



Beijing Tong Ren Tang  
Chinese Medicine Company Limited  
北京同仁堂國藥有限公司

(Incorporated in Hong Kong with limited liability)

(於香港註冊成立之有限公司)

Stock code 股份代號: 3613

2021 年報  
Annual Report

炮製雖繁必不敢省人工  
 品味雖貴必不敢減物力

Processing and Preparation of Chinese medicine, our unique traditional pharmaceutical technique for Chinese medicine decoction pieces. "Processing" represents different processing techniques related to fire, while "Preparation" represents various processing methods such as Cut Drop methodology and Normal methodology. By considering the situation of "Yin and Yang deficiency" of human body, Qi and blood circulation, chills, fever, excess and deficiency of viscera, and impacts of climate, environment and daily life on human body, the processing and preparation techniques are used to adjust the properties of Chinese medicine according to specific diagnosis of patients, so as to reduce the toxic side effects, exert the best effects of Chinese medicine to human body, and attain safe and effective curing results.

中藥炮製是我國獨有的、製備中藥飲片的一門傳統製藥技術。「炮」代表各種與火有關的加工處理技術，「製」則代表各種更廣泛的加工處理方法，如切製、淨選加工等，通過綜合考慮人體陰陽盛衰，氣血及臟腑寒熱虛實，氣候、環境及生活起居對人體的影響，針對病人的具體病證，以炮製技術來調整中藥藥性，降低毒副作用，引導藥力直達病所，發揮藥物的最佳作用，達到安全有效的治療效果。

# 炮製

## Processing and preparation

of Chinese Medicine in the ancient and modern herbology

切製

Cut Drop Methodology

Cut into slices, parts, shreds and pieces with knives to be clean, hygienic and dust-free, mould-free, infestation-free and impurity-free.

用刀切成片、段、絲、塊，使其清潔衛生，無塵土灰渣無霉變，無蟲蛀，無其他雜物。

水製

Washing Methodology

Process Chinese medicines with water or other complementary liquids so as to clean, soften the Chinese medicines and adjust their properties. Commonly used are showing, washing, soaking, bleaching, dipping, moistening, levigating, etc.

水製這種方法即是用水或其他液體輔料處理藥材的方法。水製的目的主要是清潔藥物、軟化藥物、調整藥性。常用的有淋、洗、泡、漂、浸、潤、水飛等。

火製

Heat Methodology

Indirectly using fire to heat Chinese medicines and processing the Chinese medicines with or without complementary ingredients in order to remove the toxicity of Chinese medicines and change the medicinal properties, thereby enhancing curative effect and reducing potency.

間接用火加熱，加入不同輔料或不加輔料處理藥材，以除去藥物的毒性，改變藥物的性能，增強療效，緩和藥物的烈性。

淨製

Normal Methodology

Normal methodology is the first step of processing and preparation Chinese medicine decoction pieces, which also means screening and processing of Chinese herbs. The purpose of picking is to remove impurities and non-medical parts to reach purity standard. This procedure is important for ensuring the quality of Chinese medicine decoction pieces.

藥材的淨選加工，是中藥飲片炮製的第一步。目的就是清除雜質，去除非藥用部位，使藥物達到淨度標準，是保證中藥飲片質量的重要環節。



# Corporate Profile 公司簡介

In 1669, Beijing Tong Ren Tang was founded during the eighth year of Emperor Kangxi's reign during the Qing Dynasty. Starting in 1723, Beijing Tong Ren Tang exclusively provided Chinese medicine to the royal family for 188 years, spanning the reigns of eight emperors. Throughout history, Beijing Tong Ren Tang has always been nationally renowned in the Chinese medicinal industry. Over 353 years of dedication to quality medicinal products, we have continuously upheld our longstanding commitment to "Never cut corners on labour and quality, no matter how complex the process or how costly the materials". Our self-discipline is also seen from our motto: "Dedication comes from the heart in the steps that no one else can see". We are meticulous in our manufacturing process and strive for excellence, using superior crude materials and meticulous technical skill. Only the most effective, unique formulas are passed down and refined into our famed products.

*"Established as the sole Chinese medicine provider to royal families, Tong Ren Tang is an enduring national brand that has overcome various vicissitudes — from recessions to enemy invasions to the establishment of the People's Republic of China. Tong Ren Tang is a truly a historical symbol of quality and credibility."*

*Quote from "Tong Ren Tang: Inheritance and Development" by Bian Dong Zi*

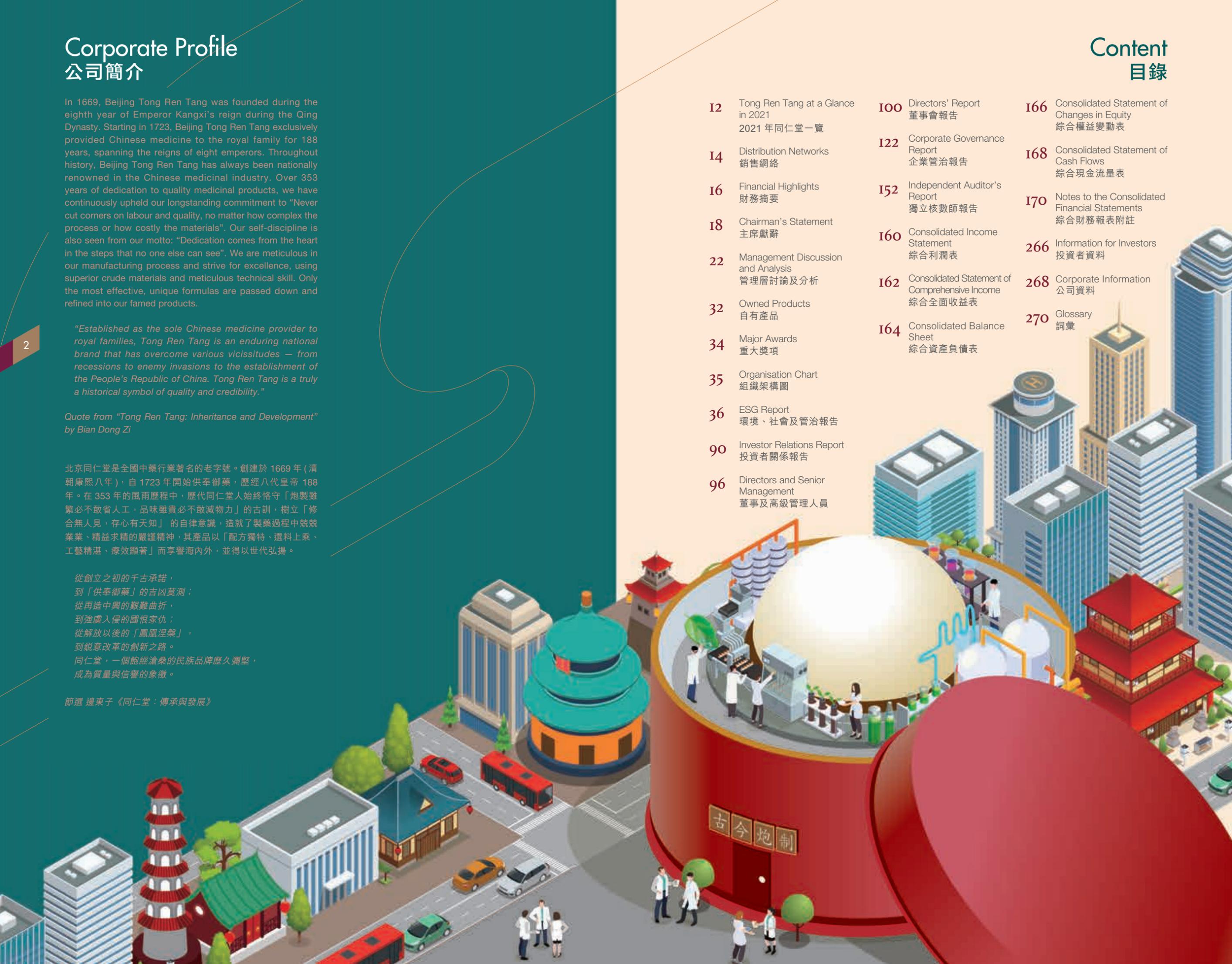
北京同仁堂是全國中藥行業著名的老字號。創建於 1669 年（清朝康熙八年），自 1723 年開始供奉御藥，歷經八代皇帝 188 年。在 353 年的風雨歷程中，歷代同仁堂人始終恪守「炮製雖繁必不敢省人工，品味雖貴必不敢減物力」的古訓，樹立「修合無人見，存心有天知」的自律意識，造就了製藥過程中兢兢業業、精益求精的嚴謹精神，其產品以「配方獨特、選料上乘、工藝精湛、療效顯著」而享譽海內外，並得以世代弘揚。

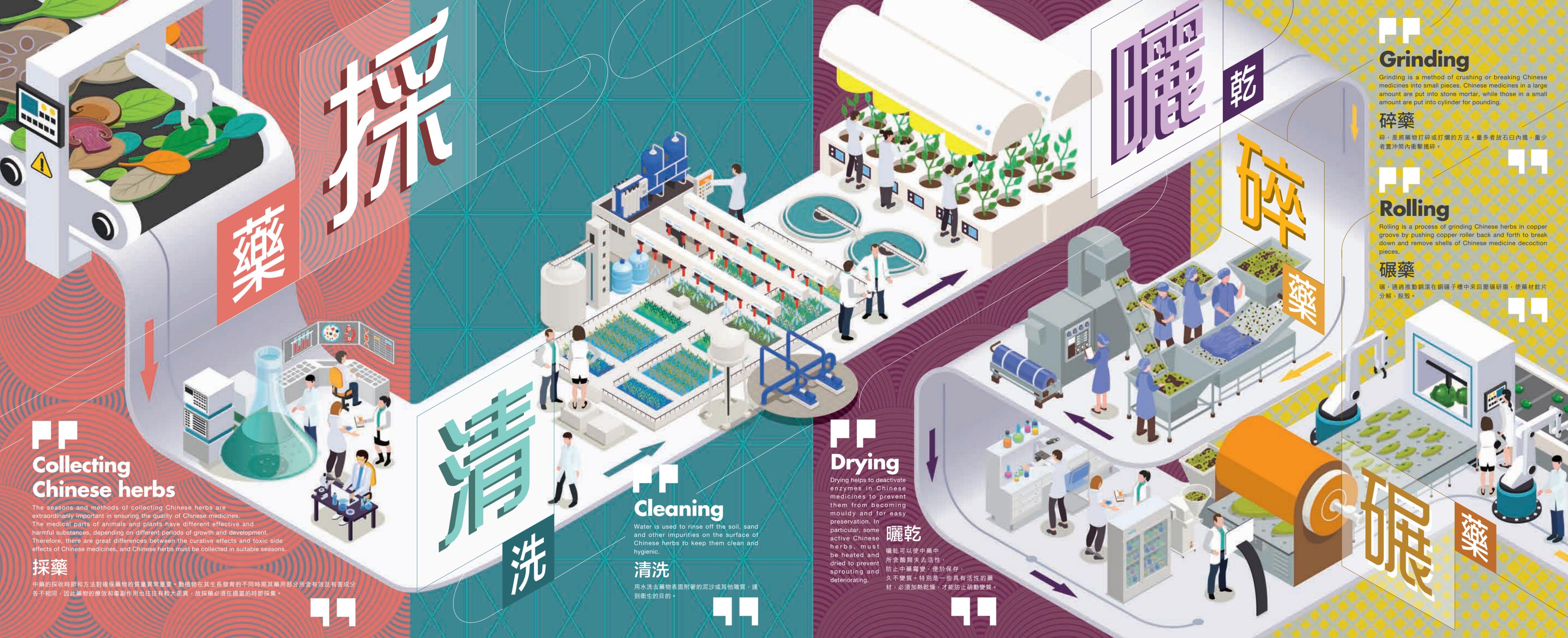
從創立之初的千古承諾，  
到「供奉御藥」的吉凶莫測；  
從再造中興的艱難曲折，  
到強虜入侵的國恨家仇；  
從解放以後的「鳳凰涅槃」，  
到銳意改革的創新之路。  
同仁堂，一個飽經滄桑的民族品牌歷久彌堅，  
成為質量與信譽的象徵。

節選 邊東子《同仁堂：傳承與發展》

# Content 目錄

|           |  |            |   |            |  |
|-----------|--|------------|---|------------|--|
| <b>12</b> | Tong Ren Tang at a Glance in 2021<br>2021 年同仁堂一覽 | <b>100</b> | Directors' Report<br>董事會報告                                | <b>166</b> | Consolidated Statement of Changes in Equity<br>綜合權益變動表     |
| <b>14</b> | Distribution Networks<br>銷售網絡                    | <b>122</b> | Corporate Governance Report<br>企業管治報告                     | <b>168</b> | Consolidated Statement of Cash Flows<br>綜合現金流量表            |
| <b>16</b> | Financial Highlights<br>財務摘要                     | <b>152</b> | Independent Auditor's Report<br>獨立核數師報告                   | <b>170</b> | Notes to the Consolidated Financial Statements<br>綜合財務報表附註 |
| <b>18</b> | Chairman's Statement<br>主席獻辭                     | <b>160</b> | Consolidated Income Statement<br>綜合利潤表                    | <b>266</b> | Information for Investors<br>投資者資料                         |
| <b>22</b> | Management Discussion and Analysis<br>管理層討論及分析   | <b>162</b> | Consolidated Statement of Comprehensive Income<br>綜合全面收益表 | <b>268</b> | Corporate Information<br>公司資料                              |
| <b>32</b> | Owned Products<br>自有產品                           | <b>164</b> | Consolidated Balance Sheet<br>綜合資產負債表                     | <b>270</b> | Glossary<br>詞彙   |
| <b>34</b> | Major Awards<br>重大獎項                             |            |   |            |  |
| <b>35</b> | Organisation Chart<br>組織架構圖                      |            |   |            |  |
| <b>36</b> | ESG Report<br>環境、社會及管治報告                         |            |   |            |  |
| <b>90</b> | Investor Relations Report<br>投資者關係報告             |            |   |            |  |
| <b>96</b> | Directors and Senior Management<br>董事及高級管理人員     |            |   |            |  |





# 藥

# 採

Collecting Chinese herbs

The seasons and methods of collecting Chinese herbs are extraordinarily important in ensuring the quality of Chinese medicines. The medical parts of animals and plants have different effective and harmful substances, depending on different periods of growth and development. Therefore, there are great differences between the curative effects and toxic side effects of Chinese medicines, and Chinese herbs must be collected in suitable seasons.

採藥

中藥的採收時節和方法對確保藥物的質量異常重要。動植物在其生長發育的不同時期其藥用部分所含有效及有害成分各不相同，因此藥物的療效和毒副作用也往往有較大差異，故採藥必須在適當的時節採集。

# 清 洗

Cleaning

Water is used to rinse off the soil, sand and other impurities on the surface of Chinese herbs to keep them clean and hygienic.

清洗

用水洗去藥物表面附著的泥沙或其他雜質，達到衛生的目的。

Drying

Drying helps to deactivate enzymes in Chinese medicines to prevent them from becoming mouldy and for easy preservation. In particular, some active Chinese herbs, must be heated and dried to prevent sprouting and deteriorating.

曬乾

曬乾可以使中藥中所含酶類失去活性，防止中藥霉變，便於保存，久不變質。特別是一些具有活性的藥材，必須加熱乾燥，才能防止萌動變質。

# 曬

# 乾

# 碎

# 藥

# 碾

# 藥

Grinding

Grinding is a method of crushing or breaking Chinese medicines into small pieces. Chinese medicines in a large amount are put into stone mortar, while those in a small amount are put into cylinder for pounding.

碎藥

碎，是將藥物打碎或打爛的方法。量多者放石臼內搗，量少者置沖筒內衝擊搗碎。

Rolling

Rolling is a process of grinding Chinese herbs in copper groove by pushing copper roller back and forth to break down and remove shells of Chinese medicine decoction pieces.

碾藥

碾，通過推動銅滾在銅碾子槽中來回壓碾研磨，使藥材軟片分解、脫殼。



## Sauteing

Sauteing is the process that putting the decoction pieces into hot pots for heating and stirring. It is easier for fried and dried Chinese herbs to be crushed and thus to produce prescriptions with reduced toxicity and enhanced curative effects. The properties, taste and odour of Chinese medicines can be altered by sauteing.

### 炒製

將乾燥後的藥片置鍋內用火加熱，不斷翻動至一定程度，稱為炒。藥物經過加熱後，使其乾燥，易於粉碎，便於製劑，減低毒性，增強藥物的療效，改變藥物的性能，並能達到矯臭矯味的作用。



# 炒製



## Stewing

Chinese herbs are boiled with water or liquid as well as appropriate amount of complementary ingredients according to specific instructions until all liquid is absorbed or no white core remains. Chinese herbs are then taken out of the pot for drying.

### 熬煉

取淨藥材加水或液體輔料共煮，輔料用量按照各品種炮製項下的規定，煮至液體完全被吸盡，或切開內無白心時，取出，乾燥。



# 煉

# 熬



## Steaming

The method of putting cleaned and selected Chinese herbs with or without complementary ingredients into containers and heating the Chinese herbs with steam or sitting the Chinese herbs over hot water is called steaming. Steaming changes the Chinese medicine properties and extends the use of Chinese medicines.

### 蒸煮

將淨選後的藥物加輔料或不加輔料(清蒸)裝入蒸製容器內用水蒸氣加熱或隔水加熱至一定程度的方法稱為蒸法。改變藥物性能，擴大用藥範圍。



# 膏貼



## Chinese Medicine Manufacturing

Various forms of Chinese medicine prescriptions such as pills, decoctions, tablets, ointments, etc. are manufactured from Chinese medicine decoction pieces which can be combined to form formulas based on theories of properties of Chinese medicine by different pharmaceutical processes.

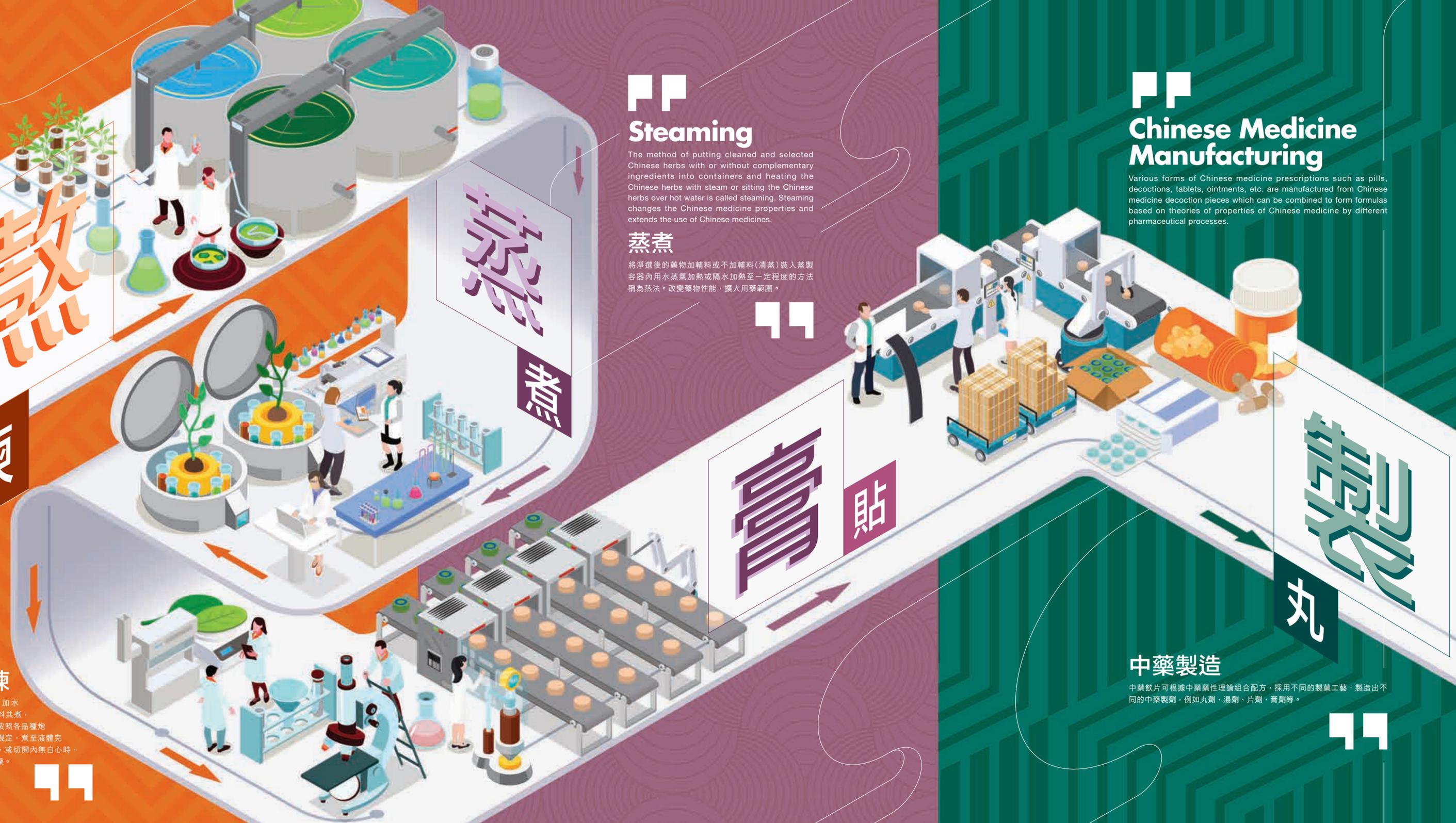
### 中藥製造

中藥飲片可根據中藥藥性理論組合配方，採用不同的製藥工藝，製造出不同的中藥製劑，例如丸劑、湯劑、片劑、膏劑等。



# 製丸

# 丸



# Tong Ren Tang at a Glance in 2021

## 2021 年同仁堂一覽

### February 二月

- Entered into the acquisition agreement of Beijing Tong Ren Tang WM Dianorm Biotech Co., Limited  
簽訂北京同仁堂麥爾海生物技術有限公司收購協議

### March 三月

- Invited renowned Chinese medicine practitioners, KOLs and product experts to organize a live-streaming event on the official Facebook page on Women's Day with the theme "Pamper Yourself and Beauty Blossom"  
邀請著名中醫師、網絡紅人及公司產品專家於婦女節當日在官方臉書舉辦主題為「寵愛自己綻放美麗」的直播活動

12



13

### May 五月

- Invited local KOLs to organize a live-streaming event with the theme of "Mother's Day" on the official Facebook page, and at the same time, designed a "One Heart, One Job" prize game, as well as launched the "Pamper the mothers with heartfelt gifts" promotion activities

邀請本地網絡紅人在官方臉書策劃舉辦「母親節」主題直播活動，同時設計「一心一意」有獎遊戲活動，以及開展「愛您寵您感恩賞」推廣活動

- The flagship online store of Tong Ren Tang was officially launched on the Tmall Hong Kong platform, and organized a series of activities, such as the Opening Day, the Brand's Day, the Free-shipping Day and the 618 Mid-Year Celebration which is collaborated with the official event planning and marketing schedule of Tmall  
於天貓香港平台開設的同仁堂旗艦店正式上線，配合天貓官方活動計劃及營銷日曆，策劃舉辦了開站慶、品牌日、包郵日、618年中慶等一系列活動

### August 八月

- Relocation of Aberdeen branch  
香港仔零售終端搬遷

### October 十月

- Opened one retail outlet in Causeway Bay, Hong Kong  
於香港銅鑼灣增設一家零售終端

- Coorganized with Sik Sik Yuen, a century-old charity in Hong Kong and launched "Show Love and Care to Stroke Prevention 2021", including live online lectures on stroke prevention of chinese medicine, promotion videos for stroke prevention, visits to prevention of stroke, free consultation services in retail outlets, and also online advertisements and outdoor bus advertisements etc.

