



山東新華製藥股份有限公司
Shandong Xinhua Pharmaceutical Company Limited

(H股股份代號 : 0719) (H Share Stock Code : 0719)

(A股股份代號 : 000756) (A Share Stock Code : 000756)

2017



Annual
Report
年報



目錄 CONTENTS

重要提示：

本公司董事會、監事會及董事、監事、高級管理人員(「高管」)保證本報告所載資料不存在任何虛假記載、誤導性陳述或者重大遺漏，並對其內容的真實性、準確性和完整性承擔個別及連帶責任。

董事長張代銘先生、財務負責人侯甯先生、財務資產部經理何曉洪先生聲明：保證本年度報告中財務報告真實、完整。

本報告分別以中文及英文刊載。如中英文有任何差異，概以中文為準。

Important:

The board of directors (“Board of Directors”) and the supervisory committee (“Supervisory Committee”) and each of the directors (“Directors”), the supervisors (“Supervisors”) and the senior management (collectively, the “Senior Officers”) of Shandong Xinhua Pharmaceutical Company Limited (the “Company”) hereby confirm that there are no false representations, material omissions or misleading statements contained in this report, and they, severally and jointly, accept full responsibility for the truthfulness, accuracy and completeness of the contents of this report.

The chairman (Mr. Zhang Daiming), financial controller (Mr. Hou Ning) and the chief of the finance department (Mr. He Xiaohong) of the Company hereby declare that the financial report of the Company for 2017 is true and complete.

This report has been prepared in both Chinese and English. In the event of any discrepancy between the two versions, the Chinese version shall prevail.

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公司基本情況簡介

COMPANY INFORMATION

公司中文名稱 Chinese Name of the Company	:	山東新華製藥股份有限公司(「公司」)
公司英文名稱 English Name of the Company	:	SHANDONG XINHUA PHARMACEUTICAL COMPANY LIMITED
公司法定代表人 Legal Representative	:	張代銘 Mr. Zhang Daiming
董事會秘書 Company Secretary	:	曹長求 Mr. Cao Changqiu
聯繫電話 Telephone Number	:	86-533-2166666
傳真號碼 Facsimile Number	:	86-533-2287508
董秘電子信箱 E-mail Address of Company Secretary	:	CQCAO@XHZY.COM
公司註冊地址 Registered Address	:	中華人民共和國(「中國」)山東省淄博市高新技術產業開發區化工區 Chemical Industry Area of Zibo Hi-tech Industry Development Zone, Zibo City, Shandong Province, The People's Republic of China (the "PRC")
公司辦公地址 Office Address	:	中國山東省淄博市高新區魯泰大道1號 No. 1 Lutai Ave., Hi-tech Industry Development Zone, Zibo City, Shandong Province, PRC
郵政編碼 Postal Code	:	255086
公司互聯網址 Website of the Company	:	http://www.xhzy.com
公司電子信箱 E-mail Address of the Company	:	xhzy@xhzy.com
國內信息披露報紙 PRC newspapers for information disclosure	:	《證券時報》 Securities Times
登載年報的中國證監會指定網站的網址 Website designated by China Securities Regulatory Commission ("CSRC") for uploading annual reports of the Company	:	http://www.cninfo.com.cn

上市資料

Listing information

H股	:	香港聯合交易所有限公司(「香港聯交所」)
H Shares	:	The Stock Exchange of Hong Kong Limited (“SEHK”)
簡稱	:	山東新華製藥股份
Stock Short Name	:	Shandong Xinhua
代碼	:	0719
Stock Code	:	
A股	:	深圳證券交易所
A Shares	:	Shenzhen Stock Exchange
簡稱	:	新華製藥
Stock Short Name	:	Xinhua Pharm
代碼	:	000756
Stock Code	:	
首次註冊登記日期	:	1993年9月30日
Date of First Registration	:	30 September 1993
最新變更登記日期	:	2018年1月17日
Date of Latest Registration	:	17 January 2018
註冊登記地點	:	山東省淄博市工商行政管理局
Place of Registration	:	Zibo Municipal Administration of Industry and Commerce of Shandong Province
統一社會信用代碼	:	91370300164103727C
Unified Social Credit Code	:	
審計機構	:	
Auditors	:	
中國	:	信永中和會計師事務所(特殊普通合夥) 註冊會計師 中國北京市東城區朝陽門北大街8號富華大廈A座9樓 郵編：100027
PRC	:	ShineWing Certified Public Accountants (special general partnership), 9/F., Block A, Fu Hua Mansion, 8 Chaoyangmen Beidajie, Dongcheng District, Beijing 100027, PRC

公司基本情況簡介(續)
Company Information (continued)

法律顧問

Legal Advisers

香港

: 易周律師行
香港灣仔皇后大道東43-59號東美中心12樓
Charltons
12/F, Dominion Centre
43-59 Queen's Road East, Wanchai,
Hong Kong

As to Hong Kong Law

中國

: 北京競天公誠律師事務所
北京市朝陽區建國路77號華貿中心3號樓34層
郵編：100025
Jingtian Gongcheng Associates
34th Floor, 3 Building, Huamao Center,
77 Jianguo Road, Chaoyang District,
Beijing 100025, PRC

As to PRC Law

**公司聘請的報告期內履行
持續督導職責的保薦機構**

: 中泰證券股份有限公司
山東省濟南市經七路86號證券大廈
督導期為2017年10月13日至2018年12月31日
Zhongtai Securities Co., Ltd.
Securities Tower, No. 86 Jingqi Road, Jinan, Shandong Province
Supervisory Period:
from 13 October 2017 to 31 December 2018

**Sponsor engaged by the Company to
perform continuing supervisory function
during the reporting period**

主要往來銀行

: 中國工商銀行股份有限公司淄博張店支行
中國山東省淄博市張店區人民東路2號
The Industrial and Commercial Bank of China Co., LTD, Zibo
Zhangdian Branch
2 Renmin Dong Road, Zibo City, Shandong Province, PRC

Principal Banker

H股股份過戶登記處

: 香港證券登記有限公司
香港皇后大道東183號合和中心17樓
Hong Kong Registrars Limited
17th Floor, Hopewell Centre,
183 Queen's Road East, Hong Kong

Share Registrars of H Shares

公司資料查詢地點

Corporate Information Available at

: 山東新華製藥股份有限公司董事會秘書室
Secretariat to the Board of Directors
Shandong Xinhua Pharmaceutical Company Limited

會計數據和業務數據摘要

SUMMARY OF FINANCIAL AND OPERATING RESULTS

1. 財務摘要

(1) 按《中國企業會計準則》編製主要財務數據和財務指標(經審計)(人民幣元)

項目	Item	2017年	2016年	本年比上年增減	2015年	2014年	2013年
		2017 RMB	2016 RMB	Change as compared to that of last year (%)	2015 RMB	2014 RMB	2013 RMB
營業收入	Total operating income	4,515,716,784.19	4,014,963,065.74	12.47%	3,597,033,209.79	3,589,749,770.93	3,391,228,655.29
利潤總額	Total profits	268,173,876.00	159,968,492.21	67.64%	117,729,615.03	91,485,154.18	64,439,131.70
所得稅費用	Income tax expense	46,925,124.11	26,921,218.34	74.31%	23,720,864.46	23,150,467.44	14,448,293.02
淨利潤	Net profits	221,248,751.89	133,047,273.87	66.29%	94,008,750.57	68,334,686.74	49,990,838.68
少數股東損益	Minority interest income	11,656,844.66	10,776,724.19	8.18%	10,946,493.40	17,609,375.69	10,837,716.63
歸屬於上市公司股東的淨利潤	Net profit attributable to shareholders of parent company	209,591,907.23	122,271,549.68	71.42%	83,062,257.17	50,725,311.05	39,153,122.05
歸屬於上市公司股東的扣除非經常性損益的淨利潤	Net profit attributable to shareholders of parent company after deduction of non-recurring profit and loss	168,348,978.97	100,986,664.19	66.70%	40,944,834.40	8,778,507.42	(46,009,462.38)
經營活動產生的現金流量淨額	Net cash flow from operating activities	389,971,809.35	439,348,332.79	(11.24%)	348,636,176.12	346,342,064.00	104,990,785.05
基本每股收益(元/股)	Basic earnings per share	0.45	0.27	66.67%	0.18	0.11	0.09
稀釋每股收益(元/股)	Diluted earnings per share	0.45	0.27	66.67%	0.18	0.11	0.09
加權平均淨資產收益率	Return on net assets %	9.70%	6.31%	上升3.39個百分點 increased by 3.39 percentage points	4.44%	2.81%	2.18%

項目	Item	2017年末	2016年末	本年末比上年末增減	2015年末	2014年末	2013年末
		As at 31 December 2017	As at 31 December 2016	Change as compared to that of last year (%)	As at 31 December 2015	As at 31 December 2014	As at 31 December 2013
總資產	Total assets	5,273,647,124.63	4,722,785,963.84	11.66%	4,492,122,436.63	4,245,149,713.77	4,009,560,374.10
總負債	Total liabilities	2,694,193,743.82	2,643,478,538.19	1.92%	2,508,040,118.23	2,333,280,726.09	2,126,210,077.23
少數股東權益	Minority shareholder's equity	99,429,604.22	90,887,601.32	9.40%	99,825,757.46	91,178,815.24	80,314,118.00
歸屬於上市公司股東的淨資產	Total of equity assigned to the shareholders of parent company	2,480,023,776.59	1,988,419,824.33	24.72%	1,884,256,560.94	1,820,690,172.44	1,803,036,178.87

註：

- 公司會計政策變更後對上述指標並無影響，故未列明調整前後對照數據。
- 報告期末至報告披露日本公司股本未發生變化。

Notes:

- Since changes in the accounting policies of the Company have no impact on the above indicators, no comparative figures before and after the adjustment are presented.
- The company's share capital has not changed from the end of report period to the disclosure day.

1. 財務摘要(續)

(2) 2017年度分季度主要財務指標
(人民幣元)

項目	Item	第一季度 The first quarter	第二季度 The second quarter	第三季度 The third quarter	第四季度 The fourth quarter
營業收入	Operating income	1,295,383,415.66	1,107,890,745.60	1,049,427,867.78	1,063,014,755.15
歸屬於上市公司股東 的淨利潤	Net profit attributable to shareholders of parent company	51,550,425.89	55,224,526.97	66,898,743.52	35,918,210.85
歸屬於上市公司股東 的扣除非經常性損益 的淨利潤	Net profit attributable to shareholders of parent company after deduction of non-recurring profit and loss	42,672,569.90	44,585,872.06	33,533,638.13	47,556,898.88
經營活動產生的現金 流量淨額	Net cash flow from operating activities	54,305,762.76	(44,748,179.34)	184,368,365.59	196,045,860.34

註：上述財務指標或其加總數與公司已披露季度報告、半年度報告相關財務指標不存在重大差異。

1. Financial Summary (Continued)

(2) Principal Financial Data of 2017 (prepared in accordance
with quarter) (RMB)

項目	Item	第一季度 The first quarter	第二季度 The second quarter	第三季度 The third quarter	第四季度 The fourth quarter
營業收入	Operating income	1,295,383,415.66	1,107,890,745.60	1,049,427,867.78	1,063,014,755.15
歸屬於上市公司股東 的淨利潤	Net profit attributable to shareholders of parent company	51,550,425.89	55,224,526.97	66,898,743.52	35,918,210.85
歸屬於上市公司股東 的扣除非經常性損益 的淨利潤	Net profit attributable to shareholders of parent company after deduction of non-recurring profit and loss	42,672,569.90	44,585,872.06	33,533,638.13	47,556,898.88
經營活動產生的現金 流量淨額	Net cash flow from operating activities	54,305,762.76	(44,748,179.34)	184,368,365.59	196,045,860.34

Note: There is no significant variance between the above financial data or its amount and the relevant disclosures in the quarterly reports and interim report.

會計數據和業務數據摘要(續)
Summary of Financial and Operating Results (continued)

2. 按照《中國企業會計準則》編製的非經常性損益的扣除項目及金額(所得稅後)如下(人民幣元):

2. Extraordinary Items After Income Tax in Accordance with CASBE (RMB):

項目 Item	2017年金額 Amount for 2017	2016年金額 Amount for 2016	2015年金額 Amount for 2015	說明 Explanation
非流動資產處置損益(包括已計提資產減值準備的沖銷部分) Profit or loss from disposal of non-current assets (including written-off of provisions for assets impairment)	30,398,503.77	2,090,309.51	18,160,890.93	處置固定資產及無形資產損益 Disposal of fixed assets and intangible asset
計入當期損益的政府補助(與企業業務密切相關,按照國家統一標準定額或定量享受的政府補助除外) Government subsidies recognised in current profit and loss, (excluding government grants which are closely related to the Company's business and conform with the amount and quantities at a national standard)	19,111,569.75	19,010,196.17	25,220,870.49	收到及攤銷的計入當期損益的政府補助 Received and amortized as government subsidies recognized into the current period
同一控制下企業合併產生的子公司期初至合併日的當期淨損益 Net profit or loss of subsidiaries acquired through business combination under the same control from the beginning of the period to the date of combination	-	-	-	
除公司正常經營業務相關的有效套期保值業務外,持有交易性金融資產、交易性金融負債產生的公允價值變動損益,以及處置交易性金融資產、交易性金融負債和可供出售金融資產取得的投資收益 Except for the normal operations associated with Company's effective hedging business, gain or loss held- for-trading financial assets, held-for-trading financial liabilities, as well as incomes gains from the disposal of held-for-trading financial assets and financial liabilities and financial assets available for sale	6,026,908.54	7,852,686.97	5,297,149.68	可供出售金融資產分紅收益等 Dividends of held-for sale financial assets and gains from disposal of held-for sale financial assets
單獨進行減值測試的應收款項減值準備轉回 Reversal of the provision for receivables that had been subject to individual impairment assessment	58,420.75	1,591,871.25	16,799,950.79	減值準備轉回 The returns of depreciation reserves
除上述各項之外的其他營業外收入和支出 Non-operating income and expenditure other than the above items	(4,461,495.02)	(8,298,526.57)	(17,719,942.59)	
減: 所得稅影響額 Less: Income tax effect	8,131,395.38	2,045,709.49	4,280,111.47	
少數股東權益影響額(稅後) Minority interests (after tax)	1,759,584.15	(1,084,057.65)	1,361,385.06	
合計 Total	41,242,928.26	21,284,885.49	42,117,422.77	

註: 公司報告期不存在將根據《公開發行證券的公司信息披露解釋性公告第1號—非經常性損益》定義、列舉的非經常性損益項目界定為經常性損益的項目的情形。

Note: During the reporting period, the Company did not list the above items as ordinary items as defined or listed in "Company information disclosure of securities for public issuance explanatory announcement No. 1 – non-recurring profit and loss".

3. 採用公允價值計量的項目(按《中國企業會計準則》編製)(人民幣元)

3. Items by Fair Value (Prepared in Accordance with CASBE) (RMB)

項目	Item	期初金額 Amount as at 1 January 2017	本期公允價值 變動損益 Change of fair value	計入權益的累計 公允價值變動 Total change of fair value	本期計提的 減值 Provision impairment	期末金額 Amount as at 31 December 2017
金融資產：	Financial assets:					
其中：1. 以公允價值計量 且其變動計入 當期損益的金 融資產	Include: 1. Financial assets by fair value with changes included into the current profit and loss	-	-	-	-	-
其中：衍生金融資產	Include: Derivative financial assets	-	-	-	-	-
2. 可供出售金融資產	2. Available-for-sale financial assets	186,274,784.00	-	201,378,526.90	-	258,141,232.00
金融資產小計	Total of financial assets	186,274,784.00	-	201,378,526.90	-	258,141,232.00
合計	Total	186,274,784.00	-	201,378,526.90	-	258,141,232.00

股本變動及股東情況

CHANGES IN SHARE CAPITAL STRUCTURE AND INFORMATION ON SHAREHOLDERS

1. 股份變動情況表

1. Changes in Share Capital Structure

數量單位：股
Count unit: share

股份類別	Class of shares	2017年12月31日 31 December 2017		2016年12月31日 31 December 2016	
		股份數量 Number of shares (share)	佔總股本比例 % of the total share capital (%)	股份數量 Number of shares (share)	佔總股本比例 % of the total share capital (%)
一. 有限售條件的 流通股合計	1. Total number of conditional tradable shares	21,049,516	4.400	8,925	0.002
國家持股	State-owned shares	0	-	-	-
境內法人持股	Domestic legal person shares	21,040,591	4.398	-	-
A股有限售條件高 管股	Conditional tradable senior management A shares	8,925	0.002	8,925	0.002
其他	Others	0	-	-	-
二. 無限售條件的 流通股合計	2. Total number of unconditional tradable shares	457,303,905	95.600	457,303,905	99.998
人民幣普通股 (A股)	Renminbi-denominated ordinary shares (A shares)	307,303,905	64.242	307,303,905	67.198
境外上市外資股 (H股)	Non-RMB-denominated foreign listed shares (H shares)	150,000,000	31.358	150,000,000	32.800
三. 股份總數	3. Total number of shares	478,353,421	100.00	457,312,830	100.00

2. 限售股份變動情況

2. Change in Shares with Selling Restrictions

2017年10月，本公司非公開發行發行21,040,591股A股，其中巨能資本管理有限公司—山東聚贏產業基金合夥企業(有限合夥)認購股份17,930,905股，山東新華製藥股份有限公司—第一期員工持股計劃認購股份3,109,686股，該等股份將於2020年10月13日全部解禁。

In October 2017, the Company issued 21,040,591 A shares through non-public offering, of which Juneng Capital Management Co.,Ltd. subscribed 17,930,905 shares through Shandong Ju Ying Industrial Fund Partnership (Limited Partnership)*(山東聚贏產業基金合夥企業(有限合夥)) and the phase 1 Employee Stock Ownership Scheme of Shandong Xinhua Pharmaceutical Company Limited subscribed 3,109,686 shares. All of those shares will be released from selling restrictions on 13 October 2020.

股本變動及股東情況(續)

Changes in Share Capital Structure and Information on Shareholders (continued)

3. 股東情況介紹

- (1) 於2017年12月31日，本公司股東總數為23,313戶，包括H股股東44戶，A股股東23,269戶。於2018年2月28日本公司股東總數28,835戶，包括H股股東42戶，A股股東28,793戶。
- (2) 於2017年12月31日持有本公司股份前十名股東情況如下：

3. Shareholders Information

- (1) As at 31 December 2017, the Company had on record a total of 23,313 shareholders, including 44 holders of H Shares and 23,269 holders of A Shares. As at 28 February 2018, the Company had a record a total of 28,835 shareholders, including 42 holders of H Shares and 28,793 holders of A Shares.
- (2) As at 31 December 2017, the top ten shareholders of the Company were as follows:

單位：股
Count unit: share

股東名稱	股東性質	持股比例%	報告期末持股數量	報告期內股份增減變動情況	持有有限售條件的股份數量 Number of conditional tradable shares held	持有無限售條件的股份數量 Number of unconditional tradable shares held
Name of shareholders	Nature of shareholders	% of the total share capital	Number of shares held	Change over the reporting period (share)		
山東新華醫藥集團有限責任公司 Shandong Xinhua Pharmaceutical Group Company Limited ("SXPGC")	國家 State-owned shares	32.94	157,587,763	0	0	157,587,763
香港中央結算(代理人)有限公司 HKSCC (Nominees) Limited	H股 Listed H shares	31.14	148,945,598	61,900	0	148,945,598
巨能資本管理有限公司-山東聚羣產業基金合夥企業(有限合夥) Ju Neng Capital Management Company Limited - Shandong Ju Ying Industrial Fund Partnership (Limited Partnership)*	基金 Fund	3.75	17,930,905	17,930,905	17,930,905	0
招商銀行股份有限公司-匯添富醫療服務靈活配置混合型證券投資基金	基金 Fund	2.31	11,065,642	5,165,830	0	11,065,642
China Merchants Bank Co., Ltd. - Hui Tian Fu Medical Services Flexible Configuration Hybrid Securities Investment Fund*						
全國社保基金一零七組合 National Social Security Fund 107 Portfolio*	基金 Fund	0.69	3,309,367	3,309,367	0	3,309,367
山東新華製藥股份有限公司-第一期員工持股計劃 Shandong Xinhua Pharmaceutical Company Limited - Phase I of Employee Stock Ownership Scheme*	持股計劃 Stock Ownership Scheme	0.65	3,109,686	3,109,686	3,109,686	0
全國社保基金四一二組合 National Social Security Fund 412 Portfolio*	基金 Fund	0.62	2,942,900	2,942,900	0	2,942,900
中國工商銀行股份有限公司-易方達新興成長靈活配置混合型證券投資基金	基金 Fund	0.60	2,861,397	2,861,397	0	2,861,397
Industrial and Commercial Bank of China Limited - E Fund Emerging Growth Flexible Configuration Hybrid Securities Investment Fund*						
香港中央結算有限公司 Hong Kong Securities Clearing Company Limited	境外法人 Overseas Legal Person	0.41	1,981,088	1,981,088	0	1,981,088
廈門國際信託有限公司-廈門信託-鯤凌17號集合資金信託計劃 Xiamen International Trust Co., Ltd. - Xiamen Trust - Kun Ling No. 17 Collective Fund Trust Plan*	信託計劃 Trust Fund	0.40	1,922,381	1,922,381	0	1,922,381

* for identification purpose only

3. 股東情況介紹(續)

- (2) 於2017年12月31日持有本公司股份前十名股東情況如下：(續)

前10名無限售條件股東持股情況

股東名稱	報告期末持有 無限售條件股份數量	股份種類	數量
Name of shareholders	Number of unconditional tradable shares held at the end of the reporting period	Class of shares	Number
山東新華醫藥集團有限責任公司 SXP GC	157,587,763	人民幣普通股 RMB ordinary shares	157,587,763
香港中央結算(代理人)有限公司 HKSCC (Nominees) Limited	148,945,598	境外上市外資股 Overseas listed foreign shares	148,945,598
招商銀行股份有限公司－匯添富醫療服務靈活 配置混合型證券投資基金 China Merchants Bank Co., Ltd. – Hui Tian Fu Medical Services Flexible Configuration Hybrid Securities Investment Fund*	11,065,642	人民幣普通股 RMB ordinary shares	11,065,642
全國社保基金－零七組合 National Social Security Fund 107 Portfolio*	3,309,367	人民幣普通股 RMB ordinary shares	3,309,367
全國社保基金四一二組合 National Social Security Fund 412 Portfolio*	2,942,900	人民幣普通股 RMB ordinary shares	2,942,900
中國工商銀行股份有限公司－易方達新興成長靈活 配置混合型證券投資基金 Industrial and Commercial Bank of China Limited – E Fund Emerging Growth Flexible Configuration Hybrid Securities Investment Fund*	2,861,397	人民幣普通股 RMB ordinary shares	2,861,397
香港中央結算有限公司 Hong Kong Securities Clearing Company Limited	1,981,088	人民幣普通股 RMB ordinary shares	1,981,088
廈門國際信託有限公司－廈門信託－鯤凌17號集 合資金信託計劃 Xiamen International Trust Co., Ltd. – Xiamen Trust – Kun Ling No. 17 Collective Fund Trust Plan*	1,922,381	人民幣普通股 RMB ordinary shares	1,922,381
易方達基金－建設銀行－易方達研究精選1號股票 型資產管理計劃 E Fund – CCB – E Fund Research Selection No. 1 Equity Asset Management Plan*	1,887,588	人民幣普通股 RMB ordinary shares	1,887,588
建信基金－招商銀行－建信乾元安享特定多個客戶 資產管理計劃 CCB Principal Asset Management – CMB – CCB Trust Qian Yuan An Xiang Specific Multiple Clients Asset Management Plan*	1,885,344	人民幣普通股 RMB ordinary shares	1,885,344

* for identification purpose only

3. Shareholders Information (Continued)

- (2) As at 31 December 2017, the top ten shareholders of the Company were as follows: (Continued)

the ten largest shareholders of the unconditional tradable shares of the Company were as follows:

單位：股
Count unit: share

股本變動及股東情況(續)

Changes in Share Capital Structure and Information on Shareholders (continued)

3. 股東情況介紹(續)

- (2) 於2017年12月31日持有本公司股份前十名股東情況如下：(續)

附註：

1. 截至二零一七年十二月三十一日，山東新華醫藥集團有限責任公司及維斌有限公司(「維斌」)分別屬於華魯控股集團有限公司(「華魯控股」)的直接全資附屬公司及間接全資附屬公司，而山東新華醫藥集團有限公司及維斌分別持有本公司157,587,763股A股及13,686,000股H股(境外上市外資股)，分別約佔公司已發行股本32.94%及2.86%。因此，華魯控股被視為擁有上述對本公司的權益。

2. 上述股東關聯關係或一致行動的說明：

本公司董事未知上述十大股東之間是否存在關聯關係或中國證券監督管理委員會頒佈的《上市公司收購管理辦法》規定的一致行動人，也未知外資股東之間是否存在關聯關係或《上市公司收購管理辦法》規定的一致行動人。

本公司董事未知上述無限售條件股東之間、上述無限售條件股東與十大股東之間是否存在關聯關係，也未知是否存在《上市公司收購管理辦法》規定的一致行動人。

3. 除已於上述披露，據本公司所知直接持有本公司股份5%或以上的境內股東為山東新華醫藥集團有限責任公司。

4. 除已於本報告所披露及據董事所知，於2017年12月31日，概無其他人士(不包括董事、監事、本公司的最高行政人員或高級管理人員)於本公司的股份或相關股份(視乎情況而定)中擁有的權益或淡倉，為須根據香港法例第571章《證券及期貨條例》第XV部2及第3分部的條文而須向本公司及香港聯交所作出披露，及為須根據《證券及期貨條例》第336條規定存置的登記冊所記錄的權益，或其為本公司的主要股東(定義見香港聯交所發出之《香港聯交所證券上市規則》(「上市規則」))。

3. Shareholders Information (Continued)

- (2) As at 31 December 2017, the top ten shareholders of the Company were as follows: (Continued)

Notes:

1. As of 31 December 2017, SXPGC and Well Bring Limited ("Well Bring") are a directly wholly owned subsidiary and an indirectly wholly owned subsidiary of 華魯集團有限公司(Hualu Holdings Group Company Limited*) ("HHGC") respectively. SXPGC and Well Bring hold 157,587,763 A shares and 13,686,000 H shares (overseas listed foreign shares) of the Company respectively or approximately 32.94% and 2.86% of the issued share capital of the Company respectively. As such, HHGC is deemed to be interested in the abovementioned shares.

2. Description of the relationships between the abovementioned shareholders or persons acting in concert:

The Directors are not aware as to whether there is any association relationship amongst the ten largest shareholders of the Company, nor if any of them are persons acting in concert as defined in the Measures for the Administration of the Takeover of Listed Companies" (《上市公司收購管理辦法》) ("Administration Measures for Takeover") issued by the CSRC. In addition, the Directors do not know whether there is any association relationship amongst the shareholders of H Shares of the Company or if any of them are persons acting in concert as defined in the Administration Measures for Takeover.

The Directors are not aware as to whether there is any association relationship amongst the abovementioned shareholders of unconditional tradable shares of the Company, or any association relationship between the abovementioned shareholders of unconditional tradable shares and the ten largest shareholders of the Company, or if any of them are persons acting in concert as defined in the Administration Measures for Takeover.

3. Save as disclosed, as far as the Company is aware the only domestic shareholder directly holding more than 5% or above of the total issued shares of the Company is SXPGC.

4. Save as disclosed above and so far as the Directors are aware, as at 31 December 2017, no other person (other than the Directors, the Supervisors, chief executives or members of senior management of the Company) had an interest or short position in the Company's shares or underlying shares (as the case may be) which would fall to be disclosed to the Company and SEHK under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO") and as recorded in the register required to be kept under section 336 of the SFO, or was otherwise a substantial shareholder (as defined in the Rules Governing the Listing of Securities on the SEHK (the "Listing Rules")) of the Company.

3. 股東情況介紹(續)

(3) 控股股東情況

本公司控股股東為山東新華醫藥集團有限責任公司(「新華集團」)，新華集團成立於1995年6月15日，屬國有獨資公司，註冊資本為人民幣29,850.47萬元，法人代表為張代銘，組織機構代碼：913703001641324721，其經營範圍為：投資於建築工程設計、房地產開發、餐飲；包裝裝潢、化工機械設備、儀器、儀錶的製造、銷售；化工產品(除化學危險品)銷售；經營進出口業務(資質證範圍內經營)。

新華集團的控股股東為華魯控股，成立於2005年1月28日，註冊資本人民幣30億元，屬國有獨資公司，法人代表為程廣輝，組織機構代碼：913700007710397120，經營範圍為：以自有資金對化工、醫藥和環保行業(產業)投資；管理運營、諮詢。華魯控股通過其附屬公司山東新華集團有限公司及維斌分別持有本公司157,587,763股A股及13,686,000股H股(分別約佔本公司已發行股本32.94%及2.86%)

3. Shareholders Information (Continued)

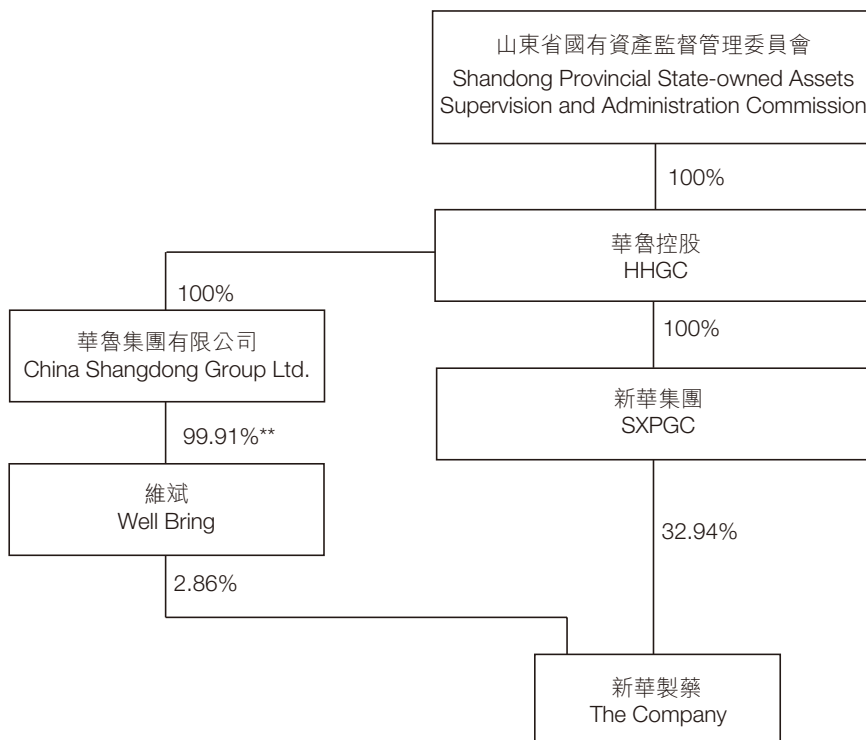
(3) Information about the controlling shareholders

SXPGC, being the controlling shareholder of the Company, was established as a wholly state-owned company on 15 June 1995. The registered capital of SXPGC is RMB298,504,700 and its legal representative is Mr. Zhang Daiming. The unified social credit code of SXPGC is 913703001641324721. The scope of business of SXPGC includes engineering design, real estate development and catering; packaging and design, and manufacturing of chemical engineering equipment and meters; production and sale of chemical products (except for hazardous chemicals) and import and export business (within the scope approved in the qualifications certificate).

HHGC, a wholly state-owned company, the controlling shareholder of SXPGC, was established on 28 January 2005. The registered capital of HHGC is RMB3 billion and its legal representative is Mr. Cheng Guanghui. The unified social credit code of HHGC is 913700007710397120. The scope of business of HHGC is self-funding investment in chemical, pharmaceutical and environmental protection industries (business); management operations and consultancy. HHGC via its subsidiaries SXPGC and Well Bring holds 157,587,763 A Shares and 13,686,000 H Shares respectively (approximately 32.94% and 2.86% of the issued share capital of the Company, respectively).

3. 股東情況介紹(續)

(3) 控股股東情況

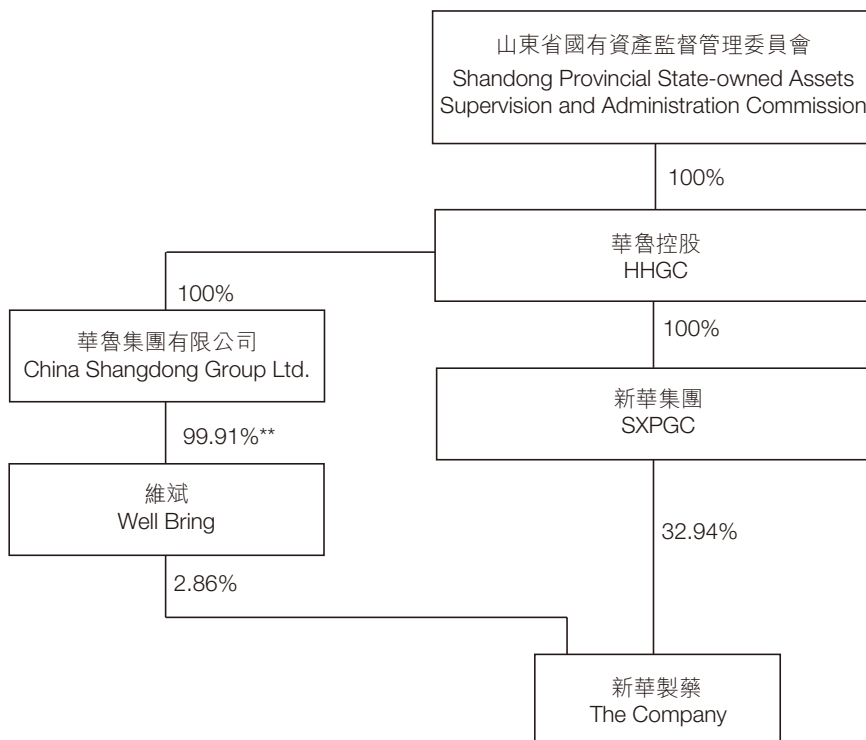


* 以上股權數字均為長倉

** 維斌其餘股份由華魯控股直接全資子公司山東華魯國際商務中心有限公司所持有(長倉)。

3. Shareholders Information (Continued)

(3) Information about the controlling shareholders



* The shareholding figures above are long-position

** The rest of the shares (long position) in Well Bring is held by Shandong Hualu International Business Center Limited Company, a wholly owned subsidiary of HHGC.

董事、監事、高級管理人員和員工情況

DIRECTORS, SUPERVISORS, SENIOR OFFICERS AND STAFF

董事、監事及其它高級管理人員簡介

董事

張代銘先生，55歲，高級經濟師，畢業於青島科技大學有機化工專業，上海財經大學經濟學碩士。1987年到山東新華製藥廠工作，歷任車間技術員，計劃統計處綜合計劃員，國際貿易部副經理、經理，本公司副總經理。現任本公司董事長，山東新華醫藥集團有限責任公司董事長，山東新華製藥進出口有限責任公司執行董事，山東新華製藥(歐洲)有限公司董事長，淄博新華—中西製藥有限責任公司董事長，淄博新華—百利高製藥有限公司董事長，新華(淄博)置業有限公司董事長，山東新華製藥(美國)有限責任公司董事長、山東淄博新達製藥有限公司董事長。

任福龍先生，55歲，研究員、執業藥師，1985年畢業於山東昌濰醫學院醫學專業。1985年至1988年任住院醫師。1991年獲得北京醫科大學醫學碩士學位，同年到山東新華製藥廠工作，歷任研究院副院長、院長，本公司總經理助理、副總經理，新華醫藥集團副總經理，本公司總經理。任先生現任本公司董事，山東新華醫藥集團有限責任公司董事、總經理，兼任山東新華萬博化工有限公司董事長。

杜德平先生，48歲，高級工程師，畢業於中國海洋大學化學專業，山東大學藥物化學碩士。1991年到山東新華製藥廠工作，歷任車間副主任、主任，總經理助理，副總經理。現任本公司董事、總經理，山東新華醫藥化工設計有限公司董事長，新華製藥(壽光)有限公司董事長。

徐列先生，52歲，高級經濟師，教授級高級政工師，大學學歷，管理學碩士。1986年到山東新華製藥廠工作，歷任辦公室副科長、科長，辦公室副主任，人力資源部經理，現任本公司董事、工會主席，山東新華醫藥集團有限責任公司董事、工會主席。

Brief Introduction of Directors, Supervisors and Senior Officers

Directors

Mr. Zhang Daiming, aged 55, is a senior economist. He graduated from Qingdao Science and Technology University, specialising in organic chemical engineering and obtained a master's degree in economics from Shanghai Financial and Economic University. Mr. Zhang joined Shandong Xinhua Pharmaceutical Factory in 1987 and was previously a workshop technician, planner of the planning and statistics department of the Company, the deputy manager and manager of the international trade department of the Company and the deputy general manager of the Company. Mr. Zhang is the Chairman of the Company, the chairman of Shandong Xinhua Pharmaceutical Group Company Limited, and Shandong Xinhua Pharmaceutical (Europe) GmbH, the executive director of Shandong Xinhua Import & Export Company Limited, the chairman of Zibo Xinhua Eastwest Pharmaceutical Company Limited, Zibo Xinhua- Perrigo Pharmaceutical Company Limited and Xinhua (Zibo) Real Estate Company Limited and Shandong Xinhua Pharmaceutical (USA) Company Limited and the chairman of Shandong Zibo XinCat Pharmaceutical Company Limited.

Mr. Ren Fulong, aged 55, is a researcher and practising pharmacist. He graduated from Shandong Changwei Medicine College in 1985. From 1985 to 1988, Mr. Ren was a resident physician. In 1991, Mr. Ren obtained his master of medicine from Beijing Medical University and joined Shandong Xinhua Pharmaceutical Factory in the same year. He previously held the positions of the deputy director and the director of the Company's research institute, the assistant to the general manager and the deputy general manager of the Company, the deputy general manager of SXPGC and the general manager of the Company. Mr. Ren is the director of the Company, the director and general manager of SXPGC and the chairman of the board of directors of Shandong Xinhua Wanbo Chemical & Industrial Co., Ltd.

Mr. Du Deping, aged 48, is a senior engineer. He graduated from the Ocean University of PRC, specialising in chemistry and obtained a master's degree in medicinal chemistry from Shandong University. He joined Shandong Xinhua Pharmaceutical Factory in 1991. He was previously a deputy head and head of the workshop, assistant to the general manager of the Company and deputy general manager of the Company. Mr. Du is currently a director and the general manager of the Company, and the chairman of the board of Shandong Xinhua Pharmaceutical Chemical Design Company Limited, Xinhua Pharmaceutical (Shouguang) Company Limited.

Mr. Xu Lie, aged 52, is a senior economist and professor level senior political engineer, and is a university graduate and is a master of management. He joined Shandong Xinhua Pharmaceutical Factory in 1986 and has been the deputy director and the director of the office, the deputy head of the office, and the manager of the human resource department. Mr. Xu is currently a director and the chairman of the labour union of the Company, and a director and the chairman of the labour union of SXPGC.

董事、監事及其它高級管理人員簡介(續)

董事(續)

趙斌先生，58歲，畢業於中南財經政法大學EMBA，1976年參加中國人民解放軍，歷任濟南軍區、山東省軍區下屬單位戰士、副連職幹事、正連職幹事、副營職幹事、政治處副主任、主任。1998年到企業工作，歷任山東華魯集團有限公司投資部經理、辦公室總經理，山東華魯國際商務中心有限公司副總經理，華魯控股集團有限公司規劃發展部總經理、法律事務辦公室主任。現任本公司董事，並任華魯控股集團有限公司助理總經理兼紀檢監察室主任。

杜冠華先生，60歲，博士、研究員(教授)、博士生導師。畢業於中國協和醫科大學，獲生理學博士學位。1999年7月至今任國家藥物篩選中心主任，2007年11月至今任中國藥理學會理事長。於2015年3月獲任本公司獨立非執行董事，山東羅欣藥業股份有限公司獨立董事、河北常山生化藥業股份有限公司獨立董事。

陳仲戟先生，44歲，於2014年5月30日獲委任為本公司獨立非執行董事，持有澳大利亞堪培拉大學頒授的會計專業學士學位，並為香港會計師公會資深會員及澳洲會計師公會會員。陳先生於審計、會計及公司治理領域擁有豐富經驗。陳先生目前擔任迪諾斯環保科技控股有限公司(股票代碼：01452)首席財務官，宏光照明控股有限公司獨立非執行董事(股票代碼：08343)，方正控股有限公司獨立非執行董事(股份代號：00418)，北大資源(控股)有限公司獨立非執行董事(股份代號：00618)及榮智控股有限公司獨立非執行董事(股份代號：06080)。陳先生曾任均安控股有限公司(股票代碼：01559)獨立非執行董事。

Brief Introduction of Directors, Supervisors and Senior Officers (Continued)

Directors (Continued)

Mr. Zhao Bin, aged 58, graduated from Zhongnan University of Economics and Law with EMBA. He joined the People's Liberation Army in 1976, previously held the positions of soldier, the ex-officio of deputy company, the ex-officio of deputy battalion, deputy director and director of the political department of Jinan Military Region and Shandong Province Military Region. Mr. Zhao has worked in the predecessor of the Group since 1998. He previously held the positions of investment manager and office general manager of Shandong Hualu Group Company Limited, deputy general manager of Shandong Hualu International Business Center Company Limited and general manager of the development planning department of Hualu Holdings Group Company Limited and the director of legal affairs office of Hualu Holdings Group Company Limited. Mr. Zhao is a director of the company. Mr. Zhao is the assistant to the general manager and the director of discipline inspection and supervision of HHGC.

Mr. Du Guanhua, aged 60, is a doctor, pharmacology researcher (professor) and tutor to PhD candidates. Mr. Du obtained a PhD in Pharmacology from Peking Union Medical College. Mr. Du has been the head of National Center for Pharmaceutical Screening since July 1999, the chairman of Chinese Pharmacological Society since November 2007. Mr. Du has been appointed as an independent non-executive director of the Company since March 2015. Mr. Du is currently an independent non-executive director of the Company, and an independent director of Shandong Luoxin Pharmacy Stock Co., Ltd, and an independent director of Hebei Changshan Biochemical Pharmaceutical Co., Ltd.

Mr. Chan Chung Kik, Lewis, aged 44, was appointed as an independent non-executive director of the Company on 30 May 2014. He holds a bachelor degree in accounting from the University of Canberra, Australia, and is a fellow member of the Hong Kong Institute of Certified Public Accountants and a member of the CPA Australia. He has extensive experience in accounting, finance and corporate governance. Mr. Chan is currently the chief financial officer of Denox Environmental & Technology Holdings Limited (stock code: 01452), and an independent non-executive director of HongGuang Lighting Holdings Company Limited (stock code: 08343), Founder Holdings Limited (stock code: 00418), Peking University Resources (Holdings) Company Limited (stock code: 00618), and Wing Chi Holdings Limited (stock code: 06080). Mr. Chan served as an independent non-executive director of Kwan On Holding Limited (stock code: 01559).

董事、監事及其它高級管理人員簡介(續)

董事(續)

李文明先生，43歲，碩士研究生學歷，畢業於大連理工大學管理學院，獲工商管理碩士學位。曾任河南省平頂山市湛河區衛生局科員、北京秦脈醫藥諮詢公司市場研究員、北京北大方正集團公司醫藥事業部經理。現任北京和君諮詢有限公司合夥人，兼任中國醫藥商業協會副秘書長，愛康醫療控股有限公司非執行董事，北京天衡醫院管理有限公司董事、雲南健之佳健康連鎖店股份有限公司董事及廣東匯群中藥飲片股份有限公司董事。現任本公司獨立非執行董事。自2015年3月獲任本公司獨立非執行董事。

監事

李天忠先生，55歲，高級工程師，1983年畢業於山東工學院工業自動化專業，同年到山東新華製藥廠工作，歷任電氣車間工程師、車間主任、本公司貿易部經理、供銷處處長、醫藥部經理、本公司董事，新華魯抗藥業集團有限責任公司總經理助理、董事、副總經理，山東新華醫藥集團有限責任公司董事、副總經理。李先生現任為本公司監事會主席，兼任山東新華醫藥集團有限責任公司副總經理。

陶志超先生，48歲，畢業於華東政法學院法律系，獲法學學士學位，並取得山東大學法律碩士專業學位。現為山東致公律師事務所合夥人，2002年6月獲任公司獨立監事。

肖方玉先生，48歲，1992年畢業於山東大學數學系，資產評估師、土地估價師。歷任山東省淄博市淄川區財政局科員、所長，山東振魯會計師事務所高級經理，山東北方資產評估事務所部門主任，現任中興財光華會計師事務所濟南分所副所長、天健興業資產評估有限公司山東公司總經理，2016年2月起任公司獨立監事。

Brief Introduction of Directors, Supervisors and Senior Officers (Continued)

Directors (Continued)

Mr. Li Wenming, aged 43, graduated from Faculty of Management of the Dalian University of Technology and obtained a Master of Business Administration. Mr. Li previously held the positions of officer of Henan Pingdingshan Zhanhe Health Bureau, market researcher of Beijing CHNMED Consulting Co., Ltd., manager of the pharmaceutical department of Beijing Peking University Founder Group. He is currently a partner of HeJun Consulting co., LTD, and a deputy secretary general of China Association of Pharmaceutical Commerce, an non-executive director of Beijing AKEC Medical Co., Ltd., and a director of Beijing Tianheng Hospital Management Co., Ltd.. He is a director of YunNan JianZhiJia health multiple shop Co., Ltd., and GuangDong HuiQun Traditional Chinese Medicine decoction pieces Co., Ltd.. He is an independent non-executive director of the Company. He has been appointed as an independent non-executive director of the Company since March 2015.

Supervisors

Mr. Li Tianzhong, aged 55, is a senior engineer. He graduated from the Shandong Institute of Technology, specialising in industry automation. He joined Shandong Xinhua Pharmaceutical Factory in 1983. Mr. Li has been the engineer and director of the electric motor workshop, manager of the trade department, supply and marketing department and drug department of the Company, director of the Company, assistant to the general manager, director and deputy general manager of Xinhua Lukang Pharmaceutical Group Corporation, director and deputy general manager of Shandong Xinhua Pharmaceutical Group Company Limited. Mr. Li is currently the chairman of the supervisory committee of the Company and a deputy general manager of SXPGC.

Mr. Tao Zhichao, aged 48, graduated from East China University of Politics and Laws and obtained a bachelor's degree in law. Mr. Tao was also conferred a master's degree in law from Shandong University. Mr. Tao is a partner of Shandong Zhigong Associates, and was appointed as an independent supervisor of the Company since June 2002.

Mr. Xiao Fangyu aged 48, graduated from the Department of Mathematics of Shandong University in 1992, asset appraiser and CREV. He has been section member and superintendent in bureau of finance in Zichuan District Zibo, and a senior manager of Shandong Zhenglu accounting firm, and department manager of Shandong North asset appraisal firms. Mr. Xiao is a deputy director of Zhongxingcai Guanghua accounting firm, and a general manager of Tianjian Xingye Asset appraisal Co., Ltd. He has served as an independent supervisor of the Company since February 2016.

董事、監事、高級管理人員和員工情況(續)
Directors, Supervisors, Senior Officers and Staff (continued)

董事、監事及其它高級管理人員簡介(續)

監事(續)

扈豔華女士，43歲，高級政工師，畢業於山東大學，研究生學歷，經濟學碩士。1996年到本公司工作。歷任新華魯抗藥業集團有限責任公司團委副書記、山東新華醫藥集團有限責任公司團委書記、工會辦公室主任，現任本公司職工監事、政工部部長、團委書記。

王劍平先生，50歲，畢業於瀋陽藥科大學化學製藥專業，高級工程師，1989年7月加入本公司，歷任車間技術員，研究院課題負責人、合成四室主任。現任本公司職工監事，本公司研究院藥物化學研究中心副主任、工廠管理委員會職工代表。

其它高級管理人員簡介

王小龍先生，53歲，高級工程師，畢業於山東工業大學自動化專業，1988年到集團前身山東新華製藥廠工作，歷任電氣車間副主任、主任，機械分廠廠長，本公司副總經理，山東新華醫藥集團有限責任公司副總經理。現任本公司副總經理，山東新華機電工程有限公司執行董事。

竇學傑先生，58歲，研究員，畢業於山東醫學院藥學專業，山東大學藥物化學碩士。1982年到集團前身山東新華製藥廠工作，歷任質監處科長、副處長、處長，質量技術保證部經理，本公司副總工程師兼質量技術保證部經理，質量總監。現任本公司副總經理。

杜德清先生，53歲，研究員，畢業於青島科技大學有機化工專業，武漢理工大學工商管理及青島科技大學化學工程雙碩士，北京理工大學化學工程與技術學科學博士。1986年到山東新華製藥廠工作，歷任調度處科長、副處長、處長，採購物控部經理，總經理助理。現任本公司副總經理。

Brief Introduction of Directors, Supervisors and Senior Officers (Continued)

Supervisors (Continued)

Ms. Hu Yanhua, aged 43, is a senior political engineer, graduated from Shandong University. She has also received a postgraduate education. She joined the Company in 1996. Ms. Hu was the deputy secretary of the Youth League Committee of Xinhua Lukang Pharmaceutical Group Corporation., and secretary of the Youth League Committee of SXPGC, and a office director of labor union. She is a employee supervisor of the Company, and the secretary of the political affairs department, and the secretary of the Youth League Committee.

Mr. Wang Jian Ping, aged 50, graduated from the School of Pharmaceutical Engineering of Shenyang Pharmaceutical University and is a senior engineer. He joined the Company in July 1989 and has held positions in the Company such as a factory technician, the project leader of the research department, head of the fourth synthesis laboratory. He is the Employee Representative Supervisor, and the head of the chemical and pharmaceutical research centre of the Company's research department, as well as the employee representative of the factory management committee.

Senior Officers

Mr. Wang Xiaolong, aged 53, is a senior engineer. He graduated from Shandong University of Technology, specialising in automation. Mr. Wang joined Shandong Xinhua Pharmaceutical Factory, the predecessor of the Group in 1988 and previously held the positions of deputy director and director of the electricity workshop, the director of the machinery sub-factory, the deputy general manager of the Company and the deputy general manager of SXPGC. Mr. Wang is currently a deputy general manager of the Company, and the chairman of Shandong Xinhua Electromechanical Engineering Co. Ltd..

Mr. Dou Xuejie, aged 58, is a researcher. He graduated from Shandong Medicine College, specialising in pharmacy and obtained a master's degree in medicinal chemistry from Shandong University. He joined Shandong Xinhua Pharmaceutical Factory, the predecessor of the Group in 1982. He was previously deputy director and the director of the quality control department, the deputy chief engineer and quality director of the Company. Mr. Dou is currently deputy general manager of the Company.

Mr. Du Deqing, aged 53, is a researcher. He graduated from Qingdao Science and Technology University, specialising in organic chemical engineering and obtained a master's degree in business administration from Wuhan University of Technology and obtained a master's degree in chemical engineering from Qingdao Science and Technology University. He joined the Shandong Xinhua Pharmaceutical Factory in 1986. He was previously deputy director and director of the dispatch department, the director of the purchasing department and assistant to the general manager of the Company. Mr. Du is currently deputy general manager of the Company.

董事、監事及其它高級管理人員簡介(續)

其它高級管理人員簡介(續)

賀同慶先生，48歲，高級經濟師，畢業於山東輕工業學院材料科學與工程專業，山東大學工商管理碩士。1991年到山東新華製藥廠工作，歷任車間技術員、計劃員，山東淄博新達製藥有限公司銷售部業務員、大區經理、新藥部經理、營銷總監，山東淄博新達製藥有限公司總經理。現任本公司副總經理，山東新華醫藥貿易有限公司董事長，淄博新華大藥店連鎖有限公司執行董事，新華製藥(高密)有限公司執行董事。

侯甯先生，44歲，香港浸會大學應用會計與金融理學碩士，高級會計師、高級經濟師。曾任山東華魯恒升集團審計處副處長，山東華魯恒升化工股份有限公司審計部部長、技術開發中心投資部部長、市場部經理、財務部經理。2014年4月加入本公司，現任本公司財務負責人，淄博新華一百利高製藥有限公司董事，山東新華醫藥貿易有限公司董事。

鄭忠輝先生，46歲，高級工程師，中國協和醫科大學微生物與生化藥學專業博士研究生。2005年加入本公司，歷任本公司研究院高級工程師、副院長，現任本公司副總經理、研究院院長。

曹長求先生，48歲，高級經濟師，畢業於中國海洋大學經濟管理專業，1991年到山東新華製藥廠工作，現任本公司董事會秘書。

本公司現任董事、監事、高級管理人員任職期限截止於2020年12月22日。

以上人士之間並不存在任何關聯關係。

Brief Introduction of Directors, Supervisors and Senior Officers (Continued)

Senior Officers (Continued)

Mr. He Tongqing, aged 48, is a senior economist. He graduated from the Shandong Polytechnic University, specialising in materials science and engineering and obtained a MBA from Shandong University. Mr. He joined Shandong Xinhua Pharmaceutical Factory in 1991. His previous positions included, workshop technician, planner, sales officer, regional manager, manager of the drug department, marketing director and the general manager of Shandong Zibo XinCat Pharmaceutical Company Limited. Mr. He is currently a deputy general manager of the Company, and the chairman of Shandong Xinhua Medical Trade Company Limited, the executive director of Zibo Xinhua Drug Store Chain Company Limited and Xinhua Pharmaceutical (Gaomi) Company Limited.

Mr. Hou Ning, aged 44, holds a master's degree in applied accounting and finance from Hong Kong Baptist University. He is a senior accountant and a senior economist. Mr. Hou had served as deputy head of Auditing Division of Shandong Hualu Hengsheng Group Co., Ltd., head of Audit Department, head of Investment Department of Technological Development Centre, manager of Marketing Department and manager of Finance Department of Shandong Hualu Hengsheng Chemical Company Limited. He joined the Company in April 2014. Mr. Hou currently serves as chief financial officer of the Company and a director of Zibo Xinhua- Perrigo Pharmaceutical Company Limited and Shandong Xinhua Medical Trade Company Limited.

Mr. Zheng Zhonghui, aged 46, is a senior engineer. Mr. Zheng graduated and obtained his PhD in Microbiology and Biochemical Pharmacy from Peking Union Medical College. He joined the Company in 2005. He previously held the positions of the senior engineer and the deputy director of the Company's research institute, and is currently the deputy general manager of the Company and the director of the Company's research institute.

Mr. Cao Changqiu, aged 48, is a senior economist. He graduated from the Ocean University of China, specialising in economic management and joined the Shandong Xinhua Pharmaceutical Factory in 1991. Mr. Cao is the company secretary of the Company.

The term of the Director, Supervisors and Senior Officers of the Company is until 22 December 2020.

There are no association relationships among the above persons.

董事、監事、高級管理人員和員工情況(續)
Directors, Supervisors, Senior Officers and Staff (continued)

董事、監事及其它高級管理人員簡介(續)

董事、監事及其它高級管理人員任職起始時間及持有本公司股份情況

Brief Introduction of Directors, Supervisors and Senior Officers (Continued)

Changes of directors, supervisors and senior management of the Company and the number of shares held by them were as follows

姓名 Name	職務 Position	2017年12月31日	2017年12月31日	變動情況 Change in number of Shares	2016年12月31日
		持有股數 Number of Shares (share) as at 31 December 2017	佔公司已發行 股份總數的比例(%) Percentage of the total issue Shares as at 31 December 2017 (%)		持有股數 Number of Shares (share) as at 31 December 2016
董事					
Directors:					
張代銘 Mr. Zhang Daiming	董事長 Chairman	146,429	0.0306	134,529 (附註3)	11,900 (附註2)
任福龍 Mr. Ren Fulong	非執行董事 Non-executive Director	116,591	0.0244	116,591 (附註3)	未持有 Nil
杜德平 Mr. Du Depings	執行董事、總經理 Executive Director, General Manager	44,843	0.0094	44,843 (附註3)	未持有 Nil
徐列 Mr. Xu Lie	非執行董事 Non-executive Director	62,780	0.0131	62,780 (附註3)	未持有 Nil
趙斌 Mr. Zhao Bin	非執行董事 Non-executive Director	未持有 Nil	-	未持有 Nil	未持有 Nil
杜冠華 Mr. Du Guanhua	獨立非執行董事 Independent non-executive Director	未持有 Nil	-	未持有 Nil	未持有 Nil
陳仲戟 Mr. Chan Chung Kik, Lewis	獨立非執行董事 Independent non-executive Director	未持有 Nil	-	未持有 Nil	未持有 Nil
李文明 Mr. Li Wenming	獨立非執行董事 Independent non-executive Director	未持有 Nil	-	未持有 Nil	未持有 Nil
監事					
Supervisors:					
李天忠 Mr. Li Tianzhong	監事會主席 Chairman of Supervisory Committee	71,748	0.0150	71,748 (附註3)	未持有 Nil
陶志超 Mr. Tao Zhichao	獨立監事 Independent Supervisor	未持有 Nil	-	未持有 Nil	未持有 Nil
肖方玉 Mr. Xiao Fangyu	獨立監事 Independent Supervisor	未持有 Nil	-	未持有 Nil	未持有 Nil
扈豔華 Ms. Hu Yanhua	職工監事 Employee Supervisor	26,905	0.0056	26,905 (附註3)	未持有 Nil
王劍平 Mr. Wang Jianping	職工監事 Employee Supervisor	未持有 Nil	-	未持有 Nil	未持有 Nil

董事、監事、高級管理人員和員工情況(續)
Directors, Supervisors, Senior Officers and Staff (continued)

董事、監事及其它高級管理人員簡介(續)

其它高級管理董事、監事及其它高級管理人員任職起始時間及持有本公司股份情況(續)

Brief Introduction of Directors, Supervisors and Senior Officers (Continued)

Changes of directors, supervisors and senior management of the Company and the number of shares held by them were as follows (Continued)

姓名	職務	2017年12月31日 持有股數	2017年12月31日 佔公司已發行 股份總數的比例(%)	變動情況	2016年12月31日 持有股數
Name	Position	Number of Shares (share) as at 31 December 2017	Percentage of the total issue Shares as at 31 December 2017 (%)	Change in number of Shares	Number of Shares (share) as at 31 December 2016
其他高級管理人員					
Senior Officers:					
王小龍	副總經理	62,780	0.0131	62,780 (附註3)	未持有 Nil
Mr. Wang Xiaolong	Deputy General Manager				
竇學傑	副總經理	26,905	0.0056	26,905 (附註3)	未持有 Nil
Mr. Dou Xuejie	Deputy General Manager				
杜德清	副總經理	62,780	0.0131	62,780 (附註3)	未持有 Nil
Mr. Du Deqing	Deputy General Manager				
賀同慶	副總經理	89,686	0.0187	89,686 (附註3)	未持有 Nil
Mr. He Tongqing	Deputy General Manager				
侯寧	財務負責人	89,686	0.0187	89,686 (附註3)	未持有 Nil
Mr. Hou Ning	Financial Controller				
鄭忠輝	副總經理	17,937	0.0037	17,937 (附註3)	未持有 Nil
Mr. Zheng Zhonghui	Deputy General Manager				
曹長求	董事會秘書	1,793	0.0004	1,793 (附註3)	未持有 Nil
Mr. Cao Changqiu	Secretary to the Board				
合計		820,863	0.1716	808,963	11,900
Total					

附註：

- 本公司董事、監事及高管持有本公司權益均為A股長倉。
- 張代銘先生名下持有11,900股A股股份。
- 相關股份由本公司員工持股計劃所持有，而有關人士為員工持股計劃之參與者。
- 就公司董事、高管及監事所知悉，除上述披露外，截至2017年12月31日，沒有本公司董事、高管或監事在本公司及其／或任何相聯法團(定義見香港法例第571章《證券及期貨條例》第XV部)的股份、相關股份及／或債券(視情況而定)中擁有任何需根據《證券及期貨條例》第XV部第7和第8部分需知會本公司香港聯交所的權益或淡倉(包括根據《證券及期貨條例》該些章節的規定而或被當作這些董事、高管及監事擁有的權益或淡倉)，或根據《證券及期貨條例》第352條規定而記錄於本公司保存的登記冊的權益或淡倉，或根據上市規則附錄十中的「上市發行人董事進行證券交易的標準規則」須知會本公司及香港聯交所的權益或淡倉。

Note:

- All interests in the securities of the Company owned by the Directors, Supervisors and Senior Officers of the Company are long position in A Shares.
- Mr. Zhang Daiming personally holds 11,900 A Shares.
- The relevant shares held by the Employee Stock Ownership Scheme of the Company of which the relevant person is a participant.
- Save as disclosed, so far as the Directors, the Senior Officers and Supervisors are aware, as at 31 December 2017, no Director, Senior Officers or Supervisor had any interest or short position in the shares, underlying shares and/or debentures (as the case may be) of the Company or any of its associated corporations (as defined in Part XV of the SFO) which was required to be notified to the Company and the SEHK pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interest or short position which any such Director, Senior Officers or Supervisor is taken or deemed to have under such provisions of the SFO) or which was required to be entered in the register required to be kept by the Company pursuant to Section 352 of the SFO or which was otherwise required to be notified to the Company and the SEHK pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as contained in Appendix 10 to the Listing Rules.

董事、監事、高級管理人員和員工情況(續)
Directors, Supervisors, Senior Officers and Staff (continued)

董事、監事和其它高級管理人員酬金

Remuneration of Directors, Supervisors and Senior Officers

按中國證監會《年度報告準則》披露的董事、監事和其他高級管理人員酬金(稅前)(人民幣萬元)

Disclosure of the remuneration of Directors, Supervisors and Senior Officers (before tax) (RMB0'000) under the reporting standards for annual reports of CRSC

姓名	Name	2017年度報酬 Annual remuneration 2017
董事	Directors	
張代銘	Mr. Zhang Daiming	124.08
任福龍	Mr. Ren Fulon	94.09
杜德平	Mr. Du Deping	98.06
徐列	Mr. Xu Lie	82.94
趙斌	Mr. Zhao Bin	0
杜冠華	Mr. Du Guanhua	7.00
陳仲戟	Mr. Chan Chung Kik, Lewis	7.00
李文明	Mr. Li Wenming	7.00
監事	Supervisors	
李天忠	Mr. Li Tianzhong	81.98
陶志超	Mr. Tao Zhichao	3.00
肖方玉	Mr. Xiao Fangyu	3.00
扈豔華	Ms. Hu Yanhua	29.59
王劍平	Mr. Wang Jianping	17.26
其他高級管理人員	Senior Officers	
王小龍	Mr. Wang Xiaolong	83.96
竇學傑	Mr. Dou Xuejie	83.99
杜德清	Mr. Du Deqing	83.96
賀同慶	Mr. He Tongqing	83.94
侯寧	Mr. Hou Ning	82.94
鄭忠輝	Mr. Zheng Zhonghui	66.69
曹長求	Mr. Cao Changqiu	29.40

2017年度董事、監事和高級管理人員的年度報酬總額為人民幣1,069.88萬元。

The total remuneration of Directors, Supervisors and Senior Officers in 2017 is 10.6988 million.

董事、監事、高級管理人員和員工情況(續)
Directors, Supervisors, Senior Officers and Staff (continued)

董事、監事及其它高級管理人員變動情況

Change of Directors, Supervisors and Senior Officers

姓名 Name	擔任的職務 Position	類型 Type	日期 Date	原因 Reasons
鄭忠輝 Zheng Zhonghui	副總經理 Deputy general manager	聘任 Appointed	2017年03月27日 27 March 2017	工作需要 Operation requirement

2017年12月22日本公司第八屆董事會、第八屆監事會屆滿，本公司舉行臨時股東大會選舉產生了第九屆董事會成員及第九屆監事會成員，當日第九屆董事會第一次會議選舉張代銘為董事長，並聘任新一屆管理層和董事會秘書；當日第九屆監事會第一次會議選舉李天忠為監事會主席。

On 22 December 2017, with the expiry of the Eighth Board and the Eighth Supervisory Committee, the Company held an extraordinary general meeting to elect the members of the Ninth Board and the Ninth Supervisory Committee. On the same day, Mr. Zhang Daiming was elected as the chairman at the first meeting of the Ninth Board, and new session of management and secretary to the Board were appointed. Mr. Li Tianzhong was elected as the chairman of Supervisory Committee at the first meeting of the Ninth Supervisory Committee held on the same day.

董事、監事、高管在控股股東的任職及領取薪酬情況

Directors', Supervisors' and Senior Officers' positions and remunerations in controlling shareholder of the Company

姓名 Name	股東單位名稱 Name of the shareholder	在股東單位擔任的職務 Position	任期起始日期 Beginning date	任期終止日期 Termination date	在股東單位是否領取報酬津貼 Remuneration received from shareholder
張代銘 Zhang Daiming	新華集團 SXPGC	董事長 Chairman	2010年07月06日 6 July 2010	–	否 No
任福龍 Ren Fulong	新華集團 SXPGC	董事、總經理 Director; general manager	2010年07月06日 6 July 2010	–	否 No
徐列 Xu Lie	新華集團 SXPGC	董事 Director	2011年01月13日 13 January 2011	–	否 No
李天忠 Li Tianzhong	新華集團 SXPGC	副總經理 Deputy general manager	2009年10月16日 16 October 2009	–	否 No

董事、監事、高級管理人員和員工情況(續)
Directors, Supervisors, Senior Officers and Staff (continued)

員工及其薪金

本集團(本公司及其附屬公司)主要依據國家政策、公司經濟效益情況，並參考社會報酬水平，確定員工薪酬。

於2017年12月31日本集團員工為6,384人，該年度本集團全體員工工資總額為人民幣435,814千元。*

按職能劃分如下：

員工職能	Area of Work	員工人數 Number of Staff
生產人員	Production personnel	3,466
工程技術人員	Engineering and technology personnel	631
行政管理人員	Administration personnel	504
財務人員	Finance personnel	96
產品開發人員	Research and development personnel	219
採購人員	Procurement personnel	35
銷售人員	Sales personnel	1,049
質量監督檢測人員	Quality control and inspection personnel	384
合計	Total	6,384

按教育程度劃分如下：

員工教育程度	Academic Qualification Attained	員工人數 Number of Staff
大學及以上學歷	University or above	1,235
大專學歷	Tertiary Institutions	1,693
中專學歷	Intermediate Institutions	1,281
高中及技校學歷	Senior high schools and technical schools	1,711
初中及以下學歷	Junior high schools or below	464
合計	Total	6,384

* 應付職工薪酬明細包括其它事項包括福利、社保、公積金等已於本報告財務報表「合併財務報表主要項目註釋」第20項「應付職工薪酬」下詳列。

The Group's staff remuneration was determined in accordance with (i) state policies, (ii) the Company's financial standing in the corresponding period and (iii) the remuneration level of general society.

As at 31 December 2017, the number of staff of the Group was 6,384, and the total amount of their salaries and wages for the year 2017 was approximately RMB435,814,000.*

The Group's staff can be categorised by their areas of work as follows:

The Group's staff can be categorised by their education level as follows:

* A breakdown of other items including employee welfare, social insurance and provident funds is set out under item 20 "Payroll payable" in the Notes to Main Items in Consolidated Financial Statement in this Report.

員工培訓

2017年，本公司教育培訓工作按照公司生產經營管理工作重點和教育培訓需求調查分析，制定了2017年度教育培訓計劃並認真進行了組織實施。2017年度共完成公司級教育培訓項目63項，培訓3,500人次。選派177人次外出參加培訓。相繼開展了中高層戰略培訓、中層幹部管理知識技能培訓、黨支部書記黨建與思想政治工作企業文化培訓、公司主管綜合管理能力培訓、安全質量環保設備專業培訓、青年骨幹員工藥學基礎理論培訓、青工安全技能提升培訓、高技能人才培訓、班組長管理知識與專業技能培訓等多項專題教育培訓。通過進一步做好崗位知識和基本技能培訓、加強專業培訓、開展員工分層次培訓、改進教育考核方式等有效措施，提高了教育培訓的有效性和針對性，培訓效果不斷提升。公司構建起了管理規範、運轉科學、務實高效的培訓體系，有效提升了公司員工的能力素質，保證了公司管理體系的有效運行。

Staff training

In 2017, the Company formulated and implemented the education training plan according to its production and operation management focus and education training needs analysis. The Company has completed 63 corporate level education training programs, and has trained 3,500 employees in aggregate. The Company arranged a total of 177 employees to attend external trainings. The strategy training for the middle and high-level executives, management knowledge and skills training for middle-level cadre, the Party building and ideological and political work training for secretary to the Party branch, corporate culture training, comprehensive management capabilities training for department heads, professional training on safety quality and environmental protection equipment, medicine basic theory training for youth backbone staff, safety skills upgrading training for youth staff, high-skilled talents training, and management knowledge and professional skills training for team leaders were carried out. By making further efforts on job knowledge and fundamental skill training, strengthening professional training and staff multi-level training, improving the way of education evaluation and other effective measures, the Company improved the pertinence and effectiveness of the education and training and enhanced training efficiency. The Company has built up a education training system characterized with standardized management, scientific, practical and efficient operation, which improved the capability and competency of staff members and ensured the efficient operation of the Company's management system.

公司管治及內部控制報告

CORPORATE GOVERNANCE AND INTERNAL CONTROL REPORT

(一) 根據中國證監會要求披露

1. 公司治理情況

規範性自查

對照中國有關上市公司治理的規範性文件，本公司基本符合有關要求。

獨立董事履行職責情況

在本年度內，本公司董事會共召開8次會議，各獨立董事出席會議情況如下：

獨立董事姓名	會議數目	親自出席／ 書面表決	由替任董事代 為出席	缺席	備註
Name	Number of meetings	Attendance in person/written resolution	Attendance by alternate	Absent	Remarks
杜冠華	8	8	0	0	
Mr. Du Guanghua					
陳仲戟	8	8	0	0	
Mr. Chan Chung Kik, Lewis					
李文明	8	8	0	0	
Mr. Li Wenming					

在本年度內，本公司董事會審核委員會共召開4次會議，各獨立董事出席會議情況如下：

獨立董事姓名	會議數目	親自出席／ 書面表決	由替任董事代 為出席	缺席	備註
Name	Number of meetings	Attendance in person/written resolution	Attendance by alternate	Absent	Remarks
杜冠華	4	4	0	0	
Mr. Du Guanghua					
陳仲戟	4	4	0	0	
Mr. Chan Chung Kik, Lewis					
李文明	4	4	0	0	
Mr. Li Wenming					

在本年度內，本公司董事會薪酬與考核委員會共召開1次會議，擔任薪酬與考核委員會成員的杜冠華、李文明出席會議。

1. Information Disclosed Under the Requirement of CSRC

1. Corporate Governance

Regulatory self-examination

The corporate governance practice implemented by the Company has been in compliance with the relevant rules and requirements for listed companies in the PRC.

How independent non-executive directors performed their duties

During the year, the Board convened eight Board meetings. The independent non-executive directors' attendances at the Board meetings are set out below:

During the year, the Audit Committee convened four meetings. The independent non-executive directors' attendances at the four meetings are set out below:

During the year, the Remuneration and Examination Committee of the Company convened one meeting. Mr. Du Guanghua and Mr. Li Wenming, members of the committee, attended the meeting.

(一) 根據中國證監會要求披露(續)

1. 公司治理情況(續)

獨立董事履行職責情況(續)

在本年度內，本公司董事會提名委員會共召開2次會議，擔任提名委員會成員的杜冠華、李文明出席會議。

本公司董事會提名委員會及薪酬與考核委員會的成員構成請分別參見本報告「根據香港聯合交易所有限公司公佈的證券上市規則披露」章節下「提名委員會」及「薪酬與考核委員會」一節。

在本年度內，獨立董事均未對公司有關事宜提出異議。

審核委員會審核2017年度報告情況

- (1) 董事會審核委員會就公司財務資產部出具的2017年度財務會計報表發表的書面意見：

公司財務會計報表依照公司會計政策編製，會計政策運用恰當，會計估計合理，符合中國財政部頒佈的《企業會計準則》及其他規定；公司財務報表納入合併範圍的單位報表內容完整，報表合併基礎準確；公司財務報表客觀、真實、準確，未發現有重大錯報、漏報情況。

審核委員會認為該財務會計報表可以提交年審註冊會計師進行審核。

1. Information Disclosed Under the Requirement of CSRC (Continued)

1. Corporate Governance (Continued)

How independent non-executive directors performed their duties (Continued)

During the year, the Nomination Committee under the Board of the Company convened two meetings. Mr. Du Guanhua and Mr. Li Wenming, members of the Nomination Committee, attended such meetings.

For the membership compositions of the Nomination Committee and the Remuneration and Examination Committee of the Board, please refer to the sections headed “Nomination Committee” and “Remuneration and Examination Committee” under “Information Disclosed Under the Requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited” respectively of this report.

During the year, the independent non-executive directors did not raise any disputes on the relevant matters of the Company.

Auditing of the 2017 annual report by the Audit Committee

- (1) The Audit Committee of the Board of Directors issued a written opinion in respect of the financial and accounting statements issued by the financial department of the Company in 2017:

The financial and accounting statement of the Company was prepared with reference to the accounting policy of the Company. The application of the accounting policy is appropriate and the accounting estimates are reasonable and in compliance with the new accounting standards for business enterprises, the Accounting Regulations for Business Enterprises as well as the regulations promulgated by the Ministry of Finance. The information of each financial statement consolidated in the financial statements of the Company is complete and the basis of consolidation of the statements is accurate. The Company's financial statements are objective, truthful and accurate, without any material misrepresentations or omissions.

The Audit Committee considered that the financial statements can be submitted to the certified accountants engaged for annual auditing.

(一) 根據中國證監會要求披露(續)

1. 公司治理情況(續)

**審核委員會審核2017年度報告情況
(續)**

- (2) 審核委員會在信永中和會計師事務所就公司2017年度財務報表出具了初步審核意見後，審核委員會再次審閱了公司2017年度財務會計報表，現發表意見如下：

公司按照中國財政部頒佈的《企業會計準則》及公司有關財務制度的規定，財務報表編製流程合理規範，公允地反映了截止2017年12月31日公司資產、負債、股東權益和經營成果，內容真實、準確、完整。

審核委員會認為，經信永中和會計師事務所初步審定的公司2017年度財務會計報表可以提交董事會審議表決。

- (3) 關於信永中和會計師事務所從事公司2017年度財務報告審核工作的總結報告。

2018年1月8日，董事會審核委員會同意公司與信永中和會計師事務所協商確定的公司2017年度財務報告審核工作總體計劃。

信永中和會計師事務所為公司出具了標準無保留意見結論的審核報告。我們認為，信永中和會計師事務所已按照中國註冊會計師獨立審核準則的規定執行了審核工作，審核時間充分，審核人員配置合理，具備相應的執業能力，經審核後的財務報表能充分反映公司2017年12月31日的財務狀況以及2017年度的經營成果和現金流量情況，出具的審核結論符合公司的實際情況。

1. Information Disclosed Under the Requirements of CSRC (Continued)

1. Corporate Governance (Continued)

**Review of the 2017 annual report by the Audit Committee
(Continued)**

- (2) The Audit Committee reviewed the financial and accounting statements for year 2017 of the Company again after the issue of a preliminary audit opinion by ShineWing in respect of the financial statements for year 2017 of the Company, and expressed their opinion as follows:

The Company was in compliance with the accounting standards for business enterprises published by the Ministry of Finance and regulations in relation to the financial system of the Company. The preparation process of the financial statements was reasonable and compliant with the relevant standards and fairly reflected the assets, liabilities, shareholders' equity and operating results as at 31 December 2017. The information therein is truthful, accurate and complete.

The Audit Committee considered that the financial statements for the year 2017 of the Company which were preliminarily audited by ShineWing can be submitted for consideration and approval by the Board of Directors.

- (3) Conclusive report of ShineWing in respect of the auditing of the financial report of the Company for 2017.

On 8 January 2018, the Audit Committee of the Board of Directors approved the overall auditing plan for the financial report of 2017 of the Company which was discussed and confirmed by the Company and ShineWing.

ShineWing issued a standard auditing report in relation to the Company without reservation. The Company considered that ShineWing had audited in accordance with the regulations under "Independent auditing code of certified accountants of the PRC". There was ample time for auditing and reasonable allocation of auditing staff, and they had attained the corresponding qualification. The audited financial statements fully reflected the financial condition of the Company as at 31 December 2017 and the operating results and cash flow of the Company in 2017. The conclusion upon auditing was in line with the actual circumstances of the Company.

(一) 根據中國證監會要求披露(續)

1. 公司治理情況(續)

**審核委員會審核2017年度報告情況
(續)**

- (4) 2018年3月23日召開董事會審核委員會會議，審閱2017年年度經審計帳目及業績公告；建議續聘2018年度財務審計機構，期限一年。

薪酬與考核委員會與提名委員會工作情況見下文「(二)根據香港聯合交易所有限公司公佈的證券上市規則披露」。

董事會承認其有編製集團賬目的責任。有關董事會編製賬目的責任以及核數師的申報責任，詳情請參閱本年報所載審計報告中「管理層和治理層對財務報表的責任」及「註冊會計師對財務報表審計的責任」章節。

1. Information Disclosed Under the Requirements of CSRC (Continued)

1. Corporate Governance (Continued)

**Review of the 2017 annual report by the Audit Committee
(Continued)**

- (4) On 23 March 2018, the Audit Committee of the board of directors convened a meeting to review the audited accounts and results announcement of 2017 and recommended to re-appoint ShineWing as the financial auditing institution for the year 2018 with a term of one year.

For a summary of the works performed by the Remuneration and Examination Committee and Nominations Committee, please refer to “2. Information disclosed under the requirement of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Ltd.”

The Board acknowledges its responsibility for preparing the financial accounts of the Group. Please refer to the sections “Responsibilities of Management and Those Charged with Governance for the Financial Statements” and “Auditors’ Responsibilities for the Audit of the Financial Statements” in the Auditors’ Report in this report for details of the Board’s responsibilities for preparing the accounts and the auditors’ reporting responsibilities thereof respectively.

(一) 根據中國證監會要求披露(續)

1. 公司治理情況(續)

五分開情況

本公司在業務、資產、人員、機構、財務等方面與控股股東分開，本公司具有獨立完整的生產經營能力。

- (1) 在業務方面，本公司主要從事開發、製造及銷售化學原料藥、製劑以及化工產品，新華醫藥集團公司已向本公司承諾，在新華醫藥集團公司對本公司有指定程度控制權的期間，將不會從事任何與本公司有直接或間接競爭的業務。
- (2) 在資產方面，本公司擁有獨立的生產系統、輔助生產系統和配套設施；除「新華牌」商標由控股股東擁有，本公司獨佔使用外，其它工業產權、非專利技術等無形資產由本公司擁有；本公司獨立擁有採購和銷售系統。
- (3) 在人員方面，本公司在勞動、人事及工資管理等方面獨立；總經理、副總經理等高級管理人員均在上市公司領取薪酬，總經理、副總經理均不在控股股東單位擔任職務。
- (4) 在機構方面，新華製藥設有股東大會、董事會、監事會、董事會秘書和經營管理層，各機構有明確的職責分工，辦公機構和生產經營場所與控股股東分開。
- (5) 在財務方面，本公司設立獨立的財會部門，並建立了獨立的會計核算體系和財務管理制度；獨立在銀行開戶。

1. Information Disclosed Under the Requirements of CSRC (Continued)

1. Corporate Governance (Continued)

Status of Independence

The Company is independent of its controlling shareholder in respect of its business, assets, management, institutions and finance. The Company's production and operation are also independent.

- (1) The Company is mainly engaged in the business of development, manufacture and sale of bulk pharmaceuticals, preparations and chemical products. SXPGC undertook that for so long as SXPGC is regarded as a controlling shareholder of the Company, it would not engage in any business directly or indirectly in competition with the business of the Company.
- (2) The Company has its own independent production and supplementary production system and facilities. Apart from certain patent technologies and the trademark "Xinhua", which are owned by the controlling shareholder, the Company owns its own intangible assets such as industrial property rights and know-how technologies used by the Company. The Company also has an independent procurement and sales network.
- (3) The Company is independent of its controlling shareholder in respect of the management of its workforce and their salaries. The Senior Officers of the Company including the general manager and the deputy general manager are paid by the Company. The general manager and deputy general managers do not hold any position in the controlling shareholder of the Company.
- (4) The Company holds its own shareholders' general meetings, and has its own board of directors, supervisory committee, company secretaries and management, which are responsible for the different areas and functions of the Company. The office and the production area of the Company are separate from those of its controlling shareholder.
- (5) The Company has an independent finance department with an independent accounting and financial management system. The Company also maintains its own independent accounts with banks.

(一) 根據中國證監會要求披露(續)

1. 公司治理情況(續)

同業競爭情況

本公司與控股公司及其附屬公司間不存在實質性同業競爭情形。

除已經披露外，本公司之非獨立董事與本公司之間概不存在同業競爭業務或可能競爭的業務。

公司治理情況

報告期內，公司繼續加強公司治理，規範公司運作，鞏固和深入前期開展上市公司專項治理活動的成果。公司繼續嚴格按照《公司法》、《證券法》、《上市公司治理準則》、《深圳證券交易所股票上市規則》、《深圳證券交易所上市公司內部控制指引》及其他相關的法律、法規和規章制度的要求，不斷完善公司內部運行機制和嚴格各項規章制度的執行，確保股東大會、董事會、監事會規範有效行使相應的決策權、執行權和監督權，職責明確，運作規範。公司股東大會、董事會、監事會會議召開程序規範，符合《公司法》《公司章程》等相關規定；董事、監事認真依照法律、法規，勤勉盡責，對公司和股東負責，充分保護股東應有的權利；管理層能嚴格按照規範性運作規則和各項內控制度進行經營決策，確保公司在規則和制度的框架內規範運作；公司注重績效評價和激勵約束機制，注重崗位業績考核制度，調動各層管理人員的積極性和創造性。

1. Information Disclosed Under the Requirements of CSRC (Continued)

1. Corporate Governance (Continued)

Business Competition

No substantive business competition existed between the Company and its holding company and its subsidiaries.

Save as disclosed, the non-independent Directors of the Company are not interested in businesses that compete or are likely to compete with the Company.

Corporate Governance

During the reporting period, the Company continued to enhance its corporate governance and regulate its operation, so as to consolidate and deepen achievement from earlier special campaigns for corporate governance. In strict compliance with the "Company Law", "Securities Law", "Corporate Governance Guidelines for Listed Companies", "Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange", "Guidelines of the Shenzhen Stock Exchange for the Internal Control of Listed Companies" and other relevant laws, regulations and regulatory requirements, the Company constantly improved its internal operational mechanism and promoted stringent enforcement of applicable rules and regulations, ensuring the standard and effective exercise of decision-making, execution and supervision powers by the shareholders' general meetings, the Board of Directors and the Supervisory Committee based on their clearly-established responsibilities and orderly operation. The convening procedures of general meetings and meetings of the Board of Directors and the Supervisory Committee were in compliance with the relevant requirements of the Company Law and the Articles of Association. Directors and Supervisors earnestly performed their duties in accordance with applicable laws and regulations, accountable to the Company and its shareholders and fully safeguarding the rights of the shareholders. The management made business decisions in strict compliance with standardized operational procedures and various internal control rules, so as to ensure the Company operated in accordance with rules and systems. The Company attached importance to the performance assessment and incentive and constraint mechanisms and emphasised position performance appraisal system to stimulate the enthusiasm and creativity of the managers at various levels.

(一) 根據中國證監會要求披露(續)

1. 公司治理情況(續)

公司治理情況(續)

報告期內，公司嚴格按照《深圳證券交易所股票上市規則》、《上市公司公平信息披露指引》等有關規則、規範性文件的要求，本著「三公」原則，認真、及時地履行了公司的信息披露義務，並保證了公司信息披露內容的真實、準確和完整，沒有出現虛假記載、誤導性陳述或者重大遺漏的情形；健全內幕知情人登記管理，防範內幕交易，確保了投資者的公平性。

本公司與控股公司及其附屬公司發生持續性關連方交易內容為本公司向其採購化工原料、向其銷售水電氣及副產品，均按市場價格或協議價格定價，交易價格公允，不存在損害中小股東利益的情形，且履行了本公司內部的關連方交易審批程序和所需的公告程序。

報告期內對高級管理人員的考評及激勵機制、相關獎勵機制的建立、實施情況

對於高級管理人員的選擇，本公司按照唯才是舉、德才兼備的原則，一般從公司內部進行選拔，通過考察被選擇人員的思想道德品質、組織協調能力、工作能力和責任心等方面的素質，並經過嚴格的篩選程序，由提名委員會提名，最終由董事會進行聘用。在聘用期間，董事會定期對高級管理人員進行多方面的考核，主要是考核工作績效和貫徹執行董事會決議等方面的情況。

通過對每位高級管理人員的職務分析，明確規定他們的工作性質，職責範圍以及相應的獎懲制度，建立起了激勵和約束機制。

1. Information Disclosed Under the Requirements of CSRC (Continued)

1. Corporate Governance (Continued)

Corporate Governance (Continued)

During the reporting period, the Company earnestly and timely fulfilled its information disclosure obligations under the principle of “being fair, impartial and open (三公)” and in strict compliance with the “Rules Governing the Listing of Stocks on the Shenzhen Stock Exchange”, the “Guidelines for Fair Information Disclosure by Listed Companies” and other relevant rules and regulatory documents, and ensured the truthfulness, accuracy and completeness of the information disclosed and no false representation, misleading statements or material omissions contained therein. In addition, insider registration management was further improved to prevent insider dealings and ensure fairness to investors.

