，63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 54, 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**，54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)

### 董事會 (續)

#### Supervisors (continued)

#### 監事 (續)

**Ms. Chen Xiao Yun**, aged 44, 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.

**陳曉雲女士**，44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。

**Mr. Yue Chun Liang**, aged 37, 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.

**岳春良先生**，37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。

#### Senior Management

#### 高級管理人員

**Mr. Wu Xue Feng**, aged 39, 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.

**吳雪峰先生**，39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. Long Jing**, aged 43, is the vice-general manager 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. Ju Hong Feng**, age 43, is the vice-general manager of the production and supply chain 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 49, 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)

**龍經**，43歲，本公司副總經理，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。

**鞠洪峰先生**，43歲，本公司生產與供應鏈副總經理。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**，49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

This is the ESG environmental, social and governance report (“ESG”) for Shandong Weigao Group Medical Polymer Company Limited (the “Group” or the “Company” or “Weigao”) in accordance with the General Disclosure requirements under the Environmental, Social and Governance Reporting Guide (“ESG Guide”) of the Hong Kong Stock Exchange for the financial year ended 31 December 2017.

Shandong Weigao Group Medical Polymer Company Limited and its subsidiaries (the “Group”) is a leading supplier of research and development, production, and sale of single-use medical devices for multiple medical purposes. The Group provides a wide range of products including consumables, such as infusion set, syringes, medical needle, blood bags, prefilled syringes, wound management, blood sampling product and orthopedic products. The Group has adopted an integrated business model for research and development, manufacturing and distribution of medical devices, with designed products delivered throughout the Greater China market and overseas market.

While dedicating to provide professional medical assistance to the physicians, nurses, patients and to promote the continuous advancement of the whole healthcare sector around the world, the Company has long been committed to the corporate social responsibility. The Company believes it is a corporate’s prime duty to be responsible to all its stakeholders and the entire society in order to remain its continuity in striving for excellence. Hence, with respect to the principal of materiality, quantitative, balance and consistency basis laid down in the ESG Guide, this report is a comprehensive summary of the environmental, social and governance performance of the Company over the 2017 financial year.

## I. 關於本報告

此乃山東威高集團醫用高分子製品股份有限公司（「本集團」或「本公司」或「威高」）截至二零一七年十二月三十一日止財政年度根據香港聯交所的環境、社會及管治報告指引（「環境、社會及管治指引」）的一般披露要求編製的環境、社會及管治（「環境、社會及管治」）報告。

山東威高集團醫用高分子製品股份有限公司及其附屬公司（「本集團」）為研究及開發、生產及銷售用於多種醫療用途的一次性醫療器械的領先供應商。本集團提供不同種類產品，包括耗材（如輸液器、注射器、醫用針製品、血袋、預充式注射器、創傷手術護理、採血產品）及骨科材料。本集團已採用研究及開發、製造及分銷醫療器械的綜合業務模式，所設計產品遍佈大中華市場及海外市場。

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，本公司長期以來一直致力履行企業社會責任。本公司認為，企業的首要責任是對其所有持份者及整個社會負責，從而將精益求精貫徹始終。因此，就環境、社會及管治指引所規定的重要性、量化、平衡及一致性原則基準而言，本報告乃本公司於二零一七年財政年度的環境、社會及管治表現的綜合概要。

## I. ABOUT THIS REPORT (continued)

### Scope and Period of Reporting

The ESG Report mainly covers the manufacture of medical consumables, orthopedic products and blood purification consumables and equipment businesses of the Group and presents the Group's strategic approach to sustainability and performance in the environmental and social aspects of its businesses for the reporting period from 1 January 2017 to 31 December 2017. A summary of the environmental indicators and the performance data are listed out at the "Environmental Performance Data Summary" section to this report.

### Reporting Guidelines

The ESG Report has been prepared in accordance with the updated Environmental, Social and Governance Reporting Guide issued by The Stock Exchange of Hong Kong Limited, as set out in Appendix 27 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

## II. ENVIRONMENTAL PROTECTION

As one of the leading manufacturers of medical devices in China, the Company is positioning itself not just a leading enterprise in healthcare but also a responsible carrier of economic and social duties. The Company understands deeply the accountability to social groups and individuals that can affect and recognize well the vitality to sustain long-term growth of the business. The management acknowledges the impact from business operation would have on the environment and to the natural resources. Hence, the Company has taken on great cares and measurements to ensure the development of business would never be at the compromise of the society and environment.

## I. 關於本報告 (續)

### 報告範圍及期間

環境·社會及管治報告主要涵蓋本集團的醫療耗材、骨科材料及血液淨化耗材及設備的製造業務，並提呈本集團自二零一七年一月一日至二零一七年十二月三十一日止報告期間的可持續發展策略方針及其業務於環境及社會層面的表現。環境指標及表現數據概要列載於本報告「環境表現數據概要」一節。

### 報告指引

環境·社會及管治報告乃根據香港聯合交易所有限公司頒佈的經更新環境·社會及管治報告指引(載於香港聯合交易所有限公司證券上市規則附錄二十七)而編製。

## II. 環境保護

作為中國領先的醫療器械製造商，本公司的自身定位不單只是領先的醫療保健企業，同時亦為經濟及社會責任的負責任承擔者。本公司深明可對維持企業長期增長的活力產生影響並有充分認識的社會團體和個人的問責制。管理層知悉業務營運將對環境及自然資源產生的影響。因此，本公司已採取審慎措施以確保業務發展絕不損害社會及環境。

## II. ENVIRONMENTAL PROTECTION (continued)

In particular, the Company has strived to adopt a wide range of administrative rules and various methods in lessening the environmental impact, through efficient use of resources, reducing greenhouse gases or hazardous emissions, and embracing professional recycling systems. At the current stage, all of the methods have been proved to be effective and brought positive impact to the society. And the Company continues to aim for greater dedication towards environmental protection issues and challenges.

### Emissions and Waste Management

The emission associated with the business operation mainly consists of waste water, liquid waste and solid waste. The Company follows strictly the laws and regulations in related to the emission of wastes. In management of the emissions, effective processes of treatments targeting different types of emissions are formulated.

The Company endeavors to apply regulations in managing hazardous wastes in a safe and responsible manner. The wastes produced during manufacturing can be classified into two categories, namely, the liquid waste composed of industrial waste water, and solid waste constituted by HW13.

For hazardous waste, the Company has involved with a state-recognized third party for handling the disposal. As part of the safe operation notion, the Company has engaged safety instructions for storage, transfer and handling of hazardous materials.

## II. 環境保護 (續)

尤其是，本公司透過有效利用資源、減少溫室氣體或有害排放物及採用專業回收系統，努力採取各類行政規則及各種方法減少環境影響。現階段，所有方法均證實有效並為社會帶來正面影響。本公司繼續全力以赴應對環境保護問題與挑戰。

### 排放物及廢料管理

與業務營運有關的排放物主要包括廢水、液態廢料及固態廢料。本公司嚴格遵循與廢料排放有關的法律及法規。於排放物管理方面，本公司制定針對各類排放物的有效處理流程。

本公司努力以安全及負責任的方式運用法規管理有害廢料。製造過程中產生的廢料可分為兩類，即由工業廢水構成的液態廢料，及由HW13構成的固態廢料。

對於有害廢料，本公司已與國家認可第三方合作進行處置。作為安全營運理念的一部分，本公司已就有害材料的儲存、轉移及處理制定安全指示。



## II. ENVIRONMENTAL PROTECTION (continued)

### Emissions and Waste Management (continued)

The Company has invested over RMB50 million in constructing two sets of advanced waste water treatment devices. Such devices employ solvent recover distillation process in achieving higher recycling rate of industrial waste water. Because the liquid waste contains high concentration of pollutants, the Company targets to recycle and reuse at least 90% of the waste water. Internal standard in waste recycling and disposal is strictly complying with the comprehensive discharge water standards of the peninsula of Shandong Province (DB37/676-2007).

For solid waste generated, the Company has engaged professional consultants in assisting the disposal. Pursuant to the Company's management, promulgated by the Central People's Government of China, the solid waste is disposed with a licensed hazardous waste treatment service provider. Employees handling the solvents and developer solution would be required to complete the chemical management training. The containers in which wastes are stored are designed to be solvent resistant, and exposure or spillage prevented.

### Water Conservation

Water is an essential resource to be used in every business practices. With the shrinking of natural freshwater, pressures in water resources conservation have been increased. To effectively reduce water consumption, the Company employs a set of water recycle system consisting of five sediment tanks, a water storage tank and a water refilling tank. Such complex water-tank system allows to separate different types of recycled waters and store them for later reuses. Through saving and recycling, the total water consumption was reduced to 1,196,376 tons in 2017 from 1,433,780 tons in 2016, and 1,720,212 tons in 2015. Water consumption reduction has been taken place not only in the factories but also in offices and dormitories. The Company has introduced various measures and activities to the employees for minimizing uses of water resources and encourage recycling in daily activities.

## II. 環境保護 (續)

### 排放物及廢料管理 (續)

本公司已投資逾人民幣5,000萬元建設兩套先進廢水處理裝置。該裝置採用溶劑回收蒸餾過程達致高工業廢水回收率。由於液態廢料含有高濃度污染物，本公司的目標是將至少90%的廢水進行回收及再利用。本公司嚴格遵照《山東省半島流域水污染物綜合排放標準》(DB37/676-2007)制定內部廢水回收及處置標準。

對於所產生的固態廢料，本公司已委聘專業顧問協助處置。根據中國中央人民政府頒佈的公司管理，固態廢料的處置由持牌有害廢料處理服務供應商負責。處理溶劑及顯影劑的僱員須完成化學品管理培訓。儲存廢料的容器乃設計具有抗溶劑性，並防止洩露或溢出。

### 節約用水

水是開展每項業務活動所使用的必不可少的資源。隨著天然淡水日益緊縮，水資源保護壓力不斷增加。為有效降低耗水量，本公司採用一套中水回收系統，該系統配有五個沉澱池、一個儲水池和一個補水池。該複雜的水池系統可分離不同類型的中水並將其儲存以供後續再利用。透過節約用水及回收利用，總耗水量從二零一六年的1,433,780噸及二零一五年的1,720,212噸減少至二零一七年的1,196,376噸。不僅工廠，而且辦事處及宿舍均減少耗水量。本公司已向僱員引入各種措施及活動以於日常活動中盡力減少使用水資源並鼓勵回收利用。

## II. ENVIRONMENTAL PROTECTION (continued)

### Water Conservation (continued)

For the residual amount of water that cannot be recycled, it is generally transported to the sewage treatment plant. Proper treatment would then be taken for the wastewater before being discharged into the public sewage system. The recycle rate of domestic wastewater achieved 32 tons/24 hours/100% in 2017, whereas the industrial wastewater recycling rate being 38 tons/hour/100% for the same year.

### Paper and Packaging Materials Conservation

Packaging is also important for the business operation as well protection is required during shipment and for guarantee safety and hygiene of the products. In 2017, the Company has used 243 tons packaging bags, 603 tons packaging gaskets, 854 tons of boxes and 127 tons of cotton pads. In the future, the Company aims to use recycled materials or renewable materials for the packaging materials and to optimize the designs of the packaging to be able to deliver the desired performance at the least amount packaging materials used. Apart from packaging materials, during the reporting year, the Company's businesses consumed 4.32 tons of paper.

### Energy Conservation

Natural resources reservation has been taking place in the office area as well. The Company has in-house team working closely with external consultants to carry out energy saving programs. In the offices, LED lighting system is built up to reduce the electricity consumption. Though most of the electricity consumed happens in the factories with 135,420,115kWh, the electricity consumption in office and dormitories also accounted for approximately 3.2% of total energy used in 2017.

## II. 環境保護 (續)

### 節約用水 (續)

對於不能回收利用的剩餘廢水，一般被運至廢水處理廠。廢水再經過妥善處理後被排放於公共污水系統內。生活廢水的回收率於二零一七年達到32噸／24小時／100%，而同年的工業廢水回收率為38噸／小時／100%。

### 節約用紙及包裝材料

包裝對業務營運以及於裝運過程中進行保護以保證產品安全及衛生亦非常重要。於二零一七年，本公司已使用243噸包裝袋、603噸包裝襯墊、854噸箱子及127噸棉墊。日後，本公司旨在使用回收材料或再生材料製作包裝材料，及優化包裝設計以使用最少的包裝材料實現所需效果。除包裝材料外，於報告年度，本公司的業務耗用4.32噸紙張。

### 節能

本公司一直亦於辦公區域開展節約自然資源。本公司的內部團隊與外部顧問緊密合作以開展節能計劃。於各辦事處，建立LED照明系統減少耗電量。儘管工廠消耗大多數電能（達135,420,115千瓦時），惟辦事處及宿舍的耗電量於二零一七年亦佔總耗電量約3.2%。

## II. ENVIRONMENTAL PROTECTION (continued)

### Energy Conservation (continued)

The promotion of electrical cars is another effort to reduce the total carbon emission. By the end of 2017, the Company has owned 20 electric cars for transportation of products. The total consumption of gasoline and diesel were 484,366 liters and 209,842 liters in 2017 respectively. The total carbon emission generated from electricity consumption, consumption of gasoline and diesel was a total of 114,968 tons during the reporting year.

## III. EMPLOYMENT AND LABOR PRACTICES

The Company values people as the greatest asset. Such collective belief has incorporated with business operation and human resources management philosophies to be caring for and supportive to the growth of the employees. Addition to complying with labor laws and regulations, the Company has implemented different measurements to effectively protect the legitimate rights and interests of employees.

The Company emphasizes the importance of equal and supportive working environment, and of safe and healthy working conditions. Strict human resources policy, health and safety measures have been implemented to enable adequate protections to all employees. The management is also committed to establishing a corporative partnership with all stakeholders, including staff, business partners, customers, and adjacent community. The Company believes transparent and responsive two-way communication among all seniority levels would facilitate effectiveness in decision-making and mission executing, hence to achieve sustainable long-term growth.

## II. 環境保護 (續)

### 節能 (續)

電動汽車的推廣乃減少二氧化碳排放總量的另一項措施。至二零一七年底，本公司已擁有20輛電動汽車用於運輸產品。汽油及柴油總消耗量於二零一七年分別達484,366升及209,842升。於報告年度，電力、汽油及柴油消耗所產生的二氧化碳排放總量合共達114,968噸。

## III. 僱傭及勞工常規

本公司將人視為最寶貴資產。該信念已融入業務營運及人力資源管理理念，為僱員的成長提供關懷與支持。除遵守勞動法律及法規外，本公司已實施不同措施，有效保障僱員的合法權益。

本公司強調平等和給予支持的工作環境、安全和健康的工作條件的重要性。本公司已實施嚴格的人力資源政策、健康與安全措施，為所有僱員提供充足保障。管理層亦致力與所有持份者（包括員工、業務夥伴、客戶及鄰近社區）建立合作夥伴關係。本公司認為，於各階層開展透明及積極響應的雙向溝通，將有助於在決策、執行任務方面取得成效，從而達致可持續性長期增長。

### III. EMPLOYMENT AND LABOR PRACTICES

(continued)

#### Talent Selection

The Company has a total active workforce of over 7,800 employees, with which 50% are female staff and 50% are males. The Company has adopted uniformed and comprehensive human resources manual which includes policies and procedures applicable to staff from all levels and departments. Above company level, the Company also offers the staffs with all-rounded protection in accordance with laws and regulations.

As explicitly stated in the human resources manual, the principle of recruitment and selection is based on a non-discrimination premise, with the fair competition basis and the selection of the finest understanding. The guidelines for selecting a candidate require to evaluate a potential candidate by his or her experience and expertise, regardless of one's nationality, race, age, gender, marriage status or religious belief. For all new staff on-board, job qualifications, identity and personal information verification are prerequisite before they report duties. New recruiters are asked to clearly understand their rights and responsibilities in workplace culture, employment arrangements, code of conducts and ethical standard as laid down in the manual.

As an equal opportunity employer, the Company has fostered an employment and working system that allow all employees to be freed from harassment, violence and discrimination of any kind. The Company encompasses a dynamic, diverse and inspiring work environment, and creates an engaging workplace culture to empower collaboration and innovation. Efficient employee feedback scheme is established to encourage feedbacks from employees to guarantee the rights of employees.

### III. 僱傭及勞工常規 (續)

#### 人才甄選

本公司擁有合共超過7,800名在職僱員，其中女性員工為50%及男性員工為50%。本公司已採納統一而全面的人力資源手冊，包括適用於所有層面及部門員工的政策及程序。在公司層面之上，本公司亦依照法律及法規向僱員提供全方位保障。

誠如人力資源手冊明確載述，人才招聘及甄選原則乃以非歧視為前提，並基於公平競爭基準及最充分的甄選標準。甄選候選人的指導方針要求按潛在候選人的經驗及專長對其進行評估，而不論其國籍、種族、年齡、性別、婚姻狀況或宗教信仰。對於所有新入職員工，在彼等報到前須進行工作資歷、身份及個人資料核證。新招募員工須明悉手冊所規定的彼等於職場文化、僱傭安排、行為守則及道德標準方面的權利及責任。

作為平等機會僱主，本公司已建立僱傭及工作體系，使所有僱員免受任何形式的騷擾、暴力和歧視。本公司提供充滿活力、多元化及令人鼓舞的工作環境，並打造有吸引力的職場文化以具備協作與創新能力。本公司制定高效的僱員反饋計劃，鼓勵僱員反饋意見以保證僱員權利。

### III. EMPLOYMENT AND LABOR PRACTICES (continued)

#### Labor Standards

The Company attaches prevention of child labor and forced labor, and is committed to protect human rights. The Company strictly follows the stipulation requiring all employees must be at least 18 years old and also implements full verification system for new staff onboard to prevent any forced labor cases. Hence, the business operation is in well-rounded compliance with the Labor Contract Law of the PRC, Labor law of the PRC and Provisions on Prohibition of Child Labor. Furthermore, the Labor Union acts as an independent third party to assure the Company to arrange appropriate workload based on the capabilities of the worker and the reasonability of the total length of working hours.

#### Compensation and Welfare

While working to create a fair and healthy working environment, the Company also makes sure that all employees receive enough cares and tenders necessary. For the employees with special needs, the Company has offered enhancement and facilities to access and travel.

The Company acknowledges the vitality of work-leisure balance and attempts to assist in achieving such balance through a variety of personalized arrangements and Company's leisure activities. In 2017, the Company organized over 20 leisure activities to the staffs. The Company also encourages staff to give greater priority to their health condition and encourages more group sport events. These can not only help reduce work-related pressures, but also effective in boost collaboration in work.

### III. 僱傭及勞工常規 (續)

#### 勞工準則

本公司防止童工及強制勞工，並致力保護人權。本公司嚴格遵循有關規定，要求所有僱員須至少年滿18歲，亦對新入職員工實施全面核查制度以防止發生任何強制勞工事件。因此，業務營運乃全面遵守《中國勞動合同法》、《中國勞動法》及《禁止使用童工規定》。此外，公會作為獨立第三方以保證本公司會根據工人的能力及總工時的合理性安排適當的工作量。

#### 薪酬與福利

在努力營造公平和健康工作環境的同時，本公司亦確保所有僱員獲得足夠關懷及必要照顧。對於有特殊需要的僱員，本公司已提供出入和旅行的改良設備及設施。

本公司深知保持工作與休閒平衡所帶來的活力，並試圖透過各種人性化安排及公司休閒活動協助達致有關平衡。於二零一七年，本公司為員工組織逾20項休閒活動。本公司亦鼓勵員工優先考慮自身健康狀況並鼓勵參與更多團體體育活動。該等活動不僅可幫助減輕工作相關壓力，亦可有效促進合作開展工作。

### III. EMPLOYMENT AND LABOR PRACTICES

(continued)

#### Development and Training

In addition to production safety and workplace health, professional development and personal growth of the employees are also the key in achieving productivity. Human resources department would create comprehensive development plans at the company level and specified training plans for different positions and career needs. For each department, appropriate training programs are then organized, which includes basic training workshops for marketing, production technology, research and innovation, and advanced professional seminars in management and leadership skills.

Across different staff level, some target trainings are provided in order to cater the needs for employees from different departments and different businesses. Whereas senior managements are offered with topics covering the area of law and management skills, middle management are entitled with workshops in the area of engineering technique and quality control. General and sales staff would be also provided with law trainings with respect to their exposures in work. For the production staff, the main focus of career development would impose on safety training.

The Company's promotion program is set up for awarding excellent employees given their performance, experience and personal competence. As for all new staff, orientation programs and guiding activities are held to facilitate their understanding and familiarity with the business and operation. Sufficient insurance coverages are delivered at the expense of the Company according to the national law.

### III. 僱傭及勞工常規 (續)

#### 發展及培訓

除生產安全及工作場所健康外，僱員的專業發展及個人成長亦為實現生產力的關鍵。人力資源部將制定公司層面的全面發展計劃以及滿足不同職位及職業需求的特定培訓計劃。就每個部門而言，再組織適當的培訓課程，包括市場推廣、生產技術、研究與創新的基本培訓班以及管理和領導技能的高級專業研討會。

在不同員工層面，提供若干目標培訓以滿足來自不同部門及不同業務的僱員的需求。鑑於高級管理人員獲提供涵蓋法律領域及管理技能的專題，中層管理人員有權參加工程技術及質量控制領域的學習班。一般及銷售員工亦將獲提供有關其工作風險的法律培訓。對於生產員工，職業發展的主要重點將在於安全培訓。

鑑於優秀僱員的表現、經驗及個人能力，本公司制定晉升計劃以向彼等作出獎勵。對於所有新僱員，本公司會舉辦入職培訓計劃及指導活動，促進彼等了解和熟悉有關業務及營運。本公司根據國家法律提供充足保險保障，費用由本公司承擔。

### III. EMPLOYMENT AND LABOR PRACTICES

(continued)

#### Health and Safety

As a research-based medical devices production enterprise, the Company emphasizes greatly on production and operation safety. The operational health and safety system is responsible for the compliance of relevant laws and regulations regarding productions safety and workplace injury prevention. The Company has performed strict examination system and set up preventive plans for occupational diseases. Emergency response scheme is built for the purpose of first aid and evacuation in emergency events.

To ensure the safety during production, the Company distributes personal protective equipment such as protective mask, goggles, medical gloves and respirators to employees handling hazardous chemicals or particles. Monthly site inspections are carried out to eliminate the potential risks at site. Regular maintenance and disposal of obsolete production equipment are taking place to ensure all equipment are in good condition and safe to use in production.

The Company has put the employees' occupational health and safety in the first place during daily business operation. Measures are taken to create a sound working environment for the staffs. The Company has formulated safety system for fire, educated employees on safety awareness during operation, provided protective equipment such as fire extinguishers, and went on monitoring and auditing of safety performance of the staffs.

Apart from in-housing inspection of potential occupational harmfulness, the Company has engaged the Celestica Quality Inspection Centre ("Celestica") to conduct occupational harmful factors inspection since 2015. As an accredited body of China Metrology Accreditation (CMA), Celestica provides product and good quality inspection for the Company, in order to create a safe high-standard manufacturing environment to all employees.

### III. 僱傭及勞工常規 (續)

#### 健康與安全

作為研究型醫療器械生產企業，本公司極為重視生產及營運安全。營運健康及安全系統須遵守有關生產安全及工傷防範的相關法律及法規。本公司已執行嚴格的考核制度，制定職業病防治計劃，並就緊急事件的急救及疏散制定應急響應方案。

為確保生產安全，本公司向處理有害化學品或顆粒物的僱員分發個人防護設備（如防護口罩、眼罩、醫用手套及防毒面具）。每月進行場地檢查以消除場地的潛在風險。定期維護及處置過時生產設備以確保所有設備狀況良好並可安全用於生產。

本公司於日常業務營運過程中將僱員的職業健康與安全放在首位，採取措施為員工創造良好的工作環境。本公司已制定消防安全制度，對僱員進行營運中的安全意識教育，提供防護設備（如滅火器）及持續監控及審核員工安全表現。

除潛在職業危害的內部檢驗外，本公司自二零一五年起已委聘天弘質量檢驗中心（「天弘」）進行職業危害因素檢測。作為中國計量認證（CMA）的獲認可機構，天弘為本公司提供產品及良好的質量檢驗，以為全體僱員創造安全高標準的製造環境。

#### IV. OPERATING PRACTICES

As market competition getting intensified, the Company is convinced that the only way to seek long-term success is through building sustainable partnership with the suppliers and through consistent trust and support from the clients. The medical devices produced and distributed are for the well-being of all people around the world. Not only the Company required themselves to become responsible enterprise to create maximum value for the customers, the Company strives to reach high standard of corporate ethics in the supply chain management process as well.