與香港百年慈善團體「耆色園」合作舉辦「同仁關愛防中風2021」，包括中醫防中風線上直播講座、預防中風推廣視頻、防中風探訪活動、零售終端中醫義診服務、線上廣告及戶外巴士宣傳廣告等

### December 十二月

- Opened one retail outlet in Mongkok East Station, Hong Kong  
於香港旺角東站增設一家零售終端
- Opened one retail outlet in Dubai  
在迪拜增設一家零售終端

全球

拓展

Global  
Expansion



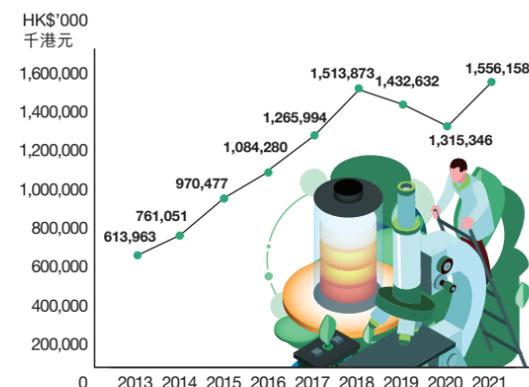
# Financial Highlights

## 財務摘要

### Revenue

收入

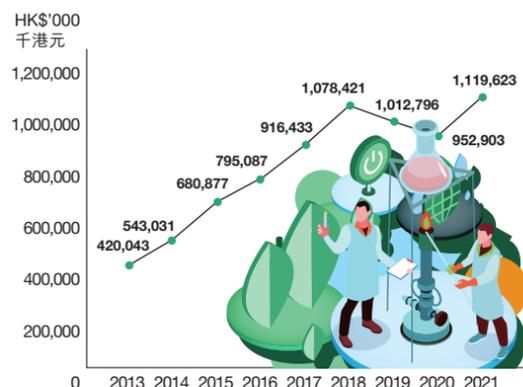
# 18.3%



### Gross Profit

毛利

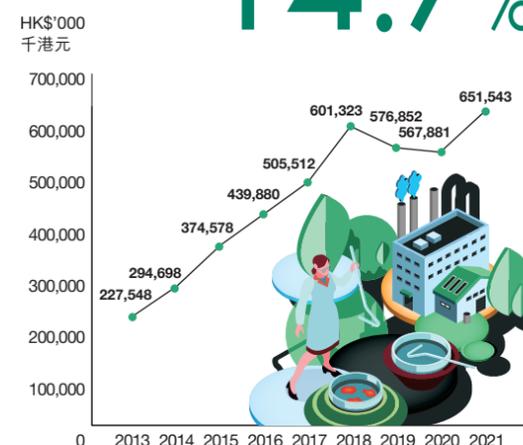
# 17.5%



### Profit for the Year

年度利潤

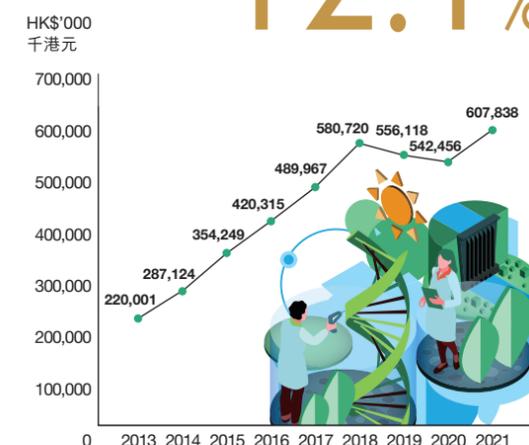
# 14.7%



### Profit Attributable To Owners of the Company

本公司擁有人應佔利潤

# 12.1%



The following is a summary of the published results and assets and liabilities of the Group for the past nine financial years.

以下為本集團過往九個財政年度的已公佈業績以及資產與負債摘要。

For the years ended 31 December 截至12月31日止年度

|   | 2021 HK\$'000<br>2021年 千港元 | 2020 HK\$'000<br>2020年 千港元 | 2019 HK\$'000<br>2019年 千港元 | 2018 HK\$'000<br>2018年 千港元 | 2017 HK\$'000<br>2017年 千港元 | 2016 HK\$'000<br>2016年 千港元 | 2015 HK\$'000<br>2015年 千港元 | 2014 HK\$'000<br>2014年 千港元 | 2013 HK\$'000<br>2013年 千港元 |
|---|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Revenue 收入  | 1,556,158                  | 1,315,346                  | 1,432,632                  | 1,513,873                  | 1,265,994                  | 1,084,280                  | 970,477                    | 761,051                    | 613,963                    |
| Gross profit 毛利   | 1,119,623                  | 952,903                    | 1,012,796                  | 1,078,421                  | 916,433                    | 795,087                    | 680,877                    | 543,031                    | 420,043                    |
| Profit before income tax 除所得稅前利潤                        | 778,391                    | 685,895                    | 689,222                    | 720,898                    | 610,966                    | 532,270                    | 456,614                    | 355,219                    | 271,466                    |
| Profit for the year 年度利潤                                | 651,543                    | 567,881                    | 576,852                    | 601,323                    | 505,512                    | 439,880                    | 374,578                    | 294,698                    | 227,548                    |
| Profit attributable to owners of the Company 本公司擁有人應佔利潤 | 607,838                    | 542,456                    | 556,118                    | 580,720                    | 489,967                    | 420,315                    | 354,249                    | 287,124                    | 220,001                    |
| Earnings per share (HK\$) 每股盈利 (港元)                     | 0.73                       | 0.65                       | 0.66                       | 0.69                       | 0.59                       | 0.50                       | 0.42                       | 0.35                       | 0.29                       |
| Dividend per share (HK\$) 每股股息 (港元)                     |                            |                            |                            |                            |                            |                            |                            |                            |                            |
| Final 末期  | 0.28                       | 0.24                       | 0.23                       | 0.23                       | 0.19                       | 0.16                       | 0.13                       | 0.10                       | 0.08                       |
| Special interim 特別中期                                    | -                          | -                          | 0.72                       | -                          | -                          | -                          | -                          | -                          | -                          |

As at 31 December 於12月31日

|                               | 2021 HK\$'000<br>2021年 千港元 | 2020 HK\$'000<br>2020年 千港元 | 2019 HK\$'000<br>2019年 千港元 | 2018 HK\$'000<br>2018年 千港元 | 2017 HK\$'000<br>2017年 千港元 | 2016 HK\$'000<br>2016年 千港元 | 2015 HK\$'000<br>2015年 千港元 | 2014 HK\$'000<br>2014年 千港元 | 2013 HK\$'000<br>2013年 千港元 |
|-------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Non-current assets 非流動資產      | 558,171                    | 484,022                    | 494,506                    | 424,621                    | 405,768                    | 398,176                    | 372,795                    | 312,890                    | 251,493                    |
| Current assets 流動資產           | 3,276,811                  | 2,932,947                  | 2,643,815                  | 2,746,464                  | 2,354,887                  | 1,956,646                  | 1,654,190                  | 1,319,651                  | 1,158,622                  |
| Total assets 總資產              | 3,834,982                  | 3,416,969                  | 3,138,321                  | 3,171,085                  | 2,760,655                  | 2,354,822                  | 2,026,985                  | 1,632,541                  | 1,410,115                  |
| Non-current liabilities 非流動負債 | 82,421                     | 70,843                     | 65,604                     | 5,927                      | 5,024                      | 4,694                      | 5,352                      | 4,675                      | 4,248                      |
| Current liabilities 流動負債      | 213,057                    | 216,616                    | 307,081                    | 140,931                    | 147,454                    | 122,891                    | 112,718                    | 91,005                     | 96,148                     |
| Total liabilities 總負債         | 295,478                    | 287,459                    | 372,685                    | 146,858                    | 152,478                    | 127,585                    | 118,070                    | 95,680                     | 100,396                    |
| Net assets 資產淨值               | 3,539,504                  | 3,129,510                  | 2,765,636                  | 3,024,227                  | 2,608,177                  | 2,227,237                  | 1,908,915                  | 1,536,861                  | 1,309,719                  |
| <b>Financial Metrics 財務指標</b> |                            |                            |                            |                            |                            |                            |                            |                            |                            |
| Gross profit margin 毛利率       | 71.9%                      | 72.4%                      | 70.7%                      | 71.2%                      | 72.4%                      | 73.3%                      | 70.2%                      | 71.4%                      | 68.4%                      |
| Net profit margin 純利率         | 41.9%                      | 43.2%                      | 40.3%                      | 39.7%                      | 39.9%                      | 40.6%                      | 38.6%                      | 38.7%                      | 37.1%                      |
| Current ratio 流動比率            | 15.4                       | 13.5                       | 8.6                        | 19.5                       | 16.0                       | 15.9                       | 14.7                       | 14.5                       | 12.1                       |
| Return on equity 股本回報率        | 18.4%                      | 18.1%                      | 20.9%                      | 19.9%                      | 19.4%                      | 19.8%                      | 19.6%                      | 19.2%                      | 17.4%                      |
| Return on assets 資產回報率        | 17.0%                      | 16.6%                      | 18.4%                      | 19.0%                      | 18.3%                      | 18.7%                      | 18.5%                      | 18.1%                      | 16.1%                      |
| Dividend payout ratio 派息比率    | 38.6%                      | 37.0%                      | 34.6%                      | 33.2%                      | 32.5%                      | 31.9%                      | 30.7%                      | 29.2%                      | 30.2%                      |

Note: There are changes in accounting policies in 2019 which the Group has elected to apply without restating comparative figures as permitted by the relevant financial reporting standards.

附註：本集團於2019年作出了會計政策變更，並根據相關財務報告準則允許下選擇不重述比較數據。

# Chairman's Statement 主席獻辭

Change is never easy.

Innovation is the correct way to pursue.

By maintaining integrity, bringing forth new ideas, strengthening the fundamentals and consolidating the origin, Tong Ren Tang still marches on the new journey of innovation and upgrade, strives to embrace new changes, insists in upholding its unique integrity, and contributes to secure global health with the newness in traditional Chinese medicine.

18

In 2021, the global economy was gradually recovering and the pandemic was becoming normalized, thereby reshaping the global interaction and business model extensively and profoundly. The extensive demand and in-depth knowledge of health from the public around the world were breaking down the barriers between the Chinese and Western healthcare sectors, making the global health demand truly became the most basic, most shared and fated common destiny for global prosperity and development.

## INNOVATION: EMBRACE NEW OPPORTUNITIES

From rampant pandemic to post-pandemic era to the normalization of the pandemic, as the global awareness of the coronavirus disease 2019 (the "COVID-19") pandemic continued to deepen, the normalized global demand for healthcare had intensified. The prominent role of TCM in the prevention and treatment of the pandemic had drawn the world's attention to this new healthcare option. TCM was once again recognized for its role in combating the common health threats to mankind, the opportunities for fostering the TCM culture and facilitating TCM development beyond China have come.

## INNOVATION: CREATE NEW PLATFORMS

Driven by the internet technology and the normalization of the COVID-19 pandemic, profound changes were brought to the global business model. From face-to-face business to digitalization, e-commerce had turned from a business hotspot to the norm. Amidst the pandemic, we opened our own online shopping mall, the Tmall Hong Kong flagship online store, and various cross-border live-streaming rooms, to allow more people to enjoy the convenience brought by technology, remove geographical barriers brought by the pandemic, and realize the important transition from traditional production and commercial retail model to new retail ecology-driven model.

易，是為不易。

新，乃成其正。

守正、創新、固本、培元。

同仁堂依然行進在創新升級的新征程上；

同仁堂依然拼搏在擁抱變化的新格局中；

同仁堂依然堅守著自己獨特之正，

為世界衛生健康共同體貢獻中醫中藥之新。

19

2021年，世界經濟正在逐步復蘇，疫情趨於常態化，對於世界交互、商業模式的重塑廣泛而深刻。世界民眾對於健康的廣泛需求和深度認知，正在打破中西健康領域的藩籬，讓世界健康需求，真正成為世界繁榮發展的最大基礎、最共同、最深沉的一致命運。

## 創新，擁抱新機遇

從疫情肆虐，到後疫情時代，再到疫情常態化，隨著世界對2019冠狀病毒病（「冠狀病毒」）疫情的認知不斷深入，世界對健康的常態化需求更加強烈。中醫藥在疫情防治上的突出作用，也使世界開始更加關注這一健康新選擇。中醫藥因為扛起對人類共同的健康威脅被再度認知，傳播中醫藥文化，拓展中醫藥境外發展新格局的機遇已經到來。

## 創新，打造新平台

互聯網技術驅動和冠狀病毒疫情常態化，給世界商業模式帶來了深刻變革。從面對面的商業到數字對數字的商業，線上經濟從商業風口成為身邊常態。疫情之下，我們開闢了自有網上商城、天貓香港旗艦店、多個跨境直播間，讓更多人享受技術帶來的便捷，打破由疫情帶來的地域距離，實現了傳統生產製造和商業零售模式向新零售生態驅動的重要轉換。



DING YONG LING

丁永玲

Chairman 主席

## INNOVATION: BRINGING NEW EXPERIENCES

New opportunities and new platforms bring new experiences. We unlocked the restrictions on traditional model to provide face-to-face and wholehearted services for our consumers. Starting with marketing innovation and reform, Tong Ren Tang created more applicable scenarios to communicate with consumers. We put forward new propositions from different demand perspectives to meet the demands for TCM. We were also shifting towards a demand-driven approach by organizing live-streaming, interaction sessions, seminars and events, as well as adopting other new measures to improve service experience, thus seamlessly satisfying the demand and generating new motivation.

## PROSPECTS

Although the global economic recovery is still difficult and the recovery of Hong Kong economy still has a long way to go, the world is becoming more and more connected and the desire for healthiness from people around the world has become a realistic prerequisite for revitalizing global development. In the face of such major healthcare crisis, TCM has proven its ability to be the guardian and protector of global healthcare during the pandemic.

As a family, we share weal and woe. We are united in healthcare, in development, in business and also in the world. In such changing global economic environment, China will continue to deepen its all-round and deep-rooted reform and opening-up. Sharing common destiny for the whole world, traditional Chinese medicine will continue to be closely united with the global healthcare sector. The world needs health. Global development and prosperity in the future lie with public health. TCM, which has been proven efficacy for thousands of years, acts as a new contribution from China to global healthcare and a new option for people around the world. It is expected that internationalization of TCM has bright and promising prospects.

## ACKNOWLEDGEMENT

On behalf of the Board, I would like to express our sincere gratitude and appreciation to all employees both at home and abroad for their loyalty, selflessness, passion, commitment and efforts, our utmost salute to Tong Ren Tang's employees on the frontline of innovation and development, and to our shareholders, customers, business partners and local governments who always back Tong Ren Tang's international business for their support.

**Ding Yong Ling**  
Chairman  
Hong Kong, 9 March 2022

## 創新，提供新體驗

新機遇，新平台，都是為了提供新體驗。我們解開傳統模式的鎖鏈，更多與消費者面對面、心連心。以行銷創新改革為起點，同仁堂有了更多與消費者溝通的應用場景，從更多需求角度出發，探索滿足中醫藥健康需求新命題。直播、互動、講座、活動，更多旨在提高服務體驗的新舉措，正在為我們實現需求導向，不斷與需求無縫對接，產生新能量。

## 展望

儘管世界經濟回暖依然困難重重，香港經濟回復依然任重道遠，但世界越來越緊密，世界人民越來越渴望健康的心願，已經成為重振世界發展的現實前提。中醫藥，也在對抗疫情的重大突發衛生健康考驗中，證明了自己足以擔當世界健康共同命運的守護者、護航人。

同氣連枝，休戚與共，健康如此，發展如此，事業如此，世界一樣如此。在充滿變化的世界經濟格局中，中國還會持續深化全方位、深層次改革開放，在充滿一致的世界健康命運中，中醫藥不斷與世界各國健康衛生緊密團結起來。世界需要健康，世界發展依靠健康，世界繁榮離不開健康，中醫藥是被千年驗證的健康智慧，是中國對於世界健康的新貢獻，是我們提供給世界人民的健康新選擇。中醫藥國際化前景廣闊，未來可期。

## 致謝

我謹代表董事會對全體員工的忠誠、無私、激情、奉獻、奮鬥、向所有堅守在同仁堂國藥創新發展一線的成員們致以最崇高的敬意！向始終與同仁堂國際化事業站在一起的股東、客戶、業務合作夥伴和地方政府的支持表示最衷心的感謝！

丁永玲  
主席  
香港，2022年3月9日



# Management Discussion and Analysis

## 管理層討論及分析

### BUSINESS REVIEW

#### Overview

Since its foundation in 1669, Tong Ren Tang has been passed down for 353 years, yet is committed to uphold its corporate spirit of "Nurturing kindness and virtue, Preserving tranquility and wellness". We adhere to maintaining general health worldwide as our development vision and promoting TCM for the sake of public health as our original mission. With decades of international development and by maintaining integrity and encouraging innovation, Tong Ren Tang has become renowned globally and acts as a bridge for the world to learn more about traditional Chinese medicine.

In 2021, the Group managed to seize favorable development opportunities. Seeking new progress and making new advances, we relied on innovation as the core driving force to promote our development and transformation, and achieved business growth with strategic innovation, platform innovation, carrier innovation and service innovation.

During the Year, the Group continued to focus on Hong Kong as its core market and strengthened its online and offline platforms to enhance its exposure and meet more consumer demands. In addition to opening new retail outlets, the Group promoted the construction of online platforms and carriers, improved the functions of its online flagship store, its own e-commerce marketplaces and cross-border e-commerce platforms, and actively adapted to the changes in business models brought about by the normalization of the pandemic. The Group has fully implemented the reform of its marketing system and tapped into omnimedia channels such as television, printed media, social media and live-streaming, so as to promote its brand names, products and culture, effectively increase the reach rate and provide high-quality products and services as its first initiative. By promoting management reform, streamline of workforce, cost reduction and enhancement of efficiency, we are devoted to promote high quality development with high quality management.

During the Year, the Group recorded a revenue of HK\$1,556.2 million (2020: HK\$1,315.3 million) with a year-on-year increase of 18.3%. Net profit reached HK\$651.5 million (2020: HK\$567.9 million) with a year-on-year increase of 14.7%. Profit attributable to owners amounted to HK\$607.8 million (2020: HK\$542.5 million) with a year-on-year increase of 12.1%. Earnings per share amounted to HK\$0.73 (2020: HK\$0.65), with a year-on-year increase of HK\$0.08. The Board recommended the payment of a final dividend of HK\$0.28 per share (2020: HK\$0.24).

#### Retail Network

##### 零售網絡

|    |                |   |                 |   |                              |
|----|----------------|---|-----------------|---|------------------------------|
| 7  | Australia 澳大利亞 | 5 | Macao 澳門        | 1 | Sweden 瑞典                    |
| 1  | Brunei 汶萊      | 3 | Malaysia 馬來西亞   | 1 | Thailand 泰國                  |
| 1  | Cambodia 柬埔寨   | 8 | New Zealand 新西蘭 | 1 | The Netherlands 荷蘭           |
| 7  | Canada 加拿大     | 1 | Poland 波蘭       | 2 | The United Arab Emirates 阿聯酋 |
| 23 | Hong Kong 香港   | 4 | Singapore 新加坡   | 4 | United States 美國             |

### 業務回顧

#### 概覽

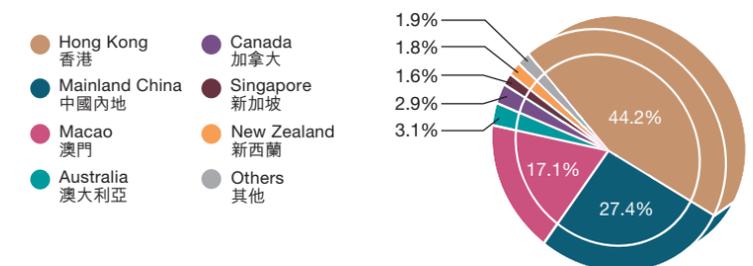
同仁堂自1669年創立，歷經353年傳承，秉持「同修仁德，濟世養生」的企業精神，以創造健康，全球共用為發展願景，在服務世界健康共同命運中踐行中醫藥的初心使命。幾十年守正創新的國際化發展，使同仁堂享譽國際，成為了世界了解中醫藥鮮活的視窗。

2021年，本集團抓住有利發展契機，謀新篇，開新局，將創新作為推進企業發軔轉型的核心動力，以戰略創新、平台創新、載體創新、服務創新打開事業發展新局面。

本年內，本集團繼續深耕香港核心市場，加大線上線下並行力度，提升曝光率，滿足更多消費需求。除開設線下新零售終端外，本集團大力推進線上平台和載體建設，完善線上旗艦店、自有電商平台、跨境電商平台功能，積極適應疫情常態化帶來的商業模式變革；全面推行行銷體制機制改革，全方位進入全媒體管道，如電視、報刊、社交媒體、直播等，強化品牌、產品、文化聯動輸出，有效提升觸達觸及率，做好產品服務前半篇文章；推進管理改革，精兵簡政，降本增效，以高品質管理，助力高品質發展。

本年，本集團實現收入1,556.2百萬港元（2020年：1,315.3百萬港元），同比增長18.3%；實現淨利潤651.5百萬港元（2020年：567.9百萬港元），同比增長14.7%；擁有人應佔利潤實現607.8百萬港元（2020年：542.5百萬港元），同比增長12.1%；每股盈利為0.73港元（2020年：0.65港元），同比增加0.08港元。董事會建議派付末期股息每股0.28港元（2020年：0.24港元）。

#### Revenue by country/region in 2021 2021年國家/地區收入分佈



## Hong Kong Market

In 2021, the Hong Kong market has been affected by the COVID-19 epidemic. There are still stringent inbound control measures in Mainland China, Hong Kong and Macao, thereby severely reducing the number of visitors to Hong Kong. As a result, Hong Kong's retail market remained difficult. With the gradual lifting of Hong Kong's local anti-epidemic measures in the second quarter of the Year and the issuance of consumer vouchers to Hong Kong citizens by Hong Kong Government in the middle of the Year to stimulate local consumption, the local consumer sentiment has been improved. During the Year, our revenue from Hong Kong market amounted to HK\$688.4 million (2020: HK\$546.4 million) with a year-on-year increase of 26.0%. Our same-store revenue increased by 13.6%. During the Year, there were 23 retail outlets in Hong Kong, representing a net increase of 1 retail outlet as compared to last year.

## Non-Hong Kong Market

During the Year, the Group's business network covered major countries and regions in Asia, Oceania, North America and Europe with 46 retail outlets, representing a net decrease of 1 retail outlet as compared to last year. The Delta variant of COVID-19 rapidly swept the world since its emergence in the second quarter of the Year. Its strong infectious power makes various countries and regions once again got into an adverse situation of the outbreak. In the second half of the Year, the epidemics in Australia, New Zealand, Europe, North America and Southeast Asia have reappeared or have been worsened. Almost all overseas markets in which the Group operated have been hit hard by those tightened anti-epidemic measures such as lockdowns. Due to limited operations or suspension of business, the operating performance of most overseas retail outlets has been severely affected. In adversity, the Group turned the crisis into an opportunity. In order to resolve the epidemic crisis, we actively explored new ways of TCM services to control the worldwide epidemic. When the fundamentals were showing signs of depression, the performance of the non-Hong Kong market was strong against the trend. During the Year, the Group's revenue from overseas market amounted to HK\$441.3 million (2020: HK\$337.9 million) with a year-on-year increase of 30.6%. Our same-store revenue increased by 24.6%.