The Company had related transactions with its holding company and its fellow subsidiaries on continuing basis. Through the transactions, the Company purchased chemical raw materials and sold water, electricity, gas and by-products. The transactions were priced fairly with reference to prevailing market practices, were not to the detriment of minority shareholders, and in compliance with the approval procedures and required announcement procedures for internal related transactions of the Company.

The establishment and implementation of assessment and appraisal mechanisms as well as incentive mechanisms for Senior Officers

The Company selects its Senior Officers from its staff on the basis of talent and ability. Prior to selecting and appointing the Senior Officers, the Board of Directors follows a set of strict selection criteria, which include the assessment of each candidate’s character, moral standard, coordination ability, working ability and sense of responsibility. Once nominated by the Nomination Committee and eventually appointed by the Board of Directors, the Board of Directors will evaluate the Senior Officers regularly, particularly in respect of achievements and their execution of resolutions passed by the Board of Directors.

By analysing the duties of each of the Senior Officers, the Company clearly sets out their job nature and scope of responsibilities and has established a corresponding incentive and penalty scheme to reward and sanction Senior Officers.

(一) 根據中國證監會要求披露(續)

2. 內部控制情況

內部控制建設情況

公司董事會授權公司內部控制領導小組負責內部控制的具體組織實施工作，負責公司內部控制實施策略制訂、重大事項決策、實施情況監督，並就內部控制建設和評價的情況向董事會負責。公司設立由審計監察部牽頭的內部控制評價工作小組，負責內部控制評價的具體實施工作，成員由公司具有豐富專業經驗的骨幹組成。公司審計部監察負責制定評價工作方案，報經內部控制領導小組批准後執行。評價工作小組根據工作方案，圍繞內部環境、風險評估、控制活動、信息與溝通、內部監督等要素，對公司內部控制設計與運行情況進行全面評價，包括組織實施風險識別、控制缺陷排查、編製評價底稿，匯總評價結果、編製內部控制評價文件等。在評價過程中，評價工作小組及時向領導小組匯報評價工作的進展情況，並對評價的初步結果進行溝通討論。評價工作小組編製的內部控制評價報告經審核後提交董事會。公司內部控制評價報告經董事會會議審議通過後對外披露。公司聘請信永中和會計師事務所對公司內部控制有效性進行獨立審計。

1. Information Disclosed Under the Requirements of CSRC (Continued)

2. Internal control

Development of internal control

The internal control leading team, as authorized by the Board of Directors, is responsible for the organization and implementation of specific internal control activities, the development of implementation strategies for internal control, decision-making on material events and supervision over the implementation and reports to the Board of Directors in respect of the development and evaluation of the Company's internal control. An internal control evaluation team led by the Audit Department of the Company and comprising key officers with ample professional experience was set up to take charge of the specific implementation of internal control evaluation. The Audit Department of the Company is responsible for formulating the work plan for evaluating internal control, which is implemented after being approved by the internal control leading team. Pursuant to the work plan and focusing on such key factors as internal environment, risk assessment, control activities, information and communication and internal supervision, the internal control evaluation team carries out a comprehensive evaluation on the design and operation of the Company's internal control, including organization and implementation of risk identification, survey of deficiencies in internal control, preparation of the evaluation draft, summarization of the evaluation results, preparation of internal control evaluation document. During the evaluation process, the evaluation team timely reports to the leading team in respect of the evaluation progress and conduct communication and discussion on the preliminary evaluation results. The internal control evaluation report prepared by the evaluation team, after having been reviewed, will be submitted to the Board of Directors for consideration and approval. Having been considered and approved by Board of Directors, the internal control evaluation report then will be disclosed publicly. ShineWing has been engaged by the Company to conduct an independent audit on the effectiveness of the Company's internal control.

(一) 根據中國證監會要求披露(續)

2. 內部控制情況(續)

董事會關於內部控制責任的聲明

公司董事會及全體董事保證本報告內容不存在任何虛假記載、誤導性陳述或重大遺漏，並對報告內容的真實性、準確性和完整性承擔個別及連帶責任。建立健全並有效實施內部控制是公司董事會的責任；監事會對董事會建立與實施內部控制進行監督；經理層負責組織領導公司內部控制的日常運行。公司內部控制的目標是：合理保證經營合法合規、資產安全、財務報告及相關信息真實完整，提高經營效率和效果，促進實現發展戰略。由於內部控制存在固有局限性，故僅能對達到上述目標提供合理保證。內部控制的有效性亦可能隨公司內、外部環境及經營情況的改變而改變，本公司內部控制設有檢查監督機制，內控缺陷一經識別，本公司將立即採取整改措施。

建立財務報告內部控制的依據

本評價報告旨在根據中華人民共和國財政部等五部委聯合發佈的《企業內部控制基本規範》(下稱「基本規範」、《企業內部控制應用指引》(下稱「應用指引」)及《企業內部控制評價指引》(下稱「評價指引」)的要求，結合本公司內部控制制度和評價辦法，在內部控制日常監督和專項監督的基礎上，對公司截至2017年12月31日內部控制的設計與運行的有效性進行評價。

1. Information Disclosed Under the Requirements of CSRC (Continued)

2. Internal control (Continued)

Statement of the Board of Directors on responsibilities in relation to internal control

The Board of Directors and all Directors of the Company warrant that there are no false representations, misleading statements contained in or material omissions from this report, and severally and jointly accept full responsibility for the truthfulness, accuracy and completeness of the information herein contained. It is the responsibility of the Board of Directors to put in place a sound and effective internal control mechanism, the establishment and implementation of which shall be overseen by the Supervisory Committee. The management shall be responsible for the day-to-day operation of this mechanism. The objectives of the internal control: to reasonably ensure that the Company's business operation is in compliance with laws and regulations and that the financial report and relevant information are true and accurate; to ensure safety of assets; to improve efficiency and effectiveness of operation and management, and to facilitate achievement of the Company's development strategies. Given its intrinsic limitations, internal control can only provide reasonable assurance to the above objectives. Moreover, the effectiveness of internal control is subject to changes in internal and external environment and the Company's operation conditions. The Company has set up supervisory system for internal control. Correction measures will be adopted upon identification of any defect in internal control.

Basis for establishment of internal control over financial reporting

This evaluation report aims to assess the effectiveness of the design and operation of the Company's internal control as at 31 December 2017 pursuant to the requirements of the Basic Standards for Corporate Internal Control ("Basic Standards") Guidance on Application of Corporate Internal Control ("Guidance on Application") and Guidance on Assessment of Corporate Internal Control ("Guidance on Assessment") jointly issued by the Ministry of Finance of the People's Republic of China and other four ministries and commissions and the Company's internal control system and evaluation methods on basis of the day-to-day monitoring and special supervision of the Company's internal control.

(一) 根據中國證監會要求披露(續)

2. 內部控制情況(續)

內部控制自我評價報告

報告期內，公司按照《企業內部控制基本規範》和相關規定在所有重大方面均已建立了內部控制，並得以有效執行，達到了公司內部控制的目標，不存在重大缺陷。內控自我評價報告將於2018年3月26日在巨潮資訊網進行披露。

內部控制審計報告

信永中和會計師事務所出具標準無保留意見，並認為新華製藥於2017年12月31日按照《企業內部控制基本規範》和相關規定在所有重大方面保持了有效的財務報告內部控制。

內控審計報告於2018年3月26日刊載於巨潮資訊網。

(二) 根據香港聯合交易所有限公司公佈的證券上市規則披露

企業管治常規守則

本公司董事(包括獨立非執行董事)確認本公司於截至2017年12月31日止年度內已遵守企業管治常規守則條文(「該守則」)，企業管治常規守則條文包括香港聯交所公佈的證券上市規則(「上市規則」)附錄十四所載的條款。

本公司一直致力達到根據該守則所述的最佳企業管治常規。

1. Information Disclosed Under the Requirements of CSRC (Continued)

2. Internal control (Continued)

Self-evaluation report on internal control

During the reporting period, the Company has in place internal controls in all material aspects according to the Basic Standards for Corporate Internal Control and relevant rules. As such internal controls were implemented effectively, the Company's internal control objectives were fulfilled and no significant deficiency was found. The Self-evaluation Report on Internal Control of the Company has been disclosed on Juchao Website (<http://www.cninfo.com.cn>) on 26 March 2018.

Audit report of internal control

ShineWing is of the opinion that the Company has maintained effective internal control over financial reporting in all material aspects pursuant to the Basic Standards for Corporate Internal Control and relevant rules as at 31 December 2017.

The Audit Report of Internal Control of the Company has been published on Juchao Website (<http://www.cninfo.com.cn>) on 26 March 2018.

2. Information Disclosed Under the Requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited

Corporate Governance Code

The Directors (including the independent non-executive Directors) are of the opinion that for the year ended 31 December 2017, the Company complied with all code provisions set out in the Corporate Governance Code (the "Code") contained in Appendix 14 to the Listing Rules published by SEHK.

The Company has always strived to comply with the best practices of the Code.

(二) 根據香港聯合交易所有限公司 公佈的證券上市規則披露(續)

企業管治政策以及就企業管治而言董事 會的職責

本公司嚴格遵照上市規則，以該守則中所列條文作為企業管治政策。就企業管治而言，董事會具有以下職責：

- (1) 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；
- (2) 檢討及監察董事及高級管理人員的培訓及持續專業發展；
- (3) 檢討及監察本公司遵守法律及監管規定方面的政策及常規；
- (4) 制定、檢討及監察雇員及董事的操守準則及合規守則；
- (5) 檢討本公司遵守該守則的情況。

於報告期內，董事會負責按照《中國企業會計準則》的規定編製財務報表，使其實現公允反映，並設計、執行和維護必要的內部控制，以使財務報表不存在由於舞弊或錯誤導致的重大錯報。

獨立非執行董事

本集團已遵守上市規則第3.10(1)和3.10(2)條有關委任足夠數量的獨立非執行董事且至少一名獨立非執行董事必須具備適當的專業資格，或具備適當的會計或相關財務管理專長的規定。本公司聘任了三名獨立非執行董事，其中一名獨立非執行董事具有財務管理專長。

本公司三名獨立非執行董事分別向本公司提交獨立性確認書，確認其在報告其內嚴格遵守聯交所公佈的《上市規則》第3.13條所載有關其獨立性的條款。本公司認為有關獨立非執行董事為本公司獨立人士。

2. Information Disclosed Under the Requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (Continued)

Corporate Governance Policies and Related Duties of the Board

The Company strictly complies with the Listing Rules, and has incorporated the provisions as set out in the Code as its corporate governance policies. The Board has the following duties in respect of corporate governance:

- (1) To formulate and review corporate governance policies and practices of the Company, and make recommendations to the Board;
- (2) To review and monitor the training and continuous professional development of the Directors and Senior Officers;
- (3) To review and monitor the policies and practices of the Company in compliance with legal and regulatory requirements;
- (4) To formulate, review and monitor the code of conduct and compliance rules of employees and directors;
- (5) To review the Company's compliance with the Code.

During the reporting period, the Board is responsible for the preparation and the fair presentation of the financial statements in accordance with CASBE, and designing, implementing and maintaining necessary internal control to ensure that the financial statements are free from material misstatement due to fraud or error.

Independent Non-Executive Directors

The Group has complied with Rules 3.10(1) and 3.10(2) of the Listing Rules relating to the appointment of a sufficient number of independent non-executive directors and at least one independent non-executive director with appropriate professional qualifications, or accounting or related financial management expertise. The Company has appointed three independent non-executive directors including one with financial management expertise.

The three independent non-executive directors of the Company have submitted confirmation of independence to the Company to confirm that he/she has strictly complied with the independence guidelines set out in Rule 3.13 of the Listing Rules of the SEHK during the reporting period. The Company considers each independent non-executive director to be independent from the Company.

(二) 根據香港聯合交易所有限公司 公佈的證券上市規則披露(續)

上市公司董事及監事進行證券交易的標 準守則(《標準守則》)

本報告期內，本公司已採納一套不低於上市規則附錄十所載《標準守則》所訂標準的行為守則。經查詢後，本報告期內每名董事、監事均已遵守有關董事進行證券交易的標準守則內所載準則規定。

董事會

(1) 董事會組成

董事 Directors

張代銘	董事長
Mr. Zhang Daiming	Chairman
任福龍	非執行董事
Mr. Ren Fulong	Non-executive director
杜德平	執行董事、總經理
Mr. Du Deping	Executive director, general manager
徐列	非執行董事
Mr. Xu Lie	Non-executive director
趙斌	非執行董事
Mr. Zhao Bin	Non-executive director
陳仲戟	獨立非執行董事
Mr. Chan Chung Kik, Lewis	Independent Non-executive director
杜冠華	獨立非執行董事
Mr. Du Guanhua	Independent Non-executive director
李文明	獨立非執行董事
Mr. Li Wenming	Independent Non-executive director

董事會成員簡介載於本報告「董事、監事、高級管理人員和員工情況」一節。

2. Information Disclosed Under the Requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (Continued)

Model Code for Securities Transactions by Directors and Supervisors of Listed Issuers (Model Code)

During the reporting period, the Company has adopted a code of conduct regarding securities transactions by Directors and Supervisors on terms no less exacting than the required standard set out in the Model Code as set out in Appendix 10 to the Listing Rules. Following specific enquiries made with the Directors and Supervisors, the Company has confirmed that each Director and Supervisor has complied with the required standard set out in the Model Code regarding securities transactions by directors.

The Board of Directors

(1) The Board consists of

Brief Introduction of the Board members are set out in the section headed "DIRECTORS, SUPERVISORS, SENIOR OFFICERS AND STAFF".

**(二) 根據香港聯合交易所有限公司
公佈的證券上市規則披露(續)**

董事會(續)

(2) 在本年度內，本公司董事會共召開8次會議，各董事出席會議情況如下：

董事姓名 Name	應參加次數 Number of meetings that require participation	親自出席/ 書面表決 Personal Attendance in person/written resolution	由替任董事代 為出席 Attendance by alternate	缺席 Absent	備註 Remarks
張代銘 Mr. Zhang Daiming	8	8	0	0	
任福龍 Mr. Ren Fulong	8	8	0	0	
杜德平 Mr. Du Deping	8	8	0	0	
徐列 Mr. Xu Lie	8	8	0	0	
趙斌 Mr. Zhao Bin	8	8	0	0	
陳仲戟 Mr. Chan Chung Kik, Lewis	8	8	0	0	
杜冠華 Mr. Du Guanhua	8	8	0	0	
李文明 Mr. Li Wenming	8	8	0	0	

**2. Information Disclosed Under the Requirements
of the Rules Governing the Listing of Securities
on the Stock Exchange of Hong Kong Limited
(Continued)**

The Board of Directors (Continued)

(2) During the year, the Board convened eight Board meetings. The details of Directors' attendance at the Board meetings are set out below:

(二) 根據香港聯合交易所有限公司 公佈的證券上市規則披露(續)

董事會(續)

(3) 董事會運作

董事會的職責是為本公司股東創造價值，確定本公司策略、目標及計劃，領導員工確保達成預定目標。董事會須盡責有效管理公司，董事會成員本著真誠勤勉原則，遵守法律、法規、本公司《公司章程》及有關規定，為本公司及股東利益最大化努力工作。在各項內部控制及制衡機制下，董事會與公司經理層的職責均有明確規定。

董事會的角色已經清楚界定，負責指導和領導公司事務，制定策略方向及訂立目標和業務發展計劃。公司管理層負責執行董事會決定的策略、目標和計劃。董事會已經根據中國法律法規以及境內外上市地《上市規則》，分別制訂了《董事會工作條例》、《總經理工作條例》，進一步明確董事會職責權限，規範董事會內部工作程序，充分發揮董事會經營決策中心作用；進一步細化了總經理產生及職權、總經理工作機構及工作程序以及總經理職責等。

本集團為董事、監事及高管購買了責任保險，而有關保險就潛在責任及可能面對法律訴訟而產生的費用作出賠償。除已經披露以外，本集團並未為董事、監事或高管提供彌償安排。

2. Information Disclosed Under the Requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (Continued)

The Board of Directors (Continued)

(3) Operation of Board

The duties of the Board are to create value for shareholders of the Company, to confirm the strategies, targets and planning of the Company, and to take leadership in order to ensure that the set targets can be met. The Board shall manage the Company diligently and effectively. The members of the Board work in accordance with the principles of honesty and diligence and comply with all relevant laws, regulations, the Articles of Association of the Company and the relevant requirements for the best interests of the Company and the shareholders. With various measures of internal controls and mechanisms for checks and balances, the duties of the Board and the management of the Company are clearly defined.

The roles of Board have been defined clearly as guiding and taking leadership of the company affairs, formulating strategy and setting targets, as well as projects of business development. The management of the company is responsible for putting into practice resolutions, targets and projects made by the Board. The Board has formulated the Rules of Work for the Board and the Rules of Work for the general manager according to the relevant PRC laws and regulations and the listing rules of stock exchanges both in the PRC and overseas, in which the duties and powers of the Board are sufficiently defined and the internal operation procedures of the Board standardised. Therefore, the Board can sufficiently perform its function as the decision-maker of the Company. The procedures for the appointment of the general manager have been laid down. The powers, scope of work, working procedures and responsibilities of the general manager have been specifically defined.

The Group has purchased liability insurance for its Directors, Supervisors and Senior Officers, and the relevant insurance covers the potential liability and the costs incurred in connection with possible legal proceedings. Save as the disclosed, the Group does not provide any indemnity arrangements for Directors, Supervisors or Senior Officers.

**(二) 根據香港聯合交易所有限公司
公佈的證券上市規則披露(續)**

董事會(續)

(4) 信息發展及專業進修

董事會非常重視：董事對本公司及其業務具備足夠認識；董事能分配充裕時間參與本公司事務以有效履行有關職責。

本公司會詳列董事會議案明細表，以保證向董事簡略介紹眾多議題。董事也有機會到訪本公司生產經營場所並於員工討論業務觀點，以及定期與本公司主要部門主管會面。除公司內部簡報會，董事也會參加外界研討會。所有董事均可尋求董事會秘書提供意見及服務，董事會秘書應對董事會負責，以確保遵照董事會程序以及就判斷為履行董事職責而言，諮詢獨立專業意見，費用由公司支付。

(5) 董事培訓

本公司高度重視董事持續培訓，以確保其對本公司的運作及業務有適當的理解。報告期內，所有董事均參加了本公司組織的上市公司合規培訓。董事長、總經理參加了中國證監會組織的培訓，財務總監、董事會秘書參加了深圳證券交易所培訓。

**2. Information Disclosed Under the Requirements
of the Rules Governing the Listing of Securities
on the Stock Exchange of Hong Kong Limited
(Continued)**

The Board of Directors (Continued)

(4) Information and professional development

The Board of Directors attaches importance to the following two points: Directors having a good knowledge of the Company and its business; and paying sufficient time to the Company to discharge responsibilities effectively.

The Company will set out clearly the agendas of Board meetings to ensure that the Directors are briefed on a wide range of topics. The Directors are also given the opportunity to visit the Company's production and business places and discuss aspects of the business with employees, and regularly meet the heads of the Company's main departments. Apart from internal briefings, the Directors also attend external seminars. All Directors have access to the advice and services of the Company Secretary, who is responsible to the Board for ensuring the Board procedures are complied with, and have access to independent and professional advice at the Company's expense, where it has been considered to be necessary for the discharge of Directors' duties.

(5) Directors' Training

The Company pays high regard to the continuing trainings of directors to ensure they are properly aware of the operation and business of the Company. During the reporting period, all the Directors attended compliance trainings for listed companies organized by the Company. The Chairman and general manager attended the trainings organized by CSRC. Financial controller and the company secretary attended trainings organized by SZSE.

(二) 根據香港聯合交易所有限公司 公佈的證券上市規則披露(續)

董事會(續)

(6) 董事會多元化政策

報告期內，董事會採納董事會成員多元化政策，旨在列載為達至董事會成員多元化而採取的方針。本公司確認和相信董事會成員多元化的益處並致力於確保董事因應本公司業務而具備適當所需技巧、經驗及多元化觀點。董事所有委任均以用人德才兼備為原則，並充分顧及董事會成員多元化的益處。甄別人員將按一系列多元化範疇為準則，包括但不限於：業務經驗，專業技能及其他經驗，種族、國際背景、性別及年齡，符合監管規定；及可能涉及利益衝突及可為董事會作出貢獻而做決定。

董事長及最高行政人員

董事長負責召集董事會，確保董事會的行為符合本公司最大利益，並確保董事會有效運作，履行其職責，同時負責考慮其他董事提呈的任何事項，以列入董事會會議議程。

總經理負責公司的日常業務管理及業務表現。

張代銘先生為本公司的董事長，杜德平先生為本公司的總經理。

獨立非執行董事任期

第九屆董事會獨立非執行董事任期由2017年12月22日起，為期三年。

2. Information Disclosed Under the Requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (Continued)

The Board of Directors (Continued)

(6) Diversity policy of the Board

During the year, the Board adopted a diversity policy setting out the approach to diversity of members of the Board. The Company recognizes and embraces the benefits of diversity of Board members. It works hard to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. All Board appointments will continue to be made on integrity and ability basis with due regard to the benefits of diversity of the Board members. Selection of candidates will be based on a range of diversified perspectives, including, but not limited to, (i) business experience; (ii) specialized skills and other experiences; (iii) race, international background, gender and age; (iv) applicable regulatory requirements; and issues involving possible conflicts of interest. The ultimate decision will be made upon the merits and contribution that the selected candidates will bring to the Board.

Chairman and chief executive

The Chairman is responsible for convening Board meetings and ensuring that the Board acts in the best interests of the Company. The Chairman ensures that the Board effectively carries out its functions and discharges its responsibilities. The Chairman is also responsible for approving the agenda for each Board meeting, taking into account any matters proposed by other Directors for the inclusion in the agenda.

The general manager is responsible for the day-to-day management and the business performance of the Company.

Mr. Zhang Daiming is the Chairman of the Company; Mr. Du Deping is the general manager of the Company.

Term of independent non-executive directors

The non-executive directors of the ninth Board were appointed for a term of 3 years commencing from 22 December 2017.

(二) 根據香港聯合交易所有限公司 公佈的證券上市規則披露(續)

薪酬與考核委員會

本公司設立了薪酬與考核委員會，為董事會設立的專門工作機構，對董事會負責，其成員包括李文明、杜冠華、陳仲戟，其中李文明為薪酬與考核委員會主席。

本公司已經制定《董事會薪酬與考核委員會工作細則》。薪酬與考核委員會主要負責制定公司董事及高級管理人員的薪酬，確定董事及高級管理人員考核標準，就其年度內的表現進行考核，以及批准董事及高級管理人員的服務合約、薪酬方案，並提交董事會批准。薪酬與考核委員會的工作細則已於香港聯交所及本公司網站上載披露並可以按照要求提供查閱。

2017年度內薪酬與考核委員會召開一次會議。審議通過了《關於2017年度董事、監事酬金的議案》，審議通過了《關於2017年度高管人員酬金的議案》，並建議提交董事會審議。

董事、監事及其它高級管理人員薪酬是依據國家政策、公司經濟效益情況和個人工作業績，並參考社會報酬水平來確定。

提名委員會

本公司設立了提名委員會，為董事會設立的專門工作機構，對董事會負責，其成員包括張代銘、杜德平、杜冠華及李文明，其中杜冠華為提名委員會主席。

2. Information Disclosed Under the Requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (Continued)

Remuneration and Examination Committee

The Company has established a Remuneration and Examination Committee (the “Remuneration Committee”), which is a special committee responsible to the Board. The Remuneration Committee comprises of Mr. Li Wenming, Mr. Du Guanhua and Mr. Chan Chung Kik, Lewis. Mr. Li Wenming is the chairman of the Remuneration and Examination Committee.

The Company has formulated the “Rules for Operation of the Remuneration and Examination Committee”. The Remuneration Committee is responsible for formulating the remuneration policy of Directors and Senior Officers of the Company, determining the standard of examination of Directors and Senior Officers, assessing the performance of Directors and Senior Officers during the year and approving the terms of their service contracts and remuneration packages and submitting the same to the Board for approval. The terms of reference for the Remuneration Committee were uploaded and disclosed on the websites of the SEHK and the Company and are available upon request.

During year 2017, the Remuneration Committee convened one meeting for the purpose of passing the “Proposal of 2017 Remuneration of Directors and Supervisors” and the “Proposal of 2017 Remuneration of Senior Officers”, which were submitted to the Board for approval.

The remuneration of Directors, Supervisors and Senior Officers of the Company is determined with reference to State policies, the Company’s profit realised in the corresponding period, individual achievement and the average income of local residents.

Nomination Committee

The Company has established a Nomination Committee, which is a special committee responsible to the Board. The Nomination Committee comprises, Mr. Zhang Daiming, Mr. Du Deping, Mr. Du Guanhua and Mr. Li Wenming. The Nomination Committee is chaired by Mr. Du Guanhua.

(二) 根據香港聯合交易所有限公司 公佈的證券上市規則披露(續)

提名委員會(續)

提名委員會職責如下：

- (a) 制定提名董事或高級管理人員的政策、選擇的標準；
- (b) 對出任董事或高級管理人員的人選進行初步選擇，並對董事會提出建議；
- (c) 定期檢查董事會結構、規模和成員(包括技能、知識和經驗)，並就任何建議做出的變動向董事會做出建議；
- (d) 評價獨立非執行董事的獨立性；
- (e) 就有關委任或重選董事或高級管理人員事宜向董事會做出建議；及
- (f) 制定並向董事會建議董事的薪酬計劃以備董事會同意後提交股東審議以及制定並向董事會建議及報批公司高級管理人員的薪酬方案。

本公司所採用之多元化政策已於本報告「根據香港聯合交易所有限公司公佈的證券上市規則披露(續)－董事會」一節披露。

2017年度內提名委員會召開兩次會議，分別審議通過了《關於聘任鄭忠輝為公司副總經理的議案》、《關於提名第九屆董事會董事成員的議案》以及《關於提名第九屆經理層成員的議案》。

提名委員會所採納的職責範圍、提名程序以及遴選及推薦准則等按委員會工作細則訂定，工作細則已於香港聯交所及本公司網站上載披露並可以按照要求提供查閱。

2. Information Disclosed Under the Requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (Continued)

Nomination Committee (Continued)

The Nomination Committee is responsible for the following:

- (a) Formulating the policy for the nomination of Directors or Senior Officers and the standard for selection of such individuals;
- (b) Preliminarily selecting Directors and Senior Officers and submitting the nomination proposals to the Board;
- (c) Reviewing the structure, size and composition (including the skills, knowledge and experience) of members of the Board on a regular basis and making recommendations to the Board regarding any proposed changes;
- (d) Assessing the independence of independent non-executive directors;
- (e) Making recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors or Senior Officers; and
- (f) formulating and making recommendations to the Board as to the remuneration plans of the Directors for the approval of the Board and for submission to the approval of the shareholders; formulating and making recommendations for the approval of the Board as to the remuneration plans of the senior management of the Company.

The diversity policy adopted by the Company has been disclosed in the section “Information disclosed under the requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited – The Board of Directors” of this report.

In 2017, the Nomination Committee held two meetings to consider and pass the Resolution Regarding the Appointment of Mr. Zheng Zhonghui as the Deputy General Manager of the Company, the Resolution Regarding the Nomination of Members to the Ninth Session of the Board of Directors and the Resolution Regarding the Nomination of Members to the Ninth Session of Management.

The scope of duties, nomination procedures and the process and criteria of the Nomination Committee are based on its Terms of Reference as uploaded to and disclosed on the websites of the SEHK and the Company and available upon request.

(二) 根據香港聯合交易所有限公司
公佈的證券上市規則披露(續)

2. Information Disclosed Under the Requirements
of the Rules Governing the Listing of Securities
on the Stock Exchange of Hong Kong Limited
(Continued)

核數師酬金

2017年6月16日召開的2016年度周年股東大會上，續聘信永中和會計師事務所(特殊普通合夥)為公司審計機構。

信永中和會計師事務所(特殊普通合夥)連續22年獲聘任。*

2017年度報告審計支付會計師事務所的報酬(不含稅金額)如下：

項目	Item	本年發生額 Amount of Current Year	上年發生額 Amount of Previous Year
審計師酬金	Auditors' remuneration		
— 審計服務費用	— Audit service fee	613,207.55	613,207.55
— 內控審計服務費用	— Internal control audit service fees	122,641.51	122,641.51
— 其他服務費用	— Other service fee	240,566.03	250,000.00
合計	Total	976,415.09	985,849.06

2017年度公司聘請信永中和會計事務所(特殊普通合夥)為內控審計會計師事務所，期間共支付內控審計費人民幣122,641.51元(不含稅金額)。

其他服務費用人民幣240,566.23(不含稅金額)中具體指《非經營性資金佔用及其他關聯資金往來的專項說明》的審計服務費、《募集資金年度存放與使用情況鑒證報告》的審計服務費等，不影響核數師的獨立性。

* 本公司於截至2014年12月31日止年度由信永中和(香港)會計師事務所有限公司出任國際核數師以及信永中和會計師事務所(特殊普通合夥)出任中國核數師。於2015年6月24日本公司的股東周年大會上，股東批准聘任信永中和會計師事務所(特殊普通合夥)為本公司核數師，不再分別聘任境內與境外核數師。信永中和會計師事務所受聘任後，成為本公司唯一獨立核數師，並根據中國企業會計準則審計本公司財務報表。有關詳情於本公司日期為2015年5月7日及2015年6月24日的公告以及日期為2015年5月8日的通函內載附。

Auditors' remuneration

ShineWing Certified Public Accountants (Special General Partnership) was re-appointed as the auditors of the Company in the 2016 annual general meeting held on 16 June 2017.

ShineWing Certified Public Accountants (Special General Partnership) has been re-appointed as the auditors for 22 consecutive years.*

In 2017, the auditors' remuneration (tax exclusive) for audit services provided was as follows:

In 2017, the Company engaged ShineWing Certified Public Accountants (Special General Partnership) for auditing of internal control and paid auditing fees of RMB122,641.51 (tax exclusive) for internal control.

Other service fee of RMB240,566.23 (tax exclusive) included the audit service fees for the "Special Explanation on the Occupation of Non-operating Fund and the Transfer of Other Fund Related" and the "Assurance Report on the Deposit and Use of Raised Proceeds for the Year", which did not impact the independence of the auditors.

* For the year ended 31 December 2014, SHINEWING (HK) CPA Limited and ShineWing Certified Public Accountants (Special General Partnership) served as the international auditor and the domestic auditor of the Company, respectively. At the Annual General Meeting held on 24 June 2015, the appointment of ShineWing Certified Public Accountants (Special General Partnership) as the auditor of the Company was approved by shareholders and there has since been no separate appointment of international auditor and domestic auditor of the Company. ShineWing Certified Public Accountants has since been the only independent auditor after the appointment, and has audited the financial statements the Company in accordance with CASBE. Details of the above were set out in the announcements dated 7 May 2015 and 24 June 2015 and the circular dated 8 May 2015 of the Company.

(二) 根據香港聯合交易所有限公司 公佈的證券上市規則披露(續)

審核委員會

本公司已經根據上市規則3.21條設立了審核委員會，其成員包括陳仲戟、杜冠華及李文明，其中陳仲戟為審核委員會主席。

本公司董事會參照香港會計師公會印製的《成立審核委員會指引》，制定了《審核委員會職責範圍》，其中包括審核委員會的職權和責任。

審核委員會負責監管公司財務報告的公正性。除審閱本公司財務資料和報表外，還負責與外部核數師聯繫、管理公司財務報告制度、內部監控和風險管理程序等。

審核委員會的工作細則已於香港聯交所及本公司網站上載披露並可以按照要求提供查閱。

審核委員會已經與管理層審閱本集團所採納的會計原則、會計準則及方法，並探討審計、內部監控及財務匯報事宜，本年度審核委員會召開四次會議，包括審閱2016年度經審計帳目、2017年第一、第三季度未經審計帳目、半年度未經審計帳目。

2018年3月23日召開董事會審核委員會會議，審閱2017年年度經審計帳目及業績公告。

審核委員會各位成員出席會議記錄，請參閱公司治理報告中「根據中國證監會要求披露」項下出席表。

2. Information Disclosed Under the Requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (Continued)

Audit Committee

Pursuant to Rule 3.21 of the Listing Rules, the Company set up an Audit Committee (the "Audit Committee") comprising Mr. Chan Chung Kik, Lewis, Mr. Du Guanhua, and Mr. Li Wenming. The chairman of the Audit Committee is Mr. Chan Chung Kik, Lewis.

With reference to "A Guide for the Formation of An Audit Committee" published by the Hong Kong Society of Accountants, the Board has set out terms of reference for the Audit Committee, which define the authority and duties of the Audit Committee.

The Audit Committee is responsible for ensuring that the Company's financial report reflects a fair view of the Company. In addition to reviewing the financial information and statements of the Company, the Audit Committee is also responsible for liaising with the Company's external auditor and overseeing the Company's financial reporting system, internal control system and risk management procedures.

A copy of the terms of reference for the Audit Committee were uploaded and disclosed on the websites of the SEHK and the Company and are available upon request.

The Audit Committee has, together with the management, reviewed the accounting principles, practices and methods adopted by the Group and has discussed the auditing, internal controls and financial reporting of the Company. The Audit Committee has convened four meetings to review the audited financial statements for 2016, the unaudited 1st quarterly financial statements for 2017, the unaudited interim statements for 2017 and the unaudited 3rd quarterly financial statements for 2017.

The Audit Committee convened a meeting on 23 March 2018 to review the 2017 audited accounts and annual results announcement.

For the record of the attendance of individual members of the Audit Committee, please refer to the attendance table set out under the section headed "Information disclosed under the requirement of CSRC" of the Corporate Governance Report.

(二) 根據香港聯合交易所有限公司 公佈的證券上市規則披露(續)

投資者關係

本公司積極認真做好信息披露和投資者關係工作，並專門委任一名人士為投資者關係管理代表，本公司堅守真實、準確、完整、及時信息披露原則，通過編製業績報告、公佈公告、公司網頁、接待投資者分析員、回答問詢等方式和途徑，加強與投資者溝通聯繫，提高公司透明度。

報告期內，本公司於2017年12月22日召開的2017年第一次臨時股東大會通過修訂了公司章程。本次修訂符合本公司《公司章程》、中國法律法規的要求，也符合上市規則。

《公司章程》之最新版本可於本公司網站及香港聯交所網站、巨潮資訊網查詢。為促使有效溝通，公眾可在公司網站(<http://www.xhzy.com>)瞭解本公司的業務發展、運營、財務資料、公司管治結構及其他信息詳情及最新進展。

董事、監事及高級管理人員在股份中的 權益

就公司董事、高級管理人員及監事所知悉，本公司董事、高級管理人員及監事擁有任何需根據《證券及期貨條例》第352條規定而記錄於本公司保存的登記冊的股份權益或淡倉，或根據上市規則附錄十中的「上市公司董事進行證券交易的標準規則」須知會本公司及香港聯交所的權益或淡倉見「董事、監事、高級管理人員和員工情況」之董事、監事及高級管理人員持有本公司股份情況。

2. Information Disclosed Under the Requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (Continued)

Investor Relations

The Company actively and earnestly carried out work in respect of the disclosure of information and investor relations and nominated an individual to deal with the Company's investor relations. Meanwhile, the Company strictly complied with the principles of truthfulness, accuracy, completeness and timeliness in the disclosure of information. The Company also enhanced communication with investors and made efforts to improve the transparency of the Company by way of issuing results announcements, publishing announcements, launching the company's website, meeting investors and analysts and answering investors' inquiries, etc..

During the reporting period, the company amended the articles of association in the first extraordinary general meeting of 2017 on 22 December 2017. This amendment complies with "the Articles of Association of the Company" and the laws and regulations of the PRC, and also complies with the Listing Rules.

An updated version of the Articles of Association is available on the Company's websites, the SEHK website and Juchao's website. To promote effective communication, the Company maintains a website at (<http://www.xhzy.com>), where information and updates on the Company's business developments and operation, financial information, corporate governance and other information are available for public access.

Directors', Supervisors' and Senior Officers' Interests in Shares

So far as the Directors, the Senior Officers and the Supervisors of the Company are aware, the interests or short position in shares of the Directors, the Supervisors and the Senior Officers, according to the register required to be kept by the Company pursuant to section 352 of the SFO or which was otherwise required to be notified to the Company and the Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors of Listed Companies as contained in Appendix 10 to the Listing Rules, are stated in the subsection above headed "Directors' and Supervisors' and Senior Officers' Interests in Shares of the Company" under the section "DIRECTORS, SUPERVISORS, SENIOR OFFICERS AND STAFF".

(二) 根據香港聯合交易所有限公司 公佈的證券上市規則披露(續)

風險管理及內部監控

董事會負責本公司風險管理及內部監控體系、檢查其效果，並促使經理層建立、完善穩健有效的風險管理及內部監控。公司風險管理及內部監控由監事會定期進行評估。公司亦設有內部審核功能的部門。

董事會已檢視並確認公司具備健全的風險管理及內部控制機構，並且確認風險管理及內部控制系統的有效性。

報告期內，公司按照《企業內部控制基本規範》和相關規定在所有重大方面均已建立了風險管理及內部控制，並檢討二次，確認其有效執行，達到了公司風險管理及內部控制的目標，不存在重大缺陷。

主要股東在股份中的權益

除根據「股本變動及股東情況」所披露外，就公司董事、高級管理人員及監事所知悉，於2017年12月31日，沒有其它董事、高級管理人員及監事以外的任何人士於本公司股份或相關股份(視情況而定)中擁有根據《證券及期貨條例》第XV部第2和第3分部之規定須向本公司及香港聯交所披露的權益或淡倉，或根據《證券及期貨條例》第336條規定記錄於本公司保存的登記冊的權益或淡倉。

2. Information Disclosed Under the Requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (Continued)

Risk Management and Internal Controls

The Board is responsible for the Company's risk management and internal controls system and for reviewing its effectiveness. The Board requires the management to establish and maintain sound and effective internal controls. Evaluation of the Company's risk management and internal controls is also independently conducted by the Supervisory Committee on a regular basis. The Company also has an internal audit department.

The Board has reviewed and confirmed that the Company has a sound risk management and internal control mechanism, and confirmed its effectiveness.

During the reporting period, the Company established the risk management and internal controls system in all material respects according to Basic Standards of Internal Control and related provisions. The Company has reviewed the system for two times and confirms the effective implementation of such system reached our risk management and internal control target, and there are no major defects.

Substantial Shareholders' Interests in Shares

Save as disclosed above in "Changes in Share Capital and Information on Shareholders" and so far as the Directors, the Senior Officers and the Supervisors of the Company are aware, as at 31 December 2017, no other person (other than a Director, Senior Officer or Supervisor of the Company) had an interest or short position in the Company's shares or underlying shares (as the case may be), which are required to be disclosed to the Company and the SEHK under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

(二) 根據香港聯合交易所有限公司 公佈的證券上市規則披露(續)

董事、監事、高級管理人員的股份及淡倉權益

除「董事、監事、高級管理人員和員工情況」之董事、監事及高級管理人員持有本公司股份情況所披露外，就公司董事、高級管理人員及監事所知悉，於本報告期末，沒有本公司董事、高級管理人員及監事在本公司及其／或任何相聯法團(定義見《證券及期貨條例》第XV部)的股份、相關股份及／或債券(視情況而定)中擁有任何需根據《證券及期貨條例》第XV部第7和第8部分需知會本公司及香港聯交所披露的權益或淡倉(包括根據《證券及期貨條例》該些章節的規定或當作這些董事、高級管理人員及監事擁有的權益或淡倉)，或根據《證券及期貨條例》第352條規定而記錄於本公司保存的登記冊的權益或淡倉，或根據上市規則附錄十中的「上市公司董事進行證券交易的標準規則」須知會本公司及香港聯交所的權益或淡倉。

股東要求召集臨時股東大會

按照《公司章程》第九十三條，股東要求召集臨時股東大會或者類別股東會議，應當按照下列程序辦理：

- (1) 合計持有在該擬舉行的會議上有表決權的股份百分之十以上(含百分之十)的兩個或者兩個以上的股東，可以簽署一份或者數份同樣格式內容的書面要求，提請董事會召集臨時股東大會或者類別股東會議，並闡明會議的議題。董事會在收到前述書面要求後應當儘快召集臨時股東大會或者類別股東會議。前述持股數按股東提出書面要求日計算。

2. Information Disclosed Under the Requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (Continued)

Directors', Supervisors' and Senior Officers' Interest and Short Positions

Save as disclosed under the section headed "DIRECTORS, SUPERVISORS, SENIOR OFFICERS AND STAFF", so far as the Directors, the Senior Officers and the Supervisors of the Company are aware, as at the end of the reporting period, none of the Directors, the Senior Officers or the Supervisors of the Company had any interest or short position in the shares, underlying shares and/or debentures (as the case may be) of the Company or any of its associated corporations (as defined in Part XV of SFO) which was required to be notified to the Company and the SEHK pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest and short position which any such Director, Senior Officer or Supervisor is taken or deemed to have under such provisions of the SFO) of which was required to be entered in the register required to be kept by the Company pursuant to Section 352 of the SFO or which was otherwise required to be notified to the Company and SEHK pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as contained in Appendix 10 to the Listing Rules.

Shareholder's requests to convene an extraordinary general meeting

Pursuant to Article 93 of the Articles of Association, if shareholders require the convening of an extraordinary general meeting or a class general meeting, the following procedures shall be followed:

- (1) Two or more shareholders, who together hold 10 per cent or more of the shares carrying voting rights at the proposed meeting, may sign one or several written requisition(s) of the same form and contents, requiring the board of directors to convene an extraordinary general meeting or a class shareholders' meeting as requested and state the agenda of the meeting. The Board should as soon as possible after receiving the abovementioned request convene such meetings. The percentage represented by the shareholdings of the requisitioning shareholders shall be calculated as at the date of the deposit of the requisition.

(二) 根據香港聯合交易所有限公司 公佈的證券上市規則披露(續)

- (2) 如果董事會在收到前述書面要求後30日內沒有發出召集會議的通告，提出該要求的股東可以在董事會收到該要求後四個月內自行召集會議，召集的程序應當盡可能與董事會召集股東會議的程序相同。

股東因董事會未應前述要求舉行會議而自行召集並舉行會議的，其所發生的合理費用，應當由公司承擔，並從公司欠付失職董事的款項中扣除。

向董事會作出查詢

如向本公司董事會作出查詢，股東可向本公司發出書面查詢(一般而言，本公司不會處理口頭或匿名查詢)。

主要連絡人

股東可將上述查詢或要求通過傳真、郵件或郵遞方式發至本公司。聯繫資料如下：

山東新華製藥股份有限公司董事會秘書室

地址： 中國山東省淄博市高新區魯泰大道1號

傳真： 86-533-2287508

電郵： CQCAO@XHZY.COM

為避免分歧，股東必須交存及發送正式簽署原件的書面要求、通知、聲明或詢問(視情況而定)至上述地址，並提供全名、聯繫方式及身份證明。依據法律法規，股東的資料或會被披露。

2. Information Disclosed Under the Requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (Continued)

- (2) If the Board of Directors fails to give a notice convening a meeting within 30 days of receiving the aforesaid written requisition, the requisitioning shareholders may themselves convene a meeting within 4 months of the receipt of such requisition by the Board of Directors. In so convening a meeting, the requisitioning shareholders should adopt a procedure as similar to that of a shareholders' general meeting convened by the Board of Directors as possible.

All reasonable expenses incurred in connection with a meeting convened by any shareholders themselves by reason of the failure of the Board of Directors to convene a meeting pursuant to a requisition shall be borne by the Company and shall be deducted from any sums due from the Company to those Directors in default.

Putting forward enquiries to the Board

For putting forward any enquiries to the Board of the Company, shareholders may send written enquiries to the Company. (The Company in general does not answer verbal or anonymous enquiries.)

Primary Contact Persons

Shareholders may send their enquiries or requests as mentioned above to the Company by means of facsimile, email or post. The details of contact are as follows:

The Company Secretary's office of Shandong Xinhua Pharmaceutical Company Limited

Address: No. 1 Lutai Ave., Hi-tech Industry Development Zone, Zibo City, Shandong Province, The People's Republic of China

Fax: 86-533-2287508

Email: CQCAO@XHZY.COM

For the avoidance of doubt, shareholders must deposit and send the original duly signed written requisition, notice, statement, or enquiry (as the case may be) to the above address, and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information is subject to disclosure pursuant to laws and regulations.

股東大會簡介

SUMMARISED REPORT OF THE GENERAL MEETINGS

一. 本公司2016年度週年股東大會通告於2017年4月28日在《證券時報》、巨潮資訊網、聯交所網站及公司網站上刊登並以郵寄方式送達H股股東，本次股東大會由董事會召集，於2017年6月16日在公司住所召開，採用現場投票及網絡投票表決方式，出席本次股東大會的股東及股東代表(含網絡投票)人數為8人，出席本次股東大會的股東所代表的股份總數為163,956,291股，佔當時公司有表決權股份總數的35.85%，本次股東大會的召開符合《中華人民共和國公司法》和本公司《公司章程》等有關規定。大會由董事長張代銘先生主持。本次股東大會通過了下列普通決議案：

- (1) 批准2016年度報告。
- (2) 批准2016年度董事會報告；
- (3) 批准2016年度監事會報告；
- (4) 批准2016年度經審核的財務報告；
- (5) 批准2016年度利潤分配方案；
- (6) 批准續聘審計機構的議案；
- (7) 批准2017年度董事、監事酬金的議案。

決議公告於2017年6月17日刊載在國內的《證券時報》、巨潮資訊網，以及香港聯交所網站、本公司網站。

1. On 28 April 2017, the notice of the annual general meeting of 2016 of the Company was published in Securities Times, Juchao website, HKExnews and the Company's website and was served on the shareholders of H Shares by prepaid post. The extraordinary general meeting was convened by the Board of Directors and held at the Company's registered office on 16 June 2017 voted by poll (on site and via internet). Eight shareholders (including those voted via the internet) attended the meeting, representing a total number of 163,956,291 shares and 35.85 % of the Company's then total issued shares with voting right. The meeting was convened in compliance with the provisions of the Company Law of the PRC as well as the Articles of Association. The meeting was chaired by Mr. Zhang Daiming, the chairman of the Company. The following resolutions were passed at the meeting:

- (1) To approve the annual report of the Company for the year 2016;
- (2) To approve the report of the Board for the year 2016;
- (3) To approve the report of the supervisory committee of the Company for the year 2016;
- (4) To approve the audited financial statements for the year 2016;
- (5) To approve the profit distribution plan for the year 2016;
- (6) To approve the resolution on the re-appointment of auditors;
- (7) To approve the remuneration of the Directors and the Supervisors for the year 2017.

An announcement of the above resolutions was published on Securities Times, Juchao Website as well as on HKExnews and the Company's website on 17 June 2017.

- 二. 本公司2017年第一次臨時股東大會通告於2017年11月6日在《證券時報》、巨潮資訊網、聯交所網站及公司網站上刊登，相關公告以郵寄方式送達H股股東，本次股東大會由董事會召集，於2017年12月22日在公司住所召開，採用現場投票及網絡投票表決方式，實際出席臨時股東大會的股東及股東代表(含網絡投票)為53人，代表有表決權的股份215,908,443股，佔公司當時有表決權股份總數的45.14%。

本次股東大會的召開符合《中華人民共和國公司法》和本公司《公司章程》等有關規定。大會由董事長張代銘先生主持。

- (1) 審議通過關於建議派發特別股息的普通決議案；
- (2) 審議通過關於修改經營範圍、修改《公司章程》及《董事會議事規則》有關條款的特別決議案；
- (3) 審議通過關於以累積投票方式等額選舉張代銘、任福龍、杜德平、徐列、趙斌為本公司第九屆董事會非獨立董事的普通決議案；
- (4) 審議通過關於以累積投票方式等額選舉杜冠華、陳仲戟、李文明為本公司第九屆董事會獨立非執行董事的普通決議案；
- (5) 審議通過關於以累積投票方式等額選舉李天忠、陶志超、肖方玉為第九屆監事會監事的普通決議案。

決議公告於2017年12月23日刊載在國內的《證券時報》、巨潮資訊網，以及香港聯交所網站、本公司網站。

2. On 6 November 2017, the notice of the first extraordinary general meeting of the Company was published on Securities Times, Juchao Website, HKExnews and the Company's website and notice was served on the shareholders of H Shares by prepaid post. The general meeting was convened by the Board of Directors and held at the Company's registered office on 22 December 2017. The meeting adopted site and network voting. Fifty three shareholders (including those voted via the internet) attended the general meeting, representing a total number of 215,908,443 shares and accounting for 45.14% of the then total issued shares with voting right.

The general meeting was convened in compliance with the provisions of the Company Law of the PRC as well as the Articles of Association of the Company. The general meeting was chaired by Mr. Zhang Daiming, the Chairman of the Company.

- (1) To consider and approve the ordinary resolution on the proposed payment of the special dividend;
- (2) To consider and approve the special resolution on the amendment of the business scope of the Company and the amendments to the Articles of Association and the Rules and Procedures for the Meetings of the Board;
- (3) To consider and approve the ordinary resolution on the election of Mr. Zhang Daiming, Mr. Ren Fulong, Mr. Du Deping, Mr. Xu Lie and Mr. Zhao Bin as non-independent directors of the Ninth Board of the Company by cumulative voting;
- (4) To consider and approve the ordinary resolution on the election of Mr. Du Guanhua, Mr. Chan Chung Kik, Lewis and Mr. Li Wenming as independent non-directors of the Ninth Board of the Company by cumulative voting;
- (5) To consider and approve the ordinary resolution on the election of Mr. Li Tianzhong, Mr. Tao Zhichao and Mr. Xiao Fangyu as supervisors of the Ninth Supervisory Committee of the Company by cumulative voting.

An announcement of the above resolutions was published on Securities Times, Juchao Website as well as on HKExnews and the Company's website, on 23 December 2017.

董事長報告

CHAIRMAN'S STATEMENT

致各位股東：

本人謹此提呈山東新華製藥股份有限公司(「本公司」)截至2017年12月31日止年度報告書，敬請各位股東審閱。

業績與股息

本公司及其附屬公司(簡稱「本集團」)截至2017年12月31日止年度按中國企業會計準則編製的營業收入為人民幣4,515,717千元，較2016年度增長12.47%；歸屬於上市公司股東的淨利潤為人民幣209,592千元，較2016年度增長71.42%，基本每股收益人民幣0.45元。

董事會建議以478,353,421為基數，向全體股東派發2017年末期股息每股人民幣0.05元(含稅)，並以公積金轉增股本每10股轉增3股。此建議派發的股息及資本公積金轉增股本有待週年股東大會審議通過。一份載有包括建議現金股息的支付貨幣及適用外匯匯率、資本公積金轉增股本、其相關記錄日及暫停股東過戶登記期間等詳情的通函將適時寄發予股東。

業務回顧

2017年本集團克服市場形勢多變、安全環保壓力持續加大、各項成本不斷上升等諸多因素影響，搶抓機遇，科學組織，穩態生產，生產經營指標再創歷史新高。

1. 各業務板塊齊發力，經營質量穩步提高

充分發揮主導原料藥綜合優勢，狠抓市場開拓，原料藥全年實現銷售收入人民幣19.6億元，同比增長10.97%，布洛芬、左旋多巴等主導原料藥銷售收入取得可喜增長；格列美脲、美洛昔康等新特原料藥銷售規模實現較大幅度增長。

Dear shareholders,

I hereby present for your review the annual report of the Company for the year ended 31 December 2017.

Results and Dividends

In the year ended 31 December 2017, the operating income of the Company and its subsidiaries (the "Group") prepared in accordance CASBE was RMB4,515,717,000, representing an increase of 12.47% as compared with 2016. The Group recorded net profits attributable to the equity holders of the Company of RMB209,592,000, representing an increase of 71.42% as compared with 2016. Basic earnings per share was RMB0.45.

The Board recommends to pay a final dividend of RMB0.05 per share (tax inclusive) for the year 2017 to all shareholders based on the total issued shares of 478,353,421, and a conversion of capital reserve by issuing 3 shares for every 10 existing shares. The proposed payment of dividend and conversion of capital reserve are subject to the shareholders' approval at the AGM. A circular containing details as to, amongst others, the payment currency and applicable foreign exchange rate for the proposed cash dividend, the conversion of capital reserve to share capital, the relevant record date and book closure period will be despatched to shareholders of the Company in due course.

Business Review

In 2017, the Group has overcome the impact of changing market conditions, increasing pressure on safety and environmental protection, and rising costs and other factors. By capturing the opportunities, organizing scientifically and stabilizing production, the Company witnessed its production and operation indicators reaching record high.

1. Various business segments joining hands to steadily improve quality of operation

By fully taking advantage of its position in bulk drugs and vigorously expanding its market, the Company pushed its sales revenue of bulk drugs for the year to RMB1.96 billion, representing an increase of 10.97% from last year. The sales revenue of bulk drugs such as Ibuprofen and Levodopa recorded an encouraging increase, and sales of new featured bulk drugs including Glimepiride and L-Dopa has been achieved a relatively high growth rates.

業務回顧(續)

1. 各業務板塊齊發力，經營質量穩步提高(續)

繼續推進大製劑發展戰略，製劑全年實現銷售收入人民幣19.8億元，同比增長13.42%。介甯、保暢成功入選國家新版醫保目錄。舒泰得等6大戰略品種實現銷售額人民幣1.99億元，同比增長33.91%。整合B2B、B2C資源成立電子商務部，電商業務全年實現銷售收入人民幣2,748萬元，同比增長266.01%。

2017年度本集團實現出口創匯2.08億美元，同比增長4.7%。國際加工產品供貨人民幣11,364萬元，同比增長102.4%。重點國際合作項目取得階段性進展，合資公司新華百利高於2018年初實現增資並將新增50億片固體製劑生產規模。

2. 加大研發投入，科技創新取得新成果

全年研發投入人民幣1.6億元，同比增長47.85%。格列美脲片、卡托普利片等4個產品5個文號順利通過BE。獲得左旋多巴、維生素E軟膠囊等兩個產品生產批件，非布司他完成臨床即將報產。與瀋陽藥科大學共同啟動了抗老年癡呆重大新藥的合作研發。本公司及子公司新達製藥分別通過高新技術企業認定。取得授權專利11件。

實施專項獎勵，全員降本增效積極性進一步增強。全年完成50個技術質量攻關項目，實現原材料能源消耗節約人民幣2,551萬元。目前120個自動化系統在運行，11項「機器換人」項目正在實施，一系列重大技術改進取得顯著成效，主要產品生產技術水平得到實質提升。

Business Review (Continued)

1. Various business segments joining hands steadily improve quality of operation (Continued)

The Company continued to advance its greater preparations strategy, with its sales revenue for the year amounting to RMB1.98 billion, representing an increase of 13.42% from last year. Jiening (介甯) (Aspirin Enteric-coated sustained Release Tablets) and Baochang (保暢) (Calcium Polycarbophil Tablets) were successfully listed on "New National Drug Reimbursement Catalogue". Revenue from six strategic preparations varieties including Rabepazole totalled RMB199 million, increasing by 33.91% from the preceding year. An E-commerce department was established by consolidating our B2B and B2C resources, and the sales revenue from e-commerce business amounted to RMB27.48 million, representing an increase of 266.01% from last year.

Export income of the Company in 2017 reached USD208 million, representing a 4.7% year-on-year growth. Amount from supply of internationally processed products amounted to RMB113.64 million, representing a 102.4% year-on-year growth. Further, key international-wide cooperation projects of the Company have gained progress of this period. Xinhua Perrigo, JV, realised capital increase in 2018 and is set to expand its production capacity up to 5 billion solid preparations.

2. Increasing research and development input to achieve scientific and technological innovation results

During this year, investment in research and development totalled RMB160 million, representing a year-on-year growth of 47.85%. Four products under five approval numbers, including Glimepiride tablets and Captopril tablets, have successfully passed the BE test. Approvals were obtained for the production of two products, namely Levodopa and Vitamin E soft capsules. Febuxostat tablets having gone through clinical trial is due for production approval. The Company started the cooperation in research and development of new anti-senile dementia drugs with Shenyang Pharmaceutical University (瀋陽藥科大學). The Company and its subsidiary Xincat Pharmaceutical have respectively passed the accreditation as national and provincial high-tech enterprises. The Group received 11 patents this year.

Special incentives have been given to employees to further reduce costs and improve effectiveness. During this year, the Group concluded 50 projects in relation to technology and quality, resulting in RMB25.51 million savings as to consumption of raw materials and energy. Currently, 120 automated systems are in operation and 11 automation projects are being conducted. The series of key technological upgrade programs have led to remarkable results, and production technology of main products has improved substantially.

業務回顧(續)

3. 練內功，基礎管理再上新台階

年內公司順利通過新版ISO9001/14001雙體系認證，6S管理繼續深化，安全、環保、質量形勢平穩，未發生一般及以上各類事故。本公司一分廠、二分廠按時取得國家環保部門頒發的排污許可證。公司主導原料藥產品在京津冀及周邊地區採暖季錯峰生產期間保持了正常生產，保障了市場需求。完成了13個產品32個國家的DMF註冊。資金集中管控不斷加強，負債結構與財務結構日趨合理，融資成本大幅降低。

4. 項目建設取得新進展，定向增發順利實施

現代醫藥國際合作中心項目主要設備安裝順利，正積極申請GMP認證。現代醫藥物流中心項目立體庫一期工程完成貨架及設備安裝，正在進行調試。激素項目生產廠房全部竣工。

2017年10月公司成功實施A股定向增發工作，募集資金人民幣2.23億元，同時成功實施了第一期員工持股計劃，增強了員工凝聚力和企業發展活力。

Business Review (Continued)

3. Enhancing overall strength to step up fundamental management

During the year, the Company passed revised ISO9001/14001 dual certifications, continued to deepen its 6S management approach to maintain safety, environmental protection and quality control. There has been no accident of a general nature or above during this year. Both manufacturing plants branch No.1 and No.2 have obtained pollutant discharge licenses issued by national environmental protection department on time. The Company maintained normal production for bulk drugs products to satisfy the market during the staggering-paced production period in Beijing-Tianjin-Hebei zone and surrounding areas. The Company has completed DMF registration in relation to 13 products in 32 countries. The Company has kept on the centralised control of capital, gradually rationalised its liability structure and financial structure, and significantly reduced its financing costs.

4. Achieving new progress regarding project construction and succeeding in non-public issuance and placing of A shares

Regarding the international cooperation centre for modern pharmacy project, the main equipment was installed successfully, and the Company is actively applying for GMP certification thereof. For the modern pharmacy logistics centre project (phase I of the multi-layer warehouse), shelf and equipment installation have been completed and is presently under testing. All of the hormones pharmaceutical project plants were duly completed.

In October 2017, the Company has completed its non-public issuance and placing of A shares and raised RMB223 million; Phase I Employee Stock Ownership Scheme was launched with a view to enhancing the staff cohesion and vitality of corporate development.

未來展望

隨著國家各項改革加快推進，企業發展及改革迎來良好環境。醫藥衛生體制改革不斷深化，為加快發展企業提供了更多機遇。A股增發及員工持股計劃順利完成；隨著本公司安全環保質量等基礎管理水平的提高，主導原料藥綜合優勢不斷增強，新原料藥快速成長；大製劑戰略持續推進，重點製劑產品繼續保持較快發展，企業發展內生動力不斷增強。一系列激勵措施實施，員工凝聚力不斷增強，公司發展的內在動力不斷提升。

同時，本集團發展面臨諸多不確定因素和困難。國際形勢複雜多變，國際貿易與合作不確定性因素增多；國內市場競爭更加激烈，公司主導產品面臨潛在市場壓力；採購成本上升，研發投入增加，人員工資及工資性費用上漲，提升公司盈利水平的壓力加大；安全環保要求日益趨嚴，投入加大，生產組織要求更高。

為此，2018年重點工作如下：

1. 充分發揮市場營銷帶動作用，培育新的經濟增長點

加快實施大製劑戰略。創新製劑營銷思路，完善激勵，充分激發營銷人員積極性。進一步加大戰略品種的培育，特別是抓住介寧、保暢進入全國醫保的機會，進一步加大培育力度。發揮配套生產優勢，實施製劑「品牌普藥」戰略，打造「解熱鎮痛藥物製劑名牌」。積極做好基藥招標，加快中標地區業務跟進和品種覆蓋。加強終端開發，打造電子商務新平台，加快「健康城市」項目進展，加快電商創新園佈局，爭取在創業孵化、電子處方流轉、遠程診療、跨境業務等方面實現新突破。

Prospects

As the State has been speeding up the implementation of various reforms, the Company is embracing a good environment for development and reform. The continuous deepening of reform of pharmaceutical and healthcare system provides additional opportunities for accelerated development. The issuance and placing of A Shares and the Employee Stock Ownership Scheme were completed smoothly. As the Company improved its fundamental management on safety, environmental protection and product quality, and enhanced its comprehensive strengths in bulk drugs, the business of new bulk drugs grew rapidly. In view of the continuous promotion of the greater preparations strategy, the key preparation products continued to maintain rapid growth, and the Company was powered by an increasing inner drive. Through implementation of a series of incentive measures, staff cohesiveness continued to improve and the internal impetus of the Company's development continued to grow.

At the same time, there were many uncertainties and difficulties during the development of the Group. The complicated and changing international environment led to more uncertainties in international trade and cooperation; the increasingly intense competition in domestic market brought potential market pressure on the main products of the Company. The rising cost of procurement, the increasing investment in research and development, and the increment in salaries and related costs have resulted in increasing pressure to improve on the profitability of the Company. The increasingly stringent safety and environmental requirements have led to more investment and higher demand on improving organisation of production activities.

As such, in 2018, the Group will focus on the following aspects:

1. To fully take advantage of marketing effect and foster new economic growth points

The Company will accelerate the implementation of its greater preparations strategy. The Company will innovate on preparations marketing and optimise the incentive policies to fully motivate its marketing personnel. The Company will devote greater effort to the cultivation of its strategic preparations products, with particular focus on capturing the opportunity offered by the inclusion of Jiening (介寧) and Baochang (保暢) tablets onto the national list of medicines covered by medical insurance. With a well-established production network, the Company will follow the strategy of "branded generics" with the objective of creating a reputable brand for its antipyretic and analgesic drugs and preparations. The Company will actively participate in bidding on essential drugs and speed up follow-up business and coverage of products in areas where it has won the bid. Also, the Company will make greater effort in terminal development, build a new E-commerce platform, accelerate the "Healthy Zibo Project" and the deployment of E-commerce innovation park, and setting the Company for new breakthroughs in, among others, business incubation, electronic prescription transmission, long-distance diagnosis and treatment and cross-border businesses.

未來展望(續)

1. 充分發揮市場營銷帶動作用，培育新的經濟增長點(續)

狠抓主導原料藥市場開發，擴大銷售規模。搶抓機遇，充分發揮差異化營銷優勢，加大與其它板塊協同，實現效益最大化。進一步完善新原料藥銷售激勵政策，抓好特色原料藥市場推廣，努力培育新的增長點。

2. 狠抓科技創新，進一步增強公司發展後勁

進一步加快新藥研發與一致性評價步伐，優化新品研發佈局，2018年爭取獲得新產品文號2個，通過一致性評價臨床研究(BE)產品8個，抗體偶聯等重大創新藥物研發取得實質進展。進一步加大對外合作力度，加快新產品新技術引進，力爭2018在產學研合作方面再取得實質成果。

2018年力爭實現依達拉奉等4個新產品產業化轉化，同時加大對現有新產品商業化的考核力度，讓新成果以最快速度轉化為生產力。

進一步加大對技術進步、創新創效的獎勵力度，大力開展群眾性技術質量攻關活動。要充分發揮「解熱鎮痛藥先進製造工程研究中心」作用，加快工程技術應用與成果轉化。

3. 繼續推進國際化經營戰略，開創發展新局面

以國際委託加工為突破口，全面提升製劑發展水平。抓好國際委託加工產品生產，保證產品質量，確保及時供貨。

Prospects (Continued)

1. To fully take advantage of marketing effect and foster new economic growth points (Continued)

The Company will put greater effort in development of bulk drugs market in order to expand its sales. The Company will seize the opportunities and adopt differentiated marketing tactics to establish synergy between different marketing segments to maximise return. The Company will further optimize the sales incentive policies of new bulk drugs and pay attention to promotion of featured bulk drugs market with a view to foster new growth points.

2. Focusing on technological innovation to further strengthen development momentum of the Company

The Company will further accelerate its research and development process and consistency evaluation of new drugs, optimise the research and development layout for new products, strive to obtain 2 approvals in 2018 and to pass consistency evaluation of 8 products under clinical research (BE), and to achieve substantial progress in the research and development of major innovative drugs such as antibody conjugate drugs. The Company will further increase its cooperation with external parties and speed up the introduction of new products and technologies, so as to achieve substantive results in respect of production, education and research cooperation in 2018.

In 2018, the Company will strive to achieve the industrial transformation of four new products including Edaravone, and carry out stricter assessment on the commercialisation of existing new products in order to accelerate the transformation of new research achievements into productivity.

The Company will further increase rewards for technological advancement, innovation and efficiency, and vigorously carry out technical and quality research activities among its staff members. The Company will take advantage of its reputation as a "technological centre for advanced production engineering of antipyretic and analgesic drugs" and speed up the application of new engineering technologies.

3. Constantly promoting international business strategy to blaze a trail for development

The Company will take advantage of existing internationally commissioned processing orders to improve its overall level of preparation development. For instance, the Company will make great effort to ensure the quality and timely supply of internationally commissioned products.

未來展望(續)

3. 繼續推進國際化經營戰略，開創發展新局面(續)

加快現代醫藥國際合作中心設備安裝調試及新增生產線項目建設，力爭儘早通過GMP認證以及MHRA檢查，並以此為基礎，加快推進國際項目合作。適時啟動二期設計建設準備工作。

繼續抓好原料藥DMF註冊，同時充分利用好各種國際註冊資源，加快現有產品ANDA註冊和NDA註冊，爭取2018年啟動2-3個產品的ANDA註冊。

4. 完善激勵機制，充分調動員工積極性

進一步完善各層面考核激勵辦法，建立和貢獻直接掛鈎的激勵分配機制，更好發揮薪酬分配激勵作用。積極探索建立完善長效激勵機制。

完善現有科研人員激勵辦法，將多種激勵方式密切結合起來。進一步完善營銷人員目標考核辦法，將新產品考核、市場份額提升等中長期目標列為考核內容，探索多重激勵方式。

5. 打牢管理基礎，建設花園式、智能型工廠

狠抓「三個生命線工程」。進一步加大安全投入，實施安全裝置自動化和連鎖改造，開展危險工藝反應安全風險評估，改善勞動環境，提升本質安全水平；保障環保投入，從點源治理入手，以實現「零排放」為目標，加快工藝技術改進和資源綜合利用；持續開展好全員技術質量活動，實施好攻關項目，以技術措施解決質量問題。

Prospects (Continued)

3. Constantly promoting international business strategy to blaze a trail for development (Continued)

The Company will accelerate the equipment installation and commissioning of the international cooperation centre for modern pharmacy project and the construction of newly added production lines, striving to pass GMP certification and MHRA inspection as soon as practicable, and on basis of the aforesaid, accelerate cooperation based on international projects. The Company will prepare for the design and construction of phase II of the aforesaid centre in due course.

Through continuing effort in DMF registration of bulk drugs and making full use of various international registration resources to speed up the ANDA and NDA registration of existing products, and strive to commence the ANDA registration of 2 to 3 products in 2018.

4. Optimising incentive system to fully motivate its of staff

The Company will further optimise the appraisal and incentive measures at all levels, set up an incentive and reward system linked to contribution directly, and give full play to the role of remuneration incentives. The Company will proactively explore and establish a sophisticated long-term incentive mechanism.

The Company aims at enhancing the existing incentives for the scientific research personnel and organically combine various incentive measures. The Company will further improve the results-oriented assessment method for marketing personnel, taking into account new product assessment and market share among other medium to long-term objectives, and continue to explore multiple incentive measures.

5. Solidifying the management foundation and building garden-style intelligent factories

The Company will develop the “three lifeline engineering project” vigorously. The Company will improve the work environment and the general safety standard by further increasing investment, implementing automation and related customisation of safety devices and carrying out risk assessment of response to hazardous processes. The Company will make sure the investment in environmental protection is in place to tackle pollution at its sources with an aim to achieve “zero emission”, and spearhead the improvement of process and technology as well as the comprehensive usage of resources. Also, the Company will continue to carry out technology and quality related activities for all staff members, implement key projects, and solve quality problems via technical measures.

未來展望(續)

5. 打牢管理基礎，建設花園式、智能型工廠(續)

加快花園式工廠建設。將消防、質量、設備等專業管理要求納入6S管理考核標準，促進6S工作的不斷深入。加強園區環境建設，做好統一規劃，精心組織實施，加強綠化美化，建設美麗園區。

加快智能工廠建設。進一步加快新技術、新設備的推廣應用，抓好重點原料藥產品自動化連續化生產改造，加快實施「機器換人」項目。

2018年，是本集團創建75周年。董事會堅信，本集團廣大職工團結一心，努力奮鬥，本集團一定取得轉型升級、更高質量發展的優異成績。

張代銘
董事長

中國·山東·濰博
2018年3月23日

Prospects (Continued)

5. Solidifying the management foundation and building garden-style intelligent factories (Continued)

The Company will speed up the construction of the garden-style factories. The professional management requirements regarding fire control, quality and equipment will be incorporated into the 6S management assessment standards to promote the continuous deepening of the 6S consciousness. The Company will construct its industrial park with a unified plan and meticulous organisation and implementation, as well as, landscaping and beautification programs.

The Company will accelerate the construction of the intelligent factories. The Company will further accelerate the promotion and application of new technologies and new equipment, upgrade the automated and continuous production line of key raw pharmaceutical ingredients, and advance the implementation of automation projects.

2018 marks the 75th anniversary of the founding of the Group. With the dedication and commitment of our staff, the Board is determined to achieve the industrial transformation and upgrades and to ensure high-quality growth.

Zhang Daiming
Chairman

Zibo, Shandong Province, PRC
23 March 2018

董事會報告

REPORT OF THE BOARD OF DIRECTORS

本董事會謹向股東提呈本公司2017年董事會報告和本公司及本集團截至2017年12月31日止年度經審核之帳目。

The Board of Directors hereby submits to the shareholders the report of the Board of Directors for 2017 and the audited accounts of the Company and the Group for the year ended 31 December 2017.

(一) 經營管理研討與分析

1. Management Discussion and Analysis

1. 主營業務範圍及其經營狀況

1. The business scope and operating results of the Company

本集團主要從事開發、製造和銷售化學原料藥、製劑、醫藥中間體及其它產品。本集團利潤主要來源於主營業務。

The Group is mainly engaged in the development, production and sale of pharmaceutical raw materials, preparations, medical intermediate and other products. The profit of the Group is mainly attributable to its principal operations.

概述(人民幣元)

Overview (RMB)

項目	Item	2017年 2017	2016年 2016	增長 Increase (%)
營業收入	Operating income	4,515,716,784.19	4,014,963,065.74	12.47
營業成本	Operating cost	3,247,615,838.86	3,013,584,624.39	7.77
期間費用	Expense for the period	974,201,877.97	792,027,787.47	23.00
研發投入	Research and development input	158,027,013.21	106,882,343.46	47.85
經營活動產生的 現金流量淨額	Net cash flows from operating activities	389,971,809.35	439,348,332.79	(11.24)

研發投入增長的主要原因是公司為了開發新藥，研發投入不斷增加所致。

The increase in R&D input was due to increased input of resources in developing new drugs.

銷售分析

Sales Analysis

本集團截至2017年12月31日止年度按中國企業會計準則編製的營業收入為人民幣4,515,717千元，其中化學原料藥、製劑、醫藥中間體及其它銷售額所佔比重分別為43.50%、43.90%、12.60%，佔比分別較上年下降0.59個百分點、上升0.37個百分點、上升0.22個百分點。

Under the CASBE, the Group had an operating income of RMB4,515,717,000 for the year ended 31 December 2017. Sales of chemical bulk drugs, preparations, and medical intermediates and other products accounted for 43.50%, 43.90% and 12.60% respectively of the total sales of the Group, representing a decrease of 0.59 percentage points, an increase of 0.37 percentage points, and an increase of 0.22 percentage points respectively as compared with that of last year.

2017年本集團化學原料藥銷售額完成人民幣1,964,518千元，較上年上升10.97%，上升的主要原因是本年度狠抓市場機遇，積極開拓市場，鞏固產品市場地位，銷售規模進一步擴大及主要產品價格不斷上升所致。

In 2017, the sales revenue of the Group's chemical bulk drugs amounted to RMB1,964,518,000, representing an increase of 10.97% as compared with that of last year. The increase was mainly because of the increased sales volume as a result of the Group actively seized market opportunities and developed its market, consolidated the market position of its products, further expanded the sales volume, and the price of main products increased.

(一) 經營管理研討與分析(續)

1. 主營業務範圍及其經營狀況(續)

銷售分析(續)

製劑產品銷售額完成人民幣1,982,189千元，較上年上升13.42%，上升的主要原因是本年度穩步推進大製劑發展戰略，主要戰略品種及重點普藥品種銷售增加所致。

醫藥中間體及其他銷售額人民幣569,009千元，較上年上升14.48%，上升的主要原因是本年度抓住醫藥中間體產品市場良好發展態勢，主要化工產品價格上升所致。

業績分析

截止2017年12月31日止年度，按中國企業會計準則審計的歸屬於上市公司股東的淨利潤為人民幣209,592千元，較2016年度增長71.42%，增長的首要原因是(1)本年度狠抓市場機遇，積極開拓市場，鞏固產品市場地位，銷售規模進一步擴大及主要產品價格不斷上升，(2)繼續深入開展產品技術攻關活動，努力降低產品成本。

按國內有關規定披露的經營狀況及財務狀況分析

於2017年12月31日本集團總資產為人民幣5,273,647千元，較年初上升11.66%，總資產上升的主要原因是本年度完成非公開發行A股股票及本年度經營產生盈利導致貨幣資金等增加所致。

於2017年12月31日本集團貨幣資金為人民幣731,126千元，較年初上升30.25%，上升的主要原因是本年度完成非公開發行A股股票及本年度經營產生盈利所致。

1. Management Discussion and Analysis (Continued)

1. The business scope and operating results of the Company (Continued)

Sales Analysis (Continued)

The sales revenue of preparations was RMB1,982,189,000, representing an increase of 13.42% as compared with that of last year. The growth was mainly due to the steady progress of key preparation development strategy, and the increased sales volume of main strategic varieties and key generic drug varieties.

The sales revenue of medical intermediates and other products was RMB569,009,000, representing an increase of 14.48% as compared with that of last year. The increase was mainly due to the rising prices of major chemical products and the strong market sentiment towards the future development of medical intermediates market.

Results Analysis

For the year ending 31 December 2017, the net profits attributable to equity holders of the Company prepared in accordance with the CASBE was RMB209,592,000, representing an increase of 71.42% as compared with that of last year. The prime factors causing the increase are that (1) the Group actively seized market opportunities and developed its market, consolidated the market position of its products, further expanded the sales volume, and the price of main products increased; and (2) the Group continued to deepen its research on technological breakthrough in order to reduce production costs.

Analysis of operating results and financial condition in accordance with CASBE

As at 31 December 2017, the total assets of the Group was RMB5,273,647,000, representing an increase of 11.66% compared with the beginning of the year. The increase in total assets was mainly due to the increase in currency funds which was attributable to the completion of non-public issuance and placing of A shares and the operating profits generated this year.

As at 31 December 2017, the currency funds of the Group was RMB731,126,000, representing an increase of 30.25% compared with the beginning of the year. The increase was mainly attributable to the completion of non-public issuance and placing of A shares and the operating profits generated this year.

(一) 經營管理研討與分析(續)

1. 主營業務範圍及其經營狀況(續)

按國內有關規定披露的經營狀況及財務狀況分析(續)

於2017年12月31日本集團存貨為人民幣713,211千元，較年初上升27.48%，上升的主要原因是本年度為應對冬季錯峰生產不確定性因素而備貨，部分產成品及原材料上升較大所致。

於2017年12月31日本集團可供出售金融資產為人民幣258,141千元，較年初上升36.24%；其他綜合收益為人民幣199,385千元，較年初上升43.01%；上升的主要原因是本年度可供出售金融資產公允價值上升所致。

於2017年12月31日本集團在建工程為人民幣434,546千元，較年初上升58.35%，上升的主要原因是本年度現代醫藥國際合作中心等工程項目投入不斷增加所致。

於2017年12月31日本集團短期借款為人民幣151,838千元，較年初減少人民幣758,162千元；一年內到期的非流動負債為人民幣89,622千元，較年初減少人民幣255,232千元；長期借款為人民幣931,500千元，較年初增加人民幣831,500千元，銀行借款結構變動較大的主要原因是本年度積極拓寬融資渠道，優化融資結構所致。

於2017年12月31日本集團預收款項為人民幣123,295千元，較年初上升82.95%，上升的主要原因是本年度子公司預收銷房款所致。

於2017年12月31日本集團應交稅費為人民幣11,998千元，較年初下降32.20%，下降的主要原因是本年末應交增值稅及所得稅減少所致。

1. Management Discussion and Analysis (Continued)

1. The business scope and operating results of the Company (Continued)

Analysis of operating results and financial condition in accordance with CASBE (Continued)

As at 31 December 2017, the inventories of the Group was RMB713,211,000, representing an increase of 27.48% compared with the beginning of the year. The increase was mainly attributable to stocking of goods in response to the uncertainties over the staggering-paced production in the winter this year, resulting in an increase in part of the finished products and raw materials.

As at 31 December 2017, the financial assets available for sale of the Group was RMB258,141,000, representing an increase of 36.24% compared with the beginning of the year. Other comprehensive incomes was RMB199,385,000, representing an increase of 43.01% compared with the beginning of the year. Such increases were mainly due to increase in the fair value of the financial assets available for sale this year.

As at 31 December 2017, the projects in progress of the Group was RMB434,546,000, representing an increase of 58.35% compared with the beginning of the year. The increase was mainly due to the increasing investments in such projects as modern medicine international cooperation centre project during the financial year.

As at 31 December 2017, the short-term borrowing of the Group was RMB151,838,000, representing a decrease of RMB758,162,000 compared with the beginning of the year. The non-current liabilities due within one year was RMB89,622,000, representing a decrease of RMB255,232,000 compared with the beginning of the year. The long-term borrowing was RMB931,500,000, representing an increase of RMB831,500,000 compared with the beginning of the year. Such changes in the bank loans structure were mainly due to the active exploration of financing channels and optimisation of financing structure this year.

As at 31 December 2017, the accounts received in advance of the Group was RMB123,295,000, representing an increase of 82.95% compared with the beginning of the year. The increase was mainly because the subsidiaries of the Group received payments in advance for property sale this year.

As at 31 December 2017, the taxes and dues payable of the Group was RMB11,998,000, representing a decrease of 32.20% compared with the beginning of the year. The decrease was mainly due to the decrease in the amount of the value-added and income tax payable at the end of the year.

(一) 經營管理研討與分析(續)

1. 主營業務範圍及其經營狀況(續)

按國內有關規定披露的經營狀況及財務狀況分析(續)

於2017年12月31日本集團應付股利為人民幣19,661千元，較年初人民幣5,311千元增加人民幣14,351千元，增加的主要原因是股東於2017年12月尾所批准之特別股息當時尚未派發完畢所致。

於2017年12月31日本集團其他應付款為人民幣280,115千元，較年初上升71.48%，上升的主要原因是本年度應付工程項目款及設備款增加所致。

於2017年12月31日本集團資本公積為人民幣728,450千元，較年初上升41.97%，上升的主要原因是本年度完成非公開發行A股股票所致。

於2017年12月31日歸屬於上市公司股東權益為人民幣2,480,024千元，較年初上升24.72%，上升的主要原因是本年度完成非公開發行A股股票及本年度經營產生盈利所致。

於2017年12月31日本集團負債總額為人民幣2,694,194千元，較年初上升1.92%。

2017年度本集團營業利潤為人民幣281,681千元，較去年同期增長84.81%；利潤總額為268,174千元，較去年同期增長67.64%；歸屬於上市公司股東的淨利潤為人民幣209,592千元，較去年同期增長71.42%，增長的主要原因是(1)本年度狠抓市場機遇，積極開拓市場，鞏固產品市場地位，銷售規模進一步擴大及主要產品價格不斷上升；(2)繼續深入開展產品技術攻關活動，努力降低產品成本。

1. Management Discussion and Analysis (Continued)

1. The business scope and operating results of the Company (Continued)

Analysis of operating results and financial condition in accordance with CASBE (Continued)

As at 31 December 2017, the dividends payable of the Group was RMB19,661,000, representing an increase of RMB14,351,000 as compared with the figure of RMB5,311,000 at the beginning of the year. The increase was mainly because the payment of special dividends as approved at the general meeting in late December 2017 was not yet completed then.

As at 31 December 2017, the other payables of the Group was RMB280,115,000, representing an increase of 71.48% compared with the beginning of the year. The increase was mainly due to the increase in payables for projects and equipment during the financial year.

As at 31 December 2017, the capital reserves of the Group was RMB728,450,000, representing an increase of 41.97% compared with the beginning of the year. The increase was mainly due to the completion of non-public issuance and placing of A shares during the financial year.

As at 31 December 2017, the total equity attributable to the shareholders of the Company was RMB2,480,024,000, representing an increase of 24.72% compared with the beginning of the year. The increase was mainly due to the completion of non-public issuance and placing of A shares and the operating profits generated during the financial year.

As at 31 December 2017, the total liabilities of the Group were RMB2,694,194,000, representing an increase of 1.92% compared with the beginning of the year.

For the year of 2017, the operating profit of the Group amounted to RMB281,681,000, representing an increase of 84.81% as compared with the same period last year. The gross profit was RMB268,174,000, representing an increase of 67.64% as compared with the same period last year. The net profit attributable to the shareholders of the Company was RMB209,592,000, representing an increase of 71.42% as compared with the same period last year. Such increases were mainly because: (1) the Group actively seized market opportunities and developed its market, consolidated the market position of its products, further expanded the sales volume, and the price of main products increased; and (2) the Group continued to deepen its research on technological breakthrough in order to reduce production costs.

(一) 經營管理研討與分析(續)

1. 主營業務範圍及其經營狀況(續)

按國內有關規定披露的經營狀況及財務狀況分析(續)

2017年度本集團銷售費用人民幣509,749千元，較去年同期增長26.08%，增長的主要原因是加大市場開拓力度，終端銷售費增加所致。

2017年度本集團管理費用人民幣384,708千元，較去年同期增長14.54%，增長的主要原因是本年度加大研發投入，研發費用增加所致。

2017年度本集團財務費用人民幣79,745千元，較去年同期增長53.83%，增長的主要原因是本年度匯率變動導致匯兌損失增加所致。

2017年度本集團現金及現金等價物淨增加額為人民幣189,770千元，增加的主要原因是本年度投資及籌資活動產生的現金流量淨額增加所致。

2017年本集團投資活動產生的現金流量淨額為人民幣-168,537千元，同比增加人民幣74,757千元，增加的主要原因是本年度取得土地收儲收益所致。

2017年本集團籌資活動產生的現金流量淨額為人民幣-25,232千元，同比增加人民幣49,793千元，增加的主要原因是本年積極拓寬融資渠道，優化融資結構，降低貸款利率及特別股息尚未派發完畢所致。

2017年本集團經營活動產生的現金淨流量為人民幣389,972千元，與本期淨利潤人民幣221,249千元存在較大差異，主要因為本期固定資產折舊費用所致。

1. Management Discussion and Analysis (Continued)

1. The business scope and operating results of the Company (Continued)

Analysis of operating results and financial condition in accordance with CASBE (Continued)

For the year of 2017, the Group's sales expense amounted to RMB509,749,000, representing an increase of 26.08% as compared with the same period last year. The increase was mainly attributable to the increase of terminal sales expenses due to the enhancement of market development.

For the year of 2017, the Group's administration expense amounted to RMB384,708,000, representing an increase of 14.54% as compared with the same period last year. The increase was mainly attributable to the increase of expenses in research and development as a result of increased input in research and development this year.

For the year of 2017, the Group's financial expense amounted to RMB79,745,000, representing an increase of 53.83% as compared with the same period last year. The increase was mainly attributable to in the increase in exchange loss as a result of the exchange rate changes this year.

For the year of 2017, the Group's net increase in cash and cash equivalents was RMB189,770,000. The increase was mainly attributable to the increase in net cash flow from investing activities and financing activities this year.

For the year of 2017, the Group recorded a net cash outflow from investing activities amounting to RMB168,537,000, representing a year-on-year increase of RMB74,757,000. The increase was mainly due to the gains from land resumption this year.

For the year of 2017, the Group recorded a net cash outflow from financing activities amounting to RMB25,232,000, representing a year-on-year increase of RMB49,793,000. The increase was mainly due to the active exploration of financing channels, optimisation of financing structure, lowered lending rates and that the special dividends as approved at the general meeting of the Company was not yet paid during the reporting period.

For the year of 2017, the Group recorded a net cash inflow from operating activities amounting to RMB389,972,000, which contrasts with the net profit of RMB221,249,000 this year, mainly due to the increase in depreciation of fixed assets this year.