Apart from product quality controls and internal controls imposed on the upstream suppliers, and on the Company itself, technology advancement is pursued in enhancing better quality examination and evaluation. To improve the business practices in terms of management, production and testing. For the year of 2017, the Group has successfully obtained production registration certificate of 29 new products under continuing operation.

##### Supply Chain Management

The safety of medical devices relies heavily on the quality of products from the suppliers. As a reputed medical device manufacturer, the Company has high commitment in product quality and safety. It is the social responsibility to enhance the quality of medical devices produced and the sustainable performance. The Company has strictly followed the national and industry guidelines in choosing suppliers and in managing supply chains including standard ISO 9001, ISO 13485 and ISO 14001 and other national laws for production environment, supply capacity and quality of raw materials. Currently, the Company works closely with over 25 suppliers for chemical resources, 15 suppliers for accessories and 10 suppliers for packaging.

#### IV. 營運常規

由於市場競爭日趨激烈，本公司相信透過與供應商建立可持續夥伴關係以及透過客戶的持續信任及支持乃尋求長期成功的唯一途徑。本公司生產及分銷醫療器械乃為全世界所有人的福祉服務。本公司不僅要求自身成為負責任的企業以為客戶創造最大價值，亦力爭於供應鏈管理過程達致高標準企業道德。

除對上游供應商及對本公司自身施加產品質量控制及內部監控外，本公司亦追求技術進步以提升質量檢驗及評估。為改善管理、生產及測試方面的業務常規。二零一七年，本集團已成功獲得持續經營業務項下29項新產品的產品註冊證。

##### 供應鏈管理

醫療器械的安全高度依賴供應商供應的產品質量。作為知名醫療器械製造商，本公司對產品質量及安全作出高度承諾。提高所生產醫療器械的質量及改善可持續性表現乃社會責任。本公司已於挑選供應商及管理供應鏈方面嚴格遵守國家及行業指引（包括標準ISO 9001、ISO 13485及ISO 14001）以及其他有關生產環境、供應能力及原材料質量的國家法律。現時，本公司與超過25名化工資源供應商、15名配件供應商及10名包裝供應商緊密合作。



#### IV. OPERATING PRACTICES (continued)

##### Supply Chain Management (continued)

The Company requires their supply chain management team and quality team to work with the research and development technicians to adopt firm procurement control procedures. Suppliers are evaluated then selected under a fair and transparent scoring system. In particular, the potential suitable suppliers are examined with reference to their sample exhibitions, quality and delivery risks, production capabilities, production safety, and third-party experts' recommendation.

It is a common practice for the Company to work with and establish longer-term partnerships with the suppliers who demonstrate best practice for environmental protection and social responsibility. Due diligence would be performed on the suppliers including reviewing their annual ESG reports, examining their product passing rates, customer complaints and others. Using both qualitative and quantitative metrics, the Company has implemented most effective inspection and test control process. Further actions are taken as the Company encourages the suppliers to improve their ESG standards and practices in accordance with the ESG requirements through warehousing and production stages.

##### Product Responsibility

As a responsible manufacturer of medical devices, the Company never fell short on safety and health control during the production nor the sales stages. The Company strictly follows national regulations and requirements, including but not limit to "Regulation on the Supervision and Administration of Medical Devices", "Good Manufacturing Practice for Medical Devices", and "Medical Devices – Quality Management Systems – Requirements for Regulatory Purposes".

The Company makes enhanced effort to provide professional services to clients even in post-sale stages. Every complaint received would be dealt with exceptional cares, and guarantees to work promptly with clients to tackle problems. A standard procedure in handling client complaints is established including clear instruction on investigating the roots causing the problems, effective solutions to tackle the issues.

#### IV. 營運常規 (續)

##### 供應鏈管理 (續)

本公司要求其供應鏈管理團隊及質量團隊與研發技術人員合作以採納穩固的採購控制程序。然後，根據公平及透明的評分系統對供應商進行評估及甄選。尤其是，本公司參考其樣品展示、質量及交付風險、生產能力、生產安全及第三方專家的建議審查潛在的合適供應商。

本公司就環境保護及社會責任與實踐最佳守則的供應商合作並與其建立長期夥伴關係乃慣常做法。本公司會對供應商進行盡職審查，包括審閱其年度環境、社會及管治報告、審查其產品合格率、客戶投訴及其他。本公司採用定性及定量計量方法，實施最有效的檢驗及測試控制程序。本公司採取進一步行動，鼓勵供應商根據環境、社會及管治規定透過倉儲及生產階段提升其環境、社會及管治標準及常規。

##### 產品責任

作為負責任的醫療器械製造商，本公司於生產及銷售階段從未忽視安全與健康監控。本公司嚴格遵循國家法規及規定，包括但不限於「醫療器械監督管理條例」、「醫療器械質量管理規範」及「醫療器械－質量管理制度－監管要求」。

本公司加倍努力為客戶提供專業服務（即使於售後階段）。本公司將格外審慎處理所接獲的每項投訴，並保證立即與客戶合作解決有關問題。處理客戶投訴的標準程序乃獲設立，包括有關調查引致問題根源的清晰指示、處理問題的有效解決方案。

#### IV. OPERATING PRACTICES (continued)

##### Product Responsibility (continued)

##### Anti-corruption

The Company requires all employees and management to adhere to Prevention of Bribery Ordinance of Hong Kong and the Criminal Law of the People's Republic of China in carrying out their work. The Company also formulates and implements in-house policies to clarify the standards of ethical conducts. Some of the requirements including explicit rules of handling of tenders, gifts, hospitality and donations. All of the departments have been assigned clear responsibilities in conducting anti-corruption work such as reporting financial transaction, comply with audit and internal control evaluation.

It is Company's top priority to maintain the customer's confidence in products and services. The Company deeply understands and highly acknowledges the potential risks to the business and society due to unethical conduct. Hence, the Company seeks for sufficient transparency and information to assist in marking decisions. The Company remains zero-tolerance to all forms of corruption, including but not limited to deception, bribery, extortion, collusion, forgery, embezzlement and conspiracy.

#### V. COMMUNITY INVESTMENT

The Company is well aware and grateful to the supports of the clients and community. The Company actively involves with all stakeholders including physicians, patients, staff and other customers through different platforms and channels in demonstrating appreciation and care, whether publicly or privately.

The Company encourages the employees to take time to give back and serve the community. The Company has furthermore established the "Friend of Kidney" campaign in China for the intention to help patients suffering from kidney related diseases. The Company donated approximately RMB10 million to charity organisations in 2017.

#### IV. 營運常規 (續)

##### 產品責任 (續)

##### 反貪污

本公司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》開展工作。本公司亦制定及實施內部政策以闡明道德行為標準。部分規定包括處理招標、禮品、款待及捐款的明確規則。所有部門均獲指派開展反貪污工作的清晰職責，如呈報財務往來、遵守審核及內部監控評估。

維持客戶對產品及服務的信心乃本公司的首要任務。本公司深明及高度重視因不道德行為而對業務及社會構成的潛在風險。因此，本公司尋求足夠的透明度及資料以協助作出決策。本公司對所有形式的貪污維持零容忍，包括但不限於欺騙、賄賂、勒索、串通、偽造、盜用公款及串謀。

#### V. 社區投資

本公司充分知悉並感謝客戶及社區的支持。本公司透過不同平台及渠道積極與所有持份者（包括醫生、病人、員工及其他客戶）建立密切關係（不論公開或私下）以表示感謝及關懷。

本公司鼓勵僱員投入時間回饋及服務社區。此外，本公司已於中國創立「腎之友」活動，旨在為患有腎臟相關疾病的病人提供幫助。本公司於二零一七年已向慈善機構捐贈超過約人民幣10,000,000元。

**VI. ENVIRONMENTAL PERFORMANCE DATA SUMMARY**

**VI. 環境表現數據概要**

	<b>Unit</b> 單位	<b>2017</b> 二零一七年
<b>Greenhouse gases emissions:</b> <b>溫室氣體排放：</b>		
Scope 1 範圍1	Tons 噸	<b>1,841</b>
Scope 2 範圍2	Tons 噸	<b>113,136</b>
<b>Air emissions:</b> <b>廢氣排放：</b>		
Nitrogen oxides 氧化氮	Tons 噸	<b>127</b>
Sulfur oxide 氧化硫	Tons 噸	<b>12</b>
Particulate matters 顆粒物	Tons 噸	<b>23</b>
<b>Energy and water consumption:</b> <b>能源消耗及耗水量：</b>		
Electricity 電	Kilowatt hours 千瓦時	<b>139,916,416</b>
Diesel 柴油	Tons 噸	<b>209,842</b>
Gasoline 汽油	Tons 噸	<b>484,366</b>
Water 水	Tons 噸	<b>1,196,376</b>
<b>Hazardous waste:</b> <b>有害廢料：</b>		
Solid waste 固態廢料	Tons 噸	<b>50</b>
Liquid waste 液態廢料	Tons 噸	<b>95,828</b>



**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**

**意見**

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 97 to 235, which comprise the consolidated statement of financial position as at 31 December 2017, 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.

本行已完成審核第97至235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二零一七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)。

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 2017, 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.

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 貴集團於二零一七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。

**BASIS FOR OPINION**

**意見基準**

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.

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

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.

### 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

#### Estimated impairment on trade receivables 應收貿易賬款的估計減值

We identified the estimated impairment on trade receivables as a key audit matter due to significant management judgment involved. 由於涉及之重大管理層判斷，吾等已確認應收貿易賬款的估計減值作為關鍵審核事項。

As disclosed in note 27 to the consolidated financial statements, the carrying amount of the Group's trade receivables as at 31 December 2017 was RMB2,851,468,000 and the impairment loss of trade receivables recognised for the year ended was RMB29,045,000.

誠如綜合財務報表附註27所披露，貴集團於二零一七年十二月三十一日的應收貿易賬款賬面值為人民幣2,851,468,000元，於截至該日止年度確認的應收貿易賬款的減值虧損為人民幣29,045,000元。

Our procedures in relation to estimated impairment on trade receivables included:

有關應收貿易賬款的估計減值的程序包括：

- Testing on the age classification in the aged analysis for trade receivables used to determine estimated impairment on a sample basis;
- 對應收貿易賬款賬齡分析中之賬齡類別進行抽樣測試，以釐定估計減值；
- Checking the subsequent settlements of trade receivables; and
- 查核應收貿易賬款的後續償付；及
- Challenging the management on the recoverability of the trade receivables that are past due but not impaired.
- 驗證已逾期但並無減值應收貿易賬款可收回性的管理情況。

## 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.

## 關鍵審核事項

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。

## 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。

## OTHER INFORMATION (continued)

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

## RESPONSIBILITIES OF 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 (續)

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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

## 核數師就審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。
- 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。

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

**核數師就審核綜合財務報表須承  
擔的責任 (續)**

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 對董事採用持續經營會計基礎的適當性作出結論，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。

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.

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。

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.

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。



# INDEPENDENT AUDITOR'S REPORT 獨立核數師報告書

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

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 Yu Kin Man.

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

27 March 2018

## 核數師就審核綜合財務報表須承 擔的責任 (續)

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俞堅民。

**德勤•關黃陳方會計師行**  
*執業會計師*  
香港

二零一八年三月二十七日

# 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 2017 截至二零一七年十二月三十一日止年度

		NOTES	2017 RMB'000	2016 RMB'000 (restated)
		附註	二零一七年 人民幣千元	二零一六年 人民幣千元 (經重列)
Continuing operations	持續經營業務			
Revenue	收入	5	<b>6,292,641</b>	5,619,842
Cost of sales	銷售成本		<b>(2,299,818)</b>	(2,042,097)
Gross profit	毛利		<b>3,992,823</b>	3,577,745
Other income, gains and losses	其他收入、收益及虧損	6	<b>172,786</b>	105,739
Selling and distribution costs	銷售及分銷成本		<b>(1,922,146)</b>	(1,553,271)
Administrative expenses	行政開支		<b>(419,544)</b>	(652,436)
Research and development expenses	研發開支		<b>(273,825)</b>	(266,037)
Finance costs	融資成本	7	<b>(23,879)</b>	(25,065)
Gain on disposal of a subsidiary	出售一間附屬公司之收益	37	<b>1,346</b>	-
Profit before taxation	除稅前溢利		<b>1,527,561</b>	1,186,675
Income tax expense	所得稅開支	8	<b>(224,399)</b>	(153,836)
Profit for the year from continuing operations	持續經營業務之年內溢利	9	<b>1,303,162</b>	1,032,839
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	<b>524,121</b>	104,753
Profit for the year	年內溢利		<b>1,827,283</b>	1,137,592
Other comprehensive (expense) income	其他全面(開支)收入			
<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>(7,769)</b>	8,749
Total comprehensive income for the year	年內全面收入總額		<b>1,819,514</b>	1,146,341
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>1,256,484</b>	1,032,606
– from discontinued operation	– 來自已終止經營業務		<b>473,440</b>	73,327
Profit for the year attributable to owners of the Company	本公司擁有人應佔年內溢利		<b>1,729,924</b>	1,105,933

# 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 2017 截至二零一七年十二月三十一日止年度

		NOTES	2017 RMB'000	2016 RMB'000 (restated)
		附註	二零一七年 人民幣千元	二零一六年 人民幣千元 (經重列)
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>46,678</b>	233
– from discontinued operation	– 來自已終止經營業務		<b>50,681</b>	31,426
Profit for the year attributable to non-controlling interests	非控股權益應佔年內溢利		<b>97,359</b>	31,659
			<b>1,827,283</b>	1,137,592
Total comprehensive income for the year attributable to:	年內全面收入總額			
Owners of the Company	下列各項應佔： 本公司擁有人		<b>1,722,155</b>	1,114,682
Non-controlling interests	非控股權益		<b>97,359</b>	31,659
			<b>1,819,514</b>	1,146,341
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)	13	<b>0.39</b>	0.25
Diluted (RMB per share)	攤薄 (每股人民幣)		<b>0.39</b>	0.25
From continuing operations	來自持續經營業務			
Basic (RMB per share)	基本 (每股人民幣)	13	<b>0.28</b>	0.23
Diluted (RMB per share)	攤薄 (每股人民幣)		<b>0.28</b>	0.23

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31 December 2017 於二零一七年十二月三十一日

		NOTES	2017 RMB'000 二零一七年 人民幣千元	2016 RMB'000 二零一六年 人民幣千元
		附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	<b>3,912,050</b>	5,371,152
Investment properties	投資物業	15	<b>186,956</b>	51,415
Deposits paid for acquiring property, plant and equipment	就收購物業、廠房及設備之已付按金		<b>69,865</b>	41,195
Prepaid lease payments	預付租賃款項	16	<b>405,035</b>	466,117
Intangible assets	無形資產	17	<b>41,947</b>	7,360
Sponsorship rights	贊助權利	18	–	37,958
Interests in an associate	於一間聯營公司的權益	19	<b>937,500</b>	–
Interests in joint ventures	於合營公司的權益	20	–	112,705
Available-for-sale investments	可供出售投資	21	<b>81,517</b>	95,411
Goodwill	商譽	22	<b>202,900</b>	202,900
Deferred tax assets	遞延稅項資產	23	<b>60,628</b>	59,485
Finance lease receivables	應收融資租賃款項	24	<b>354,081</b>	381,741
Loan receivables	應收貸款	25	<b>1,474,260</b>	246,600
			<b>7,726,739</b>	7,074,039
Current assets	流動資產			
Inventories	存貨	26	<b>804,611</b>	915,586
Loan receivables	應收貸款	25	<b>497,963</b>	–
Trade and other receivables	應收貿易賬款及其他應收款項	27	<b>3,686,566</b>	3,498,819
Finance lease receivables	應收融資租賃款項	24	<b>186,259</b>	158,993
Pledged bank deposits	已抵押銀行存款	28	<b>96,178</b>	36,980
Bank balances and cash	銀行結餘及現金	29	<b>3,784,543</b>	4,071,892
			<b>9,056,120</b>	8,682,270
Current liabilities	流動負債			
Trade and other payables	應付貿易賬款及其他應付款項	30	<b>2,018,297</b>	2,167,224
Borrowings	借款	31	<b>97,906</b>	296,400
Tax payable	應付稅項		<b>75,976</b>	106,904
Deferred income	遞延收入	32	<b>4,158</b>	8,982
Loan from the ultimate holding company	來自最終控股公司貸款	34	<b>103,311</b>	104,411
			<b>2,299,648</b>	2,683,921
Net current assets	流動資產淨額		<b>6,756,472</b>	5,998,349
			<b>14,483,211</b>	13,072,388

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

At 31 December 2017 於二零一七年十二月三十一日

		NOTES	<b>2017</b> <b>RMB'000</b> <b>二零一七年</b> <b>人民幣千元</b>	2016 RMB'000 二零一六年 人民幣千元
		附註		
Capital and reserves	資本及儲備			
Share capital	股本	33	<b>452,233</b>	452,233
Reserves	儲備		<b>12,885,938</b>	11,414,344
Equity attributable to owners of the Company	本公司擁有人應佔權益		<b>13,338,171</b>	11,866,577
Non-controlling interests	非控股權益		<b>305,937</b>	338,687
Total equity	權益總額		<b>13,644,108</b>	12,205,264
Non-current liabilities	非流動負債			
Borrowings	借款	31	<b>804,271</b>	791,800
Deferred income	遞延收入	32	<b>34,832</b>	75,324
			<b>839,103</b>	867,124
			<b>14,483,211</b>	13,072,388

The consolidated financial statements on pages 97 to 235 were approved and authorised for issue by the Board of Directors on 27 March 2018 and are signed on its behalf by:

第97至235頁的綜合財務報表已獲董事會於二零一八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

**Wang Yi**  
**王毅**

*DIRECTOR*  
董事

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動報表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		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 2016	於二零一六年一月一日	447,637	2,478,544	257,956	5,771	13,066	9,262	7,445,941	10,658,177	128,646	10,786,823
Profit for the year	本年度溢利	-	-	-	-	-	-	1,105,933	1,105,933	31,659	1,137,592
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	-	-	-	8,749	-	-	-	8,749	-	8,749
Total comprehensive income for the year	年內全面收入總額	-	-	-	8,749	-	-	1,105,933	1,114,682	31,659	1,146,341
Ordinary shares issued under a share award scheme (note 35)	根據股份獎勵計劃發行普通股 (附註35)	4,596	96,516	-	-	-	(101,112)	-	-	-	-
Capital contribution by non-controlling shareholders under a share arrangement (note 35)	非控股股東根據股份安排注資 (附註35)	-	-	-	-	(238,860)	427,618	-	188,758	122,353	311,111
Share-based payments (note 35)	以股份為基礎付款 (附註35)	-	-	-	-	249,641	-	-	249,641	56,029	305,670
Dividends recognised as distribution (note 12)	確認為分派的股息 (附註12)	-	-	-	-	-	-	(344,681)	(344,681)	-	(344,681)
At 31 December 2016	於二零一六年十二月三十一日	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	本年度溢利	-	-	-	-	-	-	1,729,924	1,729,924	97,359	1,827,283
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 (expense) income for the year	年內全面(開支)收入總額	-	-	-	(7,769)	-	-	1,729,924	1,722,155	97,359	1,819,514
Capital contribution by non-controlling shareholders	非控股股東注資	-	-	-	-	-	185,153	-	185,153	385,098	570,251
Disposal of a subsidiary	出售一間附屬公司	-	-	-	-	-	(62,729)	-	(62,729)	(515,207)	(577,936)
Share-based payments (note 35)	以股份為基礎付款 (附註35)	-	-	-	-	25,412	-	-	25,412	-	25,412
Dividends recognised as distribution (note 12)	確認為分派的股息 (附註12)	-	-	-	-	-	-	(398,397)	(398,397)	-	(398,397)
At 31 December 2017	於二零一七年十二月三十一日	452,233	2,575,060	257,956	6,751	49,259	458,192	9,538,720	13,338,171	305,937	13,644,108

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

### 綜合權益變動報表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

Notes:

- (a) The Articles of Association of the Company and its subsidiaries established in PRC 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 reserve mainly represents 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 of 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.

During the year ended of 31 December 2016, the amount of RMB427,618,000 resulted from the capital contribution by the management of a subsidiary under a share arrangement, as detailed in note 35(b). The amount of RMB101,112,000 resulted from the ordinary shares subscribed by the trustees under a share award scheme, as detailed in note 35(a).

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）。

截至二零一六年十二月三十一日止年度，金額人民幣427,618,000元產生自一間附屬公司管理層根據股份安排注資（如附註35(b)所詳述）。金額人民幣101,112,000元產生自受託人根據股份獎勵計劃認購普通股（如附註35(a)所述）。

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量報表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		2017 RMB'000 二零一七年 人民幣千元	2016 RMB'000 二零一六年 人民幣千元
OPERATING ACTIVITIES	<b>經營業務</b>		
Profit before taxation from continuing and discontinued operations	來自持續及已終止經營業務除稅前溢利	<b>2,085,969</b>	1,314,346
Adjustments for:	經作出下列調整：		
Interest income	利息收入	<b>(56,170)</b>	(45,101)
Finance costs	融資成本	<b>58,362</b>	56,762
Depreciation of property, plant and equipment	物業、廠房及設備折舊	<b>357,082</b>	344,281
Depreciation of investment properties	投資物業折舊	<b>4,229</b>	1,771
Prepaid lease payments charged to profit or loss	從損益中扣除的預付租賃款項	<b>11,003</b>	10,804
Allowances for bad and doubtful debts	呆壞賬撥備	<b>37,688</b>	55,004
Allowances for inventories	存貨撥備	<b>1,712</b>	-
Amortisation of intangible assets	無形資產攤銷	<b>3,687</b>	3,115
Amortisation of sponsorship rights	贊助權利攤銷	<b>4,600</b>	3,075
Share-based payment expenses	以股份為基礎之付款開支	<b>25,412</b>	305,670
Share of loss (profit) of joint ventures	應佔合營公司虧損(溢利)	<b>23,904</b>	(464)
Gain on disposal of subsidiaries	出售附屬公司之收益	<b>(392,414)</b>	-
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	<b>1,684</b>	3,419
Release of deferred income	遞延收入付回	<b>(15,281)</b>	(11,018)
Exchange gain	匯兌收益	<b>(249)</b>	(7,963)
		<b>2,151,218</b>	2,033,701
Movements in working capital	營運資金變動		
Increase in inventories	存貨增加	<b>(97,149)</b>	(68,993)
Increase in trade and other receivables	應收貿易賬款及其他應收款項增加	<b>(72,560)</b>	(666,261)
Increase in finance lease receivables	應收融資租賃款項增加	<b>(4,298)</b>	(469,176)
Increase in loan receivables	應收貸款增加	<b>(350,000)</b>	-
(Decrease) increase in trade and other payables	應付貿易賬款及其他應付款項(減少)增加	<b>(65,706)</b>	355,553
Increase in deferred income	遞延收入增加	<b>800</b>	6,300
Cash generated from operations	經營所得現金	<b>1,562,305</b>	1,191,124
Income taxes paid	已付所得稅	<b>(295,297)</b>	(137,985)
NET CASH FROM OPERATING ACTIVITIES	<b>經營業務所得現金淨額</b>	<b>1,267,008</b>	1,053,139



# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量報表

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

		2017 RMB'000 二零一七年 人民幣千元	2016 RMB'000 二零一六年 人民幣千元
<b>INVESTING ACTIVITIES</b>	<b>投資業務</b>		
Purchases of property, plant and equipment	購買物業、廠房及設備	<b>(1,358,935)</b>	(592,940)
Deposits paid for acquiring property, plant and equipment	就收購物業、廠房及設備支付的按金	<b>(69,865)</b>	(26,729)
Addition of prepaid lease payments	預付租賃款項增加	<b>(83,837)</b>	(1,435)
Net cash outflow on acquisition of a subsidiary (note 36)	收購一間附屬公司的現金流出淨額(附註36)	<b>(39,648)</b>	-
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	<b>19,922</b>	19,073
Interest received	已收利息	<b>45,807</b>	50,490
Withdrawal of pledged bank deposits	提取已抵押銀行存款	<b>220,882</b>	418,191
Placement of pledged bank deposits	存入已抵押銀行存款	<b>(280,080)</b>	(408,998)
Purchase of available-for-sale investments	購買可供出售投資	<b>(585,573)</b>	(69,752)
Acquisition of sponsorship rights	贊助權利收購	-	(18,000)
Payments for loans	償還貸款	<b>(44,000)</b>	(246,600)
Disposal of available-for-sale investments	出售可供出售投資	<b>543,000</b>	-
Net cash outflow on disposal of subsidiaries (note 37)	出售附屬公司的現金流出淨額(附註37)	<b>(175,721)</b>	-
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>投資業務所用現金淨額</b>	<b>(1,808,048)</b>	(876,700)
<b>FINANCING ACTIVITIES</b>	<b>融資業務</b>		
Repayments of borrowings	償還借款	<b>(362,810)</b>	(420,900)
New borrowings raised	新增加之借貸	<b>603,787</b>	490,000
Interest paid	已付利息	<b>(59,462)</b>	(56,762)
Dividends paid	已付股息	<b>(490,555)</b>	(252,523)
Capital contribution by non-controlling shareholders	非控股股東之注資	<b>570,251</b>	311,111
New loans raised from the ultimate holding company	自最終控股公司籌集之新貸款	-	104,411
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>融資業務產生之現金淨額</b>	<b>261,211</b>	175,337
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物(減少)增加淨額</b>	<b>(279,829)</b>	351,776
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>於年初的現金及現金等價物</b>	<b>4,071,892</b>	3,712,153
Effect of foreign exchange rate changes	外匯匯率變動的影響	<b>(7,520)</b>	7,963
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR, represented by bank balances and cash</b>	<b>於年末的現金及現金等價物·指銀行結餘及現金</b>	<b>3,784,543</b>	4,071,892

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 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 single-use medical devices, orthopaedic products and blood purification products.