As for the market in Mainland China, the economy has been recovering steadily. TCM, which played a key role in the prevention and control of the epidemic, was highly recognised for its remarkable effects on boosting immunity and preventing and controlling the epidemic. During the Year, our revenue from Mainland China market amounted to HK\$426.4 million (2020: HK\$431.0 million), remaining stable with a slight year-on-year decrease of 1.1%.

## Production and Research and Development

The Group kept focusing on its core business, while stepping up efforts in production quality management and technological innovation, enhancing its development on product portfolios, and coordinating its planning and strategical layout. Apart from that, the Group also strengthened its talent training and boost up its production efficiency, with the aim to consolidate its foundation for further improvement and upgrade of the Group's industrial production capacity.

The Group's Production and R&D Base in Tai Po, Hong Kong obtained the GMP (Good Manufacturing Practice) for Proprietary Chinese medicine certification, International Standard ISO22000 certification and the HACCP (Hazard Analysis and Critical Control Points) certification. The Group endeavored to establish and improve its quality control system which covered the whole cycle from project initiation, research and development, procurement of raw materials to production and supply, so that full guarantee for the production of quality products could be provided.

We will continue to develop new products in line with the development trend in general health in order to meet the extensive market demand for regulating body functions and preventing diseases. Highlighting the Group's innovation in technology, 5 new products were examined and granted registration certificates for proprietary Chinese medicines during the Year, which further enriched the product offering of the Company. With a focus on core varieties, greater efforts were put into the development of independent intellectual property rights which involved invention patents, utility models, appearance, copyrights, authorship, and etc. While expanding to the overseas market, Tong Ren Tang continuously accumulated independent intellectual property rights, explored global patents layout and applied rules of international intellectual property rights in order to protect and enrich the core values of Tong Ren Tang's products. As at 31 December 2021, a total of 56 patents were granted (including patents in the Mainland China and Hong Kong) and 2 applications for international PCT (Patent Cooperation Treaty) patents were commenced. In addition, the Group proceeded to file copyrights applications and received 33 registration certificates of works in respect of all applications, which provided sufficient protection for the dominant products of Tong Ren Tang.

## 香港市場

2021年香港市場仍然受冠狀病毒疫情影響，中國內地及港澳地區仍維持嚴謹的入境管制措施，訪港旅客大幅降低，香港零售業仍然困難。隨著本年第二季香港本地防疫措施逐步放寬及本年中香港政府向香港市民發放消費券刺激本地消費，燃起本地消費氣氛。本年，香港市場收入為688.4百萬港元（2020年：546.4百萬港元），同比增長26.0%，而同店收入增長達13.6%。本年，香港零售終端23家，較上年淨增加1家。

## 非香港市場

本年，本集團業務網路覆蓋亞洲、大洋洲、北美洲、歐洲主要國家及地區，擁有零售終端46家，較上年淨減少1家。自新冠Delta變種病毒於今年第二季度出現後，快速席捲全球，其強大的傳染力使眾多國家和地區再度陷入疫情爆發局面。本年下半年，澳洲、新西蘭、歐洲、北美、東南亞地區疫情仍然反覆或加重，封城鎖國、各種嚴厲防疫措施再度出現，影響幾乎波及本集團所有在境外涉足的市場，海外大部分零售終端只能進行有限經營或暫停營業，經營遭受重大衝擊。在逆境下，本集團化危為機，衝破疫情危局困境，積極探索中醫藥服務國際疫情新方式，在基本面臨趨勢盡現之時，實現非香港市場業績逆勢上揚。本年，本集團來自海外市場的收入為441.3百萬港元（2020年：337.9百萬港元），同比增長30.6%，而同店收入增長達24.6%。

在中國內地市場方面，中國內地經濟穩步復甦，中醫藥在疫情防控方面發揮關鍵作用，對提升免疫力及疫情防治效果顯著，備受認可，本年中國內地市場收入達426.4百萬港元（2020年：431.0百萬港元），保持平穩，同比小幅下跌1.1%。

## 生產及研發

本集團持續緊抓核心業務，在生產品質管理及科技創新方面著力，加強品種開發、統籌規劃佈局，加強人才培養，提高生產效能，為本集團工業產能進一步優化及提升奠定基礎。

本集團位於香港大埔的生產研發基地持有香港中成藥GMP（生產質量管理規範）認證、國際標準ISO22000認證以及HACCP（危害分析中藥管制制）認證，致力於建立和提升從立項、研發、原料採購到生產、供應全過程品質控制體系，為高質量產品生產提供全面保障。

隨著大健康領域發展趨勢，我們繼續開展新產品開發工作，以迎合調節人體機能、防病未然的廣泛市場需求。集團科技創新方面突出，本年共有5個新產品通過審批獲得中成藥註冊證，進一步豐富了公司品種資源。圍繞核心品種，加強涉及發明專利、實用新型外觀，以及版權、著作等自主知識產權開發工作。在同仁堂海外拓展的同時，不斷積累自主知識產權，並探索全球專利佈局，運用國際知識產權規則，保護並豐富同仁堂產品核心價值。於2021年12月31日，累計獲授權的專利共有56件（包括中國內地、香港專利）及開展PCT國際申請2件，此外還開展了著作權的申請，33件已獲得作品登記證書，為同仁堂的優勢品種樹起了良好的保護屏障。



## Brand promotion

The Group upholds the corporate spirit of “Nurturing kindness and virtue, Preserving tranquility and wellness”, and thoroughly puts the idea of general health services into practice. Although we were still affected by the COVID-19 epidemic during the Year, the Group actively launched a series of brand promotion activities and strived to enhance brand influence of Tong Ren Tang in Hong Kong and overseas, with a high sense of mission and responsibility, devoting itself to the general health business of TCM service and facilitating the dissemination of TCM culture and the brand culture of Tong Ren Tang.

In order to cater to an increase in public demand for health and wellness with the epidemic, the Group focused on developing a large variety of marketing plans, opening up a brand new experience in innovative marketing through diversified platforms and marketing approaches this Year. To align with the Consumer Voucher Scheme implemented by the Hong Kong Government, the Group devised multiple rounds of promotional activities as well as filmed and produced its consumer vouchers videos, and also released information on mainstream media and social platforms, as a result increasing both target audience of its products and the frequency of exposure, thereby effectively realizing the promotional effects of its products and brand. At the same time, the Group stimulated and drove consumption, which in turn contributing to local economic recovery.

The Group actively modified the retail marketing model and devoting additional resources to online marketing. The Group established its presence on the official Tmall (天貓) Hong Kong platform by setting up a flagship online store of Tong Ren Tang in Hong Kong. The Group actively collaborated with the official marketing schedule and designed its own marketing activities on Tmall with an increase in its marketing efforts both on and outside the platform, thus achieving continuous sales growth and significant increase in product browsing volume and quantity of orders from customers, etc. at Opening Day, the 618 Mid-Year Celebration, 99 Big Promotion Day, Double 11 Shopping Festival, etc., ranking top among healthcare products on the platform. Also, during the Year, we launched live-streaming marketing events on online platforms several times, cultivated internal KOLs network celebrities and invited Chinese medicine practitioners to introduce Tong Ren Tang products, interacted with netizens, answered related health and wellness questions, thereby accumulating many Tong Ren Tang die-hard fans; in cooperation with Sino United Publishing (Holdings) Limited, the Group produced an online TCM course currently available on the Internet. The Group invited famous doctors to share the causes of stroke and ways of prevention; the Group joined the Big Big Shop platform and its live-streaming marketing programme on a television show, yielding desirable marketing effects, and ultimately enhancing brand influence of Tong Ren Tang in the local market. Besides, we made bigger efforts to promote our best-known products in Hong Kong continuously. With the respective themes of “Protecting the Most Precious Heart with the Most Precious Ingredients” for Angong Niu Huang Wan and “Better Immunity Better Health” for Sporoderm-broken Ganoderma Lucidum Spores Powder Capsules, TV as well as bus and tram body advertisements were placed. Buses and trams travel around various busy areas, gaining much wider product recognition.

During the Year, in active response to a call for actions, we fulfilled our social responsibility of a century-old pharmaceutical company during the epidemic period by taking part in a series of “Medical Services to the Community” (醫療服務進社區) events held by the Beijing-Tianjin-Shanghai Branch of the Hong Kong Chinese Enterprises Association to provide free medical consultation services and medicines, sponsor events in various Kowloon districts and donated more than 1,000 sets of health supplements and protective masks. We offered free medical consultation services from Chinese medicine practitioners for over 400 citizens in the two communities of Lei Yue Mun and Sham Shui Po, passing care to the grassroots of the community. The Group has launched campaigns focusing on a theme of “Show Love and Care to Stroke Prevention”. We cooperated with a century-old charity Sik Sik Yuen in Hong Kong on the “World Stroke Prevention Day” to visit the elderly in the community, give them care packages for stroke prevention and hold health seminars, taking up social responsibility during the epidemic period and bringing the Tong Ren Tang’s concept of Benefiting Mankind and Preserving Health and the TCM diagnosis and treatment solutions to the general public of Hong Kong.

In addition, the Group set up retail outlets on Matheson Street, Causeway Bay and at Mong Kok East MTR station in Hong Kong this Year, which penetrated into communities, commercial areas and densely populated areas. Different from traditional retail outlets, the new retail outlets adopt modern decoration style, product display and store decoration, etc., for attracting customers with a brand-new image, accelerating the pace of local expansion and providing citizens with more convenient TCM services and more product selection.

The Group’s outstanding brand image and excellent product quality were also widely recognized and appreciated by the market. During the Year, the Group had received a number of awards, which demonstrated the success in internationalization of the “Tong Ren Tang” brand, including the “Star Merchant Award 2021 (Retail Category)” from the Macao SAR Government Consumer Council and the Macao SAR Government Tourism Office, the “2021 Best Certified Shop” and “2021 Excellent Certified Shop” by the Macao SAR Government Consumer Council, the “Chinese Medicine Industrial Award 2020-2021 — Outstanding Contributions in Chinese Medicine” by Chinese Medicine Industry Council of Australia Ltd, the “Most Influential Brand in Asia 2021: Traditional Chinese Medicine — Most Trustworthy Brand” by Influential Brands in Singapore, and “01 Gold Medal Award 2021 — Outstanding Chinese Medicine Brand” by HK01 Company Limited.

## 品牌宣傳與推廣

本集團秉持「同修仁德 濟世養生」的企業精神，深入貫徹大健康服務理念，本年度雖繼續受到新冠疫情影響，但仍積極開展一系列品牌宣傳及推廣活動，努力提升同仁堂品牌於香港本地及海外的影響力，以高度的使命感和責任感投身中醫藥服務大健康事業中，推動中醫藥文化及同仁堂品牌文化的傳播。

本年，本集團針對疫情之下民眾對健康養生需求的增加，重點圍繞大品種開展營銷規劃，並通過多元化的平台和營銷手段，開啟創新營銷全新體驗。本集團配合香港政府消費券計劃，設計多輪優惠促銷活動，拍攝製作消費券視頻，於主流媒體及社交平台發佈資訊，擴大產品受眾範圍，提高曝光頻次，有效實現了產品及品牌的宣傳效果，同時刺激消費意願，拉動消費能力，推動本地經濟復甦。

本集團積極轉變零售營銷模式，加大線上資源投放，成功入駐天貓香港平台，開設同仁堂香港旗艦店，積極配合官方營銷日曆及設計自有營銷活動，加大站內外投放力度，於開站慶、618年中慶、99大促、雙十一購物節等實現銷售持續增長，產品流覽量、客單量等均有大幅提升，穩居平台保健品品類前列。同時，本年內我們多次於線上平台進行直播推廣，培養內部KOL網絡紅人並邀請中醫師推介同仁堂產品，與網友互動，解答相關健康養生問題，積累了眾多同仁堂鐵桿粉絲；與聯合出版集團有限公司合作錄製的中醫線上課程已全新上線；參與BigBigShop平台及其電視節目上直播帶貨活動，取得良好的營銷效果，提升同仁堂品牌在本地市場的影響力。此外，我們繼續加大力度於香港推廣皇牌產品，安宮牛黃丸以「以最珍貴 守護最珍貴」及破壁靈芝孢子粉膠囊以「免疫力好 健康自然好」為主題，投放電視廣告及巴士及電車車身廣告，巴士及電車在鬧市穿梭遊走各地區，大力提升產品的認知度。

本年，我們積極響應號召，於疫情期間履行百年藥企的社會責任，參與由中企協京滬滬分會主辦的多場「醫療服務進社區」活動，贈醫施藥，贊助九龍各區活動，捐贈保健藥品及防護口罩千餘份，為鯉魚門和深水埗兩個社區400餘位市民提供中醫義診服務，向社區基層傳遞關愛。本集團繼續重點圍繞「同仁關愛防中風」主題開展活動，於「世界防中風日」與香港百年慈善團體善色園合作，探訪社區長者，為其贈送預防中風關愛包，並開展健康講座，承擔起疫情期間的社會責任，將同仁堂濟世養生的理念及中醫藥的健康診療方案帶給香港民眾。

此外，本年本集團於香港增設銅鑼灣勿地臣街及旺角東地鐵站零售終端，深入社區、商業地段及人流密集區域，有別於傳統零售終端，新零售終端通過現代裝修風格、產品陳列、店內裝飾等，以煥然一新的形象開張納客，加快於本地的拓展速度，為市民提供更便捷的中醫藥服務及更多產品選擇。

本集團卓越的品牌形象和優秀的產品品質亦受到市場廣泛認可及讚譽。本年，本集團榮獲多個獎項，包括澳門特別行政區政府消費者委員會與澳門特別行政區政府旅遊局頒發的「2021年星級服務商戶獎(零售業界別)」及澳門特別行政區政府消費者委員會頒發的「2021年最佳誠信店」及「2021年優異誠信店獎」、澳大利亞中藥行業聯盟頒發的「2020-2021年中藥行業獎 — 中藥傑出貢獻獎」、新加坡Influential Brands頒發的「2021年亞洲區最具影響力品牌：傳統中醫藥 — 最值得信賴品牌」，及香港01有限公司頒發的「01企業金勳獎 — 傑出中醫藥品牌」，顯示了「同仁堂」品牌國際化已取得顯著成就。



## Human Resources Management

As at 31 December 2021, we had a total of 745 employees (2020: 754 employees).

The staff costs of the Group for the Year were HK\$216.7 million (2020: HK\$183.6 million), representing an increase of 18.0% from last year. To ensure that the Group is able to attract and retain talents, remuneration policies are reviewed on a regular basis. In addition, the discretionary bonus is offered to employees with outstanding performance with reference to the Group's results and individual performance.

## FINANCIAL REVIEW

### Revenue

The Group's revenue for the Year was HK\$1,556.2 million (2020: HK\$1,315.3 million), representing an increase of 18.3% from last year. During the Year, COVID-19 epidemic has been effectively contained in Hong Kong, coupled with the gradual relaxation of local epidemic prevention measures and the issuance of consumer coupons by the Hong Kong Government to Hong Kong residents to stimulate local consumption, the revenue from the Hong Kong market has increased by 26.0%. For overseas markets, the overseas countries and regions covered by the Group were still affected by the epidemic in the second half of the Year and various stringent epidemic prevention measures were re-emerged. In adversity, the Group turned the crisis into an opportunity. In order to resolve the epidemic crisis, we actively explored new ways of TCM services to control the worldwide epidemic. When the fundamentals were showing signs of depression, the performance of the non-Hong Kong market was strong against the trend. Revenue from overseas markets increased by 30.6%. Revenue from the Mainland China market remained stable with a slight decrease of 1.1% from last year.

### Gross Profit

The Group's gross profit was HK\$1,119.6 million (2020: HK\$952.9 million) for the Year, representing an increase of 17.5% from last year. The gross profit margin slightly decreased from 72.4% last year to 71.9% this Year, which was mainly due to the increase in cost of raw materials.

### Other Gains, net

The Group's other gains, net was HK\$8.0 million (2020: HK\$24.3 million) for the Year, which was decreased by HK\$16.3 million from last year. The decrease was due to the decrease in the COVID-19 pandemic related government grants received by certain entities of the Group from the local governments this Year.

### Distribution and Selling Expenses

The Group's distribution and selling expenses were HK\$186.4 million (2020: HK\$168.9 million) for the Year, representing an increase of 10.4% from last year. The increase was mainly due to less rent concessions received in respect of leased properties, as well as the increase in advertising and promotion expenses and staff costs during the Year. Distribution and selling expenses as a percentage to revenue slightly decreased from 12.8% last year to 12.0% during the Year.

### General and Administrative Expenses

The Group's general and administrative expenses were HK\$162.8 million (2020: HK\$138.9 million), representing an increase of 17.2% from last year. The increase was mainly due to the increase in staff costs this Year. General and administrative expenses as a percentage to revenue slightly decreased from 10.6% from last year to 10.5% during the Year.

### Finance Costs/Income, net

The Group's net finance costs were HK\$330,000 (2020: net finance income HK\$17.4 million), which included the finance income of HK\$4.4 million (2020: HK\$21.7 million). The decrease in finance income of HK\$17.3 million was mainly due to decrease in the average short-term bank deposit interest rate and the average bank deposit balance from last year.

### Income Tax Expense

The Group's income tax expense was HK\$126.8 million (2020: HK\$118.0 million), representing an increase of 7.5%. The increase was mainly due to the increase in taxable profit during the Year. The effective tax rate for the Year decreased from 17.2% for last year to 16.3% for the Year, which was caused by the change in the proportion of the taxable profit contribution from entities in different jurisdictions.

## 人力資源管理

於2021年12月31日，我們共有745名僱員(2020年：754名僱員)。

本年內本集團員工成本為216.7百萬港元(2020年：183.6百萬港元)，較去年增長18.0%。為確保能夠吸引及挽留優秀員工，本集團定期檢討薪酬政策。此外，本集團參考業績及個人表現，為表現優異的僱員提供酌情獎勵。

## 財務回顧

### 收入

本年，本集團的收入為1,556.2百萬港元(2020年：1,315.3百萬港元)，較去年同期增長18.3%。本年，冠狀病毒疫情於香港得到有效遏制，加上香港本地防疫措施逐步放寬及香港政府向香港市民發放消費券刺激本地消費，來自香港市場收入增長26.0%。海外市場方面，於本年下半年，本集團覆蓋的海外國家及地區仍然受疫情影響，各種嚴厲防疫措施再度出現。在逆境下，本集團化危為機，衝破疫情危局困境，積極探索中醫藥服務國際疫情新方式，在基本面頹勢盡現之時，實現非香港市場業績逆勢上揚。海外市場的收入增長30.6%。中國內地市場收入平穩，較去年同期略下跌1.1%。

### 毛利

本年，本集團的毛利為1,119.6百萬港元(2020年：952.9百萬港元)，較去年同期增長17.5%。毛利率由去年的72.4%略為下跌至本年的71.9%，其下跌主要是由於原材料成本上升。

### 淨其他利得

本年，本集團的淨其他利得為8.0百萬港元(2020年：24.3百萬港元)，較去年同期下跌16.3百萬港元，下跌是由於本年本集團某些企業獲得當地政府的冠狀病毒疫情相關政府補助減少。

### 分銷及銷售開支

本年，本集團的分銷及銷售開支為186.4百萬港元(2020年：168.9百萬港元)，較去年同期增長10.4%。增加的原因主要是由於本年租賃物業獲得租金減免減少，以及廣告宣傳費及員工成本增加。分銷及銷售開支佔收入百分比由去年的12.8%略為下跌至本年的12.0%。

### 一般及行政開支

本集團的一般及行政開支為162.8百萬港元(2020年：138.9百萬港元)，較去年同期增長17.2%。增加主要是由於本年員工成本增加所致。一般及行政開支佔收入百分比由去年的10.6%略為下跌至本年的10.5%。

### 淨財務支出/收益

本集團之淨財務支出為330,000港元(2020年：淨財務收益17.4百萬港元)，其中包括財務收益4.4百萬港元(2020年：21.7百萬港元)。財務收益下跌17.3百萬港元主要是由於平均短期銀行存款利率及平均銀行存款金額較去年同期減少。

### 所得稅開支

本集團所得稅開支為126.8百萬港元(2020年：118.0百萬港元)，較去年同期增長7.5%。增加主要是由於本年應課稅利潤增加。由於在不同地區的實體的應課稅利潤貢獻比例的變化，本年的有效稅率從去年的17.2%下降至本年的16.3%。



## Profit for the Year, Profit Attributable to Owners of the Company, Basic Earnings Per Share and Dividend

The Group's profit for the Year increased by 14.7% to HK\$651.5 million (2020: HK\$567.9 million) with a net profit margin of 41.9% (2020: 43.2%). Profit attributable to owners of the Company amounted to HK\$607.8 million (2020: HK\$542.5 million), representing an increase of 12.1% from last year. The basic earnings per share for the Year were HK\$0.73 (2020: HK\$0.65). The Directors recommend the payment of a final dividend of HK\$0.28 per share for the Year (2020: HK\$0.24).

## Financial Resources and Liquidity

During the Year, the Group funded its liquidity by internal resources. Based on the Group's steady cash inflow from operations, coupled with sufficient cash and bank balances, the Group has adequate liquidity and financial resources to meet the daily operations and working capital requirements as well as to fund its expansion plans.

The Group continued to maintain a strong financial position with cash and bank balances of HK\$2,275.6 million (2020: HK\$1,847.1 million) as at 31 December 2021. Most of the Group's cash and bank balances were denominated in Hong Kong dollar and Renminbi, and were deposited in reputable financial institutions with maturity dates falling within one year. The table below sets out the information regarding cash and bank balances, working capital, total equity, current ratio and gearing ratio as at 31 December 2020 and 2021 and net cash generated from/(used in) operating activities, investing activities and financing activities for the years ended 31 December 2020 and 2021:

|  | As at 31 December<br>於 12 月 31 日 |                      |
|--|----------------------------------|----------------------|
|  | 2021<br>HK\$'000 千港元             | 2020<br>HK\$'000 千港元 |
| Cash and bank balances 現金及銀行結餘                     | 2,275,568                        | 1,847,137            |
| Working Capital <sup>(1)</sup> 營運資金 <sup>(1)</sup> | 3,063,754                        | 2,716,331            |
| Total Equity 權益總額                                  | 3,539,504                        | 3,129,510            |
| Current Ratio <sup>(2)</sup> 流動比率 <sup>(2)</sup>   | 15.4                             | 13.5                 |
| Gearing Ratio <sup>(3)</sup> 負債比率 <sup>(3)</sup>   | 3.6%                             | 3.4%                 |

|  | For the year ended 31 December<br>截至 12 月 31 日止年度 |                      |
|--|---|----------------------|
|  | 2021<br>HK\$'000 千港元                              | 2020<br>HK\$'000 千港元 |
| Net cash generated from operating activities 經營活動所產生的現金淨額                | 777,170   | 116,054              |
| Net cash (used in)/generated from investing activities 投資活動(所用)/所產生的現金淨額 | (265,734)   | 506,728              |
| Net cash used in financing activities 融資活動所用的現金淨額                        | (278,649)   | (264,298)            |

<sup>(1)</sup> Being net current assets

<sup>(2)</sup> Being current assets divided by current liabilities

<sup>(3)</sup> Being borrowings and lease liabilities divided by total equity

## 年度利潤、本公司擁有人應佔利潤、每股基本盈利及股息

本集團的年度利潤增長 14.7% 至 651.5 百萬港元 (2020 年：567.9 百萬港元)，純利率為 41.9% (2020 年：43.2%)。本公司擁有人應佔利潤為 607.8 百萬港元 (2020 年：542.5 百萬港元)，較去年同期增長 12.1%。本年每股基本盈利為 0.73 港元 (2020 年：0.65 港元)。董事建議派付本年度末期股息為每股 0.28 港元 (2020 年：0.24 港元)。

## 財務資源及流動資金

本年，本集團以內部資源撥付流動資金。由於本集團業務有穩定現金流入，加上充足現金及銀行結餘，本集團有充裕流動資金及財務資源，可滿足日常營運與營運資金需求及支持拓展計劃。

於 2021 年 12 月 31 日，本集團繼續保持穩健財務狀況，現金及銀行結餘累積達 2,275.6 百萬港元 (2020 年：1,847.1 百萬港元)。現金及銀行結餘主要為港元及人民幣，並主要存放於信譽良好的金融機構且於一年內到期。下表載列於 2020 年及 2021 年 12 月 31 日的現金及銀行結餘、營運資金、權益總額、流動比率及負債比率與截至 2020 年及 2021 年 12 月 31 日止年度的經營活動、投資活動及融資活動所產生/(所用)的現金淨額的資料：

<sup>(1)</sup> 即流動資產淨值

<sup>(2)</sup> 即流動資產除以流動負債

<sup>(3)</sup> 即借貸以及租賃負債總額除以權益總額

## Capital Expenditure

During the Year, the Group's capital expenditure amounted to HK\$23.4 million (2020: HK\$12.9 million), which was mainly used in purchase of machinery and equipment for production and operation purposes.