(一) 經營管理研討與分析(續)

1. 主營業務範圍及其經營狀況(續)

按國內有關規定披露的經營狀況
及財務狀況分析(續)

2017年按中國企業會計準則編製
的主營業務收入分產品、分地區
情況(人民幣元)

項目	Item	2017年		2016年		同比增減 Change as compared to last year
		金額 Amount	佔營業 收入比重 Proportion in operating revenue	金額 Amount	佔營業 收入比重 Proportion in operating revenue	
營業收入合計	Operating revenue	4,515,716,784.19	100%	4,014,963,065.74	100%	12.47%
分行業	By industry					
化學原料藥	Chemical bulk drugs	1,964,518,136.35	43.50%	1,770,296,038.38	44.09%	10.97%
製劑	Preparations	1,982,189,474.18	43.90%	1,747,610,869.90	43.53%	13.42%
醫藥中間體及其他	Medical intermediates and other products	569,009,173.66	12.60%	497,056,157.46	12.38%	14.48%
分產品	By product					
解熱鎮痛類等原料藥	Antipyretic analgesic active pharmaceutical ingredients.	1,964,518,136.35	43.50%	1,770,296,038.38	44.09%	10.97%
片劑、針劑、膠囊劑等 製劑	Tablet, injection, capsule etc.	1,982,189,474.18	43.90%	1,747,610,869.90	43.53%	13.42%
醫藥中間體及其他	Medical intermediates and others	569,009,173.66	12.60%	497,056,157.46	12.38%	14.48%
分地區	By geographical location					
中國(含香港)	PRC (including Hong Kong)	3,068,776,612.06	67.96%	2,598,593,092.37	64.72%	18.09%
美洲	America	674,938,080.40	14.95%	691,242,586.64	17.22%	(2.36%)
歐洲	Europe	331,427,351.78	7.34%	305,128,386.73	7.60%	8.62%
其他	Others	440,574,739.95	9.76%	419,999,000.00	10.46%	4.90%

1. Management Discussion and Analysis (Continued)

1. The business scope and operating results of the
Company (Continued)

Analysis of operating results and financial condition in
accordance with CASBE (Continued)

The Group's operating revenue classified by products and by
geographical location in accordance with CASBE (RMB):

(一) 經營管理研討與分析(續)

1. Management Discussion and Analysis (Continued)

1. 主營業務範圍及其經營狀況(續)

1. The business scope and operating results of the Company (Continued)

按國內有關規定披露的經營狀況及財務狀況分析(續)

Analysis of operating results and financial condition in accordance with CASBE (Continued)

2017年佔公司營業收入或營業利潤10%以上的行業、產品或地區情況(人民幣元)

Industry, products or geographical location accounting for over 10% of operating revenue or operating profit in 2017 (RMB)

項目	Item	營業收入 Operating revenue	營業成本 Operating cost	毛利率 Gross profit rate	營業收入比 比上年同期增減 Operating revenue compared to the same period last year	營業成本比 比上年同期增減 Operating cost compared to the same period last year	毛利率比 比上年同期增減 Gross profit rate compared to the same period last year
分行業 By industry							
化學原料藥	Chemical bulk drugs	1,964,518,136.35	1,396,622,599.41	28.91%	10.97%	6.68%	2.86%
製劑	Preparations	1,982,189,474.18	1,381,807,519.70	30.29%	13.42%	7.88%	3.61%
醫藥中間體及 其他	Medical intermediates and other products	569,009,173.66	469,185,719.75	17.54%	14.48%	10.78%	2.57%
合計	Total	4,515,716,784.19	3,247,615,838.86	28.08%	12.47%	7.77%	3.14%
分產品 By product							
解熱鎮痛類等 原料藥	Antipyretic analgesic active pharmaceutical ingredients.	1,964,518,136.35	1,396,622,599.41	28.91%	10.97%	6.68%	2.86%
片劑、針劑、 膠囊劑等製劑	Tablet, injection, capsule etc.	1,982,189,474.18	1,381,807,519.70	30.29%	13.42%	7.88%	3.61%
醫藥中間體及 其他	Medical intermediates and others	569,009,173.66	469,185,719.75	17.54%	14.48%	10.78%	2.57%
合計	Total	4,515,716,784.19	3,247,615,838.86	28.08%	12.47%	7.77%	3.14%
分地區 By geographical location							
中國	PRC (including Hong Kong)	3,068,776,612.06	2,080,289,515.35	32.21%	18.09%	11.73%	3.86%
美洲	America	674,938,080.40	552,705,707.00	18.11%	(2.36%)	(2.27%)	(0.07%)
歐洲	Europe	331,427,351.78	266,937,196.65	19.46%	8.62%	7.03%	1.20%
其他	Others	440,574,739.95	347,683,419.85	21.08%	4.90%	3.23%	1.27%
合計	Total	4,515,716,784.19	3,247,615,838.86	28.08%	12.47%	7.77%	3.14%

(一) 經營管理研討與分析(續)

1. Management Discussion and Analysis (Continued)

1. 主營業務範圍及其經營狀況(續)

1. The business scope and operating results of the Company (Continued)

按國內有關規定披露的經營狀況及財務狀況分析(續)

Analysis of operating results and financial condition in accordance with CASBE (Continued)

2017年主要產品產銷存情況

Production, sales and inventory of the main products in 2017 (RMB)

行業分類	項目	單位	2017年	2016年	同比增減
Industry category	Item	Unit	2017	2016	As compared to last year
化學原料藥 Chemical bulk drugs	銷售量 Sales volume	噸 ton	28,826	29,146	(1.09%)
	生產量 Production	噸 ton	30,462	31,318	(2.73%)
	庫存量 Inventory	噸 ton	3,733	3,460	7.87%
片劑 Tablet	銷售量 Sales volume	萬片 (0'000)	580,796	569,519	1.98%
	生產量 Production	萬片(0'000)	626,745	567,241	10.49%
	庫存量 Inventory	萬片(0'000)	132,405	86,457	53.15%
針劑 Injection	銷售量 Sales volume	萬支 (0'000)	54,874	64,044	(14.32%)
	生產量 Production	萬支 (0'000)	53,732	66,855	(19.63%)
	庫存量 Inventory	萬支 (0'000)	11,949	13,091	(8.72%)
膠囊劑 Capsule	銷售量 Sales volume	萬粒 (0'000)	54,452	54,618	(0.30%)
	生產量 Production	萬粒 (0'000)	57,874	52,980	9.24%
	庫存量 Inventory	萬粒 (0'000)	7,489	4,066	84.18%

2017年度有1,363噸化學原料藥為本公司生產製劑產品所用。製劑產品庫存量同比增長較大，主要原因是公司適當備貨。

In 2017, the Company had 1,363 tonnes of chemical bulk drugs for production of preparations. The reason of the increase in chemical bulk drugs stock is regular replenishment of inventories.

(一) 經營管理研討與分析(續)

1. 主營業務範圍及其經營狀況(續)

按國內有關規定披露的經營狀況
及財務狀況分析(續)

2017年按中國企業會計準則編製
的營業成本構成(人民幣元)

行業和產品分類

行業分類 Industry category	項目 Item	2017年		2016年		同比增減 Change as compared to last year
		金額 Number	佔營業 成本比重 Proportion in operating cost	金額 Number	佔營業 成本比重 Proportion in operating cost	
醫藥行業 Pharmaceuticals industry	原材料 Raw material	2,318,246,784.84	71.38%	2,078,789,802.21	68.98%	11.52%
醫藥行業 Pharmaceuticals industry	其他成本 Other costs	929,369,054.02	28.62%	934,794,822.18	31.02%	(0.58%)
合計 Total		<u>3,247,615,838.86</u>	<u>100.00%</u>	<u>3,013,584,624.39</u>	<u>100.00%</u>	<u>7.77%</u>

產品分類 Product category	項目 Item	2017年		2016年		同比增減 Change as compared to last year
		金額 Number	佔營業 成本比重 Proportion in operating cost	金額 Number	佔營業 成本比重 Proportion in operating cost	
化學原料藥 Chemical bulk drugs	解熱鎮痛類等原料藥 Antipyretic analgesic active pharmaceutical ingredients	1,396,622,599.41	43.00%	1,309,151,281.76	43.44%	6.68%
製劑 Preparations	片劑、針劑、膠囊劑等製劑 Tablet, injection, capsule etc.	1,381,807,519.70	42.55%	1,280,905,040.50	42.50%	7.88%
醫藥中間體及其他 Medical intermediates and others	醫藥中間體及其他 Medical intermediates and others	469,185,719.75	14.45%	423,528,302.13	14.05%	10.78%
合計 Total		<u>3,247,615,838.86</u>	<u>100.00%</u>	<u>3,013,584,624.39</u>	<u>100.00%</u>	<u>7.77%</u>

1. Management Discussion and Analysis (Continued)

1. The business scope and operating results of the Company (Continued)

Analysis of operating results and financial condition in accordance with CASBE (Continued)

The structure of operating cost in accordance with CASBE (RMB):

Industry and Product Category

(一) 經營管理研討與分析(續)

1. 主營業務範圍及其經營狀況(續)

按國內有關規定披露的經營狀況
及財務狀況分析(續)

募集資金使用情況

(1) 募集資金總體使用情況

募集年份	募集方式	募集資金 總額	本期已使用 募集資金 總額	已累計使用 募集資金 總額	報告期內 變更用途 的募集資金 總額	累計變更 用途的募集 資金總額	累計變更 用途的募集 資金總額 比例	尚未使用 募集資金 總額	尚未使用 募集資金 用途及去向	閒置兩年 以上募集 資金金額
Fund-raising Year	Fund-raising method	Total amount of proceeds raised	Total amount of proceeds used during the current period	Total amount of cumulative use of proceeds	Total amount of proceeds which changed its use during the reporting period	Total amount of cumulative change of use of proceeds	Proportion of total amount of cumulative change of use of proceeds	Total amount of unused proceeds	Use and status of proceeds unused	Total amount of proceeds set aside and unused for over 2 years
2017年	非公開發行 A股股票	22,339.85	22,339.85	22,339.85	0	0	0.00%	0	無	0
2017	Non-public issuance and placing of A shares								Nil	
合計 Total		22,339.85	22,339.85	22,339.85	0	0	0.00%	0		0

單位：萬元 Unit: Ten thousand

募集資金總體使用情況說明
General use of proceeds

募集資金全部用於償還貸款。
All raised proceeds were used to repay loans.

1. Management Discussion and Analysis (Continued)

1. The business scope and operating results of the Company (Continued)

Analysis of operating results and financial condition in accordance with CASBE (Continued)

Use of proceeds

(1) General use of proceeds

(一) 經營管理研討與分析(續)

1. Management Discussion and Analysis (Continued)

1. 主營業務範圍及其經營狀況(續)

1. The business scope and operating results of the Company (Continued)

按國內有關規定披露的經營狀況
及財務狀況分析(續)

Analysis of operating results and financial condition in
accordance with CASBE (Continued)

募集資金使用情況

Use of proceeds

(2) 募集資金承諾項目情況

(2) Projects on which the raised proceeds were undertaken
to spend

單位：萬元 Unit: Ten thousand

承諾投資項目 和超募資金投向	是否已變 更項目 (含部分變更)	募集資金 承諾投資 總額	調整後 投資總額(1)	本報告期 投入金額	截至期末 累計投入 金額(2)	截至期末 投資進度(3) =(2)/(1)	項目達到 預定可使用 狀態日期	本報告期 實現的效益	是否達到 預計效益	項目可行性 是否發生 重大變化
Undertaken investment in project(s) and use of over-raised proceeds	Changes in project (Partial change included)	Total amount of investment undertaken with to be used from the raised proceeds	Total amount of investment after adjustment ⁽¹⁾	Invested amount during the reporting period	Invested amount as of the end of the period ⁽²⁾	Investment progress as of the end of the period ^{(3)=(2)/(1)}	Date of the project to attain its intended use	Achieved results during the reporting period	Whether it achieved its intended results or not	Significant changes in project feasibility
承諾投資項目	Undertaken investment project(s)									
歸還銀行貸款 Repayment of bank loans	否 No	22,339.85	22,339.85	22,339.85	22,339.85	100.00%		0	是 Yes	否 No
承諾投資項目小計 Sub-total of undertaken investment project(s)	-	22,339.85	22,339.85	22,339.85	22,339.85	-	-	0	-	-
超募資金投向 Use of over-raised proceeds										
無 Nil	否 No								否 No	否 No
合計 Total	-	22,339.85	22,339.85	22,339.85	22,339.85	-				

未達到計劃進度或預計收益的情況和
原因(分具體項目)

無

Status and reason of lagging
behind schedule or not achieving
expected return (by project)

Nil

項目可行性發生重大變化的情況
說明

無

Illustration on the significant changes
in project feasibility

Nil

超募資金金額、用途及使用進展情
況

不適用

Amount, use and update on use of
over-raised proceeds

Not applicable.

募集資金投資項目實施地點變更
情況

不適用

Change in location of the investment
projects with
the use of proceeds

Not applicable.

(一) 經營管理研討與分析(續)

1. 主營業務範圍及其經營狀況(續)

按國內有關規定披露的經營狀況及財務狀況分析(續)

募集資金使用情況(續)

(2) 募集資金承諾項目情況(續)

1. Management Discussion and Analysis (Continued)

1. The business scope and operating results of the Company (Continued)

Analysis of financial condition and operating result in accordance with CASBE (Continued)

Use of proceeds (Continued)

(2) Projects on which the raised proceeds were undertaken to spend (Continued)

單位：萬元 Unit: Ten thousand

承諾投資項目 和超募資金投向	是否已變 更項目 (含部分變更)	募集資金 承諾投資 總額	調整後 投資總額(1)	本報告期 投入金額	截至期末 累計投入 金額(2)	截至期末 投資進度(3) =(2)/(1)	項目達到 預定可使用 狀態日期	本報告期 實現的效益	是否達到 預計效益	項目可行性 是否發生 重大變化
Undertaken investment in project(s) and use of over-raised proceeds	Changes in project (Partial change included)	Total amount of investment undertaken with to be used from the raised proceeds	Total amount of investment after adjustment ⁽¹⁾	Invested amount during the reporting period	Invested amount as of the end of the period ⁽²⁾	Investment progress as of the end of the period ^{(3)=(2)/(1)}	Date of the project to attain its intended use	Achieved results during the reporting period	Whether it achieved its intended results or not	Significant changes in project feasibility
募集資金投資項目實施方式調整 情況	不適用									
Adjustment on the implementation of investment projects with the use of proceeds	Not applicable.									
募集資金投資項目先期投入及置換情 況	不適用									
Preliminary capital injection and swap for investment projects	Not applicable.									
用閒置募集資金暫時補充流動資金情 況	不適用									
Temporary application of unused proceeds as working capital	Not applicable.									
項目實施出現募集資金結餘的金額及 原因	不適用									
Amount of and reason for the balance of proceeds from the implementation of investment project	Not applicable.									
尚未使用的募集資金用途及去向	無									
Use and status of unutilised proceeds	Nil									
募集資金使用及披露中存在的問題或 其他情況	無									
Issues or other matters in the use and disclosure of proceeds	Nil									
合計	Total									

公司報告期不存在募集資金變更
項目情況。

There was no project of which the use of the proceeds raised
therefor was changed during the reporting period.

(一) 經營管理研討與分析(續)

1. 主營業務範圍及其經營狀況(續)

按香港聯合交易所有限公司公佈的證券上市規則披露的資金流動性及財政資源、資本結構分析

於2017年12月31日，本集團流動比率為134.82%，速動比率為82.83%，應收賬款周轉率為1,376.72%（應收賬款周轉率=營業收入/平均應收賬款淨額*100%），存貨周轉率為510.35%（存貨周轉率=營業成本/平均存貨淨額*100%）。

流動比率及速動比率分別較上年度末有所變動，主要原因是本年度不斷加強資金管控，積極調整負債結構，負債結構與財務結構日趨合理。

本集團資金需求無明顯季節性規律。

本集團資金來源主要是借款及經營產生盈利。於2017年12月31日，本集團借款總額為人民幣1,220,501千元。於2017年12月31日本集團共有貨幣資金人民幣731,126千元（包括約人民幣48,264千元銀行承兌匯票保證金存款）。本集團銀行信用狀況良好，有足夠的銀行授信額度可用。

於2017年12月31日，本公司及子公司山東淄博新達製藥有限公司分別將貨幣資金人民幣33,894千元及人民幣14,370千元質押於銀行以辦理銀行承兌匯票，子公司山東新華醫藥貿易有限公司質押應收賬款人民幣1,828千元用於辦理應收賬款保理業務，本公司固定資產人民幣152,895千元用於抵押借款。除此之外，本集團無其他抵押資產。

於本報告期內，本公司與淄博市城建重點工程建設指揮部簽訂《國有土地徵收協議》，返還了位於山東省淄博市張店區東一路14號的一宗土地。通過此次土地徵收，本公司取得補償款人民幣37,110千元。

1. Management Discussion and Analysis (Continued)

1. The business scope and operating results of the Company (Continued)

Liquidity and analysis of financial resources and capital structure under the Listing Rules published by the SEHK

As at 31 December 2017, the current ratio and the quick ratio of the Group were 134.82% and 82.83% respectively, the receivables turnover rate (receivables turnover rate = operating revenue/average trade and bill receivables × 100%) and the inventory turnover rate (inventory turnover rate = cost of sales/net amount of average inventories × 100%) were 1,376.72% and 510.35% respectively.

The current ratio and quick ratio varied from those at the end of the previous year, mainly due to the continuous enhancement of capital control throughout this year and the active adjustment of the liability structure, resulting in a more reasonable liability structure and financial structure.

The Group's demand for working capital did not show significant seasonal fluctuation throughout the year.

The Group's main sources of funds were loans and operating profits. As at 31 December 2017, the total amount of outstanding loans was RMB1,220,501,000. As at 31 December 2017, currency funds of the Group amounted to RMB731,126,000 (including RMB48,264,000 as security deposit for bank acceptance bills). The Group has a good credit record with banks and has sufficient unused facilities.

As at 31 December 2017, the Company and its subsidiary Shandong Zibo Xincat Pharmaceutical Co., Ltd. charged their respective currency funds of RMB33,894,000 and RMB14,370,000 respectively to the bank for arrangement of bank acceptance bills. Shandong Xinhua Pharmaceutical Trade Co., Ltd., a subsidiary of the Company, charged its accounts receivable of RMB1,828,000 for application of accounts receivable factoring. The Company's fixed asset of RMB152,895,000 was charged as security for loans. Save as disclosed, the Group did not have other assets charged.

During the reporting period, the Company and Zibo City Urban Construction Key Project Headquarters signed the State-Owned Land Resumption Agreement to revert a parcel of land located at Dongyi Road 14, Zhangdian District, Zibo City, Shandong Province. Through which, the Company received compensation in the amount of RMB37,110,000.

(一) 經營管理研討與分析(續)

1. 主營業務範圍及其經營狀況(續)

按香港聯合交易所有限公司公佈的證券上市規則披露的資金流動性及財政資源、資本結構分析(續)

除已經披露外，本集團於報告期內無任何重大投資、收購或資產處置。

本集團業績的分類情況參見本章之「按國內有關規定披露的經營狀況和財務狀況分析」。

截至2017年12月31日，本集團員工人數為6,384人，2017年全年員工工資總額為人民幣435,814千元。*

本集團的資產負債率為51.09%。(資產負債率=負債總額/資產總額*100%)

公司現有的銀行存款主要目的是為項目建設及生產經營作資金準備。

本集團之資產及負債主要以人民幣為記帳本位幣，2017年度出口創匯完成207,846千美元，亦存在一定的匯率波動風險。本集團在降低匯率波動風險方面主要採取了以下措施：1.提高產品出口價格以降低匯率波動風險；2.在簽訂大額出口合同時就事先約定，在超出雙方約定範圍的匯率波動限度時，匯率波動風險由雙方承擔。

* 應付職工薪酬明細包括其它事項包括福利、社保、公積金等已於本報告財務報表「合併財務報表主要項目註釋」第20項「應付職工薪酬」下詳列。

1. Management Discussion and Analysis (Continued)

1. The business scope and operating results of the Company (Continued)

Liquidity and analysis of financial resources and capital structure under the Listing Rules published by the SEHK (Continued)

Save as disclosed, the Group did not have any material investment, acquisitions or disposal of assets during the Reporting Period.

For breakdown of the performance results of the Group, please refer to the section headed "Analysis of operating results and financial condition in accordance with CASBE".

As at 31 December 2017, the number of staff employed by the Group was 6,384, and the total amount of salaries and wages for 2017 was RMB435,814,000.*

The asset-liability ratio of the Group was 51.09% (asset-liability ratio = total liabilities/total assets × 100%).

The main purposes of the bank deposits of the Company are for working capital for projects, production and operation.

The assets and liabilities of the Group were mainly recorded in RMB. For the year 2017, the revenue from the Group's exports was approximately US\$207,846,000, which was subject to risks associated with the fluctuation of exchange rates. Therefore, the Group has taken the following measures to lower the risks from the fluctuation of exchange rates: (1) the Group has increased the price of its export products to reduce the risks of fluctuation of exchange rates; and (2) the Group has made arrangements with overseas customers when entering into material export contracts that the risks associated with the fluctuation in exchange rates shall be borne by both parties if the fluctuation exceeds the range agreed by the parties.

* A breakdown of other items including employee welfare, social insurance and provident funds is set out under item 20 "Payroll payable" in the Notes to Main Items in Consolidated Financial Statement in this Report.

(一) 經營管理研討與分析(續)

2. 控股子公司經營及業績情況

於2017年年末：

- (1) 本公司享有淄博新華一百利高製藥有限責任公司50.1%股東權益。合資公司註冊資本為美元6,000千元，主要從事生產、銷售布洛芬原料藥。於2017年12月31日，該公司總資產為人民幣85,214千元，所有者權益為人民幣72,557千元，2017年度實現營業收入為人民幣142,674千元，較去年同期上升18.31%，實現淨利潤為人民幣6,828千元，較去年同期下降14.96%，淨利潤下降的主要原因是原材料及動力採購成本大幅度上升所致。
- (2) 本公司享有淄博新華一中西製藥有限責任公司75%股東權益。合資公司註冊資本為美元1,500千元，主要生產、銷售聚卡波非鈣原料藥。於2017年12月31日，該公司總資產為人民幣12,031千元，所有者權益為人民幣12,031千元，2017年度實現營業收入為人民幣5,360千元，淨虧損為人民幣1,335千元。

1. Management Discussion and Analysis (Continued)

2. Operations and Results of subsidiaries of the Company

As at the end of 2017:

- (1) The total registered capital of Zibo Xinhua-Perrigo Pharmaceutical Company Limited was US\$6,000,000, and the Company holds 50.1% of its equity interest. This subsidiary is mainly engaged in producing and selling Ibuprofen. As at 31 December 2017, the total assets of the subsidiary was approximately RMB85,214,000, and the equity attributable to shareholders of the subsidiary was approximately RMB72,557,000. In 2017, the operating income and the net profit of the subsidiary were approximately RMB142,674,000 and RMB6,828,000 respectively, representing an increase of 18.31% and an increase of 14.96% respectively as compared with that of last year. The decrease in net profit were mainly attributable to the significant increase of cost in raw material and power.
- (2) The total registered capital of Zibo Xinhua-Eastwest Pharmaceutical Company Limited was US\$1,500,000, and the Company holds 75% of its equity interest. This subsidiary is mainly engaged in producing and selling calcium polycarbophil bulk pharmaceutical products. As at 31 December 2017, the total assets of the subsidiary were approximately RMB12,031,000, and the equity attributable to shareholders of the subsidiary was approximately RMB12,031,000. In 2017, the operating income and the net loss of the subsidiary were approximately RMB5,360,000 and RMB1,335,000 respectively.

(一) 經營管理研討與分析(續)

2. 控股子公司經營及業績情況(續)

- (3) 本公司享有山東新華醫藥貿易有限公司100%股東權益。該公司註冊資本為人民幣48,499千元，主要經營生物製品、中藥飲片、中成藥、化學原料藥、化學製劑、抗生素製劑、生化藥品、保健食品、醫療器械、計劃生育藥具、化妝品等。於2017年12月31日，該公司總資產為人民幣323,053千元，所有者權益為人民幣634千元，2017年度實現營業收入為人民幣1,518,259千元，較去年同期增長9.38%。實現淨利潤人民幣61千元，較去年同期減少人民幣454千元，淨利潤減少的主要原因是本年度積極開拓市場，銷售費用增加所致。
- (4) 本公司享有山東新華製藥進出口有限責任公司100%股東權益。該公司註冊資本為人民幣5,000千元，主要從事貨物、技術進出口和開展對銷貿易、轉口貿易。於2017年12月31日，該公司總資產為人民幣50,739千元，所有者權益為人民幣37,023千元，2017年度實現營業收入為人民幣105,778千元，較去年同期上升28.23%。實現淨利潤為人民幣4,531千元，較去年同期下降39.09%，淨利潤下降的主要因為本年度採購成本增加所致。

1. Management Discussion and Analysis (Continued)

2. Operations and Results of subsidiaries of the Company (Continued)

- (3) The total registered capital of Shandong Xinhua Medical Trade Company Limited was RMB48,499,000, and the Company holds 100% of its equity interest. This subsidiary is mainly engaged in the business of biological products, prepared Chinese herbal medicine decoction, traditional Chinese medicine, chemical bulk drugs, preparations, antibiotic preparations biochemical medicine, health food, medical appliances, drugs and products for birth control and cosmetics etc.. As at 31 December 2017, the total assets of the subsidiary were approximately RMB323,053,000, equity attributable to shareholders of the subsidiary was approximately RMB634,000. In 2017, the operating income of the subsidiary was approximately RMB1,518,259,000, representing an increase of 9.38% as compared with that of last year. The net profit was RMB61,000, representing a decrease of RMB454,000 as compared with that of last year. The decrease was mainly due to the active expansion in the market, and the increase in sales and distribution expenses.
- (4) The registered capital of Shandong Xinhua Pharmaceutical Import and Export Company Limited was RMB5,000,000, and the Company holds 100% of its equity interest. This subsidiary is mainly engaged in the import and export of goods and technologies, marketing and re-exports. As at 31 December 2017, the total assets of the subsidiary were approximately RMB50,739,000, and the equity attributable to shareholders of the subsidiary was approximately RMB37,023,000. In 2017, the operating income and the net profit of the subsidiary were approximately RMB105,778,000 and RMB4,531,000 respectively, representing an increase of 28.23% and a decrease of 39.09% respectively as compared with that of last year. The decrease in net profits was mainly attributable to increase in costs of procurement.

(一) 經營管理研討與分析(續)

2. 控股子公司經營及業績情況(續)

- (5) 本公司享有新華製藥(壽光)有限公司100%股東權益。該公司實收資本為人民幣230,000千元，主要從事生產、銷售化工產品。於2017年12月31日，該公司總資產為人民幣772,028千元，所有者權益為人民幣410,783千元，2017年度實現營業收入為人民幣746,349千元，較去年同期上升12.43%，營業利潤為人民幣50,785千元，淨利潤為人民幣36,406千元，較去年同期下降12.39%，淨利潤下降的主要原因為本年度受化工原料市場價格波動影響，原材料採購成本大幅上升所致。
- (6) 本公司享有淄博新華大藥店連鎖有限公司100%股東權益。該公司註冊資本為人民幣2,000千元，經營範圍包括：中成藥、中藥飲片、化學藥製劑、診斷藥品、保健食品、計劃生育藥品、醫療器械、化妝品的零售。於2017年12月31日，該公司總資產為人民幣28,434千元，所有者權益為人民幣3,524千元，2017年度實現營業收入為人民幣55,614千元，較去年同期增長13.65%，淨利潤為人民幣179千元。

1. Management Discussion and Analysis (Continued)

2. Operations and Results of subsidiaries of the Company (Continued)

- (5) The total paid-up capital of Xinhua Pharmaceutical (Shouguang) Company Limited was RMB230,000,000, and the Company holds 100% of its equity interest. This subsidiary is mainly engaged in producing and selling chemical products. As at 31 December 2017, the total assets of the subsidiary were approximately RMB772,028,000, and the equity attributable to shareholders of the subsidiary was approximately RMB410,783,000. In 2017, the operating revenue was RMB746,349,000, representing an increase of 12.43% when compared with that of the last year. The operating income was RMB50,785,000; the net profit of the subsidiary was RMB36,406,000, representing a decrease of 12.39% as compared with that of last year. The decrease in net profit was mainly attributable to the effect of the fluctuation of prices of chemical materials and the costs of materials procurement substantially increased.
- (6) The registered capital of Zibo Xinhua Drug Store Chain Company Limited is RMB2,000,000 and the Company holds 100% of its equity interest. The main operations of the subsidiary are the sale of traditional Chinese medicine, prepared Chinese herbal medicine decoction, chemical preparations, drugs for diagnosis, drugs for birth control, medical devices, health foods and cosmetics. As at 31 December 2017, the total assets of the subsidiary were approximately RMB28,434,000, and the equity attributable to shareholders of the subsidiary was approximately RMB3,524,000. In 2017, the operating income of the subsidiary was approximately RMB55,614,000, representing an increase of 13.65% as compared with that of last year. The net profit of the subsidiary was approximately RMB179,000.

(一) 經營管理研討與分析(續)

2. 控股子公司經營及業績情況(續)

- (7) 本公司享有山東新華醫藥化工設計有限公司100%股東權益。該公司註冊資本為人民幣6,000千元，主要經營醫藥工程的設計等，於2017年12月31日，該公司總資產為人民幣16,035千元，所有者權益為人民幣14,136千元，2017年度實現營業收入為人民幣17,953千元，較去年同期下降11.70%，實現淨利潤為人民幣1,169千元，較去年同期下降24.34%，下降的主要因為受市場競爭影響，設計服務規模有所下降。
- (8) 本公司享有山東新華製藥(歐洲)有限公司65%股東權益。合資公司註冊資本為歐元769千元，主要經營醫藥原料藥及中間體。於2017年12月31日，該公司總資產為人民幣30,381千元，所有者權益為人民幣15,883千元，2017年度實現營業收入為人民幣135,653千元，實現淨利潤為人民幣5,640千元，較去年同期大幅增長，增長較大的主要因為本年度不斷開拓市場，擴大銷售規模，降低成本所致。

1. Management Discussion and Analysis (Continued)

2. Operations and Results of subsidiaries of the Company (Continued)

- (7) The registered capital of Zibo Xinhua Pharmaceutical Design Institute Company Limited was RMB6,000,000 and the Company holds 100% of its equity interest. This subsidiary is mainly engaged in the business of the design of medical projects. As at 31 December 2017, the total assets of the subsidiary were approximately RMB16,035,000, and the equity attributable to shareholders of the subsidiary was approximately RMB14,136,000. In 2017, the operating income was approximately RMB17,953,000, representing a decrease of 11.70% as compared with that of last year. The net profit of the subsidiary was approximately RMB1,169,000, representing a decrease of 24.34% as compared with that of last year. The decreases was mainly attributable to the competition in the market, and decrease in the scale of the design services.
- (8) The registered capital of Shandong Xinhua Pharmaceutical (Europe) Company Limited was EUR769,000 and the Company holds 65% of its equity interest. This subsidiary is mainly engaged in the business of bulk pharmaceutical and intermediates. As at 31 December 2017, the total assets of the subsidiary was RMB30,381,000, and the equity attributable to shareholders of the subsidiary was RMB15,883,000. In 2017, the operating income and the net profits of the subsidiary were RMB135,653,000 and RMB5,640,000 respectively, representing substantial increases as compared with that of last year. The increase in operating income and net profits was mainly attributable to the continuous business expansion, the scale-up of sales and costs reduction in the year.

(一) 經營管理研討與分析(續)

2. 控股子公司經營及業績情況(續)

- (9) 本公司享有新華(淄博)置業有限公司100%股權權益。該公司於2010年12月註冊成立，註冊資本為人民幣20,000千元，主要經營房地產開發、銷售等。於2017年12月31日，該公司總資產為人民幣132,191千元，所有者權益為人民幣19,748千元，2017年實現淨利潤為人民幣137千元。
- (10) 本公司享有新華製藥(高密)有限公司100%股權權益。該公司於2012年4月註冊成立，註冊資本為人民幣19,000千元，主要經營針粉劑、片劑等。於2017年12月31日，該公司總資產為人民幣60,728千元，所有者權益為人民幣1,033千元，2017年實現淨利潤為人民幣364千元。
- (11) 本公司享有山東新華製藥(美國)有限責任公司100%股東權益。該公司成立於2013年1月29日，註冊資本為美元1,500千元，主要經營範圍：醫藥、化工、保健品的研發、認證及進出口業務等。於2017年12月31日，該公司總資產為人民幣20,202千元，所有者權益為人民幣14,665千元，2017年實現淨利潤為人民幣3,317千元。

1. Management Discussion and Analysis (Continued)

2. Operations and Results of subsidiaries of the Company (Continued)

- (9) Total registered capital of Xinhua (Zibo) Real Estate Company Limited was RMB20,000,000, and the Company holds 100% of its equity interest. This subsidiary was established in December 2010 and is mainly engaged in the business of real estate development and sales. As at 31 December 2017, the total assets of the subsidiary were approximately RMB132,191,000, and the equity attributable to shareholders of the subsidiary was approximately RMB19,748,000. In 2017, the net profit of the subsidiary was approximately RMB137,000.
- (10) Total registered capital of Xinhua Pharmaceutical (Gaomi) Company Limited was RMB19,000,000, and the Company holds 100% of its equity interest. This subsidiary was established in April 2012 and is mainly engaged in the business of powders for injection and tablets. As at 31 December 2017, the total assets of the subsidiary were approximately RMB60,728,000 and the equity attributable to shareholders of the subsidiary was approximately RMB1,033,000. In 2017, the net loss of the subsidiary was approximately RMB364,000.
- (11) Total registered capital of Xinhua Pharmaceutical (USA) Company Limited was US\$1,500,000, and the Company holds 100% of its equity interest. This subsidiary was established on 29 January 2013 and is mainly engaged in pharmaceuticals, chemicals, health products research and development, certification and import and export business etc. As at 31 December 2017, the total assets of the subsidiary were approximately RMB20,202,000, and the equity attributable to shareholders of the subsidiary was approximately RMB14,665,000. In 2017, the net profit of the subsidiary was approximately RMB3,317,000.

(一) 經營管理研討與分析(續)

2. 控股子公司經營及業績情況(續)

(12) 本公司享有山東淄博新達製藥有限公司60%的股權。該公司成立於1993年，註冊資本為人民幣84,930千元，主要經營範圍包括片劑、硬膠囊劑(均含頭孢菌素類、均含青黴素類、均含抗腫瘤類)、顆粒劑、幹混懸劑(均含頭孢菌素類、青黴素類)、原料藥(米格列奈鈣)、凍乾粉針劑(抗腫瘤類)。於2017年12月31日該公司總資產為人民幣239,736千元，所有者權益為134,402千元，2017年度實現營業收入為人民幣278,836千元，較去年同期上升11.63%，營業利潤人民幣19,239千元，較去年同期下降6.06%，營業利潤下降的主要原因是本年度積極開拓市場，銷售費用增加所致。

(13) 本公司享有山東新華機電工程有限公司100%股權。該公司成立於2014年4月，註冊資本人民幣8,000千元，主要經營業務為機電設備工程、化工設備安裝工程等安裝、調試及機電設備、五金交電等銷售。於2017年12月31日該公司總資產為人民幣13,728千元，所有者權益為人民幣9,026千元，2017年實現淨利潤為人民幣372千元。

[重要非全資子公司的主要財務信息]見本報告所列載財務報表附註八、(3)。

1. Management Discussion and Analysis (Continued)

2. Operations and Results of subsidiaries of the Company (Continued)

(12) The Company holds 60% equity interests in Shandong Zibo Xincat Pharmaceutical Co., Ltd., established in 1993. The registered capital of Xincat Pharmaceutical was RMB84,930,000 and its major scope of business included tablets, hard capsules (inclusive of cephalosporins, inclusive of penicillins, inclusive of anti-cancer agents), granules, dry suspension (inclusive of cephalosporins, penicillins), bulk drugs (mitiglinide calcium), and freeze-dried powder (anti-tumor). As at 31 December 2017, the total assets of the subsidiary were approximately RMB239,736,000 and the equity attributable to shareholder of the subsidiary was approximately RMB134,402,000. In 2017, it achieved operating revenue of RMB278,836,000, representing an increase of 11.63% as compared with that of last year. It recorded a operating profit of RMB19,239,000, representing a decrease of 6.06% as compared with that of last year. The decrease in operating profit was mainly attributable to the active expansion in the market in the year and the increase in sales and distribution expenses.

(13) The Company holds 100% equity interests in Shandong Xinhua Mechanical and Electrical Engineering Co., Ltd., which was established in April 2014 with a registered capital of RMB8 million. It was mainly engaged in electrical equipment engineering, installation and test of chemical equipment and electrical equipment, as well as sales of mechanical, hardware and electrical equipments. On 31 December 2017, the total assets of the subsidiary were RMB13,728,000 and the equity attributable to shareholder of the subsidiary was approximately RMB9,026,000. In 2017, it achieved a net profit of RMB372,000.

The "Main financial information of important non-wholly owned subsidiaries" is listed in item (3) under endnote VIII to Financial Statement in this report.

(一) 經營管理研討與分析(續)

3. 核心競爭力分析

公司擁有規模發展優勢，是亞洲主要的解熱鎮痛類藥物生產出口基地。

公司擁有基礎管理優勢，先後通過了ISO9001、ISO14001、ISO10012、ISO22000體系認證。

公司具備國際化發展優勢，有14個產品通過美國FDA檢查，10個產品取得歐洲COS證書，產品出口到全球50多個國家和地區。公司為全國首批15家實施製劑國際化戰略先導企業之一。

公司擁有技術創新優勢，現為高新技術企業、國家火炬計劃重點高新技術企業、國家火炬計劃生物醫藥產業基地骨幹企業，擁有國家級企業技術中心，建有企業博士後科研工作站，與50多家科研機構及高等院校有著廣泛合作。

除另有註明外，經營管理研討與分析所載數據為約整至最近千位數。

1. Management Discussion and Analysis (Continued)

3. Analysis of core competitiveness

The Company enjoys the edge of scale economy, and is a leading production and export base for antipyretic analgesic drugs in Asia.

The Company has an advantage in fundamental management and has passed the ISO9001, ISO14001, ISO10012 and ISO22000 certifications in order.

The Company has an advantage of international operation. With 14 items of the Company's products having passed the American FDA certification and 10 items having obtained the European COS certificate, the Company's products were sold to more than 50 countries and regions in the world. The Company is one of the first 15 pioneering enterprises which implements a global strategy.

The Company has an advantage in technological innovation. The Company is a recognised hi-tech technology enterprise, a key hi-tech technology enterprise under the National Torch Program, and a key enterprise in the bio-pharmaceutical industrial base under the National Torch Program. The Company has a national-level enterprise technology centre, has in place enterprise post-doctoral research station, and has extensive cooperation with more than 50 scientific and research institutions and universities.

Unless otherwise specified, the figures in the Management Discussion and Analysis are rounded to the nearest thousandth.

(二) 董事會工作報告

1. 在本年度內，本公司董事會共召開八次會議：

- (1) 本公司於2017年1月24日以書面表決方式召開第八屆董事會2017年第一次臨時會議，相關公告刊登於2017年1月25日《證券時報》、巨潮資訊網、香港聯交所網站、本公司網站。
- (2) 本公司於2017年3月14日在公司住所召開第八屆董事會第十一次會議，相關公告刊登於2017年3月15日《證券時報》、巨潮資訊網、香港聯交所網站、本公司網站。
- (3) 本公司於2017年3月27日以書面表決方式召開第八屆董事會2017年第二次臨時會議，相關公告刊登於2017年3月28日《證券時報》、巨潮資訊網、香港聯交所網站、本公司網站。
- (4) 本公司於2017年4月18日在公司住所召開第八屆董事會第十二次會議，相關公告刊登於2017年4月19日《證券時報》、巨潮資訊網、香港聯交所網站、本公司網站。
- (5) 本公司於2017年8月11日在公司住所召開第八屆董事會第十三次會議，相關公告刊登於2017年8月12日《證券時報》、巨潮資訊網、香港聯交所網站、本公司網站。
- (6) 本公司於2017年8月30日以書面表決方式召開第八屆董事會2017年第三次臨時會議，審議通過了《關於現代醫藥國際合作中心新增生產線項目的議案》及《關於淄博新華—中西製藥有限責任公司清算解散的議案》。

2. Working Report of the Board

1. During this year, the Board of Directors passed resolutions on eight occasions:

- (1) On 24 January 2017, the first extraordinary meeting 2017 of the Eighth Board was convened by way of written resolutions, and the relevant information was published in Securities Times in the PRC, Juchao website, HKExnews and on the Company's website on 25 January 2017.
- (2) On 14 March 2017, the eleventh meeting 2017 of the Eighth Board was convened at the Company's registered office, and published in Securities Times in the PRC, Juchao website, HKExnews and on the Company's website on 15 March 2017.
- (3) On 27 March 2017, the second extraordinary meeting of the Eighth Board was convened by way of written resolution, and published in Securities Times in the PRC, Juchao website, HKExnews and on the Company's website on 28 March 2017.
- (4) On 18 April 2017, the twelfth meeting of the Eighth Board was convened at the Company's registered office, and published in Securities Times in the PRC, Juchao website, HKExnews and on the Company's website on 19 April 2017.
- (5) On 11 August 2017, the thirteenth meeting 2017 of the Eighth Board was convened at the Company's registered office, and published in Securities Times in the PRC, Juchao website, HKExnews and on the Company's website on 12 August 2017.
- (6) On 30 August 2017, the Company convened the third extraordinary meeting of the Eighth Board by way of written resolution to consider and pass the resolutions concerning the "Opening of New Production Lines in the International Cooperation Centre for Modern Pharmacy" and the resolution concerning the "Liquidation and Dissolution of Zibo Xinhua-Zhongxi Pharmaceutical Co., Ltd.".

(二) 董事會工作報告(續)

1. 在本年度內，本公司董事會共召開八次會議：(續)

- (7) 本公司於2017年10月30日在公司住所召開第八屆董事會第十四次會議，相關公告刊登於2017年10月31日《證券時報》、巨潮資訊網、香港聯交所網站、本公司網站。
- (8) 本公司於2017年12月22日在公司住所召開第九屆董事會第一次會議，相關公告刊登於2017年12月23日《證券時報》、巨潮資訊網、香港聯交所網站、本公司網站。

2. 董事會執行股東大會決議情況

2017年4月中國證監會以《關於核准山東新華製藥股份有限公司非公開發行股票的批覆》(證監許可【2017】459號)，核准公司非公開發行不超過67,143,466股新股。2017年10月本公司非公開發行21,040,591股A股(山東新華製藥股份有限公司—第一期員工持股計劃參與本次非公開發行並認購3,109,686股A股，其中808,963股A股由本公司部分董事監事及高級管理人員認購，詳情請見本公司日期為2015年12月14日及2016年12月12日之通函)。本公司實際募集資金淨額人民幣223,398,463.28元。詳情參見刊載於聯交所及2017年10月13日及之前刊載於《巨潮資訊網》上的有關公告。

2. Working Report of the Board (Continued)

1. During this year, the Board of Directors passed resolutions on eight occasions: (Continued)

- (7) On 30 October 2017, the fourteenth meeting of the Eighth Board was convened at the Company's registered office, and the relevant information was published in Securities Times in the PRC, Juchao website, HKExnews and on the Company's website on 31 October 2017.
- (8) On 22 December 2017, the first meeting of the Ninth Board was convened at the Company's registered office, and the relevant information was published in Securities Times in the PRC, Juchao website, HKExnews and on the Company's website on 23 December 2017.

2. The Board's of the resolutions passed at general meetings

Pursuant to the "Approval on the Non-public Issuance of Shares of Shandong Xinhua Pharmaceutical Company Limited" (Zheng Jian Xu Ke [2017] No. 459) issued by China Securities Regulatory Commission in April 2017, the non-public issuance of up to 67,143,466 new shares of the Company was approved. In October 2017, the Company placed 21,040,591 A shares by way of non-public issuance (Shandong Xinhua Pharmaceutical Company Limited – Phase I of the Employee Stock Ownership Scheme of the Company participated in this non-public issuance and subscribed for 3,109,686 A shares of which 808,963 A Shares were subscribed for by some of the Directors, Supervisors and Senior Officers of the Company. For details of the relevant subscription arrangement please refer to the circulars of the Company dated 14 December 2015 and 12 December 2016). The Company raised net proceeds of RMB223,398,463.28. For details, please refer to the relevant announcements published on Juchao website on and before 13 October 2017 and on the SEHK.

(三) 其他情況

董事、監事及高級管理人員簡介

董事、監事及高級管理人員簡介見本報告「董事、監事、高級管理人員和員工情況」一節。

公眾持股

本公司確認於本報告期內及截至發出本報告前的最後可行日期本公司公眾股東持股量滿足有關要求。

董事、監事的酬金

本年度本公司董事、監事的酬金詳情載於本報告財務報表附註十一、(四)、1。

3. Others

Brief Introduction of Directors, Supervisors and Senior Officers

The biographical details of the Directors, Supervisors and Senior Officers are set out in the section headed “Directors, Supervisors, Senior Officers and Staff” in this report.

Public Float

The Company has complied with the requirement in respect of the public float during this reporting period and up to the latest practicable date prior to the issue of this report.

Remuneration of Directors and Supervisors

Details of the remuneration of the Company’s Directors and Supervisors are set out in item (IV)1. under endnote XI to the financial statements in this report.

(三) 其他情況(續)

最高酬金人士

本年度本集團獲最高酬金的前五名人士為三名本公司董事及兩名管理人員。其詳情請見本報告財務報表附註十一、(四)、2。

董事、監事購買集團公司股份或債券之權利中取得之利益

除已於本報告「董事會報告—董事會工作報告」及「董事、監事及其它高級管理人員簡介—其它高級管理董事、監事及其它高級管理人員任職起始時間及持有本公司股份情況」章節以及本公司日期為2015年12月14日及2016年12月12日之通函所披露之員工持股計劃於本公司非公開增發中認購本公司A股，本公司、其控股公司及控股公司其它附屬公司概無於本報告期內任何時間訂立任何安排、致使本公司之任何董事、監事或其配偶或其未滿十八歲子女通過購入本公司或任何其它公司之股份或債券而獲得利益。

董事、監事之服務合約

現有董事、監事暫未與本公司訂立服務合約。

現任董事或監事與本公司概無訂立若於一年內作出賠償(法定賠償除外)方可終止之服務合約。

管理合約

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

董事與監事之合約中的利益

本公司、其所屬公司、其控股股東或控股公司其它附屬公司於本年度年終或年內任何時間，均無就本集團業務簽訂任何董事、監事直接或間接佔有重大利益的合約。

3. Others (Continued)

Highest Paid Individuals

The five highest paid individuals of the Group during the year 2017 were three directors and two members of the management. For details please see item (IV) 2. under endnote XI to the Financial Statements of this report.

Benefits acquired by Directors and Supervisors by means of acquisition of shares in or debentures of Group companies

Save for the Employee Stock Ownership Scheme's subscription in the non-public issuance of A Shares of the Company as disclosed under the section headed "Report of the Board of Directors – Working Report of the Board" and "Brief Introduction of Directors, Supervisors and Senior Officers – Changes of directors, supervisors and senior management of the Company and the number of shares held by them" in this report and the circulars of the Company dated 14 December 2015 and 12 December 2016, at no time during the reporting period has the Company, its holding company or its fellow subsidiaries become a party to any arrangements to enable any of the Directors, the Supervisors, or their spouses or children under 18 years of age to take advantage by acquiring shares in, or debentures of, the Company or any other body corporate.

Service Contracts of Directors and Supervisors

None of the Directors and Supervisors has entered into a service contract with the Company.

None of the Directors and the Supervisors has a service contract with the Company which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

Management Contracts

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

Directors' and Supervisors' Interests in Contracts

None of the Company, its holding company, its controlling shareholder or subsidiaries of the controlling company have entered into any contracts in relation to the Company's business in which any Directors or Supervisors had a material interest, whether directly or indirectly at the end of the year or at any time during the year.

(三) 其他情況(續)

帳目

根據中國企業會計準則編製的有關本集團及本公司截至2017年12月31日止年度業績和於2017年12月31日財務狀況載於本報告所附載之財務報表。

財務摘要

根據中國企業會計準則編製的本集團於過去五個會計年度的業績、資產及負債載於「會計數據和業務數據摘要」。

公司近三年現金分紅情況

根據中國企業會計準則編製本集團截至2015年12月31日止年度實現的歸屬於上市公司股東的淨利潤為人民幣83,062千元，按照本公司2015年度實現的淨利潤10%提取法定盈餘公積金人民幣4,152千元；派發末期股息每10股人民幣0.2元(含稅)，按當時已發行的307,312,830股A股及150,000,000股H股計算，共計人民幣9,146,256.6元。

根據中國企業會計準則編製本集團截至2016年12月31日止年度實現的歸屬於上市公司股東的淨利潤為人民幣122,272千元，按照本公司2016年度實現的淨利潤10%提取法定盈餘公積金人民幣7,752千元；根據於2017年12月22日召開的臨時股東大會決議案，以公司當時總印行股數478,353,421股為基數，向全體股東(包括非公開發行A股股票新增股東)每10股派發特別股息人民幣0.3元(含稅)，共計人民幣14,350,602.63元。

3. Others (Continued)

Accounts

The Group's results for the year ended 31 December 2017 and the financial position of the Group and the Company as at 31 December 2017 prepared in accordance with CASBE are set out in the financial statements in this report.

Financial Summary

A summary of the results, assets and liabilities of the Group prepared in accordance with CASBE for the last five financial years is set out in section headed "Summary of Financial and Operating Results".

Cash dividends of the Company in the past three years

In accordance with CASBE, the Group recorded net profit attributable to the shareholders of the Company of approximately RMB83,062,000 for the year ended 31 December 2015. 10% of the net profit of the Company was transferred to the statutory surplus reserves amounting to approximately RMB4,152,000. The Board had recommended to distribute a final dividend at RMB0.2 per 10 shares (tax inclusive) on 307,312,830 A shares and 150,000,000 H shares in issue then, which was aggregated to be approximately RMB9,146,256.6.

In accordance with CASBE, the Group recorded net profit attributable to the shareholders of the Company of approximately RMB122,272,000 for the year ended 31 December 2016. 10% of the net profit of the Company was transferred to the statutory surplus reserves amounting to approximately RMB7,752,000. Pursuant to the resolution of the extraordinary general meeting held on 22 December 2017, the Board had recommended to distribute a special dividend at RMB0.3 (tax inclusive) per 10 shares, based on the then total issued shares of the Company of 478,353,421 shares (including the new shareholders in the non-public issuance of A shares), which was aggregated to be approximately RMB14,350,602.63.

(三) 其他情況(續)

公司近三年現金分紅情況(續)

根據中國企業會計準則編製本集團截至2017年12月31日止年度實現的歸屬於上市公司股東的淨利潤為人民幣209,592千元，按照本公司2017年度實現的淨利潤10%提取法定盈餘公積金人民幣14,292千元；董事會建議以478,353,421為基數，向全體股東派發2017年末期股息每股人民幣0.05元(含稅)，並以資本公積金轉增股本每10股轉增3股。此建議派發的股息及資本公積金轉增股本有待週年股東大會審議通過。

3. Others (Continued)

Cash dividends of the Company in the past three years (Continued)

In accordance with CASBE, the Group recorded net profit attributable to the shareholders of the Company of approximately RMB209,592,000 for the year ended 31 December 2017. 10% of the net profit of the Company in 2017 was transferred to the statutory surplus reserves amounting to approximately RMB14,292,000. The Board proposed to distribute final dividend for the year 2017 to all shareholders at RMB0.05 per share (tax inclusive) on 478,353,421 Shares and issue 3 new shares for every 10 existing shares of the Company out of capital reserve. The proposed distribution of dividends and conversion of capital reserve to share capital are subject to review and approval at the annual general meeting.

單位：人民幣元 Unit: RMB

分紅年度	Year	現金分紅金額(含稅) Cash dividend amounts (including tax)	分紅年度合併報表中 歸屬於上市公司股東 的淨利潤 Net profit attributable to the shareholders of the Company in consolidated statements	佔合併報表中歸屬於 上市公司股東的淨利 潤的比率(%) % of net profit attributable to the shareholders of the Company in consolidated statements
2017年	2017	23,917,671.05	209,591,907.23	11.41
2016年	2016	14,350,602.63	122,271,549.68	11.74
2015年	2015	9,146,256.60	83,062,257.17	11.01

2017年度利潤分配及公積金轉增預案

建議以478,353,421為基數，向全體股東派發2017年末期股息每股人民幣0.05元(含稅)，並以資本公積金轉增股本每10股轉增3股。此建議派發的股息及公積金轉增股本有待周年股東大會審議通過。

一份載有包括建議現金股息的支付貨幣及適用外匯匯率、資本公積金轉增股本、其相關記錄日及暫停股東過戶登記期間等詳情的通函將適時寄發予股東。

2017 plan for profit distribution and conversion of capital reserve into share capital

The Board proposes to distribute final dividend for the year 2017 to all shareholders at RMB0.05 per share (tax inclusive), based on the total issued shares of the Company of 478,353,421 shares and issue 3 new shares out of capital reserves for every 10 existing shares of the Company. The proposed distribution of dividends and conversion of capital reserve to share capital are subject to review and approval at the annual general meeting.

A circular containing details as to, amongst others, the payment currency and applicable foreign exchange rate for the proposed cash dividend, the conversion of capital reserve into share capital, the relevant record date and book closure period will be despatched to shareholders of the Company in due course.

(三) 其他情況(續)

主要業務及按地區劃分的營業額

本集團及本公司本年度地區分析之營業額載於財務報表附註十六、2。

股本變動及股東情況介紹

本公司於本年度內股本變動及股東情況介紹見本報告「股本變動及股東情況」一節。

儲備

本集團及本公司本年度內儲備的變動情況載於本報告所列載財務報表中之合併所有者變動表。

固定資產

本集團及本公司固定資產變動情況載於本報告所列載財務報表中附註六、10。

銀行貸款及其它借款

本集團及本公司於2017年12月31日的銀行貸款及其它借款情況之詳情載於財務報表附註六、16、六、25、六、27及六、28。

資本化利息

本年度內本集團未發生在建工程所借貸款的資本化利息。

職工宿舍

本集團截至2017年12月31日止年度內並無出售職工宿舍予本集團員工。但自1998年1月1日起，本集團已根據中國政府有關規定，按員工工資10%繳納由山東省淄博市住房公積金管理中心的住房公積金，於截至2017年12月31日止年度內，本集團共繳納職工住房公積金人民幣16,276千元。

3. Others (Continued)

Principal Activities and Operations by Geographical Area

The turnover of the Group and the Company in various geographical areas is set out in item 2 under endnote XVI to the Financial Statements in this report.

Changes in Share Capital and Shareholders

Changes in share capital and shareholders are set out in the section headed "Changes in Share Capital and Shareholders" in this Report.

Reserves

Movements in the reserves of the Group and the Company during the year 2017 are set out in the Consolidated Statement of Changes in Shareholder's Equity in the Financial Statements in this report.

Fixed Assets

Details of the movement in the fixed assets of the Group and the Company during 2017 are set out in item 10. under Note VI to the Financial Statements in this report.

Bank Loans and Other Borrowings

Particulars of bank loans and other borrowings of the Group and the Company as at 31 December 2017 are set out in items 16, 25, 27 and 28 in endnote VI to the Financial Statements in this report.

Capitalised Interest

During the year, there was no capitalised interest in respect of loans borrowed by the Group for financing its projects-in-progress.

Staff Quarters

The Group did not sell any staff quarters to its staff during the year ended 31 December 2017 but has been paying a contribution 10% of the basic wages of the Group's staff to the housing provident fund managed by the Shandong Province Zibo Municipal Finance Bureau in accordance with the relevant regulations implemented by the PRC government since 1 January 1998. For the year ended 31 December 2017, contributions to the housing provident fund made by the Group in this respect amounted to approximately RMB16,276,000.

(三) 其他情況(續)

職工基本醫療保險

根據《山東省建立城鎮職工基本醫療保險制度的實施方案》和《淄博市關於建立城鎮職工醫療保險制度的實施方案》等文件要求，本公司已經於2004年12月實行職工基本醫療保險制度。於截至2017年12月31日止年度內，本集團共繳納職工基本醫療保險人民幣21,345千元。

稅收優惠問題

2008年本公司及控股子公司山東淄博新達製藥有限公司(「新達製藥」)被認定為山東省第一批高新技術企業。按照國家高新技術企業認定辦法，高新技術企業證書有效期3年，3年後重新認定。

根據山東省科技廳、財政廳、國稅局和地稅局聯合下發的「魯科字[2018]37號」文件批覆，本公司及新達製藥被認定為高新技術企業，認定有效期為3年(自2017年至2019年)。根據《中華人民共和國所得稅法》規定，本公司及新達製藥自獲得高新技術企業認定後三年內，將享受按15%的稅率徵收企業所得稅的稅收優惠政策。

委託存款問題

截至2017年12月31日止年度，本集團沒有於非銀行金融機構的存款及屬委託性質的存款，也不存在到期不能收回的定期存款。

重要事項

2017年度內本公司的重要事項見本報告中「重要事項」一節。

3. Others (Continued)

Staff Basic Medical Insurance

Pursuant to the “Plan for Implementation of Basic Medical Insurance System for Urban Employees” promulgated by the Shandong Provincial Government and the “Schedule for Establishment of Medical Insurance System for Urban Employees” implemented by Zibo Municipal Government, the Company implemented the Basic Medical Insurance System for Employees in December 2004. For the year ended 31 December 2017, the total contribution of the Group to the staff medical insurance was approximately RMB21,345,000.

Preferential Tax Treatment

In 2008 the Company and XinCat Pharmaceutical are recognised as the first batch of hi-tech enterprises in Shandong Province. According to the Measures for the Administration of this Recognition of Hi-tech Enterprises, the certificate of national high and new technology enterprises would be valid for three years. The qualifications will be reassessed three years later.

According to the formal notice (Lu Ke (2018) No. 37) issued by the Department of Science and Technology of Shandong Province, Shandong Province Finance Bureau, National Tax Bureau of Shandong and Regional Tax Bureau of Shandong Province, the Company and XinCat Pharmaceutical are recognised as new and high technology enterprises, the recognition would be valid for three years, from (2017 to 2019). According to the Law of the People's Republic of China on Enterprise Income Tax, the Company and XinCat Pharmaceutical could enjoy a preferential tax rate of 15% with regard to their enterprise income tax.

Designated Deposits

For the year ended 31 December 2017, the Group had neither placed any deposits with any non-banking financial institutions, nor had it placed any designated deposits. The Group does not have any overdue time deposits.

Important Issues

Important issues of the Company for the year 2017 are set out in the section headed “Important Issues” in this report.

(三) 其他情況(續)**五大原料供應商及五大客戶**

本集團五大原料供應商的採購費用及五大客戶的銷售額分別佔本集團於截至2017年12月31日止年度總採購額及總銷售額之比重分別為27.82%和14.33%。

本集團最大原料供應商的採購費用及最大客戶的銷售額分別佔本集團於截至2017年12月31日止年度總採購額及總銷售額之比重分別為7.94%和3.39%。

公司主要供應商情況**3. Others (Continued)****Top Five Suppliers and Customers**

For the year ended 31 December 2017, the percentages of purchases and sales attributable to the Group's five largest suppliers and five largest customers were 27.82% and 14.33% of the Group's total purchases and total sales respectively.

For the year ended 31 December 2017, the percentages of purchases and sales attributable to the Group's largest supplier and largest customer were 7.94% and 3.39% of the Group's total purchases and total sales respectively.

Major Suppliers of the Company

序號	供應商名稱	Name of suppliers	採購額 Purchase Amount (人民幣元) (RMB)	佔年度採購 總額比例 Proportion to Annual Total Purchase (%)
1	山東金嶺化工股份有限公司	Shandong Jinling Chemical Company Limited	98,704,444.19	7.94%
2	山東華魯恒升化工股份有限公司	Shandong Hualu Hengsheng Chemical Industry Company Limited	98,290,527.72	7.91%
3	Vinati Organics Limited	Vinati Organics Limited	56,406,763.38	4.54%
4	山東新華萬博化工有限公司	Shandong Xinhua Wanbo Chemical & Industrial Company Limited	53,844,259.56	4.33%
5	河北誠信九天醫藥化工有限公司	Hebei Chengxin Jiutian Pharmaceutical Chemical Co., Ltd.	38,535,952.62	3.10%
	合計	Total	345,781,947.46	27.82%

(三) 其他情況(續)

五大原料供應商及五大客戶(續)

公司主要銷售客戶情況

序號	客戶名稱	Name of customers	銷售額 (人民幣元) (RMB)	佔年度銷售 總額比例 Proportion to Annual Total Sales (%)
1	美國百利高國際公司	Perrigo Company Medical Co., Ltd.	153,208,954.04	3.39
2	Mitsubishi Corporation	Mitsubishi Corporation	151,089,385.47	3.35
3	淄博眾生醫藥有限公司	Zibo Zhongsheng Medical Co., Ltd.	141,916,149.02	3.14
4	華潤濰坊遠東醫藥有限公司	Huarun Weifang Yuan Dong Medical Co., Ltd.	110,379,395.01	2.44
5	拜耳醫藥保健有限公司	Bayer Health Care Products Co., Ltd.	90,694,520.52	2.01
	合計	Total	647,288,404.06	14.33

據董事會所知，除美國百利高國際公司持有本公司之控股子公司淄博新華－百利高製藥有限責任公司*49.9%股權，與本公司構成關聯方關係；山東華魯恒升化工股份有限公司是本公司最終控制方華魯控股集團有限公司之子公司，與本公司構成關聯方關係；山東新華萬博化工有限公司是本公司控股股東山東新華醫藥集團有限責任公司之子公司，與本公司構成關聯方關係外，概無其他董事、該等連絡人士(按上市規則界定)，或持有本公司股本超過百分之五的股東於本年度在本集團的上述客戶或供應商擁有權益。

* 於上市規則第14A章下屬非重大附屬公司之例外

3. Others (Continued)

Top five Suppliers and Customers (Continued)

Major Customers of the Company

序號	客戶名稱	Name of customers	銷售額 (人民幣元) (RMB)	佔年度銷售 總額比例 Proportion to Annual Total Sales (%)
1	美國百利高國際公司	Perrigo Company Medical Co., Ltd.	153,208,954.04	3.39
2	Mitsubishi Corporation	Mitsubishi Corporation	151,089,385.47	3.35
3	淄博眾生醫藥有限公司	Zibo Zhongsheng Medical Co., Ltd.	141,916,149.02	3.14
4	華潤濰坊遠東醫藥有限公司	Huarun Weifang Yuan Dong Medical Co., Ltd.	110,379,395.01	2.44
5	拜耳醫藥保健有限公司	Bayer Health Care Products Co., Ltd.	90,694,520.52	2.01
	合計	Total	647,288,404.06	14.33

As far as the Directors are aware, save as Perrigo Company Medical Co., Ltd. holding 49.9% equity interests in Zibo Xinhua-Perrigo Pharmaceutical Company Limited*, a subsidiary of the Company, which constitutes related party relationships with the Company; and Shandong Hualu Hengsheng Group Company Limited is a subsidiary of Hualu Holdings Co., Ltd., the ultimate controller of the Company, which constitutes related party relationships with the Company. Shandong Xinhua Wanbo Chemical & Industrial Company Limited being a subsidiary of the Company's controlling shareholder Shandong Xinhua Pharmaceutical Group Limited which constitutes related party relationships with the Company, none of the directors and their associates (as defined in the Listing Rules), or shareholders who own more than 5% of the share capital of the Company have an interest in any of the above customers or suppliers of the Group during the year.

* falls under the exception of an insignificant subsidiary under Chapter 14A of the Listing Rules

(三) 其他情況(續)

購買、出售及贖回本公司之上市股份

除已於本公司日期為2017年10月11日及16日公告所披露之非公開發行及配售本公司A股股份事宜以外，截至2017年12月31日止年度內本公司及其附屬公司並無購買、出售或贖回其任何上市證券。

優先認股權

本公司的公司章程並無優先認股權條款。

員工退休金計劃

本集團參加國家管理的社會養老及退休保險基金，並按照當地政府的規定繳納保險費。本集團目前向社會養老及退休保險基金繳納的保險費為所有員工每年工資及獎金總額的18%。當地政府承諾支付所有現在和將來退休員工的退休福利支出。所有向社會養老及退休保險基金繳納的保險費將於損益表內作為開支。於截至2017年12月31日止之年度內，本集團繳納的社會養老及退休保險費為人民幣56,409千元。

內幕信息知情人登記管理情況

本公司董事會於2010年度內審議通過了《內幕信息知情人登記管理制度》，一直以來嚴格執行。本年度內不存在違規情形。

3. Others (Continued)

Purchase, Sale and Redemption of the Company's Listed Securities

Save for the non-public issuance and placing of A shares of the Company as disclosed in the announcements of the Company dated 11 and 16 October 2017, during the year ended 31 December 2017 neither the Company nor its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

Pre-emptive Rights

There is no provision for pre-emptive rights in the Articles of Association of the Company.

Pension Scheme Arrangements

The Group participates in the State Social Retirement and Pension Insurance Scheme (the "Scheme") and pays the insurance premium in accordance with the particular regulation issued by the local municipal government whereby it is required to make an annual contribution of 18% of the total salaries and bonuses paid to staff. In turn, the local municipal government undertakes to assume the retirement benefit obligations of all existing and future retirees of the Group. Premiums paid to the Scheme are listed in the profit and loss statement as expenses. For the year ended 31 December 2017, the total contribution of the Group to the Scheme was approximately RMB56,409,000.

Insiders Registration and Management on Insider Information

In 2010, the Board of the Company considered and approved the Insiders Registration and Management System on Insider Information (《內幕信息知情人登記管理制度》), which has since been rigorously implemented. No cases of non-compliance was reported during the year.

(三) 其他情況(續)

社會責任情況

公司將「保護健康，造福社會」作為企業使命，在挽救生命、治病救人、產品質量等方面努力履行社會責任，保護股東和債權人、職工、客戶、供應商等利益相關者的合法權益，重視環境保護及安全生產，積極參與社會公益事業。

在節能減排工作中，公司萬元產值能耗持續下降，兩次被評為山東省節能先進企業。在環境保護中，公司在國內製藥企業中第一家通過了ISO14001環境管理體系審核，獲得了山東省清潔生產A類證書，成為山東省危險廢物規範化管理達標單位。

公司以環境保護作為可持續發展的生命線，認真貫徹國家及地方的一系列環保政策包括《中華人民共和國環境保護法》、《中華人民共和國大氣污染防治法》。公司紮實推進節能環保工作，推進清潔生產，淘汰落後產能，改進生產設備，提高資源利用率，進一步減少污染物的排放。

公司按照誠實守信、互惠互利、合法合規的交易原則，與供應商和經銷商保持了良好的合作關係，為消費者提供了優質的產品和服務。強化與客戶戰略合作夥伴關係，在努力實現自身可持續發展的同時，通過召開供應商會議、客戶座談會等，使相互的合作更為高效、協調和密切。

公司注重員工的成長發展，加大各類人才教育培養力度。公司被評為山東醫藥行業優秀人才培養基地、中國教育百強企業和中國企業培訓示範基地。公司金藍領培訓基地順利通過了山東省人力資源和社會保障局複審，被批准為淄博市首家首席技師工作站。

3. Others (Continued)

Social responsibility

Taking “protecting health and benefiting community” as its corporate missions, the Company has made great efforts in fulfilling its social responsibility in aspects such as saving lives, curing the sick and product quality, protecting legitimate rights and interests of its shareholders and creditors, employees, customers, suppliers and other stakeholders, attaching great importance to environmental protection and safety production, and actively participating in social welfare undertakings.

In respect of energy saving and emission reduction, the Company was honored the advanced enterprise in energy saving in Shandong Province twice for reasons of decreasing energy consumption. As to environmental protection, the Company was the first pharmaceutical enterprise in China to pass the ISO 14001 environmental management system certification audit, and acquired Class A clean production certificate in Shandong Province, making it a qualified entity in terms of standardized management of hazardous waste in Shandong Province.

The Company takes environmental protection as lifeline of sustainable development, and fully implements a series of state and local environmental policies including “Environmental Protection law of the PRC” and “Air Pollution Prevention and Control Law of the PRC”. The Company promotes energy conservation and environment protection work, clean production, eliminate backward production capacity, improves production equipment and increases resource utilization rate in order to further reduce emissions of pollutants.

In accordance with trading principles of honesty and trustworthiness, reciprocity and mutual benefit and legal and regulatory compliance, the Company has maintained good relationships of cooperation with suppliers and distributors to provide consumers with quality products and services. While endeavor to achieve sustainable development, the Company has strengthened strategic partnership with customers through holding meetings with suppliers and customer seminars, thus making mutual cooperation more efficient and harmonious and closer.

The Company values the growth and development of its employees and has put more efforts in education and training for various talents. As such, the Company is named as the talent training base for the pharmaceutical industry in Shandong Province, one of the top 100 Chinese enterprises in education and China’s corporate training demonstration base. The Company’s golden blue-collar training base passed the review of the Human Resources and Social Security Bureau of Shandong Province and was approved as the first prime workstation for technicians of Zibo City.

(三) 其他情況(續)

社會責任情況(續)

在「非典」、汶川大地震、「4.28」膠濟鐵路重大事故及玉樹地震等國家發生重大災害或事故時，公司總在第一時間內捐款捐藥，本年度捐款人民幣17萬元，很好地實踐了企業對社會的責任和承諾。

在未來的發展過程中，公司將一如既往守法經營，大力回饋社會，為社會的可持續發展發揮積極作用。

年度報告重大差錯責任追究制度的建立與執行情況

為提高公司的規範運作水平，增強信息披露的真實性、準確性、完整性和及時性，2011年度內經公司第六屆董事會第十次會議審議通過了公司《年報信息披露重大差錯責任追究制度》，加大了對年報信息披露責任人的問責力度，提高年報信息披露的質量和透明度。報告期內，公司嚴格按照制度要求執行，未發生重大會計差錯更正、重大遺漏補充以及業績預告修正等情況。

3. Others (Continued)

Social responsibility (Continued)

In such major disasters or accidents of the nation as the “SARS”, Wenchuan earthquake, “April 28th” Jiaoji Railway crash and Yushu earthquake, the Company had been prompt to make monetary and medicinal donations, this year’s donation of RMB170,000, thus putting into practice its corporate social responsibility and commitment.

In future development process, the Company will, as always, be a law-abiding operator, contribute strongly to community, and play an active role in the sustainable development of the society.

Establishment and implementation of the accountability system for material errors in annual reports

In order to improve the Company’s standard operation level and strengthen the truthfulness, accuracy, completeness and timeliness of information disclosure, the Accountability System for Material Errors in Annual Reports was considered and approved at the 10th meeting of the sixth Board of Directors of the Company in 2011, which has enhanced the accountability of the persons in charge of information disclosure of annual reports and improved the quality and transparency of the information disclosure of annual reports. During the reporting period, the system was rigorously implemented and there was no correction required of any material accounting errors, supplement of material omissions or modification of profit alerts/warnings.

(三) 其他情況(續)

3. Others (Continued)

關聯交易

本集團在正常業務範圍內進行之重大有關聯人士交易摘要如下：

Related Transactions

Significant related transactions carried out in the normal course of the Group's business are summarized as follows:

項目	Item	2017年 2017 人民幣元 RMB	二零一六年 2016 人民幣元 RMB
與直接控股公司新華集團及其附屬公司	With direct holding company SXP GC and its subsidiaries		
– 銷售水電氣及副產品等	– Sale of water, electricity, steam and by-product	10,707,119.10	10,160,418.44
– 採購原材料	– Purchase raw materials	60,240,627.12	59,958,618.26
– 商標使用費	– Payment of annual trademark licence fee	9,433,962.00	9,858,490.50
合計	Total	80,381,708.22	79,977,527.20
與最終控股公司華魯集團及其附屬公司	With ultimate holding company HHGC and its subsidiaries		
– 銷售華魯集團化學原料藥	– Sale of bulk pharmaceuticals to HHGC	–	–
– 採購華魯恒升原材料	– Purchase of raw materials from HLHS	98,290,527.72	56,457,353.47
合計	Total	98,290,527.72	56,457,353.47
與美國百利高國際公司	Trading with Perrigo Company Medical Co., Ltd.*		
– 銷售化學原材料	– Sales of chemical raw materials	10,743,692.79	7,261,325.83
總合計	Grand total	189,415,928.73	143,695,206.50

(三) 其他情況(續)

於上市規則下須予年度申報的關連交易

本公司核數師已獲聘根據香港會計師公會頒佈的香港審核保證委聘準則第3000號「審核或審閱過去財務資料以外之核證委聘」及考慮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」報告本集團的持續關連交易。核數師已根據上市規則第14A.56條出具無保留意見函件，函件載有對本集團已披露的關連交易的結論。一份核數師函件的副本已經提交給香港聯交所。

- (1) 本公司與山東新華醫藥集團有限責任公司(「新華集團」)於2015年10月29日簽訂關於本公司及／或其附屬公司向新華集團及／或其附屬公司銷售水、電、蒸汽以及生產過程中的副產品等及從新華集團及／或其附屬公司採購維修設備所用零部件、各類包裝材料及服務以及藥品生產使用的化工原料類的協議(「新華集團協議」)，期限自2016年1月1日起至2018年12月31日止，為期3年。新華集團協議的2017年的年度上限為人民幣195,000,000元。2017年實際發生的金額為人民幣70,947,746.22元。新華集團持有及擁有本公司已發行股本總數的32.94%，目前為本公司最大股東及主要股東。就上市規則而言，新華集團為本公司的關連人士。因此，新華集團協議項下的交易構成持續關連交易。就上述持續關連交易，本公司已於2015年10月29日作出公告。

3. Others (Continued)

Connected transactions subject to annual reporting requirement under the Listing Rules

The Company's auditor was engaged to report on the Group's continuing connected transactions in accordance with the Hong Kong Standard on Assurance Engagements 3000 "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 Hong Kong Institute of Certified Public Accountants. The auditor has pursuant to Rule 14A.56 of the Listing Rules issued a letter without qualifications containing its conclusions in respect of the continuing connected transactions disclosed by the Group. A copy of the auditor's letter has been provided to SEHK.

- (1) On 29 October 2015, the Company and Shandong Xinhua Pharmaceutical Group Company Limited ("SXP GC") entered into an agreement in relation to the Company and/or its subsidiaries selling water, power and steam and by-products of production processes to and procuring accessories for repairing and maintaining equipment, packaging services and materials and chemicals raw materials from SXP GC and/or its subsidiaries for a period of three years from 1 January 2016 to 31 December 2018 (the "SXP GC Agreement"). In relation to the SXP GC Agreement, the annual cap for the year 2017 is RMB195,000,000. The actual amount incurred in 2017 was approximately RMB70,947,746.22. SXP GC holds and owns 32.94% of the total issued share capital of the Company and is currently the largest shareholder and a substantial shareholder of the Company. SXP GC is a connected person of the Company under the Listing Rules. As a result, the transactions under the SXP GC Agreement constitute continuing connected transactions. In relation to the above continuing connected transaction, the Company issued an announcement on 29 October 2015.

(三) 其他情況(續)

- (2) 於1996年12月7日，本公司獲控股股東新華集團授予商標獨家使用權(「商標許可協議」)，就其現有及將來於中國及海外的產品，使用該商標，首年年費為人民幣600,000元，其後每年遞增人民幣100,000元，直至年費達到人民幣1,100,000元的上限，此後年費將維持在人民幣1,100,000元的水平，直至商標許可協議終止為止。本公司與新華集團於2012年3月23日簽訂商標許可協議補充協議，對商標許可協議進行修訂。根據商標許可協議補充協議，商標使用年費為人民幣10,000,000元，協議期限自2012年4月1日起至2014年12月31日止，商標許可協議的其他條款維持不變。於2014年10月27日，本公司與新華集團簽訂2014年商標許可協議補充協議。根據2014年商標許可協議補充協議，本公司於2015年、2016年和2017年各年應付的商標使用年費為人民幣10,000,000元，本公司應於2015年、2016年和2017年各年的6月30日或之前向新華集團支付商標使用年費。商標許可協議的其他條款維持不變。本公司已根據商標許可協議補充協議支付2017年人民幣10,000,000元的商標年費。新華集團為本公司的關連人士。因此，商標許可協議項下的交易構成持續關連交易。就上述持續關連交易，本公司已於2009年10月28日、2012年3月23日及2014年10月27日作出公告。

本公司與新華集團已於2017年10月30日進入補充協議以延長商標使用協議下之商標使用期限。除許可年費須由本公司於2018年、2019年及2020年各年6月30日或之前支付外，上述商標許可安排維持不變。有關詳情已於公司日期為2017年10月30日之公告披露。

3. Others (Continued)

- (2) On 7 December 1996, SXPGC, controlling shareholder of the Company granted the Company the exclusive right to use the Trademark (the "Trademark Licence Agreement") for its existing and future products in and outside the PRC at an initial annual fee of RMB600,000, increasing at the rate of an additional RMB100,000 per year until the annual fee reaches the cap of RMB1,100,000. Thereafter, the annual fee shall remain at the level of RMB1,100,000 until the agreement is terminated. On 23 March 2012, the Company and SXPGC entered into the Supplemental Trademark Licence Agreement which amends and supplements the Trademark Licence Agreement. Pursuant to the Supplemental Trademark Licence Agreement, the annual licence fee for the Company to use the Trademark is RMB10,000,000 for the period between 1 April 2012 to 31 December 2014. Other terms of the Trademark Licence Agreement remained unchanged. On 27 October 2014, the Company and SXPGC entered into the 2014 Supplemental Trademark Licence Agreement. Pursuant to the 2014 Supplemental Trademark Licence Agreement, the annual licence fees payable by the Company for using the Trademark are RMB10,000,000 for each of 2015, 2016 and 2017 and the annual licence fees shall be paid by the Company to SXPGC on or before 30 June of each of 2015, 2016 and 2017. Other terms of the Trademark Licence Agreement remain unchanged. The Company paid the 2017 annual fee of RMB10,000,000 in accordance with the Supplemental Trademark Licence Agreement. As SXPGC is a connected person of the Company, the transactions contemplated under the Trademark Licence Agreement constitute continuing connected transactions. In relation to the above continuing connected transaction, the Company issued announcements on 28 October 2009, 23 March 2012 and 27 October 2014.

The Company and SXPGC entered into a supplemental agreement on 30 October 2017 for extending the use of the trademark under the Trademark Licence Agreement for years 2018 to 2020. Save for the trademark fee payable on or before 30 June 2018, 2019 and 2020, other terms of the abovementioned trademark licensing arrangements remain unchanged. The same has been disclosed in the announcement of the Company dated 30 October 2017.

(三) 其他情況(續)

- (3) 本公司與山東華魯恒升化工股份有限公司(「華魯恒升」)於2015年10月29日簽訂關於本公司及／或其附屬公司從華魯恒升及／或其附屬公司採購化工原料的協議(「華魯恒升協議」)。協議自本公司臨時股東大會及華魯恒升董事會(或股東大會)均同意之日起生效，至2018年12月31日止，除非任何一方於三個月前以書面通知終止協議。華魯恒升協議項下的2017年的年度上限為人民幣100,000,000元。華魯恒升協議在2017年實際發生的金額為人民幣98,290,000.00元。華魯控股持有山東華魯恒升集團有限公司100%股份，山東華魯恒升集團有限公司持有華魯恒升已發行股本總數32.32%，為華魯恒升最大股東。華魯控股持有新華集團100%股份，新華集團持有本公司已發行股本總數的32.94%，為本公司最大股東。因此，華魯恒升是華魯控股的連絡人，也是本公司的關連人士，華魯恒升協議項下的交易構成持續關連交易。就上述持續關連交易，本公司已於2015年10月29日作出公告。

3. Others (Continued)

- (3) On 29 October 2015, the Company and Shandong Hualu Hengsheng Chemical Company Limited (“Hualu Hengsheng”) entered into an agreement pursuant to which the Company and/or its subsidiaries purchase certain chemical products from Hualu Hengsheng and/or its subsidiaries (the “Hualu Hengsheng Agreement”). The Hualu Hengsheng Agreement is for a term commencing from the date when approval thereof has been obtained both at the extraordinary general meeting of the Company and at Hualu Hengsheng’s board meeting (or shareholders’ meeting) and ending on 31 December 2018. The Hualu Hengsheng Agreement is terminable by either party with a three-month’ prior written notice. The annual cap for the Hualu Hengsheng Agreement for 2017 is RMB100,000,000. The actual amount incurred in 2017 under the Hualu Hengsheng Agreement was RMB98,290,000.00. HHGC holds 100% equity interest of Shandong Hualu Hengsheng Group Company Limited. Shandong Hualu Hengsheng Group Company Limited holds 32.32% of the total issued share capital of Hualu Hengsheng and is the largest shareholder thereof. HHGC holds 100% equity interest of SXP GC. SXP GC holds and owns 32.94% of the total issued share capital of the Company and is the largest shareholder of the Company. Accordingly, Hualu Hengsheng, being an associate of HHGC, is a connected person of the Company and the transactions contemplated under the Hualu Hengsheng Agreement constitute continuing connected transactions. In relation to the above continuing connected transactions, the Company issued an announcement on 29 October 2015.

(三) 其他情況(續)

於2014年10月27日，本公司與華魯集團簽訂關於本公司及／或其附屬公司向控股股東附屬公司華魯集團有限公司(「華魯集團」)供應化學原料藥及化工產品的華魯集團協議，期限自2015年1月1日起生效，並已於2017年12月31日到期。本公司及華魯集團任何一方均有權提前三個月書面通知終止華魯集團協議。華魯集團協議項下2015年、2016年及2017年最高年度上限分別為人民幣65,000,000元、72,000,000元及80,000,000元。

於本報告期內集團於華魯集團協議項下並無任何交易量。

本公司董事(包括獨立非執行董事)確認上述交易乃於日常業務過程中按照一般商業條款進行，並根據有關交易的對應協定進行，條款公平合理，並且符合本公司股東的整體利益。報告期內年度總額並未超過股東批准上限。

3. Others (Continued)

On 27 October 2014, the Company and China Shandong Group Limited ("China Shandong") entered into the China Shandong Agreement whereby the Company and/or its subsidiaries agreed to supply bulk pharmaceuticals and chemical products to China Shandong, a wholly-owned subsidiary of its controlling shareholder. The China Shandong Agreement ran from 1 January 2015 and expired on 31 December 2017, during which each of the Company and China Shandong was entitled to terminate the China Shandong Agreement by giving three months' prior written notice. The annual caps under the China Shandong Agreement for years 2015, 2016 and 2017 were RMB65,000,000, RMB72,000,000 and RMB80,000,000 respectively.

In this reporting period the Group has not conducted any transactions under the China Shandong Agreement.

The Directors (including the independent non-executive Directors) confirmed the abovementioned transactions were carried out in the ordinary and usual course of the Group's business and on normal commercial terms, according to the corresponding agreement of the relevant transaction, and that the terms are fair and reasonable and in the interests of the shareholders of the Company as a whole. The aggregate amounts of the above transactions during the reporting period did not exceed the respective annual caps approved by the shareholders of the Company.

(三) 其他情況(續)

審計師對上述關連交易的確認

本公司的審計師已經審查上述持續關連交易，並根據《香港上市規則》第14A.56條向董事會提供記述了下列內容的信函：

- 審計師並無注意到任何事項令其相信該等交易未獲得本公司董事會批准；
- 就本集團提供貨品或服務所涉及的交易，審計師並無注意到任何事項令其相信該等交易未有按照本集團的定價政策進行；
- 審計師並無注意到任何事項令其相信該等交易未有按照規管該等交易的相關協議進行及
- 審計師並無注意到任何事項令其相信該等交易的金額超出本集團截至2017年12月31日止的年度交易上限金額。核數師報告中所披露的與聯營公司間的關聯交易並非上市規則第14A章所界定之持續的關連交易或關連交易。本部分所述的均是上市規則第14A章所界定的關連交易或持續關連交易。

核數師

本公司及本集團本年度按照中國企業會計準則編製的帳目已由信永中和會計師事務所(中國註冊會計師)審核。

本公司擬於2018年召開的本公司2017年度周年股東大會上建議續聘信永中和會計師事務所為本公司2018年度審計機構。

承董事會命
董事長
張代銘

中國·山東·淄博
2018年3月23日

3. Others (Continued)

Confirmation from the auditors in respect of the above connected transactions

The auditors of the Company have examined the above continuing connected transactions, and provided a letter to the Board under Rule 14A.56 of Hong Kong Listing Rules stating that:

- The auditors did not notice any matter which caused them to believe that the above transactions had not been approved by the Board of the Company;
- In respect of transactions for provision of goods or services by the Group, the auditors did not notice any matter which caused them to believe that the above transactions had not been conducted in accordance with the pricing policies of the Group;
- The auditors did not notice any matter which caused them to believe that the above transactions had not been conducted in accordance with the relevant agreements governing such transactions; and
- The auditors did not notice any matter which caused them to believe that the amounts of such transactions had exceeded the Group's annual cap of transactions for the year ended 31 December 2017. The disclosed related party transactions with associates in the auditors' report were not continuing connected transactions or connected transactions as defined in Chapter 14A of the Listing Rules. All the transactions mentioned in this section were connected transactions or continuing connected transactions as defined by Chapter 14A of the Listing Rules.

Auditors

The accounts of the Company and the Group for this year prepared in accordance with PRC accounting standards have been audited by ShineWing Certified Public Accountants (certified public accountants in the PRC).

The Company intends to re-appoint ShineWing Certified Public Accountants as auditors of the Company for the year 2018 at the 2017 annual general meeting to be held in 2018.