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」），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、生產及銷售一次性使用醫療器械、骨科產品及血液淨化產品。

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 2017 截至二零一七年十二月三十一日止年度

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

#### Amendments to HKFRSs that are mandatorily effective for the current year

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

Amendments to HKAS 7	<i>Disclosure Initiative</i>
Amendments to HKAS 12	<i>Recognition of Deferred Tax Assets for Unrealised Losses</i>
Amendments to HKFRS12	<i>As part of the Annual Improvements to HKFRSs 2014 – 2016 Cycle</i>

Except as described below, the application of the 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」）

#### 香港財務報告準則修訂本於本年度強制生效

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：

香港會計準則第7號（修訂）	主動披露
香港會計準則第12號（修訂）	就未變現虧損確認遞延稅項資產
香港財務報告準則第12號（修訂）	作為二零一四年至二零一六年週期香港財務報告準則年度改進之一部分

除下文所述者外，本年度內應用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。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

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

### Amendments to HKFRSs that are mandatorily effective for the current year (continued)

#### Amendments to HKAS 7 Disclosure Initiative

The Group has applied these amendments for the first time in the current year. The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both cash and non-cash changes. In addition, the amendments also require disclosures on changes in financial assets if cash flows from those financial assets were, or future cash flows will be, included in cash flows from financing activities.

Specifically, the amendments require the following to be disclosed: (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes.

A reconciliation between the opening and closing balances of these items is provided in note 42. Consistent with the transition provisions of the amendments, the Group has not disclosed comparative information for the prior year. Apart from the additional disclosure in note 42, the application of these amendments has had no impact on the Group’s 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）

### 香港財務報告準則修訂本於本年度強制生效（續）

#### 香港會計準則第7號（修訂）主動披露

於本年度，本集團已首次應用該等修訂。該等修訂要求實體提供披露，讓財務報表使用者能夠評估融資活動產生之負債變動，包括現金及非現金變動。此外，倘相關財務資產之現金流量曾計入或未來現金流量將計入融資活動所產生之現金流量，則該等修訂亦要求披露財務資產變動。

具體而言，該等修訂要求須予披露以下變動：(i) 融資現金流量變動；(ii) 獲取或失去附屬公司或其他業務之控制權所產生之變動；(iii) 外匯匯率變動影響；(iv) 公平值變動；及(v) 其他變動。

項目年初與年末結餘之間的對銷乃於附註42提供。與修訂的過渡條款一致，本集團尚未就過往期間披露比較資料。除附註42的額外披露外，應用該等修訂對本集團的綜合財務報表尚未產生影響。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

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

#### New and revised HKFRSs in issue but not yet effective

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

HKFRS 9	<i>Financial Instruments</i> <sup>1</sup>
HKFRS 15	<i>Revenue from Contracts with Customers and the related Amendments</i> <sup>1</sup>
HKFRS 16	<i>Leases</i> <sup>2</sup>
HKFRS 17	<i>Insurance Contracts</i> <sup>4</sup>
HK(IFRIC) – Int 22	<i>Foreign Currency Transactions and Advance Consideration</i> <sup>1</sup>
HK(IFRIC) – Int 23	<i>Uncertainty over Income Tax Treatments</i> <sup>2</sup>
Amendments to HKFRS 2	<i>Classification and Measurement of Share-based Payment Transactions</i> <sup>1</sup>
Amendments to HKFRS 4	<i>Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts</i> <sup>1</sup>
Amendments to HKFRS 9	<i>Prepayment Features with Negative Compensation</i> <sup>2</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>3</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9號	金融工具 <sup>1</sup>
香港財務報告準則第15號	來自與客戶合約的收入及相關修訂及相關修訂 <sup>1</sup>
香港財務報告準則第16號	租賃 <sup>2</sup>
香港財務報告準則第17號	保險合約 <sup>4</sup>
香港（國際財務報告詮釋委員會）— 詮釋第22號	外幣交易及預付代價 <sup>1</sup>
香港（國際財務報告詮釋委員會）— 詮釋第23號	所得稅處理之不确定性 <sup>2</sup>
香港財務報告準則第2號（修訂）	分類及計量股權支付交易 <sup>1</sup>
香港財務報告準則第4號（修訂）	採用香港財務報告準則第4號保險合約時一併應用香港財務報告準則第9號金融工具 <sup>1</sup>
香港財務報告準則第9號（修訂）	提早還款特性及負補償 <sup>2</sup>
香港財務報告準則第10號及香港會計準則第28號（修訂）	投資者與其聯營公司或合營公司之間的資產出售或投入 <sup>3</sup>

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

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

**2. APPLICATION OF NEW AND REVISED 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 revised 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 28	<i>Long-term Interests in Associates and Joint Ventures</i> <sup>2</sup>
Amendments to HKAS 28	<i>As part of the Annual Improvements to HKFRSs 2014 – 2016 Cycle</i> <sup>1</sup>
Amendments to HKAS 40	<i>Transfers of Investment Property</i> <sup>1</sup>
Amendments to HKFRSs	<i>Annual Improvements to HKFRSs 2015 – 2017 Cycle</i> <sup>2</sup>

香港會計準則第28號（修訂）	於聯營公司及合營公司之長期權益 <sup>2</sup>
香港會計準則第28號（修訂）	作為二零一四年至二零一六年週期香港財務報告準則年度改進之一部分 <sup>1</sup>
香港會計準則第40號（修訂）	轉讓投資物業 <sup>1</sup>
香港財務報告準則（修訂）	二零一五年至二零一七年週期香港財務報告準則年度改進 <sup>1</sup>

- <sup>1</sup> Effective for annual periods beginning on or after 1 January 2018.
- <sup>2</sup> Effective for annual periods beginning on or after 1 January 2019.
- <sup>3</sup> Effective for annual periods beginning on or after a date to be determined.
- <sup>4</sup> Effective for annual periods beginning on or after 1 January 2021.

- <sup>1</sup> 於二零一八年一月一日起或以後開始之年度期間生效。
- <sup>2</sup> 於二零一九年一月一日起或以後開始之年度期間生效。
- <sup>3</sup> 於待定期日起或以後開始之年度期間生效。
- <sup>4</sup> 於二零二一年一月一日起或以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 2017 截至二零一七年十二月三十一日止年度

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

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

Except for the new and amendments to HKFRSs and Interpretations 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 9 *Financial Instruments*

HKFRS 9 introduces new requirements for the classification and measurement of financial assets, financial liabilities, general hedge accounting and impairment requirements for financial assets.

Key requirements of HKFRS 9 which are relevant to the Group are:

- all recognised financial assets that are within the scope of HKFRS 9 are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at fair value through other comprehensive income (“FVTOCI”). All other financial assets are measured at their fair value at subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

### 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）

除下文所述的新訂及經修訂香港財務報告準則及詮釋外，本公司董事預計，於可預見未來應用所有其他新訂及經修訂香港財務報告準則及詮釋將不會對綜合財務報表構成重大影響。

#### 香港財務報告準則第9號金融工具

香港財務報告準則第9號引入有關金融資產及金融負債分類及計量、一般對沖會計處理方法以及金融資產減值規定之新規定。

香港財務報告準則第9號與本集團有關的主要規定為：

- 於香港財務報告準則第9號範圍內所有已確認金融資產其後須按攤銷成本或公平值計量。具體而言，目的為收取合約現金流量的業務模式內持有的債務投資，及合約現金流量僅為支付本金及未償還本金利息的債務投資，一般於其後會計期間結束時按攤銷成本計量。於目的為同時收回合約現金流量及出售金融資產的業務模式內持有的債務工具，以及合約條款令於特定日期產生的現金流量僅為支付本金及未償還本金利息的債務工具，一般按透過其他全面收益按公平值（「透過其他全面收益按公平值」）計量。所有其他金融資產均於其後會計期間按公平值計量。此外，根據香港財務報告準則第9號，實體可作出不可撤回選擇，於其他全面收益呈報並非持作買賣的股權投資公平值的其後變動，一般僅於損益確認股息收入。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

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

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

- In relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

Based on the Group’s financial instruments and risk management policies as at 31 December 2017, the directors of the Company anticipate the following potential impact on initial application of HKFRS 9:

#### **Classification and measurement**

Equity securities classified as available-for-sale investments carried at cost less impairment as disclosed in note 21: these securities qualified for designation as measured at FVTOCI under HKFRS 9, however, the Group plans not to elect the option for designating these securities to be measured at FVTOCI and will measure these securities at fair value with subsequent fair value gains or losses to be recognised in profit or loss. Upon initial application of HKFRS 9, fair value gains related to these securities, representing the differences between cost less impairment and fair value would be adjusted to retained profits as at 1 January 2018, which would be not significant based on the assessment by the directors of the Company.

## 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）

- 就金融資產減值而言，香港財務報告準則第9號規定預期信貸損失模型，而相對而言香港會計準則第39號項下則規定已招致信貸損失模型。預期信貸損失模型要求實體將於各報告日期的預期信貸損失及該等預期信貸損失的變動入賬，以反映自初始確認以來的信貸風險變動。換言之，不再需要於已發生信貸事件後方可確認信貸損失。

根據本集團於二零一七年十二月三十一日的金融工具及風險管理政策，本公司董事預期首次應用香港財務報告準則第9號將產生以下潛在影響：

#### **分類及計量**

分類為可供出售投資的股本證券按成本減減值計值，如附註21所披露：該等證券符合根據香港財務報告準則第9號指定為透過其他全面收入按公平值列賬，然而，本集團計劃不選擇將該等證券指定為按透過其他全面收益按公平值列賬，且將按公平值計量該等證券，後續公平值收益或虧損將計入損益。於初步應用香港財務報告準則第9號時，該等證券的相關公平值收益，即成本減去減值與公平值的差額，將於二零一八年一月一日的保留溢利中調整，其根據本公司董事的評估將為不重大。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

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

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

#### **Classification and measurement** (continued)

Bills receivable are held within a business model whose objective is achieved by both collecting contractual cash flows and endorsing the bills receivable to suppliers, and the contractual terms give rise to cash flows on specified dates that are solely payments of principal. Accordingly bills receivable will be subsequently measured at FVTOCI upon the application of IFRS 9, with the fair value gains or losses accumulated in reserve subsequently reclassified to profit or loss upon derecognition. However, the directors of the Company do not anticipate this will have a material impact on the amounts recognised in other comprehensive income as the fair value of bills receivable is close to its carrying amounts given all bills receivable will mature within one year.

All other financial assets and financial liabilities will continue to be measured on the same bases as are currently measured under HKAS 39.

#### **Impairment**

In general, the directors of the Company anticipate that the application of the expected credit loss model of HKFRS 9 will result in earlier provision of credit losses which are not yet incurred in relation to the Group's financial assets measured at amortised costs and other items that subject to the impairment provisions upon application of HKFRS 9 by the Group.

Based on the assessment by the directors of the Company, if the expected credit loss model were to be applied by the Group, the accumulated amount of impairment loss to be recognised by Group as at 1 January 2018 would be slightly increased as compared to the accumulated amount recognised under HKAS 39 mainly attributable to expected credit losses provision on trade receivables, other receivables, finance lease receivables and loan receivables. Such further impairment recognised under expected credit loss model would reduce the opening retained profits and increase the deferred tax assets 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）

#### 分類及計量（續）

如應收票據旨在同時收取合約現金流量及就向供應商付款而於應收票據背書，該應收票據於業務模式中持有，而合約條款於特定日期產生的現金流純粹為支付本金。因此，應用國際財務報告準則第9號後，應收票據隨後按透過其他全面收益按公平值予以計量，而終止確認時，於儲備累計的公平值收益或虧損隨後會重新分類至損益賬。然而，董事並不預期此將對其他全面收益所確認金額造成重大影響，原因是應收票據的公平值與其賬面值相近，而全部應收票據將於一年內到期。

所有其他金融資產及金融負債將繼續按相同基準計量，目前按香港會計準則第39號計量。

#### 減值

一般而言，本公司董事預期應用香港財務報告準則第9號的預期信貸虧損模式將導致本集團於應用香港財務報告準則第9號後，就本集團按攤銷成本計量的金融資產以及其他須作減值撥備的項目而尚未產生的信貸虧損提前計提撥備。

根據本公司董事評估，倘本集團應用預期信貸虧損模式，則本集團於二零一八年一月一日將予確認的累計減值虧損金額將較根據香港會計準則第39號確認的累計金額略有增加，主要由於應收貿易賬款、其他應收款項、應收融資租賃款項及應收貸款的預期信貸虧損撥備所致。按預期信貸虧損模式確認的其他減值將減少於二零一八年一月一日的期初保留溢利及增加遞延稅項資產。

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

### HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 Revenue, HKAS 11 Construction Contracts and the related Interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity 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. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

## 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號來自客戶合約的收益

香港財務報告準則第15號已頒佈，其制定一項單一全面模式供實體用作將自客戶合約所產生之收益入賬。於香港財務報告準則第15號生效後，其將取代現時之收益確認指引，包括香港會計準則第18號收益、香港會計準則第11號建築合約及相關詮釋。

香港財務報告準則第15號之核心原則為實體所確認向客戶轉讓承諾貨品或服務描述之收益金額，應為能反映該實體預期就交換該等貨品或服務有權獲得之代價。具體而言，該準則引入五個確認收益之步驟：

- 第一步：識別與客戶之合約
- 第二步：識別合約中的履約責任
- 第三步：釐定交易價格
- 第四步：將交易價格分攤至合約中之履約責任
- 第五步：於實體完成履約責任時（或就此）確認收益

根據香港財務報告準則第15號，實體於完成履約責任時（或就此）確認收益，即於特定履約責任相關之商品或服務之「控制權」轉讓予客戶時。香港財務報告準則第15號已就特別情況之處理方法加入更明確指引。此外，香港財務報告準則第15號規定作出更詳盡之披露。

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

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

In 2016, the HKICPA issued Clarifications to HKFRS 15 in relation to the identification of performance obligations, principal versus agent considerations, as well as licensing application guidance.

The directors of the Company anticipate that the application of HKFRS 15 in the future may result in more disclosures, however, the directors of the Company do not anticipate that the application of HKFRS 15 will have a material impact on the timing and amounts of revenue recognised in the respective reporting periods.

### **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. 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）

### **香港財務報告準則第15號來自客戶合約的收益**（續）

於二零一六年，香港會計師公會頒佈香港財務報告準則第15號有關確認履約承擔、主理人與代理人之考量及授權應用指引澄清。

本公司董事預期，於日後應用香港財務報告準則第15號可能會導致更多披露，然而，本公司董事預期，應用香港財務報告準則第15號將不會對相關報告期間已確認收益之時間及金額造成重大影響。

### **香港財務報告準則第16號租賃**

香港財務報告準則第16號為識別出租人及承租人的租賃安排及會計處理引入一項綜合模式。香港財務報告準則第16號生效時將取代香港會計準則第17號租賃及其相關詮釋。

香港財務報告準則第16號以顧客能否控制所識別資產來區分租賃及服務合約。除短期租賃及低價值資產租賃外，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將予確認使用權資產及相對應負債的模式取代。

## 2. APPLICATION OF NEW AND REVISED 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.

In contrast to lessee accounting, 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 2017, the Group has non-cancellable operating lease commitments of RMB16,290,000 as disclosed in note 38. 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.

Furthermore, the application of new requirements may result in changes in measurement, presentation and disclosure as indicated above.

## 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）

使用權資產初始按成本計量並隨後按成本計量（根據若干例外情況）減累計折舊及減值虧損，就任何租賃負債重新計量而調整。租賃負債初始按當日尚未支付的租賃款項的現值計量。隨後，租賃負債就利息及租賃款項以及（其中包括）租賃修訂的影響作出調整。就現金流分類而言，本集團目前將提前預付租賃款項呈列為有關自用租賃土地且該等分類為投資物業的投資現金流量，而其他經營租賃付款呈列為經營現金流量。於應用香港財務報告準則第16號時，有關租賃負債的租賃款項將由本集團分配至分別呈列為融資及經營現金流量的本金及利息的部分。

與承租人會計處理相比，香港財務報告準則第16號大致轉承香港會計準則第17號的出租人會計處理規定，並且繼續要求出租人將其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號要求作出詳盡披露。

誠如附註38所披露，於二零一七年十二月三十一日，本集團擁有不可撤銷經營租約承擔人民幣16,290,000元。初步評估顯示此等安排符合租賃的定義。於應用香港財務報告準則第16號時，本集團將確認一項使用權資產及有關所有該等租賃相對應的負債，除非其符合低價值或短期租賃。

此外，應用新規定可能導致上述列示的計量、呈列及披露的變動。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. 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.

### 3. 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（如下列會計政策所述）。

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。

**3. 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.

**3. 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 2017 截至二零一七年十二月三十一日止年度

### 3. 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.

### 3. 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悉數對銷。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Basis of consolidation (continued)

#### *Changes in the Group's ownership interests in existing subsidiaries*

Changes in the Group's ownership 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 HKAS 39 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

### 3. 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，包括按照本集團與非控股權益之權益比例，將本集團與非控股權益之間的相關儲備重新歸屬。

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，附屬公司之資產及負債及非控股權益（如有）會被取消確認。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）。於失去控制權當日保留於前附屬公司之任何投資之公平值，按香港會計準則第39號，被視為於初始確認時之公平值及作其後會計處理，適用時作為於聯營公司或合營企業之投資之初步確認成本。



### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Business combinations

Acquisitions of businesses 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.

### 3. 主要會計政策 (續)

#### 業務合併

收購業務以收購法入賬。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 2017 截至二零一七年十二月三十一日止年度

### 3. 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. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value.

#### 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).

### 3. 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。

#### 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。

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Goodwill (continued)

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal (or any of the cash-generating unit within group of cash-generating units in which the Group monitors goodwill).

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.

### 3. 主要會計政策 (續)

#### 商譽 (續)

於出售相關現金產生單位時，會於釐定出售的損益金額時計入商譽的應佔金額（或本集團監控商譽的現金產生單位組別內的任何現金產生單位）。

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。

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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. 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.

### 3. 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。

**3. SIGNIFICANT ACCOUNTING POLICIES**

(continued)

**Investments in an associate and joint ventures** (continued)

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, 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 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. 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.

**3. 主要會計政策 (續)****於聯營公司及合營公司的投資** (續)

香港會計準則第39號的規定乃應用於釐定是否有必要就本集團於聯營公司或合營公司之投資確認任何減值虧損。於有需要時，則根據香港會計準則第36號*資產減值*，透過將投資之可回收金額(使用價值與公平值減出售成本之較高者)與其賬面值進行比較，而將投資之總賬面值(包括商譽)作為單獨資產進行減值測試。任何確認之減值虧損形成投資賬面值之一部分。該減值虧損之任何撥回金額乃根據香港會計準則第36號按投資其後增加之可回收金額予以確認。

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。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)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. 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 recognition

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.

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.

The Group's accounting policy for recognition of revenue from operating and financial leases is described in the accounting policy for leasing below.

### 3. 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。

#### 收入確認

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。

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。

本集團有關確認經營及金融租賃收入的會計政策於下文租賃會計政策內載述。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Leasing

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.

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.

### 3. 主要會計政策 (續)

#### 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。

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。

**3. SIGNIFICANT ACCOUNTING POLICIES**

(continued)

**Leasing** (continued)***The Group as lessor***

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.

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.

***The Group as lessee***

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

***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.

**3. 主要會計政策 (續)****租賃 (續)****本集團作為出租人**

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。

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。

**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。

**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。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Leasing (continued)

##### **Leasehold land and building** (continued)

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.

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.

### 3. 主要會計政策 (續)

#### 租賃 (續)

##### **租賃土地及樓宇** (續)

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。

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。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Foreign currencies (continued)

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).

#### 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.

### 3. 主要會計政策 (續)

#### 外幣 (續)

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）。

#### 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。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Government grants (continued)

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.

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

Payments to state-managed retirement benefit schemes and the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

#### Share-based payments arrangements

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).

### 3. 主要會計政策 (續)

#### 政府補助 (續)

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。

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

向國家管理的退休福利計劃及強制性公積金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。

#### 以股份為基礎付款安排

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）。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Share-based payments arrangements (continued)

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.

For grants of shares that vest immediately at the date of grant, the fair value of the awarded shares is recognised immediately in profit or loss.

When the award shares are exercised, the amount previously recognised in share-based payments reserve will be transferred to other reserve. When the award shares 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.

#### Current 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.

### 3. 主要會計政策 (續)

#### 以股份為基礎付款安排 (續)

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。

對於緊隨授出日期歸屬的股份授出，激勵股份的公平值隨即於損益內獲確認。

倘獎勵股份獲行使，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。

#### 即期稅項

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 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Taxation (continued)

##### Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base 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.

### 3. 主要會計政策 (續)

#### 稅項 (續)

##### 遞延稅項

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，則遞延稅項負債予以確認。

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。

**3. SIGNIFICANT ACCOUNTING POLICIES**

(continued)

**Taxation** (continued)**Deferred tax** (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.

**Current and deferred tax for the year**

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.

**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.

**3. 主要會計政策 (續)****稅項 (續)****遞延稅項 (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。

**年內即期及遞延稅項**

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。

**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。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Property, plant and equipment (continued)

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.

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.

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.

### 3. 主要會計政策 (續)

#### 物業、廠房及設備 (續)

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。

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。

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。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 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.