## Major Investment, Acquisitions and Disposals

During the Year, the Group did not have any major investment, acquisitions and disposals.

## Charges over Assets of the Group

As at 31 December 2021, the Group's net property value of HK\$10.4 million (2020: HK\$11.3 million) has been pledged as securities for bank borrowings. Such bank borrowings in Australian dollars bears interest at 1.5% plus the bank bill rate in Australia per annum and is wholly repayable in 2023.

## Contingent Liabilities

As at 31 December 2021, the Group did not have any significant contingent liabilities.

## Foreign Currency Risk

The Group's main business operations are conducted in Hong Kong and other overseas countries/regions. The transactions, monetary assets and liabilities of the Group are mainly denominated in Hong Kong dollar, Renminbi and US dollar. During the Year, the fluctuation in the exchange rates of these currencies did not have material impact on the Group.

The Group did not engage in any derivatives activities and did not commit to any financial instrument to hedge its foreign exchange exposure during the Year.

## 資本開支

本年，本集團的資本開支為 23.4 百萬港元 (2020 年：12.9 百萬港元)，主要用於購置主要用於購買機器及設備作生產及營運用途。

## 重大投資、收購及出售

本年，本集團並無任何重大投資、收購及出售。

## 抵押本集團資產

於 2021 年 12 月 31 日，本集團之物業淨值為 10.4 百萬港元 (2020 年：11.3 百萬港元) 作為銀行貸款之抵押品。此澳元銀行貸款按澳大利亞銀行票據利率加 1.5% 按年計息並於 2023 年全額償還。

## 或然負債

於 2021 年 12 月 31 日，本集團並無任何重大或然負債。

## 外幣風險

本集團主要在香港及其他海外國家/地區經營業務。本集團的交易、貨幣資產及負債主要以港元、人民幣及美元計值。本年，該等貨幣的匯率波動並無對本集團產生重大影響。

本集團本年並無進行任何衍生投資活動，亦無使用任何財務工具對沖外匯風險。

# Owned Products 自有產品

## 王牌產品 Star Products



### 安宮牛黃丸 Angong Niu Huang Wan

**Functions:** To clear heat, remove toxin, settle fright, open the orifices. Febrile disease caused by pathogenic factors entering the pericardium, high fever and fright syncope, loss of consciousness, delirious speech; Wind-stroke coma, encephalitis, meningitis, toxic encephalopathy, cerebral hemorrhage and septicemia with the pattern mentioned above.

**功效:** 清熱解毒，鎮靜開竅。用於熱病，邪入心包，高熱驚厥，神昏譫語；中風昏迷及腦炎、腦膜炎、中毒性腦病、腦出血、敗血症見上述證候者。

**Active ingredients:** Bovis Calculus, Moschus, Margarita, Cinnabaris, Realgar, Coptidis Rhizoma, Scutellariae Radix, Gardeniae Fructus, Curcumae Radix, Borneolum Syntheticum, Powdered Buffalo Horn Extract.

**有效成份:** 牛黃、麝香、珍珠、朱砂、雄黃、黃連、黃芩、梔子、鬱金、冰片、水牛角濃縮粉



### 破壁靈芝孢子粉膠囊 Sporoderm-broken Ganoderma Lucidum Spores Powder Capsules

**Functions:** To enhance immunity. For the elderly and the frail or the people with low immune function, and for patients after surgery or medication.

**功效:** 增強免疫力。用於年老體虛、體弱多病等各類免疫功能低下人士，以及手術或其他治療後的患者，增強體質，改善症狀。

**Active ingredient:** Ganoderma lucidum spores

**有效成份:** 靈芝孢子

## 益生元

### Prebiotics



#### 芪聚益生 Reviving Prebiotics

This product contains high-quality fructo-oligosaccharide as major ingredient, formulated with Astragalus extract, Scrophulariaceae extract and Angelica Sinensis Extract, and is manufactured by a modern technology. It is suitable for people that suffer from both Qi deficiency and poor blood circulation and people with poor intestine activity.

本品選用優質低聚果糖為原料，配以黃芪提取物，玄參提取物和當歸提取物，採用現代工藝精製而成。適用於氣血兩虛體質且腸道功能較弱人群的日常保健。



#### 元聚益生 Cranberry Collagen Prebiotics

This product contains high-quality fructo-oligosaccharide as major ingredient, formulated with cranberry powder and marine collagen peptides and is manufactured by a modern technology.

本品選用優質低聚果糖為原料，配以蔓越莓果粉，海洋膠原蛋白肽，採用現代工藝精製而成。



#### 靈芝健活膠囊 Lingzhi Collagen Capsule

Lingzhi Collagen Capsule consists of premium quality spores powder of Ganoderma lucidum, Ganoderma lucidum extract by advanced technology and Marine Collagen Peptides and is easily absorbed and taken.

靈芝健活膠囊以優質的破壁靈芝孢子粉，配以用現代技術提取的靈芝提取物及海洋膠原蛋白肽，具有易被人體吸收及服用方便的優點。

## 靈芝類

### Ganoderma Lucidum



洋參樟芝膠囊及  
五味樟芝膠囊

#### Ginseng-Antrodia Camphorata Capsule & Schisandra-Antrodia Camphorata Capsule

Antrodia camphorata plays an important role in protecting liver and improving metabolism, reducing the rate of acute liver injury caused by alcohol, as well as regulating immune function.

樟芝具備調節免疫機能、保護肝臟、解酒、抗氧化、維護心血管健康及調節血糖作用。

## 樟芝類

### Comphorata



高麗紅參及紅參茶

#### Korean Red Ginseng & Red Ginseng Granule Tea

The Korean Red Ginseng products come from Geumsan County in South Chungcheong Province, a place known as the home of ginseng, and are manufactured by traditional preparation method of Korean Red Ginseng. Korean Red Ginseng can strengthen the immune system, increase blood circulation, antioxidant, improve memory and fight fatigue.

高麗紅參產品源自韓國人參之鄉忠清南道錦山郡。採用高麗紅參傳統加工工藝精製而成。高麗紅參具有增強免疫力、血流改善、抗氧化、記憶力改善、恢復疲勞等功效。

## 高麗參類

### Ginseng



#### 紅景天膠囊及藍莓紅景天膠囊 Rhodiola Rosea Capsule Blueberry & Rhodiola Rosea Capsule

Rhodiola grows in high and cold areas. It helps enhance immunity, anti-hypoxic, anti-fatigue and enhance memory.

紅景天一般生長在高寒地帶，具有增強免疫、抗缺氧、抗疲勞、抗輻射及延緩機體衰老等作用。

## 紅景天類

### Rhodiola



#### 海洋膠原蛋白肽 Marine Collagen Peptide

The product is made of marine collagen peptides imported from Japan. These peptides are got by enzymatic degradation of scales of red snapper by the specific technology. It is easily digested and absorbed by human body due to its properties of small molecular weight and high water-solubility. This product is prepared as oral tablets with grape seed extracts and jujube extracts by the advanced modern process.

本品採用的日本進口海洋膠原蛋白肽，是以紅魚鱗為原料，通過獨特技術進行酶分解製成，分子量小，易溶於水，極易被人體吸收。配以葡萄籽精華和大棗精華，採用先進的工藝製成口服片，服用方便。



#### 鹿茸膠原膠囊 Cervus Elaphus Linnaeus Collagen Capsule

The product contains collagen peptides that are produced by hydrolysis of the scales of Ocean Lutianus Sanguineus via a unique Japanese developed enzymatic technology, formulated with Milk Mineral Salt and Cervus Elaphus Linnaeus, and is manufactured by a modern technology.

本品選用來源於深海紅笛鯛魚的魚鱗，日本獨特酶分解技術製成的海洋膠原蛋白肽，配以乳礦物鹽、馬鹿茸粉為原料，採用現代工藝精製而成。



#### 極細珍珠粉 Ultra Fine Pearl Powder

The product helps settle spirit and convulsion, clear the liver and improve vision. It is used for treating fright palpitation and fearful throbbing, vexation and insomnia, etc..

本品具有安神定驚，清肝明目的功效，適用於驚悸怔忡，心煩失眠等症狀。

## 其他類

### Others

# Major Awards 重大獎項



**1** The Most Influential Brand in Asia 2021  
2021年亞洲區最具影響力品牌大獎

Most Trustworthy Brand (Traditional Chinese Medicine)  
最值得信賴品牌(傳統中醫藥)

**2** 01 Gold Medal Award 2021  
01企業金勳大獎2021

Outstanding Chinese Medicine Brand  
傑出中醫藥品牌

**3** Award for Public Welfare  
熱心公益獎

Awarded by Community Medical and Education Services Association (HK)  
由香港社區醫療教育服務協會頒發

**4** Chinese Medicine Industrial Award  
2021年傑出貢獻獎

Awarded by Chinese Medicine Industry Council of Australia Ltd  
由澳大利亞中醫行業聯合會頒發

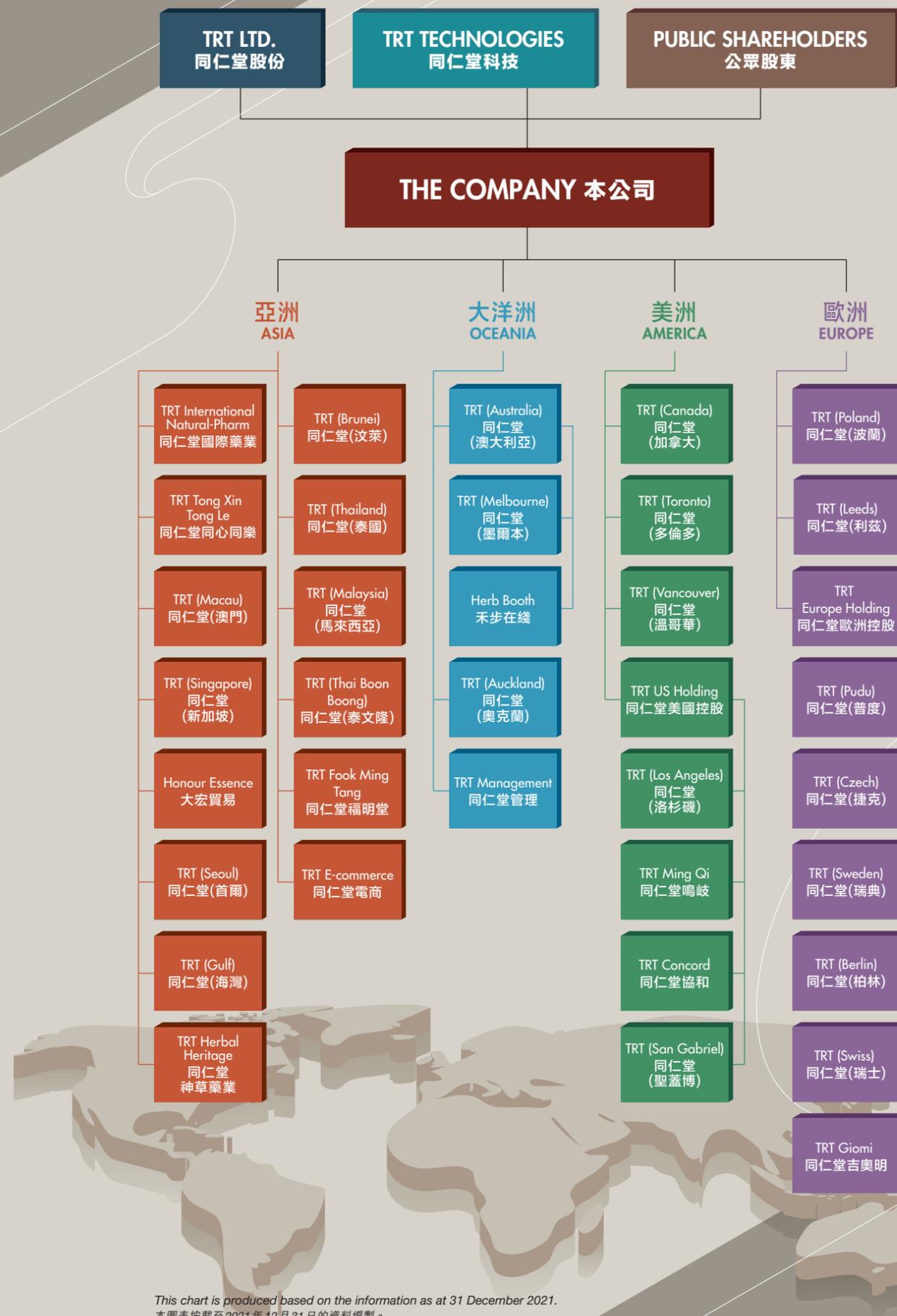
**5** Star Merchant Awards 2021  
2021年星級服務商戶獎

Awarded by Macao SAR Government Consumer Council and Tourism Office  
由澳門消費者委員會與旅遊局頒發

**6** Certificate of Award 2021, Best Certified Shop Award 2021, Excellent Certified Shop Award 2021  
2021年“嘉許獎”, 2021年“最佳誠信店”, 2021年“優異誠信店”

Awarded by Macao SAR Government Consumer Council  
由澳門特別行政區政府消費者委員會頒發

# Organisation Chart 組織架構圖



This chart is produced based on the information as at 31 December 2021.  
本圖表按截至2021年12月31日的資料編製。

# Environmental, Social and Governance Report

## 環境、社會及管治報告



This report is the 2021 Environmental, Social and Governance Report (referred as the “Report” in the section headed “ESG Report”) published by Beijing Tong Ren Tang Chinese Medicine Company Limited (the “Company”, together with its subsidiaries, the “Group” or “We”) for the purpose of disclosure of the Group’s policies, measures and performances related to corporate social responsibility and sustainable development and performance during the period from 1 January 2021 to 31 December 2021 (the “Year”).

### REPORTING SCOPE

The Report covers the Group’s core businesses of the Year which including manufacturing, retail and wholesale of Chinese medicine products and healthcare products and provision of Chinese medical consultation and treatments on the business operations of the Group located in Asia, Oceania, the Americas and Europe<sup>(1)</sup>. Due to the failure of providing raw data at some operating sites for the Year, it is impossible to calculate their environmental performance. Data coverage of some environmental KPIs may be inconsistent with the scope of the Report, details please find the notes in the corresponding sections.

### REPORTING STANDARD

The Report was prepared in accordance with Appendix 27 “ESG Reporting Guide” (the “Guide”) to the Rules Governing the Listing of Securities on the Stock Exchange, with four reporting principles (materiality, consistency, balance and quantitative) taken as the basis of disclosure.

<sup>(1)</sup> The scope of the 2021 Report is the same as the year of 2020.

本環境、社會及管治報告(於「環境、社會及管治報告」一節中稱為「本報告」)為北京同仁堂國藥有限公司(「本公司」, 連同附屬公司稱為「本集團」或「我們」) 2021年環境、社會及管治報告, 旨在披露本集團由2021年1月1日至2021年12月31日(「本年」)與企業社會責任和可持續發展相關的政策、措施及表現。

### 報告範疇

本報告覆蓋本集團於本年位於亞洲、大洋洲、美洲以及歐洲與本集團業務相關之營運<sup>(1)</sup>的核心業務(包括中藥產品及保健品的生產、零售及批發業務, 以及中醫診療服務業務)。由於本年部分營運點未能提供原始數據致未能計算其環境表現, 部分環境關鍵績效指標的數據覆蓋範圍有可能與本報告範圍不一致, 詳見相應部分之註解。

### 報告原則

本報告按照聯交所證券上市規則附錄27《環境、社會及管治報告指引》(「《指引》」)編製, 並遵循四個報告原則(重要性、一致性、平衡及量化)進行披露。

<sup>(1)</sup> 2021年度報告範圍與2020年度相同。

| Reporting Principles | Definitions  | Responses of the Group  |
|----------------------|--|---|
| <b>Materiality</b>   | A report should include ESG issues that have significant impacts on the Group and its stakeholders.  | During the Year, the Group invited internal and external stakeholders to conduct online surveys to identify material environmental and social issues and determine the key disclosure content of the Report.  |
| <b>Consistency</b>   | A report should use consistent methodologies on statistics to allow for meaningful comparisons of data over time.  | Unless otherwise stated, the statistical approach used in the Report is consistent with those used previously.  |
| <b>Balance</b>       | A report should provide an unbiased picture of the performance in respect of ESG issues and avoid any possible inappropriate influence on a decision or judgment to be made by report readers. | The Group complies with the principles of impartiality in the preparation of the Report.  |
| <b>Quantitative</b>  | KPIs relating to historical data should be measurable and, where appropriate, comparable in order to evaluate and validate the effectiveness of ESG policies and management systems.           | The Group continuously recorded KPIs and made disclosure in a quantitative manner, where practicable. In addition, the Group engaged an independent professional consultant to conduct carbon assessments in accordance with international and local standards to ensure the accuracy of the data of KPIs in respect of the environment.<br><br>The Group made disclosure on related KPIs in a quantitative manner. |

38

The section headed "Content Index" on the last chapter of the Report is available for quick reference.

## CONFIRMATION AND APPROVAL

All the qualitative and quantitative information cited in the Report is sourced from the Group's public information, official documents and related statistical data. The Report was confirmed and approved by the Board of the Group on 9 March 2022.

## FEEDBACK AND OPINIONS

Our continuous improvement relies on the valuable opinions from various stakeholders on the Group. If you have any questions or suggestions about the content or reporting form of the Report, you are welcome to contact us via email at [ir@tongrentangcm.com](mailto:ir@tongrentangcm.com).

| 報告原則       | 釋義   | 本集團回應  |
|------------|--|--|
| <b>重要性</b> | 報告應匯報對本集團及持份者產生重要影響的環境、社會及管治議題。                          | 本年，本集團邀請內部及外部持份者進行網上問卷調查，以識別環境及社會的重要議題及確定本報告的重點披露內容。   |
| <b>一致性</b> | 報告應採用一致的披露統計方法，讓日後可就有關數據進行有意義的比較。                        | 除特別說明，本報告採用與過往一致的統計方式。   |
| <b>平衡</b>  | 報告應不偏不倚地匯報環境、社會及管治方面的表現，避免可能會不恰當地影響報告讀者決策或判斷。            | 本集團遵守不偏不倚的原則，並以其撰寫本報告。   |
| <b>量化</b>  | 有關歷史數據的關鍵績效指標須可予計量，並在適當情況下進行比較，以評估及驗證環境、社會及管治政策及管理系統之效益。 | 在可行情況下，本集團持續記錄關鍵績效指標及以量化方式進行披露。此外，本集團委託獨立專業顧問根據國際及本地標準進行碳評估，確保環境關鍵績效指標數據的準確性。<br><br>本集團以量化的方式披露相關的關鍵績效指標。 |

39

本報告的最後一個章節－「報告內容索引」可供參考，以便快速查閱。

## 確認及批准

本報告使用的定性及定量資料均來自本集團的公開資料、正式文件及相關的統計數據。本集團的董事會已於2022年3月9日確認及批准本報告。

## 回饋及意見

我們的持續進步有賴閣下對本集團的寶貴意見。如閣下對報告的內容或匯報形式有任何疑問或建議，歡迎以電郵方式 ([ir@tongrentangcm.com](mailto:ir@tongrentangcm.com)) 與本集團聯絡。



In 2021, societies and economies around the globe were still affected by the coronavirus. In the face of the lasting impact, the Group overcame difficulties together with stakeholders with its corporate spirit of fighting the epidemic together and creating healthy society.

At the same time, as environmental disasters and climate change have become normal, all countries gradually raised their concern to social and environmental issues in the course of their economic development and sustainable development has become a common path and goal. The Board of the Group realized that the direction of sustainable development could not be disregarded, and worked with the Audit Committee and risk management team to explore the path of sustainable development for the Group.

This Year, the Group continued to improve its mode of operation and measures through regular self-review and improvement. Also, from the feedback of stakeholders, the Group understood the expectations of all parties on itself to give response to views from society. These measures further consolidated our years of efforts in ESG aspect, laying a solid foundation for promoting our future development.

Looking forward, the Group will continue to review and improve its own direction and strategy of sustainable development under the leadership of the Board with the support of various stakeholders for the accomplishment of its vision and mission of "Healthy Life Global Choice".

於2021年間，全球社會及經濟仍受到冠狀病毒帶來的影響。面對持續的影響，本集團繼續以共同抗疫，締造健康社會為企業精神，與持份者一起走過難關，攜手渡過。

同一時間，環境災害、氣候變化等現象已常態化，使各方在經濟發展的同時，對社會及環境事宜關注逐步提升，可持續發展成為共同的路徑與目標。本集團的董事會明白可持續發展方向已不可忽視，與審核委員會及風險管理小組一起探尋本集團的可持續發展路向。

本年，本集團透過定期的自我檢討及改進，持續改善營運方法及措施。同時亦透過持份者的反饋，了解各方對本集團的期望，以不斷回應社會的意見。這些舉措進一步鞏固我們多年於環境、社會及管治方面的付出，為推動未來發展奠定穩健基礎。

展望將來，本集團會繼續於董事會的領導及各持份者的支持下，檢討及完善自身的可持續發展路向及策略，堅持不懈地實現「創造健康全球共享」的願景和使命。

Ding Yong Ling  
Chairman



丁永玲  
主席



## GOVERNANCE STRUCTURE ON SUSTAINABLE DEVELOPMENT GOVERNANCE SYSTEMS

The Group understands that an efficient and clear governance structure is useful in building and achieving sustainable corporate governance and long-term development. The Board is responsible for overseeing ESG matters in its operation through established corporate governance practices and procedures, thus maintaining the level of governance for sustainable development. Apart from supervision and confirming this report, the Board is also responsible for supervising risk management and internal control systems, regularly examining their effectiveness, determining risk factors faced by the Group, reviewing existing and potential risks and mitigation measures as well as risk management reports.