By order of the Board
Zhang Daiming
Chairman

Zibo, Shandong Province, PRC
23 March 2018

監事會報告

REPORT OF THE SUPERVISORY COMMITTEE

敬啟者：

2017年度，本公司監事會全體成員依照《中華人民共和國公司法》、本公司《公司章程》和有關法律法規的規定和要求，遵守誠信原則，忠實履行公司章程賦予的各項職責，為維護本公司及其股東利益積極地開展工作。

本報告期內監事會召開會議五次：

(一) 2017年3月14日在公司住所召開第八屆監事會第十一次會議，主要形成如下決議：

- (1) 審議通過2016年度監事會報告；
- (2) 審議通過2016年度報告及業績公佈；
- (3) 審議通過2016年度經審計的財務報告；
- (4) 審議通過2016年度核銷和計提資產減值準備的議案；
- (5) 審議通過2016年度關聯交易及資金佔用的議案；
- (6) 審議通過2016年度內部控制的自我評價報告。

(二) 2017年4月18日在公司住所召開第八屆監事會第十二次會議，審議通過2017年第一季度報告的議案。

(三) 2017年8月11日在公司住所召開第八屆監事會第十三次會議，審議通過2017半年度報告。

To All Shareholders:

In 2017, all members of the supervisory committee of the Company have performed their duties in protecting the interests of the Company and its shareholders in accordance with the requirements of the Company Law of the PRC, the Company's articles of association (the "Articles of Association") and the relevant PRC laws and regulations in an active, diligent and faithful manner.

The Supervisory Committee has convened five meetings during the reporting period:

1. On 14 March 2017, the eleventh meeting of the Eighth Supervisory Committee was convened at the Company's office, in which the following resolutions were passed:

- (1) To consider and approve the report of the Supervisory Committee for the year 2016;
- (2) To consider and approve the annual report and results announcement of 2016;
- (3) To consider and approve the audited financial report of 2016;
- (4) To consider and approve the resolution about writing off and provision of assets impairment allowance of 2016;
- (5) To consider and approve the resolution about related transactions and employment of funds of 2016;
- (6) To consider and approve the self-assessment report of internal control of 2016.

2. On 18 April 2017, the twelfth meeting of the Eighth Supervisory Committee was convened at the Company's office to approve the first quarterly report of 2017.

3. On 11 August 2017, the thirteenth meeting of the Eighth Supervisory Committee was convened at the Company's office to approve the interim report of 2017.

監事會報告(續)

Report of the Supervisory Committee (continued)

(四) 2017年10月30日在公司住所召開第八屆監事會第十四次會議，審議通過本公司2017年第三季度報告的議案。

(五) 2017年12月22日在公司住所召開第九屆監事會第一次會議，審議通過選舉李天忠為第九屆監事會主席的議案。

本監事會在本年度列席本公司董事會會議對本公司董事會所作經營決策決議是否符合國家的法律、法規及公司章程，是否符合本公司的發展前景以及是否符合股東的權益實施有效的監督。認為公司能夠依法進行運作。

本監事會認為本公司本年度所發生的關聯交易公平合理。

本監事會亦認真行使職權，全面認真地審閱了董事會擬提交本次股東周年大會之財務報表、董事會的工作報告等，並未發現疑問，2017年財務報告真實反映本公司的財務狀況和經營成果。

除已於本報告之財務報表附註十三披露之或有事項外，本期內本集團並不知悉其涉及任何未完結或面臨的重大訴訟、仲裁事項。

在本年度內本公司按照《企業內部控制基本規範》和相關規定在所有重大方面保持有效的財務報告內部控制。

監事會認為《公司募集資金2017年度存放與使用情況的專項報告》真實、準確地反映了公司2017年度募集資金存放與使用情況。公司2017年度募集資金存放與使用符合《上市公司監管指引第2號—上市公司募集資金管理和使用的監管要求》、《深圳證券交易所主板上市公司規範運作指引》、本公司《募集資金使用管理制度》等相關規定，不存在違規情形。

4. On 30 October 2017, the fourteenth meeting of the Eighth Supervisory Committee was convened at the Company's office to approve the resolution on the Company's third quarterly report of 2017.

5. On 22 December 2017, the first meeting of the Ninth Supervisory Committee was convened at the Company's office to approve the resolution on appointing Mr. Li Tianzhong as chairman of the Ninth Supervisory Committee.

Members of the Supervisory Committee attended the Board meetings of the Company and exercised effective supervision as to whether business decisions made by the Board of Directors were in compliance with the laws and regulations of the PRC and the Articles of Association, and in line with the development of the Company and also in the interests of the shareholders of the Company. The Supervisory Committee considered that the Board of Directors exercised its powers in accordance with the law.

In the opinion of the Supervisory Committee, the related transactions that conducted during the year were fair and reasonable.

The Supervisory Committee has carried out its duties diligently. The Supervisory Committee has carefully reviewed the accounts and the Report of the Directors to be submitted by the Board of Directors to the 2017 annual general meeting and has not found anything contained therein to be questionable. In the opinion of the Supervisory Committee, the financial report for the year 2017 reflects the true financial position and results of the Company.

Save for the contingencies disclosed under endnote XIII to the financial statements of this report, the Group was not aware of any material litigation or arbitration in which it was involved or any material litigation or arbitration which was pending or threatened against the Group during the reporting period.

During the year, the Company maintained effective internal control over financial reporting in all material respects in accordance with the Basic Standards for Corporate Internal Control and other relevant provisions.

The Supervisory Committee believes that the "Specific Report on the Deposit and Use of the Company's Raised Proceeds in 2017" gives a true and accurate account of the deposit and use of raised proceeds by the Company in 2017. The deposit and use of raised proceeds by the Company in 2017 meets relevant regulations in "Supervisory Guidelines No. 2 for Listed Companies – Supervisory Requirements for Management and Use of Raised Funds of Listed Companies", the "Guidelines of the Shenzhen Stock Exchange for the Standardized Operation of Companies Listed on the Main Board" and the "Usage Management System of Raised Proceeds of the Company", and there has been no violation of those provisions.

監事會報告(續)
Report of the Supervisory Committee (continued)

監事會認為公司本次變更會計政策符合財政部及新會計準則的相關規定，是公司根據財政部相關規定進行的合理變更，符合法律法規規定，變更後的會計政策符合相關規定，能夠客觀、公允地反映公司的財務狀況和經營成果，不會損害公司及全體股東的利益。本次會計政策變更的決策程序符合有關法律、法規和《公司章程》的有關規定，同意公司本次會計政策變更。

The Supervisory Committee believes that the relevant changes in accounting policies were reasonably made by the Company in accordance with the relevant regulations of the Ministry of Finance, they comply with the relevant provisions of the Ministry of Finance, the new accounting standards and relevant laws and regulations, the changes in accounting policies also comply with relevant regulations and can give an objective and fair account of the Company's financial condition and operating results without detriment to the interests of the Company and the Shareholders as a whole. The decision-making process for changes in accounting policy were in compliance with relevant laws, regulations and the relevant provisions of the Articles of Association. Hence, the Supervisory Committee has approved these changes in the accounting policies.

承監事會命
監事會主席
李天忠

中國 • 山東 • 淄博
2018年3月23日

By order of the Supervisory Committee
Chairman of Supervisory Committee
Li Tianzhong

Zibo, Shandong Province, PRC
23 March 2018

重要事項

IMPORTANT ISSUES

1. 除已於本報告之財務報表附註十三披露之或有事項外，本報告期內本集團並不知悉其涉及任何未完結或面臨的重大訴訟、仲裁事項。

2. 於本報告期內，本公司與淄博市城建重點工程建設指揮部簽訂《國有土地徵收協議》，返還了位於山東省淄博市張店區東一路14號的一宗土地。通過此次土地徵收，本公司取得補償款人民幣37,110千元。

除上述外，於2017年度內，本集團報告期內無重大收購及出售資產、合併事項。

3. 除已於本報告及其財務報表披露以外，本報告期內本公司無託管、承包、租賃其它公司資產或其它公司託管、承包、租賃本公司資產事項。

4. 本報告期內，本公司無重大擔保及未履行完畢的重大擔保。

5. 除已於本報告及其財務報表披露以外，本報告期內，本公司無投資理財情況。

6. 本報告期內，本公司、本公司董事及高級管理人員均無受到監管部門處罰的情況。

7. 公司或持股5%以上股東披露承諾事項：無

8. 股東再融資時所作承諾：

(1) 山東新華製藥股份有限公司—第一期員工持股計劃(以下簡稱「新華製藥第一期員工持股計劃」)作為合規投資者參與本公司非公開發行股票，獲配股數為3,109,686股。根據《上市公司證券發行管理辦法》、《上市公司非公開發行股票實施細則》等相關規定，新華製藥第一期員工持股計劃鄭重承諾：自新華製藥本次非公開發行新增股份上市首日起36個月內不進行轉讓。

1. Save for the contingencies disclosed under endnote XIII to the Financial Statements of this report, the Group was not aware of any material litigation or arbitration in which it was involved or any material litigation or arbitration which was pending or threatened against the Group during the reporting period.

2. During the reporting period, the Company and Zibo City Urban Construction Key Project Headquarters signed the State-owned Land Resumption Agreement to revert a parcel of land located at Dongyi Road 14, Zhangdian District, Zibo City, Shandong Province. Through which, the Company received a compensation of RMB37,110,000.

Apart from the above transactions, the Group did not have any material investment, acquisitions or any disposal of assets during the reporting period.

3. Save as disclosed in this report and the financial statements therein, in the reporting period, there was no trust, subcontracting or lease of assets between the Company and other companies.

4. During the reporting period, there is no significant guarantee and undischarged significant guarantee made by the Company.

5. Save as disclosed in this report and the financial statements therein, during the reporting period, there has been no investment made in wealth management products made by the Company.

6. During the reporting period, the Company, its director and senior management have not been subjected to the disciplinary measures of regulatory authorities.

7. Disclosure of undertakings by the Company or its shareholders holding more than 5% of shares of the Company: Nil.

8. Undertakings made by shareholders when refinancing:

(1) The first phase Employee Stock Ownership Scheme of Shandong Xinhua Pharmaceutical Company Limited (hereinafter referred to as the "First Phase Employee Stock Ownership Scheme of Xinhua Pharmaceutical") participated in the non-public issuance and placing of A Shares of the Company as a qualified investor and was allotted 3,109,686 shares. Pursuant to such relevant regulations as Measures for the Issuance of Securities by Listed Companies (《上市公司證券發行管理辦法》) and the Implementation Rules for the Non-public Issuance of Shares by Listed Companies (《上市公司非公開發行股票實施細則》), the First Phase Employee Stock Ownership Scheme of Xinhua Pharmaceutical undertook that no transfer would be made within 36 months from the date of listing of new shares issued in the non-public issuance and placing of A Shares of the Company.

- (2) 山東聚贏產業基金合夥企業(有限合夥)作為合規投資者參與本公司非公開發行股票，獲配股數為17,930,905股。根據《上市公司證券發行管理辦法》、《上市公司非公開發行股票實施細則》等相關規定，本企業鄭重承諾：自新華製藥本次非公開發行新增股份上市首日起36個月內不進行轉讓。
- (2) Shandong Ju Ying Industrial Fund Partnership (Limited Partnership) participated in the non-public offering of the Company as a qualified investor and was allotted 17,930,905 shares. Pursuant to such relevant rules as the Administrative Measures for the Issuance of Securities by Listed Companies (《上市公司證券發行管理辦法》) and the Implementation Rules for the Non-public Issuance of Shares by Listed Companies (《上市公司非公開發行股票實施細則》), Shandong Ju Ying Industrial Fund Partnership (Limited Partnership) undertook that no transfer would be made within 36 months from the date of listing of new shares issued in the non-public issuance and placing of A Shares of the Company.
9. 關連交易見本報告財務報表附註十一。
9. Connected transactions are as set out in endnote XI to the Financial Statements in this report.
10. 核數師
10. Auditors
- 有關核數師及其酬金情況詳見「公司管治及內部控制報告」中「核數師酬金」一節。
- The auditors of the Company and their remuneration is set out in the section headed “Auditors’ remuneration” disclosed in the “Corporate Governance and Internal Control Report”.
11. 持有其他上市公司股權情況(人民幣元)
11. Information about shareholding in other listed companies (RMB)

證券代碼	證券簡稱	初始投資金額	佔該公司股權比例	期末賬面值	報告期損益	報告期所有者權益變動
Stock Code	Stock Short Name	Initial investment amount	Proportion of equity interest in investee	Book value of end of this period	Profit/loss of this period	Change of shareholder's equity of this period
601601	中國太保 China Pacific Insurance	7,000,000.00	0.06%	207,100,000.00	3,500,000.00	58,012,500.00
601328	交通銀行 BankComm	14,225,318.00	0.01%	51,041,232.00	2,231,512.80	3,073,980.80
合計 Total		21,225,318.00	-	258,141,232.00	5,731,512.80	61,086,480.80

12. 報告期接待調研、溝通、採訪等活動情況
12. Information about reception of research, communication or interview during the reporting period

接待時間	接待方式	接待對象類型
Reception time	Reception mode	Conducted by
2017年11月7日 7 November 2017	實地調研 Field research	機構 Institution

重要事項 (續)

Important Issues (continued)

13. 員工持股計劃實施情況

2017年4月中國證監會以《關於核准山東新華製藥股份有限公司非公開發行股票的批覆》(證監許可【2017】459號)·核准公司非公開發行不超過67,143,466股新股。2017年10月本公司非公開發行21,040,591股A股(山東新華製藥股份有限公司—第一期員工持股計劃參與本次非公開發行並認購3,109,686股A股)。詳情參見聯交所及2017年10月13日之前刊載於《巨潮資訊網》上的有關公告。

14. 與上年度財務報告相比，會計政策發生變化的情況說明

重要會計政策變更

- 1) 財政部發佈了《企業會計準則第42號——持有待售的非流動資產、處置組和終止經營》，對於施行日存在的持有待售的非流動資產、處置組和終止經營，要求採用未來適用法處理。
- 2) 財政部修訂了《企業會計準則第16號——政府補助》，修訂後的準則對於2017年1月1日存在的政府補助，要求採用未來適用法處理。
- 3) 財政部發佈了《財政部關於修訂印發一般企業財務報表格式的通知》，對一般企業財務報表格式進行了修訂。

13. Implementation of the Employee Stock Ownership Scheme

In April 2017, the Company received the “Reply on the Approval of the non-public issuance of Shandong Xinhua Pharmaceutical Company Limited” (CSRC Approval [2017] 459) (《關於核准山東新華製藥股份有限公司非公開發行股票的批覆》(證監許可【2017】459號)) issued by the CSRC and was approved to issue up to 67,143,466 new shares through non-public offering. In October 2017, the Company issued 21,040,591 A shares through non-public issuance and placing (of which the First Phase Employee Stock Ownership Scheme of Shandong Xinhua Pharmaceutical Company Limited participated in the issuance and placing and subscribed for 3,109,686 A shares). For details, please refer to the relevant announcements of the Company published on the Juchao Website on and before 13 October 2017 and on the SEHK.

14. Explanation on changes in accounting policies as compared with the financial report of previous year.

Major changes in accounting policies

- 1) The Ministry of Finance issued Accounting Standards for Business Enterprises No. 42 – Non-current Assets Held for Sale, Disposal Groups and Discontinued Operation in 2017 which became effective on 28 May 2017. The prospective application method shall be applied to non-current assets held for sale, disposal groups and discontinued operation which existed since the implementation date of the standard.
- 2) The Ministry of Finance revised Accounting Standards for Business Enterprises No. 16 – Government Grants. Under the revised standard, the government grants which existed since 1 January 2017 are required to be dealt with using prospective application method.
- 3) The Ministry of Finance issued Notice on the Revision of the Format for Issuing General Enterprise Financial Statements revised the format of financial statements for general enterprises.

本集團執行上述兩項準則和財會[2017]30號對2017年度的財務報表主要影響如下：

The major impacts of the implementation of the above two CAS and CK [2017] No.30 on 2017 Year Financial Statement are as follows:

會計政策變更的內容和原因

受影響的報表項目名稱和金額

Content and reason of accounting policy change

The name and amount of the report item that is affected

- 1) 在利潤表中新增「資產處置收益」項目，將部分原列示為「營業外收入」及「營業外支出」的資產處置損益重分類至「資產處置收益」項目。比較數據相應調整。

資產處置收益上年發生額增加5,250,916.35元，營業外收入相應減少5,836,722.36元，營業外支出相應減少585,806.01元；資產處置收益本年發生額增加46,047,264.22元，營業外收入相應減少46,461,596.34元，營業外支出相應減少414,332.12元。

Adding an item “gains from disposal of assets” in the income statement and reclassifying the profit or loss from disposal of assets originally stated as “non-operating income” and “non-operating expenditure” to the item “gains from disposal of assets”. The comparative data are adjusted accordingly.

The amount of gains from disposal of assets for the previous year increased by RMB5,250,916.35, while non-operating income decreased by RMB5,836,722.36 and non-operating expenditure decreased by RMB585,806.01 accordingly; the amount of gains from disposal of assets for the current year increased by RMB46,047,264.22, while non-operating income decreased by RMB46,461,596.34 and non-operating expenditure decreased by RMB414,332.12 accordingly.

- 2) 與資產相關的政府補助計入遞延收益，在資產使用壽命內分期計入其他收益；與本公司日常活動相關的政府補助，計入其他收益，不再計入營業外收入。

其他收益本年發生額增加12,508,306.00元，營業外收入相應減少12,508,306.00元。

The asset-related government subsidies would be recognised in deferred income, which would be recognised in other income in instalments within the service life of the asset; government subsidies relating to daily operations of the Company would be recognised in other income and were no longer recognised in non-operating income.

The amount of other income for the current year increased by RMB12,508,306.00, while non-operating income decreased by RMB12,508,306.00 accordingly.

- 3) 在利潤表中分別列示持續經營利潤和終止經營利潤，比較數據相應調整。

持續經營利潤上年發生額133,047,273.87元，本年發生額221,248,751.89元；終止經營利潤上年和本年發生額均無影響。

Continuing operating profit and discontinued operating profit were stated separately in the income statement, and the comparative data would be adjusted accordingly.

The amount of continuing operating profit for the previous year and for the current year were RMB133,047,273.87 and RMB221,248,751.89 respectively; there was no impact on the discontinued operating profit for the previous year and the current year.

審計報告

AUDITORS' REPORT



信永中和會計師事務所

ShineWing
certified public accountants

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XYZH/2018JNA50020

XYZH/2018JNA50020

山東新華製藥股份有限公司全體股東：

To the shareholders of Shandong Xinhua Pharmaceutical Co., Ltd.

一. 審計意見

我們審計了山東新華製藥股份有限公司(以下簡稱新華製藥)財務報表，包括2017年12月31日的合併及母公司資產負債表、2017年度的合併及母公司利潤表、合併及母公司現金流量表、合併及母公司股東權益變動表，以及相關財務報表附註。

我們認為，後附的財務報表在所有重大方面按照企業會計準則的規定編製，公允反映了新華製藥2017年12月31日的合併及母公司財務狀況以及2017年度的合併及母公司經營成果和現金流量。

二. 形成審計意見的基礎

我們按照中國註冊會計師審計準則的規定執行了審計工作。審計報告的「註冊會計師對財務報表審計的責任」部分進一步闡述了我們在這些準則下的責任。按照中國註冊會計師職業道德守則，我們獨立於新華製藥，並履行了職業道德方面的其他責任。我們相信，我們獲取的審計證據是充分、適當的，為發表審計意見提供了基礎。

1. Opinion

We have audited the financial statements of Shandong Xinhua Pharmaceutical Co., Ltd. ("Xinhua Pharmaceutical"), which comprise the consolidated and parent's balance sheet as at December 31, 2017, the consolidated and parent's income statement, the consolidated and parent's cash flow statement and the consolidated and parent's statement of changes in shareholders' equity and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated and parent's financial position as at December 31, 2017, the consolidated and parent's results of operations and cash flows in accordance with Accounting Standards for Business Enterprises.

2. Basis for Opinion

We conducted our audit in accordance with China's Standards on Auditing for Chinese Certified Public Accountants. Our responsibilities under those standards are further described in the "Registered Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of Xinhua Pharmaceutical in accordance with the Code of Ethics for Chinese Certified Public Accountants, and we have fulfilled our other ethical responsibilities of the code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit.

三. 關鍵審計事項

關鍵審計事項是我們根據職業判斷，認為對本期財務報表審計最為重要的事項。這些事項的應對以對財務報表整體進行審計並形成審計意見為背景，我們不對這些事項單獨發表意見。

1. 應收賬款壞賬準備

關鍵審計事項 Key Audit Matter

截至2017年12月31日，如新華製藥合併財務報表「附註六、3」所述，新華製藥應收賬款餘額370,143,508.49元，壞賬準備金額57,526,523.22元，賬面價值較高。新華製藥管理層在確定應收賬款預計可收回金額時，需要運用重大會計估計和判斷，若應收賬款不能按期收回或無法收回而發生壞賬對財務報表影響重大，為此我們確定應收賬款的壞賬準備為關鍵審計事項。

As of December 31, 2017, as stated in "Note VI.(3)" to Xinhua Pharmaceutical's consolidated financial statements, the carrying value of Xinhua Pharmaceutical's accounts receivable was RMB370,143,508.49, the provision of bad debt is RMB57,526,523.22, which is a relative significant amount. Xinhua Pharmaceutical's management needs to use significant accounting estimates and judgments to determine the expected recoverable amount of accounts receivable. Provision for bad debts would be incurred if the accounts receivable could not be recovered on time or could not be recovered that may have a significant impact to Xinhua Pharmaceutical's financial statements. Accordingly, we consider the provision for accounts receivable is a key audit matter.

3. Key Audit Matters

Key audit matters are those matters that we consider, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and, in forming our audit opinion thereon, we do not express separate opinion on these matters.

1. Provision for accounts receivable

審計中的應對 How the matter was addressed in the audit

我們執行的主要審計程序如下：
We mainly performed the following audit procedures:

- (1) 對新華製藥信用政策及應收賬款管理相關內部控制的設計和運行有效性進行了評估和測試；
We evaluated and tested the effectiveness of the design and implementation on Xinhua Pharmaceutical's credit policy and management of accounts receivable internal control system;
- (2) 分析新華製藥應收賬款壞賬準備會計估計的合理性，包括確定應收賬款組合的依據、金額重大的判斷、單獨計提壞賬準備的判斷等；
We analyzed the reasonableness of Xinhua Pharmaceutical's provision for accounts receivable bad debts, including the determination on the basis for the combination of accounts receivables, the judgment on the significant amounts and the recognition of provision for bad debts on individual items;
- (3) 分析計算新華製藥資產負債表日壞賬準備金額與應收賬款餘額之間的比率，比較前期壞賬準備計提數和實際發生數，分析應收賬款壞賬準備計提是否充分；
We analysed and calculated the ratio between the provision for bad debts and the balances of accounts receivable at the balance sheet date, compared the provision for bad debts recognised in previous periods with the actual amount incurred, and analysed whether the provision for bad debts of accounts receivable to be adequate;
- (4) 通過分析新華製藥應收賬款的賬齡和客戶信譽情況，並執行應收賬款函證程序及檢查期後回款情況，評價應收賬款壞賬準備計提的合理性；
Through the analysing of the aging and creditability of Xinhua Pharmaceutical's accounts receivable, and the implementation of circularisation and the reviewing of the subsequent settlements of the accounts receivable, evaluated whether the provision for bad debts of accounts receivable to be adequate;
- (5) 獲取新華製藥壞賬準備計提表，檢查計提方法是否按照壞賬政策執行；重新計算壞賬計提金額是否準確。
We obtained Xinhua Pharmaceutical's provision for bad debts schedule, assessed whether the provision method is in accordance with its provision for bad debts policy. We recalculated the provision for bad debts whether the amounts to be accurate;

三. 關鍵審計事項(續)**2. 存貨跌價準備****關鍵審計事項
Key Audit Matter**

截至2017年12月31日，如新華製藥合併財務報表「附註六、7」所述，存貨餘額734,566,272.28元，存貨跌價準備金額21,355,579.76元，賬面價值較高，對財務報表影響較為重大。新華製藥期末存貨按成本與可變現淨值孰低原則計價，管理層在確定可變現淨值時需要運用重大判斷，包括基礎化學原料受原油價格波動傳導的影響程度等，這些重大判斷對存貨的期末計價及存貨跌價準備的計提具有重大影響，為此我們確定存貨的跌價準備為關鍵審計事項。

As of December 31, 2017, as stated in Note VI.(7) to Xinhua Pharmaceutical's consolidated financial statements, the carrying amount of inventories was RMB734,566,272.28 and the provision for inventories was RMB21,355,579.76, which is a relative significant amount, it may have a significant impact on its financial statements. Xinhua Pharmaceutical's ending inventory is valued at the lower of cost and net realizable value, and management needs to use significant judgment to determine the net realizable value, including the basic chemical materials affected by the fluctuation of crude oil price. Such significant judgments bear impact on the period-end pricing of inventories and the provision for devaluation of inventory. Accordingly, we consider the provision for inventories is a key audit matter.

3. Key Audit Matters (Continued)**2. Provision for diminution in value of inventory****審計中的應對
How the matter was addressed in the audit**

我們執行的主要審計程序如下：

We mainly performed the following audit procedures:

- (1) 對新華製藥存貨跌價準備相關的內部控制的設計與執行進行了評估；
We assessed the design and implementation on Xinhua Pharmaceutical's provision for inventories internal control system;
- (2) 對新華製藥存貨實施監盤，檢查存貨的數量、狀況及產品有效期等；
We accessed Xinhua Pharmaceutical's inventories stock-taking, checked the quantities, conditions and validity period of the inventories;
- (3) 取得新華製藥存貨的年末庫齡清單，結合產品的有效期，對庫齡較長的存貨進行分析性覆核，分析存貨跌價準備是否合理；
We obtained Xinhua Pharmaceutical's year end inventories aging analysis, with the consideration of the validity period of the products, we performed substantiate audit procedures to the long aging inventories and assessed whether the provision for inventories to be reasonable;
- (4) 查詢新華製藥本年度主要原材料單價變動情況，了解2017年度原油價格的走勢，考慮存貨受原油價格影響的程度，判斷產生存貨跌價的風險；
We corroborated Xinhua Pharmaceutical's fluctuation of major raw materials unit prices during the year, understanding the trend of crude oil price in 2017, considered the impacts on the fluctuation of crude oil price to its inventories and assessed the risk on the provision of inventories.
- (5) 獲取新華製藥產品跌價準備計算表，執行存貨減值測試，檢查是否按新華製藥相關會計政策執行，檢查以前年度計提的存貨跌價本期的變化情況等，分析存貨跌價準備計提是否充分。
We obtained Xinhua Pharmaceutical's provision for inventories schedule and conducted the inventory impairment testing, assessed whether it is in accordance with Xinhua Pharmaceutical's accounting policies, reviewed the previous years' provision for inventories and changes for the year and then analysed whether the provision for inventories to be sufficient.

三. 關鍵審計事項(續)

3. 重大資產處置

關鍵審計事項 Key Audit Matter

如新華製藥合併財務報表附註「四、30(1)」和附註「六、45」所述，2017年度資產處置收益46,047,264.22元，佔本年度淨利潤的20.81%。重大資產處置事項對2017年度財務報表影響較為重大，為此我們確定重大資產處置作為關鍵審計事項。As stated in “Note IV.30(1)” and “Note VI.45” to Xinhua Pharmaceutica’s consolidated financial statements, the gain from disposal of assets amounts to RMB46,047,264.22, accounting for 20.81% of the net profit for the year, it may have a significant impact on its financial statements. Accordingly, we consider the provision for gain from disposal of assets is a key audit matter.

四. 其他信息

新華製藥管理層(以下簡稱管理層)對其他信息負責。其他信息包括新華製藥2017年年度報告中涵蓋的信息，但不包括財務報表和我們的審計報告。

我們對財務報表發表的審計意見不涵蓋其他信息，我們也不對其他信息發表任何形式的鑒證結論。

結合我們對財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與財務報表或我們在審計過程中了解到的情況存在重大不一致或者似乎存在重大錯報。

基於我們已執行的工作，如果我們確定其他信息存在重大錯報，我們應當報告該事實。在這方面，我們無任何事項需要報告。

3. Key Audit Matters (Continued)

3. Important disposal of assets

審計中的應對 How the matter was addressed in the audit

我們執行的主要審計程序如下：
We mainly performed the following audit procedures:

- (1) 獲取並查閱新華製藥重大資產處置相關協議、批准文件，檢查資產處置對價的支付憑證等；
We obtained and consulted Xinhua Pharmaceutical’s agreements related with major asset disposition, approval documents, and checked payment vouchers for disposal of assets, etc.;
- (2) 與新華製藥管理層溝通並就此覆核了管理層對資產處置協議的賬務處理，核實資產處置交易金額的真實性及準確性；
Communicated with Xinhua Pharmaceutical’s management and reviewed the accounting treatment of the disposal of assets agreements by the management, verified the authenticity and accuracy about the amount of the disposal of assets;
- (3) 檢查新華製藥與資產處置相關的列報和披露是否適當。
Consulted the appropriateness of the presentation and disclosure related with the disposal of assets of Xinhua Pharmaceutical.

4. Other Information

The management of Xinhua Pharmaceutical (hereinafter referred to as the “Management”) is responsible for the other information. The other information comprises the information included in the Xinhua Pharmaceutical 2017 annual report, but does not include the financial statements and our auditor’s report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 the other information, we are required to report that fact. We have nothing to report in this regard.

五. 管理層和治理層對財務報表的責任

管理層負責按照企業會計準則的規定編製財務報表，使其實現公允反映，並設計、執行和維護必要的內部控制，以使財務報表不存在由於舞弊或錯誤導致的重大錯報。

在編製財務報表時，管理層負責評估新華製藥的持續經營能力，披露與持續經營相關的事項(如適用)，並運用持續經營假設，除非管理層計劃清算新華製藥、終止運營或別無其他現實的選擇。

治理層負責監督新華製藥的財務報告過程。

六. 註冊會計師對財務報表審計的責任

我們的目標是對財務報表整體是否不存在由於舞弊或錯誤導致的重大錯報獲取合理保證，並出具包含審計意見的審計報告。合理保證是高水平的保證，但並不能保證按照審計準則執行的審計在某一重大錯報存在時總能發現。錯報可能由於舞弊或錯誤導致，如果合理預期錯報單獨或匯總起來可能影響財務報表使用者依據財務報表作出的經濟決策，則通常認為錯報是重大的。

在按照審計準則執行審計工作的過程中，我們運用職業判斷，並保持職業懷疑。同時，我們也執行以下工作：

5. Responsibilities of the Management and Those Charged with Governance for the Financial Statements

The Management is responsible for the preparation of the financial statements in accordance with Accounting Standards for Business Enterprises to achieve fair presentation; and designing, implementing and maintaining internal control which is necessary to enable that the financial statements are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management is responsible for assessing Xinhua Pharmaceutical'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 Management either intends to liquidate Xinhua Pharmaceutical or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible to overseeing Xinhua Pharmaceutical's financial reporting process.

6. Auditor's Responsibilities for the Audit of the Financial Statements

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

During the course of audit in accordance with auditing standards, we exercise professional judgment and maintain professional skepticism. We also carry out the following works:

六. 註冊會計師對財務報表審計的責任(續)

- (1) 識別和評估由於舞弊或錯誤導致的財務報表重大錯報風險；設計和實施審計程序以應對這些風險；並獲取充分、適當的審計證據，作為發表審計意見的基礎。由於舞弊可能涉及串通、偽造、故意遺漏、虛假陳述或凌駕於內部控制之上，未能發現由於舞弊導致的重大錯報的風險高於未能發現由於錯誤導致的重大錯報的風險。
- (2) 了解與審計相關的內部控制，以設計恰當的審計程序。
- (3) 評價管理層選用會計政策的恰當性和作出會計估計及相關披露的合理性。
- (4) 對管理層使用持續經營假設的恰當性得出結論。同時，根據獲取的審計證據，就可能導致對新華製藥持續經營能力產生重大疑慮的事項或情況是否存在重大不確定性得出結論。如果我們得出結論認為存在重大不確定性，審計準則要求我們在審計報告中提請報表使用者注意財務報表中的相關披露；如果披露不充分，我們應當發表非無保留意見。我們的結論基於截至審計報告日可獲得的信息。然而，未來的事項或情況可能導致新華製藥不能持續經營。
- (5) 評價財務報表的總體列報、結構和內容(包括披露)，並評價財務報表是否公允反映相關交易和事項。

6. Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

- (1) Identify and assess the risks of material misstatement of the 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 audit. 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.
- (2) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- (3) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- (4) Conclude on the appropriateness of the Management's 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 Xinhua Pharmaceutical'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 financial statements in accordance with the auditing standards or, if such disclosures are inadequate, we shall 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 Xinhua Pharmaceutical to cease to continue as a going concern.
- (5) Evaluate the overall presentation, structure and content of the financial statements (including the disclosures) and also consider whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

六. 註冊會計師對財務報表審計的責任(續)

- (6) 就新華製藥中實體或業務活動的財務信息獲取充分、適當的審計證據，以對財務報表發表審計意見。我們負責指導、監督和執行集團審計，並對審計意見承擔全部責任。

我們與治理層就計劃的審計範圍、時間安排和重大審計發現等事項進行溝通，包括溝通我們在審計中識別出的值得關注的內部控制缺陷。

我們還就已遵守與獨立性相關的職業道德要求向治理層提供聲明，並與治理層溝通可能被合理認為影響我們獨立性的所有關係和其他事項，以及相關的防範措施(如適用)。

從與治理層溝通的事項中，我們確定哪些事項對本期財務報表審計最為重要，因而構成關鍵審計事項。我們在審計報告中描述這些事項，除非法律法規禁止公開披露這些事項，或在極少數情形下，如果合理預期在審計報告中溝通某事項造成的負面後果超過在公眾利益方面產生的益處，我們確定不應在審計報告中溝通該事項。

信永中和會計師事務所(特殊普通合夥)

中國註冊會計師：關京平(項目合夥人)

中國註冊會計師：潘素嬌

中國•北京
2018年3月23日

6. Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

- (6) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within Xinhua Pharmaceutical to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance audit of the group. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance a statement that we have complied with those 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 related safeguards (where applicable).

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 prohibited public disclosure about the matter or when, in 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.

ShineWing Certified Public Accountants (special general partnership)

Certified Public Accountant: Kan Jingping (project partner)

Certified Public Accountant: Pan Sujiao

Beijing, China
March 23, 2018

合併資產負債表 Consolidated Balance Sheet

單位：人民幣元
Unit: RMB Yuan

項目	Item	附註 Notes	年末餘額 Balance at the end of the year	年初餘額 Balance at the beginning of the year
流動資產：	Current assets:			
貨幣資金	Currency funds	六、1 VI (1)	731,126,274.34	561,331,585.33
以公允價值計量且其 變動計入當期損益的 金融資產	Financial assets measured at fair value and with their variance recorded into current profits and losses			
應收票據	Notes receivable	六、2 VI (2)	123,254,824.94	107,005,175.90
應收賬款	Accounts receivable	六、3 VI (3)	312,616,985.27	343,392,085.04
預付款項	Prepayments	六、4 VI (4)	22,806,947.53	29,151,280.72
應收利息	Interest receivable			
應收股利	Dividends receivable			
其他應收款	Other accounts receivable	六、5 VI (5)	45,017,383.05	46,590,419.30
存貨	Inventories	六、6 VI (6)	713,210,692.52	559,487,133.74
持有待售資產	Divided into assets held for sale			
一年內到期的非流動資產	Non-current assets due within one year			
其他流動資產	Other current assets	六、7 VI (7)	61,956,321.18	63,631,331.50
流動資產合計	Total current assets		2,009,989,428.83	1,710,589,011.53
非流動資產：	Non-current assets:			
可供出售金融資產	Financial assets available for sale	六、8 VI (8)	258,141,232.00	189,474,784.00
持有至到期投資	Investment held to maturity			
長期應收款	Long-term accounts receivable			
長期股權投資	Long-term equity investment			
投資性房地產	Investment real estate	六、9 VI (9)	73,441,754.87	75,635,320.09
固定資產	Fixed assets	六、10 VI (10)	2,152,905,567.58	2,120,995,100.52
在建工程	Projects under construction	六、11 VI (11)	434,545,877.52	274,420,412.04
工程物資	Project materials			
固定資產清理	Disposal of fixed assets			
生產性生物資產	Productive biological assets			
油氣資產	Oil and gas assets			
無形資產	Intangible assets	六、12 VI (12)	323,563,478.78	283,274,940.35
開發支出	Development expenditure			
商譽	Goodwill	六、13 VI (13)		
長期待攤費用	Long-term expenditures to be amortized			
遞延所得稅資產	Deferred income tax assets	六、14 VI (14)	21,059,785.05	25,630,317.07
其他非流動資產	Other non-current assets	六、15 VI (15)		42,766,078.24
非流動資產合計	Total non-current assets		3,263,657,695.80	3,012,196,952.31
資產總計	Total assets		5,273,647,124.63	4,722,785,963.84

合併資產負債表(續)
 Consolidated Balance Sheet (continued)

單位：人民幣元
 Unit: RMB Yuan

項目	Item	附註	年末餘額	年初餘額
		Notes	Balance at the end of the year	Balance at the beginning of the year
流動負債：	Current liabilities:			
短期借款	Short-term borrowing	六、16 VI (16)	151,837,507.11	910,000,000.00
以公允價值計量且其變動計入當期損益的金融負債	Financial liabilities measured at fair value with their variance recorded into current profits and losses			
應付票據	Notes payable	六、17 VI (17)	208,227,829.37	254,077,627.50
應付帳款	Accounts payable	六、18 VI (18)	530,065,197.24	433,116,202.88
預收款項	Accounts received in advance	六、19 VI (19)	123,295,214.99	67,393,449.91
應付職工薪酬	Payroll payable	六、20 VI (20)	68,460,743.73	66,078,587.82
應交稅費	Taxes and dues payable	六、21 VI (21)	11,997,561.61	17,694,627.36
應付利息	Interest payable	六、22 VI (22)	2,238,698.12	3,902,110.16
應付股利	Dividends payable	六、23 VI (23)	19,661,202.16	5,310,599.55
其他應付款	Other payables	六、24 VI (24)	280,114,731.95	163,347,304.20
持有待售負債	Divided into liabilities held for sale			
一年內到期的非流動負債	Non-current liabilities due within one year	六、25 VI (25)	89,621,673.88	344,854,126.83
其他流動負債	Other current liabilities	六、26 VI (26)	5,319,000.00	4,732,000.00
流動負債合計	Total current liabilities		1,490,839,360.16	2,270,506,636.21
非流動負債：	Non-current liabilities:			
長期借款	Long-term loans	六、27 VI (27)	931,500,000.00	100,000,000.00
應付債券	Bonds payable			
其中：優先股	Including: Preferred stocks			
永續債	Perpetual bond			
長期應付款	Long-term payables	六、28 VI (28)	47,541,721.66	64,938,492.33
長期應付職工薪酬	Long-term payroll payable			
專項應付款	Special payables	六、29 VI (29)	71,960,000.00	84,960,000.00
預計負債	Estimated liabilities			
遞延收益	Deferred income	六、30 VI (30)	131,701,917.02	118,317,680.77
遞延所得稅負債	Deferred income tax liabilities	六、14 VI (14)	17,089,244.98	1,194,228.88
其他非流動負債	Other non-current liabilities	六、31 VI (31)	3,561,500.00	3,561,500.00
非流動負債合計	Total non-current liabilities		1,203,354,383.66	372,971,901.98
負債合計	Total liabilities		2,694,193,743.82	2,643,478,538.19

合併資產負債表(續)
 Consolidated Balance Sheet (continued)

單位：人民幣元
 Unit: RMB Yuan

項目	Item	附註 Notes	年末餘額 Balance at the end of the year	年初餘額 Balance at the beginning of the year
所有者權益：	Shareholders' equity:			
股本	Capital Stock	六、32 VI (32)	478,353,421.00	457,312,830.00
其他權益工具	Other equity instruments			
其中：優先股	Including: Preferred stocks			
永續債	Perpetual bond			
資本公積	Capital surplus	六、33 VI (33)	728,450,324.94	513,092,452.66
減：庫存股	Less: Treasury stock			
其他綜合收益	Other comprehensive income	六、34 VI (34)	199,385,406.07	139,421,221.69
專項儲備	Special reserve	六、35 VI (35)		
盈餘公積	Surplus reserve	六、36 VI (36)	235,509,229.07	221,217,539.36
一般風險準備	General risk reserve			
未分配利潤	Undistributed profits	六、37 VI (37)	838,325,395.51	657,375,780.62
歸屬於母公司股東權益合計	Total of equity assigned to the shareholders of parent company		2,480,023,776.59	1,988,419,824.33
少數股東權益	Minority shareholders' equities		99,429,604.22	90,887,601.32
股東權益合計	Total of shareholders' equity		2,579,453,380.81	2,079,307,425.65
負債和股東權益總計	Total of liabilities and shareholder's equity		5,273,647,124.63	4,722,785,963.84

母公司資產負債表

Parent Company's Balance Sheet

單位：人民幣元
 Unit: RMB Yuan

項目	Item	附註	年末餘額	年初餘額
		Notes	Balance at the end of the year	Balance at the beginning of the year
流動資產：	Current assets:			
貨幣資金	Currency funds		491,558,318.58	411,793,216.01
以公允價值計量且其變動計入當期損益的金融資產	Financial assets measured at fair value and with their variance recorded into current profits and losses			
應收票據	Notes receivable		20,309,602.63	23,918,803.51
應收賬款	Accounts receivable	十七、1 XVII(1)	343,190,392.57	395,066,300.16
預付款項	Prepayments		15,726,914.49	13,248,155.73
應收利息	Interest receivable			
應收股利	Dividends receivable			
其他應收款	Other accounts receivable	十七、2 XVII(2)	392,877,759.37	385,582,110.35
存貨	Inventories		402,460,268.50	337,586,564.54
持有待售資產	Divided into assets held for sale			
一年內到期的非流動資產	Non-current assets due within one year			
其他流動資產	Other current assets		46,592,707.87	22,396,162.44
流動資產合計	Total current assets		1,712,715,964.01	1,589,591,312.74
非流動資產：	Non-current assets:			
可供出售金融資產	Financial assets available for sale		258,141,232.00	189,474,784.00
持有至到期投資	Investment held to maturity			
長期應收款	Long-term accounts receivable			
長期股權投資	Long-term equity investment	十七、3 XVII(3)	468,244,841.06	468,244,841.06
投資性房地產	Investment real estate		73,441,754.87	75,635,320.09
固定資產	Fixed assets		1,584,557,779.57	1,541,339,434.25
在建工程	Projects under construction		408,318,133.61	252,406,424.32
工程物資	Project materials			
固定資產清理	Disposal of fixed assets			
生產性生物資產	Productive biological assets			
油氣資產	Oil and gas assets			
無形資產	Intangible assets		183,493,684.34	194,518,915.58
開發支出	Development expenditure			
商譽	Goodwill			
長期待攤費用	Long-term expenditures to be amortized			
遞延所得稅資產	Deferred income tax assets			
其他非流動資產	Other non-current assets			
非流動資產合計	Total non-current assets		2,976,197,425.45	2,721,619,719.30
資產總計	Total assets		4,688,913,389.46	4,311,211,032.04

母公司資產負債表(續)
Parent Company's Balance Sheet (continued)

單位：人民幣元
Unit: RMB Yuan

項目	Item	附註 Notes	年末餘額 Balance at the end of the year	年初餘額 Balance at the beginning of the year
流動負債：	Current liabilities:			
短期借款	Short-term borrowing		150,000,000.00	910,000,000.00
以公允價值計量且其變動計入當期損益的金融負債	Financial liabilities measured at fair value with their variance recorded into current profits and losses			
應付票據	Notes payable		166,876,052.37	260,882,903.73
應付帳款	Accounts payable		384,141,267.37	292,294,044.83
預收款項	Accounts received in advance		42,454,561.29	31,909,634.37
應付職工薪酬	Payroll payable		62,614,572.86	55,727,887.54
應交稅費	Taxes and dues payable		7,446,536.94	7,406,061.94
應付利息	Interest payable		2,238,698.12	3,902,110.16
應付股利	Dividends payable		19,661,202.16	5,310,599.55
其他應付款	Other payables		244,852,120.66	137,174,275.14
持有待售負債	Divided into liabilities held for sale			
一年內到期的非流動負債	Non-current liabilities due within one year		89,621,673.88	344,854,126.83
其他流動負債	Other current liabilities		5,319,000.00	4,732,000.00
流動負債合計	Total current liabilities		1,175,225,685.65	2,054,193,644.09
非流動負債：	Non-current liabilities:			
長期借款	Long-term loans		931,500,000.00	100,000,000.00
應付債券	Bonds payable			
其中：優先股	Including: Preferred stocks			
永續債	Perpetual bond			
長期應付款	Long-term payables		47,541,721.66	64,938,492.33
長期應付職工薪酬	Long-term payroll payable			
專項應付款	Special payables		71,960,000.00	84,960,000.00
預計負債	Estimated liabilities			
遞延收益	Deferred income		131,701,917.02	118,317,680.77
遞延所得稅負債	Deferred income tax liabilities		17,077,542.22	945,930.51
其他非流動負債	Other non-current liabilities		3,561,500.00	3,561,500.00
非流動負債合計	Total non-current liabilities		1,203,342,680.90	372,723,603.61
負債合計	Total liabilities		2,378,568,366.55	2,426,917,247.70

母公司資產負債表(續)
 Parent Company's Balance Sheet (continued)

單位：人民幣元
 Unit: RMB Yuan

項目	Item	附註 Notes	年末餘額 Balance at the end of the year	年初餘額 Balance at the beginning of the year
所有者權益：	Shareholders' equity:			
股本	Capital Stock		478,353,421.00	457,312,830.00
其他權益工具	Other equity instruments			
其中：優先股	Including: Preferred stocks			
永續債	Perpetual bond			
資本公積	Capital surplus		743,199,658.14	527,841,785.86
減：庫存股	Less: Treasury stock			
其他綜合收益	Other comprehensive income		201,378,526.90	140,292,046.10
專項儲備	Special reserve			
盈餘公積	Surplus reserve		229,067,589.94	214,775,900.23
未分配利潤	Undistributed profits		658,345,826.93	544,071,222.15
股東權益合計	Total of shareholders' equity		2,310,345,022.91	1,884,293,784.34
負債和股東權益總計	Total of liabilities and shareholder's equity		4,688,913,389.46	4,311,211,032.04

合併利潤表

Consolidated Income Statement

單位：人民幣元
Unit: RMB Yuan

項目	Item	附註	本年發生額	上年發生額
		Notes	Amount of Current Year	Amount of Last Year
一. 營業總收入	I. Gross revenue		4,515,716,784.19	4,014,963,065.74
其中：營業收入	Including: Operating revenue	六、38 VI (38)	4,515,716,784.19	4,014,963,065.74
二. 營業總成本	II. Total operating cost		4,298,618,395.23	3,875,649,239.61
其中：營業成本	Including: Operating cost	六、38 VI (38)	3,247,615,838.86	3,013,584,624.39
税金及附加	Taxes and surcharges	六、39 VI (39)	60,664,577.84	50,356,102.80
銷售費用	Selling expenses	六、40 VI (40)	509,748,602.14	404,317,945.51
管理費用	Administration expenses	六、41 VI (41)	384,708,247.89	335,871,419.21
財務費用	Financial expenses	六、42 VI (42)	79,745,027.94	51,838,422.75
資產減值損失	Assets impairment loss	六、43 VI (43)	16,136,100.56	19,680,724.95
加：公允價值變動收益 (損失以()號填列)	Add: Incomes from changes in fair value (losses to be listed in brackets)			
投資收益(損失以()號填列)	Investment incomes (losses to be listed in brackets)	六、44 VI (44)	6,026,908.54	7,852,686.97
其中：對聯營企業和合營企業的投資收益	Including: Income from investment into affiliates and joint ventures			
資產處置收益(損失以()號填列)	Gains from asset disposal (losses to be listed in brackets)	六、45 VI (45)	46,047,264.22	5,250,916.35
其他收益	Other incomes	六、46 VI (46)	12,508,306.00	
三. 營業利潤(虧損以()號填列)	III. Operating profits (losses to be listed in brackets)		281,680,867.72	152,417,429.45
加：營業外收入	Add: Non-operating income	六、47 VI (47)	10,920,615.95	21,527,324.94
減：營業外支出	Less: Non-operating expenditure	六、48 VI (48)	24,427,607.67	13,976,262.18
四. 利潤總額(虧損總額以()號填列)	IV. Total profits (total loss to be listed in brackets)		268,173,876.00	159,968,492.21
減：所得稅費用	Less: income tax expense	六、49 VI (49)	46,925,124.11	26,921,218.34
五. 淨利潤(淨虧損以()號填列)	V. Net profits (net loss to be listed in brackets)		221,248,751.89	133,047,273.87
(一) 按經營持續性分類：	(I) According to operation			
1. 持續經營淨利潤(淨虧損以()號填列)	(1) Net profit from continued operations (net losses to be listed in brackets)		221,248,751.89	133,047,273.87
2. 終止經營淨利潤(淨虧損以()號填列)	(2) Net profit from discontinued operations (net losses to be listed in brackets)			
(二) 按所有權歸屬分類：	(II) According to ownership			
1. 歸屬於母公司股東的淨利潤	(1) Net profit which belongs to shareholders of parent company		209,591,907.23	122,271,549.68
2. 少數股東損益	(2) Minority interest income or loss		11,656,844.66	10,775,724.19

合併利潤表(續)
 Consolidated Income Statement (continued)

單位：人民幣元
 Unit: RMB Yuan

項目	Item	附註	本年發生額	上年發生額
		Notes	Amount of Current Year	Amount of Last Year
六. 其他綜合收益的稅後淨額	VI. Net of tax of other comprehensive income		59,794,367.70	(9,157,878.63)
歸屬母公司所有者的其他綜合收益的稅後淨額	Net of tax of other comprehensive income that belongs to the owners of parent company			
(一) 以後不能重分類進損益的其他綜合收益	(I) Other comprehensive income not subject to reclassification to profit or loss in future	六、50 VI (50)	59,964,184.38	(8,962,029.69)
1. 重新計量設定受益計劃淨負債或淨資產的變動	1. Changes in net indebtedness or net assets subject to remeasurement of defined benefit plans			
2. 權益法下在被投資單位不能重分類進損益的其他綜合收益中享有的份額	2. Shares enjoyed in other comprehensive income not subject to reclassification to loss or profit in investment-receiving company under equity law			
(二) 以後將重分類進損益的其他綜合收益	(II) Other comprehensive income to be reclassified to profit or loss in future	六、50 VI (50)	59,964,184.38	(8,962,029.69)
1. 權益法下在被投資單位以後將重分類進損益的其他綜合收益中享有的份額	1. Shares enjoyed in other comprehensive income to be reclassified to loss or profit in investment-receiving company under equity law			
2. 可供出售金融資產公允價值變動損益	2. Profit and loss of change in fair value of financial assets available for sale	六、50 VI (50)	61,086,480.80	(9,313,334.40)
3. 持有至到期投資重分類為可供出售金融資產損益	3. Profit and loss of held-to-maturity investment reclassified to available-for-sale financial assets			
4. 現金流量套期損益的有效部分	4. Effective part of cash flow hedging profit and loss			
5. 外幣財務報表折算差額	5. Conversion difference of foreign currency statement	六、50 VI (50)	(1,122,296.42)	351,304.71
6. 其他	6. Others			
歸屬於少數股東的其他綜合收益的稅後淨額	Net of tax of other consolidated income that belongs to the minority shareholders		(169,816.68)	(195,848.94)

合併利潤表(續)
 Consolidated Income Statement (continued)

單位：人民幣元
 Unit: RMB Yuan

項目	Item	附註	本年發生額 Amount of Current Year	上年發生額 Amount of Last Year
		Notes		
七. 綜合收益總額	VII. Total comprehensive income		281,043,119.59	123,889,395.24
歸屬於母公司股東的 綜合收益總額	Total comprehensive income attributable to the shareholders of parent company		269,556,091.61	113,309,519.99
歸屬於少數股東的 綜合收益總額	Total comprehensive income attributable to the minority shareholders		11,487,027.98	10,579,875.25
八. 每股收益：	VIII. Earnings per share:			
(一) 基本每股收益	(I) Basic earnings per share	十九、2 XIX(2)	0.45	0.27
(二) 稀釋每股收益	(II) Diluted earnings per share	十九、2 XIX(2)	0.45	0.27

母公司利潤表

Parent Company's Income Statement

單位：人民幣元
 Unit: RMB Yuan

項目	Item	附註	本年發生額	上年發生額
		Notes	Amount of Current Year	Amount of Last Year
一. 營業收入	I. Operating revenue	十七、4 XVII(4)	2,349,073,811.37	2,097,279,861.24
減：營業成本	Less: Operating costs	十七、4 XVII(4)	1,747,258,351.72	1,661,874,722.40
税金及附加	Taxes and surcharges		37,084,720.57	30,227,849.39
銷售費用	Selling expenses		53,355,670.26	47,515,698.27
管理費用	Administration expenses	十七、5 XVII(5)	307,724,717.23	253,101,809.37
財務費用	Financial expenses	十七、6 XVII(6)	77,705,089.66	54,454,817.28
資產減值損失	Assets impairment loss		12,832,614.70	16,817,695.82
加：公允價值變動收益 (損失以()號填列)	Add: Incomes from changes in fair value (losses to be listed in brackets)			
投資收益(損失以()號填列)	Investment incomes (losses to be listed in brackets)	十七、7 XVII(7)	10,171,408.63	28,139,980.71
其中：對聯營企業和合營企 業的投資收益	Including: income from investment into affiliates and joint ventures			
資產處置收益 (損失以()號填列)	Gains from asset disposal (losses to be listed in brackets)		40,214,775.60	5,584,584.98
其他收益	Other incomes		12,130,824.00	
二. 營業利潤(虧損以()號填列)	II. Operating profit (losses to be listed in brackets)		175,629,655.46	67,011,834.40
加：營業外收入	Add: Non-operating income		10,460,955.38	20,417,776.04
減：營業外支出	Less: Non-operating expenditure		22,270,071.90	5,952,708.23
三. 利潤總額(虧損總額以()號填列)	III. Total profit (losses to be listed in brackets)		163,820,538.94	81,476,902.21
減：所得稅費用	Less: Income tax expense		20,903,641.82	3,953,285.42
四. 淨利潤(淨虧損以()號填列)	IV. Net profit (losses to be listed in brackets)		142,916,897.12	77,523,616.79
(一) 持續經營淨利潤 (淨虧損以()號填列)	(I) Net profit from continued operations (losses to be listed in brackets)		142,916,897.12	77,523,616.79
(二) 終止經營淨利潤 (淨虧損以()號填列)	(II) Net profit from discontinued operations (losses to be listed in brackets)			

母公司利潤表(續)
Parent Company's Income Statement (continued)

單位：人民幣元
Unit: RMB Yuan

項目	Item	附註 Notes	本年發生額 Amount of Current Year	上年發生額 Amount of Last Year
五. 其他綜合收益的稅後淨額	V. Net of tax of other comprehensive income		61,086,480.80	(9,313,334.40)
(一) 以後不能重分類進損益的其他綜合收益	(I) Other comprehensive income not subject to reclassification to profit or loss in future			
1. 重新計量設定受益計劃淨負債或淨資產的變動	1. Changes in net indebtedness or net assets subject to remeasurement of defined benefit plans			
2. 權益法下在被投資單位不能重分類進損益的其他綜合收益中享有的份額	2. Shares enjoyed in other comprehensive income not subject to reclassification to loss or profit in investment-receiving company under equity law			
(二) 以後將重分類進損益的其他綜合收益	(II) Other comprehensive income to be reclassified to profit or loss in future		61,086,480.80	(9,313,334.40)
1. 權益法下在被投資單位以後將重分類進損益的其他綜合收益中享有的份額	1. Shares enjoyed in other comprehensive income to be reclassified to loss or profit in investment-receiving company under equity law			
2. 可供出售金融資產公允價值變動損益	2. Profit and loss of change in fair value of financial assets available for sale		61,086,480.80	(9,313,334.40)
3. 持有至到期投資重分類為可供出售金融資產損益	3. Profit and loss of held-to-maturity investment reclassified to available-for-sale financial assets			
4. 現金流量套期損益的有效部分	4. Effective part of cash flow hedging profit and loss			
5. 外幣財務報表折算差額	5. Conversion difference of foreign currency statement			
6. 其他	6. Others			
六. 綜合收益總額	VI. Total comprehensive income		204,003,377.92	68,210,282.39
七. 每股收益	VII. Earnings per share			
(一) 基本每股收益	(I) Basic earnings per share		-	-
(二) 稀釋每股收益	(II) Diluted earnings per share		-	-

合併現金流量表

Consolidated Cash Flow Statement

單位：人民幣元
 Unit: RMB Yuan

項目	Item	附註 Notes	本年發生額 Amount of Current Year	上年發生額 Amount of Last Year
一. 經營活動產生的現金流量：	I. Cash flow from operating activities:			
銷售商品、提供勞務收到的現金	Cash received from sales of goods or rendering services		3,401,120,836.45	2,992,353,351.78
收到的稅費返還	Refunds of taxes and levies		31,560,233.33	26,245,890.12
收到其他與經營活動有關的現金	Other cash received from operating-related activities	六、51(1) VI.51(1)	54,867,116.88	109,590,324.65
經營活動現金流入小計	Subtotal of cash inflows from operating activities		3,487,548,186.66	3,128,189,566.55
購買商品、接受勞務支付的現金	Cash paid for goods purchased and labor services received		1,712,691,930.56	1,519,150,787.82
支付給職工以及為職工支付的現金	Cash paid to and for employees		603,150,166.06	542,720,026.49
支付各項稅費	Cash paid for taxes and surcharges		252,508,163.15	229,059,932.66
支付其他與經營活動有關的現金	Other cash paid related to operating activities	六、51(2) VI.51(2)	529,226,117.54	397,910,486.79
經營活動現金流出小計	Subtotal of cash outflows from operating activities		3,097,576,377.31	2,688,841,233.76
經營活動產生的現金流量淨額	Net cash flow from operating activities		389,971,809.35	439,348,332.79
二. 投資活動產生的現金流量：	II. Cash flow generated from investing activities:			
收回投資收到的現金	Cash received from sales and redemption of investments		3,200,000.00	
取得投資收益收到的現金	Cash received from returns on investments		6,026,908.54	7,852,686.97
處置固定資產、無形資產和其他長期資產收回的現金淨額	Net cash received from disposal of fixed assets, intangible assets and other long-term assets		53,344,614.64	5,922,425.47
處置子公司及其他營業單位收到的現金淨額	Net cash received from disposal of subsidiaries and other business entities			
收到其他與投資活動有關的現金	Other cash received related to investing activities	六、51(3) VI.51(3)	30,000,000.00	
投資活動現金流入小計	Subtotal of cash inflows from investing activities		92,571,523.18	13,775,112.44
購建固定資產、無形資產和其他長期資產支付的現金	Cash paid for acquisitions of fixed assets, intangible assets and long-term assets		261,108,044.61	227,068,193.90
投資支付的現金	Cash paid for acquisitions of investments			
取得子公司及其他營業單位支付的現金淨額	Net cash paid for acquisitions of subsidiaries and other business entities			
支付其他與投資活動有關的現金	Other cash paid related to investing activities	六、51(4) VI.51(4)		30,000,000.00
投資活動現金流出小計	Subtotal of cash outflow from investing activities		261,108,044.61	257,068,193.90
投資活動產生的現金流量淨額	Net cash flow from investing activities		(168,536,521.43)	(243,293,081.46)

合併現金流量表(續)
Consolidated Cash Flow Statement (continued)

單位：人民幣元
Unit: RMB Yuan

項目	Item	附註 Notes	本年發生額 Amount of Current Year	上年發生額 Amount of Last Year
三. 資活動產生的現金流量：	III. Cash flows from financing activities:			
吸收投資收到的現金	Cash received from capital contributions		223,398,463.28	
其中：子公司吸收少數股東投資收到的現金	Including: Cash received from subsidiaries' absorption of investments from minority shareholders			
取得借款所收到的現金	Cash received from loans		1,354,000,000.00	910,000,000.00
發行債券收到的現金	Cash received from bond issues			
收到其他與籌資活動有關的現金	Other cash received relating to financing activities	六、51(5) VI.51(5)	99,404,097.89	259,540,000.00
籌資活動現金流入小計	Subtotal of cash inflows from financing activities		1,676,802,561.17	1,169,540,000.00
償還債務所支付的現金	Cash paid for repayment of debts		1,551,500,000.00	1,087,800,000.00
分配股利、利潤或償付利息所支付的現金	Cash paid for distributing dividends and profits or paying interest		57,358,926.58	94,257,476.58
其中：子公司支付給少數股東的股利、利潤	Including: dividends and profits paid to minority shareholders by subsidiary		2,945,025.08	24,146,255.26
支付其他與籌資活動有關的現金	Other cash paid related to financing activities	六、51(6) VI.51(6)	93,175,555.50	62,507,406.56
籌資活動現金流出小計	Subtotal of cash outflows from financing activities		1,702,034,482.08	1,244,564,883.14
籌資活動產生的現金流量淨額	Net cash flows from financing activities		(25,231,920.91)	(75,024,883.14)
四. 匯率變動對現金及現金等價物的影響	IV. Effect of foreign exchange rate changes on cash and cash equivalents		(6,433,371.97)	5,423,404.43
五. 現金及現金等價物淨增加額	V. Net increase in cash and cash equivalents		189,769,995.04	126,453,772.62
加：期初現金及現金等價物餘額	Add: Cash and cash equivalents at the beginning of the period		493,092,656.71	366,638,884.09
六. 期末現金及現金等價物餘額	VI. Cash and cash equivalents at the end of the period		682,862,651.75	493,092,656.71

母公司現金流量表

Parent Company's Cash Flow Statement

單位：人民幣元
 Unit: RMB Yuan

項目	Item	附註 Notes	本年發生額 Amount of Current Year	上年發生額 Amount of Last Year
一、經營活動產生的現金流量：	I. Cash flow from operating activities:			
銷售商品、提供勞務收到的現金	Cash received from sales of goods or rendering services		1,768,703,545.79	1,660,678,336.54
收到的稅費返還	Refunds of taxes and levies		20,701,874.96	17,057,645.24
收到其他與經營活動有關的現金	Other cash received from operating-related activities		43,437,313.00	123,863,792.46
經營活動現金流入小計	Subtotal of cash inflows from operating activities		1,832,842,733.75	1,801,599,774.24
購買商品、接受勞務支付的現金	Cash paid for goods purchased and labor services received		908,353,915.00	912,532,297.63
支付給職工以及為職工支付的現金	Cash paid to and for employees		382,555,626.34	335,142,062.03
支付的各項稅費	Cash paid for taxes and surcharges		93,397,056.36	77,213,782.13
支付其他與經營活動有關的現金	Other cash paid related to operating activities		156,010,643.61	150,481,292.65
經營活動現金流出小計	Subtotal of cash outflows from operating activities		1,540,317,241.31	1,475,369,434.44
經營活動產生的現金流量淨額	Net cash flow from operating activities		292,525,492.44	326,230,339.80
二、投資活動產生的現金流量：	II. Cash flow generated from investing activities:			
收回投資收到的現金	Cash received from sales and redemption of investments		3,200,000.00	
取得投資收益收到的現金	Cash received from returns on investments		10,171,408.63	33,731,980.71
處置固定資產、無形資產和其他長期資產所收回的現金淨額	Net cash received from disposal of fixed assets, intangible assets and other long-term assets		46,166,114.00	5,645,948.00
處置子公司及其他營業單位收到的現金淨額	Net cash received from disposal of subsidiaries and other business entities			
收到其他與投資活動有關的現金	Other cash received related to investing activities			
投資活動現金流入小計	Subtotal of cash inflows from investing activities		59,537,522.63	39,377,928.71
購建固定資產、無形資產和其他長期資產所支付的現金	Cash paid for purchasing and constructing fixed assets, intangible assets and other long-term assets		206,708,281.99	183,725,083.41
投資支付的現金	Cash paid for acquisitions of investments			
取得子公司及其他營業單位支付的現金淨額	Net cash paid for acquisitions of subsidiaries and other business entities			
支付其他與投資活動有關的現金	Other cash paid related to investing activities		17,000,000.00	67,788,165.60
投資活動現金流出小計	Subtotal of cash outflow from investing activities		223,708,281.99	251,513,249.01
投資活動產生的現金流量淨額	Net cash flow from investing activities		(164,170,759.36)	(212,135,320.30)

母公司現金流量表(續)
 Parent Company's Cash Flow Statement (continued)

單位：人民幣元
 Unit: RMB Yuan

項目	Item	附註 Notes	本年發生額 Amount of Current Year	上年發生額 Amount of Last Year
三. 籌資活動產生的現金流量：	III. Cash flows from financing activities:			
吸收投資收到的現金	Cash received from capital contributions		223,398,463.28	
取得借款收到的現金	Cash received from loans		1,354,000,000.00	910,000,000.00
發行債券收到的現金	Cash received from bond issues			
收到其他與籌資活動有關的現金	Other cash received relating to financing activities		97,600,000.00	159,540,000.00
籌資活動現金流入小計	Subtotal of cash inflows from financing activities		1,674,998,463.28	1,069,540,000.00
償還債務支付的現金	Cash paid for debts		1,551,500,000.00	887,800,000.00
分配股利、利潤或償付利息支付的現金	Cash paid for distribution of dividends or profits or for interests		54,413,901.50	70,111,221.32
支付其他與籌資活動有關的現金	Other cash paid related to financing activities		93,008,509.40	62,507,406.56
籌資活動現金流出小計	Subtotal of cash outflows from financing activities		1,698,922,410.90	1,020,418,627.88
籌資活動產生的現金流量淨額	Net cash flows from financing activities		(23,923,947.62)	49,121,372.12
四. 匯率變動對現金及現金等價物的影響	IV. Effect of foreign exchange rate changes on cash and cash equivalents		(5,432,876.86)	3,509,960.04
五. 現金及現金等價物淨增加額	V. Net increase in cash and cash equivalents		98,997,908.60	166,726,351.66
加：期初現金及現金等價物餘額	Add: Cash and cash equivalents at the beginning of the period		358,666,787.39	191,940,435.73
六. 期末現金及現金等價物餘額	VI. Cash and cash equivalents at the end of the period		457,664,695.99	358,666,787.39

合併所有者權益變動表

Consolidated Statement of Changes in Shareholder's Equity

單位：人民幣元
 Unit: RMB Yuan

項目 Item	本年 Amount of Current Year												
	歸屬於母公司股東權益 Equity assigned to the shareholders of parent company												
	其他權益工具 Other equity instruments				資本公積 Capital surplus	減：庫存股 Less: Treasury stock	其他綜合收益 Other comprehensive income	專項儲備 Special reserve	盈餘公積 Surplus reserve	一般風險準備 General risk reserve	未分配利潤 Undistributed profits	少數股東權益 Minority shareholders' equities	所有者權益合計 Total of shareholder's equity
股本 Capital Stock	優先股 Preferred stocks	永續債 Perpetual bond	其他 Others										
一、上年年末餘額 I. Balance at the end of previous year	457,312,830.00			513,092,452.66		139,421,221.69		221,217,539.36			657,375,780.62	90,887,601.32	2,079,307,425.65
加：會計政策變更 Add: changes in accounting policies													
前期差錯更正 Corrections of prior period accounting errors													
同一控制下企業合併 Business merger under joint control													
其他 Others													
二、本年初餘額 II. Balance at the beginning of current year	457,312,830.00			513,092,452.66		139,421,221.69		221,217,539.36			657,375,780.62	90,887,601.32	2,079,307,425.65
三、本年增減變動金額(減少以(-)號填列) III. Current year increase/decrease (decrease to be listed in brackets)	21,040,591.00			215,357,872.28		59,964,184.38		14,291,689.71			180,949,614.89	8,542,002.90	500,145,955.16
(一) 綜合收益總額 (I) Total comprehensive income						59,964,184.38					209,591,907.23	11,487,027.98	281,043,119.59
(二) 股東投入和減少資本 (II) Invested and decreased capital of shareholders	21,040,591.00			215,357,872.28									236,398,463.28
1. 股東投入普通股 1. Shareholder's contribution capital	21,040,591.00			202,357,872.28									223,398,463.28
2. 其他權益工具持有者投入資本 2. Contribution capital of holder of other equity instruments													
3. 股份支付計入股東權益的金額 3. Amount of share-based payment recognized as shareholder's interest													
4. 其他 4. Others				13,000,000.00									13,000,000.00

合併所有者權益變動表(續) Consolidated Statement of Changes in Shareholder's Equity (continued)

單位：人民幣元
Unit: RMB Yuan

項目 Item	本年 Amount of Current Year												
	歸屬於母公司股東權益 Equity assigned to the shareholders of parent company												
	其他權益工具 Other equity instruments				資本公積 Capital surplus	減：庫存股 Less: Treasury stock	其他綜合收益 Other comprehensive income	專項儲備 Special reserve	盈餘公積 Surplus reserve	一般風險準備 General risk reserve	未分配利潤 Undistributed profits	少數股東權益 Minority shareholders' equities	所有者權益合計 Total of shareholder's equity
股本 Capital Stock	優先股 Preferred stocks	永續債 Perpetual bond	其他 Others										
(三) 利潤分配 (III) Profit distribution													
1. 提取盈餘公積 1. Appropriation of surplus reserves								14,291,689.71			(26,642,292.34)	(2,945,025.08)	(17,295,627.71)
2. 提取一般風險準備 2. Appropriation of general risk reserve								14,291,689.71			(14,291,689.71)		
3. 對所有者(或股東)的分配 3. Distribution to owners (or shareholders)											(14,350,602.63)	(2,945,025.08)	(17,295,627.71)
4. 其他 4. Others													
(四) 股東權益內部結轉 (IV) Internal carryover in shareholder's equities													
1. 資本公積轉增股本 1. Capital surplus converted to capital													
2. 盈餘公積轉增股本 2. Surplus reserve converted to capital													
3. 盈餘公積彌補虧損 3. Surplus reserve to recover losses													
4. 其他 4. Others													
(五) 專項儲備 (V) Special reserve													
1. 本年提取 1. Appropriation in current year								13,913,749.64					13,913,749.64
2. 本年使用 2. Amount used in current year								13,913,749.64					13,913,749.64
(六) 其他 (VI) Others													
四. 本年年末餘額 IV. Balance at end of current year	478,353,421.00				728,450,324.94		199,385,406.07	235,509,229.07		838,325,395.51	99,429,604.22	2,579,453,380.81	

合併所有者權益變動表(續) Consolidated Statement of Changes in Shareholder's Equity (continued)

單位：人民幣元
Unit: RMB Yuan

項目 Item	上年 Amount of Last Year												
	歸屬於母公司股東權益 Equity assigned to the shareholders of parent company												
	其他權益工具 Other equity instruments				資本公積 Capital surplus	減：庫存股 Less: Treasury stock	其他綜合收益 Other comprehensive income	專項儲備 Special reserve	盈餘公積 Surplus reserve	一般風險準備 General risk reserve	未分配利潤 Undistributed profits	少數股東權益 Minority shareholders' equities	所有者權益合計 Total of shareholder's equity
股本 Capital Stock	優先股 Preferred stocks	永續債 Perpetual bond	其他 Others										
一、上年年末餘額 I. Balance at the end of previous year	457,312,830.00				513,092,452.66		148,383,251.38		213,465,177.68		552,002,849.22	99,825,757.46	1,984,082,318.40
加：會計政策變更 Add: changes in accounting policies													
前期差錯更正 Corrections of prior period accounting errors													
同一控制下企業合併 Business merger under joint control													
其他 Others													
二、本年初餘額 II. Balance at the beginning of current year	457,312,830.00				513,092,452.66		148,383,251.38		213,465,177.68		552,002,849.22	99,825,757.46	1,984,082,318.40
三、本年增減變動金額(減少以()號填列) III. Current year increase/decrease (decrease to be listed in brackets)													
(一) 綜合收益總額 (I) Total comprehensive income							(8,962,029.69)		7,752,361.68		105,372,931.40	(8,938,156.14)	95,225,107.25
(二) 股東投入和減少資本 (II) Invested and decreased capital of shareholders							(8,962,029.69)				122,271,549.68	10,579,875.25	123,889,395.24
1. 股東投入普通股 1. Shareholder's contribution capital													
2. 其他權益工具持有者投入資本 2. Contribution capital of holder of other equity instruments													
3. 股份支付計入股東權益的金額 3. Amount of share-based payment recognized as shareholder's interest													
4. 其他 4. Others													

合併所有者權益變動表(續) Consolidated Statement of Changes in Shareholder's Equity (continued)

單位：人民幣元
 Unit: RMB Yuan

項目 Item	上年 Amount of Last Year												
	歸屬於母公司股東權益 Equity assigned to the shareholders of parent company												
	其他權益工具 Other equity instruments				資本公積 Capital surplus	減：庫存股 Less: Treasury stock	其他綜合收益 Other comprehensive income	專項儲備 Special reserve	盈餘公積 Surplus reserve	一般風險準備 General risk reserve	未分配利潤 Undistributed profits	少數股東權益 Minority shareholders' equities	所有者權益合計 Total of shareholder's equity
股本 Capital Stock	優先股 Preferred stocks	永續債 Perpetual bond	其他 Others										
(三) 利潤分配 (III) Profit distribution													
1. 提取盈餘公積 1. Appropriation of surplus reserves								7,752,361.68			(16,898,618.28)	(19,518,031.39)	(28,664,287.99)
2. 提取一般風險準備 2. Appropriation of general risk reserve								7,752,361.68			(7,752,361.68)		
3. 對所有者(或股東)的分配 3. Distribution to owners (or shareholders)											(9,146,256.60)	(19,518,031.39)	(28,664,287.99)
4. 其他 4. Others													
(四) 股東權益內部結轉 (IV) Internal carryover in shareholder's equities													
1. 資本公積轉增股本 1. Capital surplus converted to capital													
2. 盈餘公積轉增股本 2. Surplus reserve converted to capital													
3. 盈餘公積彌補虧損 3. Surplus reserve to recover losses													
4. 其他 4. Others													
(五) 專項儲備 (V) Special reserve													
1. 本年提取 1. Appropriation in current year								8,359,842.25					8,359,842.25
2. 本年使用 2. Amount used in current year								8,359,842.25					8,359,842.25
(六) 其他 (VI) Others													
四、本年年末餘額 IV. Balance at end of current year	457,312,830.00				513,092,452.66		139,421,221.69	221,217,539.36		657,375,780.62	90,887,601.32	2,079,307,425.65	

母公司所有者權益變動表

Parent Company's Statements of Changes in Shareholder's Equity

單位：人民幣元
 Unit: RMB Yuan

項目 Item	本年 Amount of Current Year										
	股本 Capital Stock	其他權益工具 Other equity instruments			資本公積 Capital surplus	減：庫存股 Less: Treasury stock	其他綜合收益 Other comprehensive income	專項儲備 Special reserve	盈餘公積 Surplus reserve	未分配利潤 Undistributed profits	所有者權益合計 Total of shareholders' equity
		優先股 Preferred stocks	永續債 Perpetual bond	其他 Others							
一、上年年末餘額 I. Balance at the end of previous year	457,312,830.00				527,841,785.86		140,292,046.10		214,775,900.23	544,071,222.15	1,884,293,784.34
加：會計政策變更 Add: changes in accounting policies											
前期差錯更正 Corrections of prior period accounting errors											
其他 Others											
二、本年初餘額 II. Balance at the beginning of current year	457,312,830.00				527,841,785.86		140,292,046.10		214,775,900.23	544,071,222.15	1,884,293,784.34
三、本年增減變動金額(減少以(-)號填列) III. Current year increase/decrease (decrease to be listed in brackets)	21,040,591.00				215,357,872.28		61,086,480.80		14,291,688.71	114,274,604.78	426,051,238.57
(一) 綜合收益總額 (I) Total comprehensive income							61,086,480.80			142,916,897.12	204,003,377.92
(二) 股東投入和減少資本 (II) Invested and decreased capital of shareholders	21,040,591.00				215,357,872.28						236,398,463.28
1. 股東投入普通股 1. Shareholder's contribution capital	21,040,591.00				202,357,872.28						223,398,463.28
2. 其他權益工具持有者投入 資本 2. Contribution capital of holder of other equity instruments											
3. 股份支付計入股東權益的 金額 3. Amount of share-based payment recognized as share holder's interest											
4. 其他 4. Others					13,000,000.00						13,000,000.00

母公司所有者權益變動表(續)
 Parent Company's Statements of Changes in Shareholder's Equity (continued)

單位：人民幣元
 Unit: RMB Yuan

項目 Item	本年 Amount of Current Year										
	股本 Capital Stock	其他權益工具 Other equity instruments			資本公積 Capital surplus	減：庫存股 Less: Treasury stock	其他綜合收益 Other comprehensive income	專項儲備 Special reserve	盈餘公積 Surplus reserve	未分配利潤 Undistributed profits	所有者權益合計 Total of shareholders' equity
		優先股 Preferred stocks	永續債 Perpetual bond	其他 Others							
(三) 利潤分配											
(III) Profit distribution											
1. 提取盈餘公積									14,291,689.71	(28,642,292.34)	(14,350,602.63)
1. Appropriation of surplus reserves									14,291,689.71	(14,291,689.71)	
2. 對股東的分配											
2. Distribution to shareholders										(14,350,602.63)	(14,350,602.63)
3. 其他											
3. Others											
(四) 股東權益內部結轉											
(IV) Internal carryover in shareholder's equities											
1. 資本公積轉增股本											
1. Capital surplus converted to capital											
2. 盈餘公積轉增股本											
2. Surplus reserve converted to capital											
3. 盈餘公積彌補虧損											
3. Surplus reserve to recover losses											
4. 其他											
4. Others											
(五) 專項儲備											
(V) Special reserve											
1. 本年提取									8,894,559.72		8,894,559.72
1. Appropriation in current year									8,894,559.72		8,894,559.72
2. 本年使用									8,894,559.72		8,894,559.72
2. Amount used in current year									8,894,559.72		8,894,559.72
(六) 其他											
(VI) Others											
四. 本年年末餘額											
IV. Balance at end of current year	478,353,421.00				743,199,658.14		201,378,526.90		229,067,589.94	658,345,826.93	2,310,345,022.91

母公司所有者權益變動表(續) Parent Company's Statements of Changes in Shareholder's Equity (continued)

單位：人民幣元
 Unit: RMB Yuan

項目 Item	上年 Amount of Last Year										
	股本 Capital Stock	其他權益工具 Other equity instruments			資本公積 Capital surplus	減：庫存股 Less: Treasury stock	其他綜合收益 Other comprehensive income	專項儲備 Special reserve	盈餘公積 Surplus reserve	未分配利潤 Undistributed profits	所有者權益合計 Total of shareholders' equity
		優先股 Preferred stocks	永續債 Perpetual bond	其他 Others							
一、上年年末餘額 I. Balance at the end of previous year	457,312,830.00				527,841,785.86		149,605,380.50		207,023,538.55	483,446,223.64	1,825,229,738.55
加：會計政策變更 Add: changes in accounting policies											
前期差錯更正 Corrections of prior period accounting errors											
其他 Others											
二、本年初餘額 II. Balance at the beginning of current year	457,312,830.00				527,841,785.86		149,605,380.50		207,023,538.55	483,446,223.64	1,825,229,738.55
三、本年增減變動金額(減少以()號填列) III. Current year increase/decrease (decrease to be listed in brackets)											
(一) 綜合收益總額 (I) Total comprehensive income							(9,313,334.40)		7,752,361.68	60,624,998.51	59,064,025.79
(二) 股東投入和減少資本 (II) Invested and decreased capital of shareholders							(9,313,334.40)			77,523,616.79	68,210,282.39
1. 股東投入普通股 1. Shareholder's contribution capital											
2. 其他權益工具持有者 投入資本 2. Contribution capital of holder of other equity instruments											
3. 股份支付計入股東權益的 金額 3. Amount of share-based payment recognized as share holder's interest											
4. 其他 4. Others											

母公司所有者權益變動表(續)
 Parent Company's Statements of Changes in Shareholder's Equity (continued)

單位：人民幣元
 Unit: RMB Yuan

項目 Item	上年 Amount of Last Year										
	股本 Capital Stock	其他權益工具 Other equity instruments			資本公積 Capital surplus	減：庫存股 Less: Treasury stock	其他綜合收益 Other comprehensive income	專項儲備 Special reserve	盈餘公積 Surplus reserve	未分配利潤 Undistributed profits	所有者權益合計 Total of shareholders' equity
		優先股 Preferred stocks	永續債 Perpetual bond	其他 Others							
(三) 利潤分配											
(III) Profit distribution											
1. 提取盈餘公積								7,752,361.68	(16,898,618.28)		(9,146,256.60)
1. Appropriation of surplus reserves								7,752,361.68	(7,752,361.68)		
2. 對股東的分配										(9,146,256.60)	(9,146,256.60)
2. Distribution to shareholders										(9,146,256.60)	(9,146,256.60)
3. 其他											
3. Others											
(四) 股東權益內部結轉											
(IV) Internal carryover in shareholder's equities											
1. 資本公積轉增股本											
1. Capital surplus converted to capital											
2. 盈餘公積轉增股本											
2. Surplus reserve converted to capital											
3. 盈餘公積彌補虧損											
3. Surplus reserve to recover losses											
4. 其他											
4. Others											
(五) 專項儲備											
(V) Special reserve											
1. 本年提取											
1. Appropriation in current year											
2. 本年使用											
2. Amount used in current year								8,359,842.25			8,359,842.25
(六) 其他											
(VI) Others								8,359,842.25			8,359,842.25
四. 本年年末餘額											
IV. Balance at end of current year	457,312,830.00				527,841,785.86		140,292,046.10		214,775,900.23	544,071,222.15	1,884,293,794.34

(本財務報表附註除特別註明外，均以人民幣元列示)
(Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註

Notes to the Financial Statements

一. 公司的基本情況

山東新華製藥股份有限公司(以下簡稱本公司，在包含子公司時統稱本集團)於1993年由山東新華製藥廠改制設立。1996年12月本公司以香港為上市地點，公開發行中華人民共和國H股股票。1997年7月本公司以深圳為上市地點，公開發行中華人民共和國A股股票。1998年11月經中華人民共和國對外貿易經濟合作部批准後，轉為外商投資股份有限公司。2001年9月經批准增發A股普通股票3,000萬股，同時減持國有股300萬股，變更後公司註冊資本為人民幣457,312,830.00元。

本公司經批准於2017年9月向2名特定投資者非公開發行人民幣股票21,040,591股，發行價格人民幣11.15元，新增註冊資本21,040,591元。截至2017年12月31日，本公司的註冊資本為人民幣478,353,421.00元，股本結構如下：

I. Company Profile

Shandong Xinhua Pharmaceutical Co., Ltd. (hereinafter referred to as “the Company”, and collectively referred to as “the Group” when containing subsidiaries) was established in 1993 by the restructuring of Shandong Xinhua Pharmaceutical Factory. The Company offered H share of the People’s Republic of China to the public in Hong Kong in December 1996, and offered A share of the People’s Republic of China to the public in Shenzhen in July 1997. The Company was transformed into a foreign invested joint stock company after being approved by the Ministry of Foreign Trade and Economic Cooperation of the People’s Republic of China in November 1998. In September 2001, it approved the issuance of 30 million shares of common stock of A shares, while reducing the holding of 3 million shares of state-owned shares. After the change, the registered capital of the company was RMB457,312,830.00.

The Company issued and placed 21,040,591 RMB-denominated shares to 2 subscribers at an issue price of RMB11.15 after approval, the registered capital of the Company increased by RMB21,040,591. As of December 31, 2017, the registered capital of the Company is RMB478,353,421.00, and the capital structure is as follows:

股份類別	Class of Shares	股份數量 Quantity of Shares	佔總股本比例 Proportion to Total Share Capital (%)
一. 有限售條件的流通股合計	I. Subtotal of restricted tradable shares		
A股有限售條件	A share restricted tradable shares	21,049,516.00	4.40
二. 無限售條件的流通股合計	II. Subtotal of unrestricted tradable shares		
人民幣普通股(A股)	RMB common stocks (A share)	457,303,905.00	95.60
境外上市外資股(H股)	Overseas listed foreign shares (H share)	307,303,905.00	64.24
		150,000,000.00	31.36
三. 股份總數	III. Total number of shares	478,353,421.00	100.00

本公司屬於醫藥製造業。本集團主營業務為從事開發、製造和銷售化學原料藥、製劑及化工產品；主要產品為「新華牌」解熱鎮痛類藥物、心腦血管類、抗感染類及中樞神經類等藥物。

The company belongs to the pharmaceutical manufacturing industry. The Group is principally engaged in the development, manufacturing and sale of chemical APIs, pharmaceutical preparations and chemical products; the main products are antipyretics, analgesics, drugs for cardiovascular and cerebrovascular diseases, anti-infectives, drugs for central nervous system disorders, etc. under the brand of “Xinhua”.

財務報表附註(續)

Notes to the Financial Statements (continued)

一. 公司的基本情況(續)

本公司控股股東為山東新華醫藥集團有限責任公司(以下簡稱山東新華集團)，本公司最終控制人為華魯控股集團有限公司(以下簡稱華魯控股)。股東大會是本公司的權力機構，依法行使公司經營方針、籌資、投資、利潤分配等重大事項決議權。董事會對股東大會負責，依法行使公司的經營決策權；經理層負責組織實施股東大會、董事會決議事項，主持企業的生產經營管理工作。

本公司註冊地在山東省淄博市高新技術產業開發區化工區，辦公地址在山東省淄博市高新技術產業開發區魯泰大道1號。

二. 合併財務報表範圍

本集團合併財務報表範圍包括山東新華醫藥貿易有限公司、新華製藥(壽光)有限公司、山東淄博新達製藥有限公司等14家公司。與上年相比，本年合併範圍未發生變化。

詳見本附註「七、合併範圍的變化」及本附註「八、在其他主體中的權益」相關內容。

I. Company Profile (Continued)

The controlling shareholder of the Company is Shandong Xinhua Pharmaceutical Group Co., Ltd. (hereinafter referred to as "Shandong Xinhua Group"), and the ultimate controller is Hualu Holdings Co., Ltd. (hereinafter referred to as "Hualu Holdings"). The General Meeting of Shareholders is the Company's authority, which exercises the right of resolution in respect of the Company's operation policies, financing, investment, profit distribution and other significant events according to the law. The Board of Directors is responsible to the General Meeting of Shareholders, and shall exercise the business decision-making right of the Company in accordance with law; the managers are responsible for organizing the implementation of resolution matters of the General Meeting of Shareholders and the Board of Directors and managing the production and operation of the Company.