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.

### 3. 主要會計政策 (續)

#### 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。

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。



### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Intangible assets (continued)

##### ***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.

##### ***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.

### 3. 主要會計政策 (續)

#### 無形資產 (續)

##### **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。

##### **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。

**3. SIGNIFICANT ACCOUNTING POLICIES**

(continued)

**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.

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.

**3. 主要會計政策 (續)****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）。

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。

**3. SIGNIFICANT ACCOUNTING POLICIES**

(continued)

**Impairment of tangible and intangible assets other than goodwill** (continued)

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.

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.

**3. 主要會計政策 (續)****除商譽外之有形及無形資產減值** (續)

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。

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。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. 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 fair value through profit or loss) 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 fair value through profit or loss are recognised immediately in profit or loss.

#### Financial assets

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.

### 3. 主要會計政策 (續)

#### 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。

金融資產及金融負債初步按公平值計量。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。

#### 金融資產

本集團的金融資產分類為下列可供出售(「可供出售」)金融資產及貸款及應收款項之專門類別。分類視乎金融資產的性質及目的而定,並於初步確認時釐定。所有定期購買或出售金融資產乃按交易日基準確認及取消確認。定期購買或出售乃購買或出售須於市場上按規則或慣例設定的時間框架內交付資產的金融資產。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Financial instruments (continued)

##### Financial assets (continued)

##### Effective interest method

The effective interest method is a method of calculating the amortised cost of debt instruments and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees 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 debt instruments, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

##### 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 fair value through profit or loss.

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.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

##### 實際利率法

實際利率法乃計算債務工具的攤銷成本按有關期間攤分利息收入的方法。實際利率乃於最初確認時將估計日後現金收入(包括所有支付或所收構成實際利率的費用、交易成本及其他溢價或折讓的必要部分)按債務工具的預期使用年期或(倘合適)更短期間準確貼現至賬面淨值的利率。

就債務工具而言，利息收入按實際利率基準確認。

##### 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。

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。

**3. SIGNIFICANT ACCOUNTING POLICIES**

(continued)

**Financial instruments** (continued)**Financial assets** (continued)*AFS financial assets* (continued)

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 (see the accounting policy in respect of impairment loss on financial assets below).

*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.

**3. 主要會計政策 (續)****金融工具** (續)**金融資產** (續)*可供出售金融資產* (續)

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(見下文有關金融資產的減值虧損的會計政策)。

*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。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Financial instruments (continued)

#### Financial assets (continued)

#### Impairment of financial assets

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.

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.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

#### 金融資產 (續)

#### 金融資產的減值

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。

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）。

**3. SIGNIFICANT ACCOUNTING POLICIES**

(continued)

**Financial instruments** (continued)**Financial assets** (continued)*Impairment of financial assets* (continued)

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.

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.

**3. 主要會計政策 (續)****金融工具 (續)****金融資產 (續)***金融資產的減值 (續)*

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。

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。



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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Financial instruments (continued)

#### Financial assets (continued)

#### Impairment of financial assets (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.

#### Financial liabilities and equity instruments

#### Classification as debt or equity

Debt and equity instruments issued by a group entity 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.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

#### 金融資產 (續)

#### 金融資產的減值 (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。

#### 金融負債及股本工具

#### 分類為負債或權益

集團實體發行的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。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 3. SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Financial instruments (continued)

#### Financial liabilities and equity instruments (continued)

##### 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. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

##### Financial liabilities at amortised cost

Financial liabilities including borrowings, loan from the ultimate holding company and trade and other payables are subsequently measured at amortised cost, using the effective interest method.

##### Effective interest method

The effective interest method is a method of calculating the amortised cost of financial liabilities and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees 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 liabilities, or, where appropriate, to the net carrying amount on initial recognition. Interest expense is recognised on an effective interest basis.

### 3. 主要會計政策 (續)

#### 金融工具 (續)

#### 金融負債及股本工具 (續)

##### 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。本公司所發行的股本工具按已收所得款項減直接發行成本列賬。

##### 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。

##### 實際利率法

實際利率法乃計算金融負債的攤銷成本及按有關期間攤分利息支出的方法。實際利率乃將估計日後現金付款(包括所有支付或所收構成實際利率、交易成本及其他溢價或折讓的必要部分的費用)按金融負債的預期年限,或(倘合適)準確貼現至初步確認時賬面淨值的利率。利息支出按實際利率基準確認。

### 3. SIGNIFICANT ACCOUNTING POLICIES

(continued)

#### Derecognition

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.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

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.

### 3. 主要會計政策 (續)

#### 終止確認

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。

當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及已於其他全面收入確認及於權益內累計的累計損益將於損益中確認。

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。

#### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY

The key assumption concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is discussed as below:

##### Estimated impairment of trade receivables

When there is an objective evidence of impairment loss, the Group takes into consideration the estimation of future cash flows. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition, where applicable). Where the future cash flows are less than expected, or being revised downward due to changes in facts and circumstances, a material impairment loss may arise. As at 31 December 2017, the carrying amount of trade receivables was RMB2,851,468,000 (net of allowance for doubtful debts of RMB183,330,000) (31 December 2016: RMB2,930,402,000, net of allowance for doubtful debts of RMB188,844,000).

#### 4. 估計不明朗因素的主要來源

以下為可能導致資產及負債帳面值於下一財政年度需要作出重大調整之未來相關主要假設及導致估計不明朗因素之其他主要來源：

##### 應收貿易賬款之估計減值

倘有減值虧損之客觀證據，本集團會考慮估計未來現金流量。減值虧損之金額按資產之賬面值與估計未來現金流量之現值（不包括尚未產生之未來信貸虧損）兩者之差額以金融資產之原有實際利率（即初次確認時計算之實際利率，倘適用）貼現計量。倘未來現金流量少於預期，或因為事實及情況轉變而向下修訂，則可能會產生重大減值虧損。於二零一七年十二月三十一日，應收貿易賬款之賬面值為人民幣2,851,468,000元（扣除呆賬備抵人民幣183,330,000元）（二零一六年十二月三十一日：人民幣2,930,402,000元，扣除呆賬備抵人民幣188,844,000元）。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 5. REVENUE AND SEGMENT INFORMATION

The Group is principally engaged in the research and development, production and sale of single-use medical device products, orthopaedic products, and operates finance lease and factoring business in the PRC.

For management purposes, the Group is currently organised into three operating divisions – single use medical device products, orthopaedic products, and others. 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.

Principal activities of the Group's operating and reportable segments are as follows:

- |                                    |   |
|------------------------------------|---|
| Single use medical device products | – production and sale of single use consumables such as infusion sets, syringes, blood transfusion sets and blood bags. |
| Orthopaedic products               | – production and sale of orthopaedic products.  |
| Others                             | – finance lease and factoring business.   |

The operating segment regarding the manufacture and sale of blood purification products was discontinued in the current year. The segment information reported on the next pages does not include any amounts for this discontinued operation, which are described in more details in note 11.

### 5. 收入及分部資料

本集團主要從事研發、生產及銷售一次性醫療器械產品、骨科產品，及主要於中國經營融資租賃及保理業務。

就管理而言，本集團目前分為三個經營分部：一次性使用醫療器械產品、骨科產品及其他。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。

本集團經營及可呈報分部的主要業務如下：

- |             |                             |
|-------------|-----------------------------|
| 一次性使用醫療器械產品 | – 生產及銷售一次性使用耗材，如輸液器、注射器及血袋。 |
| 骨科產品        | – 生產及銷售骨科產品。                |
| 其他          | – 融資租賃及保理業務。                |

有關製造及銷售血液淨化產品之經營分部已於本年度內終止。以下報告之分部資料並不包括此項已終止經營業務之任何金額，有關更多詳情於附註11內披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

**5. REVENUE AND SEGMENT INFORMATION** (continued) **5. 收入及分部資料** (續)

**Segment revenues and results**

The following is an analysis of the Group's revenue and results from continuing operations by operating and reportable segments:

**2017**

**Continuing operations**

**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：

**二零一七年**

**持續經營業務**

		Single use medical device products RMB'000 一次性 使用醫療 器械產品 人民幣千元	Orthopaedic products RMB'000 骨科產品 人民幣千元	Others RMB'000 其他 人民幣千元	Eliminations RMB'000 抵減 人民幣千元	Total RMB'000 合計 人民幣千元
Revenue	收益					
External sales	外部銷售	5,422,255	870,386	-	-	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>5,438,385</b>	<b>872,008</b>	<b>-</b>	<b>(17,752)</b>	<b>6,292,641</b>
Segment profit	分部溢利	<b>1,170,398</b>	<b>291,590</b>	<b>39,963</b>	<b>-</b>	<b>1,501,951</b>
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					(14,108)
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)					<b>1,527,561</b>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 5. REVENUE AND SEGMENT INFORMATION (continued) 5. 收入及分部資料 (續)

#### Segment revenues and results (continued)

#### 分部收益及業績 (續)

2016

二零一六年

#### Continuing operations

#### 持續經營業務

		Single use medical device products RMB'000 (restated) 一次性 使用醫療 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)	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	4,816,344	803,498	-	-	5,619,842
Inter-segment sales	內部分部銷售	12,505	10	-	(12,515)	-
<b>Total</b>	<b>合計</b>	<b>4,828,849</b>	<b>803,508</b>	<b>-</b>	<b>(12,515)</b>	<b>5,619,842</b>
Segment profit	分部溢利	1,084,630	45,180	23,626	-	1,153,436
Depreciation of investment properties	投資物業之折舊					(1,771)
Unallocated other income, gains and losses	未分配其他收入、收益及虧損					(2,784)
Interest income from bank	銀行利息收入					37,794
Profit before taxation (continuing operations)	除稅前溢利 (持續經營業務)					1,186,675

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

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

**5. REVENUE AND SEGMENT INFORMATION**  
(continued)

**5. 收入及分部資料 (續)**

**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 3. Segment profit represents the profit earned by each segment without allocation of depreciation of investment properties, other income, gains and losses of the corporate function, Interest income from bank and gain on disposal of subsidiaries. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and performance assessment.

**分部收益及業績 (續)**

經營及可呈報分部的會計政策與附註3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、其他收入、企業職能的收益及虧損、銀行利息收入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。

**Segment assets and liabilities**

**分部資產及負債**

**Segment assets**

**分部資產**

<b>Continuing operations</b>	<b>持續經營業務</b>	<b>31/12/2017</b> <b>RMB'000</b> <b>二零一七年</b> <b>十二月</b> <b>三十一日</b> <b>人民幣千元</b>	31/12/2016 RMB'000 (restated) 二零一六年 十二月 三十一日 人民幣千元 (經重列)
Single use medical device products	一次性使用醫療器械產品	<b>9,085,991</b>	6,806,876
Orthopaedic products	骨科產品	<b>1,374,634</b>	1,273,729
Others	其他	<b>1,174,912</b>	613,363
<b>Total segment assets</b>	<b>分部總資產</b>	<b>11,635,537</b>	8,693,968
Assets relating to discontinued operation	有關已終止經營業務之資產	-	2,827,543
Available-for-sale investments	可供出售投資	<b>81,517</b>	95,411
Interests in an associate	於一間聯營公司之權益	<b>937,500</b>	-
Investment properties	投資物業	<b>186,956</b>	51,415
Deferred tax assets	遞延稅項資產	<b>60,628</b>	53,222
Pledged bank deposits	已抵押銀行存款	<b>96,178</b>	31,814
Bank balances and cash	銀行結餘及現金	<b>3,784,543</b>	4,002,936
<b>Consolidated assets</b>	<b>綜合資產</b>	<b>16,782,859</b>	15,756,309



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 5. REVENUE AND SEGMENT INFORMATION

(continued)

### 5. 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	31/12/2017	31/12/2016
		RMB'000	RMB'000
		二零一七年 十二月 三十一日 人民幣千元	二零一六年 十二月 三十一日 人民幣千元 (經重列)
Single use medical device products	一次性使用醫療器械產品	2,582,054	2,380,167
Orthopaedic products	骨科產品	197,044	157,928
Others	其他	359,653	139,946
Total segment liabilities	分部總負債	3,138,751	2,678,041
Liabilities relating to discontinued operation	有關已終止經營業務之負債	-	873,004
Consolidated liabilities	綜合負債	3,138,751	3,551,045

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, and interests in an associate; and
  - all liabilities are allocated to operating segments.
- 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、可供出售投資及於一間聯營公司之權益除外；及
  - 所有負債分配至經營分部。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

**5. REVENUE AND SEGMENT INFORMATION** **5. 收入及分部資料 (續)**  
(continued)

**Other segment information**

**其他分部資料**

**2017**

**二零一七年**

**Continuing operations**

**持續經營業務**

		Single use medical device products RMB'000 一次性 使用醫療 器械產品 人民幣千元	Orthopaedic products RMB'000 骨科產品 人民幣千元	Others RMB'000 其他 人民幣千元	Total RMB'000 合計 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	新增物業、廠房及設備	665,038	62,562	631	728,231
Allowances for bad and doubtful debts	呆壞賬撥備	25,644	1,676	7,703	35,023
Allowances for inventories	存貨撥備	-	1,712	-	1,712
Release of prepaid lease payments	預付租金付款付回	6,723	1,829	-	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	189,600	64,804	266	254,670
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	238,771	35,054	-	273,825
Share-based payment expenses	以股份為基礎的付款開支	25,412	-	-	25,412
Government grants	政府補助	(10,587)	(6,157)	(1,270)	(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 2017 截至二零一七年十二月三十一日止年度

### 5. REVENUE AND SEGMENT INFORMATION (continued) 5. 收入及分部資料 (續)

#### Other segment information (continued)

2016

#### Continuing operations

#### 其他分部資料 (續)

二零一六年

#### 持續經營業務

	Single use medical device products RMB'000 (restated) 一次性 使用醫療 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)	Others RMB'000 (restated) 其他 人民幣千元 (經重列)	Total RMB'000 (restated) 合計 人民幣千元 (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	449,040	47,146	546	496,732
Allowance for bad and doubtful debts	呆壞賬撥備	34,946	6,689	7,950	49,585
Release of prepaid lease payments	預付租金付款付回	7,130	1,253	-	8,383
Amortisation of intangible assets	無形資產攤銷	-	3,115	-	3,115
Depreciation of property, plant and equipment	物業、廠房及設備折舊	197,162	57,762	196	255,120
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	1,122	15	-	1,137
Research and development expenditure	研發開支	208,805	57,232	-	266,037
Share-based payment expenses	以股份為基礎的付款開支	10,781	294,889	-	305,670
Government grants	政府補助	(7,572)	(4,574)	-	(12,146)
Rebate of VAT	增值稅退款	(63,880)	-	(1,010)	(64,890)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 5. REVENUE AND SEGMENT INFORMATION (continued)

### 5. 收入及分部資料 (續)

#### Revenue from major products

The following is an analysis of the Group's revenue from continuing operations from its major products and services.

#### 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。

		2017 RMB'000 二零一七年 人民幣千元	2016 RMB'000 (restated) 二零一六年 人民幣千元 (經重列)
Sale of single use medical device products	銷售一次性使用醫療器械產品		
– Infusion sets	– 輸液器	<b>1,668,532</b>	1,572,897
– Syringes	– 注射器	<b>859,933</b>	757,702
– Pre-filled syringes	– 預充式注射器	<b>717,990</b>	598,839
– Needles	– 針製品	<b>1,017,672</b>	895,272
– Blood bags and sampling products	– 血袋製品及採血產品	<b>416,711</b>	364,263
– PVC granules	– PVC粒料	<b>66,360</b>	53,003
– Other products	– 其他產品	<b>675,057</b>	574,368
Sale of orthopaedic products	銷售骨科產品	<b>870,386</b>	803,498
		<b>6,292,641</b>	5,619,842

#### Information about major customers

There is no single customer contributing over 10% of total sales of the Group for both years.

#### 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%。

#### Geographical segment

The Group's operations, assets and most of the customers are located in the PRC. Accordingly, no geographical analysis of non-current assets and revenue is presented.

#### 地區分部

本集團的經營業務、資產及大部分客戶均位於中國。因此，毋須呈列非流動資產及收益的地區分析。

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### 6. OTHER INCOME, GAINS AND LOSSES

### 6. 其他收入、收益及虧損

Continuing operations	持續經營業務	2017 RMB'000 二零一七年 人民幣千元	2016 RMB'000 (restated) 二零一六年 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>81,488</b>	64,890
Government grants (note b)	政府補助（附註b）	<b>18,014</b>	12,146
Operating rental income	經營租金收入	<b>11,438</b>	6,753
Finance lease income	金融租賃收入	<b>39,034</b>	35,146
Interest income from bank	銀行利息收入	<b>42,601</b>	37,794
Interest income from factoring business	保理業務之利息收入	<b>18,794</b>	-
Interest income from loan receivables	應收貸款之利息收入	<b>10,844</b>	6,572
		<b>222,213</b>	163,301
Other gains and losses:	其他收益及虧損：		
Allowances for bad and doubtful debts	呆壞賬撥備	<b>(35,023)</b>	(49,585)
Allowances for inventories	存貨撥備	<b>(1,712)</b>	-
Net exchange gain (loss)	匯兌收益（虧損）之淨額	<b>1,883</b>	(4,056)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	<b>(467)</b>	(1,137)
Donation paid	已付捐贈	<b>(16,016)</b>	(3,651)
Others	其他	<b>1,908</b>	867
		<b>(49,427)</b>	(57,562)
		<b>172,786</b>	105,739

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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 6. 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 [2007] No.92 issued by the State Council, with effect from 1 July 2007, Jierui was granted a rebate of VAT determined with reference to the number of staff with physical disability, as well as the standard maximum limit per staff with physical disability. Caishui [2007] No.92 was annulled at 1 May 2016.

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.

### 6. 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[2007]第92號文件，由二零零七年七月一日起生效，潔瑞獲授出的增值稅退稅款乃參考殘障員工之數目以及每名殘障員工之標準上限釐定。財稅[2007]第92號文件於二零一六年五月一日廢除。

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款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，作為增值稅退稅款。

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其他收入。在確認年度內概無未達成條件。

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### 7. FINANCE COSTS

### 7. 融資成本

Continuing operations	持續經營業務	2017 RMB'000 二零一七年 人民幣千元	2016 RMB'000 (restated) 二零一六年 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>23,879</b>	25,065

### 8. INCOME TAX EXPENSE

### 8. 所得稅開支

Continuing operations	持續經營業務	2017 RMB'000 二零一七年 人民幣千元	2016 RMB'000 (restated) 二零一六年 人民幣千元 (經重列)
PRC Enterprise Income Tax	中國企業所得稅		
Current tax	即期稅項	<b>225,427</b>	165,415
Underprovision in prior years	過往年度撥備不足	<b>6,379</b>	2,577
Deferred taxation	遞延稅項	<b>(7,407)</b>	(14,156)
		<b>224,399</b>	153,836

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%.

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%。

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### 8. INCOME TAX EXPENSE (continued)

The Company, Jierui and Shandong Weigao Orthopaedic Device Company Limited (“Weigao Ortho”) were recognised as Shandong Province New and High Technical Enterprises (山東省高新技術企業) from the year 2014 to 2016. 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%. The directors of the Company are in the view that the Company, Jierui and Weigao Ortho have satisfied all current criteria and are currently processing to obtain the approval certificate from relevant tax authority for recognition as Shandong Province New and High Technical Enterprises for year 2017, and anticipate that these entities should continue to enjoy the preferential tax rate of 15%.

Jierui has been recognised as a “Social Welfare Entity” from the year 2016 to 2018. 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 2017 and 2016 were made after taking these tax incentives into account.

No provision of Hong Kong taxation has been made for Weigao International Medical Company Limited, Wego Medical Holding Company Limited, Lucky Goal Limited, and Champion Falcon limited as they did not have assessable profit in Hong Kong during both years.

No provision of overseas taxation has been made for Wellford Capital Limited, Better City Limited, and Brilliant grace limited as they did not have assessable profit during both years.

### 8. 所得稅開支 (續)

本公司、潔瑞及山東威高骨科材料有限公司(「威高骨科」)獲確認為二零一四年度至二零一六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。本公司董事認為，本公司、潔瑞及威高骨科已符合所有現時標準並現時正就確認為二零一七年之山東省高新技術企業取得相關稅務機關批准證書，及預計此等實體應繼續享有優惠稅率15%。

潔瑞自二零一六年至二零一八年獲確認為「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。截至二零一七年及二零一六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。

概無就威高國際醫療有限公司、威高醫療控股有限公司、祥標有限公司及翔冠有限公司的香港稅項作出撥備，原因為兩年內彼等於香港並無應課稅溢利。

概無就Wellford Capital Limited、城佳有限公司及耀恩有限公司的海外稅項作出撥備，原因為兩年內彼等並無應課稅溢利。



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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 8. INCOME TAX EXPENSE (continued)

### 8. 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：

		<b>2017</b> <b>RMB'000</b> <b>二零一七年</b> <b>人民幣千元</b>	2016 RMB'000 (restated) 二零一六年 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>1,527,561</b>	1,186,675
Taxation at the domestic income tax rate of 15% (2016: 15%)	按15%國內所得稅率計算的稅項(二零一六年: 15%)	<b>229,134</b>	178,001
Tax effect on income not taxable for tax purpose	就稅務而言毋須課稅收入之稅務影響	-	(12,512)
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>(17,386)</b>	(19,323)
Additional tax benefit to a Social Welfare Entity	社會福利實體之額外稅務優惠	<b>(5,466)</b>	(5,600)
Utilisation of tax losses previously not recognised	動用過往未確認的稅項虧損	<b>(1,829)</b>	(535)
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>3,565</b>	2,775
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>2,442</b>	5,204
Effect on different tax rates of subsidiaries	不同稅率對附屬公司的影響	<b>7,560</b>	3,249
Underprovision in prior years	過往年度撥備不足	<b>6,379</b>	2,577
Income tax expense for the year (relating to continuing operations)	年內所得稅開支 (與持續經營業務相關)	<b>224,399</b>	153,836

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### 9. PROFIT FOR THE YEAR

### 9. 本年度溢利

<b>Continuing operations</b>	<b>持續經營業務</b>	<b>2017</b> <b>RMB'000</b>	2016 RMB'000 (restated)
		<b>二零一七年</b> <b>人民幣千元</b>	二零一六年 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 bad and doubtful debts	呆壞賬撥備	<b>35,023</b>	49,585
Allowances for inventories	存貨撥備	<b>1,712</b>	-
Amortisation of intangible assets	無形資產攤銷	<b>3,687</b>	3,115
Auditors' remuneration	核數師酬金	<b>4,264</b>	3,548
Depreciation of property, plant and equipment	物業、廠房及設備折舊	<b>254,670</b>	255,120
Depreciation of investment properties	投資物業折舊	<b>4,229</b>	1,771
Prepaid lease payments charged to profit or loss	在損益扣除的預付租賃款項	<b>8,552</b>	8,383
Rental payments in respect of premises under operating leases	經營租賃的物業租金	<b>16,967</b>	14,211
Cost of inventories recognised as an expense	確認為開支的存貨成本	<b>2,299,818</b>	2,042,097
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>96,494</b>	95,312
– Salaries and other allowances	– 薪金及其他津貼	<b>1,109,431</b>	923,543
– Share-based payment expenses (note 35)	– 以股份為基礎的付款開支(附註35)	<b>25,412</b>	305,670
Total staff costs	員工成本總額	<b>1,231,337</b>	1,324,525
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	<b>467</b>	1,137

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### 10. 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:

### 10. 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：

		2017 二零一七年					
		Fee	Salaries and other allowances	Retirement benefits schemes contributions	Performance related bonus (note)	Share-based payment expense	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	-	1,814	-	-	-	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

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**10. DIRECTORS', SUPERVISORS' AND EMPLOYEES' EMOLUMENTS** (continued)