In order to improve corporate management performance and level of governance for sustainable development, the Group is studying the establishment of an ESG governance structure comprising the Board, management and key departments with an expectation to identify and respond to related opportunities and risks through regular review and formulation of strategies and policies for sustainable development. Meanwhile, the Group will regularly review the existing governance structure to assist the Board, management, and various functional departments in achieving long-term and sustainable development with their dedication and unity.

## RISK MANAGEMENT

To achieve the effectiveness of risk management and ensure timely response, the Group has established a risk management and internal control system, which is continuously monitored and reviewed by the Board on effectiveness. The Board also determines the risk factors within the acceptable tolerance, monitors the risk management framework, and reviews significant existing and potential risks, and their relevant control measures in response to the changes in environment. At the same time, a risk management team is established by the Group to monitor the effectiveness of the risk management and internal control system as well as the changes in risk, and also reports and prepares risk management reports semi-annually to the Audit Committee and the Board.

To identify, evaluate and manage the significant risks, the Group implements the 5 major components of risk management and internal control framework and the “3 lines of defense” model. Details of the related risk management and internal control system, please refer to pages 140 to 147 of the Annual Report.

## 可持續發展管治架構

### 管治體系

本集團明白有效率及清晰的管治架構，有助於建立及達到可持續的企業管治和長期發展。董事會負責透過已制定的企業管治常規及程序，監督營運中的環境、社會及管治事宜，維持可持續發展管治水平。除了監督及確認本報告，董事會亦負責監督風險管理及內部監控系統、定期檢視其有效性、訂定本集團的風險因素、審閱現有及潛在風險及應對措施，以及審議風險管理報告等。

為提升企業管理表現及可持續發展管治水平，本集團正研究建立由董事會、管理層和主要部門組成的環境、社會及管治架構，期望透過定期檢討及制訂可持續發展策略及政策，識別及應對相關機遇及風險。同時，本集團會定期檢視現有的管治架構，以助董事會、管理層及各職能部室等投入當中，上下一心，達致長期及可持續的發展。

### 風險管理

為達到有效的風險管理和確保及時的應對行動，本集團已建立風險管理及內部監控系統，並由董事會負責持續監督及檢討其有效性。董事會亦會因應環境的轉變，釐定可接受範圍內的風險因素、監察風險管理框架，以及審閱現有與潛在風險及相關應對措施。同時，本集團設立風險管理小組，監控風險管理及內部監控系統的功效，以及監察風險變動，並每半年向審核委員會及董事會匯報及提交風險管理報告。

本集團遵照風險管理及內部監控框架中的五項主要元素及「三道防線」模式，識別、評估及管理重大的風險。有關風險管理及內部監控系統的詳情，請參閱本年報第140至147頁。



In addition, the Group has established a clear risk monitoring procedures so as to identify and respond to the relevant risks and opportunities.

此外，本集團已訂立清晰的風險監管程序，以助識別及回應相關的風險及機遇。



| Major Risks Related to ESG<br>與環境、社會及管治相關之主要風險 | Impact<br>影響 | Major Measure(s)<br>主要應對措施 |
|--|--------------|----------------------------|
|--|--------------|----------------------------|

|                                |  |   |
|--------------------------------|--|---|
| Human Resources Risk<br>人力資源風險 | <p>If human resources planning is formulated without comprehensive and strategic consideration, no human resources strategies and plans in line with the Group's sustainable development are formulated and implemented, or no competitive remuneration packages or incentive systems in terms of development prospect, salaries, benefits, working environment and training, etc. are provided, which results in the Group having inadequate talent supply (such as professional Chinese medicine practitioners, experts familiar with overseas markets and professional management personnel) for its future development, the development of the Group will be subject to risks of restrictions on human resource allocation.</p> <p>若人力資源的統籌規劃缺乏全局性和戰略性考慮，未能制定和實施配合本集團可持續發展的人力資源戰略和規劃，或者未能在發展前景、薪酬、福利、工作環境及培訓等方面持續提供具有競爭力的待遇及激勵機制，使本集團對未來發展缺乏人才供應（如專業中醫師、熟悉海外市場的專家、專業管理人才等），將導致本集團發展受限於人力資源配置的風險。</p> | <ul style="list-style-type: none"> <li>The Group establishes overseas training center to train various successors abroad through the master-apprentice learning model as well as strategically train overseas talents and maintains a backup talent pool to satisfy the development needs of the Group and secure the provision of talents.<br/>通過設立海外人才培訓基地，以師傅帶徒弟促技藝海外傳承，培養各類傳承人才，並進行戰略性海外人才培養及後備人才儲備，以有效滿足本集團發展需要和提供人才保障。</li> <li>The Group works with tertiary colleges in Hong Kong in personnel recruitment to employ talents with professional expertise and multiple skillsets that meet the development needs of the Group; puts greater efforts in attracting and training local talents of overseas markets and provides them with trainings on corporate culture and professional skills, so that the local talents of overseas markets can better integrate into the Group and contribute their wisdom to and create value for our overseas business development.<br/>與香港院校開展合作，招聘符合本集團發展需要的專業技術型和複合型人才；加大吸引及培養海外本地化人才的力度，並對本地化人才進行企業文化及專業技能培訓，讓海外本地化人才更好的融入本集團發展，並為海外業務發展貢獻才智和創造價值。</li> </ul> |
|--------------------------------|--|---|

| Major Risks Related to ESG<br>與環境、社會及管治相關之主要風險 | Impact<br>影響 | Major Measure(s)<br>主要應對措施 |
|--|--------------|----------------------------|
|--|--------------|----------------------------|

|                      |   |  |
|----------------------|---|--|
| Quality Risk<br>質量風險 | <p>Quality Risk can be divided into four main areas, namely procurement, production, testing and sales: If the quality of raw materials, proprietary Chinese medicine and herbs provided by suppliers does not meet the requirements, risk on quality of procurement may occur; If there is inadequate control over the production process, risk on quality of production may occur; If there is lack of testing procedures or if the procedures are not stringent, it may result in products in poor quality, and mixed with other prohibited ingredients, and risks on quality of product testing may occur; If there is quality problems on the sale of Group's Owned Products and Non-Owned Products, the manufacturers and distributors of the products will bear the responsibility. If the products are not put off-shelf and recalled in time, there may be a risk on quality liability for product sales.</p> <p>質量風險可細分為採購、生產、檢測、銷售共四大方面：若供應商提供的原料、中成藥及飲片品質不符合要求，將有可能產生採購質量風險；若生產過程管控不嚴，將有可能產生生產質量風險；若缺乏檢測流程、檢測不嚴格導致品質低劣、摻雜其他違禁成分，將有可能產生產品檢測質量風險；若本集團銷售自有產品及非自有產品出現質量問題，將由產品的生產者和經銷者承擔責任，如未及時對產品進行停售、回收，將有可能產生銷售產品質量責任風險。</p> | <ul style="list-style-type: none"> <li>Major measures to address the Risk on Quality of Procurement: Through materials testing, the Group prohibits unqualified raw materials and auxiliary materials from flowing into the production process; The Group enforces the suppliers on proprietary Chinese medicine to strictly implement product quality standards in various countries and regions, evaluates and reviews export suppliers on herbs to ensure quality; Retail outlets in each regions gradually improve procurement and supplier management procedures to strengthen compliance procedures.<br/>採購質量風險的主要應對措施：通過對物料進行檢測，本集團嚴禁不合格的原材料及輔料流入生產環節；本集團通過要求中成藥供應商嚴格執行各國家及地區的產品品質標準，對飲片出口供應商進行評定審核，確保品質；各地區零售終端逐步完善採購及供應商管理規程，強化合規流程。</li> <li>Major measures to address the Risk on Quality of Production: The production management of the Group strictly follows relevant regulations, workers in the production workshop shall undergo training on production techniques and pass the corresponding examination. Production team leaders are thereof held accountable for the production quality. Each production process is recorded in details to ensure that it is operated in accordance with established procedures.<br/>生產質量風險的主要應對措施：本集團生產管理嚴格執行相關規定，生產車間員工必須經過生產技術培訓和考核，由各生產小組組長承擔生產品質責任；生產過程中工序都有詳細記錄，確保按照既定的工序規程操作。</li> <li>Major measures to address the Risk on Quality of Product Testing: The quality standards for products of the Group are in strict accordance with the laws and regulations of the relevant countries or regions. Processes of product inspection are refined while standard operating procedures for each inspection methods are in place and details records are made. The Group regularly calibrates measuring instruments to ensure the accuracy and credibility of test results.<br/>產品檢測質量風險的主要應對措施：本集團的產品品質標準均按照相關國家或地區法律法規嚴格標準；優化檢測方法並制定標準操作程式及詳細記錄；對計量儀器進行定期校準，確保檢測結果準確可信。</li> <li>Major measures to address the Risk on Liability from Quality of Marketed Products: The Group keeps abreast of the changes in regulations on the external packaging and labelling of products in and outside the PRC; Retail outlets in some regions have drafted management procedures for quality risk reporting, pharmacovigilance and product recall and destruction to safeguard the quality of marketed products.<br/>銷售產品質量責任風險的主要應對措施：本集團緊密追蹤中國境內外產品外包裝標籤的法規變化；部份地區零售終端制定品質風險報送及藥物警戒及產品收回與銷毀等相關管理規程，保障銷售產品品質。</li> </ul> |
|----------------------|---|--|

Major Risks  
Related to ESG

與環境、社會及  
管治相關之  
主要風險

Impact  
影響

Major Measure(s)  
主要應對措施

Business Partner Risk (Procurement Partner)  
業務合作夥伴  
風險 (採購合作  
夥伴)

The Group may suffer from weak cooperation due to improper selection of procurement partners, poor management and coordination capabilities, unsmooth communication of information, or non-compliance with the cooperation contract, etc, which may affect the development of the Group and adversely affect its operating performance and financial conditions.

本集團可能因採購合作商的選擇不當、管理協調能力差、資訊溝通不暢通、或不遵守合作契約等原因，將引致合作薄弱，影響本集團發展的業務、對經營業績及財務狀況構成不利影響。

- In strict accordance with the procurement requirements, and according to a supplier audit system, the Group conducted audits on suppliers, updated supplier qualifications, and also ensured that suppliers meet the Group's relevant requirements. In addition, the Group strictly implements the review system for the new suppliers who cooperated for the first time, carries out bulk purchases when conditions permit, operates in accordance with the normal procurement process, and explores operations such as import and export procedures, taxation, customs clearance, and transportation.

本集團嚴格按照採購工作的各項要求，根據供應商審計制度，對供應商進行審計工作，更新供應商資質，確保供應商符合本集團相關要求。另外，對於首次合作的供應商，本集團嚴格執行新供應商的審核制度，在條件允許下，進行小量的採購，按照正常採購流程操作，探索進出口手續、稅務、通關、運輸等操作。

Price Risk (Procurement Price)  
價格風險 (採購  
價格)

The prices of TCM herbs may fluctuate significantly due to factors such as production volume and demand for TCM herbs, environmental protection and contingencies (such as climate disasters and epidemic outbreaks) and affect the entire industry chain and accordingly the procurement prices of raw materials, auxiliary materials and proprietary Chinese medicine, thereby increasing the Group's uncertainty in cost control. Due to the production volume, demand, environmental protection and contingencies (such as climate disasters and epidemic outbreaks) etc, various reasons, leading to the price of TCM herbs fluctuate significantly, affecting the entire industry chain, from raw materials, auxiliary materials to the procurement price of finished products, also affected by fluctuations, increasing the uncertainty of cost control for the Group.

- In the process of procurement, the Group controls the cost for procurement by identifying new suppliers, diversifying supply channels and comparing prices via quotations. The Group pays close attention to the market conditions and policies of TCM herbs so as to provide timely communication with end-users on procurement status, the Group can thus have quotations from suppliers in advance and ensure the most appropriate price for procurement can be obtained.

本集團在採購的過程中，會通過挖掘新供應商，拓寬供應管道，多方詢價比價，控制採購成本；密切關注中藥材行情、中藥材政策情況；及時與終端及客戶瞭解進貨情況，提前向供應商詢價，確保以最合適的價格進行採購。

- In order to cope with the increase in the procurement price of certain scarce TCM herbs, the Group actively purchases such herbs in the international market as inventory.

為應對個別珍稀藥材的採購價格上升，本集團積極在國際市場採購相關物料作為儲備。

Major Risks  
Related to ESG

與環境、社會及  
管治相關之  
主要風險

Impact  
影響

Major Measure(s)  
主要應對措施

Risk on Intellectual Property Rights  
知識產權風險

Risk on Intellectual Property Rights can be divided into three main areas, namely overseas registration of intellectual property rights, trademark licensing agreements and intellectual property rights. In the event that the trademark "Tong Ren Tang" is registered by any other entity or individual or a patent application is filed overseas, there will be risks of overseas intellectual property registration; If the Parent Group terminates or amends the "Tong Ren Tang" trademark license agreement and authorization letter entered into with the Group, there may be risks on trademark license agreement; If competitors copy the Group's research and development results, there may be intellectual property risks occurring.

知識產權風險可細分為海外知識產權註冊、商標許可協議、知識產權共三大方面：若「同仁堂」商標在海外被其他單位或個人註冊或專利被申請，將有可能產生海外知識產權註冊風險；若母集團終止或修訂與本集團簽訂之「同仁堂」商標授權合約及授權函，將有可能產生商標許可協議風險；若競爭對手複製本集團研發成果，將有可能產生知識產權風險。

- Major measures to address the Risk on Overseas Registration of Intellectual Property Rights. Through the agent appointed by the Parent Group, the Group monitors the use of trademark of "Tong Ren Tang" overseas and sees if the trademark has been registered by any other entity or individual or if any patents have been filed overseas.

海外知識產權註冊風險的主要應對措施：本集團透過母集團委任的代理監控海外的「同仁堂」商標，監測在海外是否有被其他單位或個人註冊或專利被申請的情況。

- Major measures to address the Risk on Trademark Licensing Agreements: The Group closely communicates with the Parent Group, and promptly updates and formulates contingency measures where there is any change to trademark licensing agreements made by the Parent Group.

商標許可協議風險的主要應對措施：本集團密切與母集團溝通，如母集團對商標授權合約有任何變更，第一時間根據變更並制定應變的措施。

- Major measures to address the Risk on Intellectual Property Rights: The Group cooperates with professional institutions and commissions them to apply for various intellectual property rights and patents for the Group's achievement in research and development.

知識產權風險的主要應對措施：本集團與專業機構合作，委託其為本集團研發成果申請各項知識產權、專利。



## MANAGEMENT ON COMPLIANCE

It is fundamental for the Group to operate in compliance with all applicable laws and regulations. The Group understands that non-compliance with law and regulation will have an impact on the Group at different levels, ranging from business operations and reputation to penalties and litigations. As various national laws, regulations and policies in the TCM industry continue to be refined and implemented, the Group will put utmost importance on ensuring operational compliance as it always does, as well as formulate and implement a series of internal policies and systems so as to strengthen the compliance management. Our Audit Committee is responsible for overseeing the Group's policies and practices formulated as required by legal and regulatory requirements, while the Board reviews the Group's compliance on an annual basis.

During the Year, the Group had found no non-compliance in relation to each area in ESG.

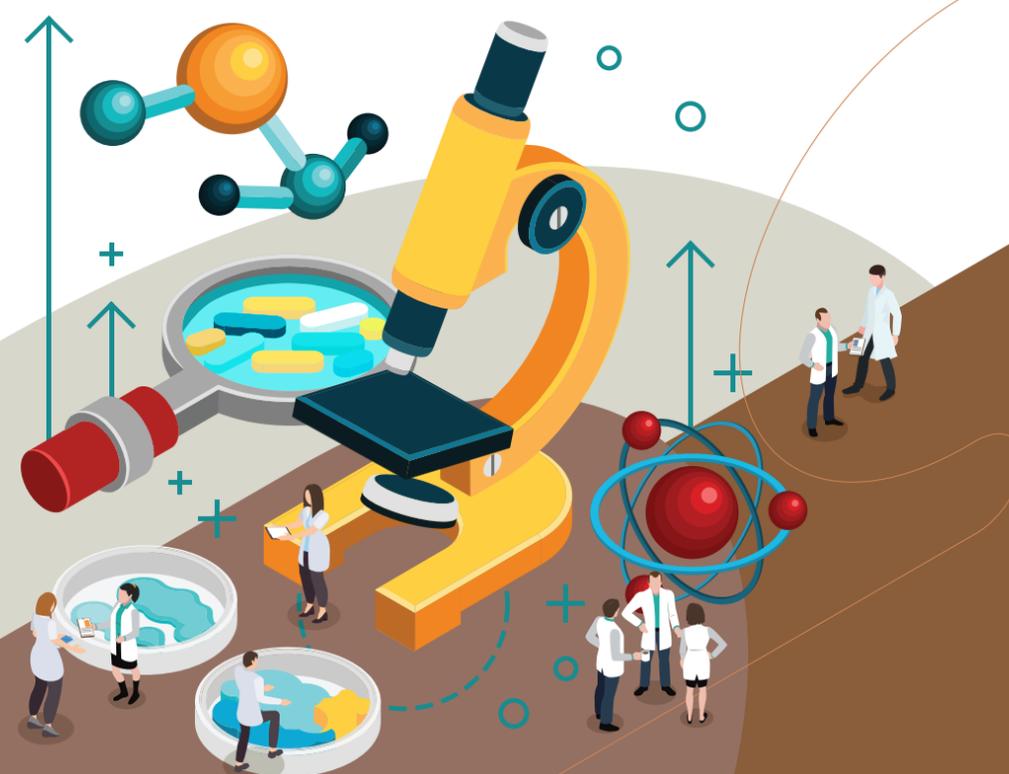
### 合規管理

遵守所有適用的法律及法規是本集團於營運中的基本要求。本集團明白違反法律及規例將為本集團帶來不同層面的影響，如業務經營、信譽、刑罰及訴訟等。隨著中醫藥行業各類國家法律法規政策不斷細化實施，本集團將繼續視確保營運合規為重要目標，並已制定及實施一系列內部政策及制度，強化合規管理。審核委員會負責監督本集團有關遵守法律及監管要求的政策及常規，董事會則每年審閱本集團合規情況。

本年內，本集團概無與環境、社會及管治各範疇相關之違法違規個案。

| Areas<br>範疇       | Issue(s)<br>議題                              | The Group's policies<br>本集團政策   | Principal Laws and Regulations in Hong Kong (including but not limited to)<br>香港主要法例法規(包括但不限於)   |
|-------------------|---|---|--|
| Environment<br>環境 | Emission<br>排放物                             | <ul style="list-style-type: none"> <li>Measures on the Administration of Environmental Protection of Production Bases 《生產基地環境保護管理辦法》</li> <li>The medical waste treatment methods 《醫療廢物處置流程》</li> </ul> | <ul style="list-style-type: none"> <li>Air Pollution Control Ordinance 《空氣污染管制條例》</li> <li>Ozone Layer Protection Ordinance 《保護臭氧層條例》</li> <li>Water Pollution Control Ordinance 《水污染管制條例》</li> <li>Waste Disposal Ordinance 《廢物處理條例》</li> </ul> |
|                   | Resource usage<br>資源使用                      | <ul style="list-style-type: none"> <li>Measures on the Administration of Environmental Protection of Production Bases 《生產基地環境保護管理辦法》</li> </ul>   | <ul style="list-style-type: none"> <li>Not applicable 不適用</li> </ul>   |
|                   | Environment and nature resources<br>環境及天然資源 | <ul style="list-style-type: none"> <li>Measures on the Administration of Environmental Protection of Production Bases 《生產基地環境保護管理辦法》</li> </ul>   | <ul style="list-style-type: none"> <li>Not applicable 不適用</li> </ul>   |
| Employee<br>員工    | Employment<br>僱傭                            | <ul style="list-style-type: none"> <li>Staff Manual 《員工手冊》</li> </ul>   | <ul style="list-style-type: none"> <li>Employment Ordinance 《僱傭條例》</li> <li>Employees' Compensation Ordinance 《僱員補償條例》</li> <li>Minimum Wage Ordinance 《最低工資條例》</li> </ul>   |
|                   | Health and safety<br>健康與安全                  | <ul style="list-style-type: none"> <li>Rules on Management of Retailing Safety 《零售安全管理規程》</li> </ul>  | <ul style="list-style-type: none"> <li>Occupational Safety and Health Ordinance 《職業安全及健康條例》</li> </ul>   |
|                   | Development and training<br>發展與培訓           | <ul style="list-style-type: none"> <li>Staff Manual 《員工手冊》</li> </ul>   | <ul style="list-style-type: none"> <li>Not applicable 不適用</li> </ul>   |
|                   | Labour standard<br>勞工準則                     | <ul style="list-style-type: none"> <li>Staff Manual 《員工手冊》</li> </ul>   | <ul style="list-style-type: none"> <li>Personal Data (Privacy) Ordinance and various discrimination ordinances 《個人資料(私隱)條例》及各種歧視條例</li> </ul>  |

| Areas<br>範疇            | Issue(s)<br>議題                   | The Group's policies<br>本集團政策  | Principal Laws and Regulations in Hong Kong (including but not limited to)<br>香港主要法例法規(包括但不限於)  |
|------------------------|----------------------------------|--|---|
| Operation<br>營運        | Supply chain management<br>供應鏈管理 | <ul style="list-style-type: none"> <li>Procurement Management Rules 《採購管理規程》</li> <li>Suppliers Management Rules 《供應商管理規程》</li> </ul>  | <ul style="list-style-type: none"> <li>Not applicable 不適用</li> </ul>  |
|                        | Product responsibility<br>產品責任   | <ul style="list-style-type: none"> <li>Rules on Management of Retailing Safety 《零售安全管理規程》</li> <li>Staff Manual 《員工手冊》</li> <li>After-sales Product Consultation and Complaint Handling Management Rule 《產品售後諮詢及投訴處理管理規程》</li> <li>Product Return Management Rule 《產品退貨管理規程》</li> <li>Rules for Management on the Quality of Retail Services 《零售服務質量管理規程》</li> <li>Adverse Drug Reaction Report and Monitoring Procedures 《藥品不良反應報告和監測管理規程》</li> </ul> | <ul style="list-style-type: none"> <li>Chinese Medicine Ordinance 《中醫藥條例》</li> <li>Regulation of Registered Proprietary Chinese Medicines 中成藥註冊法規</li> <li>Food Adulteration (Metallic Contamination) Regulations of Centre for Food Safety 香港食物安全中心《食物摻雜(金屬雜質含量)規例》</li> <li>Pesticide Residues in Food Regulation 《食物內除害劑殘餘規例》</li> <li>Food Safety Ordinance 《食物安全條例》</li> <li>Undesirable Medical Advertisements Ordinance 《不良廣告(醫藥)條例》</li> <li>Trade Descriptions Ordinance 《商品說明條例》</li> <li>Personal Data (Privacy) Ordinance 《個人資料(私隱)條例》</li> </ul> |
| Business ethic<br>商業道德 | Anti-corruption<br>反貪污           | <ul style="list-style-type: none"> <li>Internal Audit Manual 《內部審計手冊》</li> <li>Staff Manual 《員工手冊》</li> </ul>  | <ul style="list-style-type: none"> <li>Prevention of Bribery Ordinance 《防止賄賂條例》</li> </ul>  |



## COMMUNICATIONS WITH STAKEHOLDERS 持份者溝通

We believe the participation of stakeholders is an important part in the business development. The stakeholders' opinion helps the Group to establish a more comprehensive sustainability development strategy.

我們相信持份者參與是業務發展的一個重要部分，持份者的意見有助本集團建立更健全的可持續發展策略。

Opinions from different stakeholders<sup>(2)</sup> are essential to the Group's business development and management, and it allows the Group to review potential risks and opportunities so that the business practices can be more in line with their needs and expectations.