The Company is registered in Chemical Industry Zone, High-tech Industrial Development Zone, Zibo City, Shandong Province. The office address is No.1 Lutai Avenue, High-tech Industry Development Zone, Zibo City, Shandong.

II. Scope of Consolidated Financial Statements

The Group's consolidated financial statements covers 14 companies, including Shandong Xinhua Pharmaceutical Co., Ltd., Xinhua Pharmaceutical (Shouguang) Co., Ltd. and Shandong Zibo Xincat Pharmaceutical Co., Ltd. Compared with previous year, no change occurred to the scope of consolidation in current year.

See relevant contents of "VII. Changes in Consolidation Scope" and "VIII. Interests in Other Entities" in the Notes for details.

(本財務報表附註除特別註明外，均以人民幣元列示)
(Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)

Notes to the Financial Statements (continued)

三. 財務報表的編製基礎

1. 編製基礎

本集團財務報表以持續經營為基礎，根據實際發生的交易和事項，按照中國財政部頒佈的《企業會計準則》及其他規定，以及香港《公司條例》和香港聯合交易所《上市規則》所要求之相關披露，並基於本附註「四、重要會計政策及會計估計」所述會計政策和會計估計編製。

2. 持續經營

本集團對自報告期末起12個月的持續經營能力進行了評價，未發現對持續經營能力產生重大懷疑的事項和情況。因此，本財務報表系在持續經營假設的基礎上編製。

III. Preparation Basis of Financial Statements

1. Preparation basis

On a going-concern basis, the financial statements of the Company have been prepared based on transactions and items that have actually occurred, and in accordance with the *China Accounting Standards (CAS)* and other regulations issued by the Ministry of Finance of the PRC, the disclosure requirements in the Companies Ordinance of Hong Kong and the Listing Rules by the Stock Exchange of Hong Kong, and “IV. important accounting policies and accounting estimates” of these Notes.

2. Going concern

The Group has evaluated the continuing operating capacity for 12 months from the beginning to the end of the reporting period and has not found any significant doubts about the going concern capacity. Accordingly, the financial statements are prepared on a going concern basis.

四. 重要會計政策及會計估計

具體會計政策和會計估計提示：本集團根據實際生產經營特點制定的具體會計政策和會計估計包括營業週期、應收款項壞賬準備的確認和計量、發出存貨計量、存貨可變現淨值的計量、固定資產分類及折舊方法、無形資產攤銷、研發費用資本化條件、收入確認和計量等。

1. 遵循企業會計準則的聲明

本公司編製的財務報表符合企業會計準則的要求，真實、完整地反映了本公司及本集團的財務狀況、經營成果和現金流量等有關信息。

2. 會計期間

本集團會計期間為公曆1月1日至12月31日。

3. 記賬本位幣

本公司及其境內子公司以人民幣為記賬本位幣，境外業務以所在地貨幣為記賬本位幣。

本集團編製本財務報表時所採用的貨幣為人民幣。

IV. Important Accounting Policies and Accounting Estimates

Specific accounting policies and accounting estimates Note: The specific accounting policies and accounting estimates formulated by the Group according to the actual production and operation characteristics include the business cycle, the recognition and measurement of bad debt provision for receivables, the measurement of inventories, the measurement of net realizable value of inventories, the classification and depreciation method of fixed assets, the amortization of intangible assets, the conditions for capitalization of R&D expenses, the recognition and measurement of income, etc.

1. Declaration on compliance with CASBE

The financial statements of the Company have met the requirements of CASBE and truly and fully reflected the financial conditions, operating results and cash flow of the Company and the Group.

2. Accounting period

The accounting period runs from January 1 to December 31 (in Gregorian calendar).

3. Recording currency

Recording currency of the Company and its domestic subsidiaries is RMB, and that of foreign business is local currency.

The currency adopted by the Group for preparation of the financial statements is RMB.

(本財務報表附註除特別註明外，均以人民幣元列示)
(Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續) Notes to the Financial Statements (continued)

四. 重要會計政策及會計估計(續)

4. 同一控制下和非同一控制下企業合併的會計處理方法

本集團作為合併方，在同一控制下企業合併中取得的資產和負債，在合併日按被合併方在最終控制方合併報表中的賬面價值計量。取得的淨資產賬面價值與支付的合併對價賬面價值的差額，調整資本公積；資本公積不足沖減的，調整留存收益。

在非同一控制下企業合併中取得的被購買方可辨認資產、負債及或有負債在收購日以公允價值計量。合併成本為本集團在購買日為取得對被購買方的控制權而支付的現金或非現金資產、發行或承擔的負債、發行的權益性證券等的公允價值以及在企業合併中發生的各項直接相關費用之和(通過多次交易分步實現的企業合併，其合併成本為每一單項交易的成本之和)。合併成本大於合併中取得的被購買方可辨認淨資產公允價值份額的差額，確認為商譽；合併成本小於合併中取得的被購買方可辨認淨資產公允價值份額的，首先對合併中取得的各項可辨認資產、負債及或有負債的公允價值、以及合併對價的非現金資產或發行的權益性證券等的公允價值進行覆核，經覆核後，合併成本仍小於合併中取得的被購買方可辨認淨資產公允價值份額的，將其差額計入合併當期營業外收入。

IV. Important Accounting Policies and Accounting Estimates (Continued)

4. Accounting methods for business combination under common control and not under common control

The assets and liabilities acquired by the Group, as the merging party, in the business merger under the control of the same entity are calculated based on the book value in the ultimate controlling party's consolidated statements of the merged party on the merging date. Capital reserve is adjusted for the difference between the book value of the acquired net assets and the book value of the merger consideration paid. In case where the capital reserve is not sufficient for off-setting, retained earnings are adjusted.

The identifiable assets, liabilities and contingent liabilities acquired from the acquiree in the business merger not under common control are calculated based on the fair value on the acquisition date. The merging costs are the cash or non-cash assets paid, liabilities issued or assumed, the fair value of equity securities issued by the Group on the acquisition date for acquiring control rights on the acquiree, as well as all costs directly related to the business merger (for business merger completed step by step through multiple transactions, the merging costs are the sum of costs of all individual transactions). Where the merging costs are greater than the fair value of identifiable net assets acquired from the acquiree during business merger, the difference thereof is recognized as business goodwill. Where the merging costs are less than the fair value of identifiable net assets acquired from the acquiree during business merger, the fair value of all identifiable assets, liabilities and contingent liabilities acquired from the business merger, as well as the fair value of non-cash assets of the consideration or the issued equity securities etc., are rechecked. Where the merging costs are, after rechecking, still less than the fair value of net identifiable assets acquired from the acquiree during business merger, the difference is included into current non-business income.

四. 重要會計政策及會計估計(續)

5. 合併財務報表的編製方法

本集團將所有控制的子公司納入合併財務報表範圍。

合併財務報表的合併範圍以控制為基礎予以確定。控制是指投資方擁有對被投資方的權力，通過參與被投資方的相關活動而享有可變回報，並且有能力運用對被投資方的權力影響其回報金額。一旦相關事實和情況的變化導致上述控制定義涉及的相關要素發生了變化，本集團將進行重新評估。

在編製合併財務報表時，子公司與本公司採用的會計政策或會計期間不一致的，按照本公司的會計政策或會計期間對子公司財務報表進行必要的調整。

合併範圍內的所有重大內部交易、往來餘額及未實現利潤在合併報表編製時予以抵銷。子公司的所有者權益中不屬於母公司的份額以及當期淨損益、其他綜合收益及綜合收益總額中屬於少數股東權益的份額，分別在合併財務報表「少數股東權益、少數股東損益、歸屬於少數股東的其他綜合收益及歸屬於少數股東的綜合收益總額」項目列示。

IV. Important Accounting Policies and Accounting Estimates (Continued)

5. Compilation method of consolidated financial statements

The Group's consolidation scope includes all subsidiaries and structured entities.

The scope of consolidation of consolidated financial statements is determined on the basis of control. Control is the power over the investee; exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power to affect the amount of the returns. Changes in the relevant elements of the control definition as a result of changes in the relevant facts and circumstances will result in a reassessment of the Group.

During preparation of consolidated financial statements, in the event that accounting policy or accounting period adopted by subsidiaries are not in line with that of the Company, financial statements of subsidiaries shall be adjusted according to the accounting policy and accounting period of the Company.

All significant internal transactions, balances and unrealized profits shall be offset during preparation of consolidated financial statements. The portion of subsidiary owners' equity which does not belong to the parent company and the portion of minority equity in the current net profits and losses, other comprehensive income and total comprehensive income must be respectively listed under "minority equity, minority interest income, other comprehensive income attributable to the minority, and total comprehensive income attributable to the minority" in the consolidated financial statements.

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財務報表附註(續) Notes to the Financial Statements (continued)

四. 重要會計政策及會計估計(續)

5. 合併財務報表的編製方法(續)

對於同一控制下企業合併取得的子公司，其經營成果和現金流量自合併當期期初納入合併財務報表。編製比較合併財務報表時，對上年財務報表的相關項目進行調整，視同合併後形成的報告主體自最終控制方開始控制時點起一直存在。

對於非同一控制下企業合併取得的子公司，經營成果和現金流量自本集團取得控制權之日起納入合併財務報表。在編製合併財務報表時，以購買日確定的可辨認資產、負債及或有負債的公允價值為基礎對子公司的財務報表進行調整。

6. 現金及現金等價物

本集團現金流量表之現金指庫存現金以及可以隨時用於支付的存款。現金流量表之現金等價物指持有期限不超過3個月、流動性強、易於轉換為已知金額現金且價值變動風險很小的投資。

IV. Important Accounting Policies and Accounting Estimates (Continued)

5. Compilation method of consolidated financial statements (Continued)

For the subsidiary acquired in the business merger under common control, its business performance and cash flow are included into the consolidated financial statements from the beginning of the current period of the merger. During the preparation and comparison of consolidated financial statements, related items in the financial statements of the previous year are adjusted, and it is deemed that the entity of financial statements formed after the merger has existed since the beginning of control by the ultimate controlling party.

For the subsidiary acquired in the business merger not under the control of the same entity, its business performance and cash flow are included into the consolidated financial statements since the date when the Group acquires the control rights. During the preparation of consolidated financial statements, financial statements of the subsidiary are adjusted based on the fair values of identifiable assets, liabilities and contingent liabilities identified on the acquisition date.

6. Cash and cash equivalents

Cash shown in the cash flow statement of the Group refers to the cash on hand and deposits that are available for payment at any time. Cash equivalent in the cash flow statement refers to the investments which have a holding period of not more than 3 months, and are of strong liquidity and readily convertible to known amounts of cash with low risk of value change.

四. 重要會計政策及會計估計(續)

7. 外幣業務和外幣財務報表折算

(1) 外幣交易

本集團外幣交易按交易發生當月1日的即期匯率將外幣金額折算為人民幣金額。於資產負債表日，外幣貨幣性項目採用資產負債表日的即期匯率折算為人民幣，所產生的折算差額除了為購建或生產符合資本化條件的資產而借入的外幣專門借款產生的匯兌差額按資本化的原則處理外，直接計入當期損益。以公允價值計量的外幣非貨幣性項目，採用公允價值確定日的即期匯率折算為人民幣，所產生的折算差額，作為公允價值變動直接計入當期損益或其他綜合收益。以歷史成本計量的外幣非貨幣性項目，仍採用交易發生日的即期匯率折算，不改變其人民幣金額。

(2) 外幣財務報表的折算

外幣資產負債表中資產、負債類項目採用資產負債表日的即期匯率折算；所有者權益類項目除「未分配利潤」外，均按業務發生時的即期匯率折算；利潤表中的收入與費用項目，採用交易發生日的即期匯率折算。上述折算產生的外幣報表折算差額，在其他綜合收益項目中列示。外幣現金流量採用現金流量發生日的即期匯率折算。匯率變動對現金及現金等價物的影響額，在現金流量表中單獨列示。

IV. Important Accounting Policies and Accounting Estimates (Continued)

7. Foreign currency transactions and conversion of foreign currency financial statements

(1) Foreign currency transaction

The foreign currency amount in a foreign currency transaction of the Group is converted into RMB amount based on the spot exchange rate on the first day of transaction month. Monetary items calculated in foreign currency in the balance sheet shall be translated into RMB at the spot exchange rate on the balance sheet date; the exchange difference shall be included into current profit and loss, after disposal of the balance of exchange that is formed by foreign currency loans borrowed for acquiring or producing assets which meet capitalized terms. Foreign currency non-monetary items calculated at fair value are converted into RMB by using the spot rate on the date when the fair value is determined. The generated conversion difference is included into current profits and losses or other comprehensive income directly as the change of fair value. Foreign currency non-monetary items measured at historical cost are still converted based on the spot exchange rate of the transaction date, with the RMB amount unchanged.

(2) Conversion of financial statements in foreign currency

The asset and liability items in the foreign currency balance sheet shall be translated as per the spot exchange rate on the balance sheet date; the owner's equity items, except for the items of "undistributed profit", shall be translated as per the spot exchange rate on the transaction date; the income and expenditure items in the profit statement shall be translated as per the spot exchange rate on the transaction date. The above translation balance of foreign currency financial statements shall be included into other comprehensive income items. Foreign currency cash flow is translated as per the spot exchange rate on the date when the said cash flow occurs. The amount of influence of exchange rate change on cash and cash equivalents shall be listed in the cash flow statement separately.

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財務報表附註(續)

Notes to the Financial Statements (continued)

四. 重要會計政策及會計估計(續)

8. 金融資產和金融負債

- (1) 金融資產的分類：本集團按投資目的和經濟實質對擁有的金融資產分為以公允價值計量且其變動計入當期損益的金融資產、可供出售金融資產、應收款項、持有至到期投資四大類。
- 1) 以公允價值計量且其變動計入當期損益的金融資產是指持有的主要目的為短期內出售的金融資產。
 - 2) 可供出售金融資產包括初始確認時即被指定為可供出售的非衍生金融資產及未被劃分為其他類的金融資產。
 - 3) 應收款項是指在活躍市場中沒有報價，回收金額固定或可確定的非衍生金融資產，包括應收票據、應收賬款、應收利息、應收股利及其他應收款等。
 - 4) 持有至到期投資是指到期日固定、回收金額固定或可確定，且管理層有明確意圖和能力持有至到期的非衍生金融資產。

IV. Important Accounting Policies and Accounting Estimates (Continued)

8. Financial assets and financial liabilities

- (1) Classification of financial assets: the financial assets owned by the Group are classified into four categories according to the investment purposes and economic nature, including the financial assets measured at fair value with their variance included in current profits and losses, financial assets available for sale, receivables and investments held to maturity.
- 1) Financial assets measured at fair value with their variance included in current profits and losses refer to the financial assets mainly held for sale in the short term.
 - 2) Financial assets available for sale refer to non-derivative financial assets designated as available for sale, and financial assets not identified to item under "others" at the time of initial recognition.
 - 3) Receivables refer to non-derivative financial assets which have no quotation in the active market, but have fixed or determinable recoverable amount, including notes receivable, accounts receivable, interest receivables, dividend receivables, and other receivables.
 - 4) Investment held to maturity refers to non-derivative financial assets which have fixed maturity date, fixed or fixable recovery amount which the management has clear attention and ability to hold to maturity.

四. 重要會計政策及會計估計(續)

8. 金融資產和金融負債(續)

- (2) 金融資產的確認和計量：金融資產於本集團成為金融工具合同的一方時，按公允價值在資產負債表內確認。以公允價值計量且其變動計入當期損益的金融資產，取得時發生的相關交易費用計入當期損益，其他金融資產的相關交易費用計入初始確認金額。

以公允價值計量且其變動計入當期損益的金融資產和可供出售金融資產按照公允價值進行後續計量；應收款項以及持有至到期投資採用實際利率法，以攤餘成本列示。

以公允價值計量且其變動計入當期損益的金融資產的公允價值變動計入公允價值變動損益；在資產持有期間所取得的利息或現金股利，確認為投資收益；處置時，其公允價值與初始入賬金額之間的差額確認為投資損益，同時調整公允價值變動損益。

除減值損失及外幣貨幣性金融資產形成的匯兌損益外，可供出售金融資產公允價值變動直接計入股東權益，待該金融資產終止確認時，原直接計入權益的公允價值變動累計額轉入當期損益。可供出售債務工具投資在持有期間按實際利率法計算的利息，以及被投資單位宣告發放的與可供出售權益工具投資相關的現金股利，作為投資收益計入當期損益。

IV. Important Accounting Policies and Accounting Estimates (Continued)

8. Financial assets and financial liabilities (Continued)

- (2) Recognition and measurement of financial assets: Financial assets are recognized at fair value in the balance sheet when the Group becomes a party to a financial instrument contract. For financial assets that are measured at fair value with their variance recorded as losses or profits in the current period, related transaction expenses at the time of acquisition should be included in the current loss and profit; the related transaction expenses of other financial assets should be included in the initial recognition amount.

Financial assets measured at fair value with their variance included in current profits and losses and financial assets available for sale are subject to subsequent measurement at fair value. Receivables and investments held to maturity are listed at amortized cost by effective interest method.

The changes in fair value of financial assets measured at fair value with their variance included in current profits and losses are included in profit and loss from fair value changes; interests or cash dividends gained during holding of the assets are recognized as investment gain; at the disposal, the difference between the fair value and the initial booking amount is recognized as investment profit and loss and profit and loss from fair value changes is adjusted at the same time.

Besides the impairment loss and the exchange gain or loss formed from foreign monetary financial assets, changes of fair value of the salable financial assets will be put into shareholders' equity, the accumulated amount of fair value changes which was directly put into equity won't be transferred into current profit and loss until the derecognition of this financial assets. The interests of available-for-sale debt instrument investments calculated based on actual interest rate method during the holding period, and the cash dividends declared to be distributed by the investees and related to available-for-sale equity instrument investments, shall be included into the current profits and losses as investment income.

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財務報表附註(續) Notes to the Financial Statements (continued)

四. 重要會計政策及會計估計(續)

8. 金融資產和金融負債(續)

- (3) 金融資產減值：除以公允價值計量且其變動計入當期損益的金融資產外，本集團於資產負債表日對其他金融資產的賬面價值進行檢查，如果有客觀證據表明某項金融資產發生減值的，計提減值準備。

本集團對於活躍市場上有報價的股票投資、債券投資等可供出售金融資產，年末按照該類資產活躍市場上的報價確認的公允價值，較按照取得該項資產時支付對價的公允價值及相關交易費用之和確認的成本，下跌幅度達到或超過50%以上；並截至資產負債表日持續下跌時間已經達到或超過12個月，本集團根據成本與年末公允價值的差額確認累積應計提的減值準備。

以攤餘成本計量的金融資產發生減值時，按預計未來現金流量(不包括尚未發生的未來信用損失)現值低於賬面價值的差額，計提減值準備。如果有客觀證據表明該金融資產價值已恢復，且客觀上與確認該損失後發生的事項有關，原確認的減值損失予以轉回，計入當期損益。

當可供出售金融資產發生減值，原直接計入股東權益的因公允價值下降形成的累計損失予以轉出並計入減值損失。對已確認減值損失的可供出售債務工具投資，在期後公允價值上升且客觀上與確認原減值損失後發生的事項有關的，原確認的減值損失予以轉回並計入當期損益。對已確認減值損失的可供出售權益工具投資，期後公允價值上升直接計入股東權益。

IV. Important Accounting Policies and Accounting Estimates (Continued)

8. Financial assets and financial liabilities (Continued)

- (3) Impairment of financial assets: In addition to the financial assets measured at fair value with their variance included in current profits and losses, the Group will check the book value of other financial assets on the balance sheet date, and the provision for impairment shall be determined if there is objective evidence that a financial asset has decreased in value.

For the stock investment, bonds investment and other financial assets available for sale which have quotation in the active market, the Group will recognize the fair value according to the quotation of such assets in the active market at the end of the year, which decreases up to 50% or above when compared with the costs recognized in accordance with the sum of fair value and relevant transaction expenses for payment of consideration when acquiring such assets; and if the assets continue to decrease for 12 months or longer as of the balance sheet date, the Group will recognize the accumulated provision for impairment which should be provision for impairment according to the difference between the costs and the fair value at the end of the year.

When the financial assets measured by amortized cost have decrease in value, the provision for impairment shall be determined according to the balance between the value of expected future cash flow (excluding the future credit loss which has not happened yet) and the book value. If there is objective evidence showing the value of this financial asset has recovered, and it is objectively related to the matters occurring after the loss is confirmed, the impairment loss confirmed before shall be reversed and calculated as current profit and loss.

When the financial assets available for sale have decrease in value, the cumulative loss recognized directly as stockholders' equity before due to the decrease of fair value shall be transferred out and recognized as the impairment loss. For available-for-sale debt instrument investments for which the impairment loss has been confirmed, if the fair value of periods following has increased and it is objectively related to the matters occurring after the loss is confirmed, the impairment loss confirmed before shall be reversed and calculated as current profit and loss. For available-for-sale equity instrument investments for which the impairment loss has been confirmed, the increase in fair value of the following periods shall be directly recognized as stockholders' equity.

四. 重要會計政策及會計估計(續)

8. 金融資產和金融負債(續)

- (4) 金融資產的轉移：金融資產滿足下列條件之一的，予以終止確認：①收取該金融資產現金流量的合同權利終止；②該金融資產已轉移，且本集團將金融資產所有權上幾乎所有的風險和報酬轉移給轉入方；③該金融資產已轉移，雖然本集團既沒有轉移也沒有保留金融資產所有權上幾乎所有的風險和報酬，但是放棄了對該金融資產控制。

企業既沒有轉移也沒有保留金融資產所有權上幾乎所有的風險和報酬，且未放棄對該金融資產控制的，則按照其繼續涉入所轉移金融資產的程度確認有關金融資產，並相應確認有關負債。繼續涉入所轉移金融資產的程度，是指該金融資產價值變動使企業面臨的風險水平。

金融資產整體轉移滿足終止確認條件的，將所轉移金融資產的賬面價值，與因轉移而收到的對價及原計入其他綜合收益的公允價值變動累計額之和的差額計入當期損益。

金融資產部分轉移滿足終止確認條件的，將所轉移金融資產整體的賬面價值，在終止確認部分和未終止確認部分之間，按照各自的相對公允價值進行分攤，並將因轉移而收到的對價及應分攤至終止確認部分的原計入其他綜合收益的公允價值變動累計額之和，與分攤的前述賬面金額的差額計入當期損益。

IV. Important Accounting Policies and Accounting Estimates (Continued)

8. Financial assets and financial liabilities (Continued)

- (4) Transfer of financial assets: Financial assets meeting one of the following conditions shall be derecognized: ① the contract right to collect the financial asset cash flow has been terminated; ② the financial assets have been transferred and the Group has substantially transferred all the risks and rewards on the financial asset ownership to the transferee; ③ the financial assets have been transferred, even if the Group has neither transferred nor retained the risks and rewards on the financial asset ownership, the control over the financial assets is waived.

Where the Company neither transfers nor retains any risks and rewards on the financial asset ownership, if the control over the financial assets is not waived, relevant financial assets should be recognized according to the extent to which they are involved in the transferred financial assets, and relevant liabilities should be recognized correspondingly. "Continuing involvement in the transferred financial assets" refers to the risk level the enterprise will be faced with due to the change in value of such financial assets.

If the entire transfer of the financial assets meets derecognition conditions, the difference between the book value of transferred financial assets and the sum of consideration received from the transfer and accumulated amount of changes in fair value previously recognized in other comprehensive income should be included in current profits and losses.

Where the partial transfer of the financial assets meets derecognition conditions, the book value of the transferred financial assets should be amortized between the derecognized and non-derecognized portions as per their relative fair values respectively; and the difference between the sum of consideration received from the transfer and accumulated amount of changes in fair value previously recognized in other comprehensive income and amortized to the derecognized portion, and the aforesaid book value amortized should be included in current profits and losses.

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財務報表附註(續) Notes to the Financial Statements (continued)

四. 重要會計政策及會計估計(續)

8. 金融資產和金融負債(續)

- (5) 金融負債：本集團的金融負債於初始確認時分類為以公允價值計量且其變動計入當期損益的金融負債和其他金融負債。

以公允價值計量且其變動計入當期損益的金融負債，包括交易性金融負債和初始確認時指定為以公允價值計量且其變動計入當期損益的金融負債。對於此類金融負債，按照公允價值進行後續計量，公允價值變動形成的利得或損失以及與該金融負債相關的股利和利息支出計入當期損益。

其他金融負債採用實際利率法，按照攤餘成本進行後續計量。

當金融負債的現時義務全部或部分已經解除時，終止確認該金融負債或義務已解除的部分。終止確認部分的賬面價值與支付的對價之間的差額，計入當期損益。

IV. Important Accounting Policies and Accounting Estimates (Continued)

8. Financial assets and financial liabilities (Continued)

- (5) Financial liabilities of the Group are classified, at the time of initial recognition, as financial liabilities measured at fair value with their variance included in current profits and losses and other financial liabilities.

Financial liabilities at fair value through profit or loss include tradable financial liabilities and financial liabilities at fair value through profit or loss designated at the initial recognition. For such financial liabilities, subsequent measurement should be performed based on fair value. Profits or losses arising from the changes of fair value as well as the dividend and interests expenditure related to the said financial liabilities should be included into the current profits and losses.

Other liabilities are subsequently measured at amortized cost using the effective interest rate method.

Where the current obligation of financial liability has been terminated entirely or partially, the financial liability or obligation that has been terminated shall be derecognized. The difference between the book value of the derecognized part and the paid consideration shall be included in current profits and losses.

四. 重要會計政策及會計估計(續)

8. 金融資產和金融負債(續)

(6) 金融資產和金融負債的公允價值確定方法：

- 1) 金融工具存在活躍市場的，活躍市場中的市場報價用於確定其公允價值。在活躍市場上，本集團已持有的金融資產或擬承擔的金融負債以現行出價作為相應資產或負債的公允價值；本集團擬購入的金融資產或已承擔的金融負債以現行要價作為相應資產或負債的公允價值。金融資產或金融負債沒有現行出價和要價，但最近交易日後經濟環境沒有發生重大變化的，則採用最近交易的市場報價確定該金融資產或金融負債的公允價值。最近交易日後經濟環境發生了重大變化時，參考類似金融資產或金融負債的現行價格或利率，調整最近交易的市場報價，以確定該金融資產或金融負債的公允價值。本集團有足夠的證據表明最近交易的市場報價不是公允價值的，對最近交易的市場報價作出適當調整，以確定該金融資產或金融負債的公允價值。

IV. Important Accounting Policies and Accounting Estimates (Continued)

8. Financial assets and financial liabilities (Continued)

(6) Determination methods for fair value of financial assets and financial liabilities:

- 1) When an active market exists for the financial instruments, the market quotation in an active market is used to determine their fair value. In the active market, financial assets held by the Group or financial liabilities to be assumed by the Group should take the current bid price as the fair value of corresponding assets or liabilities; the financial assets to be acquired by the Group or financial liabilities assumed by the Group should take the current offer price as the fair value of corresponding assets or liabilities. Where the financial assets or financial liabilities have no current bid and offer price, but the economic environment after the latest transaction date has not undergone significant changes, the market quotation of the latest transaction should be used to determine the fair value of the financial assets or financial liabilities. Where the economic environment after the latest transaction date has undergone significant changes, the current price or interest rate of similar financial assets or financial liabilities should be referred to, and the market quotation of the latest transaction should be adjusted to determine the fair value of the financial assets or financial liabilities. In case the Group has sufficient evidence indicating that the market quotation of the latest transaction is not the fair value, the said market quotation shall be adjusted properly to determine the fair value of the said financial assets or financial liabilities.

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財務報表附註(續) Notes to the Financial Statements (continued)

四. 重要會計政策及會計估計(續)

8. 金融資產和金融負債(續)

(6) 金融資產和金融負債的公允價值確定方法：(續)

- 2) 金融工具不存在活躍市場的，採用估值技術確定其公允價值。估值技術包括參考熟悉情況並自願交易的各方最近進行的市場交易中使用的價格、參照實質上相同的其他金融資產的當前公允價值、現金流量折現法和期權定價模型等。

9. 應收款項壞賬準備

本集團將下列情形作為應收款項壞賬損失確認標準：債務單位撤銷、破產、資不抵債、現金流量嚴重不足、發生嚴重自然災害等導致停產而在可預見的時間內無法償付債務等；債務單位逾期未履行償債義務；其他確鑿證據表明確實無法收回或收回的可能性不大。

對可能發生的壞賬損失採用備抵法核算，期末單獨或按組合進行減值測試，計提壞賬準備，計入當期損益。對於有確鑿證據表明確實無法收回的應收款項，經本集團按規定程序批准後列作壞賬損失，沖銷提取的壞賬準備。

IV. Important Accounting Policies and Accounting Estimates (Continued)

8. Financial assets and financial liabilities (Continued)

(6) Determination methods for fair value of financial assets and financial liabilities: (Continued)

- 2) When an active market does not exist, the fair value of financial instruments is determined through valuation techniques; Valuation techniques include reference to the prices used by the well-briefed parties which transact out of free will in the latest market transactions, reference to the current fair value of other financial assets which are similar in nature, discounted cash flow technique, and option pricing model.

9. Bad debt provision for receivables

The Group recognizes bad debts when the following conditions are met: the debtors are dissolved, bankrupt, insolvent, in serious shortage of cash flows or suspend its business due to natural disasters and unable to settle the debts in the foreseeable period; or debtors defaulting on for repayment; or there are other evidences indicating the debts cannot be recovered or are not likely to be recovered.

The Company applies the allowance method for the accounting of potential bad debts and performs the impairment test separately or integrally at the end of period, with accrued bad-debt provision included in current profit and loss. As for receivables for which there is authentic evidence showing that they are impossible to be recovered, the Group will recognize them as bad debt loss after approval through specified procedures and write off the accrued bad-debt provision.

四. 重要會計政策及會計估計(續)

IV. Important Accounting Policies and Accounting Estimates (Continued)

9. 應收款項壞賬準備(續)

9. Bad debt provision for receivables (Continued)

(1) 單項金額重大並單項計提壞賬準備的應收款項

(1) *Receivables with significant individual amount and single accrued bad-debt provision*

單項金額重大的判斷依據或金額標準
Criteria or amount standard for determining whether the individual amount is significant

將單項金額超過500萬元的應收款項視為重大應收款項
Regard receivables with an individual amount of over RMB5 million as significant receivables

單項金額重大並單項計提壞賬準備的計提方法

根據其未來現金流量現值低於其賬面價值的差額，計提壞賬準備

Drawing method for account receivables with significant individual amount and accrued bad debt provision on single item

The provision of bad debts is accrued according to the difference between the present value of future cash flows and the book value of receivables

(2) 按信用風險特徵組合計提壞賬準備應收款項

(2) *Account receivables with bad debt provision accrued by combination of credit risk features*

確定組合的依據

Basis for determining combinations

賬齡組合
Account age combination

以應收款項的賬齡為信用風險特徵劃分組合
Dividing the combinations by taking the account age of receivables as credit risk features

與交易對象關係組合
Combination of relationship with transaction object

以關聯方往來款劃分組合
Dividing the combinations based on current accounts of related parties

特殊款項性質組合
Combination of special account nature

主要包括待抵扣稅金、應收出口退稅等特殊款項
Mainly including the tax to be deducted, the export tax rebate receivable and other special accounts

按組合計提壞賬準備的計提方法

Method for drawing bad-debt provision accrued by combination

賬齡組合
Account age combination

按賬齡分析法計提壞賬準備
Drawing of bad debt provision by aging analysis

與交易對象關係
Relationship with transaction object

其他方法計提壞賬準備
Drawing of bad debt provision by other methods

特殊款項性質組合
Combination of special account nature

其他方法計提壞賬準備
Drawing of bad debt provision by other methods

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財務報表附註(續)
 Notes to the Financial Statements (continued)

四. 重要會計政策及會計估計(續)

IV. Important Accounting Policies and Accounting Estimates (Continued)

9. 應收款項壞賬準備(續)

9. Bad debt provision for receivables (Continued)

(2) 按信用風險特徵組合計提壞賬準備應收款項(續)

(2) Account receivables with bad debt provision accrued by combination of credit risk features (Continued)

- 1) 採用賬齡分析法的應收款項壞賬準備計提比例如下：

- 1) Drawing proportion of bad debt provision for receivables by aging analysis:

賬齡	Account Age	應收賬款計提比例 Drawing Proportion of Account receivables (%)	其他應收款計提比例 Drawing Proportion of Other Account receivables (%)
1年以內	Within 1 year	0.50	0.50
1-2年	1-2 years	20.00	20.00
2-3年	2-3 years	60.00	60.00
3年以上	Over 3 years	100.00	100.00

- 2) 採用其他方法的應收款項壞賬準備計提：

- 2) Drawing of bad debt provision for receivables by other methods:

與交易對象關係 Relationship with transaction object	關聯方應收款項不計提壞賬準備 Do not draw bad debt provision for receivables from related parties
特殊款項性質組合 Combination of special account nature	待抵扣稅金、應收出口退稅等特殊款項性質應收款不計提壞賬準備 Do not draw bad debt provision for the tax to be deducted, the export tax rebate receivable and other receivables with special account nature

(3) 單項金額雖不重大但單項計提壞賬準備的應收款項

(3) Account receivables with insignificant amount but accrued bad debt provision on single item

單項計提壞賬準備的理由 Reason for accruing of bad debt provision on single item	單項金額不重大且按照組合計提壞賬準備不能反映其風險特徵的應收款項 Receivables with insignificant amount and bad debt provision accrued by combination not reflecting risk features of the receivables
壞賬準備的計提方法 Accruing method for bad debt provision	根據其未來現金流量現值低於其賬面價值的差額，計提壞賬準備 The provision for bad debts is accrued according to the difference between the present value of future cash flows and the book value of receivables

四. 重要會計政策及會計估計(續)

10. 存貨

本集團存貨主要包括原材料、開發成本、低值易耗品、在產品和庫存商品。

存貨實行永續盤存制，存貨在取得時按實際成本計價；領用或發出存貨，採用加權平均法確定其實際成本。低值易耗品和包裝物採用一次轉銷法進行攤銷。

期末存貨按成本與可變現淨值孰低原則計價，對於存貨因遭受毀損、全部或部分陳舊過時或銷售價格低於成本等原因，預計其成本不可收回的部分，提取存貨跌價準備。庫存商品及大宗原材料的存貨跌價準備按單個存貨項目的成本高於其可變現淨值的差額提取；其他數量繁多、單價較低的原輔材料按類別提取存貨跌價準備。

庫存商品、在產品和用於出售的材料等直接用於出售的商品存貨，其可變現淨值按該存貨的估計售價減去估計的銷售費用和相關稅費後的金額確定；用於生產而持有的材料存貨，其可變現淨值按所生產的產成品的估計售價減去至完工時估計將要發生的成本、估計的銷售費用和相關稅費後的金額確定。

IV. Important Accounting Policies and Accounting Estimates (Continued)

10. Inventories

The inventories of the Group mainly include raw materials, development cost, low value consumables, products in process, and commodities in stock.

The inventories implement the perpetual inventory system, and are valued by the actual cost when acquired. The actual costs of requisitioned or issued inventories are determined by the weighted average method. Low value consumables and packaging materials are amortized by one-off write-off method.

Ending inventories are valued by the cost or net realizable value, whichever is lower. For estimated irrecoverable part of cost due to inventory damage, obsolescence of all or partial inventories, or sale price lower than the cost, provisions for decline in value of inventories are accrued. Provisions for decline in value of inventories for goods in stock and bulk raw materials are accrued based on the difference between the cost of single inventory item and its net realizable value; for other numerous raw and auxiliary materials with low prices, provisions for decline in value of inventories are accrued based on their categories.

For merchandise inventory directly available for sale such as goods in stock, unfinished products, and materials available for sale, its net realizable value is determined as per the estimated selling price deducting estimated selling expenses and relevant taxes; for material inventory available for production, its net realizable value is determined as per the estimated price of finished product deducting estimated cost till the completion date, estimated selling expenses, and related taxes.

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財務報表附註(續) Notes to the Financial Statements (continued)

四. 重要會計政策及會計估計(續)

11. 長期股權投資

本集團長期股權投資主要是對子公司的投資、對聯營企業的投資和對合營企業的投資。

本集團對共同控制的判斷依據是所有參與方或參與方組合集體控制該安排，並且該安排相關活動的政策必須經過這些集體控制安排的參與方一致同意。

本集團對重大影響的確定依據主要為本公司直接或通過子公司間接擁有被投資單位20%(含)以上但低於50%的表決權股份，如果有明確證據表明該種情況下不能參與被投資單位的生產經營決策，則不能形成重大影響。

對被投資單位形成控制的，為本集團的子公司。通過同一控制下的企業合併取得的長期股權投資，在合併日按照取得被合併方在最終控制方合併報表中淨資產的賬面價值的份額作為長期股權投資的初始投資成本。被合併方在合併日的淨資產賬面價值為負數的，長期股權投資成本按零確定。

通過非同一控制下的企業合併取得的長期股權投資，以合併成本作為初始投資成本。

IV. Important Accounting Policies and Accounting Estimates (Continued)

11. Long term equity investments

The Group's long-term equity investments are mainly investments into subsidiaries, associated ventures, and joint ventures.

The Group's criterion for joint control is that all parties or group of parties jointly control the arrangement, and policies of relative activities of the arrangement must be subject to unanimous consent of parties sharing the control.

The Group's recognition basis for significant influence is that the Company holds the voting share of the invested entity directly or indirectly through subsidiaries, which is more than 20% (included) but less than 50%. If there is clear evidence that the Group can not participate in decision making related to production and operation of the invested entity in that case, no significant influence can be formed.

When control over the invested entity exists, the invested entity becomes subsidiary of the Group. As to long-term equity investments acquired in business merger under common control, the portion of book value of net assets in the ultimate controller's consolidated statements of the merged party on the merger date shall be recognized as the initial investment cost of long-term equity investment. Where book value of net assets of the merged party on the merger date is negative, the long-term equity investment cost is determined as zero.

For long-term equity investment acquired via business merger under different control, the merger cost is taken as the initial investment cost.

四. 重要會計政策及會計估計(續)

11. 長期股權投資(續)

除上述通過企業合併取得的長期股權投資外，以支付現金取得的長期股權投資，按照實際支付的購買價款作為投資成本；以發行權益性證券取得的長期股權投資，按照發行權益性證券的公允價值作為投資成本；投資者投入的長期股權投資，按照投資合同或協議約定的價值作為初始投資成本；以債務重組、非貨幣性資產交換等方式取得的長期股權投資，按相關會計準則的規定確定初始投資成本。

本集團對子公司投資採用成本法核算，對合營企業及聯營企業投資採用權益法核算。

後續計量採用成本法核算的長期股權投資，在追加投資時，按照追加投資支付成本的公允價值及發生的相關交易費用增加長期股權投資成本的賬面價值。被投資單位宣告分派的現金股利或利潤，按照應享有的金額確認為當期投資收益。

IV. Important Accounting Policies and Accounting Estimates (Continued)

11. Long term equity investments (Continued)

Apart from aforementioned long-term equity investment acquired through business merger, as to long-term equity investment acquired by cash payment, the actually paid amount is taken as the investment cost; as to long-term equity investment acquired through issuing equity securities, the fair value of the issued equity securities is taken as the investment cost; as to long-term equity investment invested by investors, the value specified in investment contract or agreement is taken as the initial investment cost; as to long-term equity investment acquired through debt restructuring and exchange of non-monetary assets, the initial investment cost is determined as per provisions of relevant accounting rules.

The Group uses the cost method to calculate investments in subsidiaries and equity method to calculate investments in associated and joint ventures.

For long-term equity investments subsequently calculated by the cost method, when more investments are added, the book value of the long-term equity investment cost is increased based on the fair value of cost paid for added investments and related transaction expenses. Cash dividend or profit declared by the invested entity is recognized as current investment profit in accordance with the amount to enjoy.

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財務報表附註(續) Notes to the Financial Statements (continued)

四. 重要會計政策及會計估計(續)

11. 長期股權投資(續)

後續計量採用權益法核算的長期股權投資，隨着被投資單位所有者權益的變動相應調整增加或減少長期股權投資的賬面價值。其中在確認應享有被投資單位淨損益的份額時，以取得投資時被投資單位各項可辨認資產等的公允價值為基礎，按照本集團的會計政策及會計期間，並抵銷與聯營企業及合營企業之間發生的內部交易損益按照持股比例計算歸屬於投資企業的部分，對被投資單位的淨利潤進行調整後確認。

處置長期股權投資，其賬面價值與實際取得價款的差額，計入當期投資收益。採用權益法核算的長期股權投資，因被投資單位除淨損益以外所有者權益的其他變動而計入所有者權益的，處置該項投資時將原計入所有者權益的部分按相應比例轉入當期投資收益。

因處置部分股權投資等原因喪失了對被投資單位的共同控制或重大影響的，處置後的剩餘股權改按可供出售金融資產核算，剩餘股權在喪失共同控制或重大影響之日的公允價值與賬面價值之間的差額計入當期損益。原股權投資因採用權益法核算而確認的其他綜合收益，在終止採用權益法核算時採用與被投資單位直接處置相關資產或負債相同的基礎進行會計處理。

IV. Important Accounting Policies and Accounting Estimates (Continued)

11. Long term equity investments (Continued)

For long-term equity investments subsequently calculated by the equity method, the book value of long-term equity investment is increased or decreased accordingly with variance of owner's equity of the invested entity. When determining the portion of net profit to enjoy in the invested entity, the Group will adjust the net profits of invested entity based on the fair value of identifiable assets in the invested entity when investments are acquired, by offsetting internal profit and loss incurred in transactions with joint ventures and associates and by calculating the portion attributable to the investing enterprise based on the shareholding proportion, with net profit of invested entity adjusted and recognized.

For the disposal of long-term equity investment, the difference between the book value and actually obtained price shall be included in current investment profit. For the long-term equity investment calculated by equity method which has been included in the owner's equity due to other changes in owner's equity (excluding the net profit or loss) of the invested unit, when disposed, the part which has been included in the owner's equity of such investment shall be transferred to current investment profit according to corresponding proportion.

For loss of joint control or significant influence on the invested unit due to disposal of partial equity investment or other reasons, the residual equity after disposal is calculated as per the financial assets available for sale, and the difference between the fair value and book value of residual equity on the date when losing the joint control or significant influence is included into the current profits and losses. Other comprehensive income from original equity investment recognized by the equity method is subject to the accounting treatment on the same basis as that adopted by the invested unit for directly handling related assets or liabilities when the equity method is not used anymore.

四. 重要會計政策及會計估計(續)

11. 長期股權投資(續)

因處置部分長期股權投資喪失了對被投資單位控制的，處置後的剩餘股權能夠對被投資單位實施共同控制或施加重大影響的，改按權益法核算，處置股權賬面價值和處置對價的差額計入投資收益，並對該剩餘股權視同自取得時即採用權益法核算進行調整；處置後的剩餘股權不能對被投資單位實施共同控制或施加重大影響的，改按可供出售金融資產的有關規定進行會計處理，處置股權賬面價值和處置對價的差額計入投資收益，剩餘股權在喪失控制之日的公允價值與賬面價值間的差額計入當期投資損益。

本集團對於分步處置股權至喪失控股權的各項交易不屬於「一攬子交易」的，對每一項交易分別進行會計處理。屬於「一攬子交易」的，將各項交易作為一項處置子公司並喪失控制權的交易進行會計處理，但是，在喪失控制權之前每一次交易處置價款與所處置的股權對應的長期股權投資賬面價值之間的差額，確認為其他綜合收益，到喪失控制權時再一併轉入喪失控制權的當期損益。

IV. Important Accounting Policies and Accounting Estimates (Continued)

11. Long term equity investments (Continued)

For loss of control of invested unit due to disposal of partial long-term equity investment, the residual equity after disposal, if capable of realizing joint control or applying significant influence on invested unit, is charged to the equity method for calculation, the difference between book value and consideration is included in the investment income, and the residual equity is adjusted as it is calculated by the equity method since it is acquired; the residual equity after disposal, if unable to realize joint control or apply significant influence on invested unit, is changed to accounting treatment based on related regulations of financial assets available for sale, the difference for disposal of book value and consideration is included in the investment income, and the difference between the fair value and book value of the residual equity on the loss-control date is included in current profit and loss.

Various transactions of the Group from step-by-step equity disposal to loss of controlling power do not belong to the package deal, and every transaction is separately subject to accounting treatment. Any transaction categorized as package deal is subject to the accounting treatment oriented for subsidiary disposal and loss of controlling power. However, before the loss of controlling power, the difference between the disposal price and book value of long-term equity investment of the corresponding disposed equity for every transaction is recognized as other comprehensive income, which is not transferred into current profit and loss until the controlling power is lost.

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財務報表附註(續) Notes to the Financial Statements (continued)

四. 重要會計政策及會計估計(續)

12. 投資性房地產

本集團投資性房地產包括已出租的土地使用權和已出租的房屋建築物。

本集團投資性房地產按其成本作為入賬價值，外購投資性房地產的成本包括購買價款、相關稅費和可直接歸屬於該資產的其他支出；自行建造投資性房地產的成本，由建造該項資產達到預定可使用狀態前所發生的必要支出構成。

本集團對投資性房地產採用成本模式進行後續計量，按其預計使用壽命及淨殘值率採用平均年限法計提折舊或攤銷。投資性房地產的預計使用壽命、淨殘值率及年折舊(攤銷)率如下：

類別	折舊年限(年)	預計殘值率	年折舊率
Category	Period of Depreciation (Year)	Estimated Residual Rate (%)	Annual Rate of Depreciation (%)
土地使用權			
Land Use Right	40-50	0	2.00-2.50
房屋建築物			
Premises and buildings	20	5	4.75

當投資性房地產的用途改變為自用時，則自改變之日起，將該投資性房地產轉換為固定資產或無形資產。自用房地產的用途改變為賺取租金或資本增值時，則自改變之日起，將固定資產或無形資產轉換為投資性房地產。發生轉換時，以轉換前的賬面價值作為轉換後的入賬價值。

IV. Important Accounting Policies and Accounting Estimates (Continued)

12. Investment real estate

The Group's investment real estate includes land use right and buildings which have already been rented.

Entry value of investment property of the Group shall be its cost. Cost of purchased investment property includes purchase price, relevant taxes and other expenditures that can directly be attributed to this asset; cost for self-constructing investment property shall be composed of necessary expenditure for making this asset reach usable status.

The Group shall conduct follow-up measurement of investment real estate by cost model and shall withdraw the depreciation or amortization as per expected service life and net salvage rate by straight line method. The estimated life span, net residual rate and annual rate of depreciation (amortization) of investment real estate are as follows:

When investment real estate is converted for self-use, such real estate shall be changed into fixed assets or intangible assets since the date of conversion. When real estate for self-use is converted for gaining rental income or capital increase, fixed assets or intangible assets shall be changed into investment real estate since the date of conversion. When conversion occurs, book value prior to conversion shall be entry value after conversion.

四. 重要會計政策及會計估計(續)

12. 投資性房地產(續)

當投資性房地產被處置，或者永久退出使用且預計不能從其處置中取得經濟利益時，終止確認該項投資性房地產。投資性房地產出售、轉讓、報廢或毀損的處置收入扣除其賬面價值和相關稅費後的金額計入當期損益。

13. 固定資產

固定資產是指為生產商品、提供勞務、出租或經營管理而持有，使用期限超過一年的有形資產；同時與該固定資產有關的經濟利益很可能流入企業，該固定資產的成本能夠可靠地計量。

固定資產分類：房屋建築物、機器設備、運輸設備、電子設備及其他。

固定資產計價：固定資產按其按取得時的實際成本進行初始計量，其中，外購的固定資產的成本包括買價、增值稅、進口關稅等相關稅費，以及為使固定資產達到預定可使用狀態前所發生的可直接歸屬於該資產的其他支出；自行建造固定資產的成本，由建造該項資產達到預定可使用狀態前所發生的必要支出構成；投資者投入的固定資產，按投資合同或協議約定的價值作為入賬價值，但合同或協議約定價值不公允的按公允價值入賬；融資租賃租入的固定資產，按租賃開始日租賃資產公允價值與最低租賃付款額的現值兩者中較低者，作為入賬價值。

IV. Important Accounting Policies and Accounting Estimates (Continued)

12. Investment real estate (Continued)

If an investment real estate is disposed of or withdrawn permanently from use and no economic benefit can be obtained from the disposal, the recognition of the investment real estate shall be terminated. The disposal income from selling, transferring, discarding or damaging of investment real estate shall be deducted by the book value and relevant taxes thereof and then included in current profits and losses.

13. Fixed assets

Fixed assets refer to tangible assets held for commodity production, manpower supply, renting or operation management with a service life of over one year; and meanwhile, economic interests related to the fixed assets are likely to flow into the enterprise, and the cost of fixed assets can be measured reliably.

Fixed assets are classified into premises & buildings, machinery equipment, transportation equipment, electronic equipment and others.

Valuation of fixed assets: Fixed assets shall be initially measured according to the actual cost as obtained, wherein, the cost of purchasing fixed assets shall include the purchase price, value-added tax, import tariff, relevant taxes and other necessary expenditures directly attributable to the fixed assets to realise the expected conditions for use; the cost of self-built fixed assets consists of the necessary expenses for building the assets to the expected conditions for use; the fixed assets invested by investors shall be taken as entry value as per the value agreed in the investment contract or agreement; however, if the value agreed in the contract or agreement is not fair, it shall be accounted as fair value; for the fixed assets for financial lease, the fair value of leased assets on the lease commencement date and the present value of minimum leasing payment shall be entry value, whichever is lower.

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財務報表附註(續) Notes to the Financial Statements (continued)

四. 重要會計政策及會計估計(續)

13. 固定資產(續)

固定資產折舊方法：除已提足折舊仍繼續使用的固定資產，本集團對所有固定資產計提折舊。計提折舊時採用年限平均法，以單項折舊率按月計算，並根據用途分別計入相關資產的成本或當期費用。本集團固定資產預計淨殘值率5%。預計淨殘值率、折舊年限及年折舊率如下：

類別	Category	折舊年限(年) Period of Depreciation (Year)	年折舊率 Annual Rate of Depreciation (%)
房屋建築物	Premises and buildings	20	4.75
機器設備	Machinery equipment	10	9.50
運輸設備	Transportation equipment	5	19.00
電子設備及其他	Electronic equipment and others	5	19.00

固定資產後續支出的處理：與固定資產有關的後續支出，包括修理支出、更新改造支出等，符合固定資產確認條件的，計入固定資產成本，對於被替換的部分，終止確認其賬面價值；不符合固定資產確認條件的，於發生時計入當期損益。

本集團於每年年度終了，對固定資產的預計使用壽命、預計淨殘值和折舊方法進行覆核並作適當調整，如發生改變，則作為會計估計變更處理。

IV. Important Accounting Policies and Accounting Estimates (Continued)

13. Fixed assets (Continued)

Depreciation method of fixed assets: except for the fixed assets fully depreciated but still in use, the Group calculates depreciation for all fixed assets. Straight line method shall be adopted for calculating depreciation based on single item per month. The depreciation expenses shall be separately included into the costs or current expenses of related assets by purposes. The expected net salvage value of fixed assets of the Group is 5%. The expected net salvage, period of depreciation and annual rate of depreciation are as follows:

Treatment for subsequent expenditure of fixed assets: if the subsequent expenditures is related to fixed assets, including repairing expenditure, renovation and reformation expenditure, meet the recognition conditions of fixed assets, they shall be included in the cost of fixed assets, and the book value of replaced parts shall be derecognised; the expenditures which do not conform to the recognition conditions of fixed assets shall be included in current profits and losses when incurred.

At the end of each year, the Group will recheck and properly adjust the service life, expected net salvage value and depreciation method of the fixed assets. Any change shall be handled as changes in accounting estimates.

四. 重要會計政策及會計估計(續)

13. 固定資產(續)

融資租入的固定資產採用與自有固定資產相一致的折舊政策。能夠合理確定租賃期屆滿時將取得租入資產所有權的，租入固定資產在其預計使用壽命內計提折舊；否則，租入固定資產在租賃期與該資產預計使用壽命兩者中較短的期間內計提折舊。

當固定資產被處置、或者預期通過使用或處置不能產生經濟利益時，終止確認該固定資產。固定資產出售、轉讓、報廢或毀損的處置收入扣除其賬面價值和相關稅費後的金額計入當期損益。

14. 在建工程

在建工程的計價：按實際發生的成本計量。自營工程按直接材料、直接工資、直接施工費等計量；出包工程按應支付的工程價款等計量；設備安裝工程按所安裝設備的價值、安裝費用、工程試運轉等所發生的支出等確定工程成本。在建工程成本還包括應當資本化的借款費用和匯兌損益。

在建工程結轉固定資產的時點：在建工程在達到預定可使用狀態之日起，根據工程預算、造價或工程實際成本等，按估計的價值結轉固定資產，次月起開始計提折舊。待辦理了竣工決算手續後再對固定資產原值差異作調整。

IV. Important Accounting Policies and Accounting Estimates (Continued)

13. Fixed assets (Continued)

The depreciation policies of fixed assets acquired by financial lease shall be consistent with those of self-owned fixed assets. For fixed assets, if it can be reasonably confirmed that the ownership can be granted when the lease term expires, the depreciation shall be accrued within the service life of the acquired leasing assets; otherwise, the depreciation shall be accrued within the lease term or the service life of leasing assets, whichever is shorter.

If a fixed asset is disposed of or if no economic benefit will be obtained from the use or disposal, the recognition of such fixed asset is terminated. The disposal income from selling, transferring, discarding or damaging of fixed assets shall be deducted by the book value thereof and relevant taxes and then included in current profits and losses.

14. Projects under construction

Valuation for projects under construction: measurement shall be made according to the actual cost. Self operating projects shall be measured as per direct material, direct salary, direct construction cost, etc.; contracted projects shall be measured as per payable project cost, etc.; and the cost of equipment installation projects shall be determined according to value of installed equipment, installation cost, commissioning expenditure, etc. Costs of projects under construction also include borrowing costs and exchange gain or loss that should be capitalized.

Time-point for carrying forward the projects under construction to fixed assets: starting from the date when the projects under construction reach the expected conditions for use, the projects shall be carried forward to fixed assets based on the estimated value and according to project budget, construction cost or actual cost, and depreciation shall be accrued from the next month. The original value difference of fixed assets shall be adjusted after the completion settlement formalities have been handled.

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財務報表附註(續) Notes to the Financial Statements (continued)

四. 重要會計政策及會計估計(續)

15. 借款費用

借款費用包括借款利息、折價或溢價的攤銷、輔助費用以及因外幣借款而發生的匯兌差額等。可直接歸屬於符合資本化條件的資產的購建或者生產的借款費用，在資產支出已經發生、借款費用已經發生、為使資產達到預定可使用或可銷售狀態所必要的購建或生產活動已經開始時，開始資本化；當購建或生產符合資本化條件的資產達到預定可使用或可銷售狀態時，停止資本化。其餘借款費用在發生當期確認為費用。

專門借款當期實際發生的利息費用，扣除尚未動用的借款資金存入銀行取得的利息收入或進行暫時性投資取得的投資收益後的金額予以資本化；一般借款根據累計資產支出超過專門借款部分的資產支出加權平均數乘以所佔用一般借款的加權平均利率，確定資本化金額。資本化率根據一般借款加權平均利率計算確定。

符合資本化條件的資產，是指需要經過相當長時間(通常指1年以上)的購建或者生產活動才能達到預定可使用或者可銷售狀態的固定資產、投資性房地產和存貨等資產。

IV. Important Accounting Policies and Accounting Estimates (Continued)

15. Borrowing costs

Borrowing costs include loan interest, amortization of discount or premium, auxiliary expenses and balance of exchange caused by foreign currency loans. The borrowing costs for construction or production, which can be directly included in assets satisfying capitalization conditions, shall begin capitalization when the expenditures of the assets and the borrowing costs occur and construction or production activities necessary for making the assets available for predicted use or selling begin. The construction or production assets which satisfy capitalization conditions shall stop capitalization when the assets are available for predicted use or selling. Other borrowing costs should be determined as expenditures when incurred.

The amount of interest of special loan actually occurring in current period deducting the interest income from unused loan capital which is deposited in banks, or deducting investment income from temporary investment of the loan capital shall be capitalized. The capitalized amount of general loan shall be determined as per the weighted average of the amount of the accumulative asset expenditures in excess of special loan asset expenditures multiplied by the weighted average capitalization rate of general loan used. The capitalization rate shall be calculated with the weighted average interest rate of general loans.

The assets in compliance with capitalization conditions refer to the fixed assets, investment real estate and inventory that require considerable long time (usually referring to more than one year) of construction or production to reach their intended usable and marketable condition.

四. 重要會計政策及會計估計(續)

15. 借款費用(續)

如果符合資本化條件的資產在購建或者生產過程中發生非正常中斷、且中斷時間連續超過3個月，暫停借款費用的資本化，直至資產的購建或生產活動重新開始。

16. 無形資產

- (1) 無形資產的計價方法：本集團的主要無形資產是土地使用權、軟件使用權和非專利技術等。購入的無形資產，按實際支付的價款和相關的其他支出作為實際成本。投資者投入的無形資產，按投資合同或協議約定的價值確定實際成本，但合同或協議約定價值不公允的，按公允價值確定實際成本。
- (2) 無形資產攤銷方法和期限：本集團的土地使用權從出讓起始日起，按其出讓年限平均攤銷；本集團軟件使用權、非專利技術按預計使用年限、合同規定的受益年限和法律規定的有效年限三者中最短者分期平均攤銷。其中土地使用權按受益出讓年限攤銷，軟件使用權按預計受益年限5年攤銷。攤銷金額按其受益對象計入相關資產成本和當期損益。

IV. Important Accounting Policies and Accounting Estimates (Continued)

15. Borrowing costs (Continued)

If assets satisfying capitalization conditions are suspended in construction or production for more than 3 months continuously, the capitalization of the suspended borrowing costs shall be suspended till the restart of purchasing, construction or production of the assets.

16. Intangible assets

- (1) Valuation methods of intangible assets: intangible assets of the Group mainly include land use right, software license and non-patented technology. The actual cost of intangible assets through purchase shall be calculated as per actually paid amount and other relevant expenditures. The actual cost of intangible assets invested by investors shall be confirmed as per value as defined in the investment contract of agreement. However, if the value as defined in the investment contract or agreement is not fair, its actual cost shall be confirmed as per fair value.
- (2) Amortization methods and period of intangible assets: land use right of the Group shall be amortized evenly according to its transfer years from the starting date of transferring; software license and non-patented technology of the Group shall be amortized evenly by stages according to the shortest one among the expected service life, the benefit period under contract and the effective period stated by law. The land use right shall be amortized as per the benefit and transfer period, and the software license shall be amortized as per the expected benefit period (5 years). The amortized amounts shall be included into current profits and losses or relevant asset costs according to beneficiaries.

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財務報表附註(續) Notes to the Financial Statements (continued)

四. 重要會計政策及會計估計(續)

16. 無形資產(續)

- (3) 本集團於每年年度終了對使用壽命有限的無形資產的預計使用壽命及攤銷方法進行覆核，如發生改變，則作為會計估計變更處理。在每個會計期間，對使用壽命不確定的無形資產的預計使用壽命進行覆核，對於有證據表明無形資產的使用壽命是有限的，則估計其使用壽命並在預計使用壽命內攤銷。

17. 研究與開發

本集團內部研究開發項目支出根據其性質以及研發活動最終形成無形資產是否具有較大不確定性，分為研究階段支出和開發階段支出。

自行研究開發的無形資產，其研究階段的支出，於發生時計入當期損益；其開發階段的支出，同時滿足下列條件的，確認為無形資產：1)完成該無形資產以使其能夠使用或出售在技術上具有可行性；2)具有完成該無形資產並使用或出售的意圖；3)運用該無形資產生產的產品存在市場或無形資產自身存在市場；4)有足夠的技術、財務資源和其他資源支持，以完成該無形資產的開發，並有能力使用或出售該無形資產；5)歸屬於該無形資產開發階段的支出能夠可靠地計量。

IV. Important Accounting Policies and Accounting Estimates (Continued)

16. Intangible assets (Continued)

- (3) The anticipated service life and the amortization method of intangible assets with limited life shall be reviewed at the end of each year. Any change shall be handled as changes in accounting estimates. The Company shall review the expected service life of intangible assets with uncertain service life in each accounting period. If any evidences indicate that the service life of intangible assets is limited, the service life shall be estimated and amortized within the expected service life.

17. Research and development

The expenditures for in-house research & development projects are classified as those for research stage and those for development stage according to natures of the expenditures and whether a great uncertainty lies in the conversion of the R&D activities into intangible assets.

For independently researched and developed intangible assets, the expenditures in research stage shall be included in the current profits and losses when incurred; and the expenditures in development stage which meet the following conditions shall be determined as intangible assets: 1) it is technically feasible to finish and use or sell the intangible assets; 2) there is an intent to finish and use or sell the intangible assets; 3) there is a market for the product manufactured by using the intangible assets or a market for the intangible assets itself; 4) there are enough technologies, financial resources and other resources to finish the development of intangible assets, and there is the ability to use or sell the intangible assets; 5) the expenditures in development stage of the intangible assets can be measured reliably.

四. 重要會計政策及會計估計(續)

17. 研究與開發(續)

不滿足上述條件的開發階段的支出，於發生時計入當期損益。前期已計入損益的開發支出不在以後期間確認為資產。已資本化的開發階段的支出在資產負債表上列示為開發支出，自該項目達到預定可使用狀態之日起轉為無形資產列報。

18. 長期資產減值

本集團於每一資產負債表日對長期股權投資、固定資產、在建工程、使用壽命確定的無形資產等項目進行檢查，當存在下列跡象時，表明資產可能發生了減值，本集團將進行減值測試，對商譽和受益年限不確定的無形資產，無論是否存在減值跡象，每年末均進行減值測試。難以對單項資產的可收回金額進行測試的，以該資產所屬的資產組或資產組組合為基礎測試。

減值測試後，若該資產的賬面價值超過其可收回金額，其差額確認為減值損失，上述資產的減值損失一經確認，在以後會計期間不予轉回。資產的可收回金額是指資產的公允價值減去處置費用後的淨額與資產預計未來現金流量的現值兩者之間的較高者。

IV. Important Accounting Policies and Accounting Estimates (Continued)

17. Research and development (Continued)

The expenditures in development stage which do not meet the above conditions shall be included in current profits and losses when incurred. The expenditures for development stage which have been included in profits and losses cannot be recognized as assets later. The capitalized expenditures for development stage are included in the balance sheet as development expenditures and are converted into intangible assets upon the date when the R&D project is ready for its intended use.

18. Impairment of long-term assets

The Group shall check long-term equity investments, fixed assets, projects under construction, intangible assets with fixed service life, etc. on each balance sheet date. When the following signs exist, it indicates that asset impairment may occur, and the Group will perform the impairment test. Goodwill and an intangible asset with an indefinite useful life shall be tested for impairment annually, irrespective of whether there is any indication that the asset may be impaired. If it is difficult to test the recoverable amount of a single asset, the test shall be performed based on asset group or asset group combination.

If the impairment test shows that the book value of the assets is greater than its recoverable value, the difference between the two is recognized as loss from impairment. Such loss from impairment, once recognized, shall not be reversed in later accounting period. The recoverable amount of assets is the net amount of fair value of assets deducting disposal fees, or present value of expected future cash flow of the assets, whichever is higher.

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財務報表附註(續) Notes to the Financial Statements (continued)

四. 重要會計政策及會計估計(續)

19. 商譽

商譽為股權投資成本或非同一控制下企業合併成本超過應享有的或企業合併中取得的被投資單位或被購買方可辨認淨資產於取得日或購買日的公允價值份額的差額。

與子公司有關的商譽在合併財務報表上單獨列示，與聯營企業和合營企業有關的商譽，包含在長期股權投資的賬面價值中。

20. 職工薪酬

本集團職工薪酬包括短期薪酬、離職後福利和辭退福利。

短期薪酬主要包括職工工資、職工福利費等，在職工提供服務的會計期間，將實際發生的短期薪酬確認為負債，並按照受益對象計入當期損益或相關資產成本。

離職後福利主要包括基本養老保險費、失業保險費等，按照公司承擔的風險和義務，分類為設定提存計劃、設定受益計劃。對於設定提存計劃在根據在資產負債表日為換取職工在會計期間提供的服務而向單獨主體繳存的提存金確認為負債，並按照受益對象計入當期損益或相關資產成本。本集團不存在設定受益計劃。

IV. Important Accounting Policies and Accounting Estimates (Continued)

19. Goodwill

Goodwill is the excess of the stock investment cost or the business merger cost not under common control over the fair value of the identifiable net assets that should be enjoyed or acquired from the invested entity or the acquiree in the business merger on the date when it is acquired or purchased.

The goodwill related to subsidiaries shall be separately listed in the consolidated financial statements, and the goodwill related to associated ventures and joint ventures shall be included in the book value of long-term equity investments.

20. Payroll

Payroll of the Group includes short-term remuneration, post-employment welfare and dismissal welfare.

Short-term remunerations mainly include salaries, welfare, etc. During the accounting period when the employees provide service for the Group, the actual short-term remunerations are recognized as liabilities, and included in current profits or losses or relevant asset cost based on different beneficiaries.

Post-employment welfare includes basic endowment insurance, unemployment insurance and is classified as defined contribution plan and defined benefit plan depending on the risk and obligation the Company bears. As for the defined contribution plans, the contributions which are made for individual subjects in exchange for the staff's services rendered in the accounting period shall be recognized as liabilities on the balance sheet date and included in current profits and losses or relevant asset costs according to the beneficiaries. There is no defined benefit plan in the Group.

四. 重要會計政策及會計估計(續)

20. 職工薪酬(續)

本集團在不能單方面撤回因解除勞動關係計劃或裁減建議所提供的辭退福利時，或確認與涉及及支付辭退福利的重組相關的成本或費用時(兩者孰早)，確認辭退福利產生的職工薪酬負債，並計入當期損益。

21. 預計負債

當與對外擔保、商業承兌匯票貼現、未決訴訟或仲裁、產品質量保證等或有事項相關的業務同時符合以下條件時，本集團將其確認為負債：1)該義務是本集團承擔的現時義務；2)該義務的履行很可能導致經濟利益流出企業；3)該義務的金額能夠可靠地計量。

預計負債的計量方法：預計負債按照履行相關現時義務所需支出的最佳估計數進行初始計量，並綜合考慮與或有事項有關的風險、不確定性和貨幣時間價值等因素。貨幣時間價值影響重大的，通過對相關未來現金流出進行折現後確定最佳估計數。每個資產負債表日對預計負債的賬面價值進行覆核，如有改變則對賬面價值進行調整以反映當前最佳估計數。

IV. Important Accounting Policies and Accounting Estimates (Continued)

20. Payroll (Continued)

When the Group cannot unilaterally withdraw the dismissal welfare provided due to the labor relationship termination plan or the redundancy offer, or when the costs or expenses related to reorganization concerning the dismissal welfare payment are recognized (whichever is earlier), the liabilities of the employee compensation arising from dismissal welfare shall be recognized and included in current profits and losses.

21. Estimated liabilities

Where the business related to external security, trade acceptance discount, pending litigations or arbitrations, product quality assurance, etc. meets the following conditions, the Group will recognize it as liabilities: 1) current obligation borne by the Group; 2) great possibility of economic benefit outflow because of performing the obligations; 3) reliable measurement for the amount of the obligations.

Measurement method for estimated liabilities: estimated liabilities are initially measured at the best estimate required to be paid when performing relevant current obligations, with comprehensive consideration of such factors as risks, uncertainties and time value of money related to contingencies. Where the time value of money is of great influence, the best estimate is recognized through the discount of relevant future cash outflows. As of the balance sheet date, the book value of the estimated liabilities is reviewed and adjusted (if any change) to reflect current best estimate.

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財務報表附註(續) Notes to the Financial Statements (continued)

四. 重要會計政策及會計估計(續)

22. 收入確認方法

本集團的營業收入主要包括銷售商品收入、提供勞務收入和讓渡資產使用權收入。與交易相關的經濟利益能夠流入本集團，相關的收入能夠可靠計量且滿足下列各項經營活動的特定收入確認標準時，確認相關的收入。

- (1) 銷售商品收入的確認原則：
本集團已將商品所有權上的主要風險和報酬轉移給購貨方；本集團既沒有保留通常與所有權相聯繫的繼續管理權，也沒有對已售出的商品實施有效控制；收入的金額能夠可靠地計量；相關的經濟利益很可能流入企業；相關的已發生或將發生的成本能夠可靠地計量。
- (2) 提供勞務收入的確認原則：
以勞務總收入和總成本能夠可靠地計量，與交易相關的經濟利益能夠流入本集團，勞務的完成程度能夠可靠地確定時，確認勞務收入的實現。在同一年度內開始並完成的勞務，在完成勞務時確認收入；勞務的開始和完成分屬不同的會計年度，在提供勞務交易的結果能夠可靠估計的情況下，於資產負債表日按完工百分比法確認相關的勞務收入，完工百分比按已經發生的成本佔估計總成本的比例確認。

IV. Important Accounting Policies and Accounting Estimates (Continued)

22. Method for recognition of revenue

The operating income of the Group is mainly derived from goods sales, rendering labor services and transfer of right to use assets. When economic benefits related to transaction can flow into the Group, and relevant revenue can be measured reliably and meet the recognition criteria of special revenue of the following various operating activities, relevant revenue can be recognized.

- (1) Recognition principle for sales revenue: the revenue from commodity sales is recognized under the following conditions: major risks and rewards concerning the ownership of commodity have been transferred to the buyer; neither continuous management right usually related to the ownership is retained nor effective control over sold goods is effected; the amount of the revenue can be measured reliably; relevant economic benefits may flow to the enterprise; and relevant costs incurred or to be incurred can be measured reliably.
- (2) Recognition principles for rendering of labor services: the labor service revenue can be recognized when the total labor service revenue and total cost can be measured reliably, relevant economic benefits may flow into the Group, and completion of labor service can be measured reliably. If the labor services are started and completed in the same year, the revenue of labor service is recognized upon completion; if the start and completion of labor service occur in different accounting years, and under the condition that the result of rendering labor transaction can be estimated reliably, the relevant revenue of labor service shall be recognized through percentage-of-completion method on the balance sheet date, and the percentage of completion shall be recognized according to the percentage of the occurred cost in the estimated total cost.

四. 重要會計政策及會計估計(續)

22. 收入確認方法(續)

- (3) 讓渡資產使用權收入的確認原則：以與交易相關的經濟利益能夠流入本集團，收入的金額能夠可靠地計量時，確認讓渡資產使用權收入的實現。

23. 政府補助

本集團的政府補助包括與資產相關的政府補助、與收益相關的政府補助。其中，與資產相關的政府補助，是指本集團取得的、用於購建或以其他方式形成長期資產的政府補助；與收益相關的政府補助，是指除與資產相關的政府補助之外的政府補助。如果政府文件中未明確規定補助對象，本集團按照上述區分原則進行判斷，難以區分的，整體歸類為與收益相關的政府補助。

政府補助為貨幣性資產的，按照實際收到的金額計量，對於按照固定的定額標準撥付的補助，或對年末有確鑿證據表明能夠符合財政扶持政策規定的相關條件且預計能夠收到財政扶持資金時，按照應收的金額計量；政府補助為非貨幣性資產的，按照公允價值計量，公允價值不能可靠取得的，按照名義金額(1元)計量。

與資產相關的政府補助確認為遞延收益，確認為遞延收益的與資產相關的政府補助，在相關資產使用壽命內按照平均分配方法分期計入當期損益。

IV. Important Accounting Policies and Accounting Estimates (Continued)

22. Method for recognition of revenue (Continued)

- (3) Recognition principle for revenue from transfer of the right to use assets: the revenue from transfer of the right to use assets can be recognized when the economic benefits related to transaction flow into the Group and the amount of revenue can be measured reliably.

23. Government grants

Government grants to the Company is divided into asset-related government grants and revenue-related government grants. The asset-related government grants refer to those obtained by the Company and used for the acquisition or construction of long-term assets or obtainment of such assets by other forms. The revenue-related government grants refer to those other than the asset-related government grants. If no assistance object is specified in the government documents, the Company shall determine based on the above principles. If it is difficult to distinguish, it is generally classified as revenue-related government grants.

As monetary assets, the government grants shall be measured based on the actually received amounts; the subsidies paid according to fixed quota standards, or when concrete evidence shows that relevant conditions specified in fiscal support policies can be met and the fiscal support funds can be received based on estimates at the end of period, shall be measured based on the receivable amounts; as non-monetary assets, the government grants shall be measured based on the fair value; if the fair value cannot be estimated reliably, it shall be measured based on nominal amount (RMB1).

Asset-related government grants shall be recognized as deferred revenues and asset-related government grants recognized as deferred revenues shall be distributed equally within the service life of related assets and included into current profits and losses.

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財務報表附註(續) Notes to the Financial Statements (continued)

四. 重要會計政策及會計估計(續)

23. 政府補助(續)

相關資產在使用壽命結束前被出售、轉讓、報廢或發生毀損的，將尚未分配的相關遞延收益餘額轉入資產處置當期的損益。

與收益相關的政府補助，用於補償以後期間的相關成本費用或損失的，確認為遞延收益，並在確認相關成本費用或損失的期間計入當期損益；用於補償已經發生的相關費用和損失的，直接計入當期損益。與日常活動相關的政府補助，按照經濟業務實質，計入其他收益。與日常活動無關的政府補助，計入營業外收支。

本集團取得政策性優惠貸款貼息的，區分財政將貼息資金撥付給貸款銀行和財政將貼息資金直接撥付給本公司兩種情況，分別按照以下原則進行會計處理：

- (1) 財政將貼息資金撥付給貸款銀行，由貸款銀行以政策性優惠利率向本公司提供貸款的，本公司以實際收到的借款金額作為借款的入賬價值，按照借款本金和該政策性優惠利率計算相關借款費用。
- (2) 財政將貼息資金直接撥付給本公司，本公司將對應的貼息沖減相關借款費用。

本公司已確認的政府補助需要退回的，在需要退回的當期分情況按照以下規定進行會計處理：

- 1) 存在相關遞延收益的，沖減相關遞延收益賬面餘額，超出部分計入當期損益。
- 2) 屬於其他情況的，直接計入當期損益。

IV. Important Accounting Policies and Accounting Estimates (Continued)

23. Government grants (Continued)

If relevant assets are sold, transferred, discarded or damaged before the end of their useful lives, the unallocated related deferred incomes are transferred into the profits and losses of the current period when the assets are disposed of.

Revenue-related government grants used to compensate for related costs or losses during future periods shall be recognized as deferred income, and it shall be included in current profits and losses during the period when it is recognized; those used to compensate for the incurred related costs or losses shall be included in current profits and losses directly. Government grants related to daily activities are included in other income according to the substance of economic activities. Government grants not related to daily activities are included in non-operating income and expenditure.

When the Company obtains discounted interest on preferential loans, the financial appropriation of interest-subsidized funds to the loan bank and the financial allocation of discount funds directly to the Company should be distinguished and treated according to the following principles of accounting:

- (1) When the financial appropriation of interest-subsidized funds is to the loan bank, the loan bank provides loans to the Company at a policy preferential interest rate, the Company takes the actually received loan amount as the entry value of the loan and calculates the relevant borrowing costs according to the loan principal and the policy preferential interest rate.
- (2) When the government directly grant the interest-subsidized funds to the Company, the Company will offset the interest-related borrowing costs by the corresponding interest discount.

If the government grants that the Company has confirmed needs to be returned, accounting treatment should be carried out in accordance with the following provisions in the current period:

- 1) If there is relevant deferred income, the book value of the related deferred income shall be offset, and the excess shall be included in the current profits and losses.
- 2) Otherwise, the government grants shall be directly included in the current profits and losses.

四. 重要會計政策及會計估計(續)

24. 遞延所得稅資產和遞延所得稅負債

遞延所得稅資產和遞延所得稅負債根據資產和負債的計稅基礎與其賬面價值的差額(暫時性差異)計算確認。對於按照稅法規定能夠於以後年度抵減應納稅所得額的可抵扣虧損和稅款抵減，視同暫時性差異確認相應的遞延所得稅資產。於資產負債表日，遞延所得稅資產和遞延所得稅負債，按照預期收回該資產或清償該負債期間的適用稅率計量。

本集團以很可能取得用來抵扣可抵扣暫時性差異的應納稅所得額為限，確認由可抵扣暫時性差異產生的遞延所得稅資產。對已確認的遞延所得稅資產，當預計到未來期間很可能無法獲得足夠的應納稅所得額用以抵扣遞延所得稅資產時，應當減記遞延所得稅資產的賬面價值。在很可能獲得足夠的應納稅所得額時，減記的金額予以轉回。

IV. Important Accounting Policies and Accounting Estimates (Continued)

24. Deferred income tax assets and deferred income tax liabilities

Deferred income tax assets and deferred income tax liabilities shall be recognized by calculating the difference (temporary difference) between the tax base and book value thereof. As to taxable income with deductible loss and tax deduction that can be deducted in the future as specified by tax laws, corresponding deferred tax assets shall be recognized as per temporary differences. Deferred income tax assets and liabilities shall be measured at applicable tax rate during the anticipated period for withdrawing such assets or during the period for paying off such liabilities on the balance sheet date.

The Group recognizes the corresponding deferred income tax assets arising from deductible temporary differences to the extent that the amount of taxable income to be offset by the deductible temporary difference is likely to be obtained by the Group. For recognized deferred tax assets, if it is predicted that the amount of taxable income cannot be sufficient to deduct the deferred tax assets in future period, the book value of deferred tax assets shall be written down. If it is possible to obtain sufficient amount of taxable income, the amount that has been written down shall be returned.

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財務報表附註(續)

Notes to the Financial Statements (continued)

四. 重要會計政策及會計估計(續)

25. 租賃

本集團在租賃開始日將租賃分為融資租賃和經營租賃。

融資租賃是指實質上轉移了與資產所有權有關的全部風險和報酬的租賃。本集團作為承租方時，在租賃開始日，按租賃開始日租賃資產的公允價值與最低租賃付款額的現值兩者中較低者，作為融資租入固定資產的入賬價值，將最低租賃付款額作為長期應付款的入賬價值，將兩者的差額記錄為未確認融資費用。

經營租賃是指除融資租賃以外的其他租賃。本集團作為承租方的租金在租賃期內的各個期間按直線法計入相關資產成本或當期損益，本集團作為出租方的租金在租賃期內的各個期間按直線法確認為收入。

IV. Important Accounting Policies and Accounting Estimates (Continued)

25. Lease

Lease can be divided by the Group into finance lease and operating lease at the start of lease.

Finance lease is a kind of lease in which all risks and rewards regarding the ownership of the assets are actually transferred. At the commencement of the lease term, as the Lessee, the Group shall deem the lower of the fair value of the leased asset and the present value of the minimum lease payments as the entry value of fixed assets acquired by finance lease, and the minimum lease payment as the entry value of long-term account payable. The difference between the two entry values is deemed as unrecognized financing charges.

Operating lease refers to the lease other than finance lease. As the Lessee, the Group shall include the rents in relevant asset costs or current profits and losses by using the straight-line method within each period of the lease term, while as the Lessor, the Group shall recognize the rents as revenues by using the straight-line method within each period of the lease term.

四. 重要會計政策及會計估計(續)

26. 持有待售

本集團將同時符合下列條件的非流動資產或處置組劃分為持有待售：(1)根據類似交易中出售此類資產或處置組的慣例，在當前狀況下即可立即出售；(2)出售極可能發生，即已經就一項出售計劃作出決議且獲得確定的購買承諾，預計出售將在一年內完成。有關規定要求相關權力機構或者監管部門批准後方可出售的需要獲得相關批准。本集團將非流動資產或處置組首次劃分為持有待售類別前，按照相關會計準則規定計量非流動資產或處置組中各項資產和負債的賬面價值。初始計量或在資產負債表日重新計量持有待售的非流動資產或處置組時，其賬面價值高於公允價值減去出售費用後的淨額的，將賬面價值減記至公允價值減去出售費用後的淨額，減記的金額確認為資產減值損失，計入當期損益，同時計提持有待售資產減值準備。

本集團專為轉售而取得的非流動資產或處置組，在取得日滿足「預計出售將在一年內完成」的規定條件，且短期(通常為3個月)內很可能滿足持有待售類別的其他劃分條件的，在取得日將其劃分為持有待售類別。在初始計量時，比較假定其不劃分為持有待售類別情況下的初始計量金額和公允價值減去出售費用後的淨額，以兩者孰低計量。除企業合併中取得的非流動資產或處置組外，由非流動資產或處置組以公允價值減去出售費用後的淨額作為初始計量金額而產生的差額，計入當期損益。

IV. Important Accounting Policies and Accounting Estimates (Continued)

26. Held for sale

The Group specifies that an asset classified as held for sale, or included within a disposal group that is classified as held for sale. (1) For this to be the case, the asset (or disposal group) must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets (or disposal groups). (2) For the sale to be highly probable, an active programme to locate a buyer and complete the plan must have been initiated, the sale should be expected to qualify for recognition as a completed sale within one year from the date of classification. Initial measurement or remeasurement of non-current assets held for sale or disposal group on the balance sheet date, the carrying amount more than fair value less costs to sell, the carrying amount is written down to the net value of the fair value minus costs to sell, and the amount written down is recognized as the asset impairment loss, which is recorded in profit or loss for the current period, and the provision for impairment of assets held for sale is made.

When an entity acquires a non-current asset (or disposal group) exclusively with a view to its subsequent disposal, it shall classify the non-current asset (or disposal group) as held for sale at the acquisition date only if the one-year requirement is met and it is highly probable that any other criteria that are not met at that date will be met within a short period following the acquisition (usually within three months). on initial recognition, the comparison assumes that it is not classified as held for sale at the lower of its amount on initial recognition and fair value less costs to sell. Except for the non-current assets or disposal groups acquired in a business combination, the difference arising from the net amount of non-current assets or disposal groups measured at fair value less costs to sell as the initial measurement amount shall be included in the current profit or loss.

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財務報表附註(續) Notes to the Financial Statements (continued)

四. 重要會計政策及會計估計(續)

26. 持有待售(續)

本集團因出售對子公司的投資等原因導致喪失對子公司控制權的，無論出售後本集團是否保留部分權益性投資，在擬出售的對子公司投資滿足持有待售類別劃分條件時，在母公司個別財務報表中將對子公司投資整體劃分為持有待售類別，在合併財務報表中將子公司所有資產和負債劃分為持有待售類別。

後續資產負債表日持有待售的非流動資產公允價值減去出售費用後的淨額增加的，以前減記的金額應當予以恢復，並在劃分為持有待售類別後確認的資產減值損失金額內轉回，轉回金額計入當期損益。劃分為持有待售類別前確認的資產減值損失不得轉回。

對於持有待售的處置組確認的資產減值損失金額，先抵減處置組中商譽的賬面價值，再根據各項非流動資產賬面價值所佔比重，按比例抵減其賬面價值。

後續資產負債表日持有待售的處置組公允價值減去出售費用後的淨額增加的，以前減記的金額應當予以恢復，並在劃分為持有待售類別後適用相關計量規定的非流動資產確認的資產減值損失金額內轉回，轉回金額計入當期損益。已抵減的商譽賬面價值，以及非流動資產在劃分為持有待售類別前確認的資產減值損失不得轉回。

IV. Important Accounting Policies and Accounting Estimates (Continued)

26. Held for sale (Continued)

The Group that is committed to a sale plan involving loss of control of a subsidiary shall classify all the assets and liabilities of that subsidiary as held for sale, regardless of whether the entity will retain a non-controlling interest in its former subsidiary after the sale. In the parent company's separate financial statements, the investment in subsidiaries will be classified as held for sale, all the assets and liabilities of a subsidiary are classified as held for sale in the consolidated financial statements.

If the net value of the non-current assets held for sale's fair value less the cost to sell on the subsequent balance sheet date increases, the amount previously written-down should be recovered and reversed within the amount of the asset impairment loss recognized after classification as held for sale, and the reversed amount is recorded in the current profit or loss. Assets impairment losses recognized before classification as held for sale are not reversed.

For the asset impairment loss recognized in the disposal group held for sale, firstly, the carrying amount of the goodwill in the disposal group shall be offset, and then according to the proportion of the carrying amount of each non-current asset, the carrying amount will be deducted proportionately.

If the net value of the disposal group held for sale's fair value less the cost to sell on the subsequent balance sheet date increases, the amount previously written-down should be recovered and reversed within the amount of the asset impairment loss recognized in the non-current assets subject to the relevant measurement rules after classification as held for sale, and the reversed amount is recorded in the current profit or loss. The carrying amount of goodwill that has been deducted and the impairment loss on assets recognized as non-current assets before classification as held for sale are not allowed to be reversed.