**10. 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)

		2017 二零一七年					
		Salaries and other allowances	Retirement benefits schemes contributions	Performance related bonus (note)	Share-based payment expense	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 director</b>	<b>非執行董事</b>						
Mrs. Zhou Shu Hua	周淑華女士	-	-	-	-	-	-
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>						
Mr. Lo Wai Hung	盧偉雄先生	156	-	-	-	-	156
Mrs. Fu Ming Zhong	付明仲女士	108	-	-	-	-	108
Mrs. Wang Jin Xia	王錦霞女士	108	-	-	-	-	108
		<b>372</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>372</b>
<b>Supervisors</b>	<b>監事</b>						
Mr. Yue Chun Liang	岳春良先生	-	141	18	-	-	159
Ms. Bi Dong Mei*	畢冬梅女士*	-	-	-	-	-	-
Ms. Chen Xiao Yun*	陳曉雲女士*	-	-	-	-	-	-
		<b>-</b>	<b>141</b>	<b>18</b>	<b>-</b>	<b>-</b>	<b>159</b>
		<b>372</b>	<b>6,876</b>	<b>94</b>	<b>9,224</b>	<b>-</b>	<b>16,566</b>

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### 10. DIRECTORS', SUPERVISORS' AND EMPLOYEES' EMOLUMENTS (continued)

### 10. 董事、監事及僱員酬金 (續)

#### Directors' and supervisors' emoluments (continued)

#### 董事及監事酬金 (續)

		2016 二零一六年					
		Fee	Salaries and other allowances	Retirement benefits schemes contributions	Performance related bonus (note)	Share-based payment expense	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	-	1,713	-	-	-	1,713
<b>Executive directors</b>	<b>執行董事</b>						
Mr. Wang Yi	王毅先生	-	1,459	50	-	-	1,509
Mr. Gong Jian Bo	弓劍波先生	-	1,671	-	8,573	147,444	157,688
Mr. Xia Lie Bo	夏列波先生	-	1,355	42	-	-	1,397
		-	4,485	92	8,573	147,444	160,594
<b>Non-executive directors</b>	<b>非執行董事</b>						
Mr. Chen Xue Li (resigned on 22 March 2016)	陳學利先生 (於二零一六年三月二十二日辭任)	-	-	-	-	-	-
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 2017 截至二零一七年十二月三十一日止年度

### 10. DIRECTORS', SUPERVISORS' AND EMPLOYEES' EMOLUMENTS (continued)

### 10. 董事、監事及僱員酬金 (續)

#### Directors' and supervisors' emoluments (continued)

#### 董事及監事酬金 (續)

		2016 二零一六年					
		Salaries and other allowances	Retirement benefits contributions	Performance related bonus (note)	Share-based payment expense	Total	
Fee		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
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>						
Mr. Lo Wai Hung	盧偉雄先生	156	-	-	-	-	156
Mrs. Fu Ming Zhong	付明仲女士	108	-	-	-	-	108
Mr. Li Jia Miao (resigned on 30 December 2016)	李家淼先生 (於二零一六年十二月三十日辭任)	108	-	-	-	-	108
Mrs. Wang Jin Xia	王錦霞女士	108	-	-	-	-	108
		480	-	-	-	-	480
<b>Supervisors</b>	<b>監事</b>						
Mr. Yue Chun Liang	岳春良先生	-	51	7	-	-	58
Ms. Bi Dong Mei <sup>#</sup>	畢冬梅女士 <sup>#</sup>	-	-	-	-	-	-
Ms. Chen Xiao Yun <sup>#</sup>	陳曉雲女士 <sup>#</sup>	-	-	-	-	-	-
Mr. Long Jing (resigned on 29 June 2016)	龍經先生 (於二零一六年六月二十九日辭任)	-	503	25	607	121	1,256
		-	554	32	607	121	1,314
		480	6,752	124	9,180	147,565	164,101

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.

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。

<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.

<sup>#</sup> 兩名監事自二零一二年起一直任職於威高集團，其薪金及其他津貼及退休福利計劃供款由威高集團支付。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 10. DIRECTORS', SUPERVISORS' AND EMPLOYEES' EMOLUMENTS (continued)

### 10. 董事、監事及僱員酬金 (續)

#### Employees' emoluments

#### 僱員酬金

		2017 RMB'000 二零一七年 人民幣千元	2016 RMB'000 二零一六年 人民幣千元
Salaries and other benefits	薪金及其他福利	<b>2,714</b>	8,162

Of the five individuals with highest emoluments in the Group, four (2016: two) were directors of the Company whose emoluments are included in the disclosure above. The emoluments of the remaining one (2016: three) individual were as follows:

本集團五位最高酬金人士中，四名（二零一六年：兩名）為本公司董事，彼等的酬金已於上文披露。其餘一名（二零一六年：三名）人士的酬金如下：

Their emoluments were within the following band:

彼等的酬金範圍如下：

		2017 No. of employees 二零一七年 僱員人數	2016 No. of employees 二零一六年 僱員人數
HKD2,500,001 to HKD3,500,000	2,500,001港元至3,500,000港元	<b>1</b>	2
HKD3,500,001 to HKD4,000,000	3,500,001港元至4,000,000港元	-	1

During the two years ended 31 December 2017, 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.

於截至二零一七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。

Neither the directors nor any of the supervisors waived any emoluments in the year ended 31 December 2017 (2016: nil).

截至二零一七年十二月三十一日止年度，概無董事及監事放棄任何酬金（二零一六年：無）。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 11. DISCONTINUED OPERATION

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 37.

The profit for the year from the discontinued blood purification products operation is set out below. The comparative figures in the consolidated statement of profit or loss and other comprehensive income has been restated to re-present the blood purification products operation as a discontinued operation.

### 11. 已終止經營業務

誠如附註37所披露，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）於完成認購後入賬為視為出售事項。

已終止血液淨化產品業務之年度溢利載於下文。於綜合損益及其他全面收入報表內之比較數字已重列以將血液淨化產品業務重新呈列為已終止經營業務。

		<b>2017</b>	2016
		<b>RMB'000</b>	RMB'000
		<b>二零一七年</b>	二零一六年
		<b>人民幣千元</b>	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	<b>133,053</b>	104,753
Gain on deemed disposal of blood purification products operation (note 37)	視為出售血液淨化產品業務之收益（附註37）	<b>391,068</b>	-
		<b>524,121</b>	104,753



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 11. DISCONTINUED OPERATION (continued)

The results of blood purification products operation, which have been included in the consolidated statement of profit or loss and other comprehensive income, were as follows:

		<b>2017</b>	2016
		<b>RMB'000</b>	RMB'000
		<b>二零一七年</b>	二零一六年
		<b>人民幣千元</b>	人民幣千元
Revenue	收入	<b>1,392,903</b>	1,110,498
Cost of sales	銷售成本	<b>(712,753)</b>	(551,675)
Other income, gains and losses	其他收入、收益及虧損	<b>17,231</b>	1,651
Selling and distribution costs	銷售及分銷成本	<b>(346,244)</b>	(285,902)
Administrative expenses	行政開支	<b>(94,308)</b>	(79,027)
Research and development expenses	研發開支	<b>(31,102)</b>	(36,641)
Finance costs	融資成本	<b>(34,483)</b>	(31,697)
Share of (loss) profit of joint ventures	分佔合營公司(虧損)溢利	<b>(23,904)</b>	464
Profit before tax	稅前溢利	<b>167,340</b>	127,671
Income tax expense	所得稅開支	<b>(34,287)</b>	(22,918)
Profit for the year	年度溢利	<b>133,053</b>	104,753

During the year ended 31 December 2017, the contribution from the discontinued operation to the Group's net cash flows were as following:

		<b>2017</b>	2016
		<b>RMB'000</b>	RMB'000
		<b>二零一七年</b>	二零一六年
		<b>人民幣千元</b>	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	經營活動之現金流入淨額	<b>162,715</b>	188,217
Net cash outflows from investing activities	投資活動之現金流出淨額	<b>(794,430)</b>	(203,052)
Net cash inflows (outflows) from financing activities	融資活動之現金流入(流出)淨額	<b>562,758</b>	(42,652)
Net cash outflows	現金流出淨額	<b>(68,957)</b>	(57,487)

計入綜合損益及其他全面收入報表之血液淨化產品業務業績如下：

截至二零一七年十二月三十一日止年度，已終止經營業務對本集團現金流量淨額的貢獻如下：

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 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 37.

### 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37披露。

### 12. DIVIDENDS

### 12. 股息

		2017 RMB'000 二零一七年 人民幣千元	2016 RMB'000 二零一六年 人民幣千元
Dividends recognised as distribution during the year:	年內確認為分派的股息：		
2017 Interim – RMB0.043 (2016: interim dividend – RMB0.041) per share	二零一七年年中期股息 — 每股人民幣0.043元 (二零一六年：中期股息 — 每股人民幣0.041元)	<b>194,460</b>	185,416
2016 Final – RMB0.046 (2015: final dividend – RMB0.036) per share	二零一六年末期股息 — 每股人民幣0.046元 (二零一五年：末期股息 — 每股人民幣0.036元)	<b>208,027</b>	162,804
Total	總計	<b>402,487</b>	348,220
Less: distribution to the shares held by the trustees under a share award scheme (note 35(a))	減：分配至受託人根據股份激勵計劃持有之股份 (附註35(a))	<b>4,090</b>	3,539
		<b>398,397</b>	344,681

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 December 2017 of RMB0.046 (2016: RMB0.046) per share, amounting to RMB208,027,000 (2016: 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，董事建議派付截至二零一七年十二月三十一日止年度的末期股息每股人民幣0.046元（二零一六年：人民幣0.046元），合共人民幣208,027,000元（二零一六年：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 2017 截至二零一七年十二月三十一日止年度

### 13. EARNINGS PER SHARE

#### For continuing operations

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

Earnings figures are calculated as follows:

		<b>2017</b> <b>RMB'000</b>	2016 RMB'000 (restated)
		<b>二零一七年</b> <b>人民幣千元</b>	二零一六年 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>1,729,924</b>	1,105,933
Less:	減：		
Profit for the year attributable to owners of the Company from discontinued operation	本公司擁有人應佔已終止經營業務年內溢利	<b>473,440</b>	73,327
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>1,256,484</b>	1,032,606

		<b>2017</b> <b>'000</b>	2016 '000
		<b>二零一七年</b> <b>千股</b>	二零一六年 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>6,924</b>	1,533
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>4,483,296</b>	4,477,905

### 13. 每股盈利

#### 持續經營業務

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：

盈利數據計算如下：

		<b>2017</b> <b>RMB'000</b>	2016 RMB'000 (restated)
		<b>二零一七年</b> <b>人民幣千元</b>	二零一六年 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>1,729,924</b>	1,105,933
Less:	減：		
Profit for the year attributable to owners of the Company from discontinued operation	本公司擁有人應佔已終止經營業務年內溢利	<b>473,440</b>	73,327
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>1,256,484</b>	1,032,606

		<b>2017</b> <b>'000</b>	2016 '000
		<b>二零一七年</b> <b>千股</b>	二零一六年 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>6,924</b>	1,533
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>4,483,296</b>	4,477,905

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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 13. EARNINGS PER SHARE (continued)

### 13. 每股盈利 (續)

#### 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:

#### 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：

		2017 RMB'000 二零一七年 人民幣千元	2016 RMB'000 (restated) 二零一六年 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>1,729,924</b>	1,105,933

The denominators used are the same as those detailed above for both basic and diluted earnings per share.

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。

#### From discontinued operation

Basic earnings per share for the discontinued operation is RMB0.11 per share (2016: RMB0.02 per share) and diluted earnings per share for the discontinued operation is RMB0.11 per share (2016: RMB0.02 per share), based on the profit for the year from the discontinued operation of RMB473,440,000 (2016: RMB73,327,000) and the denominators detailed above for both basic and diluted earnings per share.

#### 來自已終止經營業務

已終止經營業務之每股基本盈利為每股人民幣0.11元（二零一六年：每股人民幣0.02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（二零一六年：每股人民幣0.02元），乃根據已終止經營業務之年內溢利人民幣473,440,000元（二零一六年：人民幣73,327,000元）及上文所詳述之每股基本及攤薄盈利之分母計算。

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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 14. PROPERTY, PLANT AND EQUIPMENT

### 14. 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	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	總計 人民幣千元
<b>COST</b>	<b>成本</b>						
At 1 January 2016	於二零一六年一月一日	1,681,609	1,837,306	1,780,762	70,986	670,370	6,041,033
Additions	添置	579,088	-	123,727	6,320	62,846	771,981
Transfer	轉讓	(587,676)	471,416	78,496	829	36,935	-
Disposals	出售	-	(5,355)	(39,459)	(4,881)	(38,159)	(87,854)
At 31 December 2016	於二零一六年十二月三十一日	1,673,021	2,303,367	1,943,526	73,254	731,992	6,725,160
Additions	添置	864,938	117,827	130,177	12,478	69,824	1,195,244
Transfer	轉讓	(770,472)	600,924	112,953	220	56,375	-
Acquisition of a subsidiary (note 36)	收購一間附屬公司 (附註36)	-	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)
Disposals of subsidiaries (note 37)	出售附屬公司(附註37)	(1,047,555)	(598,742)	(755,490)	(13,347)	(113,377)	(2,528,511)
At 31 December 2017	於二零一七年十二月三十一日	719,932	2,281,004	1,407,652	66,825	713,547	5,188,960
<b>DEPRECIATION AND IMPAIRMENT</b>	<b>折舊及減值</b>						
At 1 January 2016	於二零一六年一月一日	2,314	144,039	622,499	41,700	264,537	1,075,089
Provided for the year	年內撥備	-	63,875	181,560	3,054	95,792	344,281
Eliminated on disposals	於出售時抵銷	-	(3,821)	(33,002)	(4,781)	(23,758)	(65,362)
At 31 December 2016	於二零一六年十二月三十一日	2,314	204,093	771,057	39,973	336,571	1,354,008
Provided for the year	年內撥備	-	72,220	185,568	7,928	91,366	357,082
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 37)	出售附屬公司(附註37)	-	(41,401)	(292,838)	(5,169)	(45,082)	(384,490)
At 31 December 2017	於二零一七年十二月三十一日	2,314	226,485	645,751	38,142	364,218	1,276,910
<b>CARRYING AMOUNTS</b>	<b>賬面值</b>						
At 31 December 2017	於二零一七年十二月三十一日	717,618	2,054,519	761,901	28,683	349,329	3,912,050
At 31 December 2016	於二零一六年十二月三十一日	1,670,707	2,099,274	1,172,469	33,281	395,421	5,371,152

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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 14. PROPERTY, PLANT AND EQUIPMENT

(continued)

The above items of property, plant and equipment other than construction in progress are depreciated on a straight-line basis after taking into account of their estimated residual values and at the following rates per annum:

Buildings	3.2 – 9.5%
Plant and machinery	9.5%
Motor vehicles	19%
Furniture, fixtures equipment and tools	19 – 47.5%

The buildings of the Group are situated in the PRC and the leasehold land is under medium-term lease.

The construction in progress mainly represented buildings, plant and machinery, and fixtures under construction which are situated in the PRC.

As at 31 December 2017, the Group has no pledged buildings to banks to secure borrowings granted to the Group (2016: nil).

### 14. 物業、廠房及設備 (續)

上述的物業、廠房及設備項目(在建工程除外)以直線法就計入其估計剩餘價值後,按下列年率折舊:

建築物	3.2 – 9.5%
廠房及機器	9.5%
汽車	19%
傢俱、固定裝置及 工具	19 – 47.5%

本集團的建築物均位於中國,而租賃土地以中期租約持有。

在建工程主要指位於中國的建設中之建築物、廠房及機器及固定裝置。

於二零一七年十二月三十一日,本集團概無將建築物質押予銀行,作為授予本集團的借款抵押(二零一六年:無)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 15. INVESTMENT PROPERTIES

### 15. 投資物業

		RMB'000 人民幣千元
<b>COST</b>	<b>成本</b>	
At 31 December 2015 and 31 December 2016	於二零一五年十二月三十一日及 二零一六年十二月三十一日	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	(1,360)
		<hr/>
At 31 December 2017	於二零一七年十二月三十一日	204,129
<b>DEPRECIATION</b>	<b>折舊</b>	
At 1 January 2016	於二零一六年一月一日	2,746
Provided for the year	年內撥備	1,771
		<hr/>
At 31 December 2016	於二零一六年十二月三十一日	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	(129)
		<hr/>
At 31 December 2017	於二零一七年十二月三十一日	17,173
<b>CARRYING VALUES</b>	<b>賬面值</b>	
At 31 December 2017	於二零一七年十二月三十一日	186,956
		<hr/> <hr/>
At 31 December 2016	於二零一六年十二月三十一日	51,415
		<hr/> <hr/>

The fair value of the Group's investment properties of approximately RMB243,043,000 as at 31 December 2017 (2016: RMB66,839,000) has been determined by the Company.

本集團投資物業於二零一七年十二月三十一日的公平值約為人民幣243,043,000元(二零一六年:人民幣66,839,000元),該公平值已由本公司釐定。

The valuation performed by the directors was arrived by reference to recent market prices of properties in the same location and with similar conditions. There has been no change from the valuation technique used in the prior year. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

董事進行的估值乃以相同地點及類似條件下物業近日的市價作參考。於去年採用的估值技術並無變動。於估算物業的公平值時,物業的最高及最佳用途為其現時之用途。

The above investment properties are depreciated on a straight-line basis at 3.2% per annum.

上述投資物業按直線法以年率3.2%予以折舊。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

## 15. INVESTMENT PROPERTIES (continued)

The carrying value of investment properties shown above comprise of buildings erected on:

## 15. 投資物業 (續)

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>31/12/2017</b>	31/12/2016
		<b>RMB'000</b>	RMB'000
		<b>二零一七年</b>	二零一六年
		<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>186,956</b>	51,415

## 16. PREPAID LEASE PAYMENTS

The Group's prepaid lease payments comprise:

Leasehold land in the PRC	於中國的租賃土地		
Medium-term lease	中期租約	<b>414,014</b>	478,630
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>8,979</b>	12,513
Non-current portion	非即期部分	<b>405,035</b>	466,117
		<b>414,014</b>	478,630

The leasehold land in the PRC is held under medium-term lease of 41-50 years.

## 16. 預付租賃款項

		<b>31/12/2017</b>	31/12/2016
		<b>RMB'000</b>	RMB'000
		<b>二零一七年</b>	二零一六年
		<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 comprise:	本集團的預付租賃款項包括：		
Leasehold land in the PRC	於中國的租賃土地		
Medium-term lease	中期租約	<b>414,014</b>	478,630
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>8,979</b>	12,513
Non-current portion	非即期部分	<b>405,035</b>	466,117
		<b>414,014</b>	478,630

在中國的租賃土地乃根據41至50年的中期租約持有。



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 17. INTANGIBLE ASSETS

### 17. 無形資產

		<b>Registration rights</b>	<b>Patent rights</b>	<b>Total</b>
		RMB'000	RMB'000	RMB'000
		<b>登記權</b>	<b>專利權</b>	<b>總計</b>
		人民幣千元	人民幣千元	人民幣千元
<b>COST</b>	<b>成本</b>			
At 1 January 2016 and 31 December 2016	於二零一六年一月一日及二零一六 年十二月三十一日	31,144	5,200	36,344
Disposal of a subsidiary (note 37)	出售一間附屬公司(附註37)	-	(5,200)	(5,200)
Acquisition of a subsidiary (note 36)	收購一間附屬公司(附註36)	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
<b>AMORTISATION</b>	<b>攤銷</b>			
At 1 January 2016	於二零一六年一月一日	25,869	-	25,869
Charge for the year	年內開支	3,115	-	3,115
At 31 December 2016	於二零一六年十二月三十一日	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
<b>CARRYING VALUES</b>	<b>賬面值</b>			
At 31 December 2017	於二零一七年十二月三十一日	41,947	-	41,947
At 31 December 2016	於二零一六年十二月三十一日	2,160	5,200	7,360

The registration rights were acquired on acquisition of subsidiaries from independent third parties. They are amortised on a straight-line basis over a period of 10 years.

於收購附屬公司時向獨立第三方取得登記權。其於10年期間按直線法予以攤銷。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

## 18. SPONSORSHIP RIGHTS

## 18. 贊助權利

		<b>31/12/2017</b>	31/12/2016
		<b>RMB'000</b>	RMB'000
		<b>二零一七年</b>	二零一六年
		<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
Sponsorship rights	贊助權利	-	37,958

The above amount represents the sponsorship rights related to certain blood purification centers and kidney hospitals in the PRC (collectively referenced as the "Weigao BPCs"), all of which are non-profitable social organisations funded and established by the Group. Each of the Weigao BPCs has entered into a long-term purchasing contract with the Group, accordingly the funding contributed by the Group is recognised as the sponsorship rights and are amortised over ten years, the period that future economic benefits are expected to be received by the Group.

As disclosed in note 37, Weigao Blood Purification is accounted for as an associate resulting from the deemed disposal, and accordingly the sponsorship rights were derecognised arising from the disposal of Weigao Blood Purification.

上述款項指有關中國若干血液淨化中心及腎病醫院（統稱「威高血液淨化中心」，其全部為由本集團提供資金及成立之非盈利社會組織）之贊助權利。各威高血液淨化中心已與本集團訂立長期購買合約，因此本集團所提供之資金確認為贊助權利及攤銷十年（預期為本集團可收回未來經濟利益之期間）。

誠如附註37所披露，威高血液淨化因視作出售事項入賬列作聯營公司，及因此出售威高血液淨化致使終止確認贊助權利。

## 19. INTERESTS IN AN ASSOCIATE

## 19. 於一間聯營公司的權益

		<b>31/12/2017</b>	31/12/2016
		<b>RMB'000</b>	RMB'000
		<b>二零一七年</b>	二零一六年
		<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
Unlisted equity investment, at cost	非上市權益投資（按成本計算）	<b>937,500</b>	-

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 19. INTERESTS IN AN ASSOCIATE (continued)

Note: 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 49.34%. 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 49.34% to approximately 46.875%. As disclosed in note 37, 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.

#### 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 statement.

### 19. 於一間聯營公司的權益 (續)

附註：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49.34%。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49.34%下降至約46.875%。誠如附註37所披露，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。

#### 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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綜合財務報表附註

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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>31/12/2017</b>
		<b>RMB'000</b>
		<b>二零一七年</b>
		<b>十二月</b>
		<b>三十一日</b>
		<b>人民幣千元</b>
Current assets	流動資產	<b>1,080,768</b>
Non-current assets	非流動資產	<b>2,449,660</b>
Current liabilities	流動負債	<b>(928,662)</b>
Non-current liabilities	非流動負債	<b>(1,377,397)</b>

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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 19. INTERESTS IN AN ASSOCIATE (continued)

### 19. 於一間聯營公司的權益 (續)

#### Weigao Blood Purification (continued)

#### 威高血液淨化 (續)

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statement:

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：

		31/12/2017 RMB'000 二零一七年 十二月 三十一日 人民幣千元
Net assets of Weigao Blood Purification	威高血液淨化之資產淨值	1,224,369
Non-controlling interests of Weigao Blood Purification	威高血液淨化之非控股權益	(16,932)
		<b>1,207,437</b>
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	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	565,986
Goodwill (note)	商譽(附註)	371,514
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>937,500</b>

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. The review of the fair value of the assets and liabilities of the associate will be completed within 12 months after the deemed disposal date.