不同持份者<sup>(2)</sup>的意見對本集團的業務發展及管理至為重要，有助本集團審視潛在的風險與機遇，令業務常規更貼近他們的需要和期望。

The Group is dedicated to establishing an open and transparent communication mechanism. During the Year, the Group communicated and maintained good relationship with its stakeholders and responded effectively to its stakeholders through various targeted channels. The specific types of stakeholders, communication focus and communication channels are shown below:

本集團致力建構公開透明的溝通機制，本年透過各種針對性的渠道與持份者溝通，與各持份者保持良好的關係，並作出有效回應。具體持份者類別及溝通要點和途徑如下：

| Stakeholders<br>持份者   | Communication Focus<br>溝通要點  | Communication Channels<br>溝通途徑  |
|---|--|---|
| The Board, senior management and employees<br>董事會、高級管理人員及員工 | The Group understands the needs of its employees through various channels, such as performance appraisals and questionnaires, and encourages communication among employees and their supervisors to support employees' career development and create a workplace facilitating advancement, health and safety.<br>本集團透過不同渠道了解員工需求，如績效評估及問卷調查，鼓勵員工與主管溝通，以支持員工的職業發展，並締造一個促進發展、健康和安全的工作場所。 | <ul style="list-style-type: none"> <li>Questionnaires<br/>問卷調查</li> <li>Suggestion boxes for employees<br/>員工信箱</li> <li>Training Programs<br/>培訓課程</li> <li>Staff activities<br/>員工活動</li> <li>Corporate Communication<br/>企業通訊</li> </ul> |

| Stakeholders<br>持份者                         | Communication Focus<br>溝通要點   | Communication Channels<br>溝通途徑  |
|---|---|---|
| Shareholders and Investors<br>股東及投資者        | The Group holds regular general meetings and discloses important information by means of annual reports, interim reports, financial reports, ESG reports, corporate websites and other disclosure documents to keep investors and shareholders updated on the Group's position, results and ESG performance.<br>本集團定期舉行股東大會，並通過年報、中期報告、財務報告、環境、社會及管治報告、公司網站和其他披露文件發佈重要資訊，讓投資者和股東了解本集團的最新情況、業績和環境、社會及管治績效。 | <ul style="list-style-type: none"> <li>Questionnaires<br/>問卷調查</li> <li>Regular release of financial reports and data<br/>定期財務報告及數據發佈</li> <li>Shareholders' meetings and activities<br/>股東大會及活動</li> <li>Corporate communication<br/>企業通訊</li> <li>Press releases<br/>新聞稿發佈</li> <li>Investor relations communication<br/>投資者關係溝通</li> </ul> |
| Suppliers and Business Partners<br>供應商及合作夥伴 | The Group ensures that its suppliers understand and meet the Group's expectations and requirements through screening, auditing and evaluation process, and communicates regularly with its suppliers and business partners to strengthen partnerships.<br>本集團通過篩選、審核及評估等流程，確保供應商了解和符合本集團的期望及要求，並定期與供應商及合作夥伴溝通以加強夥伴關係。   | <ul style="list-style-type: none"> <li>Questionnaires<br/>問卷調查</li> <li>Regular communication<br/>定期溝通</li> <li>Assessment and evaluation<br/>審核與評估</li> <li>Information sharing<br/>資訊共享</li> </ul>  |
| Customers and Consumers<br>客戶及消費者           | The Group has access to feedback from its customers and consumers through various channels, such as staff at retail outlets, customer service hotlines, facsimiles, emails and social media, and has a mechanism in place to handle customers' feedback and complaints appropriately.<br>本集團通過不同途徑如零售終端員工、客戶服務熱線、傳真、電郵以及社交媒體，收取客戶及消費者的反饋，並設立機制以妥善處理客戶反饋和投訴。   | <ul style="list-style-type: none"> <li>Customer services hotlines<br/>客戶服務熱線</li> <li>Product labelling<br/>商品標籤</li> <li>Mails<br/>郵件</li> <li>Social media communication<br/>社交媒體溝通</li> </ul>  |
| Government and Regulators<br>政府及監管機構        | The Group liaises with relevant government departments and regulatory authorities to keep abreast of the latest legal and regulatory requirements and to ensure compliance of its operations. Any non-compliance with relevant laws and regulations will be reported to competent authorities immediately.<br>本集團與政府有關部門及監管機構保持聯繫，以監察最新法律法規要求及確保營運合規。如有違反相關法律法規的情況，本集團將立即向有關部門報告。                         | <ul style="list-style-type: none"> <li>Regular communication<br/>定期溝通</li> <li>Compliance records<br/>合規紀錄</li> <li>Policy documents<br/>政策文件</li> <li>Response to consultation<br/>回應諮詢</li> </ul>   |
| Trade Associations<br>行業協會                  | The Group communicates with trade associations on a regular basis for exchange of any industry information in order to ensure that its operations comply with industry standards.<br>本集團定期與行業協會溝通，交流行業資訊，確保營運遵循行業標準。  | <ul style="list-style-type: none"> <li>Regular exchange<br/>定期交流</li> <li>Participation in the affairs of trade associations<br/>參與行業協會事務</li> </ul>  |
| Community<br>社區                             | To better understand and respond to the needs from the community, the Group organizes community activities and services from time to time and encourages its staff to support voluntary services.<br>為更好地了解 and 回應社區的需求，本集團不定期舉行社區活動及服務，並鼓勵員工支持義工服務。  | <ul style="list-style-type: none"> <li>Fostering community culture<br/>社區文化建設</li> <li>Support to underprivileged groups<br/>扶助弱勢群體</li> <li>Community services<br/>社區服務</li> </ul>   |

<sup>(2)</sup> "Stakeholders", also known as "interested parties" or "interest holders", refer to groups and individuals who have significant impact on the business of the group, or those who are affected by the business of the group, including the internal Board, senior management and employees, external customers and consumers, shareholders, suppliers, business partners, trade associations, government and regulators, community organisations, potential investors and banks.  
「持份者」，又稱「利益相關方」或「權益人」，指對一個企業的業務有重大影響，或會受業務影響的群體和個人，包括內部的董事會、高級管理人員及員工，外部的客戶及消費者、股東、供應商業務夥伴、行業協會、政府及監管機構、社區組織、潛在投資者及銀行等。

## Materiality Assessment

To ensure the ESG Report reflects the issues of concern to stakeholders and the Group's environmental and social impacts regarding those issues, the Group conducted stakeholder communication and materiality assessment with the assistance from an independent consultant, to identify the important environmental and social issues. The Group also understands and responds to the expectations and requirements of its stakeholders through the below procedures on identification of material issues.

### 重要性評估

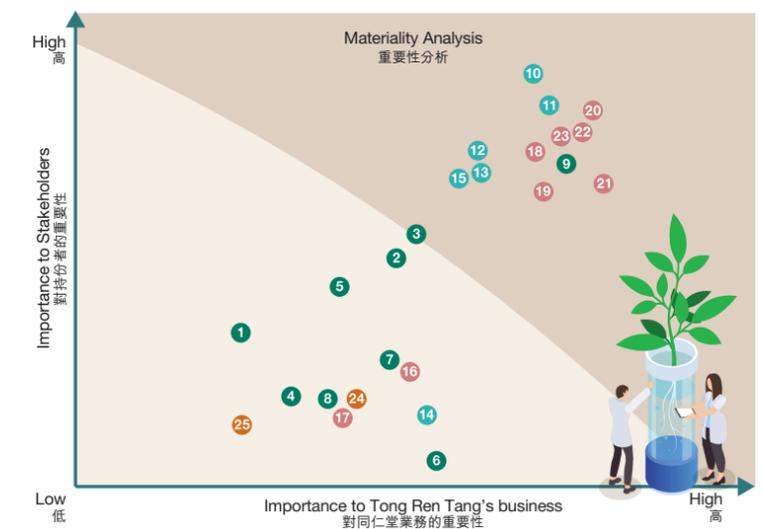
為確保環境、社會及管治報告能反映持份者關注的議題，以及本集團就有關議題對環境和社會方面的影響，本集團透過獨立顧問進行持份者溝通及重要性評估以識別重要的環境及社會議題。透過以下重要性議題識別程序，本集團可以充分了解及響應持份者的期望與要求。



| Issues<br>議題                     | Material Issues<br>重要性議題   |
|----------------------------------|--|
| <b>Environment 環境</b>            |  |
| 1                                | Greenhouse gas and air pollutant emission<br>溫室氣體及空氣污染物                |
| 2                                | Sewage<br>廢水   |
| 3                                | Waste<br>廢棄物   |
| 4                                | Energy<br>能源   |
| 5                                | Water<br>水資源   |
| 6                                | Use of resources<br>資源使用   |
| 7                                | Environment and natural resources<br>環境及天然資源                           |
| 8                                | Climate change<br>氣候變化   |
| 9                                | Environmental compliance<br>環境合規性                                      |
| <b>Employment Practices 僱傭慣例</b> |  |
| 10                               | Employment system<br>僱傭制度  |
| 11                               | Diversity, equal opportunities and anti-discrimination<br>多元化、平等機會和反歧視 |
| 12                               | Occupational health and safety<br>職業健康與安全                              |

| Issues<br>議題                     | Material Issues<br>重要性議題                  |
|----------------------------------|---|
| 13                               | Training and development<br>培訓和發展         |
| 14                               | Prevention of child labor<br>防止童工         |
| 15                               | Prevention of forced labor<br>防止強制勞工      |
| <b>Operating Practices 營運慣例</b>  |   |
| 16                               | Supply chain<br>供應鏈                       |
| 17                               | Responsible procurement<br>責任採購           |
| 18                               | Product responsibility<br>產品責任            |
| 19                               | Customers satisfaction<br>客戶滿意度           |
| 20                               | Data and information security<br>數據及資料安全性 |
| 21                               | Intellectual property rights<br>知識產權      |
| 22                               | Anti-corruption<br>反貪污                    |
| 23                               | Operational Compliance<br>營運合規性           |
| <b>Community Investment 社區投資</b> |   |
| 24                               | Community needs<br>社區需求                   |
| 25                               | Community investment<br>社區投資              |

Through questionnaires and analysis, 13 most critical "materiality issues" located at the upper right of the materiality matrix curve are identified for the Group, "Employment system", "Diversity, Equal opportunity and anti-discrimination" and "Waste" have been added. In order to fully consider the issues concerned by stakeholders in various areas, the Group also includes "Community needs" in the materiality issues to reflect the focuses of different areas. Except for the above mentioned, material issues for the reporting period are similar to those of previous years, mainly based on "Employment Practices". The results of the materiality assessment have been reported to the Board for review.



透過問卷調查，識別了 13 項（位於重要性矩陣曲線右上方）對本集團最關鍵的「重要性議題」，新增了「僱傭制度」、「多元化、平等機會及反歧視」及「廢棄物」。為充分考慮持份者於各範疇關注的議題，本集團亦把「社區需求」納入於重要性議題當中，以反映不同範疇的關注重點。除此之外，報告期內的重要性議題與往年大致相似，以「僱傭慣例」為主。重要性評估結果已提交給董事會審閱。

## OPERATING PRACTICES

## 營運慣例

A business and working environment with equality, ethics and compliance is the foundation for the healthy development of the Group.

公平、道德及合規的營商與工作環境是本集團健康發展的根基。

### Protection of Privacy and Intellectual Property Rights

The Group respects customers' privacy and protects intellectual property rights. In the course of our operation, we are devoted to protecting and properly managing all the customer information gathered from purchasing records or medical records. Our "Staff Manual" and "Rules on Management of Retailing Safety" stipulate the staff's responsibility in keeping information confidential. All staff are not allowed to disclose customers' or internal information and data to third parties without prior consent of the Company. Meanwhile, security training and education on confidentiality are also provided to staff with access to confidential information to raise their awareness towards confidentiality. No staff is allowed to disclose customers' personal information without any prior written consent. To ensure the confidentiality of personal information and data, the Group respects the rights of all companies, individuals and creators, and expects to protect intellectual property rights through internal regulations and external laws.

### 私隱及知識產權保障

本集團尊重客戶隱私並保護知識產權。在營運過程中，我們致力保護及妥善管理所有從購買記錄以至病歷所得的客戶資料。本集團於《員工手冊》及《零售安全管理規程》闡明了員工對資料保密的責任，包括所有員工不可在未經批准的情況，向第三方洩露任何客戶或內部資料及數據。與此同時，本集團為涉及保密內容的員工提供保密工作安全教育，以提高其保密意識。未經書面許可，所有員工均不得對外洩露客戶個人資料。除了保障個人資料及數據的保密性，本集團尊重所有公司、個人及創作者的權利，期望透過內部規管及外部法例，保護知識產權。

To further monitor its compliance and confidentiality, if customers or third parties suspect that their privacy or intellectual property rights have been infringed, concerns or complaints can be submitted through established reporting channels including phone calls, email or written requests.

Besides potential internal risks, the confidentiality of information may be affected by network security. To avoid disturbance produced by hackers or illegal software causing leakage, staff may download software only with the consent of the Information Technology Department. At the same time, the Information Technology Department may upgrade the mail defense level in various ways including mailbox security verification and phone SMS verification to further ensure network security and avoid problems.

### Anti-corruption

Advocating the work attitude of "Virtue", "Honesty" and "Integrity", the Group does not tolerate any bribery, extortion, fraud and money laundering. The Group has set up an independent internal audit department responsible for monitoring areas such as the Group's business activities, corporate governance and workflow, as well as independently auditing the effectiveness of internal audit regulations and internal control system, so as to continuously enhance internal supervision and anti-corruption management.

Also, the expectations to and responsibilities of employees are detailed on the "Internal Audit Manual" and "Staff Manual" to provide guidelines to their daily work, which set out the Group does not allow any disclosure of trade secrets, abuse of power for personal gains, abuse or infringement of the Company's property or acceptance of advantages in the name of the Company under any circumstances. In addition, the Group has set up a supervision office and has an anti-corruption officer in place, which both are fully responsible for the disciplinary and inspection work of the Group through assessment and spot checks. To strengthen the regulatory capacity and scope, any suspected corruption cases can also be reported by employees to the supervision office by phone calls, email or in person.

This Year, the Group offered directors and employees with anti-corruption training as a reminder to ensure compliance with the requirements of relevant laws and regulations as well as internal policies by internal personnel, hence creating a clean working environment. The training covers anti-corruption and anti-bribery laws and regulations, as well as case studies of past violations, in which proper ways to handle potential and actual violations were discussed in particular. During the Year, the Group did not have any corruption lawsuits.

為進一步監管其合規性及保密性，如客戶或任何第三方懷疑自己的隱私或知識產權受到侵犯，可透過已建立的舉報渠道，包括電話、電郵或書面形式舉報。

除了內部的潛在風險，資料的保密性有機會受網絡安全影響。為避免受黑客或不法軟件影響，引致洩露的問題，員工需於得到信息技術部同意後，才可下載軟件。同時，信息技術部亦會提升郵件防禦級別，利用郵箱安全驗證、電話短訊驗證等不同方法，進一步確保網絡安全，避免受到影響。

### 反貪污

本集團重視「德」、「誠」、「信」的工作作風，不會容忍賄賂、勒索、欺詐及洗黑錢等行為。本集團獨立的內審部亦負責監督本集團的業務活動、企業管治及工作流程等，以及獨立評核內部審計規章制度及內部監控系統的有效性，以持續提升內部監控及反貪污管理。

我們亦於《內部審計手冊》及《員工手冊》中列明對員工的期望以及其責任，為日常工作提供指引，當中包括列明員工在任何情況下均不可洩露商業機密、為個人利益濫用職權或利用公司名義、濫用或破壞公司財物或收受利益。此外，本集團設有監察辦公室及廉政總監，透過評核及抽查，全面負責集團紀檢監察工作。員工亦可通過電話、電郵或親身向監察辦公室舉報懷疑貪污案件，以加強規管能力及範圍。

本年，本集團為董事及員工提供反貪污培訓，以提醒及確保內部人員對相關法例法規及內部政策的要求，締造廉潔的工作環境。培訓內容包括反貪污及反賄賂的法律法規，以及過往違規行為的個案研討，當中著重探討如何妥善處理潛在和實際違規情況。本年，本集團未發生任何貪污訴訟案件。

We adhere to the corporate motto of “Never cut corners on labour and quality, no matter how complex the process or how costly the materials” and devote to the optimization of supply chain and product quality management, so as to offer diverse, safe and highly effective Chinese medicine products.

我們遵從「炮製雖繁必不敢省人工，品味雖貴必不敢減物力」的古訓，致力完善供應鏈及產品品質管理，為客戶提供多元化、安全及高成效的中藥產品。

## WHOLE-PROCESS QUALITY MANAGEMENT

### Product safety and quality management

Tong Ren Tang adheres to the principle of “honest operation and morality” as core value of quality management. The Group upholds good product quality to ensure all Chinese medicine products provided to our customers are excellent and complied with relevant laws and regulations. The Group’s modern Production and R&D Base in Tai Po, Hong Kong obtained the GMP (Good Manufacturing Practice) certification for Proprietary Chinese medicine, ISO22000:2005 (Food Safety Management Systems) and the HACCP (Hazard Analysis and Critical Control Points) certifications, and all Chinese medicine products produced and sold by the Group are registered with the Chinese Medicine Council of Hong Kong and complied with international and local standards.

### 全流程質量管理

#### 產品安全及質量管理

同仁堂一以貫之把「誠信為本，藥德為魂」作為質量管理核心理念。本集團秉持良好的產品質素，確保為客戶提供合規及優良的中成藥產品。本集團設於香港大埔的現代化生產研發基地持有香港中成藥GMP(生產質量管制規範)認證、國際標準ISO22000:2005食品安全管理體系及HACCP(危害分析重要管制點)認證，並經香港中醫藥管理委員會註冊所有中成藥產品，以確保所有生產及出產的產品均符合國際及本地標準。

#### Major Quality Management System Certification of the Modern Production and R&D Base in Tai Po, Hong Kong 香港大埔的現代化生產研發基地的主要品質管理系統認證



To ensure the quality of owned products, we adopt a stringent quality standard. From material procurement, reception and storage, production and even inspection, we formulate management and operational guidelines in accordance with the quality requirement of each process, and stipulate the duties of responsible functional departments and key personnel so as to ensure that the arrangement on its production process and product quality are excellent and complied with relevant laws and regulations.

為確保自有產品的品質，我們均採用嚴格質量標準。從物料採購、接收及貯存、生產以及檢驗，按各流程的質量要求制定一套管理及操作指引，並訂明負責職能部室及主要人員的職責，以保障生產過程的各項安排及產品質量合規及優良。

| Process<br>流程 | Major Quality Control Measures<br>主要質量管控措施 |
|---------------|--|
|---------------|--|

|                                     |  |
|-------------------------------------|--|
| <b>Materials Processing</b><br>物料處理 | <ul style="list-style-type: none"> <li>Carry out field inspection for the growing, collection and processing environment of raw materials, auxiliary materials and packaging materials<br/>實地考察原材料、輔料和包裝材料的種植、採集及處理環境</li> <li>Upon arriving manufacturing plants, materials are subject to preliminary inspection for its variety, specification and packaging quality etc., and then quality checked by quality department after passed<br/>物料到廠後，初步檢視其品種規格和包裝質量等，合格後再由質量部進行質量檢驗</li> <li>Distinguish and store qualified materials and unqualified materials separately to prevent the use of unqualified materials during production<br/>區分及獨立存放合格和不合格的物料，防止不合格物料流入生產</li> <li>Qualified materials will be labelled with the inspection date, its expiry date and re-inspection date, and will be re-examined one month before the review date and those expired will no longer be used and will be scrapped and destroyed immediately<br/>檢驗合格的物料會標記檢驗日期、其有效期及覆驗日期，並於覆檢期前一個月即進行覆驗。超過有效期的物料將不再作使用，並立即報廢銷毀</li> <li>Establish guidelines on temperature, humidity and storage environment requirements for the storage of different raw materials, auxiliary materials, packaging materials and finished products, and also store in normal temperature storage area, cool storage area and cold storage area according to its serial number, nature, toxicity and species, to prevent the growth of micro-organisms and cross contamination<br/>訂立貯存不同原材料、輔料、包裝材料和製成品的指引，包括溫度、濕度及貯存環境要求，並按其編號、屬性、毒性及品種歸類，分別存放於常溫儲存庫、陰涼儲存庫和冷庫，避免滋生微生物及交叉污染</li> </ul> |
|-------------------------------------|--|

|                           |   |
|---------------------------|---|
| <b>Production</b><br>生產過程 | <ul style="list-style-type: none"> <li>Ongoing monitoring on the temperature, humidity, air pressure and cleanliness level in different production areas, as well as cleaning the production equipment and measuring instruments with filtered and purified water or 75% ethanol regularly and evaluating cleanness<br/>持續監控不同生產區域的溫度、濕度、空氣壓力及潔淨度，以及定期使用純水或75%乙醇清潔生產設備及計量器具，及進行潔淨評估</li> <li>The production area is installed with cleanroom to avoid contamination during production<br/>生產區域設有潔淨區，避免製藥過程受污染</li> <li>Operators should put on specific work clothes. Different corridors for operators and materials to enter and exit the production area to prevent micro-organism, particles and other pollutants from entering the production procedure<br/>操作人員須穿著指定工作服，操作人員及物料出入生產區域前須通過人流與物流通道，以減低微生物、微粒等污染物流入製藥過程</li> </ul> |
|---------------------------|---|

|                           |   |
|---------------------------|---|
| <b>Inspection</b><br>產品檢驗 | <ul style="list-style-type: none"> <li>Stipulate internal quality inspection standard, set out the requirements for the qualification of inspectors, inspection methodology and inspection equipment<br/>訂立內部檢驗質量標準，列明檢驗人員資格、檢驗方法、檢驗儀器及要求</li> <li>Set up laboratories with different functions to perform inspection on materials and environment<br/>設有不同功能的實驗室，負責進行物料及環境檢驗</li> <li>Conduct a comprehensive internal quality inspection on each batch of finished products, and those related safety projects will be inspected by independent third parties recognized by the government to ensure the products comply with safety and quality standards in Hong Kong<br/>每個批次的製成品均須通過內部的全面質量檢測，對有關的安全性項目經由政府認可的獨立第三方作檢測，以符合香港的安全及品質標準</li> </ul> |
|---------------------------|---|

The responsible officers receive training regularly regarding all the procedures to ensure a comprehension of relevant requirements. During the Year, the product quality training covers GMP, materials management, inspection management, medicine equipment, manufacturing equipment management, quality standard, manufacturing techniques, equipment operation, cleanliness and hygiene as well as employee discipline.

針對各項流程，負責人員須定期接受培訓，以確保其充分了解相關規定。本年，產品品質培訓涵蓋GMP、物料管理、檢驗管理、藥品工裝、製造設備管理、質量標準、生產工藝、儀器操作、清潔衛生及人員紀律等方面。

In order to have a further improvement on product quality, the Group established its strategies on quality development and risk management, which set out its quality development strategy including objectives, targets, planning and annual plans for quality control, and also formulated a series of guidelines and measures to guide all functional departments in improving their management system on quality control on an ongoing basis.