四. 重要會計政策及會計估計(續)

26. 持有待售(續)

持有待售的處置組確認的資產減值損失後續轉回金額，根據處置組中除商譽外，各項非流動資產賬面價值所佔比重，按比例增加其賬面價值。

持有待售的非流動資產或處置組中的非流動資產不計提折舊或攤銷，持有待售的處置組中負債的利息和其他費用繼續予以確認。

持有待售的非流動資產或處置組因不再滿足持有待售類別的劃分條件，而不再繼續劃分為持有待售類別或非流動資產從持有待售的處置組中移除時，按照以下兩者孰低計量：(1)劃分為持有待售類別前的賬面價值，按照假定不劃分為持有待售類別情況下本應確認的折舊、攤銷或減值等進行調整後的金額；(2)可收回金額。

終止確認持有待售的非流動資產或處置組時，將尚未確認的利得或損失計入當期損益。

IV. Important Accounting Policies and Accounting Estimates (Continued)

26. Held for sale (Continued)

The amount of which assets impairment losses recognized by the disposal group held for sale are subsequently reversed, according to the disposal group except goodwill and the proportion of the carrying amount of each non-current asset, the carrying amount will be deducted proportionately.

The non-current asset classified as held for sale, or included within a disposal group, is not depreciated. Interest on the liabilities within disposal group that is classified as held for sale, shall be recognized.

When non-current assets held for sale no longer continue to be classified as held-for-sale category or non-current assets removed from disposal group because of no longer meeting the condition classified as held for sale, which shall be measured according to the lower of the following two: (1) the carrying amount before classification as held for sale is adjusted based on the depreciation, amortization or impairment that should be recognized if it is not classified as held for sale; (2) Recoverable Amount.

When derecognizing the non-current assets held for sale or disposal group, the unrecognized gains or losses shall be included in the current profits and losses.

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財務報表附註(續) Notes to the Financial Statements (continued)

四. 重要會計政策及會計估計(續)

27. 終止經營

終止經營，是指本集團滿足下列條件之一的、能夠單獨區分的組成部分，且該組成部分已經處置或劃分為持有待售類別：(1)該組成部分代表一項獨立的主要業務或一個單獨的主要經營地區；(2)該組成部分是擬對一項獨立的主要業務或一個單獨的主要經營地區進行處置的一項相關聯計劃的一部分；(3)該組成部分是專為轉售而取得的子公司。

28. 所得稅的會計核算

本集團所得稅的會計核算採用資產負債表債務法。所得稅費用包括當期所得稅和遞延所得稅。除將與直接計入股東權益的交易和事項相關的當期所得稅和遞延所得稅計入股東權益，以及企業合併產生的遞延所得稅調整商譽的賬面價值外，其餘的當期所得稅和遞延所得稅費用或收益計入當期損益。

當期所得稅費用是指企業按照稅務規定計算確定的針對當期發生的交易和事項，應納給稅務部門的金額，即應交所得稅；遞延所得稅是指按照資產負債表債務法應予確認的遞延所得稅資產和遞延所得稅負債在期末應有的金額相對於原已確認金額之間的差額。

IV. Important Accounting Policies and Accounting Estimates (Continued)

27. Discontinued operations

Discontinued operations, means any component of the Group which meets one of the following conditions and can be distinguished separately has been disposed of or classified as held for sale: (1) This component represents an independent main business or a separate main operating area; (2) This component is part of a related plan for disposing of an independent main business or a separate main operating area; (3) This component is a subsidiary acquired exclusively for resale.

28. Accounting of income tax

The accounting of income tax of the Group will be conducted by using balance sheet liability method. Income tax expenses include current income taxes and deferred income taxes. Other current income taxes and deferred income taxes or revenues are included in current profits and losses, except for the current income taxes and deferred income taxes that are related to the transactions and items directly included in shareholders' equity and the book value of deferred income taxes generated by business merger for goodwill adjustment.

Current income tax refers to the amount that is determined by calculation for transactions and events occurring in that phase and shall be paid by enterprises to the tax department according to the tax laws, i.e. income tax payable; deferred income tax refers to the difference between the due amount of deferred income tax assets and liabilities that shall be recognized by using the balance sheet liability method at the end of the phase and the original amount that has been recognized.

四. 重要會計政策及會計估計(續)

IV. Important Accounting Policies and Accounting Estimates (Continued)

29. 其他重要的會計政策和會計估計

29. Other important accounting policy and accounting estimate

(1) 安全生產費

(1) Safety production costs

本公司根據財政部、國家安全生產監督管理總局2012年2月14日印佈的《企業安全生產費用提取和使用管理辦法》(財企[2012]16號)的相關規定提取和使用、核算安全生產費。

The Company, in accordance with the relevant rules from management approach of enterprise safety production cost extraction and use (CQ [2012] NO.16) issued by Ministry of Finance of the People's Republic of China and State Administration of Work Safety on February 14, 2012, extracted, used and assessed safe production costs.

本公司涉及危險品生產和儲存業務，以上年度實際營業收入作為計提依據，採取超額累退方式按照以下標準平均逐月提取，計提標準如下：

The Company was involved in the production and storage of dangerous goods and based on the actual operating income of the previous year, took the excess regressive method to extract average monthly according to the following standard:

序號	上年度銷售額	計提比例
Order	Sales of the previous year	Proportion of drawing
1	1,000萬元及以下部分 Less than RMB10 million	4%
2	1,000萬元至10,000萬元(含)部分 RMB10 million to RMB100 million (inclusive) part	2%
3	10,000萬元至100,000萬元(含)部分 RMB100 million to RMB1,000 million (inclusive) part	0.5%
4	100,000萬元以上部分 More than RMB1,000 million	0.2%

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財務報表附註(續) Notes to the Financial Statements (continued)

四. 重要會計政策及會計估計(續)

29. 其他重要的會計政策和會計估計(續)

(1) 安全生產費(續)

本公司按規定標準提取安全生產費用，提取的安全生產費計入當期損益，同時記入專項儲備，在所有者權益項下單獨列示。實際使用提取的安全生產費時，屬於費用性支出的，直接沖減專項儲備。使用提取的安全生產費形成固定資產的，通過「在建工程」科目歸集所發生的支出，待安全項目完工達到預定可使用狀態時確認為固定資產；同時，按照形成固定資產的成本沖減專項儲備，並確認相同金額的累計折舊，該固定資產在以後期間不再計提折舊。提取的專項儲備餘額不足沖減的，按實際發生額直接計入當期損益。

IV. Important Accounting Policies and Accounting Estimates (Continued)

29. Other important accounting policy and accounting estimate (Continued)

(1) Safety production costs (Continued)

The Company shall collect the safety production cost according to the stipulated standards and the collected safety production cost shall be included in the current profits and losses, as well as being included in special reserves, and listed separately under the owner's equity. The actual use of the extraction of safe production costs, which belongs to expense, offset special reserves directly. When the use of the extraction of safe production costs forms a fixed asset, expenses incurred should be summarized through the projects under construction and regarded as fixed asset when the safety projects reach the expected condition for use. At the same time, the cost of the formation of fixed assets offsets the special reserves, the cumulative depreciation of the same amount is recognized and the fixed assets shall be depreciated no longer in the subsequent period. If the amount of the special reserve is insufficient to be offset, the actual amount shall be directly included in the current profits and losses according to the actual amount.

四. 重要會計政策及會計估計(續)

29. 其他重要的會計政策和會計估計(續)

(2) 分部信息

本集團根據內部組織架構、管理規定及內部匯報制度釐定經營分部。經營分部是指本集團內滿足下列所有條件的組成部份：

- (a) 該部份能夠在日常活動中產生收益及導致支出；
- (b) 本集團管理層定期審閱該分部的經營業績，以決定向其分配資源及評估其表現；
- (c) 本集團可查閱該分部的財務狀況、經營業績和現金流量的資料。

本集團根據經營分部釐定報告分部。分部間收益基於該等交易的實際交易價計量。

IV. Important Accounting Policies and Accounting Estimates (Continued)

29. Other important accounting policy and accounting estimate (Continued)

(2) Segment information

The group determines the operating segments on the basis of internal organization structure, management requirements and internal reporting system. The operating segment refers to the constituent part within the Group, which simultaneously satisfies the following conditions:

- (a) this part can generate income and incur expenses in daily activities;
- (b) the senior management of the Group can evaluate the operating results of this part at regular intervals so as to decide to allocate resources to it and evaluate its performance;
- (c) the Group can access the relevant accounting information of this part such as financial position, operating results and cash flow, etc.

The Group determines the reporting segment based on the operating segments. Inter-segment earnings are measured based on the actual price of the transaction.

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財務報表附註(續)

Notes to the Financial Statements (continued)

四. 重要會計政策及會計估計(續)

30. 重要會計政策和會計估計變更

(1) 重要會計政策變更

- 1) 財政部於2017年度發佈了《企業會計準則第42號-持有待售的非流動資產、處置組和終止經營》，自2017年5月28日起施行，對於施行日存在的持有待售的非流動資產、處置組和終止經營，要求採用未來適用法處理。
- 2) 財政部於2017年度修訂了《企業會計準則第16號-政府補助》，修訂後的準則自2017年6月12日起施行，對於2017年1月1日存在的政府補助，要求採用未來適用法處理；對於2017年1月1日至施行日新增的政府補助，也要求按照修訂後的準則進行調整。
- 3) 財政部於2017年度發佈了《財政部關於修訂印發一般企業財務報表格式的通知》，對一般企業財務報表格式進行了修訂，適用於2017年度及以後期間的財務報表。

IV. Important Accounting Policies and Accounting Estimates (Continued)

30. Important accounting policy and accounting estimate change

(1) Changes in important accounting policy

- 1) "CAS No.42-Non-current Assets Held for Sale, Disposal Group and Discontinued Operations", which was released by the Ministry of Finance of PRC in 2017, has come into force since May 28, 2017. The non-current assets held for sale, disposal group and discontinued operations existing on the implementation date, are required to be dealt with in prospective application.
- 2) "CAS No.16-Government Grant" which was revised by the Ministry of Finance of PRC in 2017, has come into force since June 12, 2017. The government grants existing on January 1, 2017 are required to be dealt with in prospective application. The government grants newly added from January 1, 2017 to implementation date also require adjustments in accordance with revised CAS.
- 3) "Notice of the Ministry of Finance on Amending and Formatting the General Enterprise Financial Statements", which was released by the Ministry of Finance of PRC in 2017, has revised the general enterprise financial statements format. It is applicable to the financial statements for the 2017 year and beyond.

四. 重要會計政策及會計估計(續)

IV. Important Accounting Policies and Accounting Estimates (Continued)

30. 重要會計政策和會計估計變更(續)

30. Important accounting policy and accounting estimate change (Continued)

(1) 重要會計政策變更(續)

(1) Changes in important accounting policy (Continued)

本集團執行上述兩項準則和財會[2017]30號對2017年度的財務報表主要影響如下：

The major impacts of the implementation of the above two CAS and CK [2017] No.30 on 2017 Year Financial Statement are as follows:

會計政策變更的內容和原因

Content and reason of accounting policy change

受影響的報表項目名稱和金額

The name and amount of the report item that is affected

- 1) 在利潤表中新增「資產處置收益」項目，將部分原列示為「營業外收入」及「營業外支出」的資產處置損益重分類至「資產處置收益」項目。比較數據相應調整。

資產處置收益上年發生額增加5,250,916.35元，營業外收入相應減少5,836,722.36元，營業外支出相應減少585,806.01元；資產處置收益本年發生額增加46,047,264.22元，營業外收入相應減少46,461,596.34元，營業外支出相應減少414,332.12元。

The newly added "Gains from Asset Disposal" item in the income statement re-classifies some of the gain and loss items from the disposal of assets that were originally classified as "Non-operating Income" and "Non-operating Expenditure" to "Gains from Asset Disposal". The corresponding data are adjusted accordingly.

Gains from asset disposal of last year increases RMB5,250,916.35, the corresponding decrease of non-operating income is RMB5,836,722.36, the corresponding decrease of non-operating expenditure is RMB585,806.01; Gains from asset disposal of this year increases RMB46,047,264.22, the corresponding decrease of non-operating income is RMB46,461,596.34, the corresponding decrease of non-operating expenditure is RMB414,332.12.

- 2) 與資產相關的政府補助計入遞延收益，在資產使用壽命內分期計入其他收益；與本公司日常活動相關的政府補助，計入其他收益，不再計入營業外收入。

其他收益本年發生額增加12,508,306.00元，營業外收入相應減少12,508,306.00元。

Government grants related to assets are included in deferred income, and are included in other income by installments within the useful life of the asset. Government grants related to the daily activities of the Company are included in other incomes and are no longer included in non-operating income.

Other incomes increase RMB12,508,306.00 this year, and the corresponding decrease of non-operating income is RMB12,508,306.00.

- 3) 在利潤表中分別列示持續經營利潤和終止經營利潤，比較數據相應調整。

持續經營利潤上年發生額133,047,273.87元，本年發生額221,248,751.89元；終止經營利潤上年和本年發生額均無影響。

In the income statement, the profit from continued operations and discontinued operations should be listed respectively, the corresponding data are adjusted accordingly.

Amount of last-year profit from continued operations is RMB133,047,273.87, amount of this year is RMB221,248,751.89; Profit from discontinued operations of the previous year and the current year have no impact.

(2) 重要會計估計變更

(2) Changes in important accounting estimate

本集團2017年度無會計估計變更事項。

There were no changes in accounting estimates in the 2017 Reporting Period.

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續) Notes to the Financial Statements (continued)

五. 稅項

V. Taxes

1. 主要稅種及稅率

1. Main taxes and rates

稅種 Tax Category	計稅依據 Taxation Basis	稅率 Tax Rate
增值稅 Value-added tax	銷項稅抵扣購進貨物進項稅後的差額 Difference after output tax is deducted from input tax of purchased goods	6%、11%、13%、17%
城建稅 Urban construction tax	應繳納流轉稅額 Taxable amount of turnover tax	7%
教育費附加 Educational surcharges	應繳納流轉稅額 Taxable amount of turnover tax	3%
地方教育費附加 Local educational surcharges	應繳納流轉稅額 Taxable amount of turnover tax	2%
中國企業所得稅 PRC enterprise income tax	應納稅所得額 Taxable income	15%、25%
美國企業所得稅 USA federal and state tax	應納稅所得額 Taxable income	聯邦稅15%–35%，州稅8.84%
荷蘭企業所得稅 Netherlands corporation income tax	應納稅所得額 Taxable income	Federal tax: 15%–35%, State tax: 8.84% 36.50%–52%

不同企業所得稅稅率納稅主體說明：

Description of taxpaying subjects and income tax rates of different enterprises:

納稅主體名稱 Taxpaying Subject	所得稅稅率 Income Tax Rate
本公司 The Company	15%
山東淄博新達製藥有限公司 Shandong Zibo Xincat Pharmaceutical Company Limited	15%
山東新華製藥(歐洲)有限公司 Shandong Xinhua Pharmaceutical (Europe) Co., Ltd.	36.50%–52%
山東新華製藥(美國)有限責任公司 Shandong Xinhua Pharmaceutical (USA) Co., Ltd.	聯邦稅15%–35%，州稅8.84% Federal tax rate: 15%–35%, State tax rate: 8.84%
其他10家子公司 Other 10 subsidiaries	25%

五. 稅項(續)

2. 稅收優惠

(1) 所得稅

根據山東省科學技術廳、山東省財政廳、山東省國家稅務局、山東省地方稅務局魯科字[2015]33號文件的批覆，本公司被確認為高新技術企業，於2014年10月31日取得編號GR201437000377高新技術企業證書。本公司2017年高新技術企業資格已通過重新認定，並已分配編號為GR201737001056的高新技術企業證書。本公司高新技術企業證書暫未生效，2017年度暫按15%的稅率計提和預繳企業所得稅。

根據山東省科學技術廳、山東省財政廳、山東省國家稅務局、山東省地方稅務局魯科字[2015]33號文件的批覆，本公司子公司山東淄博新達製藥有限公司(以下簡稱新達製藥)被確認為高新技術企業，於2014年10月31日取得編號GR201437000570高新技術企業證書。新達製藥2017年高新技術企業資格已通過重新認定，並已分配編號為GR201737000587的高新技術企業證書。新達製藥高新技術企業證書暫未生效，2017年度暫按15%的稅率計提和預繳企業所得稅。

(2) 增值稅

本集團出口商品享受增值稅免抵退優惠政策。

V. Taxes (Continued)

2. Tax preference

(1) Income Tax

According to the approval of document LKZ [2015] No.33 from Department of Science & Technology of Shandong province, Shandong Province Finance Bureau, Shandong Provincial Office, SAT, and Shandong Local Taxation Bureau, the Company was identified as High and New Technology Enterprises (HNTEs), it obtained the the certificate of HNTEs No. GR201437000377 on October 31,2014. The company has passed the 2017 Year Review of the High and New Technology Enterprises (HNTEs) with the the certificate of HNTEs No. GR201737001056. The HNTEs certificate of the Company was unenforced temporarily, it recorded and paid advance enterprise income tax at rate of 15%.

According to the approval of document LKZ [2015] No.33 from Department of Science & Technology of Shandong province, Shandong Province Finance Bureau, Shandong Provincial Office, SAT, and Shandong Local Taxation Bureau, Shandong Zibo Xincat Pharmaceutical Company Limited (hereinafter referred to as "Xincat Pharmaceutical") was identified as High and New Technology Enterprises (HNTEs), it obtained the the certificate of HNTEs No. GR201437000570 on October 31, 2014. Xincat Pharmaceutical has passed the 2017 Year Review of the High and New Technology Enterprises (HNTEs) with the the certificate of HNTEs No. GR201737000587. The HNTEs certificate of Xincat Pharmaceutical was unenforced temporarily, it recorded and paid advance enterprise income tax at rate of 15%.

(2) Value-added tax

Export commodities of the Group enjoy the preferential policy of VAT exemption, offset and refund.

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續) Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋

下列所披露的財務報表數據，除特別註明之外，「年初」系指2017年1月1日，「年末」系指2017年12月31日，「本年」系指2017年1月1日至12月31日，「上年」系指2016年1月1日至12月31日，貨幣單位為人民幣元。

1. 貨幣資金

項目	Item	年末餘額 End. Balance	年初餘額 Beg. Balance
現金	Cash	125,118.96	144,462.73
銀行存款	Bank deposit	678,737,532.79	492,948,193.98
其他貨幣資金	Other currency funds	52,263,622.59	68,238,928.62
合計	Total	731,126,274.34	561,331,585.33
其中：存放在境外的款項總額	Including: total amount deposited abroad	4,321,944.27	16,577,235.55

本集團年末其他貨幣資金餘額中銀行承兌匯票保證金存款48,263,622.59元(年初數：人民幣68,238,928.62元)、通知存款4,000,000.00元。

VI. Notes to Main Items in Consolidated Financial Statement

Unless especially noted, among the following disclosed data in the financial statement, "beginning of the year" refers to January 1, 2017; "end of the year" refers to December 31, 2017; "current year" refers to from January 1 to December 31, 2017; "previous year" refers to from January 1 to December 31, 2016; and monetary unit is RMB.

1. Currency funds

The Group's ending balance of other currency funds includes a bank acceptance deposit of RMB48,263,622.59 (amount of previous year: RMB68,238,928.62), notice deposit of RMB4,000,000.00.

2. 應收票據

(1) 應收票據種類

票據種類	Category of Notes Receivable	年末餘額 End. Amount	年初餘額 Beg. Amount
銀行承兌匯票	Bank acceptance notes	123,254,824.94	107,005,175.90
合計	Total	123,254,824.94	107,005,175.90

2. Notes receivable

(1) Classification of other receivable

六. 合併財務報表主要項目註釋 (續)

2. 應收票據(續)

(2) 年末已用於質押的應收票據

截至2017年12月31日本集團無已用於質押的應收票據。

(3) 年末已經背書且在資產負債表日尚未到期的應收票據

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

2. Notes receivable (Continued)

(2) Notes receivable which have been pledged at the end of the year

As of December 31, 2017, the Group had no notes receivable which had been pledged.

(3) Notes receivables which have been endorsed and have not matured as of date of balance sheet at the end of the year

項目	Item	年末終止確認金額 End. Derecognized Amount	年末未終止確認金額 End. Non-derecognized Amount
銀行承兌匯票	Bank acceptance notes	444,135,756.88	

(4) 年末因出票人未履約而將其轉應收賬款的票據

截至2017年12月31日本集團無因出票人未履約而將其轉應收賬款的票據。

(5) 本集團年末應收票據的賬齡均在1年之內。

(4) Notes receivable transferred to accounts receivable due to the drawer's failure to perform at the end of the year

As of December 31, 2017, the Group had no notes receivable which had been transferred to the accounts receivable due to the drawer's failure to perform.

(5) The age of the notes receivable of the Group was within one year at the end of the year.

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

VI. Notes to Main Items in Consolidated Financial
 Statement (Continued)

3. 應收賬款

3. Account receivables

(1) 應收賬款分類

(1) Classification of account receivables

類別	Item	賬面餘額		年末餘額		賬面價值
		金額	比例	金額	壞賬準備	
		Amount	Proportion (%)	Amount	計提比例 Proportion of Provision	Book Value (%)
單項金額重大並單項計提壞賬準備的應收賬款	Account receivables with significant individual amount and accrued bad debt provision on single item	-	-	-	-	-
按組合計提壞賬準備的應收賬款	Account receivables with provision for bad debts accrued on combination	-	-	-	-	-
賬齡組合	Account age combination	361,385,182.33	97.63	57,526,523.22	15.92	303,858,659.11
與交易對象關係組合	Combination of relationship with transaction object	8,758,326.16	2.37	-	-	8,758,326.16
特殊款項性質組合	Combination of special account nature	-	-	-	-	-
組合小計	Combination sub-total	370,143,508.49	100.00	57,526,523.22	15.54	312,616,985.27
單項金額雖不重大但單項計提壞賬準備的應收賬款	Account receivables with insignificant individual amount but accrued bad debt provision on single item	-	-	-	-	-
合計	Total	370,143,508.49	100.00	57,526,523.22	15.54	312,616,985.27

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

VI. Notes to Main Items in Consolidated Financial
 Statement (Continued)

3. 應收賬款(續)

3. Account receivables (Continued)

(1) 應收賬款分類(續)

(1) Classification of account receivables (Continued)

類別	Item	賬面餘額		年初餘額		賬面價值
		金額	比例	金額	壞賬準備	
		Amount	Proportion (%)	Amount	Provision for Bad Debt 計提比例 Proportion of Provision	Book value (%)
單項金額重大並單項計提壞賬準備的應收賬款	Account receivables with significant individual amount and accrued bad debt provision on single item	-	-	-	-	-
按組合計提壞賬準備的應收賬款	Account receivables with provision for bad debts accrued on combination	-	-	-	-	-
賬齡組合	Account age combination	392,859,084.94	98.03	57,377,517.25	14.61	335,481,567.69
與交易對象關係組合	Combination of relationship with transaction object	7,910,517.35	1.97	-	-	7,910,517.35
特殊款項性質組合	Combination of special account nature	-	-	-	-	-
組合小計	Combination sub-total	400,769,602.29	100.00	57,377,517.25	14.32	343,392,085.04
單項金額雖不重大但單項計提壞賬準備的應收賬款	Account receivables with insignificant individual amount but accrued bad debt provision on single item	-	-	-	-	-
合計	Total	400,769,602.29	100.00	57,377,517.25	14.32	343,392,085.04

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

3. 應收賬款(續)

(1) 應收賬款分類(續)

- 1) 根據交易日期的應收賬款(包括關聯方應收賬款)賬齡分析如下：

賬齡	Account Age	應收賬款 Account Receivables	年末餘額 End. Amount 壞賬準備 Provision for Bad Debt	計提比例 Drawing Proportion (%)
1年以內	Within 1 year	312,969,548.53	1,521,056.11	0.49
1-2年	1-2 years	1,378,084.51	275,616.91	20.00
2-3年	2-3 years	165,063.11	99,037.86	60.00
3年以上	Over 3 years	55,630,812.34	55,630,812.34	100.00
合計	Net amount	370,143,508.49	57,526,523.22	

賬齡	Account Age	應收賬款 Account Receivables	年初餘額 Beg. Amount 壞賬準備 Provision for Bad Debt	計提比例 Drawing Proportion (%)
1年以內	Within 1 year	344,447,524.80	1,682,685.02	0.49
1-2年	1-2 years	599,123.90	119,824.78	20.00
2-3年	2-3 years	369,865.36	221,919.22	60.00
3年以上	Over 3 years	55,353,088.23	55,353,088.23	100.00
合計	Net amount	400,769,602.29	57,377,517.25	

本集團應收賬款主要依據業務交易日期入賬，按交易日期列示的賬齡與按發票日期列示的賬款基本一致。

本集團部分銷售以預收款的方式進行，其餘銷售則授予一定期限的信用期。

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

3. Account receivables (Continued)

(1) Classification of account receivables (Continued)

- 1) Aging analysis of accounts receivable (including accounts receivable of related parties) based on transaction date is as follows

Account Age	Account Receivables	End. Amount Provision for Bad Debt	Drawing Proportion (%)
Within 1 year	312,969,548.53	1,521,056.11	0.49
1-2 years	1,378,084.51	275,616.91	20.00
2-3 years	165,063.11	99,037.86	60.00
Over 3 years	55,630,812.34	55,630,812.34	100.00
Net amount	370,143,508.49	57,526,523.22	

Account Age	Account Receivables	Beg. Amount Provision for Bad Debt	Drawing Proportion (%)
Within 1 year	344,447,524.80	1,682,685.02	0.49
1-2 years	599,123.90	119,824.78	20.00
2-3 years	369,865.36	221,919.22	60.00
Over 3 years	55,353,088.23	55,353,088.23	100.00
Net amount	400,769,602.29	57,377,517.25	

The accounts receivable of the Group are mainly accounted for based on the dates of business transactions. The age of the transactions listed based on the transaction date is basically the same as the age of the accounts listed based on the invoice date.

Part of the sales of the Group was carried out by way of prepayment, and the remaining sales were granted for a certain period of credit.

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)

Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

VI. Notes to Main Items in Consolidated Financial
 Statement (Continued)

3. 應收賬款(續)

3. Account receivables (Continued)

(1) 應收賬款分類(續)

(1) Classification of account receivables (Continued)

2) 組合中，按賬齡分析法計提壞賬準備的應收賬款：

2) In combination, account receivables with provision for bad debt accrued by aging analysis:

項目	Item	年末餘額			年初餘額		
		應收賬款 Account Receivables	壞賬準備 Provision for Bad Debt	計提比例 Drawing Proportion (%)	應收賬款 Account Receivables	壞賬準備 Provision for Bad Debt	計提比例 Drawing Proportion (%)
1年以內	Within 1 year	304,211,222.37	1,521,056.11	0.50	336,537,007.45	1,682,685.02	0.50
1-2年	1-2 years	1,378,084.51	275,616.91	20.00	599,123.90	119,824.78	20.00
2-3年	2-3 years	165,063.11	99,037.86	60.00	369,865.36	221,919.22	60.00
3年以上	Over 3 years	55,630,812.34	55,630,812.34	100.00	55,353,088.23	55,353,088.23	100.00
合計	Total	361,385,182.33	57,526,523.22		392,859,084.94	57,377,517.25	

3) 組合中，採用其他方法計提壞賬準備的應收賬款：

3) In combination, account receivables with provision for bad debts accrued by other method:

組合名稱	Name of Combination	年末餘額	壞賬金額
		End Amount	Amount of Bad Debts
與交易對象關係組合	Combination of relationship with transaction object	8,758,326.16	
合計	Total	8,758,326.16	

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

3. 應收賬款(續)

(1) 應收賬款分類(續)

- 4) 已逾期而未計提任何壞賬準備的應收賬款賬齡分析：

賬齡	Item	年末餘額 End. Amount	年初餘額 Beg. Amount
1年以內	Within 1 year	2,494,424.07	3,092,633.86
1-2年	1-2 years	1,102,467.60	479,299.12
2-3年	2-3 years	66,025.25	147,946.14
合計	Total	3,662,916.92	3,719,879.12

於2017年12月31日，應收賬款3,662,916.92元(年初金額3,719,879.12元)已逾期而未計提任何壞賬準備，公司對個別客戶採取了延長信用期的政策，未來公司將加大對該等客戶應收賬款的回收力度，但基於對客戶財務狀況的判斷，本集團認為這部分款項可以全部或部分收回，固未單獨或全額計提壞賬準備。

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

3. Account receivables (Continued)

(1) Classification of account receivables (Continued)

- 4) Aging analysis of account receivables overdue but without any provision for bad debts:

As at December 31, 2017, accounts receivable of RMB3,662,916.92 (amount as at the beginning of the year: RMB3,719,879.12) were past due, but no provision for bad debts has been made. The Company has extended credit terms to specific customers and plans to enhance its efforts to collect accounts receivable from them in future. Based on these customers' financial position, the Group was of the view that the overdue amount is recoverable in part or in full, thus no provision for bad-debt is individually or fully provided.

六. 合併財務報表主要項目註釋 (續)

3. 應收賬款(續)

(2) 本年度計提、轉回(或收回)的壞賬準備情況

本年計提壞賬準備金額90,585.22元；本年收回或轉回壞賬準備金額58,420.75元。

其中本年壞賬準備收回或轉回金額重要的：

單位名稱 Organization Name	本年轉回 (或收回)金額 Amount Recovered or Reversed in Current Year	確定原壞賬 準備的依據 Recognition Basis for Bad Debt Provision	本年轉回 (或收回)原因 Reasons for Reversals (Recovery) in Current Year
淄博礦務局昆侖醫院 Zibo Mining Kunlun Hospital	5,000.00	考慮償債能力全額計提 Consider debt paying ability and total amount withdrawing	收回貨幣資金 Recover currency funds
湖南省牧工商總公司 Animal Husbandry Corporation in Hunan Province	53,420.75	考慮償債能力全額計提 Consider debt paying ability and total amount withdrawing	收回貨幣資金 Recover currency funds
合計 Total	58,420.75		

(3) 本年度實際核銷的應收賬款

本年度無核銷的應收賬款。

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

3. Account receivables (Continued)

(2) Bad debt provisions provided, reversed or recovered in the current year

In current year, the provided bad debt provision was RMB90,585.22 and the recovered or reversed bad debt provision was RMB58,420.75.

In which, bad debt provisions recovered or reversed in the current year include:

單位名稱 Organization Name	本年轉回 (或收回)金額 Amount Recovered or Reversed in Current Year	確定原壞賬 準備的依據 Recognition Basis for Bad Debt Provision	本年轉回 (或收回)原因 Reasons for Reversals (Recovery) in Current Year
Zibo Mining Kunlun Hospital	5,000.00	Consider debt paying ability and total amount withdrawing	Recover currency funds
Animal Husbandry Corporation in Hunan Province	53,420.75	Consider debt paying ability and total amount withdrawing	Recover currency funds
Total	58,420.75		

(3) Account receivables actually written off in the current year

There are no account receivables written off in the current year.

(本財務報表附註除特別註明外，均以人民幣元列示)
(Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
(續)

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

3. 應收賬款(續)

(4) 按欠款方歸集的年末餘額前五名的應收賬款情況

單位名稱	年末餘額	賬齡	佔應收賬款 年末餘額合計 數的比例 Proportion in Total Ending Balance of Account Receivables (%)	壞賬準備 年末餘額 End. Balance of Bad Debt Provision
Organization Name	End. Balance	Account Age		
山東欣康祺醫藥有限公司 Shandong Xin Kang Qi Pharmaceutical Co., Ltd.	40,589,520.51	3年以上 Over 3 years	10.97	40,589,520.51
淄博市中心醫院 Zibo Central Hospital	18,973,088.09	1年以內 Within 1 year	5.12	94,865.44
拜耳醫藥保健有限公司 Bayer HealthCare Co., Ltd.	14,552,518.16	1年以內 Within 1 year	3.93	72,762.59
高青縣人民醫院 The People's Hospital of Gaoqing County	12,405,877.85	1年以內 Within 1 year	3.70	62,029.39
	1,278,844.04	1-2年 1-2 years		255,768.81
淄博華邦醫藥銷售有限公司 Zibo Huabang Pharmaceutical Sales Co., Ltd.	9,723,531.34	3年以上 Over 3 years	2.63	9,723,531.34
合計 Total	97,523,379.99		26.35	50,798,478.08

3. Account receivables (Continued)

(4) Account receivables with top five ending balance collected as per the borrowers

4. 預付款項

(1) 預付款項賬齡

項目	Item	年末餘額 End. Amount 金額 Amount	比例 Proportion (%)	年初餘額 Beg. Amount 金額 Amount	比例 Proportion (%)
1年以內	Within 1 year	21,321,478.35	93.49	27,790,956.69	95.33
1-2年	1-2 years	1,485,469.18	6.51	1,345,351.30	4.62
2-3年	2-3 years			5,273.40	0.02
3年以上	Over 3 years			9,699.33	0.03
合計	Total	22,806,947.53	100.00	29,151,280.72	100.00

4. Prepayments

(1) Age of prepayment

財務報表附註(續)

Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

VI. Notes to Main Items in Consolidated Financial
 Statement (Continued)

4. 預付款項(續)

4. Prepayments (Continued)

(2) 按預付對象歸集的年末餘額
 前五名的預付款情況

(2) Top five advance payments at the year end by the
 object:

單位名稱 Organization Name	餘額 Amount	賬齡 Account Age	比例 Proportion (%)	未結算原因 Reasons for Non-settlement
Vinati Organics Limited	2,364,007.18	1年以內 Within 1 year	10.37	貨物未達 Goods not yet reached
Givaudan Singapore Pte Ltd	1,460,440.08	1年以內 Within 1 year	6.40	貨物未達 Goods not yet reached
北京中聯醫藥化工實業公司 Beijing Zhonglian Pharmaceutical Chemical Industry Company	1,433,750.00	1年以內 Within 1 year	6.29	貨物未達 Goods not yet reached
山東金嶺化工股份有限公司 Shandong Jinling Chemical Co., Ltd.	1,366,925.30	1年以內 Within 1 year	5.99	貨物未達 Goods not yet reached
淄博華潤燃氣有限公司 Zibo Huarun Gas Co., Ltd	1,268,663.33	1年以內 Within 1 year	5.56	貨物未達 Goods not yet reached
合計 Total	7,893,785.89		34.61	

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 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

5. 其他應收款

5. Other receivables

(1) 其他應收款分類

(1) Classification of other receivables

類別	Item	賬面餘額		年末餘額		賬面價值
		金額	比例	金額	計提比例	
		Amount	Proportion (%)	Amount	Proportion of Provision (%)	Book value
單項金額重大並單項計提壞賬準備的其他應收款	Other receivables with significant individual amount and bad debt provision accrued on single item					
按組合計提壞賬準備的其他應收款	Other receivables with bad debt provision accrued on combination					
賬齡組合	Account age combination	26,348,903.89	40.58	19,913,909.51	75.58	6,434,994.38
與交易對象關係組合	Combination of relationship with transaction object					
特殊款項性質組合	Combination of special account nature	38,582,388.67	59.42			38,582,388.67
組合小計	Combination sub-total	64,931,292.56	100.00	19,913,909.51	30.67	45,017,383.05
單項金額雖不重大但單項計提壞賬準備的其他應收款	Other receivables with insignificant individual amount but accrued bad debt provision on single item					
合計	Total	64,931,292.56	100.00	19,913,909.51	30.67	45,017,383.05

(本財務報表附註除特別註明外，均以人民幣元列示)
(Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)

Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
(續)

VI. Notes to Main Items in Consolidated Financial
Statement (Continued)

5. 其他應收款(續)

5. Other receivables (Continued)

(1) 其他應收款分類(續)

(1) Classification of other receivables (Continued)

類別	Item	賬面餘額		年初餘額		賬面價值
		金額	比例	金額	壞賬準備	
		Amount	Proportion (%)	Amount	Proportion of Provision (%)	Book value
單項金額重大並單項計提壞賬準備的其他應收款	Other receivables with significant individual amount and bad debt provision accrued on single item	6,600,000.00	9.29	3,300,000.00	50.00	3,300,000.00
按組合計提壞賬準備的其他應收款	Other receivables with bad debt provision accrued on combination					
賬齡組合	Account age combination	38,249,611.12	53.81	21,185,439.04	55.39	17,064,172.08
與交易對象關係組合	Combination of relationship with transaction object					
特殊款項性質組合	Combination of special account nature	26,226,247.22	36.90			26,226,247.22
組合小計	Combination sub-total	64,475,858.34	90.71	21,185,439.04	32.86	43,290,419.30
單項金額雖不重大但單項計提壞賬準備的其他應收款	Other receivables with insignificant individual amount but accrued bad debt provision on single item					
合計	Total	71,075,858.34	100.00	24,485,439.04	34.45	46,590,419.30

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

5. 其他應收款(續)

(1) 其他應收款分類(續)

- 1) 根據交易日期的其他應收款(包括關聯方其他應收款)賬齡分析如下：

賬齡	Account Age	其他應收款 Account Receivables	年末餘額 End. Amount 壞賬準備 Provision for Bad Debt	計提比例 Drawing Proportion (%)
1年以內	Within 1 year	26,281,169.55	28,493.92	0.11
1-2年	1-2 years	10,818,250.03	163,650.01	1.51
2-3年	2-3 years	8,275,268.52	165,161.12	2.00
3年以上	Over 3 years	19,556,604.46	19,556,604.46	100.00
合計	Total	64,931,292.56	19,913,909.51	

賬齡	Account Age	其他應收款 Account Receivables	年初餘額 Beg. Amount 壞賬準備 Provision for Bad Debt	計提比例 Drawing Proportion (%)
1年以內	Within 1 year	28,520,964.15	82,930.52	0.29
1-2年	1-2 years	10,321,115.56	90,456.85	0.88
2-3年	2-3 years	2,520,486.14	298,759.18	11.85
3年以上	Over 3 years	29,713,292.49	24,013,292.49	80.82
合計	Total	71,075,858.34	24,485,439.04	

註：本集團未對其他應收款設定明確的信用期，因此於2017年12月31日及2016年12月31日本集團無已逾期但未單獨計提壞賬準備的其他應收款。

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

5. Other receivables (Continued)

(1) Classification of other receivables (Continued)

- 1) Aging analysis of accounts receivable (including accounts receivable of related parties) based on transaction date is as follows:

App 16 - 4(2)(a)

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

5. 其他應收款(續)

(1) 其他應收款分類(續)

- 2) 年末單項金額重大並
 單獨計提壞賬準備的
 其他應收款

本集團年末無單項金
 額重大並單獨計提壞
 賬準備的其他應收款

- 3) 組合中，按賬齡分析
 法計提壞賬準備的其
 他應收款：

VI. Notes to Main Items in Consolidated Financial
 Statement (Continued)

5. Other receivables (Continued)

(1) Classification of other receivables (Continued)

- 2) Other receivables with significant individual amount
 but with provisions for bad debt accrued on single
 basis at the end of the year

There were no other receivables with significant
 individual amount and with provisions for bad debt
 accrued on single basis this year.

- 3) In combination, other receivables of provisions for
 bad debt are accrued by aging analysis:

項目	Item	年末餘額			年初餘額		
		金額	壞賬準備	計提比例	金額	壞賬準備	計提比例
		Amount	Bad Debt	Proportion (%)	Amount	Bad Debt	Proportion (%)
1年以內	Within 1 year	5,698,780.88	28,493.92	0.50	16,586,102.36	82,930.52	0.50
1-2年	1-2 years	818,250.03	163,650.01	20.00	452,284.29	90,456.85	20.00
2-3年	2-3 years	275,268.52	165,161.12	60.00	497,931.98	298,759.18	60.00
3年以上	Over 3 years	19,556,604.46	19,556,604.46	100.00	20,713,292.49	20,713,292.49	100.00
合計	Total	26,348,903.89	19,913,909.51		38,249,611.12	21,185,439.04	

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 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

5. 其他應收款(續)

(1) 其他應收款分類(續)

- 4) 組合中，採用其他方法計提壞賬準備的其他應收款：

組合名稱	Name of Combination	年末餘額 Book Balance	壞賬金額 Amount of Bad Debts
特殊款項性質組合	Combination of special account nature	38,582,388.67	
合計	Total	38,582,388.67	

(2) 本年度計提、轉回(或收回)壞賬準備情況

本年計提壞賬準備金額-4,571,529.53元；本年無收回或轉回壞賬準備。

(3) 本年度實際核銷的其他應收款

本年度無核銷的其他應收款。

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

5. Other receivables (Continued)

(1) Classification of other receivables (Continued)

- 4) In the combination, other receivables with provision for bad debts accrued by other method:

(2) Bad debt provisions provided, reversed (or recovered) in the current year

In current year, the provided bad debt provision was RMB -4,571,529.53 and there was no provision of bad debts reversed (or recovered) in the current year.

(3) Other receivables actually written off in the current year

There were no other receivables to be written off in the current year.

財務報表附註(續)

Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

VI. Notes to Main Items in Consolidated Financial
 Statement (Continued)

5. 其他應收款(續)

5. Other receivables (Continued)

(4) 其他應收款按款項性質分類
 情況

(4) Classification of other receivables by nature

款項性質	Nature	年末餘額 End. Book Balance	年初餘額 Beg. Book Balance
投標保證金、押金	Guarantee deposit and security deposit	6,341,431.25	7,237,785.54
備用金	Petty cash	1,241,846.73	3,077,626.00
應收稅款	Tax receivable	7,479,424.10	7,445,844.37
融資租賃保證金	Finance lease deposit	26,000,000.00	18,000,000.00
索賠款	Claim	6,600,000.00	6,600,000.00
應收土地補償款	Land compensation receivable	10,915,900.00	8,000,000.00
預付投資款	Advance investment funds		2,400,000.00
其他	Others	6,352,690.48	18,314,602.43
合計	Total	64,931,292.56	71,075,858.34

(本財務報表附註除特別註明外，均以人民幣元列示)
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財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

5. 其他應收款(續)

5. Other receivables (Continued)

(5) 按欠款方歸集的年末餘額前五名的其他應收款情況

(5) Conditions about other payment receivable of top five balance as at December 31, 2017 collected by the borrowers

單位名稱	金額	賬齡	比例	壞賬準備 年末餘額	性質或內容
Organization Name	Amount	Account Age	Proportion (%)	End. Balance of Bad Debt Provision	Nature or Contents
平安國際融資租賃有限公司 Pingan International Financial Leasing Co., Ltd.	8,000,000.00	1年以內 Within 1 year	40.04		融資租賃保證金 Financial leasing security deposit
	10,000,000.00	1-2年 1-2 years			
	8,000,000.00	2-3年 2-3 years			
侯鎮項目區 Payment for Houzhen Project Area	10,915,900.00	1年以內 Within 1 year	16.81		土地補償款 Compensation receivable
南京華東醫藥有限公司 Nanjing Huadong Pharmaceutical Co., Ltd.	6,600,000.00	3年以上 Over 3 years	10.16	6,600,000.00	索賠款 Claim
天壹醫藥科技發展(上海)有限公司 Tianyao Medical Technology Development (Shanghai) Co., Ltd.	700,000.00	1年以內 Within 1 year	1.08	3,500.00	投標保證金、押金 Bid bond
支付寶(中國)網絡技術有限公司 Alipay (China) Network Technology Co., Ltd.	330,000.00	1年以內 Within 1 year	0.51	1,650.00	保證金 Guarantee deposit
合計 Total	44,545,900.00		68.60	6,605,150.00	

(6) 本年度應收員工借款情況

(6) Receivable borrowings due from employees during this year

截至2017年12月31日無應收員工借款情況。

As at December 31, 2017, there were no receivable borrowings due from employees.

(本財務報表附註除特別註明外，均以人民幣元列示)
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財務報表附註(續)

Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
(續)

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

6. 存貨及跌價準備

6. Inventory and Provision for diminution in value

(1) 存貨分類

(1) Classifications of inventories

項目	Item	年末餘額			年初餘額		
		賬面餘額	跌價準備	賬面價值	賬面餘額	跌價準備	賬面價值
		Book Balance	Provision for Diminution	Book Value	Book Balance	Provision for Diminution	Book Value
原材料	Raw materials	95,548,646.83	3,999,525.11	91,549,121.72	67,817,242.14	3,443,544.14	64,373,698.00
在產品	Products in process	122,011,331.80	5,632,417.91	116,378,913.89	113,214,372.81	7,196,708.54	106,017,664.27
庫存商品	Goods in stock	410,249,774.35	11,723,636.74	398,526,137.61	310,032,864.46	11,115,304.59	298,917,559.87
開發成本	Development costs	91,816,382.90		91,816,382.90	76,271,249.69		76,271,249.69
低值易耗品	Low-value consumables	13,100,439.91		13,100,439.91	12,067,265.42		12,067,265.42
特准儲備物資	Specially approved reserved supplies	1,839,696.49		1,839,696.49	1,839,696.49		1,839,696.49
合計	Total	734,566,272.28	21,355,579.76	713,210,692.52	581,242,691.01	21,755,557.27	559,487,133.74

(2) 存貨跌價準備

(2) Provision for diminution in value of inventory

存貨種類	Classification of Inventories	年初餘額	本期計提額	本期減少		年末餘額
				其他轉出	轉銷	
		Beg. Amount	Withdrawal in Current Period	Transfer-out	Write-off	End. Amount
原材料	Raw materials	3,443,544.14	3,751,445.28		3,195,464.31	3,999,525.11
在產品	Products in process	7,196,708.54	6,061,717.84		7,626,008.47	5,632,417.91
庫存商品	Goods in stock	11,115,304.59	8,195,187.93		7,586,855.78	11,723,636.74
合計	Total	21,755,557.27	18,008,351.05		18,408,328.56	21,355,579.76

存貨跌價準備的計提方法參見本附註「四、重要會計政策及會計估計10、存貨」。

For withdrawal method of provisions for diminution in value of inventories, see the note "IV. Important Accounting Policy and Accounting Estimate 10. Inventory".

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財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

6. 存貨及跌價準備(續)

6. Inventory and Provision for diminution in value (Continued)

(3) 存貨跌價準備計提方法

(3) Withdrawal method of provision for diminution in value of inventory

項目 Item	確定可變現淨值的具體依據 Recognition Methods for Net Realizable Value	本年轉回或轉銷原因 Reasons for Withdrawing or Write-off in Current Year
原材料 Raw materials	預計可變現淨值低於賬面成本 Expected net realizable value is lower than the book cost	已生產銷售 Produced and sold
在產品 Products in process	預計可變現淨值低於賬面成本 Expected net realizable value is lower than the book cost	已完工銷售 Completed and sold
庫存商品 Goods in stock	預計可變現淨值低於賬面成本 Expected net realizable value is lower than the book cost	已銷售 Sold

7. 其他流動資產

7. Other current assets

項目 Item	年末餘額 End. Amount	年初餘額 Beg. Amount	性質 Nature
預繳企業所得稅 Enterprise income tax prepayment	16,596,565.83	5,342,076.10	預繳企業所得稅 Enterprise income tax prepayment
待抵扣增值稅進項稅 Input taxes of VAT to be deducted	42,959,755.35	25,305,128.78	待抵扣進項稅 Input taxes under deduction
待處置投資款 Disposal of investment funds	2,400,000.00		預付投資款 Advance investment funds
非公開發行費用 Private placement fee		2,984,126.62	中介機構服務費等 Intermediary organization service fee
中銀日積月累產品 Product "Rijiyuelei" of Bank of China		30,000,000.00	中銀日積月累產品 Product "Rijiyuelei" of Bank of China
合計 Total	61,956,321.18	63,631,331.50	

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財務報表附註(續)

Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
(續)

VI. Notes to Main Items in Consolidated Financial
Statement (Continued)

8. 可供出售金融資產

8. Financial assets available for sale

(1) 可供出售金融資產情況

(1) Financial assets available for sale

項目	Item	賬面餘額 Book Balance	年末餘額	賬面價值 Book Value
			減值準備 Provision for Impairment	
可供出售權益工具	Equity instrument available-for-sale			
按公允價值計量的	Measured by fair value	258,141,232.00		258,141,232.00
按成本計量的	Measured by cost			
合計	Total	258,141,232.00		258,141,232.00

項目	Item	賬面餘額 Book Balance	年初餘額	賬面價值 Book Value
			減值準備 Provision for Impairment	
可供出售權益工具	Equity instrument available for sale			
按公允價值計量的	Measured by fair value	186,274,784.00		186,274,784.00
按成本計量的	Measured by cost	33,200,000.00	30,000,000.00	3,200,000.00
合計	Total	219,474,784.00	30,000,000.00	189,474,784.00

(2) 可供出售金融資產的分析如下：

(2) Analysis of financial assets available for sale is as follows:

項目	Item	年末金額	年初金額
		End. Amount	Beg. Amount
上市	Listed		
中國(香港除外)	China (excluding Hong Kong)	258,141,232.00	186,274,784.00
非上市	Unlisted		
中國(香港除外)	China (excluding Hong Kong)		3,200,000.00
合計	Total	258,141,232.00	189,474,784.00

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

VI. Notes to Main Items in Consolidated Financial
 Statement (Continued)

8. 可供出售金融資產(續)

8. Financial assets available for sale (Continued)

(3) 年末按公允價值計量的可供
 出售金融資產

(3) Financial assets available for sale measured at fair
 value at the end of the year

項目	Item	可供出售權益工具 (以公允價值計量) Available-for-sale Equity Instrument (Measured at Fair Value)
權益工具的成本	Cost of equity instrument	21,225,318.00
年末公允價值	End. fair value	258,141,232.00
累計計入其他綜合收益的 公允價值變動金額	Amount of changes in fair value accumulatively included in other comprehensive income	201,378,526.90
已計提減值金額	Amount of impairment provision provided	

(4) 年末按成本計量的可供出售
 金融資產

(4) Financial assets available for sale which are
 measured as per the cost at the end of the year

被投資單位	Invested Entity	賬面餘額			年末餘額
		年初餘額	本年增加	本年減少	
		Beg. Balance	Increase in Current Year	Decrease in Current Year	End Balance
瑞恒醫藥科技投資 有限責任公司	Ruiheng Pharmaceutical Technology Investment Company	3,200,000.00			3,200,000.00
天同證券	Tiantong Securities	30,000,000.00			30,000,000.00
合計	Total	33,200,000.00			33,200,000.00

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財務報表附註(續)

Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
(續)

VI. Notes to Main Items in Consolidated Financial
Statement (Continued)

8. 可供出售金融資產(續)

8. Financial assets available for sale (Continued)

(4) 年末按成本計量的可供出售
金融資產(續)

(4) Financial assets available for sale which are
measured as per the cost at the end of the year
(Continued)

被投資單位	Invested Entity	減值準備			年末餘額	在被投資單位 持股比例 Shareholding Ratio in Investees (%)	本年 現金紅利 Cash Bonus in Current Year
		年初餘額	本年增加	本年減少			
		Beg.	Current Year Increase	Current Year Decrease	End.		
瑞恒醫藥科技投資 有限責任公司	Ruiheng Pharmaceutical Technology Investment Company					2.91	245,340.91
天同證券	Tiantong Securities	30,000,000.00		30,000,000.00			
合計	Total	30,000,000.00		30,000,000.00			245,340.91

(5) 可供出售金融資產減值準備

(5) Provision for impairment of financial assets
available for sale

可供出售金融資產分類	Classification of Financial Assets Available for Sale	可供出售權益工具 (以公允值計量) Available-for-sale Equity Instrument (Measured at Fair Value)	可供出售權益工具 (以成本法計量) Available-or-sale Equity Instrument (Measured by Cost Method)	合計 Total
年初已計提減值金額	Amount of impairment provision provided at the beginning of the year		30,000,000.00	30,000,000.00
年末已計提減值金額	Amount of impairment provision provided at the end of the year			

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財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

9. 投資性房地產

9. Investment real estate

(1) 按成本計量的投資性房地產

(1) Investment real estate measured by cost

項目	Item	房屋建築物 Premises and Buildings	土地使用權 Land Use Right	合計 Total
一. 賬面原值	I. Original book value			
1. 年初餘額	1. Beg. balance	107,041,862.42	14,121,724.63	121,163,587.05
2. 本年增加金額	2. Increased amount in the current year	2,525,558.50		2,525,558.50
(1) 外購	(1) Purchase			
(2) 固定資產/ 在建工程轉入	(2) Fixed assets/transferred from projects under construction	2,525,558.50		2,525,558.50
3. 本年減少金額	3. Decreased amount in the current year			
4. 年末餘額	4. End. balance	109,567,420.92	14,121,724.63	123,689,145.55
二. 累計折舊和累計攤銷	II. Accumulated depreciation and accumulated amortization			
1. 年初餘額	1. Beg. balance	43,443,005.43	2,085,261.53	45,528,266.96
2. 本年增加金額	2. Increased amount in the current year	4,389,729.72	329,394.00	4,719,123.72
(1) 計提或攤銷	(1) Withdrawing or amortization	4,389,729.72	329,394.00	4,719,123.72
(2) 固定資產轉入	(2) Transferred to fixed assets			
3. 本年減少金額	3. Decreased amount in the current year			
4. 年末餘額	4. End. balance	47,832,735.15	2,414,655.53	50,247,390.68
三. 減值準備	III. Provision for impairment			
四. 賬面價值	IV. Book value			
1. 年末賬面價值	1. End. book value	61,734,685.77	11,707,069.10	73,441,754.87
2. 年初賬面價值	2. Beg. book value	63,598,856.99	12,036,463.10	75,635,320.09

本年確認為損益的投資性房地產的折舊和攤銷額為4,719,123.72元(上年金額：4,637,204.40元)。

The amount of depreciation and amortization for investment property recognized as profits or losses was RMB4,719,123.72 (amount of previous year: RMB4,637,204.40) in the current year.

(2) 本公司投資性房地產均位於中國境內並均處於中期(10-50年)階段。

(2) All investment real estates of the Company were located in the territory of China and in the medium-term (10~50 years) phase.

財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

9. 投資性房地產(續)

(3) 未辦妥產權證書的投資性房地產

於年末，投資性房地產中包括賬面價值為45,047,952.00元(年初金額：45,623,535.91元)的房產，其產權證書正在辦理中。鑒於上述房產均依照相關合法程序進行，本公司董事會確信其產權轉移不存在實質性法律障礙或影響本集團對該等房屋建築物的正常使用，對本集團的正常運營並不構成重大影響，亦無需計提投資性房地產減值準備。

項目	賬面價值	未辦妥產權證書原因
Item	Book Value	Reasons for Unsettlement of the Certificate of Title
總部新華大廈13-22/F	32,967,585.00	正在辦理中
13-22/F, Xinhua Mansion in the Headquarters		In progress
總部科研中心1號	7,820,898.09	正在辦理中
No. 1 Scientific Research Centre in the Headquarters		In progress
總廠綜合辦公樓(B座)	4,259,468.91	正在辦理中
Comprehensive office building (block B) in the General Factory		In progress
合計	45,047,952.00	
Total		

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

9. Investment real estate (Continued)

(3) Investment real estates with certificate of title not settled

At the end of the year, the Investment real estates include the house property with the book value of RMB45,047,952.00 (beginning amount: RMB45,623,535.91) and its certificate of title is in progress. Since the above house property is handled in accordance with relevant legal procedures, the Board of Directors of the Company can make sure that transfer of the property title will not have any substantial legal obstacles or affect normal use of such house buildings by the Group, and will not exert significant impact on normal operation of the Group and not be required to accrue provisions for impairment of investment real estates.

(本財務報表附註除特別註明外，均以人民幣元列示)
(Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
(續)

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

10. 固定資產

10. Fixed assets

(1) 固定資產明細表

(1) Detail list of fixed assets

項目	Item	房屋建築物 Premises and Buildings	機器設備 Machinery Equipment	運輸設備 Transportation Equipment	電子設備及其他 Electronic Equipment and Others	合計 Total
一. 賬面原值	I. Original book value					
1. 年初餘額	1. Beg. balance	1,367,077,024.08	2,241,116,417.70	28,314,854.15	71,320,764.04	3,707,829,059.97
2. 本年增加金額	2. Increased amount in the current year	81,833,695.20	233,889,284.08	498,523.93	6,149,610.74	6,149,610.74
(1) 購置	(1) Purchase	15,301,801.75	97,764,458.50	498,523.93	4,256,968.90	117,821,753.08
(2) 在建工程轉入	(2) Transferred from projects under construction	66,531,893.45	136,124,825.58		1,892,641.84	204,549,360.87
3. 本年減少金額	3. Decreased amount in the current year	27,865,076.14	84,034,140.54	1,028,754.47	3,278,353.64	116,206,324.79
(1) 處置或報廢	(1) Disposal or scrapping	27,865,076.14	84,034,140.54	1,023,673.32	3,270,130.43	116,193,020.43
(2) 轉入投資性房地產	(2) Transferred to investment real estate					
(3) 其他轉入*	(3) Others*			5,081.15	8,223.21	13,304.36
4. 年末餘額	4. End. balance	1,421,045,643.14	2,390,971,561.24	27,784,623.61	74,192,021.14	3,913,993,849.13
二. 累計折舊	II. Accumulated depreciation					
1. 年初餘額	1. Beg. balance	427,070,570.44	1,090,061,872.61	19,729,010.83	49,924,346.73	1,586,785,800.61
2. 本年增加金額	2. Increased amount in the current year	71,780,236.19	186,247,984.46	2,130,030.61	7,858,715.09	268,016,966.35
(1) 計提	(1) Provision	71,780,236.19	186,247,984.46	2,130,030.61	7,858,715.09	268,016,966.35
(2) 其他增加	(2) Other increase					
3. 本年減少金額	3. Decreased amount in the current year	21,239,365.45	71,076,683.46	983,526.99	3,065,647.47	96,365,223.37
(1) 處置或報廢	(1) Disposal or scrapping	21,239,365.45	71,076,683.46	980,986.33	3,058,034.76	96,355,070.00
(2) 轉入投資性房地產	(2) Transferred to investment real estate					
(3) 其他轉入*	(3) Others*			2,540.66	7,612.71	10,153.37
4. 年末餘額	4. End. balance	477,611,441.18	1,205,233,173.61	20,875,514.45	54,717,414.35	1,758,437,543.59
三. 減值準備	III. Provision for impairment					
1. 年初餘額	1. Beg. balance		45,882.19		2,276.65	48,158.84
2. 本年增加金額	2. Increased amount in the current year	2,608,693.82				2,608,693.82
(1) 計提	(1) Provision	2,608,693.82				2,608,693.82
3. 本年減少金額	3. Decreased amount in the current year		6,114.70			6,114.70
(1) 處置或報廢	(1) Disposal or scrapping		6,114.70			6,114.70
4. 年末餘額	4. End. balance	2,608,693.82	39,767.49		2,276.65	2,650,737.96
四. 賬面價值	IV. Book value					
1. 年末賬面價值	1. End. book value	940,825,508.14	1,185,698,620.14	6,909,109.16	19,472,330.14	2,152,905,567.58
2. 年初賬面價值	2. Beg. book value	940,006,453.64	1,151,008,662.90	8,585,843.32	21,394,140.66	2,120,995,100.52

* 其他轉入金額系境外子公司外幣報表中固定資產原值及累計折舊採用資產負債表日的即期匯率折算產生。

* The amount of Others which was decreased amount in the current year is generated from the original value and accumulated depreciation of fixed assets in overseas subsidiaries' foreign currency reports converted into RMB using the spot exchange rate on the balance sheet date.

本年確認為損益的固定資產的折舊和攤銷額為268,016,966.35元(上年金額：238,812,901.35元)。

The amount of depreciation and amortization for fixed assets recognized as losses was RMB268,016,966.35 (ending balance: RMB238,812,901.35) in current year.

財務報表附註(續)

Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
(續)

10. 固定資產(續)

(2) 本集團房屋建築物均位於中國境內並均處於中期(10-50年)階段。

(3) 通過融資租賃租入的固定資產

於年末，賬面價值為152,895,213.83元(賬面原值為293,268,568.70元)的固定資產系融資租入。具體分析如下：

年末 End.	賬面原值 Original Book Value	累計折舊 Accumulated Depreciation	減值準備 Provision for Impairment	賬面價值 Book Value
機器設備 Machinery equipment	293,268,568.70	140,373,354.87		152,895,213.83
合計 Total	293,268,568.70	140,373,354.87		152,895,213.83

(4) 未辦妥產權證書的固定資產

於年末，固定資產中包括賬面價值為498,606,667.81元(年初金額：490,805,390.74元)的房產，其產權證書正在辦理中。鑒於上述房產均依照相關合法程序進行，本公司董事會確信其產權轉移不存在實質性法律障礙或影響本集團對該等房屋建築物的正常使用，對本集團的正常運營並不構成重大影響，亦無需計提固定資產減值準備。

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

10. Fixed assets (Continued)

(2) All buildings of the Group were located in the territory of China and in the medium-term (10~50 years) phase.

(3) Fixed assets acquired by finance lease

At the end of the year, the fixed asset with a book value of RMB152,895,213.83 (original book value of RMB293,268,568.70) was rented by financial lease. The specific analysis was as follows:

(4) Fixed assets whose title certificates are not obtained yet

At the end of the year, the fixed assets include the house property with the book value of RMB498,606,667.81 (beginning amount: RMB490,805,390.74) and its certificate of title is in progress. Since the above house property is handled in accordance with relevant legal procedures, the board of directors of the Company is confident that transfer of the property title will not have any substantial legal obstacles or affect normal use of such house buildings by the Group, and will not exert significant impact on normal operation of the Group and not be required to accrue provisions for impairment of fixed assets.

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財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

10. 固定資產(續)

(4) 未辦妥產權證書的固定資產
 (續)

項目	賬面價值	未辦妥產權證書原因
Item	Book Value	Reasons for Unsettlement of the Certificate of Title
二分廠園區房產 House property of No. 2 factory	262,189,843.59	正在辦理中 In progress
總部園區房產 House property in the headquarter park	87,176,412.77	正在辦理中 In progress
壽光園區房產 House property in Shouguang park	63,759,570.86	正在辦理中 In progress
一分廠園區房產 House property of No. 1 factory	63,758,229.08	正在辦理中 In progress
高密廠區房產 Factory of Xinhua Pharmaceutical (Gaomi) Co., Ltd	21,722,611.51	正在辦理中 In progress
合計 Total	498,606,667.81	

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

10. Fixed assets (Continued)

(4) Fixed assets whose title certificates are not obtained yet (Continued)

(本財務報表附註除特別註明外，均以人民幣元列示)
(Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)

Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
(續)

VI. Notes to Main Items in Consolidated Financial
Statement (Continued)

11. 在建工程

11. Projects under construction

(1) 在建工程明細表

(1) Detail list of projects under construction

項目	Item	年末金額			年初金額		
		賬面餘額	減值準備	賬面淨值	賬面餘額	減值準備	賬面淨值
		Book Balance	Provision for Impairment	Net Book Value	Book Balance	Provision for Impairment	Net Book Value
現代醫藥國際合作中心*	Modern medicine center for international cooperation	213,057,403.70		213,057,403.70	109,001,392.00		109,001,392.00
湖田園區現代化學醫藥產業化中心	Modern chemical medicine industrialization center in Hutian Industrial Park				53,207,582.18		53,207,582.18
2000T/日污水處理系統新建項目	New 2000T/d sewage treatment system project				48,623.43		48,623.43
湖田園區公用工程	Utilities project in Hutian Industrial Park	10,456,819.11		10,456,819.11	2,725,905.71		2,725,905.71
湖田園區激素系列產品	Hormone series products project in Hutian Industrial Park	97,743,552.14		97,743,552.14	34,538,304.47		34,538,304.47
咖啡因擴產、改造項目	Caffeine expansion, transformation project				6,715,011.11		6,715,011.11
獸藥原料藥技術改造項目	Veterinary drug API technical transformation project	11,201,604.97		11,201,604.97	4,354,664.27		4,354,664.27
新華壽光三期東區工業園工程	Industrial park project (phase III) in the eastern zone of Xinhua Shouguang Pharmaceuticals Co., Ltd.				5,956,191.53		5,956,191.53
高密廠區GMP改造項目	GMP renovation project of Gaomi Factory				6,112,542.51		6,112,542.51
新建製藥質檢綜合樓	Multifunctional Building for QC of Xincat Pharmaceutical	17,805,135.28		17,805,135.28	269,399.16		269,399.16
其他	Others	84,281,362.32		84,281,362.32	51,490,795.67		51,490,795.67
合計	Total	434,545,877.52		434,545,877.52	274,420,412.04		274,420,412.04

年末在建工程增加較大，主要系本年度現代醫藥國際合作中心、湖田園區激素系列產品等工程項目本期大規模投入增加所致。

By the end of year, the investment in projects under construction largely increased, because the investment in Modern medicine center for international cooperation and Hormone series products project in Hutian Industrial Park has increased significantly in current period.

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

VI. Notes to Main Items in Consolidated Financial
 Statement (Continued)

11. 在建工程(續)

11. Projects under construction (Continued)

(2) 重大在建工程項目變動情況

(2) Changes in major projects under construction

工程名稱	Name of Project	年初金額	本年增加	Decrease in Current Year		年末金額
				轉入固定資產/ 投資性房地產 Transferred to Fixed Assets/ Investment Real Estate	其他減少 Other Decreases	
現代醫藥國際合作中心	Modern medicine center for international cooperation	109,001,392.00	104,056,011.70			213,057,403.70
湖田園區現代化學醫藥產業化中心	Modern chemical medicine industrialization center in Hutian Industrial Park	53,207,582.18	26,482,437.42	79,690,019.60		
2000T/日污水處理系統新建項目	New 2000T/d sewage treatment system project	48,623.43	11,606,062.60	11,654,686.03		
湖田園區公用工程	Utilities project in Hutian Industrial Park	2,725,905.71	7,730,913.40			10,456,819.11
湖田園區激素系列產品	Hormone series products project in Hutian Industrial Park	34,538,304.47	63,205,247.67			97,743,552.14
咖啡因擴產、改造項目	Caffeine expansion, transformation project	6,715,011.11	11,862,298.17	18,577,309.28		
獸藥原料藥技術改造項目	Veterinary drug API technical transformation project	4,354,664.27	6,846,940.70			11,201,604.97
新華壽光三期東區工業園工程	Industrial park project (phase III) in the eastern zone of Xinhua Shouguang Pharmaceuticals Co., Ltd.	5,956,191.53	4,350,436.68	10,306,628.21		
高密廠區GMP改造項目	GMP renovation project of Gaomi Factory	6,112,542.51		6,112,542.51		
新建製藥質檢綜合樓	Multifunctional Building for QC of Xincat Pharmaceutical	269,399.16	17,535,736.12			17,805,135.28
其他	Others	51,490,795.67	113,524,300.39	80,733,733.74		84,281,362.32
合計	Total	274,420,412.04	367,200,384.85	207,074,919.37		434,545,877.52

(本財務報表附註除特別註明外，均以人民幣元列示)
(Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)

Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
(續)

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

11. 在建工程(續)

11. Projects under construction (Continued)

(2) 重大在建工程項目變動情況
(續)

(2) Changes in major projects under construction
(Continued)

工程名稱	Name of Project	預算數 Budget	工程投入	工程進度	利息資本 化累計金額	其中：本年利息	本年利息	資金來源
			佔預算比例			Accumulated	資本化金額	
			Proportion of	Engineering	Amount of	Including:	Capitalization	
			Project	Schedule	Capitalization	Amount	Rate of Interest	
			Investment		of Interest	of Capitalized	in Current Year	Financial
			in Budget			Interest in	Rate of Interest	Resource
			(%)			(%)	(%)	
現代醫藥國際合作中心	Modern medicine center for international cooperation	400,000,000.00	53.26	97.00				自有 Self-provided
湖田園區現代化學醫藥產業化中心	Modern chemical medicine industrialization center in Hutian Industrial Park	114,170,000.00	69.80	100.00				自有 Self-provided
2000T/日污水處理系統新建項目	New 2000T/d sewage treatment system project	31,100,000.00	94.71	100.00				自有 Self-provided
湖田園區公用工程	Utilities project in Hutian Industrial Park	57,000,000.00	108.05	97.00				自有 Self-provided
湖田園區激素系列產品	Hormone series products project in Hutian Industrial Park	140,080,000.00	69.78	95.00				自有 Self-provided
咖啡因擴產、改造項目	Caffeine expansion, transformation project	46,000,000.00	40.39	100.00				自有 Self-provided
獸藥原料藥技術改造項目	Veterinary drug API technical transformation project	14,700,000.00	76.20	90.00				自有 Self-provided
新華壽光三期東區工業園工程	Industrial park project (phase III) in the eastern zone of Xinhua Shouguang Pharmaceuticals Co., Ltd.	121,000,000.00	100.49	100.00				自有 Self-provided
高密廠區GMP改造項目	GMP renovation project of Gaomi Factory	32,000,000.00	110.00	100.00				自有 Self-provided
新建製藥質檢綜合樓	Multifunctional Building for QC of Xincat Pharmaceutical	35,000,000.00	50.87	60.00				自有 Self-provided
合計	Total	991,050,000.00						

(3) 本集團在建工程年末不存在減值情形，未計提在建工程減值準備。

(3) No impairment was incurred on the projects under construction of the Group at the end of the year. No provision for impairment of projects under construction was accrued.

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 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

12. 無形資產

12. Intangible assets

(1) 無形資產

(1) Intangible assets

項目	Item	土地使用權 Land Use Right	軟件使用權 Software License	非專利技術 Non-patented Technology	其他 Others	合計 Total
一. 賬面原值	I. Original book value					
1. 年初餘額	1. Beg. balance	345,176,466.90	8,674,544.13	23,496,005.93	2,774,800.00	380,121,816.96
2. 本年增加金額	2. Increased amount in the current year	55,770,763.24	892,416.34			56,663,179.58
(1) 購置	(1) Purchase	55,770,763.24	892,416.34			56,663,179.58
3. 本年減少金額	3. Decreased amount in the current year	10,072,763.25			161,120.00	10,233,883.25
(1) 處置	(1) Disposal	10,072,763.25				10,072,763.25
(2) 其他	(2) Others				161,120.00	161,120.00
4. 年末餘額	4. End. balance	390,874,466.89	9,566,960.47	23,496,005.93	2,613,680.00	426,551,113.29
二. 累計攤銷	II. Accumulated amortization					
1. 年初餘額	1. Beg. balance	65,683,806.86	6,576,957.78	22,366,271.97	2,219,840.00	96,846,876.61
2. 本年增加金額	2. Increased amount in the current year	8,288,723.52	770,197.29	1,129,733.96	538,848.00	10,727,502.77
(1) 計提	(1) Provision	8,288,723.52	770,197.29	1,129,733.96	538,848.00	10,727,502.77
(2) 其他增加	(2) Other increase					
3. 本年減少金額	3. Decreased amount in the current year	4,441,736.87			145,008.00	4,586,744.87
(1) 處置	(1) Disposal	4,441,736.87				4,441,736.87
(2) 其他	(2) Others				145,008.00	145,008.00
4. 年末餘額	4. End. balance	69,530,793.51	7,347,155.07	23,496,005.93	2,613,680.00	102,987,634.51
三. 減值準備	III. Provision for impairment					
四. 賬面價值	IV. Book value					
1. 年末賬面價值	1. End. book value	321,343,673.38	2,219,805.40			323,563,478.78
2. 年初賬面價值	2. Beg. book value	279,492,660.04	2,097,586.35	1,129,733.96	554,960.00	283,274,940.35

* 其他為本公司之子公司山東新華製藥(美國)有限責任公司從美國中西有限責任公司購買的客戶資源。

* "Others" are client sources purchased from American Midwest Co., Ltd. by Shandong Xinhua Pharmaceutical (USA) Co., Ltd., the subsidiary of the Company.

本年確認為損益的無形資產的折舊和攤銷額為10,727,502.77元(上年金額：12,397,881.57元)。

The amount of depreciation and amortization for intangible assets recognized as profits or losses was RMB10,727,502.77 (amount of previous year: RMB12,397,881.57) in the current year.

六. 合併財務報表主要項目註釋 (續)

12. 無形資產(續)

- (2) 本集團土地使用權均位於中國境內並均處於中期(10-50年)階段。
- (3) 本集團土地使用權賬面原值本年減少金額10,072,763.25元，累計攤銷本年減少金額4,441,736.87元，系本年處置一宗土地使用權所致。於2017年1月24日，本公司與淄博市城建重點工程建設指揮部簽訂《國有土地徵收協議》，將本公司位於張店區東一路14號，土地證號為淄國用(2001)字第A00607號，面積為59,757.69平方米的土地徵收。根據淄博德昀土地房地產評估諮詢有限公司出具的評估基準日為2016年6月21日(淄博)德昀房地產(2016)(估)字第0095號《土地估價報告》，該宗土地估值為人民幣3,710.95萬元。

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

12. Intangible assets (Continued)

- (2) All land use rights of the Group are located in the territory of China and in the medium-term (10~50 years) phase.
- (3) The book value of the Group's land use right decreases by RMB10,072,763.25 and the amount of accumulated amortization is reduced by RMB4,441,736.87, which is caused by the disposal of a land use right in the current year. On January 24, 2017, the Company and Zibo City Urban Construction Key Project Headquarters signed the "state-owned land collection agreement" where the Company's land, located at No.14, East One Road, Zhangdian District, with land registration No. ZGY (2001) No. A00607, of 59,757.69 square meters, was expropriated. According to the Land Valuation Report of (Zibo) Deyun Real Estate (2016) (estimated) No. 0095 issued by Zibo Deyun Land and Real Estate Evaluation Consulting Co., Ltd. on the evaluation basis date of June 21, 2016, the value of the land was RMB37.1095 million.

(本財務報表附註除特別註明外，均以人民幣元列示)
(Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續) Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋 (續)

12. 無形資產(續)

- (4) 本集團下列土地使用權證書正在辦理之中：

於年末本集團無形資產中尚未取得土地使用權證的土地使用權賬面價值為3,932,561.11元(年初金額：4,080,494.44元)，相關土地使用權證正在辦理中。鑒於上述外購資產均依照相關合法協議進行，本公司董事會認為其產權轉移不存在實質性的法律障礙，因此對本集團的正常營運並不構成重大影響，亦無需計提無形資產減值準備。

項目	賬面價值	未辦妥產權證書原因
Item	Book Value	Reasons for Unsettlement of the Certificate of Title
淄博高新區技術產業開發區東部化工區 Eastern chemical industrial area of high-tech industrial development zone in Zibo High-tech Zone	3,932,561.11	正在辦理中 In progress

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

12. Intangible assets (Continued)

- (4) The following land use right certificates of the Group are in progress:

At the end of the year, the book value of the land use rights without land use right certificates in the intangible assets of the Group was RMB3,932,561.11 (beginning amount: RMB4,080,494.44) and relevant land use right certificates are in progress. As the above purchased assets are handled in accordance with relevant legal agreements, the board of directors of the Company think that transfer of the property title will not have any substantial legal obstacles and thus will not exert significant impact on normal operation of the Group and not be required to accrue provisions for impairment of intangible assets.

六. 合併財務報表主要項目註釋 (續)

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

13. 商譽

(1) 商譽原值

被投資單位名稱	Invested Entity	年初餘額 Beg. Amount	本年增加 Increase in Current Year	本年減少 Decrease in Current Year	年末餘額 End. Amount
新華製藥(高密)有限公司	Xinhua Pharmaceutical (Gaomi) Co., Ltd.	2,715,585.22			2,715,585.22

(2) 商譽減值準備

被投資單位名稱	Invested Entity	年初餘額 Beg. Amount	本年增加 Increase in Current Year	本年減少 Decrease in Current Year	年末餘額 End. Amount
新華製藥(高密)有限公司	Xinhua Pharmaceutical (Gaomi) Co., Ltd.	2,715,585.22			2,715,585.22

商譽的減值測試方法和減值準備計提方法詳見本附註「四、重要會計政策及會計估計18.長期資產減值」。

13. Goodwill

(1) Original value of goodwill

被投資單位名稱	Invested Entity	年初餘額 Beg. Amount	本年增加 Increase in Current Year	本年減少 Decrease in Current Year	年末餘額 End. Amount
Xinhua Pharmaceutical (Gaomi) Co., Ltd.	Xinhua Pharmaceutical (Gaomi) Co., Ltd.	2,715,585.22			2,715,585.22

(2) Provision for impairment of goodwill

被投資單位名稱	Invested Entity	年初餘額 Beg. Amount	本年增加 Increase in Current Year	本年減少 Decrease in Current Year	年末餘額 End. Amount
Xinhua Pharmaceutical (Gaomi) Co., Ltd.	Xinhua Pharmaceutical (Gaomi) Co., Ltd.	2,715,585.22			2,715,585.22

For goodwill impairment test methods and drawing methods of provision for impairment, see "18 Impairment of Long-term Assets" under "IV. Important Accounting Policies and Accounting Estimate" in these Notes.

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

VI. Notes to Main Items in Consolidated Financial
 Statement (Continued)

14. 遞延所得稅資產和遞延所得稅負債

14. Deferred income tax assets and liabilities

(1) 未經抵銷的遞延所得稅資產

(1) Deferred income tax assets not offset

項目	Item	年末餘額		年初餘額	
		可抵扣暫時性差異	遞延所得稅資產	可抵扣暫時性差異	遞延所得稅資產
		Deductible Temporary Difference	Deferred Income Tax Assets	Deductible Temporary Difference	Deferred Income Tax Assets
可供出售金融資產減值準備	Provision for impairment of financial assets available for sale			30,000,000.00	4,500,000.00
壞賬準備	Provision for bad debt	76,559,132.09	18,035,269.72	80,956,970.55	19,112,607.08
存貨跌價準備	Provisions for diminution in value of inventory	20,884,854.97	3,569,331.72	20,634,561.01	3,365,026.52
未發放工資薪金	Salaries unpaid	64,962,444.08	10,200,166.61	61,342,819.30	10,122,544.43
預計負債及其他	Estimated liabilities and others	12,716,899.63	1,907,534.95	13,837,225.27	2,075,583.79
遞延收益	Deferred incomes	22,563,583.32	3,384,537.50	33,768,847.07	5,065,327.06
與子公司購銷的未實現內部利潤	Unrealized internal profits from purchase and sales with subsidiaries	8,777,161.26	1,743,893.12	20,799,956.11	4,521,821.27
商譽減值準備	Provision for impairment of goodwill	2,715,585.22	678,896.31	2,715,585.24	678,896.31
合計	Total	209,179,660.57	39,519,629.93	264,055,964.55	49,441,806.46

(2) 未經抵銷的遞延所得稅負債

(2) Deferred income tax liabilities not offset

項目	Item	年末餘額		年初餘額	
		應納稅暫時性差異	遞延所得稅負債	應納稅暫時性差異	遞延所得稅負債
		Taxable Temporary Difference	Deferred Income Tax Liability	Taxable Temporary Difference	Deferred Income Tax Liability
非同一控制企業合併資產評估增值	Assets evaluation increment from business merger not under common control	46,811.04	11,702.76	993,193.48	248,298.37
可供出售金融資產公允價值變動損益	Profits and losses from changes in fair value of available for sale financial assets	236,915,914.00	35,537,387.10	165,049,466.00	24,757,419.90
合計	Total	236,962,725.04	35,549,089.86	166,042,659.48	25,005,718.27

財務報表附註(續)

Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
(續)

VI. Notes to Main Items in Consolidated Financial
Statement (Continued)

14. 遞延所得稅資產和遞延所得稅負債
(續)

14. Deferred income tax assets and liabilities (Continued)

(3) 以抵銷後淨額列示的遞延所得稅資產和負債

(3) Deferred income tax assets and liabilities listed as net amount after offset

項目	Item	遞延所得稅資產和 負債年末互抵金額 End. Offset Amount of Deferred Income Tax Assets and Liabilities	抵銷後遞延所得稅 資產或負債年末餘額 End. Balance of Deferred Income Tax Assets or Liabilities after Offset	遞延所得稅資產和 負債年初互抵金額 Beg. Offset Amount of Deferred Income Tax Assets and Liabilities	抵銷後遞延所得稅 資產或負債年初餘額 Beg. Balance of Deferred Income Tax Assets or Liabilities after Offset
遞延所得稅資產	Deferred Income Tax Assets	18,459,844.88	21,059,785.05	23,811,489.39	25,630,317.07
遞延所得稅負債	Deferred Income Tax Liability	18,459,844.88	17,089,244.98	23,811,489.39	1,194,228.88

註：本公司的遞延所得稅資產和負債以抵銷後淨額在遞延所得稅負債項目下列示。

Note: The net amount of deferred income tax assets and liabilities after offset of the parent company was listed under the item of deferred income tax liabilities.

(4) 未確認遞延所得稅資產明細

(4) Details of the unrecognized deferred income tax assets

項目	Item	年末餘額 End. Amount	年初餘額 Beg. Amount
可抵扣暫時性差異	Deductible temporary difference	4,002,763.39	1,138,631.78
可抵扣虧損	Deductible loss	16,149,220.94	16,026,695.50
合計	Total	20,151,984.33	17,165,327.28

(5) 未確認遞延所得稅資產的可
抵扣虧損將於以下年度到期

(5) The deductible loss of the unrecognized deferred
income tax assets will expire next year

年份	Year	年末餘額 End. Amount	年初餘額 Beg. Amount	備註 Tips
2018	2018	4,417,099.94	4,417,099.94	
2019	2019	6,165,091.12	6,344,809.20	
2020	2020			
2021	2021	5,264,786.36	5,264,786.36	
2022	2022	302,243.52		
合計	Total	16,149,220.94	16,026,695.50	

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

VI. Notes to Main Items in Consolidated Financial
 Statement (Continued)

15. 其他非流動資產

15. Other non-current assets

項目	Item	年末餘額 End. Amount	年初餘額 Beg. Amount
預付土地款	Land prepayment		42,766,078.24
合計	Total		42,766,078.24

16. 短期借款

16. Short-term borrowing

借款類別	Category	年末餘額 End. Amount	年初餘額 Beg. Amount
信用借款	Credit loans	150,000,000.00	910,000,000.00
質押借款	Pledge loans	1,837,507.11	
合計	Total	151,837,507.11	910,000,000.00

註：於2017年12月31日，短期借款的利率區間為4.09%–4.53%。

Note: On December 31, 2017, Short-term borrowing's interest rate range was 4.09%–4.53%.

17. 應付票據

17. Notes payable

票據種類	Category	年末餘額 End. Amount	年初餘額 Beg. Amount
銀行承兌匯票	Bank acceptance bill	208,227,829.37	254,077,627.50
合計	Total	208,227,829.37	254,077,627.50

本集團上述年末應付票據的賬齡是在180天之內，年末不存在已到期未支付的應付票據。

The age of the notes payable of the Group is within 180 days and there were no payable notes that had not been paid at the end of the year.

(本財務報表附註除特別註明外，均以人民幣元列示)
(Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)

Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
(續)

VI. Notes to Main Items in Consolidated Financial
Statement (Continued)

18. 應付賬款

18. Accounts payable

(1) 應付賬款按性質分類

(1) Classification of accounts payable by nature

項目	Item	年末餘額 End. Amount	年初餘額 Beg. Amount
貨款	Payment	530,065,197.24	433,116,202.88
合計	Total	530,065,197.24	433,116,202.88

(2) 根據交易日期的應付賬款賬
齡分析如下：

(2) Aging analysis of accounts payable by transaction
date is as follows:

項目	Item	年末餘額 End. Amount	年初餘額 Beg. Amount
1年以內	Within 1 year	507,439,905.53	414,778,212.02
1-2年	1-2 years	15,463,021.70	11,147,066.41
2-3年	2-3 years	2,206,933.89	1,924,616.11
3年以上	Over 3 years	4,955,336.12	5,266,308.34
合計	Total	530,065,197.24	433,116,202.88

(3) 賬齡超過一年的重要應付賬
款

(3) Accounts payable with significant amount and an
age of over 1 year

單位名稱	Organization Name	年末餘額 End. Balance	未償還或結轉的原因 Reasons for Not Repaying and Carrying Forward
淄博馳環泵業有限公司	Zibo Chihuan Pump Industry Co., Ltd.	3,598,120.34	未結算貨款 Outstanding goods payment
江蘇賽德力製藥機械 製造有限公司	Jiangsu Saideli Pharmaceutical Machinery Manufacturing Co., Ltd.	1,235,318.64	未結算貨款 Outstanding goods payment
山東康為醫藥有限公司	Shandong Kangwei Pharmaceutical Co., Ltd.	1,055,067.11	未結算貨款 Outstanding goods payment
合計	Total	5,888,506.09	

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

19. 預收款項

19. Accounts received in advance

(1) 預收款項按性質分類

(1) Accounts received in advance classified by nature

項目	Item	年末餘額 End. Balance	年初餘額 Beg. Balance
預收銷貨款	Advances on goods	86,279,879.79	67,393,449.91
預收銷房款	Advances on estate	37,015,335.20	
合計	Total	123,295,214.99	67,393,449.91

(2) 賬齡超過一年的重要預收款項

(2) Advances from customers with significant amount and an age above 1 year

單位名稱	Organization Name	年末餘額 End. Balance	未償還或結轉的原因 Reasons for Not Repaying and Carrying Forward
中國人民解放軍 總後勤衛生部	General Logistics and Health Department of PLA	530,014.78	國家儲備藥物 State-reserved drugs
合計	Total	530,014.78	

20. 應付職工薪酬

20. Payroll payable

(1) 應付職工薪酬分類

(1) Classification of payroll payable

項目	Item	年初餘額 Beg. Balance	本年增加 Increase in Current Year	本年減少 Decrease in Current Year	年末餘額 End. Balance
短期薪酬	Short-term remuneration	66,078,587.82	546,892,597.37	544,510,441.46	68,460,743.73
離職後福利	Post-employment welfare		58,517,532.60	58,517,532.60	
— 設定提存計劃	— defined contribution plan		122,192.00	122,192.00	
辭退福利	Dismission welfare				
合計	Total	66,078,587.82	605,532,321.97	603,150,166.06	68,460,743.73

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財務報表附註(續)

Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
(續)

VI. Notes to Main Items in Consolidated Financial
Statement (Continued)

20. 應付職工薪酬(續)

20. Payroll payable (Continued)

(2) 短期薪酬

(2) Short-term remuneration

項目	Item	年初餘額 Beg. Balance	本年增加 Increase in Current Year	本年減少 Decrease in Current Year	年末餘額 End. Balance
工資、獎金、津貼和補貼	Salary, bonus, allowance and subsidy	59,086,436.13	440,583,328.90	435,813,668.16	63,856,096.87
職工福利費	Employee welfare expenses	781,215.37	25,865,821.11	26,647,036.48	
社會保險費	Social insurance premiums		27,004,101.04	27,004,101.04	
其中：醫療保險費	Including: medical insurance premiums		21,345,292.53	21,345,292.53	
工傷保險費	Work-related injury insurance premiums		2,709,771.12	2,709,771.12	
生育保險費	Maternity insurance premium		2,949,037.39	2,949,037.39	
住房公積金	Housing fund		16,275,870.24	16,275,870.24	
工會經費和職工教育經費	Labor union expenditure & personnel education fund	6,210,936.32	7,198,616.52	8,804,905.98	4,604,646.86
勞務費	Labor costs		29,964,859.56	29,964,859.56	
合計	Total	66,078,587.82	546,892,597.37	544,510,441.46	68,460,743.73

(3) 設定提存計劃

(3) Defined contribution plan

本集團按規定參加政府機構設立的社會保險計劃。根據計劃，本集團按照當地政府的有關規定向該等計劃繳存費用。除上述繳存費用外，本集團不再承擔進一步支付義務。相應的支出於發生時計入當期損益或相關資產成本。

The Group participated in the social insurance plan established by the government agencies. According to the plan, the Group deposited the fees in accordance with the relevant rules of the local government. In addition to the above deposit, the Group no longer undertook further payment obligations. The corresponding expenses were recognized in the current profit and loss or related asset costs at the time of occurrence.