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。其按聯營公司可識別淨資產暫定公平值計量。聯營公司資產及負債公平值複核將於視作出售日期起計十二個月內完成。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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### 20. INTERESTS IN JOINT VENTURES

### 20. 於合營公司的權益

		31/12/2017	31/12/2016
		RMB'000	RMB'000
		二零一七年	二零一六年
		十二月	十二月
		三十一日	三十一日
		人民幣千元	人民幣千元
Cost of unlisted investment, at cost	非上市投資成本(按成本計算)	-	117,990
Share of post-acquisition loss	應佔收購後虧損	-	(5,285)
		-	112,705

Details of the Group's joint ventures as at 31 December 2017 and 2016 are as follows:

於二零一七年及二零一六年十二月三十一日，本集團的合營公司的詳情如下：

Name	Form of business structure	Place of incorporation or registration/ operation	Proportion of nominal value of registered capital held by the Group		Principal activities
			2017	2016	
名稱	業務架構形式	註冊成立或註冊/營運地點	本集團持有的註冊資本面值比例	二零一六年	主要業務
Weigao Nikkiso (Weihai) Dialysis Equipment Co., Ltd. ("Weigao Nikkiso") (a)	Sino-foreign joint venture	PRC	-	51%	Manufacture, sale and after-sale service of Nikkiso technology-based medical products
威高日機裝(威海)透析機器有限公司 ("威高日機裝") (a)	外合營企業	中國	-	51%	製造、銷售及售後服務以日機裝技術製造的醫療製品
Weigao Terumo (Weihai) Medical Products Co., Ltd. ("Weigao Terumo") (b)	Sino-foreign joint venture	PRC	-	50%	Production and sales of medical products
威高泰爾茂(威海)醫療製品有限公司 ("威高泰爾茂") (b)	中外合營企業	中國	-	50%	生產及銷售醫療製品

Notes:

附註：

(a) Pursuant to the terms in the Weigao Nikkiso Co-operation Agreement between the shareholders, the registered capital of USD5,610,000 (equivalent to RMB37,990,000) was contributed by Weigao Blood Purification and USD5,390,000 (equivalent to RMB36,500,000) was contributed by Nikkiso Company Limited (日本日機裝株式會社)("Nikkiso"). Under the Memorandum and Article of Weigao Nikkiso, Weigao Blood Purification is entitled to 50% voting right and has 51% rights to the net assets of Weigao Nikkiso, thus investment in Weigao Nikkiso was classified as investment in joint venture.

(a) 根據股東之間的威高日機裝合作協議的條款，5,610,000美元(相等於人民幣37,990,000元)的註冊資本由威高血液淨化出資，而5,390,000美元(相等於人民幣36,500,000元)的註冊資本由日本日機裝株式會社(「日機裝」)出資。根據威高日機裝的組織章程大綱及公司細則，威高血液淨化擁有威高日機裝50%的投票權，並擁有威高日機裝資產淨值的51%權利，因此，於威高日機裝的投資分類為於合營公司的投資。

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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 20. INTERESTS IN JOINT VENTURES (continued)

Notes: (continued)

- (b) Weigao Terumo was established on 6 December 2012. Pursuant to the terms in the Weigao Terumo Agreement between the shareholders, the registered capital of RMB160,000,000 is to be contributed by Weigao Blood Purification and Terumo (China) Investment Company Limited (泰爾茂(中國)投資有限公司) ("Terumo"). Under the Memorandum and Article of Weigao Terumo, Weigao Blood Purification is entitled to 50% voting right and has 50% rights to the net assets of Weigao Terumo, thus investment in Weigao Terumo is classified as investment in joint venture.
- (c) As disclosed in note 37, Weigao Blood Purification is accounted for as an associate resulting from the deemed disposal, and accordingly the interests in joint ventures were derecognised arising from the disposal of Weigao Blood Purification.

### 20. 於合營公司的權益 (續)

附註：(續)

- (b) 威高泰爾茂於二零一二年十二月六日成立。根據股東之間的威高泰爾茂協議的條款，人民幣160,000,000元的註冊資本將由威高血液淨化及泰爾茂(中國)投資有限公司(「泰爾茂」)出資。根據威高泰爾茂的組織章程大綱及公司細則，威高血液淨化擁有威高泰爾茂50%的投票權，並擁有威高泰爾茂資產淨值的50%權利，因此，於威高泰爾茂的投資分類為於合營公司的投資。
- (c) 誠如附註37所披露，威高血液淨化因視作出售事項入賬列作聯營公司，及因此，出售威高血液淨化致使終止確認於合營公司的權益。

### 21. AVAILABLE-FOR-SALE INVESTMENTS

### 21. 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	31/12/2016 RMB'000 二零一六年 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)		
Equity securities	股本證券	-	25,659
Investment fund (note)	投資基金 (附註)	<b>81,517</b>	69,752
		<b>81,517</b>	95,411
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	<b>81,517</b>	95,411
		<b>81,517</b>	95,411

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 21. AVAILABLE-FOR-SALE INVESTMENTS (continued)

Note: As at 31 December 2017, the amount of RMB69,752,000 (2016: RMB69,752,000) represents 2% 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.

The remaining balance of RMB11,765,000 (2016: nil) 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 (2016: RMB20,811,000).

### 21. 可供出售投資 (續)

附註：於二零一七年十二月三十一日，金額人民幣69,752,000元（二零一六年：人民幣69,752,000元）指健康科學基金之2%權益。該投資於報告期末按成本扣除減值計量，原因為合理公平價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。

餘額人民幣11,765,000元（二零一六年：無）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，原因為合理公平價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（二零一六年：人民幣20,811,000元）。

### 22. GOODWILL

### 22. 商譽

	RMB'000 人民幣千元
CARRYING AMOUNTS At 31 December 2016 and 2017	202,900

#### 賬面值

於二零一六年及二零一七年  
十二月三十一日

#### 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 2017 and 2016 and 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。於二零一七年及二零一六年十二月三十一日，商譽之賬面值如下：

		31/12/2017 RMB'000 二零一七年 十二月 三十一日 人民幣千元	31/12/2016 RMB'000 二零一六年 十二月 三十一日 人民幣千元
Single use medical device products	一次性使用醫療器械產品	28,934	28,934
Orthopaedic products	骨科產品	173,966	173,966
		202,900	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 single use 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 for the next year and extrapolates cash flows for the following four years based on an estimated constant growth rate of 10% (2016: 10%). The rate used to discount the forecast cash flows is 15% (2016: 15%). 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 for the next year and extrapolates cash flows for the following four years based on the estimated growth rates range from 5% to 20% (2016: 6% to 20%). The rate used to discount the forecast cash flows is 11% (2016: 11%). 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.

**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。

一次性使用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下一個年度財政預算為基礎，並按10%（二零一六年：10%）的估計持續增長率推算未來四年的現金流量。預測現金流量所用的貼現率為15%（二零一六年：15%）。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下一個年度財政預算為基礎，並按介乎5%至20%（二零一六年：6%至20%）的估計增長率推算未來四年的現金流量。預測現金流量所用的貼現率為11%（二零一六年：11%）。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。

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### 23. DEFERRED TAXATION

### 23. 遞延稅項

The following is the deferred tax asset recognised and movements thereon during the current reporting year:

以下為經確認的遞延稅項資產及其於本報告年度的有關變動：

		Excess of depreciation over tax depreciation	Impairment of assets	Unrealised profit	Share-based payments reserve	Unpaid bonus	Total	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
		折舊較稅項 折舊超出 遞延收入	折舊較稅項 折舊超出 的金額	資產減值	未變現溢利	以股份為基礎 的付款儲備	未支付花紅	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
At 1 January 2016	於二零一六年一月一日	3,445	5,705	21,802	5,713	1,845	5,760	44,270
Credited (debited) to profit or loss	計入(扣除)損益	3,736	(142)	6,463	1,315	1,660	2,183	15,215
At 31 December 2016	於二零一六年十二月三十一日	7,181	5,563	28,265	7,028	3,505	7,943	59,485
(Debited) credited to profit or loss	扣除(計入)損益	(1,016)	(2,569)	4,154	(3,635)	3,812	3,632	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	28,331	3,393	7,317	11,575	60,628

At the end of reporting period, the Group's unrecognised deferred taxation assets which have not been recognised in the consolidated financial statements are as follows:

於報告期末，本集團尚未於綜合財務報表確認之未確認遞延稅項資產如下：

		<b>31/12/2017</b> <b>RMB'000</b> <b>二零一七年</b> <b>十二月</b> <b>三十一日</b> <b>人民幣千元</b>	31/12/2016 RMB'000 二零一六年 十二月 三十一日 人民幣千元
Arising from impairment of assets	自資產減值產生	<b>17,240</b>	13,190
Arising from other temporary differences	自其他暫時差異產生	-	2,069
		<b>17,240</b>	15,259

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 37, 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37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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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

#### 23. DEFERRED TAXATION (continued)

As at 31 December 2017, the Group has estimated unused tax losses of approximately RMB43,201,000 (2016: RMB145,211,000) 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 tax losses can be carried forward for 5 years from the date it incurred. The above tax losses will be expired in the following years:

		<b>31/12/2017</b>	31/12/2016
		<b>RMB'000</b>	RMB'000
		<b>二零一七年</b>	二零一六年
		<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
2017	二零一七年	-	6,332
2018	二零一八年	<b>12,568</b>	33,265
2019	二零一九年	<b>7,144</b>	30,654
2020	二零二零年	<b>8,499</b>	33,935
2021	二零二一年	<b>9,243</b>	41,025
2022	二零二二年	<b>5,747</b>	-
		<b>43,201</b>	145,211

#### 24. FINANCE LEASE RECEIVABLES

The Group entered into certain finance lease finance lease agreements, all interest rates inherent in the leases are fixed at the contract date over the leases terms.

		<b>31/12/2017</b>	31/12/2016
		<b>RMB'000</b>	RMB'000
		<b>二零一七年</b>	二零一六年
		<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
Analysed as:	分析為:		
Current	即期	<b>186,259</b>	158,993
Non-current	非即期	<b>354,081</b>	381,741
		<b>540,340</b>	540,734

#### 23. 遞延稅項 (續)

於二零一七年十二月三十一日，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43,201,000元（二零一六年：人民幣145,211,000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。稅項虧損可由產生當日起承前五年。上述稅項虧損將於下列年限到期：

#### 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。

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24. FINANCE LEASE RECEIVABLES (continued)

24. 應收融資租賃款項 (續)

		Minimum Lease receivables		Present value of minimum lease receivables	
		31/12/2017	31/12/2016	31/12/2017	31/12/2016
		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
		二零一七年	二零一六年	二零一七年	二零一六年
		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>203,814</b>	166,064	<b>186,259</b>	158,993
In more than one year but not more than two years	超過一年但不超過兩年	<b>179,221</b>	142,360	<b>161,739</b>	127,423
In more than two years but not more than five years	超過兩年但不超過五年	<b>238,121</b>	328,006	<b>204,419</b>	261,703
		<b>621,156</b>	636,430	<b>552,417</b>	548,119
Less: unearned finance income allowance for bad and doubtful debts	減：未賺取融資收益呆壞賬撥備	<b>(68,739)</b>	(88,311)	-	-
		<b>(12,077)</b>	(7,385)	<b>(12,077)</b>	(7,385)
		<b>540,340</b>	540,734	<b>540,340</b>	540,734

Effective interest rates of the above finance leases range from 4.43% to 9.00% per annum (2016: 4.43% to 10.01%).

上述融資租賃之實際年利率介乎4.43厘至9.00厘(二零一六年：4.43厘至10.01厘)。

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### 24. FINANCE LEASE RECEIVABLES (continued)

Movement in the allowance for bad and doubtful debts:

		<b>2017</b>	2016
		<b>RMB'000</b>	RMB'000
		<b>二零一七年</b>	二零一六年
		<b>人民幣千元</b>	人民幣千元
At 1 January	於一月一日	<b>7,385</b>	-
Impairment losses recognised on finance lease receivables	就應收融資租賃款項確認的減值虧損	<b>4,692</b>	7,385
At 31 December	於十二月三十一日	<b>12,077</b>	7,385

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.

Included in finance lease receivables is an amount due from fellow subsidiaries of RMB140,965,000 (2016: RMB75,223,000).

呆壞賬撥備變動：

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。

應收融資租賃款項包括應收同系附屬公司款項人民幣140,965,000元（二零一六年：人民幣75,233,000元）。

### 25. LOAN RECEIVABLES

		<b>31/12/2017</b>	31/12/2016
		<b>RMB'000</b>	RMB'000
		<b>二零一七年</b>	二零一六年
		<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>1,369,525</b>	-
Fixed-rate loan receivables (note b)	固定利率應收貸款（附註b）	<b>350,000</b>	20,000
Variable-rate loan receivables (note c)	浮動利率應收貸款（附註c）	<b>252,698</b>	226,600
		<b>1,972,223</b>	246,600
Analysed as:	分析為：		
Receivables within one year	於一年內應收款項	<b>497,963</b>	-
Receivables after one year	於一年後應收款項	<b>1,474,260</b>	246,600
		<b>1,972,223</b>	246,600

### 25. 應收貸款

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### 25. LOAN RECEIVABLES (continued)

Notes:

- (a) The Company provided an interest-free loan to Weigao Blood Purification amounting to RMB1,493,355,000. As at 31 December 2017, 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 then present value of the loan receivable was treated as deemed contribution to Weigao Blood Purification.
- (b) As at 31 December 2017, the amount of RMB350,000,000 represents the loans provided to a third party. The loans are secured by the using right of certain sea area, carrying the effective interest rate of 8% per annum and due in six months.
- (c) Among the balance as at 31 December 2017, the amount of RMB221,600,000 represents the loan provided to the management of Weigao Ortho with a period of five years for their subscription under the Share Arrangement of Weigao Ortho (note 35(b)). The loan is unsecured, and bearing the benchmark lending rate that published by the People's Bank of China. As of 31 December 2017, the account of accrued interest included in the balance of loan receivables was RMB17,098,000. The entire amount of principle and interest will be receivable on 15 May 2021.

### 25. 應收貸款 (續)

附註：

- (a) 本公司向威高血液淨化提供免息貸款人民幣1,493,355,000元。於二零一七年十二月三十一日，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。於初始確認後，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) 於二零一七年十二月三十一日，人民幣350,000,000元指提供於獨立第三方之貸款。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。
- (c) 於二零一七年十二月三十一日期間，結餘人民幣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（附註35(b)）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。於二零一七年十二月三十一日，計入應收貸款結餘之應計利息賬目為人民幣17,098,000元。全部本金及利息將於二零一一年五月十五日收取。

### 26. INVENTORIES

### 26. 存貨

		<b>31/12/2017</b>	31/12/2016
		<b>RMB'000</b>	RMB'000
		<b>二零一七年</b>	二零一六年
		<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
Raw materials	原料	<b>117,497</b>	125,349
Finished goods	製成品	<b>687,114</b>	790,237
		<b>804,611</b>	915,586

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### 27. TRADE AND OTHER RECEIVABLES

### 27. 應收貿易賬款及其他應收款項

		<b>31/12/2017</b>	31/12/2016
		<b>RMB'000</b>	RMB'000
		<b>二零一七年</b>	二零一六年
		<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
Trade receivables	應收貿易賬款	<b>3,034,798</b>	3,119,246
Less: Allowance for bad and doubtful debts	減：呆壞賬撥備	<b>(183,330)</b>	(188,844)
		<b>2,851,468</b>	2,930,402
Receivables from factoring business	保理業務應收款項	<b>281,525</b>	-
Bills receivable	應收票據	<b>241,598</b>	251,373
Other receivables	其他應收款項	<b>180,712</b>	214,952
Prepayments	預付款項	<b>122,284</b>	89,579
Prepaid lease payments (note 16)	預付租賃款項(附註16)	<b>8,979</b>	12,513
		<b>3,686,566</b>	3,498,819

All the bills receivable will be matured within twelve months.

As at 31 December 2017, the Group endorsed bills receivable of RMB200,489,000 (2016: RMB257,532,000) 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 RMB203,670,000 (2016: RMB257,532,000).

Included in trade receivables are an amount due from fellow subsidiaries of RMB130,904,000 (2016: RMB11,499,000), an amount due from ultimate holding company of RMB107,000 (2016: 74,000), and an amount due from an associate of RMB106,422,000 (2016: nil). The amounts are unsecured, interest-free and repayable on demand.

所有應收票據均將於十二個月內到期。

於二零一七年十二月三十一日，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200,489,000元(二零一六年：人民幣257,532,000元)。本公司董事認為，本集團已轉讓與該等應收票據有關的重大風險及回報，且本集團對相關交易對手的責任已根據中國的商業慣例解除，且所有背書應收票據均由中國有聲譽之銀行發行及擔保，因此支付背書應收票據款項的違約風險較低。因此，相關資產和負債已終止確認。本集團可能因背書應收票據違約所引致之最高風險為人民幣203,670,000元(二零一六年：人民幣257,532,000元)。

應收貿易賬款包括應收同系附屬公司款項人民幣130,904,000元(二零一六年：人民幣11,499,000元)，應收最終控股公司款項人民幣107,000元(二零一六年：74,000元)，及應收一間聯營公司款項人民幣106,422,000元(二零一六年：無)。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 2017 截至二零一七年十二月三十一日止年度

### 27. TRADE AND OTHER RECEIVABLES

(continued)

Included in other receivables are an amount due from fellow subsidiaries of RMB73,442,000 (2016: RMB91,120,000), an amount due from ultimate holding company of RMB12,161,000 (2016: RMB11,933,000), and an amount due from an associate of RMB9,171,000 (2016:nil). The amounts are unsecured and repayable on demand.

Included in receivables from factoring business is an amount due from fellow subsidiaries of RMB70,100,000 (2016: nil). The amount is due in one year with effective interest rates ranging from 4.98% to 12.09% per annum.

Included in prepayments are an amount paid to fellow subsidiaries of RMB1,847,000 (2016: RMB5,346,000), and an amount paid to ultimate holding company of nil (2016: RMB260,000).

The Group allows a credit period of 90 – 180 days to its trade customers. The following is an aged analysis of trade receivables net of allowance for doubtful debts 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)

其他應收款項包括應收同系附屬公司款項人民幣73,442,000元(二零一六年:人民幣91,120,000元),應收最終控股公司款項人民幣12,161,000元(二零一六年:人民幣11,933,000元),及應收一間聯營公司款項人民幣9,171,000元(二零一六年:無)。該等款項為無抵押及須於要求時償還。

保理業務應收款項包括應收同系附屬公司款項人民幣70,100,000元(二零一六年:無)。該金額於一年內到期,實際年利率為4.98厘至12.09厘。

預付款項包括已付同系附屬公司款項人民幣1,847,000元(二零一六年:人民幣5,346,000元),及已付最終控股公司款項零元(二零一六年:人民幣260,000元)。

本集團給予貿易客戶90至180天之信貸期。按報告期末的發票日呈列的應收貿易賬款(經扣減呆賬撥備)之賬齡分析如下。

		<b>31/12/2017</b>	31/12/2016
		<b>RMB'000</b>	RMB'000
		<b>二零一七年</b>	二零一六年
		<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>1,163,561</b>	1,609,794
91 to 180 days	91至180天	<b>1,009,557</b>	726,236
181 to 365 days	181至365天	<b>423,621</b>	426,610
Over 365 days	365天以上	<b>254,729</b>	167,762
Trade receivables	應收貿易賬款	<b>2,851,468</b>	2,930,402



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### 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

#### 27. TRADE AND OTHER RECEIVABLES

(continued)

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed once a year. 76% (31 December 2016: 80%) of the trade receivables that are neither past due nor impaired have good repayment history with the Group.

Included in the Group's trade receivables balance are debtors with aggregate carrying amount of RMB678,350,000 (2016: RMB594,372,000) which are past due 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)

接納任何新客戶前，本集團評估潛在客戶的信用質素及決定客戶信用限額。本集團對各客戶的限額一年檢討一次。並未逾期亦未減值之應收貿易賬款中76%（二零一六年十二月三十一日：80%）與本集團有良好還款記錄。

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（二零一六年：人民幣594,372,000元）的應收賬款，其已於報告日期逾期，惟由於信用質素並無重大變動且金額仍視為可收回，故本集團並無作出減值虧損撥備。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：

		<b>31/12/2017</b>	31/12/2016
		<b>RMB'000</b>	RMB'000
		<b>二零一七年</b>	二零一六年
		<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
Overdue by	逾期		
0 to 180 days	0至180天	<b>423,621</b>	426,610
Over 181 days	181天以上	<b>254,729</b>	167,762
		<b>678,350</b>	594,372

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For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

**27. TRADE AND OTHER RECEIVABLES**

(continued)

Movements in the allowance for bad and doubtful debts:

**27. 應收貿易賬款及其他應收款項**

(續)

呆壞賬撥備的變動：

		<b>2017</b>	2016
		<b>RMB'000</b>	RMB'000
		<b>二零一七年</b>	二零一六年
		<b>人民幣千元</b>	人民幣千元
At 1 January	於一月一日	<b>188,844</b>	143,006
Impairment losses recognised	已確認減值虧損	<b>32,053</b>	48,352
Impairment losses reversed	已撥回減值虧損	<b>(3,008)</b>	(1,126)
Amounts written off as uncollectible	撇銷為不能收回的款項	<b>(3,179)</b>	(1,388)
Disposal of subsidiaries	出售附屬公司	<b>(31,380)</b>	-
At 31 December	於十二月三十一日	<b>183,330</b>	188,844

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### 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

#### 27. TRADE AND OTHER RECEIVABLES

(continued)

Movements in the allowance for bad and doubtful debts of other receivables:

		<b>2017</b>	2016
		<b>RMB'000</b>	RMB'000
		<b>二零一七年</b>	二零一六年
		<b>人民幣千元</b>	人民幣千元
At 1 January	於一月一日	<b>2,459</b>	2,066
Impairment losses recognised on other receivables	就其他應收款項確認的減值虧損	<b>1,093</b>	833
Impairment losses reversed	已撥回減值虧損	<b>(717)</b>	(440)
Disposal of a subsidiary	出售附屬公司	<b>(1,328)</b>	-
At 31 December	於十二月三十一日	<b>1,507</b>	2,459

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.

其他應收款項呆壞賬撥備的變動：

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。

#### 28. PLEDGED BANK DEPOSITS

As at 31 December 2017, pledged bank balances represent deposits pledged to banks to secure trade facilities such as bills payable, letter of credit, and borrowings amounting to RMB96,178,000 (2016: RMB36,980,000).

The pledged bank balances carry fixed interest rates which range from 0.30% to 1.65% per annum as at 31 December 2017 (2016: 0.30% to 1.65% per annum).

#### 28. 已抵押銀行存款

於二零一七年十二月三十一日，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、信用證及借款）之存款金額人民幣96,178,000元（二零一六年：人民幣36,980,000元）。

於二零一七年十二月三十一日，已抵押銀行結餘按固定利率介乎每年0.30厘至1.65厘（二零一六年：每年0.30厘至1.65厘）計息。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 29. 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 0.3% to 3.2% per annum (2016: 0.35% to 3.30% per annum).

As at 31 December 2017, bank balances included deposits of RMB235,872,000 (2016: nil), carrying interest rate of 0.8% per annum (2016: nil), in an associate of ultimate holding company.

### 29. 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0.3厘至3.2厘之間的利率（二零一六年：每年0.35厘至3.30厘）計息。

於二零一七年十二月三十一日，銀行結餘包括一間於最終控股公司之聯營公司之存款人民幣235,872,000元（二零一六年：無），年利率為0.8厘。

### 30. 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:

### 30. 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>31/12/2017</b>	31/12/2016
		<b>RMB'000</b>	RMB'000
		<b>二零一七年</b>	二零一六年
		<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>381,989</b>	391,252
91 to 180 days	91至180天	<b>77,192</b>	65,150
181 to 365 days	181至365天	<b>10,617</b>	10,627
Over 365 days	365天以上	<b>27,312</b>	29,109
Trade payables	應付貿易賬款	<b>497,110</b>	496,138
Bills payable	應付票據	<b>154,660</b>	98,010
Advances from customers	來自客戶墊款	<b>74,206</b>	90,758
Other tax payables	其他應付稅項	<b>109,472</b>	101,304
Construction cost and retention payables	建築成本及應付保留金	<b>61,930</b>	243,757
Selling expense payables	應付銷售開支	<b>644,154</b>	550,186
Other payables	其他應付款項	<b>476,765</b>	494,913
Dividend payables	應付股息	-	92,158
		<b>2,018,297</b>	2,167,224

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### 綜合財務報表附註

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#### 30. TRADE AND OTHER PAYABLES (continued)

The normal credit period taken for trade purchases is 90-180 days. All the bills payable will mature within six months.