為進一步完善產品質量，本集團訂立了質量發展及風險管控策略，列明其質量發展戰略，包括質量管控方針、目標、規劃及年度計劃，並制定了一系列指引和措施，指導各職能部室持續完善質量管控體系。

**Creating a management system and culture for quality control**

建立管理體系和質量管控文化

- Forming a quality management committee which is responsible for formulating, assessing and adjusting the strategies on quality control. 設立質量管理委員會，負責制定、評估和調整質量戰略。
- Enhancing the management structure on quality to clarify the responsibilities of each working unit so that a culture for quality control can be fostered. 完善質量管理架構，明確各單位的責任，加強質量管控文化。

**Materializing a zero-defect quality control management**

實踐零缺陷質量管控

- Setting up a zero-defect management panel which is responsible for determining objectives for achieving zero-defect, performing regular assessment thereof and offering corresponding remedial solutions. 設立零缺陷管理小組，負責確定零缺陷管理目標，定期進行績效評估，並提供相應改進方案。
- Developing a recognition system to encourage functional departments and staff to achieve “zero-defect” and provide suggestions. 透過表彰制度，鼓勵職能部室和員工實踐「零缺陷」及提出建議。

**Forming a competent team**

建設人才團隊

- Strengthening the management capabilities of quality control-related technical staff and the training of technical and operational staff, to build a team with both quality and quantity. 加強質量管控技術人員的管理能力，以及技能操作人員的培養，建構質與量並存的團隊。
- Developing a more comprehensive mechanism for talent selection and incentives, which includes the procedures for identifying, training and managing talents, as well as the employment packages. 完善人才選用和激勵機制，包括發掘、培養和管理、僱傭待遇等流程。

**Enhancing the flow of quality-control related information**

加強質量管控資訊流通

- Enhancing and making the good use of digitalized product management system for statistical and analytical purposes, and establishing a system on the reporting and handling of quality control tracking for the whole product life cycle, quality risks and pharmacovigilance. 加強及充分利用產品信息化管理系統進行統計及分析，建立產品全生命週期的質量追溯、質量風險和藥物警戒匯報及處理機制。

**Enhancing standards on quality control**

完善質量管控標準

- Enhancing and adopting a more stringent standard that covers the management and control over TCM herbs and raw materials, selection, cooperation, assessment and review of suppliers, product quality control and management, and scopes of retail and medical services, to further improve the management standards. 完善和採納更嚴格的標準，涵蓋中藥材及原料管控、供應商選擇、合作、評估和審核、產品管控、零售及醫療服務範疇，進一步提升管理標準。

**Management of quality risks**

質量風險管理

See “Rules of Quality Risk Management” for details. 詳見《質量風險管理規程》。

The Group has also formulated “Rules of Quality Risk Management” to further strengthen risk management, eliminate quality and safety incidents and enhance prompt response to these incidents, improving operational performance.

In addition, in order to assist consumers in their purchase of authentic products, our products contain labels applying anti-counterfeiting technology to eliminate counterfeit ones, further boosting consumer confidence in the Group.

同時，本集團制定了《質量風險管理規程》，進一步加強當中的風險管理，避免質量及安全事故發生，以及加強事故發生的快速應對，完善營運表現。

除此之外，為協助消費者購買的正品產品，本集團產品含有防偽技術標籤，以杜絕假冒產品，進一步加強消費者對本集團的信任。

**Risk analysis**

風險分析

Identify and evaluate known or potential risks and assess the extent and impact thereof. 識別、鑒定已知或潛在的風險，以及評估其程度及影響。

**Risk control**

風險控制

Corresponding measures are established with reference to the extent of the risk exposure and previous experience. 按風險程度及過往經驗，訂立應對措施。

**Risk evaluation**

風險評估

Communicate with relevant functional departments to master information and monitor the process of quality risk management and phased evaluation, continuously improving the management process and adjusting response measures. 與相關職能部室溝通，以掌握資訊及監察質量風險管理過程及階段性審核檢查，持續提升管理流程，調整應對措施。



## CREATING A BETTER EXPERIENCE FOR CUSTOMERS

### Improvement on Customer Consultation and Product Return

The Group produces its product with great dedication and places emphasis on after-sales management, while continuously values customers' feedback on the products. The "After-sales Product Consultation and Complaint Handling Management Rule" and the "Product Return Management Rule" are in place, and the "After-sales Management and Product Return Procedure" is further established to improve the customer services quality. If there is any query about product information and usage after the purchase, or complaint on product quality, durability, reliability, safety, effectiveness or defects in design, customers are able to make consultations and complaints through phone calls, emails, written request or visit our retail outlets in person as well as return the product.

Meanwhile, the Group stipulates the requirement to be complied with by staff at retail outlets in the "Rules for Management on the Quality of Retail Services", which covers courtesy, reception, hospitality, knowledge of customers' needs as well as introduction of products. The Group also provides relevant training to its staff at retail outlets on a regular basis in order to provide excellent products and customer services. Preparing for the new retailing and consumption patterns of the digital era, the Group diversifies its sales channels, including the establishment of an online shop on the Company's official website to provide customers with seamless experience both online and offline.

The Group received 10 complaints on products and services for the Year. Following our investigation, it was confirmed that there was no problem with our products, and we had taken appropriate actions and replied to relevant customers.

## 提升客戶體驗

### 完善客戶諮詢及產品回收

本集團用心製作每一件產品，重視完善售後管理，持續關注客戶對產品的意見。本集團設有《產品售後諮詢及投訴處理管理規程》及《產品退貨管理規程》，並進一步訂立「售後管理及產品回收程序」，提升客戶服務質素。客戶可於購買後對產品資料及使用的疑問，或欲對產品質量、耐久性、可靠性、安全性、有效性或設計上的缺陷等問題，透過電話、電郵、書面形式或親臨零售終端作出諮詢、反映、投訴或退貨。

與此同時，本集團於《零售服務質量管理規程》列明對零售終端員工的要求，包括禮儀姿態、服務接待、待客態度、了解客戶需要及產品介紹。本集團亦定期向零售終端員工提供相關培訓，以提升產品及服務質素。為迎接數碼化新時代的零售及消費模式，本集團開拓更多元化的銷售渠道，包括於本公司官方網站上增設網上商城，向顧客提供線上線下的無縫體驗。

本年，本集團接獲10宗有關產品及服務投訴。經查核後，證實產品並沒問題，並已妥善處理及回覆客人。

## REGULATE PRODUCT INFORMATION

The Group strictly regulates its product labels and description to ensure their compliance and conformity with relevant regulations. Also, we do not tolerate any misrepresentation of drug labels and description. The labels and description attached to the proprietary Chinese medicine we sold and exported are in compliance with the Hong Kong Chinese Medicines Regulation, Guidelines on labels of proprietary Chinese medicines of registration regulation of proprietary Chinese medicines and Guidelines on package inserts of proprietary Chinese medicines. The package insert and description for proprietary Chinese medicine must be supplied with information such as the names of the main active ingredient, the dosage and method of usage, functions or pharmacological actions, storage instructions, contra indications or side effects and the expiry date. Hence, customers can choose suitable Chinese medicine products to safeguard their health and safety. At the same time, the product advertising and promotion implemented by the Group have to comply with relevant laws and regulation. Any advertisements and labels must be reviewed by the compliance department before being released to the public so as to ensure that all information is true, accurate, healthy, clear and without fraud.

Should we receive complaints related to product advertising and labelling, we will investigate the case immediately, identify the causes, and then formulate solutions and improvement measures to prevent recurrence of similar complaints. During the Year, the Group did not receive any complaints in relation to advertising and product labelling.

In the future, the Group will continue to review and optimize relevant policies relating to product responsibility.

## 規範產品資訊

本集團嚴格規管產品附有的標籤及說明書，確保其合規性及遵循相關指引，亦不容許任何有關藥物標籤及說明的虛假陳述。我們銷售及出口的中成藥附有的標籤及說明書均遵從香港《中藥規例》、中成藥註冊法規的中成藥標籤指引及中成藥說明書指引。中成藥標籤的包裝及說明書須具備主要有效成份、用量及使用方法、功能或藥理作用、貯存指示、禁忌或副作用、失效日期等資訊，讓客戶選取合適中醫藥產品，保障其健康及安全。同時，本集團履行產品廣告及宣傳遵從相關法規，任何廣告及標籤在對外發佈前須由合規部門審閱，確保內容為真實、準確、健康、清晰及概無欺詐成分。

倘收到有關產品廣告及標籤的投訴，我們會隨即展開調查，找出原因以及擬訂解決方案及改善措施，以避免同類投訴再次發生。本年，本集團沒有接獲有關廣告及產品標籤的投訴。

展望未來，本集團將持續檢討及完善與產品責任相關的政策。



### AFTER-SALES MANAGEMENT AND PRODUCT RECALL PROCEDURES 售後管理及產品回收程序

When the after-sales service hotline and mailbox, or the retail terminal receive enquiries, complaints, or request for product return or exchange and etc. from customers  
售後服務熱線、售後服務郵箱及零售終端接到客戶的諮詢、投訴、退貨或換貨等申請時

Queries about product prices, discounts, sales or business-related matters will be sent to the designated staff of each retail outlet to directly reply, or be sent to the sales and business department to follow up and reply.  
有關產品價格、優惠、銷售或業務方面的諮詢，將交由零售終端專責人員直接回覆或轉交由銷售及業務部門跟進回覆。

Queries about product indications, usage method and quality will be directly replied by after-sales service personnel or be sent to the quality assurance department to follow up and reply.  
有關產品適應症、使用方法及品質等諮詢，將由售後服務專責人員直接回覆或轉交由品質保證部門跟進回覆。

Regarding the complaint of product quality, request for product return or exchange, the quality assurance department will conduct examination and formulate measures based on the actual situations which include sample check, product recall and etc..  
有關產品質量的投訴、退貨或換貨申請，品質保證部將對個案進行核實，按具體情況制定處理措施，包括抽樣檢測及回收產品等。

If the reason of return is related to delivery or order error, product will continue to be sold after passing of quality inspection.  
若退貨原因為發貨或訂貨錯誤，產品回收後將經過品質檢驗，合格後才會繼續出售。

If the complaint is related to a product causing a customer to have adverse reactions, the quality assurance department will handle the complaint in accordance with the "Adverse Drug Reaction Report and Monitoring Procedures". If the case is confirmed to be serious or unexpected adverse reaction, meeting will be convened and investigation will be conducted, including inspection of the batch of production record, product samples and etc..  
若投訴與客戶對產品產生不良反應有關，品質保證部須按《藥品不良反應報告和監測管理規程》處理。若個案經確認屬嚴重或非預期的不良反應後，將召開會議及開展調查，包括檢查該批生產記錄，產品留樣等。

If the product is confirmed to have potential safety hazards or quality problems after investigation, the case will be reported and the product will be recalled and destroyed in accordance with laws and regulations.  
若產品經調查後證實存在安全隱患或質量問題，將會遵照法律法規進行通報及產品回收銷毀工作。

If corresponding adverse drug reactions are established and updated, solutions and preventive measures will be formulated, including revision of product instructions and etc.  
若相應藥品不良反應確立更新後，將制定解決方案及預防措施，包括修訂產品說明書等。

### RESEARCH AND DEVELOPMENT AND INNOVATION

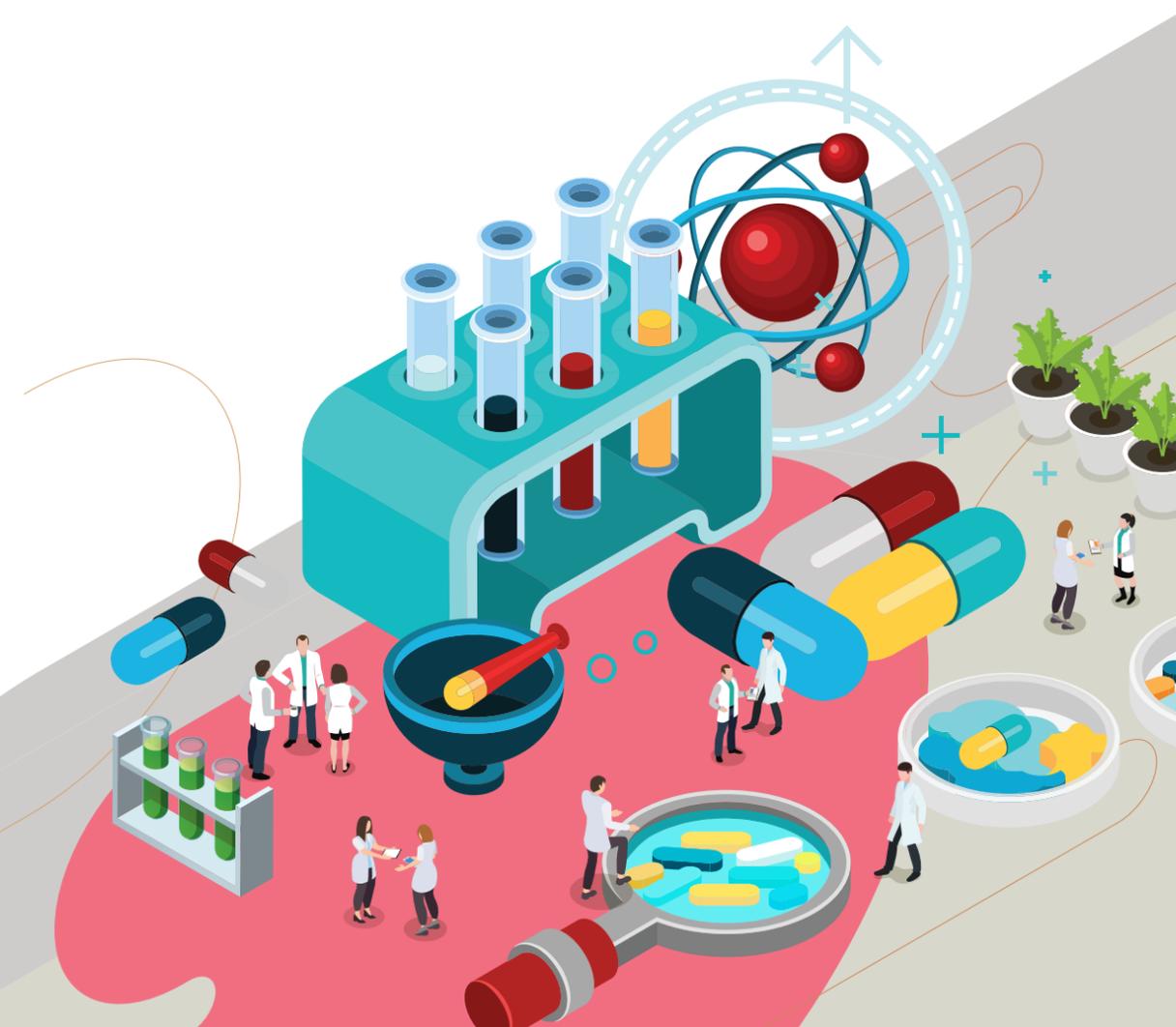
Keeping up with the development of general health industry, we have been focusing on the scientific development of TCM to promote our organic growth and continuous upgrading of technologies. During the Year, the Group continued to develop new products adapted to more diversified market demand, invest a lot of money and research & development personnel in this field, such as nourishing of body condition for the prevention of diseases. In addition, the Group actively advanced its scientific research on key product categories to facilitate further product upgrades and future product development.

The Group will continue to adopt "industry-academia collaboration" strategy through collaboration with world-renowned universities for joint research on key product categories, ranging from their safety to mechanism of action. It is expected that the results of scientific research will contribute a large amount of quantitative data for the future global expansion of the Group's TCM, and will be treated as a foundation for the public in overseas to further familiarize with, accept and consume TCM and as technological and data support for the Group in further expanding its presence in overseas markets and reducing potential market risks.

### 研發創新

隨著大健康領域發展趨勢，我們一直以中醫藥科學化作為著力點，推動企業內生動力和科技內涵的不斷升級。本年，本集團繼續新產品開發工作，投入大量資金及研發人員於此領域，以迎合調節人體機能、防病未然的廣泛市場需求。此外，本集團積極對重點產品品種進行科研工作，推動產品品種升級及產品未來發展。

本集團繼續「產學研」的合作模式，透過與國際知名高等院校合作，開展對重點產品品種的聯合科研，包括安全性、作用機理等方面研究。預期產出的科研成果，將為未來本集團中醫藥國際化積累大量的量化數據，為海外民眾進一步瞭解中醫藥、接受中醫藥、使用中醫藥提供認知基礎，為進一步擴大本集團在海外市場的影響力和降低潛在市場風險提供堅實的技術保障與數據支撐。



## SUPPLY CHAIN MANAGEMENT

Supply chain stability is one of the factors for sound corporate development. Effective supply chain management helps companies ensure that the supply of raw materials and production lines of products can operate as scheduled, in turn contributing to their achievement of long-term development. The Group has formulated the “Procurement Management Rules” and “Suppliers Management Rules” to provide clear guidelines for requirements and procedures of supplier assessment and approval.

In order to ensure the performance of existing suppliers meets the Group’s standard, we will have a regular review on the performance and product quality of suppliers to protect the cooperative relationship and ensure both parties are consistent with the contract made. The evaluation on new suppliers of the Group covers areas including their production capacity, supply capacity, material quality and reputation and etc. At the same time, for new suppliers of raw materials and auxiliary materials, we will ask for a small batch of samples from them and send the samples to our Quality Inspection Department to undergo a comprehensive test for ensuring that the active ingredient content, physical and chemical indicators, heavy metal content, pesticide residues and beyond meet the Company’s quality standards before we proceed with the official purchase. In respect of the Group’s suppliers of major raw materials and auxiliary materials and suppliers of packaging materials that may have significant influence on product quality, the supplier evaluation team will conduct sample testing and field evaluation to ensure the material quality meets the Group’s standard. The audit team is responsible for reviewing the suppliers every two years by reviewing various legal licenses, professional qualified certification documents, etc. of suppliers, as well as assessing the supply capacity, production management level and quality management level of suppliers. If there is problem in quality, we would perform re-assessment on the field and request improvement or even terminate the business with relevant suppliers if such improvement is not satisfactory.

The Group understands that identification of environmental and social risks in the supply chain as well as formulation of such monitoring policies are conducive to stronger supply chain management. The Group will further improve its own supply chain management and processes in the future so as to achieve a more stable and sustainable development.

During the Year, the Group had a total of 188 suppliers for procurement, which are located in Asia, Europe, Oceania and the Americas to provide stable supply.

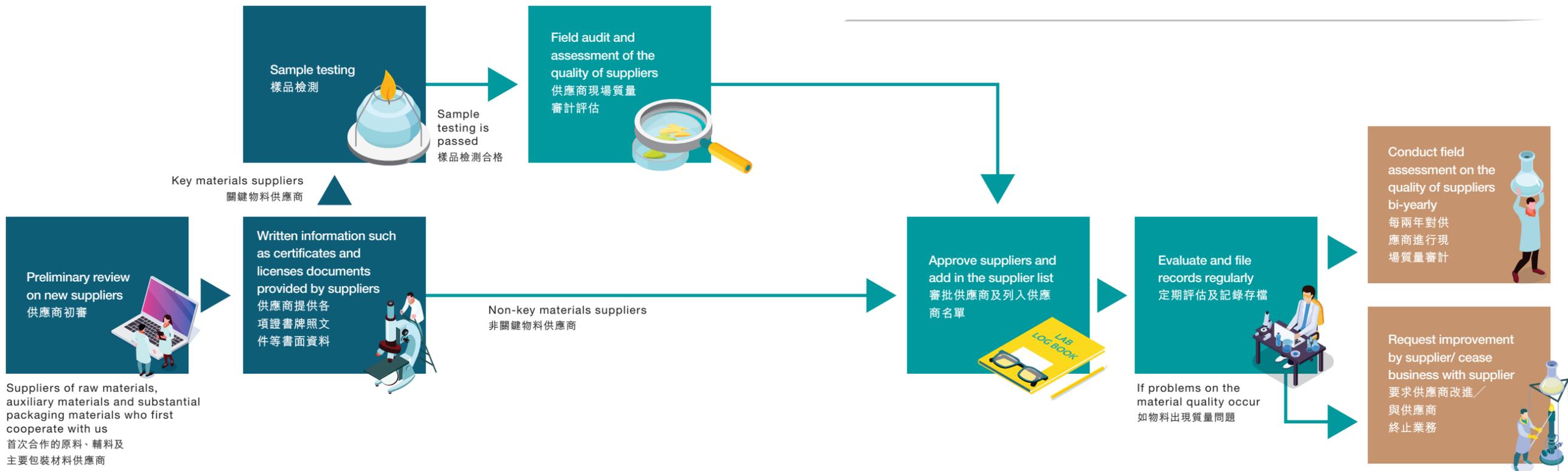
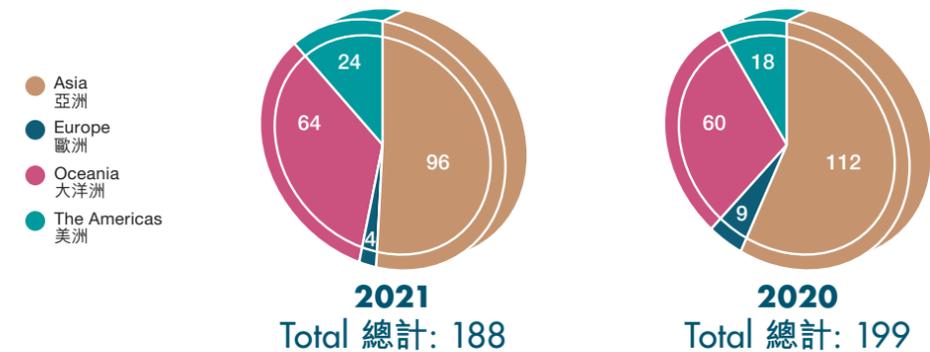
## 供應鏈管理

供應鏈的穩定性為良好企業發展的因素之一，有效的供應鏈管理有助企業確保產品原材料供應及生產線能按計劃運作，從而協助企業達到長期發展。本集團已制定《採購管理規程》和《供應商管理規程》，為供應商的評估及審批等要求及流程提供明確指引。

為確保現有供應商表現符合本集團的準則，我們會定期評核供應商表現及產品質素，保障雙方的合作關係及內容與合同相符。針對新供應商，本集團的審計範圍涵蓋供應商的生產能力、供應能力、物料質量及信譽等範疇。同時，質量檢驗部對首次合作的原材料和輔料供應商提供的樣品進行詳細的檢測，確保有效成分含量、各項理化指標、重金屬含量、農藥殘留量等均符合本公司質量標準才進行正式採購。針對為本集團提供主要原材料、輔料，以及對產品質量影響較大的包裝材料供應商，供應商審計小組會進行樣品檢測和現場審計，以確保物料質量符合本集團標準。審計小組負責每兩年對供應商進行審查，重新檢視供應商的各項合法證照、專業資質認證文件等，評估供應商的供應能力、生產管理水平和質量管理水平。當出現質量問題，我們會再次進行現場審計，並要求有關供應商作出整改，如整改不到位，將會暫停採購，或與其終止業務。

本集團明白於供應鏈中識別環境與社會風險，以及訂立相關監管政策，有助於加強供應鏈管理。本集團會於未來進一步完善自身的供應鏈管理及過程，以達致更穩定及可持續的發展。

本年，本集團共從 188 家供應商進行採購。供應商分佈於亞洲、歐洲、大洋洲及美洲，以提供穩定供應。



We are committed to the concept of “people-oriented and mutual benefits for employees and the Company”. People-oriented thinking, team culture and corporate responsibility principles urge us to pay close attention to staff development and create a friendly, equal, healthy and safe working environment for the employees.