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財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

20. 應付職工薪酬(續)

20. Payroll payable (Continued)

(3) 設定提存計劃(續)

(3) Defined contribution plan (Continued)

本集團本年應分別向養老保險、失業保險計劃繳存費用如下：

The Group should pay the old-age insurance and unemployment insurance as follows

項目	Item	年初餘額 Beg. Balance	本年增加 Increase in Current Year	本年減少 Decrease in Current Year	年末餘額 End. Balance
基本養老保險	Basic endowment insurance		56,408,572.00	56,408,572.00	
失業保險費	Unemployment insurance premium		2,108,960.60	2,108,960.60	
合計	Total		58,517,532.60	58,517,532.60	

本集團於2017年12月31日計劃繳納的養老保險、年金和失業保險已經全部支付完畢。

The endowment insurance, annuity and unemployment insurance premium that the Group planned to pay on December 31, 2017 had been fully paid.

21. 應交稅費

21. Tax payable

稅種	Tax Category	年末餘額 End. Amount	年初餘額 Beg. Amount
增值稅	VAT	426,050.02	2,388,669.72
應交所得稅	Income tax payable	1,791,273.07	5,349,002.19
城市維護建設稅	City maintenance and construction tax	670,320.65	1,025,790.34
個人所得稅	Personal income tax	905,514.64	825,632.06
房產稅	House property tax	3,431,971.81	2,717,806.58
土地使用稅	Land use tax	3,906,361.43	4,181,576.49
印花稅	Stamp duty	320,886.50	328,128.72
教育費附加	Educational surcharges	478,896.07	732,803.25
地方水利建設基金	Local Water Conservancy Fund	66,287.42	145,218.01
合計	Total	11,997,561.61	17,694,627.36

(本財務報表附註除特別註明外，均以人民幣元列示)
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財務報表附註(續)

Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
(續)

VI. Notes to Main Items in Consolidated Financial
Statement (Continued)

22. 應付利息

22. Interests payable

項目	Item	年末餘額 End. Amount	年初餘額 Beg. Amount
銀行借款利息	Interest of bank loans	1,493,174.71	3,196,326.40
融資租賃款利息	Interest of finance lease	745,523.41	705,783.76
合計	Total	2,238,698.12	3,902,110.16

23. 應付股利

23. Dividends payable

項目	Item	年末餘額 End. Amount	年初餘額 Beg. Amount
普通股股利	Ordinary stock dividend	19,661,202.16	5,310,599.55
合計	Total	19,661,202.16	5,310,599.55

24. 其他應付款

24. Other payables

(1) 其他應付款按性質分類

(1) Classification of other payables by nature

項目	Item	年末餘額 End. Amount	年初餘額 Beg. Amount
應付工程設備款類	Equipment project fund payable	222,731,780.56	106,927,066.53
保證金、押金類	Cash deposit and guarantee deposit	40,319,761.78	30,677,849.25
動力費、運費及 諮詢費類	Power expense, freight and consulting fees	11,009,498.61	10,707,522.96
其他	Others	6,053,691.00	15,034,865.46
合計	Total	280,114,731.95	163,347,304.20
其中：1年以上	Including: above 1 year	41,277,753.12	15,648,050.48

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財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

VI. Notes to Main Items in Consolidated Financial
 Statement (Continued)

24. 其他應付款(續)

24. Other payables (Continued)

(2) 賬齡超過一年的重要其他應付款

(2) Payables with significant amount and age of over 1 year

單位名稱	Organization Name	年末餘額 End. Balance	未償還或結轉的原因 Reasons for Not Repaying and Carrying Forward
蓋宇(北京)醫藥科技有限公司	Gaiyu (Beijing) Pharmaceutical Technology Co., Ltd.	2,821,680.11	應付設備款 Equipment payable
山東淄建集團有限公司	Shandong Zijian Group	2,619,860.21	工程質保金 Engineering quality guarantee deposit
浙江希望機械有限公司	Zhejiang Hoping Machinery Co., Ltd.	1,299,800.00	應付設備款 Equipment payable
山東大學淄博生物醫藥研究院	SDU-ZB Biomedical R&D Institute	1,000,000.00	待付研發經費 To pay R&D funding
上海奉元醫藥科技有限公司	Shanghai Fengyuan Medical Technology Co., Ltd.	1,000,000.00	保證金 Security deposit
合計	Total	8,741,340.32	

25. 一年內到期的非流動負債

25. Non-current liabilities due within one year

項目	Item	年末餘額 End. Amount	年初餘額 Beg. Amount
一年內到期的長期借款	Long-term loans due within one year	6,000,000.00	275,000,000.00
一年內到期的融資租賃款	Finance lease payments due within one year	83,621,673.88	69,854,126.83
合計	Total	89,621,673.88	344,854,126.83

26. 其他流動負債

26. Other current liabilities

項目	Item	年末餘額 End. Amount	年初餘額 Beg. Amount
一年內結轉的遞延收益	Deferred income carried forward within one year	5,319,000.00	4,732,000.00
合計	Total	5,319,000.00	4,732,000.00

註：一年內結轉的遞延收益為一年內攤銷的與資產相關的政府補助。

Note: the deferred income carried forward within one year was the assets-related government grants amortized within one year.

六. 合併財務報表主要項目註釋 (續)

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

27. 長期借款

27. Long-term loans

(1) 長期借款分類

(1) Classifications of long-term loans

借款類別	Category	年末餘額 End. Amount	年初餘額 Beg. Amount
信用借款	Credit loans	931,500,000.00	100,000,000.00
合計	Total	931,500,000.00	100,000,000.00

註：於2017年12月31日，
長期借款利率區間為
2.92%–4.80%。

Note: Long term loan interest rate range was 2.92%–4.80% as
at December 31, 2017.

(2) 長期借款到期日分析

(2) Analysis of long-term loan maturity date

項目	Item	年末餘額 End. Amount	年初餘額 Beg. Amount
1–2年	1–2 years	500,000,000.00	
2–5年	2–5 years	431,500,000.00	100,000,000.00
合計	Total	931,500,000.00	100,000,000.00

28. 長期應付款

28. Long-term payables

(1) 長期應付款按性質分類

(1) Classifications of long-term payables by nature

款項性質	Nature	年末餘額 End. Amount	年初餘額 Beg. Amount
融資租賃款	Financial leasing	47,541,721.66	64,938,492.33
合計	Total	47,541,721.66	64,938,492.33

(2) 長期應付款到期日分析

(2) Analysis of long-term payables maturity date

項目	Item	年末餘額 End. Amount	年初餘額 Beg. Amount
1–2年	1–2 years	39,677,609.62	55,108,352.27
2–5年	2–5 years	7,864,112.04	9,830,140.06
合計	Total	47,541,721.66	64,938,492.33

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財務報表附註(續) Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋 (續)

29. 專項應付款

項目	Item	年初餘額 Beg. Amount	本年增加 Increase in Current Year	本年減少 Decrease in Current Year	年末餘額 End. Amount	形成原因 Reason
化學製藥技術創新平台	Chemical and pharmaceutical technology innovation platform	13,000,000.00		13,000,000.00		註1 Note 1
回收有機氣體大氣污染綜合防治項目	Organic gas recovery and comprehensive air pollution prevention and control project	2,420,000.00			2,420,000.00	
現代醫藥國際合作中心項目	Modern medicine center for international cooperation project	62,270,000.00			62,270,000.00	註2 Note 2
揮發性有機物治理項目	Control of volatile organic compounds project	7,270,000.00			7,270,000.00	註3 Note 3
合計	Total	84,960,000.00		13,000,000.00	71,960,000.00	

註1：「化學製藥技術創新平台」項目於2017年12月完工，前期收到的專項應付款13,000,000元按照規定轉入「資本公積」。

註2：根據淄博市財政局《關於撥付國家補助2016年產業轉型升級項目中央基建投資資金的通知》(淄財企指[2016]98號)公司收到6,227萬元，計入專項應付款科目。

註3：根據淄博市財政局《關於下達國家補助2016京津冀及重點地區污染治理工程中央基建投資預算指標的通知》(淄財企指[2016]148號)及省財政廳《關於下達國家補助2016年PPP前期工作等中央基建投資預算指標的通知》(魯財建指[2016]93號)公司共收到727萬元，計入專項應付款科目。

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

29. Special payables

Note 1: The "Platform for Chemical and Pharmaceutical Technology Innovation" was completed in December 2017 and the special payable of RMB13,000,000 received in prior period was transferred to "Capital Reserves" in accordance with the regulations.

Note 2: According to the Notice on the allocation of state subsidies for central infrastructure investment in the 2016 industrial transformation and upgrading project (LCQZ [2016] No. 98) from Zibo Municipal Bureau of Finance, the Company has received RMB62.27 million and recognized the sum to the subject of special accounts payable.

Note 3: According to the Notice on the issuance of the central infrastructure investment budget for the Beijing-Tianjin-Hebei and key areas of pollution control projects (LCQZ [2016] No.148) from Zibo Municipal Bureau of Finance, and the notice on the allocation of state subsidies for the central fund investment budget indicators of the advancement of PPP in 2016 and etc. (LCJZ [2016] No.93) from Shandong Province Finance Bureau, the Company has received RMB7.27 million and recognized the sum to the subject of special accounts payable.

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財務報表附註(續)
Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
(續)

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

30. 遞延收益

30. Deferred incomes

(1) 遞延收益分類

(1) Classification of deferred income

項目	Item	年初餘額 Beg. Balance	本年增加 Increase in Current Year	本年減少 Decrease in Current Year	年末餘額 End. Balance
政府補助	Government grant	118,317,680.77	25,600,000.00	12,215,763.75	131,701,917.02
合計	Total	118,317,680.77	25,600,000.00	12,215,763.75	131,701,917.02

(2) 政府補助

(2) Government grant

政府補助項目	年初餘額	本年新增 補助金額 Newly Increased Amount of Subsidy of the Current Year	本年計入 其他收益金額 Amount of Non- business Income of the Current Year	其他變動	其他減少	年末餘額	與資產相關/ 與收益相關 Related to Assets/ Related to Income
Project	Beg. Amount			Other Changes	Other Decreases	End. Amount	
搬遷補償款 ¹	6,603,263.75		6,603,263.75			-	與收益相關 Related to income
三千噸布洛芬項目 ²	1,032,500.00			590,000.00		442,500.00	與資產相關 Related to assets
3,000t Ibuprofen Project ²				500,000.00		1,833,333.32	與資產相關 Related to assets
技術中心創新能力建設項目 ³	2,333,333.32						與資產相關 Related to assets
Innovation ability construction project of Technology Center ³							
阿司匹林系列產品GMP改造項目 ⁴	5,983,583.33			1,217,000.00		4,766,583.33	與資產相關 Related to assets
Aspirin Series Product GMP Transformation Project ⁴							
MVR節能技術改造專項資金 ⁵	240,000.00			40,000.00		200,000.00	與資產相關 Related to assets
Special funds for MVR energy-saving technical transformation ⁵							
阿司匹林名優醫藥大品種培育 ⁶	8,637,500.00			1,575,000.00		7,062,500.00	與資產相關 Related to assets
Cultivation of aspirin famous and excellent medicines ⁶							
阿司匹林系列產品技術改造項目 ⁷	566,666.67			100,000.00		466,666.67	與資產相關 Related to assets
Aspirin series product technical transformation project ⁷							
MVR節能改造專項資金 ⁸	3,120,000.00			480,000.00		2,640,000.00	與資產相關 Related to assets
Special funds for MVR energy-saving transformation ⁸							
焚燒爐及東園區餘熱回收項目 ⁹	650,000.00			100,000.00		550,000.00	與資產相關 Related to assets
Incinerator and heat recovery project of East Park Area ⁹							

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財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

30. 遞延收益(續)

30. Deferred incomes (Continued)

(2) 政府補助(續)

(2) Government grant (Continued)

政府補助項目	年初餘額	本年新增 補助金額	本年計入 其他收益金額	其他變動	其他減少	年末餘額	與資產相關/ 與收益相關
Project	Beg. Amount	Newly Increased Amount of Subsidy of the Current Year	Amount of Non- business Income of the Current Year	Other Changes	Other Decreases	End. Amount	Related to Assets/ Related to Income
回收二氯甲烷等有機氣體大氣污染 綜合防治項目 ¹⁰	35,610,000.00					35,610,000.00	與資產相關
Organic gas (dichloromethane) recovery and comprehensive air pollution prevention and control project ¹⁰							Related to assets
現代醫藥國際合作中心項目 ¹¹	45,700,000.00	20,600,000.00				66,300,000.00	與資產相關
Modern Medicine International Cooperation Center Project ¹¹							Related to assets
安乃近系列產品製藥過程自動化改造項目 ¹²	606,250.00			75,000.00		531,250.00	與資產相關
Analgin series production process automation transformation project ¹²							Related to assets
製藥生產裝置系統節能技術改造項目 ¹³	444,583.70			55,000.00		389,583.70	與資產相關
Production equipment system energy saving transformation project ¹³							Related to assets
東園2000立方/天污水處理系統新建項目 ¹⁴	4,670,000.00		233,500.00	467,000.00		3,969,500.00	與資產相關
New 2,000T/d sewage treatment system project ¹⁴							Related to assets
現代化學醫藥產業化中心(II)項目 ¹⁵	1,200,000.00		60,000.00	120,000.00		1,020,000.00	與資產相關
Modern Medicine International Cooperation Center (II) project ¹⁵							Related to assets
新華醫藥電商健康創新產業園項目 ¹⁶	920,000.00					920,000.00	與資產相關
Xinhua pharmaceuticals E-Commerce Health Innovation Industrial Park Project ¹⁶							Related to assets
激素系列產品技術改造項目 ¹⁷		2,000,000.00				2,000,000.00	與資產相關
Technological transformation of hormone series projects ¹⁷							Related to assets
聚卡波非鈣及片劑的研究與產業化項目 ¹⁸		3,000,000.00				3,000,000.00	與資產相關
Polycarbophil calcium research and industrialization projects ¹⁸							Related to assets
合計 Total	118,317,680.77	25,600,000.00	6,896,763.75	5,319,000.00		131,701,917.02	

六. 合併財務報表主要項目註釋 (續)

30. 遞延收益(續)

(2) 政府補助(續)

其他變動為預計2018年內結轉其他收益的政府補助金額，調整至在「其他流動負債」中列示。

- *1. 根據2008年9月發佈的「山東省淄博市東部化工區搬遷規劃」，本公司部分產品被列入統一搬遷規劃中。為此淄博市財政局依據淄財企[2009]29號、淄財企[2009]33號和淄財企[2009]55號文件發放拆遷補償款。本公司本年實際發生搬遷損失6,603,263.75元，並按照等額結轉營業外收入。
- *2. 根據2009年山東省財政廳魯財建指[2009]157號文件，本公司2009年收到三千噸布洛芬項目建設資金補助590萬元。本公司按10年期限結轉損益，2017年披露時需將2018年預計結轉收入的金額重分類在「其他流動負債」中列示，該筆補助未結轉的剩餘金額仍在「遞延收益」中列示。

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

30. Deferred incomes (Continued)

(2) Government grant (Continued)

Other changes are government grants expected to be carried forward in 2018, which are carried forward and listed in "other current liabilities".

- *1. According to the Relocation Plan of Eastern Chemical Park of Zibo City of Shandong Province released in September 2008, some products of the Company have been listed into the uniform relocation plan. Therefore, Financial Bureau of Zibo City has released the relocation compensation funds according to documents ZCQ [2009] No. 29, ZCQ [2009] No. 33 and ZCQ [2009] No. 55. The actual relocation loss of the Company in current year is RMB6,603,263.75, and the non-operating revenue shall be carried forward in an equal amount.
- *2. According to the LCJZ [2009] No. 157 of Shandong Provincial Department of Finance in 2009, the Company received RMB5.9 million of construction fund subsidy for the 3000t Ibuprofen Project in 2009. The Company carries forward the profit and loss on the basis of the 10-year period. In the disclosure of 2017, it is necessary to reclassify the amount expected to be carried forward as income in 2018 and list it in the "other current liabilities". The balance of the subsidies which is not carried forward is still listed in "deferred incomes".

(本財務報表附註除特別註明外，均以人民幣元列示)
(Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續) Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋 (續)

30. 遞延收益(續)

(2) 政府補助(續)

- *3. 根據國家發展和改革委員會一發改辦高技[2011]1247號，本公司2012年收到技術中心創新能力建設項目政府補助500萬元。本公司按10年期限結轉損益，2017年披露時需將2018年預計結轉收入的金額重分類在「其他流動負債」中列示，該筆補助未結轉的剩餘金額仍在「遞延收益」中列示。
- *4. 根據淄博市發展和改革委員會，淄博市經濟和信息化委員會一淄發改發[2012]253號，本公司2012年收到阿司匹林系列產品GMP改造項目政府補助1,217萬元。本公司按10年期限結轉損益，2017年披露時需將2018年預計結轉收入的金額重分類在「其他流動負債」中列示，該筆補助未結轉的剩餘金額仍在「遞延收益」中列示。
- *5. 根據淄博市人民政府辦公廳淄政辦字[2012]73號文件，本公司2012年收到MVR節能技術改造專項資金40萬元。本公司按10年期限結轉損益，2017年披露時需將2018年預計結轉收入的金額重分類在「其他流動負債」中列示，該筆補助未結轉的剩餘金額仍在「遞延收益」中列示。

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

30. Deferred incomes (Continued)

(2) Government grant (Continued)

- *3. According to the FGBGJ [2011] No. 1247 of National Development and Reform Commission, the Company received the government grants of RMB5 million for innovation ability construction project of Technology Center in 2012. The Company carries forward the profit and loss on the basis of the 10-year period. In the disclosure of 2017, it is necessary to reclassify the amount expected to be carried forward as income in 2018 and list it in the "other current liabilities". The balance of the subsidies which is not carried forward is still listed in "deferred incomes".
- *4. According to the ZFGF [2012] No. 253 of Zibo Development and Reform Commission and Zibo Economic and Information Technology Commission, the Company received the government grants of RMB12.17 million for Aspirin Series Product GMP Transformation Project in 2012. The Company carries forward the profit and loss on the basis of the 10-year period. In the disclosure of 2017, it is necessary to reclassify the amount expected to be carried forward as income in 2018 and list it in the "other current liabilities". The balance of the subsidies which is not carried forward is still listed in "deferred incomes".
- *5. According to the document numbered ZZBZ [2012] No. 73 of General Office of Zibo Municipal People's Government, the Company received the RMB400,000 from special funds for MVR energy-saving technical transformation in 2012. The Company carries forward the profit and loss on the basis of the 10-year period. In the disclosure of 2017, it is necessary to reclassify the amount expected to be carried forward as income in 2018 and list it in the "other current liabilities". The balance of the subsidies which is not carried forward is still listed in "deferred incomes".

六. 合併財務報表主要項目註釋 (續)

30. 遞延收益(續)

(2) 政府補助(續)

- *6. 根據淄博市財政局和淄博市科學技術局淄財教指[2013]41號文件、山東省科學技術廳辦公室魯科專[2012]187號文件和淄博市科學技術局淄科發[2012]61號文件，本公司2013年收到阿司匹林名優醫藥大品種培育補助1,425萬元，2015年收到補助150萬元，合計金額1,575萬元。本公司按10年期限結轉損益，2017年披露時需將2018年預計結轉收入的金額重分類在「其他流動負債」中列示，該筆補助未結轉的剩餘金額仍在「遞延收益」中列示。
- *7. 根據淄博高新技術產業開發區管理委員會淄高新管發[2013]11號文件，本公司2013年收到阿司匹林系列產品技術改造項目資金100萬元。本公司按10年期限結轉損益，2017年披露時需將2018年預計結轉收入的金額重分類在「其他流動負債」中列示，該筆補助未結轉的剩餘金額仍在「遞延收益」中列示。
- *8. 根據山東省發展和改革委員會、山東省經濟和信息化委員會魯發改投資[2014]553號文件，本公司2014年收到MVR節能技術改造專項資金480萬元。本公司按10年期限結轉損益，2017年披露時需將2018年預計結轉收入的金額重分類在「其他流動負債」中列示，該筆補助未結轉的剩餘金額仍在「遞延收益」中列示。

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

30. Deferred incomes (Continued)

(2) Government grant (Continued)

- *6. According to the document numbered ZCJZ [2013] No. 41 of Zibo Municipal Bureau of Finance, Zibo Municipal Science and Technology Bureau, document LKZ [2012] No. 187 of Office of Department of Science and Technology of Shandong Province and document ZKF [2012] No. 61 of Zibo Municipal Science and Technology Bureau, the Company received RMB14.25 million of government grants in 2013 and RMB1.5 million in 2015 for cultivation of aspirin famous and excellent medicines, or RMB15.75 million in total. The Company carries forward the profit and loss on the basis of the 10-year period. In the disclosure of 2017, it is necessary to reclassify the amount expected to be carried forward as income in 2018 and list it in the "other current liabilities". The balance of the subsidies which is not carried forward is still listed in "deferred incomes".
- *7. According to the document ZGXGF [2013] No. 11 of Management Committee of Zibo National High-tech Industrial Development Zone, the Company received RMB1 million for aspirin series product technical transformation project as the subsidies in 2013. The Company carries forward the profit and loss on the basis of the 10-year period. In the disclosure of 2017, it is necessary to reclassify the amount expected to be carried forward as income in 2018 and list it in the "other current liabilities". The balance of the subsidies which is not carried forward is still listed in "deferred incomes".
- *8. According to the document LFGTZ [2014] No. 553 of Shandong Development and Reform Commission and Shandong Economic and Information Technology Committee, the Company has received the RMB4.8 million for special funds for MVR energy-saving technical transformation development in 2014. The Company carries forward the profit and loss on the basis of the 10-year period. In the disclosure of 2017, it is necessary to reclassify the amount expected to be carried forward as income in 2018 and list it in the "other current liabilities". The balance of the subsidies which is not carried forward is still listed in "deferred incomes".

(本財務報表附註除特別註明外，均以人民幣元列示)
(Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續) Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋 (續)

30. 遞延收益(續)

(2) 政府補助(續)

- *9. 根據淄博高新技術產業開發區工作委員會淄高新發[2014]1號文件，本公司2014年收到7000噸安乃近產品項目焚燒爐餘熱回收項目和東園區餘熱綜合回收項目資金100萬元。本公司按10年期限結轉損益，2017年披露時需將2018年預計結轉收入的金額重分類在「其他流動負債」中列示，該筆補助未結轉的剩餘金額仍在「遞延收益」中列示。
- *10. 根據山東省財政廳、省環保廳《關於下達2014年省級大氣污染防治資金(第二批)預算指標的通知》(魯財建指[2014]153號)文件，本公司2015年收到回收二氯甲烷等有機氣體大氣污染綜合防治項目資金461萬元；根據淄博市政府對淄財辦發[2015]67號的批示，本公司2015年收到回收二氯甲烷等有機氣體大氣污染綜合防治項目資金3,100萬元。合計金額3,561萬元，相關資產預計於2018年完工投產。

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

30. Deferred incomes (Continued)

(2) Government grant (Continued)

- *9. According to the document ZGXF [2014] No. 1 of Working Committee of Zibo National High-tech Industrial Development Zone, the Company received RMB1 million for 7,000t Metamizole Sodium Tablet Project, Incineration Furnace Waste Heat Recovery Project and Comprehensive Waste Heat Recovery Project of East Park Area in 2014. The Company carries forward the profit and loss on the basis of the 10-year period. In the disclosure of 2017, it is necessary to reclassify the amount expected to be carried forward as income in 2018 and list it in the "other current liabilities". The balance of the subsidies which is not carried forward is still listed in "deferred incomes".
- *10. According to the Circular of Issuing the Budget Index for Provincial Air Pollution Prevention and Control Funds in 2014 (Batch 2) (LJCZ [2014] No. 153), the Company received RMB4.61 million for organic gas (dichloromethane) recovery and comprehensive air pollution prevention and control project in 2015. According to the approval of Zibo Municipal Government numbered ZCBF [2015] No. 67, the Company received RMB31 million for organic gas (dichloromethane) recovery and comprehensive air pollution prevention and control project in 2015. The total amount is RMB35.61 million, and the related assets are expected to be completed and put into operation in 2018.

六. 合併財務報表主要項目註釋 (續)

30. 遞延收益(續)

(2) 政府補助(續)

*11. 根據山東省經信委、省財政廳《關於同意2015年度工業提質增效升級專項實施方案的覆函》(魯經信字[2015]193號)文件，本公司2015年收到現代醫藥國際合作中心項目政府補助370萬元；根據濰博高新技術產業開發區財政局《關於下達濰博生物醫藥產業科技創新服務平台建設經費的通知》(濰高新財發[2015]121號)文件，本公司2015年收到現代醫藥國際合作中心項目資金2,100萬元；為貫徹落實《中共濰博市委濰博市政府關於推動轉型升級建設工業強市的若干政策意見》(濰發[2015]8號)文件，本公司2015年收到現代醫藥國際合作中心項目資金100萬元；2016年收到現代醫藥國際合作中心項目資金(濰高新財發[2016]125號)2,000萬元；2017年收到現代醫藥國際合作中心項目資金(濰高新財發[2016]125號)2,000萬元，2017年收到現代醫藥國際合作中心項目資金(濰高新委發[2017]1號)60萬元，合計金額6,630萬元，相關資產預計於2018年完工投產。

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

30. Deferred incomes (Continued)

(2) Government grant (Continued)

*11. According to the document of Reply for Approving the Implementation Scheme for Industrial Upgrade and Efficiency Enhancement in 2015 (LJXZ [2015] No. 193), the Company received RMB3.7 million of government grants for Modern Medicine International Cooperation Center Project in 2015. According to the Circular of Releasing the Expenses for Building the Technological Innovation Service Platform of Biopharmaceutical Industry in Zibo (ZGXCF [2015] No. 121), the Company received RMB21 million for Modern Medicine International Cooperation Center in 2015. In order to implement the Several Policies and Suggestions on CPC Zibo Municipal Committee and Zibo Municipal Government for Promoting the Transformation and Upgrade to Build a Major Industrial City (ZF [2015] No. 8), the Company received RMB1 million for the Modern Medicine International Cooperation Center Project in 2015. The Company received RMB20 million for the Modern Medicine International Cooperation Center Project (ZGXCF [2016] No.125) in 2016. The Company received RMB20 million for the Modern Medicine International Cooperation Center Project (ZGXCF [2016] No.125) in 2017. The Company received RMB0.6 million for the Modern Medicine International Cooperation Center Project (ZGXCF [2017] No.1) in 2017. The total amount is RMB66.3 million, and the related assets are expected to be completed and put into operation in 2018.

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(Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續) Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋 (續)

30. 遞延收益(續)

(2) 政府補助(續)

- *12. 根據淄博市經濟和信息化委員會、淄博市財政局《關於公佈2015年下半年「工業強市三十條」政策扶持項目名單的通知》(淄經信發[2015]48號)文件，本公司於2016年收到安乃近系列產品製藥過程自動化改造項目政府補助資金75萬元。本公司按10年期限結轉損益，2017年披露時需將2018年預計結轉收入的金額重分類在「其他流動負債」中列示，該筆補助未結轉的剩餘金額仍在「遞延收益」中列示。
- *13. 根據淄博市經濟和信息化委員會、淄博市財政局《關於公佈2015年下半年「工業強市三十條」政策扶持項目名單的通知》(淄經信發[2015]48號)文件，本公司於2016年收到製藥生產裝置系統節能技術改造項目政府補助資金55萬元。本公司按10年期限結轉損益，2017年披露時需將2018年預計結轉收入的金額重分類在「其他流動負債」中列示，該筆補助未結轉的剩餘金額仍在「遞延收益」中列示。

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

30. Deferred incomes (Continued)

(2) Government grant (Continued)

- *12. According to document of Notice on Policy Support Project List in the Second Half Year of 2015 for Industry Strength City 30 Articles (ZJXF [2015] No.48) issued by Zibo Development and Reform Commission and Zibo Economic and Financial Bureau of Zibo City, the Company received RMB0.75 million of government subsidies for analgin series product production process automation transformation project in the current year. The Company carries forward the profit and loss on the basis of the 10-year period. In the disclosure of 2017, it is necessary to reclassify the amount expected to be carried forward as income in 2018 and list it in the "other current liabilities". The balance of the subsidies which is not carried forward is still listed in "deferred incomes".
- *13. According to document of Notice on Policy Support Project List in the Second Half Year of 2015 for Industry Strength City 30 Articles (ZJXF [2015] No.48) issued by Zibo Development and Reform Commission and Zibo Economic and Financial Bureau of Zibo City, the Company received grants of RMB0.55 million in the current year for production equipment system energy saving transformation project. The Company carries forward the profit and loss on the basis of the 10-year period. In the disclosure of 2017, it is necessary to reclassify the amount expected to be carried forward as income in 2018 and list it in the "other current liabilities". The balance of the subsidies which is not carried forward is still listed in "deferred incomes".

財務報表附註(續)

Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
(續)

30. 遞延收益(續)

(2) 政府補助(續)

- *14. 根據淄博市高新區財政局和經濟發展局《關於下達2016年新興產業發展引導資金的通知》(淄高新財發[2016]65號)文件，本公司於2016年收到東園2000立方/天污水處理系統新建項目政府補助資金467萬元。本公司按10年期限結轉損益，2017年披露時需將2018年預計結轉收入的金額重分類在「其他流動負債」中列示，該筆補助未結轉的剩餘金額仍在「遞延收益」中列示。
- *15. 根據淄博市經濟和信息化委員會、淄博市財政局《關於下達2016年度省工業提質增效升級專項項目計劃的通知》(淄經信綜字[2016]5號)文件，本公司於2016年收到現代化學醫藥產業化中心(II)項目政府補助資金120萬元。本公司按10年期限結轉損益，2017年披露時需將2018年預計結轉收入的金額重分類在「其他流動負債」中列示，該筆補助未結轉的剩餘金額仍在「遞延收益」中列示。
- *16. 根據淄博市財政局《關於下達2016年「工業強市30條」政策財政扶持資金預算指標的通知》(淄財企指[2016]205號)文件，本公司於2016年收到新華醫藥電商健康創新產業園項目政府補助資金92萬元，相關資產預計於2018年完工。

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

30. Deferred incomes (Continued)

(2) Government grant (Continued)

- *14. According to the Circular of Issuing Industries Guiding Fund in 2016 for Development of Emerging Industries (ZGXCF [2016] No.65) issued by Zibo National High-tech Industrial Development Zone Finance Bureau and Bureau of Economic Development, the Company received RMB4.67 million of government subsidies for new 2,000T/d sewage treatment system project. The Company carries forward the profit and loss on the basis of the 10-year period. In the disclosure of 2017, it is necessary to reclassify the amount expected to be carried forward as income in 2018 and list it in the "other current liabilities". The balance of the subsidies which is not carried forward is still listed in "deferred incomes".
- *15. According to the Circular of Issuing Provincial Special Project Plans for Improving Industrial Quality and Efficiency (ZJXZZ [2016] No. 5), the Company received RMB1.20 million of government subsidies for modern medicine center for international cooperation project (II). The Company carries forward the profit and loss on the basis of the 10-year period. In the disclosure of 2017, it is necessary to reclassify the amount expected to be carried forward as income in 2018 and list it in the "other current liabilities". The balance of the subsidies which is not carried forward is still listed in "deferred incomes".
- *16. According to document of Notice on Policy Support Funds Budget Indicators in 2016 for Industry Strength City 30 Articles (ZCQZ [2016] No.205) issued by Financial Bureau of Zibo City, the Company received RMB0.92 million of government subsidies for Xinhua Pharmaceuticals E-Commerce Health Innovation Industrial Park Project in 2016, and the related assets are expected to be completed in 2018.

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(Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續) Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋 (續)

30. 遞延收益(續)

(2) 政府補助(續)

- *17. 根據淄博市財政局《關於下達2016年「工業強市30條」政策財政扶持資金預算指標的通知》(淄財企指[2016]205號)文件，本公司於2017年收到激素系列產品技術改造項目補助資金200萬元，相關資產預計於2018年完工。
- *18. 根據淄博市財政局《關於下達2016年重點研發計劃(創新型產業集群)資金預算指標的通知》(淄財教指[2016]145號)文件，本公司於2017年收到聚卡波非鈣及片劑的研究與產業化項目補助資金300萬元，相關資產預計於2018年完工。

31. 其他非流動負債

項目	Item	年末餘額 End. Amount	年初餘額 Beg. Amount
特准儲備基金	Specially approved reserving fund	3,561,500.00	3,561,500.00
合計	Total	3,561,500.00	3,561,500.00

32. 股本

項目	年初餘額	發行新股	本年變動增減(+/-)			小計	年末餘額
			送股	公積金轉股	其他		
Item	Beg. Balance	New Shares Offered	Share Allotment	Capital Reserve Converted into Capital Stock	Others	Subtotal	End. Balance
股份總額							
Total shares	457,312,830.00	21,040,591.00				21,040,591.00	478,353,421.00

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

30. Deferred incomes (Continued)

(2) Government grant (Continued)

- *17. According to document of Notice on Policy Support Funds Budget Indicators in 2016 for Industry Strength City 30 Articles (ZCQZ [2016] No.205) issued by Financial Bureau of Zibo City, the Company received RMB2 million of government subsidies for Technological Transformation of Hormone Series Projects in 2017, and the related assets are expected to be completed in 2018.
- *18. According to document of Notice on Policy Support Funds Budget Indicators in 2016 for Industry Strength City 30 Articles (ZCQZ [2016] No.205) issued by Financial Bureau of Zibo City, the Company received RMB3 million of government subsidies for Polycarbophil Calcium Research and Industrialization Projects in 2017, and the related assets are expected to be completed in 2018.

31. Other non-current liabilities

32. Capital stock

六. 合併財務報表主要項目註釋 (續)

32. 股本(續)

根據本公司於2015年12月29日召開的山東新華製藥股份有限公司2015年第二次臨時股東大會、2015年第一次A股類別股東會議、2015年第一次H股類別股東會議決議以及中國證券監督管理委員會「證監許可[2017]459號」文《關於核准山東新華製藥股份有限公司非公開發行股票的批覆》的核准以及貴公司章程規定，本公司截至2017年9月21日止向2名特定投資者非公開發行人民幣股票21,040,591股，發行價格人民幣11.15元，募集資金合計234,602,589.65元。上述募集資金扣除發行費用後，實際募集資金淨額人民幣223,398,463.28元，其中增加股本為人民幣21,040,591.00元，增加資本公積為人民幣202,357,872.28元。業經信永中和會計師事務所出具XYZH/2017JNA50532號《驗資報告》審驗，本公司變更後的註冊資本為人民幣478,353,421.00元。

33. 資本公積

項目	Item	年初餘額 Beg. Amount	本年增加 Increase in Current Year	本年減少 Decrease in Current Year	年末餘額 End. Amount
股本溢價 ¹	Capital stock premium ¹	424,084,320.48	202,357,872.28		626,442,192.76
其他資本公積 ²	Other capital reserves ²	89,008,132.18	13,000,000.00		102,008,132.18
合計	Total	513,092,452.66	215,357,872.28		728,450,324.94

*1. 股本溢價本年增加原因詳見本附註「六、32.股本」相關內容。

*2. 其他資本公積本年增加原因詳見本附註「六、29.專項應付款」相關內容。

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

32. Capital stock (Continued)

According to the 2015 Year 1st Provisional Shareholders' Meeting of Shandong Xinhua Pharmaceutical Co., Ltd. on December 29, 2015, 2015 Year 1st A-share Shareholders' Meeting, 2015 Year 1st H-share Shareholders' Meeting, the approval of ZJXK[2017] No.459 "Reply on Approval of Non-public Issuance of Shares by Shandong Xinhua Pharmaceutical Co., Ltd." from China Securities Regulatory Commission, and the articles of association, as of September 21, 2017, the Company non-publicly issued 21,040,591 RMB-shares to 2 specific investors with issue price of RMB11.15, the total of capital raised being RMB234,602,589.65. After deducting the issuance expenses, the net raised capital actually amounted to RMB223,398,463.28, of which the increased capital stock was RMB21,040,591.00 and increased capital reserves was RMB202,357,872.28. According to Shine Wing Certified Public Accountants issued No. XYZH/2017JNA50532 "Capital Contribution Verification Report", the registered capital of the Company is RMB478,353,421.00 after the change.

33. Capital reserves

項目	Item	年初餘額 Beg. Amount	本年增加 Increase in Current Year	本年減少 Decrease in Current Year	年末餘額 End. Amount
股本溢價 ¹	Capital stock premium ¹	424,084,320.48	202,357,872.28		626,442,192.76
其他資本公積 ²	Other capital reserves ²	89,008,132.18	13,000,000.00		102,008,132.18
合計	Total	513,092,452.66	215,357,872.28		728,450,324.94

*1. The reasons for the increase of capital stock premium in this year are set out in Note "VI. 32 Capital stock".

*2. The reasons for the increase of other capital reserves in this year are set out in Note "VI. 29 Special payables".

(本財務報表附註除特別註明外，均以人民幣元列示)
(Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
(續)

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

34. 其他綜合收益

34. Other comprehensive income

項目	年初餘額	本年所得稅前 發生額	本年發生額 Amount Incurred in Current Year		稅後歸屬於少 數股東	年末餘額	
			減：前期計入 其他綜合收益 當期轉入損益 Less: Amount Included in Other Comprehensive Income in Previous Period and Carried over into Profits and Losses in Current Period	減：所得稅費用 Less: Income Tax Expense			稅後歸屬於母公司 After-tax Amount Attributable to the Parent Company
Item	Beg. Balance	Incurred Pre-tax Amount	Less: Amount Included in Other Comprehensive Income in Previous Period and Carried over into Profits and Losses in Current Period	Less: Income Tax Expense	After-tax Amount Attributable to the Parent Company	After-tax Amount Attributable to Minority Shareholders	End. Balance
一、以後不能重分類進損益的其他綜合收益							
I. Other comprehensive income that cannot be reclassified into losses or profits in future							
二、以後將重分類進損益的其他綜合收益	139,421,221.69	70,574,334.90		10,779,967.20	59,964,184.38	(169,816.68)	199,385,406.07
II. Other comprehensive income to be reclassified to profit or loss in future							
可供出售金融資產公允價值變動損益	140,292,046.10	71,866,448.00		10,779,967.20	61,086,480.80		201,378,526.90
Profits and losses from changes in fair value of available for sale financial assets							
外幣財務報表折算差額	(870,824.41)	(1,292,113.10)			(1,122,296.42)	(169,816.68)	(1,993,120.83)
Translation difference of foreign currency financial statement							
其他綜合收益合計	139,421,221.69	70,574,334.90		10,779,967.20	59,964,184.38	(169,816.68)	199,385,406.07
Total other comprehensive income							

35. 專項儲備

35. Special reserves

項目	Item	年初餘額 Beg. Amount	本年增加 Increase in Current Year	本年減少 Decrease in Current Year	年末餘額 End. Amount
合計	Total		13,913,749.64	13,913,749.64	

(本財務報表附註除特別註明外，均以人民幣元列示)
(Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
(續)

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

36. 盈餘公積

36. Surplus reserves

項目	Item	年初餘額 Beg. Amount	本年增加 Increase in Current Year	本年減少 Decrease in Current Year	年末餘額 End. Amount
法定盈餘公積	Statutory surplus reserves	156,421,665.62	14,291,689.71		170,713,355.33
任意盈餘公積	Discretionary surplus reserves	64,795,873.74			64,795,873.74
合計	Total	221,217,539.36	14,291,689.71		235,509,229.07

37. 未分配利潤

37. Undistributed profits

項目	Item	金額 Amount	提取或分配比例 Appropriation or Distribution Proportion (%)
上年年末餘額	End. balance of previous year	657,375,780.62	
加：年初未分配利潤調整數 其中：同一控制合併範圍變更	Add: Beginning adjustment for undistributed profit Among: Change of consolidation scope under common control		
本年年初餘額	Beg. balance of current year	657,375,780.62	
加：本年歸屬於母公司股東的 淨利潤	Add: Net profits attributable to the parent company's shareholders in the current year	209,591,907.23	
減：提取法定盈餘公積	Less: Appropriation of statutory surplus reserves	14,291,689.71	10
提取任意盈餘公積	Appropriation of discretionary surplus reserve		
提取一般風險準備	Appropriation of provision for general risk		
應付普通股股利	Common stock dividends provision	14,350,602.63	
其他	Others		
本年年末餘額	End. balance of current year	838,325,395.51	

(本財務報表附註除特別註明外，均以人民幣元列示)
(Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續) Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋 (續)

37. 未分配利潤(續)

於往績記錄期宣派並派付及擬派的股息詳情如下：

(a) 截至2016年12月31日止年度

根據於2017年3月14日召開的董事會會議決議案及於2017年6月16日召開的截至2016年12月31日止年度的股東大會決議案，公司不派2016年末期現金紅利，不送紅股，不以公積金轉增股本。

(b) 截至2017年12月31日止年度

- (1) 根據於2017年12月22日召開的臨時股東大會決議案，本公司按每股派發特別股息人民幣0.03元(含稅)的基準向其股東宣派2017年特別股息，合計為人民幣14,350,602.63元。
- (2) 根據於2018年3月23日召開的董事會會議決議案，公司向全體股東每10股派發現金紅利0.50元(含稅)，送紅股0股(含稅)，以資本公積金向全體股東每10股轉增3股。

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

37. Undistributed profits (Continued)

Details of the declared dividend and paid dividends and proposed dividends in the track record period are as follows:

(a) As at December 31, 2016

Pursuant to the resolutions of the board of directors' meeting held on March 14, 2017 and the resolution of the shareholders' meeting as at December 31, 2016 held on June 16, 2017, the Company does not make cash dividend distributions, issue bonus shares nor transfer reserves to common shares in 2016.

(b) As at December 31, 2017

- (1) Pursuant to the resolution of the provisional shareholders' meeting on December 22, 2017, the Company declared its special dividend for 2017 to its shareholders on the basis of RMB0.03 (including tax) per share, and the total amount is RMB14,350,602.63.
- (2) Pursuant to the resolutions of the board of directors' meeting held on March 23, 2018, the Company declared a cash bonus to its shareholders on the basis of RMB0.50 (including tax) and 0 bonus shares (including tax), for every 10 shares. The Company transferred to all shareholders 3 shares per 10 shares in the capital reserve fund.

財務報表附註(續)

Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
(續)

VI. Notes to Main Items in Consolidated Financial
Statement (Continued)

38. 營業收入、營業成本

38. Operating revenue and cost

(1) 營業收入、營業成本

(1) Operating revenue and cost

項目 Item	本年發生額 Amount Incurred in Current Year		上年發生額 Amount Incurred in Previous Year	
	收入 Revenue	成本 Cost	收入 Revenue	成本 Cost
主營業務 Main operation	4,462,383,633.71	3,172,291,355.66	3,977,831,210.76	2,957,890,806.22
其他業務 Other operation	53,333,150.48	75,324,483.20	37,131,854.98	55,693,818.17
合計 Total	4,515,716,784.19	3,247,615,838.86	4,014,963,065.74	3,013,584,624.39

(2) 前五名客戶的營業收入情況

(2) Operating income from the top five clients

本年本集團前五名客戶營業收入總額647,288,404.06元(上年：560,854,915.24元)，佔本年全部營業收入總額的14.33%(上年：13.98%)，具體情況如下：

Total operating revenue from the top 5 customers of the Group this year is RMB647,288,404.06 (previous year: RMB560,854,915.24, which represents 14.33% of the total operating revenue in this year (previous year: 13.98%), as listed below:

客戶名稱	Name of Customer	本年發生額 Amount of Current Year	佔全部營業收入的比例 Proportion to the Total Operating Income (%)
美國百利高國際公司 Mitsubishi Corporation	Perrigo Company Mitsubishi Corporation	153,208,954.04 151,089,385.47	3.39 3.35
淄博眾生醫藥有限公司	Zibo Zhongsheng Pharmaceutical Co., Ltd	141,916,149.02	3.14
華潤濰坊遠東醫藥有限公司	Huarun Weifang Far East Pharmaceutical Co., Ltd.	110,379,395.01	2.44
拜耳醫藥保健有限公司	Bayer HealthCare Co., Ltd.	90,694,520.52	2.01
合計	Total	647,288,404.06	14.33

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

VI. Notes to Main Items in Consolidated Financial
 Statement (Continued)

39. 稅金及附加

39. Taxes and surcharges

項目	Item	本年發生額 Amount of Current Year	上年發生額 Amount of Previous Year
營業稅	Business tax		56,995.62
城市維護建設稅	City maintenance and construction tax	16,276,618.60	16,478,006.94
教育費附加	Educational surcharges	11,626,155.82	11,769,840.24
地方水利建設基金	Local Water Conservancy Fund	1,735,819.84	2,352,716.07
房產稅	House property tax	12,276,639.19	6,856,614.53
土地使用稅	Land use tax	16,361,907.64	11,456,641.88
車船使用稅	Vehicle and vessel use tax	58,202.91	26,476.41
印花稅	Stamp duty	2,329,233.84	1,358,811.11
合計	Total	60,664,577.84	50,356,102.80

40. 銷售費用

40. Selling expenses

項目	Item	本年發生額 Amount of Current Year	上年發生額 Amount of Previous Year
職工薪酬	Payroll	116,092,826.69	110,458,665.79
終端銷售費	Terminal sales expenses	184,686,674.26	126,646,744.17
諮詢費	Consultation expenses	47,194,007.43	37,613,938.49
運輸費	Transport charges	48,737,848.14	43,158,880.51
廣告費	Advertising expenses	18,585,869.57	15,509,523.50
差旅費	Travel expense	17,783,100.75	17,966,461.25
市場開發及促銷費	Market development and promotion expense	58,305,248.96	33,426,691.13
辦公費	Office expenses	2,319,702.16	1,569,655.85
會務費	Conference expenses	2,242,088.43	1,734,318.15
其他	Others	13,801,235.75	16,233,066.67
合計	Total	509,748,602.14	404,317,945.51

(本財務報表附註除特別註明外，均以人民幣元列示)
(Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)

Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
(續)

VI. Notes to Main Items in Consolidated Financial
Statement (Continued)

41. 管理費用

41. Administrative expenses

(1) 管理費用明細表

(1) Details of administrative expenses

項目	Item	本年發生額 Amount of Current Year	上年發生額 Amount of Previous Year
研發費用	R&D cost	161,173,636.60	110,309,204.33
職工薪酬	Payroll	107,054,207.34	92,530,752.67
稅金	Taxes		9,934,471.20
折舊費	Depreciation cost	24,112,006.48	20,041,687.69
無形資產攤銷	Amortization of intangible assets	10,578,746.90	12,328,390.78
倉庫經費	Warehouse expenses	9,364,634.80	10,627,347.42
業務招待費	Business entertainment expenses	5,524,364.38	5,380,936.54
辦公費	Office expenses	4,710,017.75	4,206,949.62
差旅費	Travel expense	3,839,362.93	3,467,894.40
水電汽費	Water, electricity and gas charges	4,235,430.37	2,626,530.94
商標使用費	Royalty fee of trademark	9,674,107.91	9,895,890.50
上市年費、審計費、 董事會費	Annual listing fee, audit fee, expenses of board of directors	3,748,224.69	4,280,707.03
修理費	Repair costs	3,987,085.02	4,736,671.15
其他	Others	36,706,422.72	45,503,984.94
合計	Total	384,708,247.89	335,871,419.21

(2) 本集團本年度管理費用包
括：

(2) The Group's administrative expenses for the current
year include:

項目	Item	本年發生額 Amount of Current Year	上年發生額 Amount of Previous Year
審計師酬金	Auditors' remuneration		
— 審計服務費用	— Audit service fee	613,207.55	613,207.55
— 內控審計服務費用	— Internal control audit service fees	122,641.51	122,641.51
— 其他服務費用	— Other service fees	240,566.03	250,000.00
合計	Total	976,415.09	985,849.06

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

VI. Notes to Main Items in Consolidated Financial
 Statement (Continued)

42. 財務費用

42. Financial expenses

項目	Item	本年發生額 Amount of Current Year	上年發生額 Amount of Previous Year
利息支出	Interest expenditure	52,750,489.46	63,660,733.75
減：利息收入	Less: Interest income	2,904,839.15	4,660,122.87
加：匯兌損失	Add: Exchange loss	18,931,083.22	(18,902,827.81)
加：手續費支出	Add: Commission charges	4,189,193.42	5,847,803.07
加：融資租賃費用	Add: Finance lease expenses	6,779,100.99	5,892,836.61
合計	Total	79,745,027.94	51,838,422.75

43. 資產減值損失

43. Assets impairment loss

項目	Item	本年發生額 Amount of Current Year	上年發生額 Amount of Previous Year
壞賬損失	Bad debt losses	(4,480,944.31)	(1,138,315.23)
存貨跌價損失	Inventory valuation loss	18,008,351.05	20,819,040.18
固定資產減值損失	Fixed assets impairment loss	2,608,693.82	
合計	Total	16,136,100.56	19,680,724.95

44. 投資收益

44. Investment income

產生投資收益的來源	Source of Investment Income	本年發生額 Amount of Current Year	上年發生額 Amount of Previous Year
持有可供出售金融資產期間 取得的投資收益	Investment income from holding financial assets available for sale	5,976,853.71	7,765,601.50
其他	Others	50,054.83	87,085.47
合計	Total	6,026,908.54	7,852,686.97

財務報表附註(續)
Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
(續)

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

45. 資產處置收益(損失以()號填列)

45. Gains from asset disposal (Losses to be listed in brackets)

項目	Item	本年發生額 Amount of Current Year	上年發生額 Amount of Previous Year	計入本年非經常性 損益的金額 Amount Recognized in Non-recurring Profit and Loss of Current Year
非流動資產處置收益	Gains from disposal of non-current assets			
未劃分為持有待售的 非流動資產處置收益	Gains from the disposal of non-current assets not classified as held for sale			
其中：固定資產處置收益	Including: Gains from disposal of fixed assets	14,568,790.60	5,250,916.35	14,568,790.60
無形資產處置收益*	Gains from disposal of intangible assets*	31,478,473.62		31,478,473.62
合計	Total	46,047,264.22	5,250,916.35	46,047,264.22

* 無形資產處置收益詳見本附註「六、12.無形資產」相關內容。

* For more details about gains from disposal of intangible assets*, see the Note of "VI 12. Intangible assets".

46. 其他收益

46. Other income

項目	Item	本年發生額 Amount of Current Year	上年發生額 Amount of Previous Year	計入本年非經常性 損益的金額 Amount Recognized in Non-recurring Profit and Loss of Current Year
政府補助	Government subsidies	12,508,306.00		12,508,306.00
其中：使用／攤銷年內 遞延收入	Including: Deferred income in the year of use/amortization	5,025,500.00		5,025,500.00
合計	Total	12,508,306.00		12,508,306.00

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

VI. Notes to Main Items in Consolidated Financial
 Statement (Continued)

46. 其他收益(續)

46. Other income (Continued)

政府補助明細

Details of government subsidies

補助種類 Category of subsidy	本年發生額 Amount of Current Year	上年發生額 Amount of Previous Year	來源和依據 Source and Basis	與資產相關/ 與收益相關 Related to Assets/ Related to Income
本年收到的政府補助 Government subsidies received				
人才發展支持資金 Talent support funds	1,350,000.00		魯國資辦字(2016)44號 LGZBZ (2016) No. 44	與收益相關 Related to income
泰山產業「領軍人才」經費資助 Taishan industry "leading talent" funding	1,100,000.00		魯政辦字(2016)5號 LZBZ (2016) No. 5	與收益相關 Related to income
穩崗補貼 Subsidies for stable post	1,575,924.00		淄人社發(2016)25號 ZRSF (2016) No. 25	與收益相關 Related to income
其他 Others	3,456,882.00			與收益相關 Related to income
小計 Subtotal	7,482,806.00			
其他流動負債攤銷 Amortization of other liabilities	4,732,000.00			與資產相關 Related to assets
遞延收益攤銷 Amortization of deferred revenue	293,500.00			與資產相關 Related to assets
小計 Subtotal	5,025,500.00			
合計 Total	12,508,306.00			

財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

47. 營業外收入

(1) 營業外收入明細

項目	Item	本年發生額 Amount of Current Year	上年發生額 Amount of Previous Year	計入本年非經常性 損益的金額 Amount Recognized in Non-recurring Profit and Loss of Current Year
政府補助	Government subsidy	6,603,263.75	19,010,196.17	6,603,263.75
其他	Others	4,317,352.20	2,517,128.77	4,317,352.20
合計	Total	10,920,615.95	21,527,324.94	10,920,615.95

本年計入非經常性損益金額
 為10,920,615.95元(上年：
 21,527,324.94元)。

VI. Notes to Main Items in Consolidated Financial
 Statement (Continued)

47. Non-operating income

(1) Details of non-operating income

項目	Item	本年發生額 Amount of Current Year	上年發生額 Amount of Previous Year	計入本年非經常性 損益的金額 Amount Recognized in Non-recurring Profit and Loss of Current Year
政府補助	Government subsidy	6,603,263.75	19,010,196.17	6,603,263.75
其他	Others	4,317,352.20	2,517,128.77	4,317,352.20
合計	Total	10,920,615.95	21,527,324.94	10,920,615.95

In the current year, the non-recurring profit and loss was
 RMB10,920,615.95 (previous year: RMB21,527,324.94).

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

VI. Notes to Main Items in Consolidated Financial
 Statement (Continued)

47. 營業外收入(續)

47. Non-operating income (Continued)

(2) 政府補助明細

(2) Details of government subsidies

補助種類 Category of subsidy	本年發生額 Amount of Current Year	上年發生額 Amount of Previous Year	來源和依據 Source and Basis	與資產相關/ 與收益相關 Related to assets/ Related to income
本年收到的政府補助 Government subsidies received				
泰山產業領軍人才工程戰略性 新興產業創新類 Taishan industry leading talent engineering strategic emerging industry innovation		4,000,000.00	淄博市財政局濰財教指 [2016]56號 ZCJZ (2016) No. 56 of Zibo Municipal Bureau of Finance	與收益相關 Related to income
人才扶持資金 Talent support funds		2,700,000.00	淄博市財政局濰財教指 [2016]26號 ZCJZ (2016) No. 26 of Zibo Municipal Bureau of Finance	與收益相關 Related to income
泰山產業「領軍人才」經費資助 Taishan industry "leading talent" funding		1,550,000.00	濰高新發[2015]5號 ZGXF (2015) No. 5	與收益相關 Related to income
其他 Others		3,208,847.00		與收益相關 Related to income
小計 Subtotal		11,458,847.00		
其他流動負債攤銷 Amortization of other current liabilities		4,602,000.00		與資產相關 Related to assets
遞延收益攤銷 Amortization of deferred revenue		119,166.30		與資產相關 Related to assets
遞延收益攤銷 Amortization of deferred revenue	6,603,263.75	2,830,182.87		與收益相關 Related to income
小計 Subtotal	6,603,263.75	7,551,349.17		
合計 Total	6,603,263.75	19,010,196.17		

財務報表附註(續)

Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
(續)

VI. Notes to Main Items in Consolidated Financial
Statement (Continued)

48. 營業外支出

48. Non-operating expenditure

項目	Item	本年發生額 Amount of Current Year	上年發生額 Amount of Previous Year	計入本年非經常性 損益的金額 Amount Recognized in Non-recurring Profit and Loss of Current Year
非流動資產報廢損失	Losses from scrapping of non-current assets	15,648,760.45	3,160,606.84	15,648,760.45
經濟賠償金	Economic compensation		3,986,014.65	
搬遷損失	Relocation losses	2,768,240.93	2,830,182.87	2,768,240.93
其他	Others	6,010,606.29	3,999,457.82	6,010,606.29
合計	Total	24,427,607.67	13,976,262.18	24,427,607.67

本年計入非經常性損益金額
為24,427,607.67元(上年：
13,976,262.18元)。

In the current year, the non-recurring profit and loss was
RMB24,427,607.67 (previous year: RMB13,976,262.18).

49. 所得稅費用

49. Income tax expense

(1) 所得稅費用

(1) Income tax expense

項目	Item	本年發生額 Amount of Current Year	上年發生額 Amount of Previous Year
按稅法及相關規定計 算的當期所得稅	The current income tax calculated in accordance with the tax law and related regulations	32,077,945.65	32,893,908.20
— 中國企業所得稅	China corporate income tax	31,403,119.36	32,707,867.53
— 香港利得稅	Hong Kong income tax		
— 美國所得稅	USA income tax	674,826.29	186,040.67
遞延所得稅費用	Deferred income tax expenses	9,685,580.92	(7,237,936.15)
以前年度多計(少計)	Overstatement (understatement) from previous year	5,161,597.54	1,265,246.29
合計	Total	46,925,124.11	26,921,218.34

註：由於本集團本年度內在香
港無應納稅收入(上年度
內：無)，故並無香港所
得稅。

Note: as there was no taxable income (previous year: 0.00 RMB)
in Hong Kong for the current year, there was no Hong
Kong income tax.

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

49. 所得稅費用(續)

(2) 會計利潤與所得稅費用調整
 過程

項目	Item	本年發生額 Amount of Current Year
本年合併利潤總額	Consolidated total profit of this year	268,173,876.00
按法定/適用稅率計算的 所得稅費用	Income tax expense calculated pursuant to legal/ applicable tax rate(s)	40,226,081.40
子公司適用不同稅率的影響	Effect of different tax rate applicable to subsidiaries	5,975,952.69
以前年度多計(少計)	Overstatement (understatement) from previous year	5,161,597.54
非應稅收入的影響	Effect of non-assessable income	(896,528.06)
不可抵扣的成本、費用和 損失的影響	Effect of non-deductible cost, expense and loss	1,286,097.00
使用前期未確認遞延所得稅 資產的可抵扣虧損的影響	Effect of utilising unrecognized deferred income tax assets from previous year	(136,015.18)
本年未確認遞延所得稅資產的 可抵扣暫時性差異或 可抵扣虧損的影響	Effect of deductible temporary difference or deductible profit or loss from unrecognized deferred income tax assets from this year	791,593.78
加計扣除費用	Additional deductions	(5,483,655.06)
所得稅費用	Income tax expenses	46,925,124.11

50. 其他綜合收益

詳見本附註「六、34.其他綜合收
 益」相關內容。

VI. Notes to Main Items in Consolidated Financial
 Statement (Continued)

49. Income tax expense (Continued)

(2) Adjustment process of accounting profits and
 income tax

50. Other comprehensive income

See related details in the Note of "34. Other comprehensive
 income".

(本財務報表附註除特別註明外，均以人民幣元列示)
(Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)

Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
(續)

VI. Notes to Main Items in Consolidated Financial
Statement (Continued)

51. 現金流量表項目

51. Cash Flow Statement

(1) 收到/支付的其他與經營/
籌資活動有關的現金

(1) Other cash received/paid in relation to operating/
financing activities

1) 收到的其他與經營活
動有關的現金明細

1) Details of other cash received in relation to
operating activities

項目	Item	本年發生額 Amount of Current Year	上年發生額 Amount of Previous Year
利息收入	Interest income	2,904,839.15	6,597,973.99
補貼收入	Subsidy income	7,482,806.00	31,535,953.00
往來款	Intercourse funds	13,556,062.13	19,007,013.58
銀行承兌匯票保證金	Deposit for bank acceptance bill	19,975,306.03	45,428,743.60
其他	Others	10,948,103.57	7,020,640.48
合計	Total	54,867,116.88	109,590,324.65

2) 支付的其他與經營活
動有關的現金明細

2) Details of other cash paid in relation to operating
activities

項目	Item	本年發生額 Amount of Current Year	上年發生額 Amount of Previous Year
辦公費	Office expenses	7,029,719.91	5,776,605.47
差旅費	Travel expense	21,622,463.68	21,434,355.65
上市年費、審計費、 董事會費	Annual listing fee, audit fee, expenses of board of directors	3,748,224.69	4,280,707.03
廣告、市場開發費	Advertising and market development fees	305,820,501.42	175,582,958.80
運費	Transportation expense	35,323,774.70	53,696,521.88
業務招待費	Business entertainment expenses	6,380,681.58	5,407,182.68
技術開發費	Technology development expenses	81,175,960.89	78,230,153.73
往來款	Intercourse funds	3,978,136.76	3,501,089.40
其他	Others	64,146,653.91	50,000,912.15
合計	Total	529,226,117.54	397,910,486.79

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

VI. Notes to Main Items in Consolidated Financial
 Statement (Continued)

51. 現金流量表項目(續)

51. Cash Flow Statement (Continued)

(1) 收到/支付的其他與經營/
 籌資活動有關的現金(續)

(1) Other cash received/paid in relation to operating/
 financing activities (Continued)

3) 收到的其他與投資活
 動有關的現金

3) Other cash received in relation to investing activities

項目	Item	本年發生額 Amount of Current Year	上年發生額 Amount of Previous Year
收回中銀日積月累 產品	Purchasing financial products "Rijiyuelei" from Bank of China	30,000,000.00	
合計	Total	30,000,000.00	

4) 支付的其他與投資活
 動有關的現金

4) Other cash paid in relation to investing activities

項目	Item	本年發生額 Amount of Current Year	上年發生額 Amount of Previous Year
購買中銀日積月累 產品	Purchasing financial products "Rijiyuelei" from Bank of China		30,000,000.00
合計	Total		30,000,000.00

5) 收到的其他與籌資活
 動有關的現金

5) Other cash received in relation to financing
 activities

項目	Item	本年發生額 Amount of Current Year	上年發生額 Amount of Previous Year
收到的融資租賃款	Financial lease payment received	72,000,000.00	90,000,000.00
收到的專項應付款	Special payables received		69,540,000.00
借款保證金	Margin of credit loan		100,000,000.00
與資產相關的政府補助	Government subsidies related to assets	25,600,000.00	
應收賬款保理	Account receivable factoring	1,804,097.89	
合計	Total	99,404,097.89	259,540,000.00

財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

51. 現金流量表項目(續)

(1) 收到/支付的其他與經營/
 籌資活動有關的現金(續)

6) 支付的其他與籌資活
 動有關的現金

VI. Notes to Main Items in Consolidated Financial
 Statement (Continued)

51. Cash Flow Statement (Continued)

(1) Other cash received/paid in relation to operating/
 financing activities (Continued)

6) Other cash paid in relation to financing activities

項目	Item	本年發生額 Amount of Current Year	上年發生額 Amount of Previous Year
融資手續費	Commission charge for financing		1,000,000.00
支付融資租賃本息	Principal and interest of financial lease payable	90,688,509.40	55,732,509.40
支付融資租賃服務費	Payment of financial leasing service fees	2,320,000.00	2,900,000.00
非公開發行費用	Non-public offering cost		2,874,897.16
支付應收賬款保理費	Account receivable factoring fee	167,046.10	
合計	Total	93,175,555.50	62,507,406.56

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 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

51. 現金流量表項目(續)

51. Cash Flow Statement (Continued)

(2) 合併現金流量表補充資料

(2) Supplementary information of consolidated cash flow statement

項目	Item	本年發生額 Amount of Current Year	上年發生額 Amount of Previous Year
1. 將淨利潤調節為經營活動現金流量：	1. Reconciliation of net profit to cash flows from operation activities:		
淨利潤	Net Profit	221,248,751.89	133,047,273.87
加：資產減值準備	Add: Provision for impairment of assets	(2,272,228.00)	9,667,491.06
固定資產折舊	Depreciation of fixed assets	272,406,696.07	243,120,711.92
無形資產攤銷	Amortization of intangible assets	11,056,896.77	12,727,275.40
處置固定資產、無形資產和 其他長期資產的損失 (收益以()填列)	Loss from disposal of fixed assets, intangible assets and other long-term assets (gains to be listed in brackets)	(46,047,264.22)	(5,250,916.35)
固定資產報廢損失 (收益以()號填列)	Losses on retirement of fixed assets (gains to be listed in brackets)	15,648,760.45	3,160,606.84
公允價值變動損益 (收益以()號填列)	Profit or loss from changes in fair value (gains to be listed in brackets)		
財務費用(收益以()填列)	Financial expenses (gains to be listed in brackets)	67,010,285.76	64,130,165.93
投資損失(收益以()填列)	Investment loss (gain to be listed in brackets)	(6,026,908.54)	(7,852,686.97)
遞延所得稅資產的減少 (增加以()填列)	Decrease of deferred income tax assets (increases to be listed in brackets)	2,147,742.59	(53,193.21)
遞延所得稅負債的增加 (減少以()填列)	Increases of deferred income tax liabilities (decreases to be listed in brackets)	7,537,838.33	(7,184,742.94)
存貨的減少(增加以()填列)	Decrease of inventory (increases to be listed in brackets)	(153,723,558.78)	(23,832,771.63)
經營性應收項目的減少 (增加以()填列)	Decreases of operational receivables (increases to be listed in brackets)	(146,122,528.51)	(122,074,093.85)
經營性應付項目的增加 (減少以()填列)	Increases of operating payables (decreases to be listed in brackets)	147,107,325.54	139,743,212.72
經營活動產生的現金流量淨額	Net cash flows from operating activities	389,971,809.35	439,348,332.79
2. 不涉及現金收支的重大投資和籌資活動：	2. Significant investing and financing activities not related to cash receipt and payment:		
債務轉為資本	Conversion of debt into capital		
一年內到期的可轉換公司債	Convertible company bonds due within one year		
融資租入固定資產	Fixed assets acquired under finance leases	131,163,395.54	134,792,619.16
3. 現金及現金等價物淨變動情況：	3. Net change in cash and cash equivalents:		
現金的期末餘額	End. balance of cash	682,862,651.75	493,092,656.71
減：現金的期初餘額	Less: Beg. balance of cash	493,092,656.71	366,638,884.09
加：現金等價物的期末餘額	Add: End. balance of cash equivalents		
減：現金等價物的期初餘額	Less: Beg. balance of cash equivalents		
現金及現金等價物淨增加額	Net increase in cash and cash equivalents	189,769,995.04	126,453,772.62

財務報表附註(續)

Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
(續)

VI. Notes to Main Items in Consolidated Financial
Statement (Continued)

51. 現金流量表項目(續)

51. Cash Flow Statement (Continued)

(3) 不涉及現金收支的重大經營
活動

(3) Major operating activities not related to cash
receipt and payment

項目	Item	本年發生額 Amount of Current Year	上年發生額 Amount of Previous Year
應收票據背書支付款項*	Bills receivable endorsement payment*	<u>1,926,650,888.56</u>	<u>1,548,264,368.64</u>

* 本公司將銷售產品收到的部分銀行承兌匯票背書用於支付材料採購款等。

* The Company paid for materials, etc. with some of the bills of exchange accepted by banks, which were received from sales of products.

(4) 不涉及現金收支的重大投資
和籌資活動

(4) Major investing and financing activities not related
to cash receipt and payment

項目	Item	本年發生額 Amount of Current Year	上年發生額 Amount of Previous Year
應收票據背書取得 長期資產*	Long-term assets obtained from endorsement of bills receivable*	<u>194,140,654.71</u>	<u>194,042,212.20</u>

* 本公司將銷售產品收到的部分銀行承兌匯票背書用於購買長期資產。

* The Company purchased long-term assets with the endorsement of some of the bills of exchange accepted by banks, which were received from sales of products.

(本財務報表附註除特別註明外，均以人民幣元列示)
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財務報表附註(續)
 Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
 (續)

VI. Notes to Main Items in Consolidated Financial
 Statement (Continued)

51. 現金流量表項目(續)

51. Cash Flow Statement (Continued)

(5) 現金和現金等價物

(5) Cash and cash equivalents:

項目	Item	年末餘額 End. Amount	年初餘額 Beg. Amount
現金	Cash	682,862,651.75	493,092,656.71
其中：庫存現金	Including: Cash on hand	125,118.96	144,462.73
可隨時用於支付的 銀行存款	Bank deposit available for payments at any time	678,737,532.79	492,948,193.98
可隨時用於支付的 其他貨幣資金	Other monetary capital available for payments at any time	4,000,000.00	
現金等價物	Cash equivalents		
期末現金和現金 等價物餘額	End. balance of cash and cash equivalents	682,862,651.75	493,092,656.71
其中：母公司或公司內子公 司使用受限制的現 金和現金等價物	Including: Restricted cash and cash equivalents used by parent company and subsidiaries of the Company		

52. 所有權或使用權受到限制的資產

52. Assets with limited ownership or usage rights

項目 Item	年末賬面價值 End. Book Value	受限原因 Reason for the limitation
貨幣資金 Currency funds	48,263,622.59	銀行承兌保證金 Security deposit accepted by banks
固定資產 Fixed assets	152,895,213.83	融資租賃抵押借款 Financial leasing mortgage loan
應收賬款 Accounts receivable	1,828,319.57	應收賬款保理 Accounts receivable factoring

(本財務報表附註除特別註明外，均以人民幣元列示)
(Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)

Notes to the Financial Statements (continued)

六. 合併財務報表主要項目註釋
(續)

VI. Notes to Main Items in Consolidated Financial Statement (Continued)

53. 外幣貨幣性項目

53. Monetary items for foreign currency

(1) 外幣貨幣性項目

(1) Monetary items for foreign currency

項目	Item	年末外幣餘額 End. Foreign Currency Balance	折算匯率 Conversion Exchange Rate	年末折算 人民幣餘額 End. Equivalent Balance in RMB
貨幣資金	Currency funds			
其中：美元	Including: USD	4,814,090.82	6.5342	31,456,232.20
歐元	EUR	732.43	7.8023	5,714.64
港幣	HKD	17,607.89	0.83591	14,718.61
英鎊	GBP	241,946.48	8.7792	2,124,096.54
日元	JPY	6,217.00	0.05788	359.86
應收賬款	Accounts receivable			
其中：美元	Including: USD	20,561,289.37	6.5342	134,351,577.00
英鎊	GBP	293,284.53	8.7792	2,574,803.55
預付款項	Prepayments			
其中：美元	Including: USD	982,033.86	6.5342	6,416,805.65
其他應收款	Other receivables			
其中：美元	Including: USD	30,767.08	6.5342	201,038.25
應付賬款	Accounts payable			
其中：美元	Including: USD	428,261.66	6.5342	2,798,347.34
預收款項	Accounts received in advance			
其中：美元	Including: USD	1,554,113.64	6.5342	10,154,889.35
歐元	EUR		7.8023	
其他應付款	Other payables			
其中：美元	Including: USD	35,347.60	6.5342	230,968.29

(2) 境外經營實體

(2) Overseas business entities

子公司	主要經營地	記賬本位幣	本位幣選擇依據
Subsidiaries	Principal place of business	Bookkeeping Denomination Currency	Basis for Denomination Currency Choice
山東新華製藥(歐洲)有限公司 Shandong Xinhua Pharmaceutical (Europe) Co., Ltd.	荷蘭鹿特丹市 Rotterdam, Holland	美元 USD	經營地法定貨幣 Statutory currency of the place of business
山東新華製藥(美國)有限責任公司 Shandong Xinhua Pharmaceutical (USA) Co., Ltd.	美國洛杉磯市 Los Angeles, USA	美元 USD	經營地法定貨幣 Statutory currency of the place of business

(本財務報表附註除特別註明外，均以人民幣元列示)

(Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)

Notes to the Financial Statements (continued)

七. 合併範圍的變化

本年度公司合併報表範圍未發生變化。

VII. Changes in Consolidation Scope

The scope of the Company's consolidated statements of the current year has not been changed.

八. 在其他主體中的權益

VIII. Interests in Other Entities

1. 在子公司中的權益

1. Interests in subsidiaries

(1) 企業集團的構成

(1) Composition of the Group

子公司名稱 Name of Subsidiary	主要經營地 Main Premises	註冊地 Registration Place	業務性質 Nature of Business	註冊資本(萬元) Registered Capital (Monetary unit: 10,000RMB)	持股比例(%) Proportion of Shareholding (%)		取得方式 Acquisition Method
					直接 Direct	間接 Indirect	
山東新華醫藥貿易有限公司 Shandong Xinhua Pharmaceutical Trade Co., Ltd.	山東省淄博市 Zibo City, Shandong Province	山東省淄博市 Zibo City, Shandong Province	醫藥化工銷售 Medicine chemistry marketing	4,849.89	100.00		設立 Establishment
山東新華製藥進出口有限責任公司 Shandong Xinhua Pharmaceutical Import and Export Co., Ltd.	山東省淄博市 Zibo City, Shandong Province	山東省淄博市 Zibo City, Shandong Province	醫藥化工銷售 Medicine chemistry marketing	500.00	100.00		設立 Establishment
山東新華醫藥化工設計有限公司 Shandong Xinhua Pharmaceutical Chemical Industry Design Co., Ltd.	山東省淄博市 Zibo City, Shandong Province	山東省淄博市 Zibo City, Shandong Province	醫藥化工設計 Medicine chemistry design	600.00	100.00		設立 Establishment
淄博新華大藥店連鎖有限公司 Zibo Xinhua Drug Store Chain Co., Ltd.	山東省淄博市 Zibo City, Shandong Province	山東省淄博市 Zibo City, Shandong Province	醫藥化工銷售 Medicine chemistry marketing	200.00	100.00		設立 Establishment
山東新華製藥(歐洲)有限公司 Shandong Xinhua Pharmaceutical (Europe) Co., Ltd.	荷蘭鹿特丹市 Rotterdam, Holland	荷蘭鹿特丹市 Rotterdam, Holland	醫藥化工銷售 Medicine chemistry marketing	76.90萬歐元 EUR769,000.00	65.00		設立 Establishment
淄博新華—中西製藥有限責任公司 Zibo Xinhua-Eastwest Pharmaceutical Co., Ltd.	山東省淄博市 Zibo City, Shandong Province	山東省淄博市 Zibo City, Shandong Province	醫藥化工製造 Pharmaceutical chemistry manufacturing	150萬美元 USD1,500,000.00	75.00		設立 Establishment
淄博新華—百利高製藥有限責任公司 Zibo Xinhua-Perrigo Pharmaceutical Company Limited	山東省淄博市 Zibo City, Shandong Province	山東省淄博市 Zibo City, Shandong Province	醫藥化工製造 Pharmaceutical chemistry manufacturing	600萬美元 USD6,000,000.00	50.10		設立 Establishment
新華製藥(壽光)有限公司 Xinhua Pharmaceutical (Shouguang) Co., Ltd.	山東省壽光市 Shouguang City, Shandong Province	山東省壽光市 Shouguang City, Shandong Province	醫藥化工製造 Pharmaceutical chemistry manufacturing	23,000.00	100.00		設立 Establishment
新華(淄博)置業有限公司 Xinhua (Zibo) Real Estate Co., Ltd.	山東省淄博市 Zibo City, Shandong Province	山東省淄博市 Zibo City, Shandong Province	房地產開發 Real Estate Development	2,000.00	100.00		設立 Establishment
新華製藥(高密)有限公司 Xinhua Pharmaceutical (Gaomi) Co., Ltd.	山東省高密市 Gaomi City, Shandong Province	山東省高密市 Gaomi City, Shandong Province	醫藥化工製造 Pharmaceutical chemistry manufacturing	1,900.00	100.00		收購 Acquisition
山東新華製藥(美國)有限責任公司 Shandong Xinhua Pharmaceutical (USA) Co., Ltd.	美國洛杉磯市 Los Angeles, USA	美國洛杉磯市 Los Angeles, USA	醫藥化工銷售 Medicine chemistry marketing	150萬美元 USD1,500,000.00	100.00		設立 Establishment
山東新華機電工程有限公司 Shandong Xinhua Mechanical & Electrical Engineering Co., Ltd.	山東省淄博市 Zibo City, Shandong Province	山東省淄博市 Zibo City, Shandong Province	電氣安裝 Electric installation	800.00	100.00		設立 Establishment
山東淄博新建製藥有限公司 Shandong Zibo Xincat Pharmaceutical Company Limited	山東省淄博市 Zibo City, Shandong Province	山東省淄博市 Zibo City, Shandong Province	醫藥化工製造 Pharmaceutical chemistry manufacturing	8,493.00	60.00		併購 M&A

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財務報表附註(續)
 Notes to the Financial Statements (continued)

八. 在其他主體中的權益(續)

VIII. Interests in Other Entities (Continued)

1. 在子公司中的權益(續)

1. Interests in subsidiaries (Continued)

(2) 重要的非全資子公司

(2) Important non-wholly-owned subsidiaries

子公司名稱	少數股東 持股比例	本年歸屬於 少數股東的損益	本年歸屬於 少數股東其他 綜合收益的 稅後淨額 Net Other	本年歸屬於 少數股東的 綜合收益總額 Total Other	本年向 少數股東宣告 分派的股利	年末少數股東 權益餘額
Name of Subsidiary	Shareholding Proportion of Minority Shareholders	Profits and Losses Attributable to Minority Shareholders in the Current Year	Comprehensive Income after Tax Attributable to Minority Shareholders in the Current Year	Comprehensive Income Attributable to Minority Shareholders in the Current Year	Dividends to be Assigned to Minority Shareholders in the Current Year	End. Balance of Minority Equities
山東新華製藥(歐洲)有限公司 Shandong Xinhua Pharmaceutical (Europe) Co., Ltd.	35%	1,974,150.93	(169,816.68)	1,804,334.25	1,448,025.08	5,441,053.57
濰博新華-中西製藥有限責任公司 Zibo Xinhua-Zhongxi Pharmaceutical Co., Ltd.	25%	(333,661.34)		(333,661.34)		3,007,728.93
濰博新華-百利高製藥有限責任公司 Zibo Xinhua-Perrigo Pharmaceutical Company Limited	49.90%	3,407,393.91		3,407,393.91	1,497,000.00	36,197,868.96
山東濰博新達製藥有限公司 Shandong Zibo Xincat Pharmaceutical Company Limited	40%	6,608,961.16		6,608,961.16		54,782,952.76
合計 Total		11,656,844.66	(169,816.68)	11,487,027.98	2,945,025.08	99,429,604.22

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財務報表附註(續) Notes to the Financial Statements (continued)

八. 在其他主體中的權益(續)

VIII. Interests in Other Entities (Continued)

1. 在子公司中的權益(續)

1. Interests in subsidiaries (Continued)

(3) 重要非全資子公司的主要財務信息

(3) Main financial information of important non-wholly-owned subsidiaries

單位：人民幣萬元
Unit: RMB10,000

子公司名稱	Name of Subsidiary	年末餘額						年初餘額					
		流動資產		非流動資產		負債合計		流動資產		非流動資產		負債合計	
		Current Assets	Non-current Assets	Total Assets	Current Liabilities	Non-current Liabilities	Total Liabilities	Current Assets	Non-current Assets	Total Assets	Current Liabilities	Non-current Liabilities	Total Liabilities
山東新華製藥(歐洲)有限公司	Shandong Xinhua Pharmaceutical (Europe) Co., Ltd.	3,037.37	0.73	3,038.10	1,449.77		1,449.77	5,915.26	1.33	5,916.59	4,429.83		4,429.83
淄博新華—中西製藥有限責任公司	Zibo Xinhua-Zhongxi Pharmaceutical Co., Ltd.	1,135.74	67.35	1,203.09				1,057.56	289.38	1,346.94	10.39		10.39
淄博新華—百利高製藥有限責任公司	Zibo Xinhua-Perrigo Pharmaceutical Company Limited	2,359.46	6,161.91	8,521.37	1,265.68		1,265.68	2,561.27	5,274.43	7,835.70	962.86		962.86
山東淄博新建製藥有限公司	Shandong Zibo Xincat Pharmaceutical Company Limited	16,418.82	7,554.75	23,973.57	10,533.34		10,533.34	13,965.39	5,932.20	19,897.59	8,109.60		8,109.60

子公司名稱	Name of Subsidiary	本年發生額				上年發生額			
		營業收入		淨利潤	綜合收益總額	營業收入		淨利潤	綜合收益總額
		Operating Revenue	Net Profit	Total Comprehensive Income	Operating Revenue	Net Profit	Total Comprehensive Income	Operating Activities	
山東新華製藥(歐洲)有限公司	Shandong Xinhua Pharmaceutical (Europe) Co., Ltd.	13,565.34	564.04	515.52	(946.88)	13,595.51	273.92	217.97	(236.00)
淄博新華—中西製藥有限責任公司	Zibo Xinhua-Zhongxi Pharmaceutical Co., Ltd.	535.97	(133.46)	(133.46)	645.21	553.49	2.23	2.23	232.88
淄博新華—百利高製藥有限責任公司	Zibo Xinhua-Perrigo Pharmaceutical Company Limited	14,267.37	682.84	682.84	1,170.56	12,059.51	802.93	802.93	1,245.51
山東淄博新建製藥有限公司	Shandong Zibo Xincat Pharmaceutical Company Limited	27,883.62	1,652.24	1,652.24	1,272.96	24,978.89	1,451.20	1,451.20	3,514.43

九. 與金融工具相關風險

本集團的主要金融工具包括借款、應收款項、應付款項、可供出售金融資產、交易性金融負債等，各項金融工具的詳細情況說明見附註六。與這些金融工具有關的風險，以及本集團為降低這些風險所採取的風險管理政策如下所述。本集團管理層對這些風險敞口進行管理和監控以確保將上述風險控制在限定的範圍之內。

1. 風險管理目標和政策

本集團從事風險管理的目標是在風險和收益之間取得適當的平衡，將風險對本集團經營業績的負面影響降低到最低水平，使股東及其他權益投資者的利益最大化。基於該風險管理目標，本集團風險管理的基本策略是確定和分析本集團所面臨的各種風險，建立適當的風險承受底線並進行風險管理，並及時可靠地對各種風險進行監督，將風險控制在限定的範圍之內。

(1) 市場風險

1) 匯率風險

本集團承受匯率風險主要與美元、英鎊和歐元有關，除本公司的幾個下屬子公司以美元進行採購和銷售外，本集團的其他主要業務活動以人民幣計價結算。於2017年12月31日，除下表所述資產及負債的美元餘額和零星的歐元及英鎊餘額外，本集團的資產及負債均為人民幣餘額。該等美元餘額的資產和負債產生的匯率風險可能對本集團的經營業績產生影響。

IX. Risks Related to Financial Instruments

Major financial instruments of the Group include loans, receivables, payables, financial assets available for sale, tradable financial liabilities, etc. See footnote VI for more details about each financial instrument. The risks concerning these financial instruments, as well as the risk management measures applied to mitigate these risks are stated as follows. The management of the Group manages and monitors the risk exposure, to ensure that the risks mentioned above are controlled within limits.

1. Objectives and policies of risk management

The objective of the risk management activities of the Group is to achieve a proper balance between risk and benefit, so as to minimize the negative effect of risks on the operational performance of the Group and to maximize interest of shareholders and other equity investors. Based on this risk management objective the basic risk management strategy of the Group is to identify and analyze all the kinds of risks that the Group faces, so as to set a proper bottom line of risk tolerance for risk management, and to monitor in a timely and reliable way, so as to keep the risks controlled within limits.

(1) Market risk

1) Exchange rate risk

The Group's foreign exchange risk is mainly related to the USD, the GBP and the Euro. Except for the subsidiaries of the Group which uses USD for purchasing and sales transactions, other main business operations are settled in RMB. As of December 31, 2017, except for assets and liabilities with balances in USD and some balances in GBP and Euros as described below, all other assets and liabilities of the Group are reported in RMB. The exchange rate risk associated with the assets and liabilities of such balances in USD may affect on the Group's business performance.