Included in trade payables are an amount due to fellow subsidiaries of RMB15,258,000 (2016: RMB30,522,000), an amount due to a joint venture of nil (2016: RMB45,883,000), an amount due to an associate of RMB45,394,000 (2016: nil), and an amount due to ultimate holding company of RMB1,000 (2016: nil). The amounts are unsecured, interest-free and repayable on demand.

Included in advances from customers are an amount received from fellow subsidiaries of RMB830,000 (2016: RMB864,000), an amount received from an associate of RMB652,000 (2016: nil), and an amount received from ultimate holding company of RMB9,000 (2016: nil).

Included in other payables are an amount due to fellow subsidiaries of RMB49,990,000 (2016: RMB369,000), an amount due to an associate of RMB9,010,000 (2016: nil), and an amount due to ultimate holding company of RMB14,431,000 (2016: RMB22,173,000). The amounts are unsecured, interest-free and repayable on demand.

#### 30. 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90至120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15,258,000元(二零一六年:人民幣30,522,000元),應付一間合營公司款項零(二零一六年:人民幣45,883,000元),應付一間聯營公司款項人民幣45,394,000元(二零一六年:無),及應付最終控股公司款項人民幣1,000元(二零一六年:無)。該等款項為無抵押、免息及於要求時償還。

來自客戶墊款包括已收同系附屬公司款項人民幣830,000元(二零一六年:人民幣864,000元),已收聯營公司款項人民幣652,000元(二零一六年:無),及已收最終控股公司款項人民幣9,000元(二零一六年:無)。

其他應付款項包括應付同系附屬公司款項人民幣49,990,000元(二零一六年:人民幣369,000元),應付聯營公司款項人民幣9,010,000元(二零一六年:無),及應付最終控股公司款項人民幣14,431,000元(二零一六年:人民幣22,173,000元)。該等款項為無抵押、免息及於要求時償還。

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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 31. BORROWINGS

### 31. 借款

		<b>31/12/2017</b>	31/12/2016
		<b>RMB'000</b>	RMB'000
		<b>二零一七年</b>	二零一六年
		<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>302,177</b>	388,200
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>	700,000
		<b>902,177</b>	1,088,200
Secured (note c)	有抵押 (附註c)	<b>837,377</b>	600,000
Unsecured	無抵押	<b>64,800</b>	488,200

The borrowings are repayable as follows:

借款須於下列期間償還：

		<b>31/12/2017</b>	31/12/2016
		<b>RMB'000</b>	RMB'000
		<b>二零一七年</b>	二零一六年
		<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>97,906</b>	296,400
More than one year, but not exceeding two years	於一年以上但不超過兩年	<b>109,233</b>	27,200
More than two years, but not exceeding five years	於兩年以上但不超過五年	<b>695,038</b>	764,600
		<b>902,177</b>	1,088,200
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>(97,906)</b>	(296,400)
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>804,271</b>	791,800

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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 31. BORROWINGS (continued)

Notes:

- (a) As at 31 December 2017, the variable-rate borrowings carry interest rates which range from 4.51% to 4.99% per annum (2016: 4.35% to 5.25% per annum).
- (b) As at 31 December 2017, the fixed-rate borrowings carry interest rates of 5.25% per annum (2016: 4.35% to 5.25% per annum).
- (c) As at 31 December 2017, the balance included a long-term loan of RMB600,000,000 (31 December 2016: 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.

The remaining balance of RMB237,377,000 (31 December 2016: nil) are secured by pledge of certain of the Group's finance lease receivables of RMB239,589,000.

### 31. 借款 (續)

附註：

- (a) 於二零一七年十二月三十一日，浮動利率借款按介於每年4.51厘至4.99厘之間的利率（二零一六年：每年4.35厘至5.25厘）計息。
- (b) 於二零一七年十二月三十一日，固定利率借款按每年5.25厘的利率（二零一六年：每年4.35厘至5.25厘）計息。
- (c) 於二零一七年十二月三十一日，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（二零一六年十二月三十一日：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擁有的本公司230,000,000股股份共同作抵押。

餘額人民幣237,377,000元（二零一六年十二月三十一日：無）透過抵押本集團部分應收融資租賃款項人民幣239,589,000元獲得。

### 32. DEFERRED INCOME

### 32. 遞延收入

		<b>31/12/2017</b>	31/12/2016
		<b>RMB'000</b>	RMB'000
		<b>二零一七年</b>	二零一六年
		<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
Arising from government grants	來自政府補助	<b>38,990</b>	84,306
Analysed as:	分析為：		
Current	流動	<b>4,158</b>	8,982
Non-current	非流動	<b>34,832</b>	75,324
		<b>38,990</b>	84,306

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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 32. DEFERRED INCOME (continued)

During the year, the Group received new government grants from the government authorities amounting to RMB800,000 in aggregate (2016: RMB6,300,000) to subsidise 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 RMB15,281,000 (2016: RMB11,018,000) and derecognised deferred income the amounting to RMB30,835,000 (2016: nil) due to loss of control in a subsidiary.

### 32. 遞延收入 (續)

年內，本集團收到政府部門合共人民幣800,000元（二零一六年：人民幣6,300,000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15,281,000元（二零一六年：人民幣11,018,000元）及因失去對一間附屬公司之控制權而終止確認遞延收入人民幣30,835,000元（二零一六年：無）。

### 33. SHARE CAPITAL

### 33. 股本

		Nominal value of each share	Number of Non-listed shares	Number of H shares	Total number of shares	Value
		RMB 每股 股份面值 人民幣	(note a) 非上市 股份數目 (附註a)	(note a) H股數目 (附註a)	股份總數	RMB'000 價值 人民幣千元
Registered: At 1 January 2017 and 31 December 2017	註冊： 於二零一七年一月一日及 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
Issued and fully paid: At 1 January 2016	已發行及繳足： 於二零一六年一月一日	0.1	2,592,640,000	1,883,732,324	4,476,372,324	447,637
Ordinary shares issued (note b)	已發行普通股 (附註b)	0.1	45,960,000	-	45,960,000	4,596
At 31 December 2016 and 31 December 2017	於二零一六年十二月三十一日及 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

Notes:

附註：

- (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.
- (b) The Company issued ordinary shares of 45,960,000 shares with consideration of RMB101,112,000 in 2016 for the purpose of share award scheme (note 35 (a)).

- (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。
- (b) 本公司於二零一六年以代價人民幣101,112,000元發行45,960,000股股份作股份激勵計劃（附註35(a)）。



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

#### 34. LOAN FROM THE ULTIMATE HOLDING COMPANY

Loan from the ultimate holding company at variable-rate 按浮動利率計息的來自最終控股公司貸款

Analysed as:  
Within one year

分析為：  
一年內

The loans provided by the ultimate holding company is carrying a fixed interest rate of 4.35% per annum for the subscription of the incentive shares under a share award scheme (note 35(a)), and the loans are secured by these incentive shares of the Company hold by the trustees. The loans were matured at 12 March 2018. Subsequent to the end of the reporting period, the loans have been extended to 12 March 2019.

#### 35. 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 class meeting of holders of H shares and the class meeting of holders of non-listed shares of the Company. 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.

#### 34. 來自最終控股公司貸款

31/12/2017 RMB'000 二零一七年 十二月 三十一日 人民幣千元	31/12/2016 RMB'000 二零一六年 十二月 三十一日 人民幣千元
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103,311	104,411
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103,311	104,411
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最終控股公司提供之貸款按固定年利率4.35厘計息，用作認購股份激勵計劃項下激勵股份（附註35(a)），及貸款以受託人持有之本公司之該等激勵股份做抵押。貸款於二零一八年三月十二日到期。於報告期末後，貸款已延期至二零一九年三月十二日。

#### 35. 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、H股持有人類別大會及本公司非上市股份持有人類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。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 35. SHARE-BASED PAYMENTS (continued)

### 35. 以股份為基礎付款 (續)

#### (a) Share Award Scheme of the Company (continued)

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.

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 RMB25,412,000 (2016: RMB10,781,000) into the profit or loss during the current year.

#### (a) 本公司股份激勵計劃 (續)

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。

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25,412,000元（二零一六年：人民幣10,781,000元）。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 35. SHARE-BASED PAYMENTS (continued)

### 35. 以股份為基礎付款 (續)

#### (a) Share Award Scheme of the Company (continued)

#### (a) 本公司股份激勵計劃 (續)

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.

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。

The movements in the incentive shares under the Incentive Share Scheme during the year are as follows:

期內, 激勵股份計劃項下之激勵股份變動如下:

Grant Date 授出日期	Grantees 承受人	Issue Price 發行價	The year ended 31/12/2016 截至二零一六年十二月三十一日止年度			The year ended 31/12/2017 截至二零一七年十二月三十一日止年度			Vesting Date 歸屬日期	Lock Up Period 鎖定期
			Granted 已授出	Vested 已歸屬	Unvested 未歸屬	Granted 已授出	Vested (note) 已歸屬(附註)	Unvested 未歸屬		
11/12/2015	111 Employees	RMB2.2 per share	45,960,000	14,380,000	31,580,000	45,960,000	22,410,000	23,550,000	To be vested in five tranches with the vesting date on 31 December of each year from 2015 to 2019	2 years following vested
二零一五年 十二月十一日	111名僱員	每股人民幣 2.2元							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	歸屬後兩年

Note: As of 31 December 2017, the vested shares included 7,180,000 exercisable shares with the lock up period being full.

附註: 截至二零一七年十二月三十一日, 已歸屬股份包括7,180,000股鎖定期滿的可行使股份。

**35. SHARE-BASED PAYMENTS** (continued)**35. 以股份為基礎付款** (續)**(b) Share Arrangement of Weigao Ortho****(b) 威高骨科股份安排**

On 12 May 2016, two limited partnerships (named Weihai Hong Yang Rui Information Technology Centre (Limited Partnership) (威海弘陽瑞信息技術中心(有限合夥)), and Weihai Glory Trading Centre (Limited Partnership) (威海永耀貿易中心(有限合夥)), respectively), subscribe 22,222,222 shares of Weigao Ortho, which represent 10% of the enlarged equity interests in Weigao Ortho, at a total consideration of RMB311,111,000. The two limited partnerships are controlled and beneficially owned by members of the management team of Weigao Ortho. The subscription aims to recognise the contribution of and incentivise the members of the management team, align their interests with those of Weigao Ortho and encourage them to optimise their performance and efficiency so as to maximise the equity return of the Group.

於二零一六年五月十二日，兩間有限合夥公司（即分別為威海弘陽瑞信息技術中心（有限合夥）及威海永耀貿易中心（有限合夥））認購22,222,222股威高骨科股份（相當於威高骨科經擴大股本權益之10%），總代價為人民幣311,111,000元。兩間有限合夥公司由威高骨科之管理團隊成員控制及實益擁有。認購事項旨在嘉許管理團隊的貢獻及激勵管理團隊成員，使彼等之利益與威高骨科之利益一致，並鼓勵彼等提升其表現及效率，以為本集團創造最大股本回報。

The fair value of the shares set out above at the subscription date is RMB606,000,000, which is determined by reference to the fair value of the entire equity interests in Weigao Ortho of RMB6,060,000,000 as at 31 December 2015, arrived at on the basis of a valuation carried out by China Alliance Appraisal Co., LTD (北京中同華資產評估有限公司), an independent qualified professional valuers not connected with the Group as at 14 June 2016. The fair value of Weigao Ortho is estimated by applying an income approach and the key model inputs used are set out below:

於認購日期，上文所載股份之公平值為人民幣606,000,000元，乃經參考威高骨科於二零一五年十二月三十一日之全部股本權益之公平值人民幣6,060,000,000元，並基於與本集團並無關連之獨立合資格專業估值師北京中同華資產評估有限公司於二零一六年六月十四日進行之估值而達致。威高骨科之公平值乃運用收益法估計及所採用之主要模式輸入數據載列如下：

- assumed discount rate of 11%; and
- assumed growth rates range from 6% to 20%.

- 假設貼現率為11%；及
- 假設增長率介乎6%至20%。

The Group recognised the difference of RMB294,889,000 between the fair value and gross proceeds, as a share-based payment expense in profit or loss for the year ended 31 December 2016.

截至二零一六年十二月三十一日止年度，本集團於損益內將公平值與所得款項總額之差額人民幣294,889,000元確認為以股份為基礎付款開支。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 36. ACQUISITION OF A SUBSIDIARY

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.

### 36. 收購一間附屬公司

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
<b>Assets acquired and liabilities recognised at the date of acquisition are as follows:</b>		
<b>於收購日期已收購的資產及已確認的負債如下：</b>		
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	貿易及其他應付款項	(26,540)
		40,144
<b>Net cash outflow on the acquisition</b>		
<b>收購所產生的現金流出淨額</b>		
Cash consideration paid	已付現金代價	(40,144)
Less: cash and cash equivalent balance acquired	減：所收購的現金及現金等值物結餘	496
		(39,648)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 36. ACQUISITION OF A SUBSIDIARY (continued)

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.

### 37. DISPOSAL OF SUBSIDIARIES

#### 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.

### 36. 收購一間附屬公司 (續)

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。

### 37. 出售附屬公司

#### 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 2017 截至二零一七年十二月三十一日止年度

### 37. DISPOSAL OF SUBSIDIARIES (continued)

### 37. 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	33,358
Intangible assets	無形資產	5,360
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 (note)	於一間聯營公司保留權益之公平值 (附註)	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	49.342
		<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 2017 截至二零一七年十二月三十一日止年度

### 37. DISPOSAL OF SUBSIDIARIES (continued)

### 37. 出售附屬公司 (續)

#### Deemed disposal of partial interests in a subsidiary resulting in loss of control

(continued)

Note:

The fair value of interest retained in an associate is based on the provisional fair values of the net identifiable assets of the associate. The review of the fair value will be completed within 12 months after the deemed disposal date.

#### Disposal of whole interests in a subsidiary

During the year, 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:

#### 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)

附註：

於一間聯營公司保留權益之公平值乃基於聯營公司可識別資產淨值之臨時公平值計算。公平值之審閱將於視作出售日期後12個月內完成。

#### 出售一間附屬公司之全部權益

於本年度，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：

Consideration received	已收代價	RMB'000 人民幣千元
Deferred cash consideration	遞延現金代價	16,000



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 37. DISPOSAL OF SUBSIDIARIES (continued)

### 37. 出售附屬公司 (續)

#### Disposal of whole interests in a subsidiary (continued)

#### 出售一間附屬公司之全部權益 (續)

RMB'000  
人民幣千元

#### Analysis of assets and liabilities over which control was lost:

#### 失去控制權之資產及負債分析：

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	<u>14,654</u>

#### Gain on disposal of a subsidiary:

#### 出售一間附屬公司之收益：

Deferred cash consideration	遞延現金代價	16,000
Net assets disposed of	已出售資產淨值	<u>(14,654)</u>
Gain on disposal	出售之收益	<u>1,346</u>

#### Net cash outflow arising on disposal:

#### 出售所產生的現金流出淨額：

Cash consideration	現金代價	—
Less: bank balance and cash disposed of	減：已出售銀行結餘及現金	<u>(8,380)</u>
		<u>(8,380)</u>

The deferred consideration will be settled in cash by the purchaser before 31 December 2018.

遞延代價將由買方於二零一八年十二月三十一日前以現金結算。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

## 38. OPERATING LEASES

## 38. 經營租約

### The Group as lessee

### 本集團作為承租人

		2017 RMB'000 二零一七年 人民幣千元	2016 RMB'000 二零一六年 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>16,967</b>	14,211
Properties	物業		

As at 31 December 2017 and 2016, the Group had commitment for future minimum leases payments under non-cancellable operating leases which fall due as follows:

於二零一七年及二零一六年十二月三十一日，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：

		31/12/2017 RMB'000 二零一七年 十二月 三十一日 人民幣千元	31/12/2016 RMB'000 二零一六年 十二月 三十一日 人民幣千元
Within one year	於一年內	<b>12,034</b>	8,639
In the second to fifth year inclusive	於第二至第五年 (包括首尾兩年)	<b>4,256</b>	3,362
		<b>16,290</b>	12,001

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 2017 截至二零一七年十二月三十一日止年度

#### 38. OPERATING LEASES (continued)

##### The Group as lessor

Property rental income earned during the year was approximately RMB12,914,000 (2016: RMB7,398,000).

At the end of the reporting period, the Group had contracted with tenants for following future minimum lease payments.

Within one year

於一年內

Operating lease payments relate to rentals generating from the Group's investment properties. Leases are negotiated and rentals are fixed for one year.

#### 39. CAPITAL COMMITMENTS

As at 31 December 2017 and 2016, the Group had commitments which were contracted for but not provided in the consolidated financial statements:

Acquisition of property, plant and equipment

Commitments to acquire a third party's ownership interest

Incorporation of a joint venture Investment fund

收購物業、廠房及設備

承諾收購一名第三方所有權權益

註冊成立一間合營公司投資基金

#### 38. 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12,914,000元（二零一六年：人民幣7,398,000元）。

於報告期末，本集團就下列未來最低租金與租戶訂立租約。

31/12/2017 RMB'000 二零一七年 十二月 三十一日 人民幣千元	31/12/2016 RMB'000 二零一六年 十二月 三十一日 人民幣千元
--	--

- 2,992

經營租約款項與本集團投資物業所產生的租金有關。租約經已磋商，而租金於一年內固定不變。

#### 39. 資本承擔

於二零一七年及二零一六年十二月三十一日，本集團於綜合財務報表中擁有已訂約但未撥備的承擔：

31/12/2017 RMB'000 二零一七年 十二月 三十一日 人民幣千元	31/12/2016 RMB'000 二零一六年 十二月 三十一日 人民幣千元
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346,661 472,729

2,443,864 -

150,000 150,000

8,233 20,811

### 40. 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).

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.

### 40. 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）。

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。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 41. FINANCIAL INSTRUMENTS

### 41. 金融工具

#### Categories of financial instruments

#### 金融工具類別

		<b>31/12/2017</b>	31/12/2016
		<b>RMB'000</b>	RMB'000
		<b>二零一七年</b>	二零一六年
		<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>Financial assets</b>	<b>金融資產</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)	<b>9,408,247</b>	8,292,933
Available-for-sale investments	可供出售投資	<b>81,517</b>	95,411
<b>Financial liabilities</b>	<b>金融負債</b>		
Amortised cost	攤銷成本	<b>2,840,107</b>	3,167,773

#### Financial risk management objectives and policies

#### 財務風險管理目標及政策

The Group's major financial instruments include receivables from factoring business, loan receivables, available-for-sale investments, trade and other receivables, pledged bank deposits, bank balances and cash, trade and other payables, borrowings and loan 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.

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、可供出售投資、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。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 41. FINANCIAL INSTRUMENTS (continued)

### 41. 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

##### 市場風險

##### Currency risk

##### 貨幣風險

PRC subsidiaries of the Company with functional currency of RMB have certain foreign currency sales, purchases and bank balances and cash denominated in Singapore Dollar (SGD), European Dollar (EUR), Hong Kong Dollar (HKD), US Dollar (USD), Japan Yen (JPY), Great Britain Pound (GBP) and Deutsche Mark (DEM), which expose the Group to foreign currency risk.

本公司之功能貨幣為人民幣之中國附屬公司擁有以新加坡元(新加坡元)、歐元(歐元)、港元(港元)、美元(美元)、日圓(日圓)、英鎊(英鎊)及德國馬克(馬克)計值之若干外幣銷售、採購及銀行結餘及現金,因而使本集團承受外幣風險。

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	
		31/12/2017	31/12/2016	31/12/2017	31/12/2016
		RMB'000	RMB'000	RMB'000	RMB'000
		負債		資產	
		二零一七年	二零一六年	二零一七年	二零一六年
		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
Currency of SGD	新加坡元	-	-	<b>93,483</b>	113,254
Currency of EUR	歐元	-	11,469	<b>219</b>	79,301
Currency of HKD	港元	-	-	<b>110,093</b>	21,250
Currency of USD	美元	<b>8,334</b>	20,318	<b>39,907</b>	40,221
Currency of JPY	日圓	-	281	<b>173</b>	4,086
Currency of GBP	英鎊	-	-	<b>291</b>	282
Currency of DEM	馬克	-	37	-	-

The Group is mainly exposed to the currency risk of SGD, EUR, HKD, USD, JPY, GBP and DEM.

本集團主要承受新加坡元、歐元、港元、美元、日圓、英鎊及馬克之貨幣風險。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 41. 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% (2016:5%) increase and decrease in the RMB 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 weakens 5% against the relevant currency. For a 5% strengthening of RMB against the relevant currency, there would be an opposite impact on the post-tax profit for the year.

		2017 RMB'000 二零一七年 人民幣千元	2016 RMB'000 二零一六年 人民幣千元
Increase (decrease) in post-tax profit for the year	本年度稅後溢利增加(減少)		
– If RMB weakens against foreign currency	– 倘人民幣兌外幣貶值	10,023	9,617
– If RMB strengthens against foreign currency	– 倘人民幣兌外幣升值	(10,023)	(9,617)

##### Interest rate risk

The Group is exposed to fair value interest rate risk in relation to loan receivables, pledged bank balances, borrowings and loan from the ultimate holding company with fixed interest rate (notes 25, 28, 31 and 34).

### 41. 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兌相關外幣之匯率上升及下跌5% (二零一六年: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、已抵押銀行結餘以及定息借款及來自最終控股公司貸款的公平值利率風險 (附註25、28、31及34)。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 41. FINANCIAL INSTRUMENTS (continued)

### 41. 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, 29 and 31). 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.

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、29及31)。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。

##### 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 (2016: 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(二零一六年：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 (2016: 25 basis points) higher/lower and all other variables were held constant, the Group's post-tax profit for the year ended 31 December 2017 would have increased/decreased by RMB7,900,000 (2016: RMB8,309,000).

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(二零一六年：25個基本點子)，所有其他變動維持不變，則本集團於截至二零一七年十二月三十一日止年度的稅後溢利將增加／減少人民幣7,900,000元(二零一六年：人民幣8,309,000元)。



**41. FINANCIAL INSTRUMENTS** (continued)

**Financial risk management objectives and policies** (continued)

**Credit risk**

As at 31 December 2017, 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 (note 43) issued by the Group, finance lease receivables, receivables from factoring business, trade receivables, bills receivable and other receivables.

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 reviews the recoverable amount of each individual debtor at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

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.

**41. 金融工具** (續)

**財務風險管理目標及政策** (續)

**信貸風險**

於二零一七年十二月三十一日，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出的未到期財務擔保(附註43)、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、應收票據及其他應收款項。

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，於報告期末，本集團會檢討每項個別負債的可收回金額，以確保就不可收回金額作出足夠的減值虧損。就此而言，本公司董事認為本集團的信貸風險已大幅降低。

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。

**41. FINANCIAL INSTRUMENTS** (continued)**41. 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****流動資金風險**

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.

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。

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.

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。

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。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 41. FINANCIAL INSTRUMENTS (continued)

### 41. 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

#### 流動資金表

		Weighted average effective interest rate %	On demand or less than 1 year RMB'000	1-2 year RMB'000	2-5 years RMB'000	Over 5 years RMB'000	Total undiscounted cash flows RMB'000	Carrying amount at 31/12/2017 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	於二零一七年 十二月三十一日 的賬面值 人民幣千元
<b>2017</b>	<b>二零一七年</b>							
<b>Non-derivative financial liabilities</b>	<b>非衍生金融負債</b>							
Trade payables	應付貿易賬款		497,110	-	-	-	497,110	497,110
Construction cost and retention payables	建築成本及應付保留金		61,930	-	-	-	61,930	61,930
Bills payable	應付票據		154,660	-	-	-	154,660	154,660
Other payables	其他應付款項		1,120,919	-	-	-	1,120,919	1,120,919
Loan from the ultimate holding company	來自最終控股公司貸款	4.35	104,411	-	-	-	104,411	103,311
Borrowings	借款							
- fixed rate	- 固定利率	5.25	31,500	31,500	606,455	-	669,455	600,000
- variable rate	- 浮動利率	4.73	110,123	116,898	99,117	-	326,138	302,177
			2,080,653	148,398	705,572	-	2,934,623	2,840,107

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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 41. FINANCIAL INSTRUMENTS (continued)

### 41. 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 RMB'000	1-2 year RMB'000	2-5 years RMB'000	Over 5 years RMB'000	Total undiscounted cash flows RMB'000	Carrying amount at 31/12/2016 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	於二零一六年十二月三十一日的賬面值人民幣千元
<b>2016</b>							
<b>Non-derivative financial liabilities</b>							
Trade payables		496,138	-	-	-	496,138	496,138
Construction cost and retention payables		243,757	-	-	-	243,757	243,757
Bills payable		98,010	-	-	-	98,010	98,010
Other payables		1,045,099	-	-	-	1,045,099	1,045,099
Dividend payables		92,158	-	-	-	92,158	92,158
Loan from the ultimate holding company	4.35	108,953	-	-	-	108,953	104,411
Borrowings							
- fixed rate	5.12	102,074	-	757,500	-	859,574	700,000
- variable rate	4.76	210,103	35,162	167,830	-	413,095	388,200
		2,396,292	35,162	925,330	-	3,356,784	3,167,773

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

本公司董事認為，按攤銷成本列入綜合財務報表內的金融資產及金融負債賬面值與彼等的公平值相若。

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 42. 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.

### 42. 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表內分類。

		Borrowings RMB'000 (note 31)	Interest payables RMB'000	Loan from the ultimate holding company RMB'000 (note 34)	Dividend payable RMB'000	Total RMB'000
		借款 人民幣千元 (附註31)	應付利息 人民幣千元	來自 最終控股的 貸款 人民幣千元 (附註34)	應付股息 人民幣千元	合計 人民幣千元
At 1 January 2017	於二零一七年一月一日	1,088,200	-	104,411	92,158	1,284,769
Disposal of a subsidiary	出售一間附屬公司	(427,000)	-	-	-	(427,000)
Dividend declared	已宣派股息		-	-	398,397	398,397
Interest accrued	應計利息	-	53,964	4,398	-	58,362
Financing cash flows	融資現金流量	240,977	(53,964)	(5,498)	(490,555)	(309,040)
At 31 December 2017	於二零一七年十二月三十一日	902,177	-	103,311	-	1,005,488

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

## 43. RELATED PARTY TRANSACTIONS

## 43. 關連人士交易

(a) The Group had the following related party transactions during the two years ended 31 December 2017 and 2016:

(a) 於截至二零一七年及二零一六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：

		2017 RMB'000 二零一七年 人民幣千元	2016 RMB'000 二零一六年 人民幣千元
Sales to fellow subsidiaries	銷售予同系附屬公司	161,755	27,885
Sales to ultimate holding company	銷售予最終控股公司	91	144
Purchases from fellow subsidiaries	向同系附屬公司採購	373,331	200,431
Purchases from ultimate holding company	向最終控股公司採購	83,906	-
Purchases from a joint venture	向一間合營公司採購	215,779	158,505
Purchases from other related parties	向其他關連人士採購	-	5,588
Operating lease income from fellow subsidiaries	來自同系附屬公司之經營租賃收入	11,438	4,224
Finance lease income from fellow subsidiaries	來自同系附屬公司之融資租賃收入	9,314	5,917
Interest income from factoring business from fellow subsidiaries	來自同系附屬公司保理業務之利息收入	5,647	-
Rental payments to other related parties	向其他關連人士支付租金	-	1,361
Service received from ultimate holding company	自最終控股公司接獲之服務	37,790	59,562
Service received from fellow subsidiaries	自同系附屬公司接獲之服務	24,875	1,638
Service received from other related parties	自其他關連人士接獲之服務	-	8,395
Service provided to fellow subsidiaries	向同系附屬公司提供之服務	4,224	4,472
Service provided to ultimate holding company	向最終控股公司提供之服務	410	343
Construction service received from fellow subsidiaries	自同系附屬公司獲取之建設服務	17,780	12,454
Interest income from an associate of ultimate holding company	最終控股公司之一間聯營公司之利息收入	846	-
Interest expense arising from the ultimate holding company	最終控股公司產生之利息支出	4,398	3,299
Interest income from joint ventures	合營公司之利息收入	1,798	276

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 43. RELATED PARTY TRANSACTIONS

(continued)

#### (a) (continued)

Details of amounts due from/to related parties are set out in notes 24, 25, 27, 30 and 34.

During the year, the principal of the finance lease business provided to the fellow subsidiaries by the Group amounting to RMB129,581,000 (2016: RMB98,834,000).

During the year, the principal of the factoring business provided to the fellow subsidiaries by the Group amounting to RMB157,000,000 (2016: 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 2017, the Company provided guarantees of RMB127,000,000 (2016:nil) to an associate of the Group related to its two long-term bank borrowings.

During the year ended 31 December 2017, the Group did not obtain any new loan (2016: RMB101,112,000) from the ultimate holding company with interest rate at nil(2016: 4.35% per annum).

During the year ended 31 December 2017, the Group provided loans to joint ventures amounting to RMB35,000,000 (2016: RMB20,000,000) with interest rate at 4.99% or 4.79% per annum (2016: 4.79% per annum).

During the year ended 31 December 2017, the Group disposed of a subsidiary to a fellow subsidiary of the Group at a consideration of RMB16,000,000 and resulted in a gain on disposal of RMB1,346,000 credited to profit or loss. Details are set out in note 37.

During the year ended 31 December 2017, the Group disposed 29.9% equity interest in Zurich Medical Corporation to a fellow subsidiary of the Group at the consideration of USD8,550,000 (equivalent to about RMB55,891,000), and resulted in a loss on disposal of RMB575,000 debited to profit or loss.

### 43. 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及34。

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129,581,000元（二零一六年：人民幣98,834,000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157,000,000元（二零一六年：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。

於二零一七十二月三十一日，本公司就本集團兩項長期借款向其一間聯營公司提供人民幣127,000,000元（二零一六年：無）之擔保。

截至二零一七年十二月三十一日止年度，本集團並無自最終控股公司獲得任何新貸款（二零一六年：人民幣101,112,000元），利率為零（二零一六年：年利率4.35%）。

截至二零一七年十二月三十一日止年度，本集團向合營公司提供人民幣35,000,000元（二零一六年：人民幣20,000,000元）之貸款，年利率為4.99%或4.79%（二零一六年：年利率4.79%）。

截至二零一七年十二月三十一日，本集團向本集團一間同系附屬公司出售一間附屬公司，代價為人民幣16,000,000元，產生計入損益之出售收益人民幣1,346,000元。詳情載於附註37。

截至二零一七年十二月三十一日，本集團向本集團一間同系附屬公司出售於Zurich Medical Corporation之29.9%股權，代價為8,550,000美元（相等於約人民幣55,891,000元），產生自損益扣除之出售虧損人民幣575,000元。

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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 43. 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:

		2017 RMB'000 二零一七年 人民幣千元	2016 RMB'000 二零一六年 人民幣千元
Short-term employee benefits	短期僱員福利	21,187	173,546
Post-employment benefits	離職後福利	195	335
		<b>21,382</b>	<b>173,881</b>

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

### 44. 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.

The contributions paid and payable to the schemes by the Group are disclosed in note 9.

### 43. 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：

		2017 RMB'000 二零一七年 人民幣千元	2016 RMB'000 二零一六年 人民幣千元
Short-term employee benefits	短期僱員福利	21,187	173,546
Post-employment benefits	離職後福利	195	335
		<b>21,382</b>	<b>173,881</b>

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。

### 44. 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。

本集團就該等計劃已付及應付的供款於附註9作出披露。



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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 45. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

Particulars of the Company's subsidiaries as at 31 December 2017 and 2016 are as follows:

### 45. 本公司主要附屬公司詳情

於二零一七年及二零一六年十二月三十一日，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	31/12/2017	31/12/2016	31/12/2017	31/12/2016	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)		
			二零一七年 十二月 三十一日	二零一六年 十二月 三十一日	二零一七年 十二月 三十一日	二零一六年 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
Weihai Weigao Blood Purification Products Company Limited** (威海威高血液淨化製品有限公司)	PRC	RMB179,200,000	46.875	70	-	-	Manufacturing of medical blood purification treatments and related consumables
威海威高血液淨化製品有限公司**	中國	人民幣179,200,000元					製造血液淨化療法及相關耗材

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 45. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

### 45. 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	31/12/2017	31/12/2016	31/12/2017	31/12/2016	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)		
			二零一七年 十二月 三十一日	二零一六年 十二月 三十一日	二零一七年 十二月 三十一日	二零一六年 十二月 三十一日	
Weigao Blood Purification Products (Shanghai) Company Limited*** (威高血液淨化製品(上海)有限公司)	PRC	RMB5,000,000/ RMB80,000,000	-	-	<b>46.875</b>	70	Sales of Type II and Type III medical devices and computer software
威高血液淨化製品(上海)有限公司***	中國	人民幣5,000,000元/ 人民幣80,000,000元					第二類及第三類醫療設備及計算機軟件的銷售
Weihai Wegao Biotech Co., Limited*** (威海威高生命科技有限公司)	PRC	RMB10,000,000	-	-	<b>46.875</b>	70	Manufacturing and sales of medical devices
威海威高生命科技有限公司***	中國	人民幣10,000,000元					製造及出售醫療設備
Shandong Weigao Medical Holding Company Limited*** (山東威高醫療控股有限公司)	PRC	RMB20,000,000	-	-	<b>46.875</b>	70	Manufacturing of medical products
山東威高醫療控股有限公司***	中國	人民幣20,000,000元					製造醫療產品
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	<b>25</b>	25	<b>75</b>	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					第一類醫療設備、手術設備及其他一次性醫療產品的批發
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	<b>25</b>	25	<b>75</b>	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					第一類醫療設備、手術設備及其他一次性醫療產品的批發

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 45. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

### 45. 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	31/12/2017	31/12/2016	31/12/2017	31/12/2016	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)		
			二零一七年 十二月 三十一日	二零一六年 十二月 三十一日	二零一七年 十二月 三十一日	二零一六年 十二月 三十一日	
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
Shandong Weigao New Life Medical Device Company Limited* (Disposal in June 2017) (山東威高新生醫療器械有限公司)	PRC	RMB20,000,000	-	50	-	50	Manufacturing of medical products
山東威高新生醫療器械有限公司 (於二零一七年六月出售)	中國	人民幣20,000,000元					製造醫療產品
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
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

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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 45. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

### 45. 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	31/12/2017	31/12/2016	31/12/2017	31/12/2016	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)		
			二零一七年 十二月 三十一日	二零一六年 十二月 三十一日	二零一七年 十二月 三十一日	二零一六年 十二月 三十一日	
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") 英屬處女群島 (「英屬處女群島」)	USD50,000 50,000美元	-	-	100	100	Investment holding
							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
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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 45. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

### 45. 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	31/12/2017	31/12/2016	31/12/2017	31/12/2016	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)		
			二零一七年 十二月 三十一日	二零一六年 十二月 三十一日	二零一七年 十二月 三十一日	二零一六年 十二月 三十一日	
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	-	-	<b>86.719</b>	92.5	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	-	-	<b>100</b>	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
Better City Limited	BVI 英屬處女群島	USD50,000 50,000美元	-	-	-	100	Investment holding 投資控股
Lucky Goal Limited (祥標有限公司) 祥標有限公司	Hong Kong 香港	HKD1.00 1.00港元	-	-	-	100	Investment holding 投資控股
Champion Falcon limited (翔冠有限公司) 翔冠有限公司	Hong Kong 香港	HKD1.00 1.00港元	-	-	<b>100</b>	100	Investment holding 投資控股
Brilliant Grace limited (耀恩有限公司) 耀恩有限公司	BVI 英屬處女群島	USD1.00 1.00美元	-	-	<b>100</b>	100	Investment holding 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) 福州帆順醫療器械技術有限公司	PRC 中國	RMB500,000 人民幣500,000元	<b>95</b>	95	-	-	Wholesale, sales and purchases of disposable sterile medical devices 一次性醫療設備的批發、銷售及採購

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 45. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

### 45. 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	31/12/2017	31/12/2016	31/12/2017	31/12/2016	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)		
			二零一七年 十二月 三十一日	二零一六年 十二月 三十一日	二零一七年 十二月 三十一日	二零一六年 十二月 三十一日	
Weigao Blood Purification Supplies Co., Limited* (威海威高采血耗材有限公司)	PRC	nil/RMB10,000,000	100	100	-	-	Trading of medical products
威海威高采血耗材有限公司	中國	無/ 人民幣10,000,000元					買賣醫療產品
Weihai Weigao Anesthesia Products Co., Limited* (威海威高麻醉製品有限公司)	PRC	nil/RMB1,000,000	90	90	10	10	Production and sales of Type I Type II and Type III medical devices
威海威高麻醉製品有限公司	中國	無/ 人民幣1,000,000元					生產及銷售第一類、第二類及第三類醫療設備
Weigao Medical (Shenzhen) Co., Ltd. (威高醫療(深圳)有限公司)	PRC	nil/RMB20,000,000	-	-	70	70	Trading of medical products
威高醫療(深圳)有限公司	中國	無/ 人民幣20,000,000元					買賣醫療產品
Taian Weixin Medical Products Co., Ltd. (泰安市威新醫用製品有限公司)	PRC	RMB800,000/ RMB30,000,000	1	10	99	90	Trading of medical products
泰安市威新醫用製品有限公司	中國	人民幣800,000元/ 人民幣30,000,000元					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))	PRC	RMB50	-	-	-	-	Enterprise management advisory services
威海長弘企業管理諮詢中心(有限合夥)	中國	人民幣50元					企業管理顧問服務

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 45. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

### 45. 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	31/12/2017	31/12/2016	31/12/2017	31/12/2016	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)		
			二零一七年 十二月 三十一日	二零一六年 十二月 三十一日	二零一七年 十二月 三十一日	二零一六年 十二月 三十一日	
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))	PRC	RMB50	-	-	-	-	Enterprise management advisory services
威海揚帆企業管理諮詢中心(有限合夥)	中國	人民幣50元					企業管理顧問服務
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	RMB32,300,000/ RMB150,000,000	-	-	51	-	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32,300,000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	-	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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 45. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

### 45. 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	31/12/2017	31/12/2016	31/12/2017	31/12/2016	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)		
			二零一七年 十二月 三十一日	二零一六年 十二月 三十一日	二零一七年 十二月 三十一日	二零一六年 十二月 三十一日	
Sichuan Weigao Tianfu Medical Technology Co. Ltd.* (四川威高天府医药科技有限公司)	PRC	nil/RMB20,000,000	90	-	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
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	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	nil/RMB30,000,000	10	-	90	-	Sales of medical devices
威海威高億康醫療器械銷售有限公司	中國	無/ 人民幣30,000,000元					銷售醫療產品
WW Medical and Healthcare Company Limited	Cayman Islands 開曼群島	USD50,000 50,000美元	-	-	90	-	Investment holding 投資控股
WW Medical and Healthcare Holdings Corporation	Delaware/USA 美國特拉華	USD1,000 1,000美元	-	-	90	-	Investment holding 投資控股
WW Medical and Healthcare Corporation	Delaware/USA 美國特拉華	USD1,000 1,000美元	-	-	90	-	Investment holding 投資控股

\* For identification purposes only

\*\* Weigao Blood Purification was changed to the Group's associate from subsidiary as of 31 December 2017 as disclosed in note 37.

\*\*\* The companies are the subsidiaries of Weigao Blood Purification and they were ceased to be subsidiaries of the Company as the end of the year.

\* 僅供識別

\*\* 截至二零一七年十二月三十一日，威高血液淨化變為本集團合營公司，誠如附註37所披露。

\*\*\* 該等公司為威高血液淨化之附屬公司，而於年末彼等不再為本公司之附屬公司。



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## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 45. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

(continued)

None of the subsidiaries had issued any debt securities at the end of the year.

In the opinion of the directors of the Company, there is no subsidiary that has non-controlling interests which is material to the Group.

### 46. COMPARATIVE FINANCIAL INFORMATION

Certain comparative amounts in the prior year's presentation have been reclassified to conform to the current year presentation.

### 47. EVENT AFTER THE REPORTING PERIOD

In 2017, the Group formed a new company, WW Medical and Healthcare Company Limited ("WW"), with an independent third party. The WW is owned as to 90% by the Group and 10% by the independent third party. On 22 September 2017, the WW entered into an agreement to acquire 100% equity interest in Argon medical devices holdings. Inc. ("Argon").

On 23 January 2018, the WW completed the acquisition. Details of the acquisition are set out in the Group's announcements dated 24 September 2017 and 24 January 2018. The initial accounting for the business combination is incomplete at the time the consolidated financial statements are authorised for issue. The fair value of the assets and liabilities of Argon is still under review.

### 45. 本公司主要附屬公司詳情 (續)

概無附屬公司於年末發行任何債務證券。

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。

### 46. 比較財務資料

於過往年度呈列之若干比較金額已予以重新分類以與本年度之呈列保持一致。

### 47. 報告期後事項

於二零一七年，本公司與一名獨立第三方成立一間新公司，WW Medical and Healthcare Company Limited (「WW」)。WW由本集團擁有90%權益及獨立第三方擁有10%權益。於二零一七年九月二十二日，WW訂立一份協議以收購愛琅醫療器械控股有限公司(「愛琅」)之100%股權。

於二零一八年一月二十三日，WW完成收購。收購詳情載於本集團日期為二零一七年九月二十四日及二零一八年一月二十四日的公佈。業務合併的初步會計處理於綜合財務報表獲授權刊發時尚未完成。愛琅資產及負債的公平值仍在審核中。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

**48. COMPANY'S STATEMENT OF FINANCIAL POSITION**      **48. 本公司之財務狀況表**

		<b>31/12/2017</b>	31/12/2016
		<b>RMB'000</b>	RMB'000
		<b>二零一七年</b>	二零一六年
		<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>2,747,309</b>	2,382,664
Investment properties	投資物業	<b>250,554</b>	138,764
Prepaid lease payments	預付租賃款項	<b>233,969</b>	222,116
Intangible assets	無形資產	<b>2,750</b>	10,807
Investments in subsidiaries	於附屬公司的投資	<b>993,810</b>	1,072,855
Interests in an associate	於一間聯營公司之權益	<b>626,643</b>	-
Amounts due from a subsidiary	應收一間附屬公司之款項	-	1,570,391
Deferred tax asset	遞延稅項資產	<b>47,580</b>	37,371
Loan receivables	應收貸款	<b>1,460,260</b>	221,600
Deposit paid for acquiring property, plant and equipment	就收購物業、廠房及設備支付的按金	<b>42,709</b>	23,702
		<b>6,405,584</b>	5,680,270
Current assets	流動資產		
Inventories	存貨	<b>402,365</b>	383,621
Loan receivables	應收貸款	<b>147,963</b>	-
Trade and other receivables	應收貿易及其他應收款	<b>2,552,753</b>	2,378,749
Amount due from subsidiaries	應收附屬公司款項	<b>442,836</b>	168,562
Pledged bank deposits	已抵押銀行存款	<b>93,081</b>	43,827
Bank balances and cash	銀行結餘及現金	<b>2,627,149</b>	2,924,503
		<b>6,266,147</b>	5,899,262
Current liabilities	流動負債		
Trade and other payables	應付貿易及其他應付款	<b>1,443,000</b>	1,234,259
Amount due to subsidiaries	應付附屬公司款項	<b>3,667,398</b>	3,448,765
Tax payable	應付稅項	<b>25,057</b>	58,142
		<b>5,135,455</b>	4,741,166
Net current assets	流動資產淨額	<b>1,130,692</b>	1,158,096
		<b>7,536,276</b>	6,838,366

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

### 48. COMPANY'S STATEMENT OF FINANCIAL POSITION (continued)

### 48. 本公司之財務狀況表 (續)

		<b>31/12/2017</b>	31/12/2016
		<b>RMB'000</b>	RMB'000
		<b>二零一七年</b>	二零一六年
		<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
Capital and reserves	股本及儲備		
Share capital	股本	<b>452,233</b>	452,233
Reserves	儲備	<b>6,466,013</b>	5,767,338
Total equity	權益總額	<b>6,918,246</b>	6,219,571
Non-current liabilities	非流動負債		
Borrowings	借款	<b>600,000</b>	600,000
Deferred income	遞延收入	<b>18,030</b>	18,795
		<b>618,030</b>	618,795
Total equity and non-current liabilities	權益及非流動負債總額	<b>7,536,276</b>	6,838,366

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

For the year ended 31 December 2017 截至二零一七年十二月三十一日止年度

48. COMPANY'S STATEMENT OF FINANCIAL POSITION (continued) 48. 本公司之財務狀況表 (續)

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：

		Share premium RMB'000 股份溢價 人民幣千元	Other reserves RMB'000 其他儲備 人民幣千元	Statutory surplus reserve RMB'000 法定盈餘儲備 人民幣千元	Retained profits RMB'000 保留溢利 人民幣千元	Total RMB'000 總計 人民幣千元
At 1 January 2016	於二零一六年一月一日	2,478,544	13,066	226,117	2,667,709	5,385,436
Profit for the year	本年度溢利	-	-	-	622,825	622,825
Ordinary shares issued (note 35(a))	已發行普通股 (附註35(a))	96,516	-	-	-	96,516
Share-based payments (note 35(a))	以股份為基礎付款 (附註35(a))	-	10,781	-	-	10,781
Dividends recognised as distribution	確認為分派的股息	-	-	-	(348,220)	(348,220)
At 31 December 2016	於二零一六年 十二月三十一日	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
Ordinary shares issued (note 35(a))	已發行普通股 (附註35(a))	-	-	-	-	-
Share-based payments (note 35(a))	以股份為基礎付款 (附註35(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)
At 31 December 2017	於二零一七年 十二月三十一日	2,575,060	273,150	226,117	3,391,686	6,466,013

# FINANCIAL SUMMARY

## 財務概要

		For the year ended 31 December				
		2017	2016	2015	2014	2013
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		截至十二月三十一日止年度				
		二零一七年	二零一六年	二零一五年	二零一四年	二零一三年
		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>RESULTS</b>	<b>業績</b>					
Revenue	收入	<b>7,685,544</b>	6,730,340	5,918,930	5,277,827	4,613,310
Profit before taxation	除稅前溢利	<b>2,085,969</b>	1,314,346	1,335,505	1,275,664	544,154
Taxation	稅項	<b>(258,686)</b>	(176,754)	(186,647)	(180,844)	(156,475)
Profit for the year	本年度溢利	<b>1,827,283</b>	1,137,592	1,148,858	1,094,820	387,679
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>1,729,924</b>	1,105,933	1,112,736	1,084,948	387,984
Non-controlling interests	非控股權益	<b>97,359</b>	31,659	36,122	9,872	(305)
		<b>1,827,283</b>	1,137,592	1,148,858	1,094,820	387,679
		As at 31 December				
		2017	2016	2015	2014	2013
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		於十二月三十一日				
		二零一七年	二零一六年	二零一五年	二零一四年	二零一三年
		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>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>					
Total assets	總資產	<b>16,782,859</b>	15,756,309	13,519,246	12,070,107	11,288,096
Total liabilities	總負債	<b>(3,138,751)</b>	(3,551,045)	(2,732,423)	(2,190,516)	(2,225,164)
Non-controlling interests	非控股權益	<b>(305,937)</b>	(338,687)	(128,646)	(31,686)	(22,587)
Equity attributable to owners of the Company	本公司擁有人應佔權益	<b>13,338,171</b>	11,866,577	10,658,177	9,847,905	9,040,345

**WEGO 威高**