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續) Notes to the Financial Statements (continued)

九. 與金融工具相關風險(續)

1. 風險管理目標和政策(續)

(1) 市場風險(續)

1) 匯率風險(續)

項目	Item	2017年12月31日 December 31, 2017	2016年12月31日 December 31, 2016
貨幣資金—美元	Currency funds – USD	31,456,232.20	69,614,184.55
貨幣資金—歐元	Currency funds – EUR	5,714.64	18,752.61
貨幣資金—港幣	Currency funds – HKD	14,718.61	15,821.78
貨幣資金—英鎊	Currency funds – GBP	2,124,096.54	1,014,711.23
貨幣資金—日元	Currency funds – JPY	359.86	370.54
應收賬款—美元	Account receivables – USD	134,351,577.00	159,968,372.65
應收賬款—英鎊	Account receivables – GBP	2,574,803.55	4,216,054.56
預付款項—美元	Prepayments – USD	6,416,805.65	3,030,792.23
其他應收款—美元	Other receivables – USD	201,038.25	46,766.34
應付賬款—美元	Accounts payable – USD	2,798,347.34	4,598,935.21
預收款項—美元	Accounts received in advance – USD	10,154,889.35	12,939,932.33
預收款項—歐元	Accounts received in advance – EUR		402,010.64
其他應付款—美元	Other accounts payable – USD	230,968.29	567,011.58

本集團目前並無外幣對沖政策，但管理層監控外幣匯兌風險並將考慮在需要時對沖重大外幣風險。

2) 利率風險

本集團的利率風險產生於銀行借款及股東借款等帶息債務。浮動利率的金融負債使本集團面臨現金流量利率風險，固定利率的金融負債使本集團面臨公允價值利率風險。2017年12月31日，本集團的帶息債務主要為人民幣計價的浮動利率借款合同，金額合計為38,750.00萬元，及人民幣計價的固定利率合同，金額為83,300.10萬元。

IX. Risks Related to Financial Instruments (Continued)

1. Objectives and policies of risk management (Continued)

(1) Market risk (Continued)

1) Exchange rate risk (Continued)

The Group currently has no foreign currency hedging policy, but the management monitors the foreign currency exchange risk and will consider hedging significant foreign currency risks when necessary.

2) Interest rate risk

The Group's interest rate risk arises from interest-bearing liabilities such as bank loans and shareholders' loans. Due to financial liabilities with floating interest rates, the Group faces cash flow interest rate risks. Due to financial liabilities with fixed interest rates, the Group faces fair value interest rate risks. As of December 31, 2017, the interest-bearing debts of the Group are mainly RMB/USD denominated floating interest rate loan contracts with a total amount of RMB387.50 million and RMB/USD denominated fixed rate contracts with an amount of RMB833.001 million.

財務報表附註(續)
Notes to the Financial Statements (continued)

九. 與金融工具相關風險(續)

1. 風險管理目標和政策(續)

(1) 市場風險(續)

2) 利率風險(續)

本集團因利率變動引起金融工具公允價值變動的風險主要與固定利率銀行借款有關。對於固定利率借款，本集團的目標是保持其浮動利率。

本集團因利率變動引起金融工具現金流量變動的風險主要與浮動利率銀行借款有關。本集團的政策是保持這些借款的浮動利率，以消除利率變動的公允價值風險。

3) 價格風險

本集團以市場價格銷售化學原料藥、製劑及化工產品，因此受到此等價格波動的影響。

(2) 信用風險

於2017年12月31日，可能引起本集團財務損失的最大信用風險敞口主要來自於合同另一方未能履行義務而導致本集團金融資產產生的損失，具體包括：

合併資產負債表中已確認的金融資產的賬面金額；對於以公允價值計量的金融工具而言，賬面價值反映了其風險敞口，但並非最大風險敞口，其最大風險敞口將隨着未來公允價值的變化而改變。

IX. Risks Related to Financial Instruments (Continued)

1. Objectives and policies of risk management (Continued)

(1) Market risk (Continued)

2) Interest rate risk (Continued)

Risks arising from changes in interest rate causes change in the fair value of financial instruments are mainly related to fixed-rate bank loans. The Group's objective is to maintain the floating interest rates of the fixed-rate loans.

Risk arising from changes in interest rate causes change in cash flow from financial instruments are mainly related to floating-rate bank loans. The Group's policy is to maintain the floating interest rate of such loans to eliminate the risk to fair value resulting from changes in interest rate.

3) Price risk

The selling prices of the Group are based on the market prices of chemical raw medicine, preparations and chemical product. The Group, therefore, is influenced by fluctuations in market prices.

(2) Credit risk

On December 31 of 2017, the largest credit risk exposure which may cause financial loss to the Group is mainly from counterparties failing to perform their obligations so as to lead to losses of financial assets to the Group, including:

The book values of the financial assets that have been recognized in the consolidated balance sheet; for any financial instrument recognised at fair value, the book value indicates its risk exposure, but not the most significant one, which will change along with fluctuations in its fair value in the future.

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財務報表附註(續) Notes to the Financial Statements (continued)

九. 與金融工具相關風險(續)

1. 風險管理目標和政策(續)

(2) 信用風險(續)

為了盡量減低信貸風險，本集團管理層已委派一組人員負責制定信貸限額、信貸審批及其他監控程序，藉以確保採取跟進行動收回逾期債項。此外，本集團會在報告期末審閱各項個別貿易債項的可收回金額，以確保對無法收回款項作出充足的減值虧損。有鑒於此，本集團管理層認為本集團的信貸風險已顯著降低。

本集團的流動資金存放在信用評級較高的銀行，故流動資金的信用風險較低。

本集團採用了必要的政策確保所有銷售客戶均具有良好的信用記錄。除應收賬款金額前五名外，本集團無其他重大信用集中風險。

應收賬款前五名金額合計：
97,523,379.99元。

IX. Risks Related to Financial Instruments (Continued)

1. Objectives and policies of risk management (Continued)

(2) Credit risk (Continued)

In order to minimize the credit risk, the management of the Group has appointed a group of people responsible for the determination of credit limits, credit approval and other monitoring procedures, to ensure that follow-up action is taken to recover overdue debts. In addition, the Group will review the recoverable amount of individual trade debts at the end of the reporting period, to ensure that adequate impairment losses are made for the unrecoverable amount. In view of this, the Group's management believes that the Group's credit risk has been significantly reduced.

The current funds of this Group are deposited in banks with relatively high credit rating, thus the credit risk of current funds is relatively low.

The Group effects necessary policies to ensure that all sales customers have good credit records. Apart from the top five entities with largest amount in "receivables", the Group has no other significant concentrated credit risk.

The total amount of the top five entities with largest amount in "accounts receivable" is RMB97,523,379.99.

財務報表附註(續)
Notes to the Financial Statements (continued)

九. 與金融工具相關風險(續)

IX. Risks Related to Financial Instruments
(Continued)

1. 風險管理目標和政策(續)

1. Objectives and policies of risk management (Continued)

(3) 流動風險

(3) Liquidity risk

流動風險為本集團在到期日無法履行其財務義務的風險。本集團管理流動性風險的方法是確保有足夠的資金流動性來履行到期債務，而不至於造成不可接受的損失或對企業信譽造成損害。本集團定期分析負債結構和期限，以確保有充裕的資金。本集團管理層對銀行借款的使用情況進行監控並確保遵守借款協議。同時與金融機構進行融資磋商，以保持一定的授信額度，減低流動性風險。截止2017年12月31日，本集團持有的金融資產(賬面餘額、未扣除減值及壞賬準備)和金融負債按未折現剩餘合同義務的到期期限分析如下：

Liquidity risk is a risk that the Group cannot perform its financial obligations by the due date. To manage the Group's liquidity risk, enough financial liquidity shall be guaranteed to repay matured debts and thus to avoid unacceptable losses or damage to the Group's credit. The Group analyses its debt structures and durations regularly so as to make sure sufficient capital exists. The management of the Group monitors the utilization condition of bank loans, and ensures adherence to loan agreements. Meanwhile, financing consultation will be performed with the financial authorities to keep a certain credit line and reduce the liquidity risk. As of December 31, 2017, analysis of financial assets (the book balance, undeducted impairment and provision for bad debts) and financial liabilities held by the Group based on the expiration date of undiscounted residual contract obligations is as follows:

項目	Item	一年以內 Within 1 year	一到五年 1 to 5 years	五年以上 More than 5 years	合計 Total
金融資產	Financial assets				
貨幣資金	Monetary funds	731,126,274.34			731,126,274.34
應收票據	Notes receivable	123,254,824.94			123,254,824.94
應收賬款	Accounts receivable	370,143,508.49			370,143,508.49
預付賬款	Prepayments	22,806,947.53			22,806,947.53
其他應收款	Other receivables	64,931,292.56			64,931,292.56
金融負債	Financial liabilities				
短期借款	Short-term borrowing	151,837,507.11			151,837,507.11
應付票據	Notes payable	208,227,829.37			208,227,829.37
應付賬款	Accounts payable	530,065,197.24			530,065,197.24
預收賬款	Accounts received in advance	123,295,214.99			123,295,214.99
其他應付款	Other accounts payable	280,114,731.95			280,114,731.95
應付股利	Dividends payable	19,661,202.16			19,661,202.16
應付利息	Interests payable	2,238,698.12			2,238,698.12
應付職工薪酬	Payroll payable	68,460,743.73			68,460,743.73
一年內到期的 非流動負債	Non-current liabilities due within one year	89,621,673.88			89,621,673.88
長期借款	Long-term loans		931,500,000.00		931,500,000.00
長期應付款	Long-term payables		47,541,721.66		47,541,721.66

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財務報表附註(續) Notes to the Financial Statements (continued)

九. 與金融工具相關風險(續)

2. 公允價值

(1) 不以公允價值計量的金融工具

本集團不以公允價值計量的金融資產和負債主要包括：應收款項、短期借款、應付款項、長期借款。

上述不以公允價值計量的金融資產和負債的賬面價值與公允價值相差很小。

(2) 以公允價值計量的金融工具

本集團以公允價值計量的金融資產為可供出售金融資產。

對公允價值的估計是在一個特定時間按相關的市場信息及有關金融工具資料做出。由於這些估計屬於主觀性質，並涉及需要判斷的不肯定因素和事項，故不能準確地確定。如所用的假設出現變動，則可能影響這些估計。

金融資產和金融負債的公允價值按照下述方法確定：

具有標準條款及條件並存在活躍市場的金融資產及金融負債的公允價值分別參照相應的活躍市場現行出價及現行要價確定：

其他金融資產及金融負債(不包括衍生工具)的公允價值按照未來現金流量折現法為基礎的通用定價模型確定或採用可觀察的現行市場交易價格確認：

IX. Risks Related to Financial Instruments (Continued)

2. Fair value

(1) Financial instruments not measured by fair value

The Group financial assets and liabilities that are not measured by fair value include accounts receivable, short-term borrowing, accounts payable and long-term loans.

The difference between the book value and fair value of the financial assets and liabilities mentioned above which are not measured by fair value is very small.

(2) Financial instruments measured by fair value

The Group financial assets that are measured by fair value are financial assets available for sale.

The estimation of fair value is made within a specific period of time according to the relevant market information and information about relevant financial instruments. Because these estimates are subjective and require judgement of uncertain factors and matters, accurate determinations cannot be made. If the assumptions used are changed, these estimates may be affected.

The fair value of financial assets and financial liabilities is determined according to the following methods:

The fair values of financial assets and financial liabilities with standard terms and conditions in active markets shall be recognized in reference to current offers or prices in active markets;

The fair values of other financial assets and financial liabilities (excluding derivatives) shall be determined in accordance with the general pricing model based on the discounted future cash flow technique or recognized by using the observable current market bargain price;

九. 與金融工具相關風險(續)

2. 公允價值(續)

(2) 以公允價值計量的金融工具(續)

衍生工具的公允價值採用活躍市場的公開報價確定。如果不存在公開報價，不具有選擇權的衍生金融工具公允價值採用未來現金流量折現法在適用的收益曲線的基礎上估計確定；具有選擇權的衍生金融工具公允價值採用期權定價模型計算確定。

3. 敏感性分析

本集團採用敏感性分析技術分析風險變量的合理、可能變化對當期損益或所有者權益可能產生的影響。由於任何風險變量很少孤立的發生變化，而變量之間存在的相關性對某一風險變量變化的最終影響金額將產生重大作用，因此下述內容是在假設每一變量的變化是獨立的情況下進行的。

(1) 外匯風險敏感性分析

外匯風險敏感性分析假設：所有境外經營淨投資套期及現金流量套期均高度有效。

在上述假設的基礎上，在其他變量不變的情況下，匯率可能發生的合理變動對當期損益和權益的稅後影響如下：

項目 Item	匯率變動 Change in Exchange Rate	2017年度 Year 2017		2016年度 Year 2016	
		對淨利潤的影響 Impact on Net Profits	對所有者權益的影響 Impact on the Owner's Equity	對淨利潤的影響 Impact on Net Profits	對所有者權益的影響 Impact on the Owner's Equity
所有外幣 All foreign currencies	對人民幣升值5% 5% appreciated against RMB	7,018,067.39	7,018,067.39	9,329,526.01	9,329,526.01
所有外幣 All foreign currencies	對人民幣貶值5% 5% depreciated against RMB	(7,018,067.39)	(7,018,067.39)	(9,329,526.01)	(9,329,526.01)

IX. Risks Related to Financial Instruments (Continued)

2. Fair value (Continued)

(2) Financial instruments measured by fair value (Continued)

The fair value of derivative instruments is determined by the open quotations from active markets. If there is no open quotation, the fair value of the derivative instruments without the right of option shall be determined based on the applicable income curve using the discounted future cash flows method; the fair value derivative instruments with the right of option will be calculated according to the option pricing model.

3. Sensitivity analysis

The Group adopts sensitivity analysis to analyze the potential impact of possible appropriate change in risk variables on current profits & losses or the owners' equity. As any risk variable seldom changes alone and correlation between variables greatly accounts for the final amount influenced by change of a certain risk variable, the following content assumes that change of each variable is independent.

(1) Sensitivity analysis of foreign exchange risk

Assumption for sensitivity analysis of foreign exchange risk: all investment hedging and cash flow hedging in overseas operations are highly effective.

Based on the assumption above, if other variables stay the same, pre-tax impact of potential appropriate change of exchange rate on the current profits & losses and equity is shown as follows:

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財務報表附註(續) Notes to the Financial Statements (continued)

九. 與金融工具相關風險(續)

3. 敏感性分析(續)

(2) 利率風險敏感性分析

利率風險敏感性分析基於下述假設：

市場利率變化影響可變利率金融工具的利息收入或費用；

對於以公允價值計量的固定利率金融工具，市場利率變化僅僅影響其利息收入或費用；

以資產負債表日市場利率採用現金流量折現法計算衍生金融工具及其他金融資產和負債的公允價值變化。

在上述假設的基礎上，在其他變量不變的情況下，利率可能發生的合理變動對當期損益和權益的稅後影響如下：

IX. Risks Related to Financial Instruments (Continued)

3. Sensitivity analysis

(2) Sensitivity analysis of interest rate risk

Sensitivity analysis of interest rate risk is based on the following assumption:

Change in market interest rate influences interest revenue or expense of variable-rate financial instrument;

As for fixed-rate financial instruments measured at fair value, market interest rates only influence the interest revenue or expense;

Changes in fair value of derivative financial instruments and other financial assets and liabilities are calculated by using the discounted cash flow method and in accordance with the market interest rate on the Balance Sheet Date.

Based on the assumption above, if other variables stay the same, the pre-tax impact of potential appropriate changes in interest rate on the current profits & losses and equity is shown as follows:

項目 Item	利率變動 Change in Exchange Rate	2017年度 Year 2017		2016年度 Year 2016	
		對淨利潤的影響 Impact on Net Profits	對所有者權益的影響 Impact on the Owner's Equity	對淨利潤的影響 Impact on Net Profits	對所有者權益的影響 Impact on the Owner's Equity
浮動利率借款 Floating interest rate loan	增加1% Add by 1% added	(4,548,067.61)	(4,548,067.61)	(1,701,669.22)	(1,701,669.22)
浮動利率借款 Floating interest rate loan	減少1% Decrease by 1%	4,548,067.61	4,548,067.61	1,701,669.22	1,701,669.22

十. 公允價值的披露

X. Disclosure of Fair Value

1. 年末以公允價值計量的資產和負債的金額和公允價值計量層次

1. Amount of assets and liabilities measured at fair value at the end of year and the level of fair value measurement

項目	Item	年末公允價值 End. Fair Value			合計 Total
		第一層次 公允價值計量 Level 1 Fair value Measurement	第二層次 公允價值計量 Level 2 Fair Value Measurement	第三層次 公允價值計量 Level 3 Fair Value Measurement	
持續的公允價值計量	Continuous fair value measurement				
可供出售金融資產	Financial assets available for sale				
權益工具投資	Investment in equity instrument	258,141,232.00			258,141,232.00
持續以公允價值計量的 資產總額	Total assets continuously measured at fair value	258,141,232.00			258,141,232.00

2. 持續第一層次公允價值計量項目市價的確定依據

2. Basis for determination of market prices for continuous level 1 fair value measurement items

本集團以公允價值計量的項目系公司持有的交通銀行和太平洋保險的股票，年末公允價值以其在2017年12月最後一個交易日的收盤價確定。

The items measured by the fair value of Group are the stocks of the Bank of Communications and China Pacific Insurance Company (CPIC), and the fair value at the end of the year is determined based on the closing price on the last trading day of December 2017.

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財務報表附註(續) Notes to the Financial Statements (continued)

十一. 關聯方關係及其交易

XI. Relationships and Transactions with Related Parties

(一) 關聯方關係

(I) Relationships with Related Parties

1. 控股股東及最終控制方

1. Controlling shareholder and ultimate controlling party

(1) 控股股東及最終控制方(金額單位：人民幣萬元)

(1) Controlling shareholder and ultimate controlling party (Monetary unit: RMB10,000)

控股股東及最終控制方名稱 Name of Controlling Shareholder and Final Controlling Party	註冊地 Registration Place	業務性質 Nature of Business	註冊資本 Registered Capital	對本公司的持股比例 Proportion of Shareholding (%)	對本公司的表決權比例 Proportion of Voting Right (%)
山東新華醫藥集團有限責任公司 Shandong Xinhua Pharmaceutical Group Company Limited	山東省淄博市張店區東一路14號 No. 14, Dongyi Road, Zhangdian District, Zibo, Shandong Province	投資於建築工程的設計、房地產開發、餐飲等 Investment in the design of building engineering, property development and catering	29,850.47	32.94	32.94
華魯控股集團有限公司 Hualu Holdings	山東省濟南市歷下區舜海路219號華創觀禮中心A座22樓 22/F, Block A, Huachuang Guanli Center, No. 219 Shunhai Road, Lixia District, Jinan, Shandong Province, China	對化工、醫療、環保行業(產業)投資；資產運營、諮詢 Investment in chemical, medical, and environmental protection (industries); asset management operations, consulting	300,000.00	-	-

(2) 控股股東的註冊資本及其變化

(2) Registered capital of the controlling shareholder and changes

控股股東名稱 Name of Controlling Shareholder	年初餘額 Beg. Amount	本年增加 Increase in Current Year	本年減少 Decrease in Current Year	年末餘額 End. Amount
山東新華醫藥集團有限責任公司 Shandong Xinhua Pharmaceutical Group Company Limited	298,500,000.00	4,683.00		298,504,683.00

十一. 關聯方關係及其交易(續)

(一) 關聯方關係(續)

1. 控股股東及最終控制方(續)

(3) 控股股東所持股份及其變化

控股股東名稱 Name of Controlling Shareholder	持股金額 Amount of Shareholding		持股比例 Proportions of shares	
	本年餘額 Amount of Current Year	上年餘額 Amount of Previous Year	本年比例(%) Proportion of Current year	上年比例(%) Proportion of Previous year
	山東新華醫藥集團有限責任公司 Shandong Xinhua Pharmaceutical Group Company Limited	157,587,763.00	157,587,763.00	32.94

因本年度本公司非公開發行A股股票導致控股股東所持股份未發生變動但持股比例降低至32.94%。

2. 子公司

子公司情況詳見本附註「八、在其他主體中的權益」相關內容。

XI. Relationships and Transactions with Related Parties (Continued)

(I) Relationships with Related Parties (Continued)

1. Controlling shareholder and ultimate controlling party (Continued)

(3) Shares of controlling shareholders and changes

Due to the non-public issuance of A shares of the Company during the year, the shares held by the controlling shareholder remained unchanged but the shareholding percentage decreased to 32.94%.

2. Subsidiaries

The details of the subsidiaries are described in the Note "VIII Interests in other entities".

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財務報表附註(續) Notes to the Financial Statements (continued)

十一. 關聯方關係及其交易(續)

(一) 關聯方關係(續)

3. 其他關聯方

關聯方名稱 Name of Related Party	關聯關係 Relationship	與本公司關聯交易內容 Content of Related Transactions with the Company
山東新華工貿股份有限公司 Shandong Xinhua Industry & Trade Co., Ltd. 山東新華萬博化工有限公司	受同一控股股東控制 Controlled by the same controlling shareholders 受同一控股股東控制	銷售動力及副產品、採購原材料 Sales of engines, by-products, purchase of raw materials 銷售動力、廢舊設備及副產品、採購原材料
Shandong Xinhua Wanbo Chemical & Industrial Co., Ltd.	Controlled by the same controlling shareholders	Sales of engines, waste equipment and by-products, procurement of raw materials
中化帝斯曼製藥(濰博)有限公司 DSM Sinochem Pharmaceuticals (Zibo) Co. Ltd.	母公司之參股公司 Shareholder of parent company	銷售動力及採購原材料 Sales of engines, purchase of raw materials
華魯集團有限公司 China Shangdong Group Ltd.	最終控制人之子公司 Subsidiary of ultimate controlling party	銷售原料藥 Sales of bulk drugs
美國百利高國際公司 Perrigo Company	子公司參股股東 Shareholder of subsidiary	銷售原料藥 Sales of bulk drugs
美國中西有限責任公司 America Eastwest Company Limited.	子公司參股股東 Shareholder of subsidiary	銷售原料藥 Sales of bulk drugs
山東華魯恒升化工股份有限公司 Shandong Hualu Hengsheng Chemical Limited Liability Company	最終控制人之子公司 Subsidiary of ultimate controlling party	採購原材料 Procurement of raw materials

(二) 關聯交易

1. 定價政策

本集團銷售給關聯方的產品以及從關聯方購買原材料的價格按市場價作為定價基礎。

XI. Relationships and Transactions with Related Parties (Continued)

(I) Relationships with Related Parties (Continued)

3. Other related parties

(II) Related Transactions

1. Pricing policy

The price of the products sold by the Group to related parties and the price of the raw materials purchased from related parties are determined based on the market prices.

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)

Notes to the Financial Statements (continued)

十一. 關聯方關係及其交易(續)

XI. Relationships and Transactions with Related Parties (Continued)

(二) 關聯交易(續)

(II) Related Transactions (Continued)

2. 採購物資

2. Purchase of materials

關聯方 Related Party	關聯交易內容 Content of Related-party Transaction	本年發生額 Amount in Current Year	上年發生額 Amount in Previous Year
山東新華萬博化工有限公司* Shandong Xinhua Wanbo Chemical & Industrial Co., Ltd.*	化工原料 Chemical raw materials	53,844,259.56	49,669,494.33
中化帝斯曼製藥(淄博)有限公司* DSM Sinochem Pharmaceuticals (Zibo) Co. Ltd.*	製劑原料 Raw materials of preparations	6,396,367.56	10,289,123.93
山東華魯恒升化工股份有限公司* Shandong Hualu Hengsheng Chemical Limited Liability Company*	化工原料 Chemical raw materials	98,290,527.72	56,457,353.47
合計 Total		158,531,154.84	116,415,971.73

3. 銷售貨物

3. Sales of goods

關聯方 Related Party	關聯交易內容 Content of Related-party Transaction	本年發生額 Amount in Current Year	上年發生額 Amount in Previous Year
山東新華萬博化工有限公司* Shandong Xinhua Wanbo Chemical & Industrial Co., Ltd.*	銷售動力 Sales of Power	1,947,151.16	2,302,640.13
山東新華萬博化工有限公司* Shandong Xinhua Wanbo Chemical & Industrial Co., Ltd.*	銷售副產品 Sales of by-products	4,611.60	5,929.87
中化帝斯曼製藥(淄博)有限公司* DSM Sinochem Pharmaceuticals (Zibo) Co. Ltd.*	銷售動力 Sales of engines	8,303,339.05	7,202,664.83
美國百利高國際公司 Perrigo Company	銷售原料藥 Sales of bulk drugs	142,465,261.25	120,303,542.52
美國百利高國際公司 Perrigo Company	銷售原料藥 Sales of bulk drugs	10,743,692.79	7,261,325.83
合計 Total		163,464,055.85	137,076,103.18

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財務報表附註(續)
Notes to the Financial Statements (continued)

十一. 關聯方關係及其交易(續)

XI. Relationships and Transactions with Related Parties (Continued)

(二) 關聯交易(續)

(II) Related Transactions (Continued)

4. 支付借款利息及承銷費用

4. Payment of interest on loans and underwriting fees

關聯方名稱 Name of Related Party	關聯交易內容 Content of Related-party Transaction	本年發生額(稅後) Amount of Current Year (After tax)	上年發生額(稅後) Amount of Previous Year (After tax)
華魯控股集團有限公司 Hualu Holdings	借款利息 Interests on loans	12,729,621.00	40,071,500.00
華魯控股集團有限公司 Hualu Holdings	承銷手續費 Commission of undertaking		2,800,000.00

5. 接受擔保

5. Acceptance of the guarantee

本公司與中國進出口銀行青島分行簽訂借款本金為8,000萬元的貸款協議，貸款期間為2015年6月29日至2017年6月29日，由本公司最終控制方華魯控股提供擔保。

The Company and the Export-Import Bank of China, Qingdao Branch has signed a loan agreement with a loan principal of RMB80 million and a loan term from June 29, 2015 to June 29, 2017, and Hualu Holdings, the ultimate controlling party, shall provide the guarantee.

本公司與中國進出口銀行青島分行簽訂借款本金為15,000萬元的貸款協議，貸款期間為2015年9月17日至2017年9月17日，由本公司最終控制方華魯控股提供擔保。

The Company and the Export-Import Bank of China, Qingdao Branch has signed a loan agreement with a loan principal of RMB150 million and a loan term from September 17, 2015 to September 17, 2017, and Hualu Holdings, the ultimate controlling party, shall provide the guarantee.

6. 關聯方資金拆借

6. Loans with related parties

關聯方名稱 Name of Related Party	拆入/拆出 Loan from/to	拆借金額 Loan Amount	起始日 From	到期日 To
華魯控股集團有限公司 Hualu Holdings	拆入 Loan from	100,000,000.00	2015-11-30	2020-11-30
華魯控股集團有限公司 Hualu Holdings	拆入 Loan from	600,000,000.00	2016-11-25	2017-05-24

7. 資產租賃

7. Lease of assets

本期無關聯方租賃情況。

There was no lease of assets with any related party in the current year.

財務報表附註(續)

Notes to the Financial Statements (continued)

十一. 關聯方關係及其交易(續)

XI. Relationships and Transactions with Related Parties (Continued)

(二) 關聯交易(續)

(II) Related Transactions (Continued)

8. 其他交易

8. Other transactions

(1) 商標使用費

(1) Fee for use of trademark

關聯方名稱	關聯交易內容	本年金額 (稅後)	上年金額 (稅後)
Name of Related Party	Content of Related-party Transaction	Amount of Current Year (After tax)	Amount of Previous Year (After tax)
山東新華醫藥集團有限責任公司*	商標使用費	9,433,962.00	9,858,490.50
Shandong Xinhua Pharmaceutical Group Company Limited*	Fee for use of trademark		

本公司與母公司山東新華集團於2014年10月27日簽訂商標許可協議的補充協議(「補充協議」)，協議有效期自2015年1月1日起至2017年12月31日止，根據補充協議，本公司使用「新華」牌商標的使用年費變更為人民幣1,000萬元(含稅)，商標許可協議的其他條款維持不變。

於2014年10月27日，本公司也與華魯集團簽訂關於本公司及/或其附屬公司向控股股東全資附屬公司華魯集團供應化學原料藥及化工產品的華魯集團協議，期限自2015年1月1日起生效，及於2017年12月31日失效。本公司及華魯集團任何一方均有權提前三個月書面通知終止華魯集團協議。華魯集團協議項下2015年、2016年及2017年最高年度上限分別為人民幣65,000,000元、72,000,000元及80,000,000元。

The Company entered into a supplementary agreement ("Supplementary Agreement") on the trademark license agreement with the parent company, Shandong Xinhua Group on October 27, 2014. The Agreement had a valid period from January 1, 2015 to December 31, 2017. According to the Supplementary Agreement, the Company's fee for use of the trademark "Xinhua" was RMB10 million per year (tax inclusive) and other provisions of the trademark license agreement remain unchanged.

On 27 October 2014, the Company and China Shandong Group Ltd ("China Shandong") entered into the China Shandong Agreement in relation to the Company and/or its subsidiaries supplying bulk pharmaceuticals and chemical products to China Shandong, a wholly-owned subsidiary of its controlling shareholder (the "China Shandong Agreement"). The China Shandong Agreement was effective during the period from 1 January 2015 to 31 December 2017 and each of the Company and China Shandong was entitled to terminate the China Shandong Agreement by giving three months' prior written notice. The annual caps under the China Shandong Agreement for 2015, 2016 and 2017 were RMB65,000,000, RMB72,000,000 and RMB80,000,000 respectively.

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財務報表附註(續)
 Notes to the Financial Statements (continued)

十一. 關聯方關係及其交易(續)

XI. Relationships and Transactions with Related Parties (Continued)

(三) 關聯方往來餘額

(III) Balance of transactions with related parties

1. 資產類關聯方往來餘額

1. Balance of transactions with related parties of assets

(2) 提供勞務

(2) Rendering of labor service

關聯方名稱 Name of Related Party	關聯交易內容 Content of Related-party Transaction	本年金額 Amount of Current Year	上年金額 Amount of Previous Year
中化帝斯曼製藥(淄博)有限公司* DSM Sinochem Pharmaceuticals (Zibo) Co. Ltd.*	檢修勞務 Service labor	452,017.29	605,344.06
山東新華萬博化工有限公司* Shandong Xinhua Wanbo Chemical & Industrial Co., Ltd.*	檢修勞務 Service labor		43,839.55

*註：該等關聯方交易亦構成上市規則第14A章下須予年度申報的關連交易或持續關連交易。

*Note: Constituted also connected transactions or continuing connected transactions subject to annual reporting requirement under Chapter 14A of the Listing Rules.

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財務報表附註(續)

Notes to the Financial Statements (continued)

十一. 關聯方關係及其交易(續)

XI. Relationships and Transactions with Related Parties (Continued)

(三) 關聯方往來餘額

(III) Balance of transactions with related parties

1. 資產類關聯方往來餘額

1. Balance of transactions with related parties of assets

關聯方(項目)	Related Party (Item)	年末餘額		年初餘額	
		賬面餘額	壞賬準備	賬面餘額	壞賬準備
		Book balance	Provision for bad debt	Book balance	Provision for bad debt
應收賬款	Account receivables				
山東新華工貿股份有限 公司	Shandong Xinhua Industry & Trade Co., Ltd.	1,110,088.04	1,110,088.04	1,110,088.04	1,110,088.04
美國百利高國際公司	Perrigo Company	8,541,088.05		7,804,624.46	
中化帝斯曼製藥(淄博) 有限公司	DSM Sinochem Pharmaceuticals (Zibo) Co. Ltd.	217,238.11		105,892.89	
合計	Total	<u>9,868,414.20</u>	<u>1,110,088.04</u>	<u>9,020,605.39</u>	<u>1,110,088.04</u>
預付款項	Prepayments				
山東華魯恒升化工股份有 限公司	Shandong Hualu Hengsheng Chemical Limited Liability Company	745,670.06		1,039,105.38	
合計	Total	<u>745,670.06</u>		<u>1,039,105.38</u>	

2. 負債類關聯方往來餘額

2. Balance of transactions with related parties of liabilities

關聯方名稱	Name of Related Party	年末餘額	年初餘額
		End. Amount	Beg. Amount
短期借款	Short-term borrowing		
華魯控股集團有限公司	Hualu Holdings		600,000,000.00
應付賬款	Accounts payable		
山東新華萬博化工有限公司	Shandong Xinhua Wanbo Chemical & Industrial Co., Ltd.	6,900,173.42	6,141,624.41
中化帝斯曼製藥(淄博)有限 公司	DSM Sinochem Pharmaceuticals (Zibo) Co. Ltd.	157,248.54	949,040.79
合計	Total	<u>7,057,421.96</u>	<u>7,090,665.20</u>
預收款項	Prepayments		
美國百利高國際公司	Perrigo Company	837,313.62	
長期借款	Long-term loans		
華魯控股集團有限公司	Hualu Holdings	100,000,000.00	100,000,000.00

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財務報表附註(續)
 Notes to the Financial Statements (continued)

十一. 關聯方關係及其交易(續)

XI. Relationships and Transactions with Related Parties (Continued)

(四) 董事、監事及職工薪酬

(IV) Remunerations of Directors, Supervisors and Staff

1. 本年度董事、監事的薪酬詳情如下：

1. The remunerations for directors and supervisors in the current year are as follows:

姓名	Name	董事、 監事袍金 Emoluments of Directors and Supervisors	工資及補貼 Salaries and Subsidies	獎金 Bonuses	社會保險 Social Insurance Premiums	住房公積金 Housing Fund	合計 Total
董事	Director						
執行董事	Executive Director						
張代銘	Zhang Daiming	1,180,000.00			53,760.00	7,014.00	1,240,774.00
杜德平	Du Deping	920,000.00			53,760.00	6,792.00	980,552.00
非執行董事	Non-executive Director						
任福龍	Ren Fulong	880,000.00			53,760.00	7,098.00	940,858.00
徐列	Xu Lie	770,000.00			53,760.00	5,652.00	829,412.00
趙斌	Zhao Bin						
獨立非執行董事	Independent Non-executive Director						
杜冠華	Du Guanhua	70,000.00					70,000.00
陳仲戟	Chen Zhongji	70,000.00					70,000.00
李文明	Li Wenming	70,000.00					70,000.00
監事	Supervisor						
李天忠	Li Tianzhong	760,000.00			53,760.00	6,042.00	819,802.00
扈艷華	Hu Yanhua	237,300.00			53,760.00	4,803.60	295,863.60
王劍平	Wang Jianping	142,100.00			23,772.00	6,723.60	172,595.60
陶志超	Tao Zhichao	30,000.00					30,000.00
肖方玉	Xiao Fangyu	30,000.00					30,000.00
合計	Total	5,159,400.00			346,332.00	44,125.20	5,549,857.20

本年度董事變動情況：無。

Changes to the directors of the current year: no change.

本年度監事變動情況：無。

Changes to the supervisors of the current year: no change.

十一. 關聯方關係及其交易(續)

(四) 董事、監事及職工薪酬(續)

2. 五位最高薪酬人士

本年度薪酬最高的前五位中包括三名(上年：三名)董事，其董事的薪酬載於附註「十一、(五)。(1)」薪酬已反映在董事及監事的薪酬中。其餘兩名(上年：兩名)最高薪酬人士的薪酬如下：

項目	Item	本年年額 Amount of Current Year	上年金額 Amount of Previous Year
工資及補貼	Salaries and subsidies	1,605,403.00	1,260,000.00
獎金	Bonuses		
社會保險	Social insurance premiums	100,152.00	98,496.00
住房公積金	Housing fund	9,273.60	11,982.00
合計	Total	1,714,828.60	1,370,478.00

本集團關鍵管理人員(含董事)中，2017年度和2016年度均不存在放棄任何酬金的情況。

最高薪酬人士數目按薪酬組別歸類如下(按人數)：

項目	Item	本年 Current Year	上年 Previous Year
零至港幣100萬元	HKD0-1 million	0	5
港幣1,000,001元至 港幣1,500,000元	HKD1,000,001-HKD1,500,000	5	0
合計	Total	5	5

於本報告期間及上個報告期間，本集團概無向上述人士支付任何酬金，作為其加盟或於加盟本集團時之誘金或離職補償，而上述人士亦概無放棄任何報酬。

XI. Relationships and Transactions with Related Parties (Continued)

(IV) Remunerations of Directors, Supervisors and Staff (Continued)

2. Top five highest paid employees

In the current year, the five highest paid individuals include three (three in the previous year) directors, the directors' remunerations is set out in notes, XI (v). (1) have been reflected in the remunerations of directors and supervisors. The remuneration of the other two (two in the previous year) of the highest paid individuals are as follows:

項目	Item	本年年額 Amount of Current Year	上年金額 Amount of Previous Year
工資及補貼	Salaries and subsidies	1,605,403.00	1,260,000.00
獎金	Bonuses		
社會保險	Social insurance premiums	100,152.00	98,496.00
住房公積金	Housing fund	9,273.60	11,982.00
合計	Total	1,714,828.60	1,370,478.00

None of the Group's key administrators (including directors) gave up any remuneration in years 2017 and 2016.

The number of the highest paid persons is classified by remuneration group (by the number of persons below).

項目	Item	本年 Current Year	上年 Previous Year
零至港幣100萬元	HKD0-1 million	0	5
港幣1,000,001元至 港幣1,500,000元	HKD1,000,001-HKD1,500,000	5	0
合計	Total	5	5

During this reporting period and this reporting period, no remuneration was paid by the Group to the abovementioned persons as an inducement to join or upon joining the Group or as compensation for loss of office and none of the abovementioned persons have waived any emolument.

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財務報表附註(續) Notes to the Financial Statements (continued)

十一. 關聯方關係及其交易(續)

(四) 董事、監事及職工薪酬(續)

3. 本年度沒有為促使董事加盟或在董事加盟本集團時已支付或應付予董事的款項金額，以及沒有為補償董事或離任董事因其失去作為本集團內成員公司董事的職位或其他管理人員職位而已支付或應付予他們的款項金額。本公司按照本公司的薪酬管理制度制定董事及監事的薪酬金額並由董事會的薪酬委員會批准。

4. 主要管理層薪酬

主要管理層薪酬(包括已付及應付董事、監事及高級管理層的金額)如下：

項目	Item	本年發生額 Amount of Current Year	上年發生額 Amount of Previous Year
工資及補貼	Salaries and subsidies	9,885,000.00	7,501,541.00
獎金	Bonuses		
社會保險	Social insurance premiums	722,652.00	606,708.00
住房公積金	Housing fund	90,920.40	76,825.20
合計	Total	10,698,572.40	8,185,074.20

(五) 應收董事、董事關連企業借款

本集團本年度內無應收董事、董事關連企業借款。

XI. Relationships and Transactions with Related Parties (Continued)

(IV) Remunerations of Directors, Supervisors and Staff (Continued)

3. No amount of money was paid or payable to the directors as an inducement to join the Company, nor paid to the directors at the time of joining the Company. No amount of money was paid or payable to the directors and outgoing directors as compensation for losing the office of director or other management. The Company has determined the remuneration amount for the directors, supervisors and senior administrators according to the Company's remuneration management regulations, which are subject to approval by the Remuneration Committee of the Board.

4. Principal management remunerations

The remuneration of principal management (including amounts paid and payable to directors, supervisors and senior management) are as follows:

(V) Receivable borrowings due from directors and the companies related with directors

There were no receivable borrowings due from directors of the Group or the companies related with directors of the Group in the current year.

十二. 股份支付

本集團本年度內不存在股份支付事項。

十三. 或有事項

2012年7月，南京華東醫藥有限責任公司起訴本公司貨款糾紛訴訟案件，2017年3月23日出具判決書，2016年本公司對被劃走的660萬元計提了50%的壞賬準備，2017年對其全額計提了壞賬損失。本公司反訴南京華東醫藥公司追償損失案件，山東省高級人民法院於2017年8月28日作出終審判決，目前處於再審階段，公司保留繼續追償損失的權利。

十四. 承諾事項

1. 已簽訂的正在或準備履行的大額發包合同

項目名稱	Item	合同金額 Contract Amount	未付金額 Unpaid Amount
現代醫藥國際合作中心	International Cooperation Center Project	206,565,691.32	74,805,765.45
湖田園區激素系列產品工程	Analginum Serious Product Project of Hutian Industrial Park	56,917,422.21	26,961,652.21
湖田園區阿司匹林填平補齊項目	Aspirin Tianpingbuqi Project of Hutian Industrial Park	52,627,874.23	1,482,224.50
湖田園區現代化學醫藥產業化中心2	Modern chemical medicine industrialization center in Hutian Industrial Park (II)	40,058,645.49	13,326,006.49
湖田園區五氨系列產品	Five Ammonia Products Project in Hutian Industrial Park	31,221,239.94	2,590,945.96
湖田園區五氨動力工程	Five Ammonia Power Project in Hutian Industrial Park	21,481,464.80	501,093.46
仿製藥一致性評價項目	Evaluation about consistency of generic drug	64,690,000.00	24,098,400.00
合計	Total	473,562,337.99	143,766,088.07

2. 除存在上述承諾事項外，截止2017年12月31日，本集團無其他重大承諾事項。

XII. Consideration Share

The Group made no payments with its share as consideration in the current year.

XIII. Contingencies

In July 2012, Nanjing Huadong Pharmaceutical Co., Ltd. sued the Company for payment dispute, a court verdict was issued on 23 March 2017. In 2017, the Company made full provision for the losses on bad debts of RMB6.6 million for which 50% bad-debt provision was made in 2016. Regarding the case that the Company counterclaimed Nanjing Huadong Pharmaceutical Co., Ltd. for recovery of losses, the Supreme People's Court of Shandong Province made a final judgment on 28 August 2017. Currently, the case is in the retrial stage and the Company reserves the right to continue recovering losses.

XIV. Commitments

1. Large denominated contracts concluded or ready for performance

2. There was no other significant commitment to be disclosed for the Group as of December 31, 2017, except for the commitments above.

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
 Notes to the Financial Statements (continued)

十五. 資產負債表日後事項

XV. Events After Balance Sheet Date

1. 重要的非調整事項

1. Significant non-adjustment events

項目	內容	對財務狀況和經營成果的影響數	無法估計影響數的原因
Item	Contents	Impact on Financial Position and Business Results	Reasons for Failure to estimate
與瀋陽藥科大學簽訂技術開發(委託)合同的公告	本公司於2018年1月10日召開第九屆董事會2018年第一次臨時董事會審議通過了《關於與瀋陽藥科大學合作開發創新藥物的議案》。本公司與瀋陽藥科大學簽訂了「抗AD阿爾茨海默病(Alzheimer's Disease, AD)創新藥物OAB-14及製劑開發」的《技術開發(委託)合同》。本公司支付給瀋陽藥科大學研究開發經費和報酬總額為人民幣壹億元整。按照合同約定分期支付給瀋陽藥科大學。在項目正式啟動24個月內完成原料藥合成工藝資料、原料藥結構確證試驗資料、初步主要藥效學試驗資料、單次給藥毒性試驗資料等。在3年半至4年內完成該項目原料及其製劑臨牀前申報資料。	預計未來4年內將發生10,000.00萬元技術開發費。	
Notice about signing a technology development (commission) contract with Shenyang Pharmaceutical University	The ninth Board of Directors' first provisional board meeting of 2018 which was held on January 10, 2018 examined and adopted "Proposal on Developing Innovative Drugs with Shenyang Pharmaceutical University". The Company and Shenyang Pharmaceutical University signed a "technology development (commission) contract" for Anti-Alzheimer's disease (AD) drug OAB-14 and formulation development. The Company paid RMB100 million for R&D funding and remuneration to Shenyang Pharmaceutical University by installments according to the contract. Within 24 months of the official start of the project, the raw materials synthesis process data, the structure of the active drug substance test data, the preliminary main pharmacodynamic test data, the single-dose toxicity test data, etc. are to be completed. The pre-clinical application of raw materials and preparations for the project should be completed in 3 and a half years to 4 years.	Expected expenditure on technology development is about RMB100 million within the next 4 years.	

財務報表附註(續)

Notes to the Financial Statements (continued)

十五. 資產負債表日後事項(續)

2. 利潤分配情況

(1) 本公司2017年度特別派息方案為：以本公司現有總股本478,353,421股為基數(其中A股328,353,421股，H股150,000,000股)，向全體股東每10股派0.30元人民幣現金(含稅)；扣稅後，通過深股通持有本公司A股股份的香港市場投資者、QFII、RQFII以及持有首發前限售股的個人和證券投資基金每10股派0.270000元。本次特別派息A股股權登記日為：2018年1月25日，A股除權除息日為：2018年1月26日。

(2) 根據於2018年3月23日召開的董事會會議決議案，公司向全體股東每10股派發現金紅利0.50元(含稅)，送紅股0股(含稅)，以資本公積金向全體股東每10股轉增3股。

3. 除存在上述資產負債表日後事項外，本公司無需要披露的其他重大資產負債表日後事項。

XV. Events After Balance Sheet Date (Continued)

2. Profit distribution

(1) The 2017 special dividend of the Company is as follows – Based on the existing total share capital of 478,353,421 shares, of which there were 328,353,421 A shares and 150,000,000 H shares, the Company distributed RMB0.30 (including tax) per 10 shares to all shareholders; after tax deduction, the Company distributed RMB0.270000 per 10 shares to investors in the Hong Kong market holding the A shares of the Company via SH-HK Stock Connect, QFII, RQFII, and individuals and Securities Investment Funds that held pre-IPO restricted shares. The registration date in respect of the A shares for this special dividend was January 25, 2018 and the ex-dividend date in respect of the A shares was January 26, 2018.

(2) According to the Company's board of directors' resolution on March 28, 2018, it is proposed that the Company declares a cash bonus to its shareholders of RMB0.05 (including tax) per 10 shares, distribute 0 bonus share (including tax), and allot to all shareholders 3 shares per 10 shares out of capital reserve.

3. The Company does not have any other major event after the balance sheet date to be disclosed other than the above.

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續) Notes to the Financial Statements (continued)

十六. 其他重要事項

1. 租賃

(1) 融資租入固定資產(融資租賃承租人)

於本年末，本集團融資租入固定資產明細詳見本附註六、10。

(2) 最低租賃付款額(融資租賃承租人)

剩餘租賃期	Remaining Lease Term	年末餘額 End. Amount	年初餘額 Beg. Amount
一年以內	Within 1 year	83,621,673.88	69,854,126.83
一至二年	1-2 years	39,677,609.62	55,108,352.27
二至三年	2-3 years	7,864,112.04	9,830,140.06
合計	Total	131,163,395.54	134,792,619.16

截至2017年12月31日，本集團未確認融資費用金額為5,976,859.16元(年初金額6,650,361.18元)。

XVI. Other Major Matters

1. Lease

(1) Fixed assets acquired under financing lease (Lessee of financing lease)

At the end of current year, the Group's financial leasing of fixed assets is detailed in the Note VI, 10.

(2) Minimum lease payment (Lessee of financing lease)

As of December 31, 2017, the financing expenses not recognized by the Group amounted to RMB5,976,859.16 (Amount of previous year: RMB6,650,361.18).

2. 分部信息

(1) 報告分部的確定依據與會計政策

本集團以內部組織結構、管理要求、內部報告制度為依據確定經營分部，以經營分部為基礎確定報告分部並披露分部信息。經營分部是指本集團內同時滿足下列條件的組成部分：1)該組成部分能夠在日常活動中產生收入、發生費用；2)本集團管理層能夠定期評價該組成部分的經營成果，以決定向其配置資源、評價其業績；3)本公司能夠取得該組成部分的財務狀況、經營成果和現金流量等有關會計信息。如果兩個或多個經營分部具有相似的經濟特徵，並且滿足一定條件的，則可合併為一個經營分部。

2. Segmented information

(1) Determination basis and accounting policy of reportable segments

The Group determines the operating segments on the basis of its internal organization structure, management requirements and internal reporting system and adopts these operating segments as the basis for reporting segments for disclosure purposes. Operating segments refer to constituent parts within the Group that satisfy the following conditions: (1) this part can generate income and incur expenses in daily activities; (2) the senior management of the Group can evaluate the operating results of this part at regular intervals so as to decide to allocate resources to it and evaluate its performance; (3) the Company can access the relevant accounting information of this part such as financial position, operating results and cash flow, etc. If two or more operating units share similar economic characteristics and meet certain conditions, they can be merged into a business unit.

財務報表附註(續)

Notes to the Financial Statements (continued)

十六. 其他重要事項(續)

XVI. Other Major Matters (Continued)

2. 分部信息(續)

2. Segmented information (Continued)

(2) 本年度報告分部的財務信息

(2) financial information of reportable segments in the current year

a. 分部按產品或業務劃分的營業利潤、資產及負債

a. Profits, assets and liabilities according to product and business segment

2017年度報告分部

Segmented Reporting of 2017

項目	化學原料藥	製劑	醫藥中間體及 其他產品	未分配項目	抵銷	合計
Item	Chemical Bulk drugs	Preparations	Chemicals and Other Products	Unallocated	Offset Amount	Total
營業收入	1,969,877,819.55	2,343,280,366.61	1,151,933,206.76	-	(949,374,608.73)	4,515,716,784.19
Operating revenue						
其中：對外交易收入	1,964,518,136.35	1,982,189,474.18	569,009,173.66			4,515,716,784.19
Including: Foreign transaction income						
分部間交易收入	5,359,683.20	361,090,892.43	582,924,033.10	-	(949,374,608.73)	-
Inter-segment transaction income						
營業成本	1,441,359,036.62	1,744,748,645.80	1,022,520,815.49	-	(961,012,659.05)	3,247,615,838.86
Operating cost						
成本抵銷	44,736,437.21	362,941,126.10	553,335,095.74		(961,012,659.05)	
Cost offsetting amount						
期間費用	303,335,936.60	612,070,821.73	58,795,119.64			974,201,877.97
Expenses for the period						
營業利潤				274,280,037.36	7,400,830.36	281,680,867.72
Profit of the unit						
資產總額	2,616,440,054.82	1,458,152,818.13	1,063,400,196.07	1,335,578,854.38	(1,199,924,798.77)	5,273,647,124.63
Total assets						
負債總額	922,370,357.92	716,136,253.74	514,040,053.38	1,265,087,374.98	(723,440,296.20)	2,694,193,743.82
Total liabilities						

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財務報表附註(續)
 Notes to the Financial Statements (continued)

十六. 其他重要事項(續)

2. 分部信息(續)

(2) 本年度報告分部的財務信息(續)

- a. 分部按產品或業務劃分的營業利潤、資產及負債(續)

2016年度報告分部

項目	化學原料藥	製劑	醫藥中間體及 其他產品	未分配項目	抵銷	合計
Item	Chemical Bulk Drugs	Preparations	Chemicals and Other Products	Unallocated	Offset Amount	Total
營業收入	1,776,361,217.08	2,099,238,597.11	1,034,652,771.96		(895,289,520.41)	4,014,963,065.74
Operating revenue						
其中：對外交易收入	1,770,296,038.38	1,747,610,869.90	497,056,157.46			4,014,963,065.74
Including: Foreign transaction income						
分部間交易收入	6,065,178.70	351,627,727.21	537,596,614.50		(895,289,520.41)	
Inter-segment transaction income						
營業成本	1,387,562,562.72	1,638,502,875.07	888,785,941.74		(901,266,755.14)	3,013,584,624.39
Operating cost						
成本抵銷	78,411,280.96	357,597,834.57	465,257,639.61		(901,266,755.14)	
Cost offsetting amount						
期間費用	296,107,955.45	431,849,608.78	64,070,223.24			792,027,787.47
Expenses for the period						
營業利潤				168,137,629.73	(15,720,200.28)	152,417,429.45
Profit of the unit						
資產總額	2,607,631,975.84	1,214,770,333.03	967,382,126.46	1,167,544,323.60	(1,234,542,795.09)	4,722,785,963.84
Total assets						
負債總額	829,972,561.96	635,287,773.13	490,101,717.17	1,437,357,321.32	(749,240,835.39)	2,643,478,538.19
Total liabilities						

XVI. Other Major Matters (Continued)

2. Segmented information (Continued)

(2) financial information of reportable segments in the current year (Continued)

- a. Profits, assets and liabilities according to product and business segment (Continued)

Segmented Reporting of 2016

財務報表附註(續)

Notes to the Financial Statements (continued)

十六. 其他重要事項(續)

XVI. Other Major Matters (Continued)

2. 分部信息(續)

2. Segmented information (Continued)

(2) 本年度報告分部的財務信息(續)

(2) financial information of reportable segments in the current year (Continued)

b. 按收入來源地劃分的對外交易收入

b. Foreign trade income according to the regions of the income source

本集團在國內及其他國家和地區的對外交易收入總額如下：

The total foreign trade income of the Group in China and other countries and regions are listed below:

對外交易收入	Foreign Transaction Income	本年發生額 Amount Incurred in Current Year	上年發生額 Amount Incurred in Previous Year
中國(含香港)	China (including Hong Kong)	3,068,776,612.06	2,598,593,092.37
美洲	Americas	674,938,080.40	691,242,586.64
歐洲	Europe	331,427,351.78	305,128,386.73
其他	Others	440,574,739.95	419,999,000.00
合計	Total	4,515,716,784.19	4,014,963,065.74

c. 按資產所在地劃分的非流動資產

c. Non-current assets according to asset location

本集團位於國內及其他國家和地區的除金融資產及遞延所得稅資產之外的非流動資產總額列示如下：

The total non-current assets of the Group in China and other countries and regions other than financial assets and deferred income tax assets are listed below:

非流動資產總額	Total Non-current Assets	年末餘額 End. Amount	年初餘額 Beg. Amount
中國(含香港)	China (including Hong Kong)	3,263,650,379.98	2,796,436,126.12
美洲	Americas		642,464.21
歐洲	Europe	7,315.82	13,260.91
合計	Total	3,263,657,695.80	2,797,091,851.24

3. 本公司下屬控股子公司淄博新華—中西製藥有限責任公司營業執照經營期限自2005年11月15日至2017年11月14日，新華中西已於2017年9月7日成立清算組，目前公司正在進行解散清算。

3. The business license of Zibo Xinhua-Zhongxi Pharmaceutical Co., Ltd., a subsidiary of the Company, is valid from November 15, 2005 to November 14, 2017. Xinhua Zhongxi has established a liquidation team on September 7, 2017. Currently, the company is in the process of dissolution and liquidation.

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續) Notes to the Financial Statements (continued)

十六. 其他重要事項(續)

4. 截至2017年12月31日，除上述事項外本集團無需要披露的其他重要事項。

XVI. Other Major Matters (Continued)

4. There were no other material matters for the Group to disclose in addition to the above matters, as of December 31, 2017.

十七. 母公司財務報表主要項目註釋

XVII. Notes to Major Items of the Parent Company's Financial Statements

1. 應收賬款

(1) 應收賬款分類

1. Accounts receivable

(1) Classification of accounts receivable

類別 Item	賬面價值 Book Balance		壞賬準備 Provision for Bad Debt		賬面餘額 Book Value
	金額 Amount	比例 Proportion (%)	金額 Amount	計提比例 Proportion of Provision (%)	
單項金額重大並單項計提壞賬準備的 應收賬款 Accounts receivable with significant individual amounts and accrued bad debt provision on single item					
按組合計提壞賬準備的應收款 Accounts receivable with provision for bad debts accrued by group					
賬齡組合 Account age group	103,377,844.90	29.96	1,911,437.95	1.85	101,466,406.95
與交易對象關係組合 Group by relationship with transaction counter party	241,723,985.62	70.04			241,723,985.62
特殊款項性質組合 Group by special account nature					
組合小計 Group sub-total	345,101,830.52	100.00	1,911,437.95	0.55	343,190,392.57
單項金額雖不重大但單項計提壞賬準備的應收 賬款 Accounts receivable with insignificant individual amounts but accrued bad debt provision on single item					
合計 Total	345,101,830.52	100.00	1,911,437.95	0.55	343,190,392.57

財務報表附註(續)
 Notes to the Financial Statements (continued)

十七. 母公司財務報表主要項目註釋
 (續)

1. 應收賬款(續)

(1) 應收賬款分類(續)

類別 Item	賬面餘額 Book Balance		年初餘額 Beg. Amount	壞賬準備 Provision for Bad Debt		賬面價值 Book Value
	金額 Amount	比例 Proportion (%)	金額 Amount	計提比例 Proportion of Provision (%)		
單項金額重大並單項計提壞賬準備的 應收賬款 Accounts receivable with significant individual amounts and accrued bad debt provision on single item						
按組合計提壞賬準備的應收款 Accounts receivable with provision for bad debts accrued by group						
賬齡組合 Account age group	129,450,623.49	32.60	2,061,910.97	1.59	127,388,712.52	
與交易對象關係組合 Group by relationship with transaction counter party	267,677,587.64	67.40			267,677,587.64	
特殊款項性質組合 Group by special account nature						
組合小計 Group sub-total	397,128,211.13	100.00	2,061,910.97	0.52	395,066,300.16	
單項金額雖不重大但單項計提壞賬準備的應收 賬款 Accounts receivable with insignificant individual amounts but accrued bad debt provision on single item						
合計 Total	<u>397,128,211.13</u>	<u>100.00</u>	<u>2,061,910.97</u>	<u>0.52</u>	<u>395,066,300.16</u>	

XVII. Notes to Major Items of the Parent Company's
 Financial Statements (Continued)

1. Accounts receivable (Continued)

(1) Classification of accounts receivable (Continued)

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
 Notes to the Financial Statements (continued)

十七. 母公司財務報表主要項目註釋
 (續)

XVII. Notes to Major Items of the Parent Company's
 Financial Statements (Continued)

1. 應收賬款(續)

1. Accounts receivable (Continued)

(1) 應收賬款分類(續)

(1) Classification of accounts receivable (Continued)

1) 組合中，按賬齡分析法計提壞賬準備的應收賬款

1) Combined aging analysis of accounts receivable with provision for bad debt accrued

項目 Item	金額 Amount	年末餘額 End. Amount		計提比例 Accrual Proportion (%)	金額 Amount	年初餘額 Beg. Amount	
		壞賬準備 Provision for Bad Debt	計提比例 Accrual Proportion (%)			壞賬準備 Provision for Bad debt	計提比例 Accrual Proportion (%)
1年以內 Within 1 year	101,931,270.66	509,656.35	0.50	127,668,676.09	638,343.38	0.50	
1-2年 1-2 years				447,354.76	89,470.95	20.00	
2-3年 2-3 years	111,981.60	67,188.96	60.00	1,240.00	744.00	60.00	
3年以上 Over 3 years	1,334,592.64	1,334,592.64	100.00	1,333,352.64	1,333,352.64	100.00	
合計 Total	103,377,844.90	1,911,437.95		129,450,623.49	2,061,910.97		

2) 組合中，採用其他方法計提壞賬準備的應收賬款

2) Combined analysis of accounts receivable with provision for bad debts accrued by other methods

單位名稱 Group Name	賬面餘額 Book balance	壞賬金額 Amount of Bad Debts
與交易對象關係組合 Group relationship with transaction counterparty	241,723,985.62	

財務報表附註(續)
 Notes to the Financial Statements (continued)

十七. 母公司財務報表主要項目註釋
 (續)

1. 應收賬款(續)

(2) 本年度計提、轉回(或收回)的壞賬準備情況

本年計提壞賬準備金額-203,893.77元；本年收回或轉回壞賬準備金額53,420.75元。

其中本年壞賬準備收回或轉回金額重要的：

單位名稱	本年轉回 (或收回)金額 Amount Recovered or Reversed in Current Year	確定原壞賬準備的依據 Recognition Basis for Bad Debt Provision	本年轉回(或收回)原因 Reasons for Reversals (Recovery) in Current Year
湖南省牧工商總公司 Animal Husbandry Corporation in Hunan Province	53,420.75	考慮償債能力全額計提 Full provisions made considering the ability to repay	收回貨幣資金 Currency funds recovered
合計 Total	53,420.75		

XVII. Notes to Major Items of the Parent Company's
 Financial Statements (Continued)

1. Accounts receivable (Continued)

(2) Bad debt provisions accrued, reversed (or recovered) in the current year

In the current year, the accrued bad debt provision was RMB-203,893.77 and the recovered or reversed bad debt provision was RMB53,420.75.

The bad debt provisions recovered or reversed in the current year include:

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
 Notes to the Financial Statements (continued)

十七. 母公司財務報表主要項目註釋
 (續)

1. 應收賬款(續)

(3) 按欠款方歸集的年末餘額前五名的應收賬款情況

單位名稱 Organization Name	金額 Amount	賬齡 Account Age	比例 Proportion (%)	壞賬準備年末餘額 End. Balance of Bad Debt Provision
山東新華醫藥貿易有限公司 Shandong Xinhua Pharmaceutical Trade Co., Ltd.	211,215,092.63	1年以內 Within 1 year	61.20	
山東新華製藥(歐洲)有限公司 Shandong Xinhua Pharmaceutical (Europe) BV	22,943,667.14	1年以內 Within 1 year	6.65	
拜耳醫藥保健有限公司 Bayer HealthCare Co., Ltd.	14,552,518.16	1年以內 Within 1 year	4.22	72,762.59
Mitsubishi Corporation	8,396,593.69	1年以內 Within 1 year	2.43	41,982.97
DASTECH INTERNATIONAL. INC.	6,233,933.91	1年以內 Within 1 year	1.81	31,169.67
合計 Total	263,341,805.53		76.31	145,915.23

XVII. Notes to Major Items of the Parent Company's Financial Statements (Continued)

1. Accounts receivable (Continued)

(3) Accounts receivable with the top five ending balances grouped by debtor

財務報表附註(續)
 Notes to the Financial Statements (continued)

十七. 母公司財務報表主要項目註釋
 (續)

2. 其他應收款

(1) 其他應收款分類

類別 Item	賬面餘額 Book Balance		年未餘額 End. Amount		賬面價值 Book Value
	金額 Amount	比例 Proportion (%)	金額 Amount	計提比例 Proportion of Provision (%)	
單項金額重大並單項計提壞賬準備的 其他應收款 Other receivables with significant individual amounts and bad debt provision accrued on single item					
按組合計提壞賬準備的其他應收款 Other receivables with bad debt provision accrued by group					
賬齡組合 Account age group	9,251,814.58	2.30	8,950,447.15	96.74	301,367.43
與交易對象關係組合 Group by relationship with transaction counterparty	366,576,391.94	91.23			366,576,391.94
特殊款項性質組合 Group by special account nature	26,000,000.00	6.47			26,000,000.00
組合小計 Group sub-total	401,828,206.52	100.00	8,950,447.15	2.23	392,877,759.37
單項金額雖不重大但單項計提壞賬準備的 其他應收款 Other receivables with insignificant individual amounts but accrued bad debt provision on single item					
合計 Total	401,828,206.52	100.00	8,950,447.15	2.23	392,877,759.37

XVII. Notes to Major Items of the Parent Company's
 Financial Statements (Continued)

2. Other receivables

(1) Classification of other receivables

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
 Notes to the Financial Statements (continued)

十七. 母公司財務報表主要項目註釋
 (續)

2. 其他應收款(續)

(1) 其他應收款分類(續)

類別 Item	賬面餘額 Book Balance 金額 Amount	年初餘額 Beg. Amount 比例 Proportion (%)	壞賬準備 Provision for Bad Debt		賬面價值 Book Value
			金額 Amount	計提比例 Proportion of Provision (%)	
單項金額重大並單項計提壞賬準備的 其他應收款 Other receivables with significant individual amounts and bad debt provision accrued on single item					
按組合計提壞賬準備的其他應收款 Other receivables with bad debt provision accrued by group					
賬齡組合 Account age group	16,198,505.11	4.10	9,007,537.93	55.61	7,190,967.18
與交易對象關係組合 Group by relationship with transaction counterparty	357,840,436.17	90.69			357,840,436.17
特殊款項性質組合 Group by special account nature	20,550,707.00	5.21			20,550,707.00
組合小計 Group sub-total	394,589,648.28	100.00	9,007,537.93	2.28	385,582,110.35
單項金額雖不重大但單項計提壞賬準備的 其他應收款 Other receivables with insignificant individual amounts but accrued bad debt provision on single item					
合計 Total	394,589,648.28	100.00	9,007,537.93	2.28	385,582,110.35

XVII. Notes to Major Items of the Parent Company's
 Financial Statements (Continued)

2. Other receivables (Continued)

(1) Classification of other receivables (Continued)

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
 Notes to the Financial Statements (continued)

十七. 母公司財務報表主要項目註釋
 (續)

2. 其他應收款(續)

(1) 其他應收款分類(續)

- 1) 組合中，按賬齡分析法計提壞賬準備的其他應收款

項目 Item	金額 Amount	年末餘額 End. Amount		計提比例 Provision Proportion (%)	金額 Amount	年初餘額 Beg. Amount	
		壞賬準備 Provision for Bad Debt	計提比例 Proportion (%)			壞賬準備 Provision for Bad Debt	計提比例 Proportion (%)
1年以內 Within 1 year	113,791.69	568.96	0.50	6,938,281.29	34,691.41	0.50	
1-2年 1-2 years	161,265.07	32,253.01	20.00	280,028.62	56,005.72	20.00	
2-3年 2-3 years	147,831.61	88,698.97	60.00	158,385.99	95,031.59	60.00	
3年以上 Over 3 years	8,828,926.21	8,828,926.21	100.00	8,821,809.21	8,821,809.21	100.00	
合計 Total	9,251,814.58	8,950,447.15		16,198,505.11	9,007,537.93		

- 2) 組合中，採用其他方法計提壞賬準備的應收賬款

- 2) Combined analysis of accounts receivable with provision for bad debts accrued

組合名稱 Name of Group	賬面餘額 Book balance	壞賬金額 Amount of Bad Debts
與交易對象關係組合 Group by relationship with transaction counterparty	366,576,391.94	
特殊款項性質組合 Group by special account nature	26,000,000.00	
合計 Total	392,576,391.94	

(2) 本年度計提、轉回(或收回)
 壞賬準備情況

本年計提壞賬準備金額-57,090.78元；本年無收回或轉回壞賬準備金額。

(2) Bad debt provisions and reversals (or recovery) in the current year

In the current year, the bad debt provision was RMB-57,090.78 and there was no recovered or reversed bad debt provision.

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
 Notes to the Financial Statements (continued)

十七. 母公司財務報表主要項目註釋
 (續)

2. 其他應收款(續)

(3) 其他應收款按款項性質分類
 情況

款項性質	Account Nature	年末餘額 End. Book Balance	年初餘額 Beg. Book Balance
備用金	Petty cash	348,619.06	568,653.22
應收及待抵扣稅款	Tax receivable and to be deducted	6,195,910.06	6,346,617.06
融資租賃保證金	Finance lease deposit	26,000,000.00	18,000,000.00
預付投資款	Advance investment funds		2,400,000.00
內部往來款	Inter office accounts	366,576,391.94	357,840,436.17
其他	Others	2,707,285.46	9,433,941.83
合計	Total	401,828,206.52	394,589,648.28

XVII. Notes to Major Items of the Parent Company's
 Financial Statements (Continued)

2. Other receivables (Continued)

(3) Other receivables classified by account nature

(本財務報表附註除特別註明外，均以人民幣元列示)
(Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)

Notes to the Financial Statements (continued)

十七. 母公司財務報表主要項目註釋
(續)

XVII. Notes to Major Items of the Parent Company's
Financial Statements (Continued)

2. 其他應收款(續)

2. Other receivables (Continued)

(4) 按欠款方歸集的年末餘額前五名的其他應收款情況：

(4) Other receivables with the top five balances as at the end of the year grouped by debtor:

單位名稱	金額	賬齡	佔總額比例	壞賬準備年 末餘額	性質或內容
Organization Name	Amount	Account Age	Proportion of the Total Amount %	End. Balance of Bad Debt Provision	Nature or Contents
新華製藥(壽光)有限公司 Xinhua Pharmaceutical (Shouguang) Co., Ltd.	230,000,000.00	3年以上 Over 3 years	57.24		內部往來 Internal transaction
新華(淄博)置業有限公司 Xinhua (Zibo) Real Estate Co., Ltd.	11,039,507.61	1年以內 Within 1 year	17.40		內部往來 Internal transaction
	10,921,416.17	1-2年 1-2 years			
	575,650.66	2-3年 2-3 years			
	47,376,017.17	3年以上 Over 3 years			
新華製藥(高密)有限公司 Xinhua Pharmaceutical (Gaomi) Co., Ltd	2,079,417.35	1年以內 Within 1 year	12.89		內部往來 Internal transaction
	43,318,647.73	1-2年 1-2 years			
	719,461.81	2-3年 2-3 years			
	5,675,590.44	3年以上 Over 3 years			
平安國際融資租賃有限公司 Pingan International Financial Leasing Co., Ltd.	8,000,000.00	1年以內 Within 1 year	6.47		融資租賃保證金 Security deposit for finance lease
	10,000,000.00	1-2年 1-2 years			
	8,000,000.00	2-3年 2-3 years			
淄博新華大藥店連鎖有限公司 Zibo Xinhua Drug Store Chain Co., Ltd.	5,001,317.42	1年以內 Within 1 year	3.39		內部往來 Internal transaction
	1,735.32	1-2年 1-2 years			
	1,711.57	2-3年 2-3 years			
	8,639,883.92	3年以上 Over 3 years			
合計 Total	391,350,357.17		97.39		

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
 Notes to the Financial Statements (continued)

十七. 母公司財務報表主要項目註釋
 (續)

XVII. Notes to Major Items of the Parent Company's
 Financial Statements (Continued)

3. 長期股權投資

3. Long-term equity investments

(1) 長期股權投資分類

(1) Classification of long-term equity investments

項目	Item	賬面餘額 Book Balance	年末餘額 減值準備 End. Balance Provision for Impairment	賬面價值 Book Value	賬面餘額 Book Balance	年初餘額 減值準備 Beg. Balance Provision for Impairment	賬面價值 Book Value
對子公司投資	Investment in subsidiaries	468,244,841.06		468,244,841.06	468,244,841.06		468,244,841.06
合計	Total	468,244,841.06		468,244,841.06	468,244,841.06		468,244,841.06

(2) 對子公司投資

(2) Investment in subsidiaries

被投資單位	Invested Entity	年初餘額 Beg. Balance	本年增加 Increase in Current Year	本年減少 Decrease in Current Year	年末餘額 End. Balance	本年計提 減值準備 Impairment Provision Accrued in Current Year	減值準備 年未餘額 Balance of Provision for Impairment as at the End of Year
山東新華醫藥貿易有限公司	Shandong Xinhua Pharmaceutical Trade Co., Ltd.	48,582,509.23			48,582,509.23		
濰博新華大藥店連鎖有限公司	Zibo Xinhua Drug Store Chain Co., Ltd.	2,158,900.00			2,158,900.00		
新華製藥(壽光)有限公司	Xinhua Pharmaceutical (Shouguang) Co., Ltd.	230,712,368.00			230,712,368.00		
新華製藥(高密)有限公司	Xinhua Pharmaceutical (Gaomi) Co., Ltd.	35,000,000.00			35,000,000.00		
山東新華醫藥化工設計有限公司	Shandong Xinhua Pharmaceutical Chemical Industry Design Co., Ltd.	3,037,700.00			3,037,700.00		
濰博新華-百利高製藥有限責任公司	Zibo Xinhua-Perrigo Pharmaceutical Company Limited	24,877,370.60			24,877,370.60		
山東新華製藥(歐洲)有限公司	Shandong Xinhua Pharmaceutical (Europe) Co., Ltd.	4,596,798.56			4,596,798.56		
新華(濰博)置業有限公司	Xinhua (Zibo) Real Estate Co., Ltd.	20,000,000.00			20,000,000.00		
濰博新華-中西製藥有限責任公司	Zibo Xinhua-Zhongxi Pharmaceutical Co., Ltd.	9,008,212.50			9,008,212.50		
山東新華製藥進出口有限責任公司	Shandong Xinhua Pharmaceutical Import and Export Co., Ltd.	5,500,677.49			5,500,677.49		
山東新華製藥(美國)有限責任公司	Shandong Xinhua Pharmaceutical (USA) Co., Ltd.	9,370,650.00			9,370,650.00		
山東新華機電工程有限責任公司	Shandong Xinhua Mechanical & Electrical Engineering Co., Ltd.	8,000,000.00			8,000,000.00		
山東濰博新達製藥有限公司	Shandong Zibo Xincat Pharmaceutical Company Limited	67,399,654.68			67,399,654.68		
合計	Total	468,244,841.06			468,244,841.06		

財務報表附註(續)

Notes to the Financial Statements (continued)

十七. 母公司財務報表主要項目註釋
(續)

XVII. Notes to Major Items of the Parent Company's
Financial Statements (Continued)

4. 營業收入、營業成本

4. Operating revenues and costs

項目	Item	本年發生額		上年發生額	
		Amount Incurred in Current Year		Amount Incurred in Previous Year	
		收入	成本	收入	成本
		Revenue	Cost	Revenue	Cost
主營業務	Main operation	2,294,261,935.87	1,688,411,267.75	2,052,470,595.34	1,611,863,972.61
其他業務	Other operation	54,811,875.50	58,847,083.97	44,809,265.90	50,010,749.79
合計	Total	<u>2,349,073,811.37</u>	<u>1,747,258,351.72</u>	<u>2,097,279,861.24</u>	<u>1,661,874,722.40</u>

5. 管理費用

5. Administrative expenses

(1) 明細表

(1) Detailed list

項目	Item	本年發生額	上年發生額
		Amount of Current Year	Amount of Previous Year
研發費用	R&D cost	144,044,474.32	96,670,857.79
職工薪酬	Payroll	79,160,887.96	62,969,403.54
稅金	Taxes		7,038,973.09
折舊費	Depreciation cost	16,612,423.20	14,215,726.16
無形資產攤銷	Amortization of intangible assets	5,654,142.58	5,820,380.24
倉庫經費	Warehouse expenses	7,152,038.77	7,699,145.36
業務招待費	Business entertainment expenses	2,986,487.70	2,998,089.56
辦公費	Office expenses	2,061,173.20	1,496,101.88
差旅費	Travel expense	1,700,064.25	1,315,027.44
水電汽費	Water, electricity and gas charges	3,630,458.58	2,621,505.53
商標使用費	Royalty fee of trademark	9,670,607.91	9,895,890.50
上市年費、審計費、 董事會費	Annual listing fee, audit fee, expenses of board of directors	2,860,940.62	3,408,287.15
修理費	Repair costs	3,209,324.28	4,018,627.47
其他	Others	28,981,693.86	32,933,793.66
合計	Total	<u>307,724,717.23</u>	<u>253,101,809.37</u>

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
 Notes to the Financial Statements (continued)

十七. 母公司財務報表主要項目註釋
 (續)

XVII. Notes to Major Items of the Parent Company's
 Financial Statements (Continued)

6. 財務費用

6. Financing expense

項目	Item	本年發生額 Amount of Current Year	上年發生額 Amount of Previous Year
利息支出	Interest expenditure	52,750,489.46	63,660,733.75
減：利息收入	Less: Interest income	2,328,049.33	3,902,304.60
加：匯兌損失	Add: Exchange loss	16,880,199.42	(16,598,770.51)
加：手續費支出	Add: Commission charges	3,623,349.12	5,402,322.03
加：融資租賃費用	Add: Finance lease expenses	6,779,100.99	5,892,836.61
合計	Total	77,705,089.66	54,454,817.28

7. 投資收益

7. Investment income

(1) 投資收益來源

(1) Source of investment gain

產生投資收益的來源	Source of investment gain	本年發生額 Amount of Current Year	上年發生額 Amount of Previous Year
持有可供出售金融資產期間 取得的投資收益	Investment gains for the financial assets available for sale held	5,976,853.71	7,765,601.50
子公司分紅	Dividends from subsidiaries	4,194,554.92	20,374,379.21
合計	Total	10,171,408.63	28,139,980.71

財務報表附註(續)

Notes to the Financial Statements (continued)

十七. 母公司財務報表主要項目註釋
(續)

7. 投資收益(續)

(2) 成本法核算的長期股權投資
收益

項目	本年發生額	上年發生額	本年比上年增減 變動的原因
Item	Amount of Current Year	Amount of Previous Year	Reasons for Increase/Decrease of the Current Year Compared with the Previous Year
淄博新華—百利高製藥有限責任公司 Zibo Xinhua-Perrigo Pharmaceutical Company Limited	1,503,000.00	2,505,000.00	分紅減少 Decrease in dividends this year
山東淄博新達製藥有限公司 Shandong Zibo Xincat Pharmaceutical Company Limited		17,869,379.21	本期未分紅 No dividends this year
山東新華製藥(歐洲)有限公司 Shandong Xinhua Pharmaceutical (Europe) B.V.	2,691,554.92		本期分紅 Dividends this year
合計 Total	4,194,554.92	20,374,379.21	

XVII. Notes to Major Items of the Parent Company's
Financial Statements (Continued)

7. Investment income (Continued)

(2) Long-term equity investment profit calculated by
cost method

(本財務報表附註除特別註明外，均以人民幣元列示)
 (Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)
 Notes to the Financial Statements (continued)

十七. 母公司財務報表主要項目註釋
 (續)

XVII. Notes to Major Items of the Parent Company's
 Financial Statements (Continued)

8. 母公司現金流量表補充資料

8. Supplementary information to the cash flow statement of
 the parent company

項目	Item	本年發生額 Amount of Current Year	上年發生額 Amount of Previous Year
1. 將淨利潤調節為經營活動現金流量：	1. Reconciliation of net profit to cash flows from operation activities:		
淨利潤	Net Profit	142,916,897.12	77,523,616.79
加：資產減值準備	Add: provision for impairment of assets	(1,678,301.55)	11,130,391.56
固定資產折舊	Depreciation of fixed assets	195,441,000.10	171,006,833.18
無形資產攤銷	Amortization of intangible assets	5,983,536.58	6,149,774.07
處置固定資產、無形資產和其他 長期資產的損失(收益以()填 列)	Loss from disposal of fixed assets, intangible assets and other long-term assets (gains to be listed in brackets)	(40,214,775.60)	(5,584,584.98)
固定資產報廢損失(收益以()號 填列)	Losses on retirement of fixed assets (gains to be listed in brackets)	15,399,038.68	746,678.34
公允價值變動損益(收益以()號 填列)	Profit or loss from changes in fair value (gains to be listed in brackets)		
財務費用(收益以()填列)	Financial expenses (gains to be listed in brackets)	67,282,467.31	66,043,610.32
投資損失(收益以()填列)	Investment loss (gain to be listed in brackets)	(10,171,408.63)	(28,139,980.71)
遞延所得稅資產的減少(增加以 ()填列)	Decrease of deferred income tax assets (increases to be listed in brackets)		
遞延所得稅負債的增加(減少以 ()填列)	Increase of deferred income tax liabilities (decreases to be listed in brackets)	5,351,644.51	(6,489,483.01)
存貨的減少(增加以()填列)	Decrease of inventory (increases to be listed in brackets)	(61,777,114.91)	(60,777,285.16)
經營性應收項目的減少(增加以 ()填列)	Decreases of operational receivables (increases to be listed in brackets)	(52,220,600.79)	78,702,878.18
經營性應付項目的增加(減少以 ()填列)	Increases of operational payables (decreases to be listed in brackets)	26,213,109.62	15,917,891.22
經營活動產生的現金流量淨額	Net cash flows from operating activities	292,525,492.44	326,230,339.80
2. 不涉及現金收支的重大投資和籌資 活動：	2. Significant investing and financing activities not related to cash receipt and payment:		
債務轉為資本	Conversion of debt into capital		
一年內到期的可轉換公司債	Convertible company bonds due within one year		
融資租入固定資產	Fixed assets acquired under finance leases	131,163,395.54	134,792,619.16

財務報表附註(續)

Notes to the Financial Statements (continued)

十七. 母公司財務報表主要項目註釋
(續)

8. 母公司現金流量表補充資料(續)

項目	Item	本年發生額 Amount of Current Year	上年發生額 Amount of Previous Year
3. 現金及現金等價物淨變動情況：	3. Net change in cash and cash equivalents:		
現金的期末餘額	End. balance of cash	457,664,695.99	358,666,787.39
減：現金的期初餘額	Less: Beg. balance of cash	358,666,787.39	191,940,435.73
加：現金等價物的期末餘額	Add: End. balance of cash equivalents		
減：現金等價物的期初餘額	Less: Beg. balance of cash equivalents		
現金及現金等價物淨增加額	Net increase in cash and cash equivalents	<u>98,997,908.60</u>	<u>166,726,351.66</u>

XVII. Notes to Major Items of the Parent Company's
Financial Statements (Continued)

8. Supplementary information to the cash flow statement of
the parent company (Continued)

十八. 財務報告批准

本財務報告由本公司董事會批准報出。

XVIII. Approval of Financial Reports

This financial report was approved by the Board of Directors of the Company.

(本財務報表附註除特別註明外，均以人民幣元列示)
(Monetary unit for the notes to these Financial Statements is RMB unless otherwise stated)

財務報表附註(續)

Notes to the Financial Statements (continued)

十九. 補充資料

1. 非經常性損益表

按照中國證券監督管理委員會《公開發行證券的公司信息披露解釋性公告第1號—非經常性損益(2008)》的規定，本公司2017年度非經營性損益如下：

項目 Item	本年發生額 Amount of Current Year	說明 Notes
非流動資產處置損益 Profits and losses from disposal of non-current assets	30,398,503.77	
越權審批或無正式批准文件或偶發性的稅收返還、減免 Tax refund, reduction and exemption under unauthorised approval, without official approval document or under occasional condition		
計入當期損益的政府補助 Government subsidy included in current profits and losses	19,111,569.75	
計入當期損益的對非金融企業收取的資金佔用費 Capital occupation fee charged from non-financial enterprises and included in current profits and losses		
除同公司正常經營業務相關的有效套期保值業務外，持有交易性金融資產、交易性金融負債產生的公允價值變動損益，以及處置交易性金融資產、交易性金融負債和可供出售金融資產取得的投資收益 In addition to the effective hedging related to normal businesses, losses and profits from changes in fair value for holding of trading financial assets and trading financial liabilities, and gains from dispose of trading financial assets, trading financial liabilities, and financial assets available for sale	6,026,908.54	
單獨進行減值測試的應收款項減值準備轉回 Reversal of provision for impairment of receivables subject to separate impairment test	58,420.75	
除上述各項之外的其他營業外收入和支出 Other non-Operating incomes or expenditures other than the above items	(4,461,495.02)	
小計 Subtotal	51,133,907.79	
所得稅影響額 Effect of income tax	8,131,395.38	
少數股東權益影響額(稅後) Impact on minority interest income (after-tax)	1,759,584.15	
合計 Total	41,242,928.26	

XIX. Supplementary Information

1. Non-recurring profit and loss statement

Based on provisions in *Explanatory Announcement No. 1 on Information Disclosure for Companies Offering Their Securities to the Public—Non-recurring Profit and Loss (2008)* issued by the China Securities Regulatory Commission, the non-operating profit and loss for the Company in 2017 is listed below:

十九. 補充資料(續)

2. 淨資產收益率及每股收益

按照中國證券監督管理委員會《公開發行證券的公司信息披露編報規則第9號—淨資產收益率和每股收益的計算及披露(2010年修訂)》的規定，本集團2017年度加權平均淨資產收益率、基本每股收益和稀釋每股收益如下：

報告期利潤	Profit for the Reporting Period	加權平均 淨資產收益率 Weighted Average ROE (%)	每股收益 Earnings per share (EPS)	
			基本每股收益 Basic EPS	稀釋每股收益 Diluted EPS
歸屬於母公司股東的淨利潤	Net profit attributable to shareholders of the parent company	9.70	0.45	0.45
扣除非經常性損益後歸屬於母公司股東的淨利潤	Net profit attributable to shareholders of the parent company after deducting non-recurring profit and loss	7.79	0.37	0.37

XIX. Supplementary Information (Continued)

2. Return on net worth and earnings per share

Based on provisions in *Explanatory Announcement No. 9 on Information Disclosure for Companies Offering Their Securities to the Public—Calculation and Disclosure of Rate of Return on Equity (ROE) and Earnings per Share (EPS) (Revised in 2010)* issued by the China Securities Regulatory Commission, the weighted average ROE, basic EPS and diluted EPS for the Group in 2017 are listed below:

3. 境內外會計準則下會計數據差異

同時按照香港會計準則與按中國企業會計準則披露的財務報表中淨利潤和淨資產差異情況：

3. Differences of accounting data between domestic and foreign accounting standards

Differences of net profit and net assets in the financial statements disclosed in accordance with Hong Kong Accounting Standards and PRC Accounting Standards:

項目	Item	淨利潤 Net Profit		淨資產 Net Assets	
		本年發生額 Amount of Current Year	上年發生額 Amount of Previous Year	本年年額 Amount of Current Year	上年金額 Amount of Previous Year
按香港會計準則歸屬母公司	Attributable to the parent company based on Hong Kong Accounting Standards	208,413,675.62	121,396,175.54	2,481,902,386.05	1,991,476,665.40
差異調整：	Difference adjustment:				
1. 教育準備金	1. Education reserves	1,386,154.83	1,029,851.93	(2,210,128.78)	(3,596,283.61)
2. 遞延所得稅影響	2. Impact of deferred income tax	(207,923.22)	(154,477.79)	331,519.32	539,442.54
差異調整小計	Subtotal of difference adjustment	1,178,231.61	875,374.14	(1,878,609.46)	(3,056,841.07)
按《企業會計準則》歸屬母公司	Attributable to the parent company based on Enterprise Accounting Standards	209,591,907.23	122,271,549.68	2,480,023,776.59	1,988,419,824.33

備查文件

DOCUMENTS AVAILABLE FOR INSPECTION

- | | | | |
|-----|---------------------------------------|-----|---|
| I | 載有董事長、財務負責人、財務資產部經理簽名並蓋章的會計報表。 | (1) | Financial statements signed and sealed by the Chairman of the Board, the financial controller of the Company and manager of the finance department. |
| II | 載有會計師事務所蓋章、註冊會計師簽名並蓋章的審計報告原件。 | (2) | Original audit report sealed by the accounting firm and signed and sealed by the Certified Public Accountants. |
| III | 報告期內在中國證監會指定報紙上公開披露過的所有公司文件的正本及公告的原稿。 | (3) | All original copies of the company's announcements and Company's documents publicly disclosed in newspapers designated by the CSRC in the reporting period. |
| IV | 本公司《公司章程》 | (4) | The Articles of Association of the Company. |



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