我們堅持「以人為本，人業共興」的理念。人本思想、團隊文化及企業責任精神時刻要求我們關注員工發展，為員工創造友善、平等、健康及安全的工作環境。

## EMPLOYMENT SYSTEM

To retain capable staff and enhance our competitiveness, the Group believes that a friendly, equal and diversified working environment with mutual respect helps the employees to capitalize on their strengths. The “Staff Manual” stipulates clearly the measures and arrangement related to remuneration, recruitment and promotion, working hours and holidays, which provides a better understanding on the employees’ rights and obligations. Our staff are allowed to communicate with their departmental managers or the Human Resources Department on employment related matters based on the guidelines. The Group will handle their feedbacks, do follow-up, and then provide a working environment and business operation model which meets both needs. In the future, the Group will continue to review and update the “Staff Manual” from time to time to ensure our staff of a high standard and compliant employment system.

## 僱傭制度

本集團相信員工在友善、平等、多元化，且互相尊重的環境下工作，更能發揮所長，以及吸引員工留任和提升我們的競爭力。《員工手冊》明確有關於薪酬、招聘及晉升、工作時間及假期等措施及安排，以助員工了解自身的權利及義務。員工亦可根據當中指引，就僱傭相關事宜向部門經理或人力資源部反映。本集團會按其反饋，進行保密及跟進，締結滿足雙方的工作環境及營運模式。展望未來，本集團將不時繼續檢討及更新《員工手冊》以符合高標準及合規的僱傭制度。

## Remuneration and Benefits 薪酬及福利

- The Group provides a fair and competitive remuneration and benefits to our staff, regularly assesses and reviews the remuneration and benefits policies with reference to the industry level and practices of each regional market, to improve its arrangement and requirements. Also, performance-based bonus and awards will be issued according to staff qualifications, performance assessment and individual or team performance for the year to support and recognize staff.  
本集團根據當地薪酬水平及行業慣例，向員工提供公平且具競爭力的薪酬及福利，以及定期檢討政策，完善當中安排及要求。我們亦會按員工的工作表現、績效評估、資歷等因素提供獎金及獎項，以表支持及讚揚。
- The Group provides comprehensive and regular medical check-up upon staff joining the Group, also offers basic medical, dental and accident insurance to employees. Staff and their direct relatives are provided with free TCM consultation services.  
本集團為員工提供每年享有全面入職及定期身體檢查、基本醫療及牙科保健、意外保險等保障，直系家屬更可進行免費中醫諮詢服務。
- To take care of the personal health of staff and their families, the Group distributes shopping coupons for different company products to staff and their direct relatives. Meanwhile, the Group also converts vacant rooms into nursery rooms for its postnatal female employees.  
為照顧員工及其家人的個人健康，員工及直屬家屬獲派發及提供各類公司產品購買優惠。同時，我們更為產後員工把空置房間作為哺乳室。
- To create a relaxing and pleasant working atmosphere, the Group organizes various kinds of after-work activities from time to time for employees to join. During the Year, the Company held a wide range of cultural activities, including poetry reading competitions, team competitions and a number of fun quizzes, putting people in the festive mood.  
為營造輕鬆愉悅的工作生活氛圍，本集團不定時舉辦各種工餘活動讓員工參與。本年，本公司舉辦多元化文化活動，包括詩詞朗誦競賽、團隊競技活動以及多個趣味問答比賽，讓大眾一同感受節日的氣氛和樂趣。

## Leave Arrangement 假期安排

- Apart from local statutory leave, the Group provides additional paid holidays, including marriage leave, compassionate leave and home leave, to ensure employees rest well.  
本集團根據當地法定假期，以及額外有薪假期，包括婚假、喪假及探親假等，確保員工有適當的休息。

## Diversity, Equal Opportunity and Anti-discrimination 多元化、平等機會及反歧視

- The Group follows the principle of “distribution based on contribution” and “equal pay for equal work” and provides equal development opportunities for all employees and applicants. No biased decision are made due to their race, gender, age, religion or other factors that are not related to their ability, qualifications and experience to build an inclusive and fair working environment.  
本集團遵守「按勞分配、同工同酬」原則，為所有員工及應聘人士提供平等的發展機會，不會因種族、性別、年齡、宗教等與他們能力、資格及經驗無關的因素作出偏倚的決定，以建設包容及公平的工作環境。
- To enhance the diversity of the Board, the policy on diversity of the Group’s Board members states that difference factors such as gender, age, culture and educational background are taken into consideration when selecting new directors.  
為提升董事會多元化，本集團的董事會成員多元化政策說明選任新董事時，將性別、年齡、文化及教育背景等不同因素列入考慮範圍之中。

## Recruitment, Promotion and Termination 招聘、晉升及解聘

- All recruitment, promotion and termination procedures adopt the principle of fairness and openness, and such decisions shall be made based on factors including work performance, attitude and development direction of employees or applicants.  
所有招聘、晉升及解聘流程均遵循公平公開的原則，須根據員工或應聘人士的工作表現、態度、發展路向等因素作出決定。
- Procedures related to recruitment, promotion and termination are specified in the “Staff Manual” to help employees understand their rights and relevant procedures.  
有關招聘、晉升及解聘流程已列明於《員工手冊》中，以助員工了解自身的權利及相關流程。

## Prevention of Child Labour and Forced Labour 防止童工及強制勞工

- No tolerance for the employment of child labour or forced labour in the Group’s operation. During recruitment, job applicants have to provide identification documents for our verification and documentation to ensure they are qualified and complied with relevant laws and regulations.  
本集團禁止招聘或使用任何童工，並於招聘過程中核實應聘人士的身份證明文件並記錄存檔，確保其工作資格及合規性。
- Working hours and job duties are specified on the employment contract. Employees are only required to perform their job duties thereon and strictly prohibited any forced labour and job duties mentioned outside of the contract in any form.  
有關工作時間及職責等要求均列明於僱傭合約中，員工只需按當中要求履行職務，嚴禁以任何形式強制要求其履行合約中的要求或時間以外的職務。
- In the event that there is any employment of child labour or forced labour, the Group will handle including reporting to the enforcement branch, assisting the aggrieved employee, and also taking disciplinary actions in accordance with relevant laws and regulations.  
如發現任何童工或強制勞工的違規情況，本集團會根據相關法例法規處理，包括向執法部門報告、協助受害員工，以及採取紀律處分。

As at 31 December 2021, there are 745 employees in total, including 233 males and 512 females. In additional, the turnover rate for the Year is 8.72%, including 30 males and 43 females.

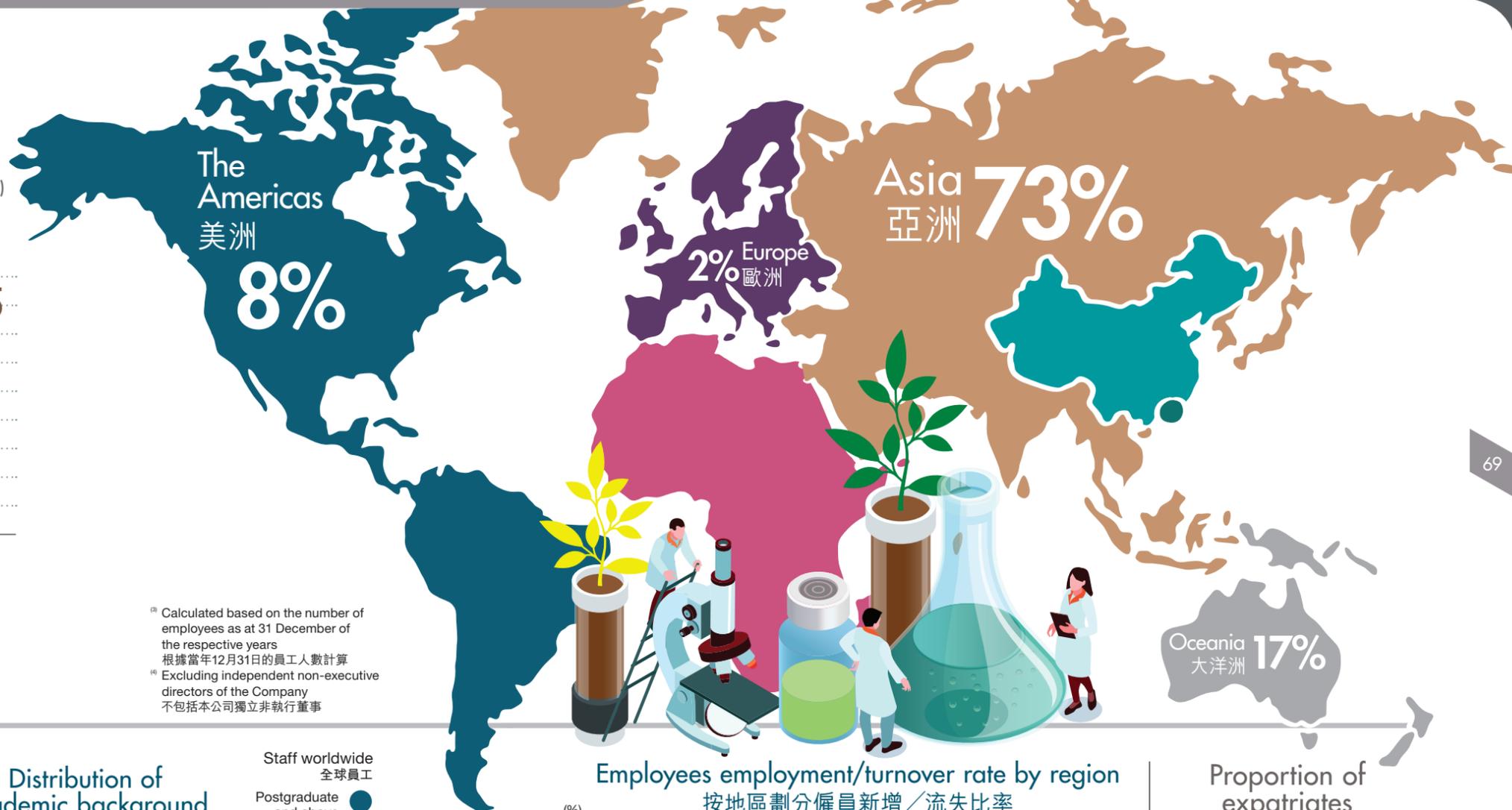
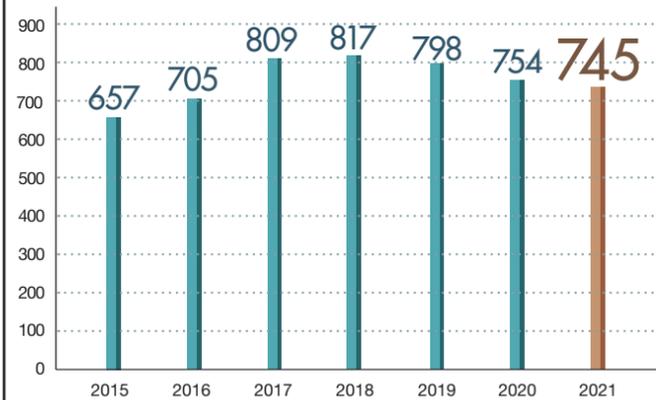
截至2021年12月31日，本集團共有745名員工，當中包括233名男性及512名女性。此外，本年的流失率為8.72%，包括30名男性及43名女性。



GLOBAL DISTRIBUTION OF STAFF

全球員工分佈

Number of employees worldwide (3)(4)  
全球員工人數 (3)(4)



EMPLOYEES RELATED DATA OVERVIEW FOR THE YEAR OF 2021

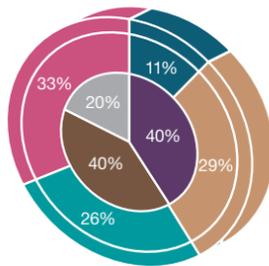
2021年度員工相關數據總覽

(3) Calculated based on the number of employees as at 31 December of the respective years  
根據當年12月31日的員工人數計算  
(4) Excluding independent non-executive directors of the Company  
不包括本公司獨立非執行董事

Staff worldwide  
全球員工

- Below 30 years old  
30歲以下
- 30-39 years old  
30-39歲
- 40-49 years old  
40-49歲
- 50 years old and above  
50歲及以上

Age distribution  
年齡分佈



Directors and senior management  
董事及高級管理人員

- 40-49 years old  
40-49歲
- 50-59 years old  
50-59歲
- 60 years old and above  
60歲及以上

Gender distribution  
性別分佈



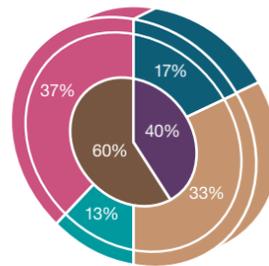
Staff worldwide  
全球員工

- Male  
男性
- Female  
女性

Directors and senior management  
董事及高級管理人員

- Male  
男性
- Female  
女性

Distribution of academic background  
學歷分佈



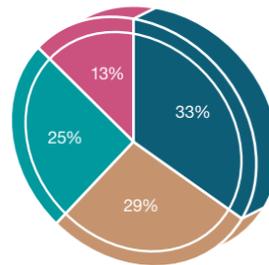
Staff worldwide  
全球員工

- Postgraduate and above  
研究生及以上
- Undergraduate  
大學本科生
- Graduates with tertiary qualification  
大專學歷
- Graduates with qualifications below tertiary qualification  
大專學歷以下

Directors and senior management  
董事及高級管理人員

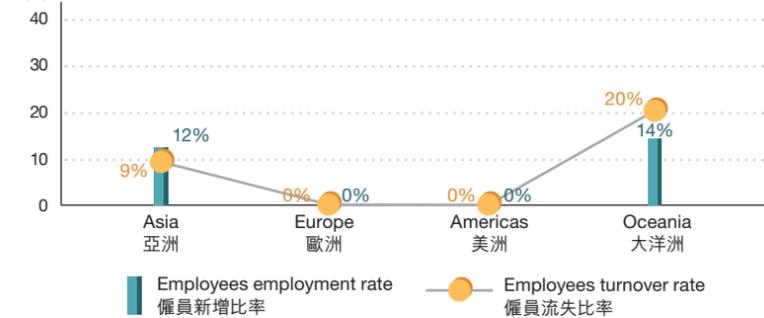
- Postgraduate and above  
研究生及以上
- Undergraduate  
大學本科生

Service year of staff worldwide  
全球員工工作年期

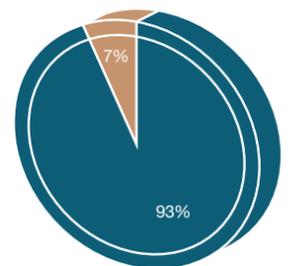


- Below 3 years  
3年以下
- 3-5 years  
3-5年
- 6-10 years  
6-10年
- 11 years and above  
11年及以上

Employees employment/turnover rate by region  
按地區劃分僱員新增/流失比率

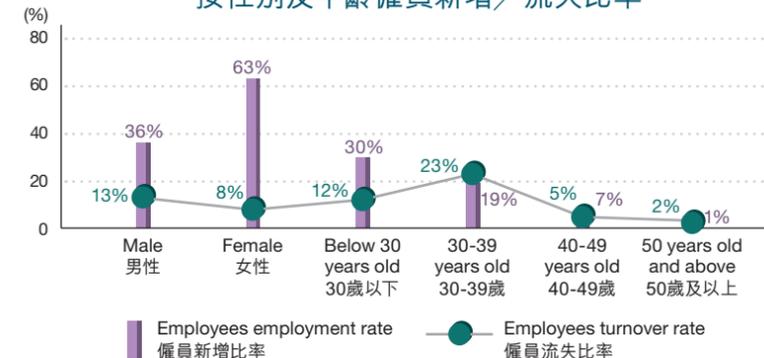


Proportion of expatriates  
外派人員所佔比例



- Local staff  
本地人員
- Expatriates  
外派人員

Employees employment/turnover rate by gender and age  
按性別及年齡僱員新增/流失比率



## STAFF HEALTH AND SAFETY

The Group provides a safe and healthy working environment for employees and adheres to the production principle of safety and hygiene. According to the “Rules on Management of Retailing Safety”, Tong Ren Tang lists out the regulations on safety management of workplaces and warehouses to reduce the risk and impact on the employees’ position.

## 員工健康與安全

本集團為員工建立健康安全的工作環境，堅持安全及衛生的生產方針。同仁堂根據《零售安全管理規程》，列明工作場所及庫房安全管理的規定，以降低職位為員工帶來的風險及影響。

### Planning 規劃

#### Health and safety hazard assessment

##### 健康與安全危害評估

Labour Department and Department of Health conduct regular health and safety inspection and check-up on employees at Tai Po Production and R&D Base.  
勞工處及衛生署會定期為大埔生產研發基地員工進行健康與安全的視察及檢查。

#### Workplace and storage layout

##### 工作及儲存場所佈置

All workplaces, including retail outlets and warehouses, shall have fixtures required for safe working practices and have conspicuous safety signs in place. For instance, items shall be stacked at a safe distance from heat and electrical switches. Adequate firefighting equipment shall also be available in the warehouses and the operation staff shall be familiar with the equipment and its usage. Firefighting equipment shall also receive regular inspection and maintenance performed by designated professional.

所有作業現場，包括零售終端及倉庫等應有安全作業的佈置和顯眼的安全指示標誌。例如，物品的堆放需與熱源及電器開關保持安全距離。倉庫需具備足夠的消防器材，操作人員亦要熟悉各種消防器材和使用方法。消防器材亦需由專人定期進行檢查和保養。

Inflammable items, poisonous and hazardous substances in the Tai Po Production and R&D Base are stored in designated space and labelled. The storage space is equipped with good ventilation, smoke exhaust and fire safety systems in compliance with safety standard. A valid license has been granted to the Group and annual safety and electricity inspection has been conducted through Fire Services Department to maintain safety.

大埔生產研發基地的易燃品及有毒有害物質存放於指定的專屬空間，並貼上標示。該存放空間按法定安全標準設置抽風、抽氣及安全防火設施。本集團持有有效牌照，每一年通過消防處進行安全及電力驗證，以策安全。

### Policy 政策

#### Safety rules and guidelines

##### 安全規程及指引

Based on the requirements of different workplace and job nature, safety rule for our employees has been developed to stipulate the safe operation procedure for each position, aiming at minimising the risk of injury and occupational diseases. In respect of retailing, the Group formulated the “Rules on Management of Retailing Safety”, stipulating the requirements for safety management in workplaces and warehouses.

按各工作場所及工種需求，安全規程已為各員工制定，闡明各崗位安全操作指引，以減少受傷及罹患職業性疾病的風險。在零售方面，本集團制定了《零售安全管理規程》，列明工作場所及庫房安全管理的規定。

### Execution 執行

#### Establish safety culture, enhance safety education

##### 建設安全文化，加強安全教育

To enhance employees’ health and safety awareness, we develop annual training plan which includes monthly training with different themes in accordance with the requirements of the Hong Kong’s Department of Health. Before the end of training, employees are required to complete relevant assessments. We will also keep record of the training sessions and assessment results for each employee to ensure each employee obtains necessary safety knowledge for the position.

為加強員工的健康安全意識，我們每年均按香港衛生署要求制訂全年培訓計劃，當中包括按月舉行不同主題的培訓。完成培訓前，員工均須接受相關考核。我們亦會為每位員工記錄所參與的培訓、考核結果等相關內容，確保員工在具備崗位所需的安全知識下工作。

Production employees are exposed to relatively high risk during the operation of the Group. To ensure that they have sufficient knowledge about factory safety, regular safety production training will be conducted including standard operation on equipments, safety and emergency management, fire safety knowledge and system usage as well as traffic and security management.

生產員工是本集團營運中相對較高風險的崗位。為確保他們具備廠房的安全知識，安全生產培訓將會定期進行，並涵蓋儀器標準操作、安全及緊急管理、消防知識及設施使用，以及交通和治安保衛安全。

### Investigation 查核

#### Regular inspection and accident investigation

##### 定期檢查及事故調查

Labour Department and Buildings Department conduct regular inspection on safety and environment in Tai Po Production and R&D Base every year.

勞工處及屋宇署每年會定期於大埔生產研發基地內進行例行巡查視察安全及環境情況。

#### Health management and promotion

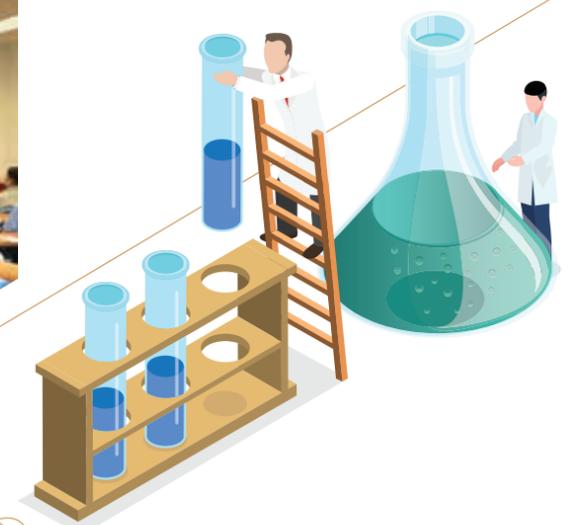
##### 健康管理及促進

During the Year, we have arranged several occupational health seminars for employees at Tai Po Production and R&D Base, which covered scopes of fire safety, traffic safety, public security management, to teach and demonstrate relevant safety and health actions.

本年，我們為大埔生產研發基地員工安排了多個職業健康講座，範圍涵蓋防火安全、交通安全，治安保衛管理，教授並示範相關安全及保健動作。

Over the past 3 years (including the Year), there is no case of work-related death and work-related injury. The work-related injury rate was 0%.

過去三年（包括本年），本集團並無發生因工死亡或工傷個案，工傷率為0%。



The emergence of the epidemic has had an indelible impact on society and public health on a global scale, threatening people in all parts of the world. The Group understands our employees' concerns about personal health and safety during the epidemic, and hopes that by complying with government regulations and guidelines, as well as guidelines on internal epidemic prevention measures, we can effectively ensure their personal safety in the working environment. We will also timely adjust epidemic prevention measures to cope with the epidemic situation so as to boost the confidence of our employees.

In order to further lower the risk of employees being infected, the Group has formulated a series of safety measures, including flexible working hours, working from home and a shift system, providing training on epidemic prevention and distributing epidemic prevention materials such as masks.

疫症的出現為全球社會及公共健康帶來不可磨滅的影響，威脅到全球各地的人民。本集團明白員工於疫情期間對個人健康及安全的憂慮，希望透過遵循政府的規定及指引，以及內部防疫措施指南，可有效地保障員工在工作環境的個人安全。我們亦會因應疫情形勢，適時調整防疫措施，加強保障員工的信心。

為進一步降低員工染病的風險，本集團制定了一系列安全措施，包括彈性上班時間、在家工作及輪班制、提供防疫知識培訓，以及派發口罩等防疫物資。

## TRAINING AND DEVELOPMENT

Adhering to the concept of "business growth driven by talent", Tong Ren Tang supports talent sustainability and career planning to nurture talents and strengthen their sense of belongings. The Company formulates a promotion system and clear guideline is given to employees through the "Staff Manual". In order to formulate a suitable development direction for employees, we evaluate and give feedback on staff performance through regular performance appraisal and assessment.

Also, Tong Ren Tang specifically design training programs based on the requirements of every position. For instance, regular trainings on the operation standard of equipment, safety and emergency management, knowledge on fire prevention and facilities usage are provided to plant employees together with assessments so as to ensure they work with safety knowledge required by their positions. At the same time, we provide trainings to retail outlets staffs so as to provide high quality customer services. We also maintain detailed training records for each employee to assist them to review their training joined and assessment results. We regularly collect opinions from employees to review and update the training programs to further improve our approaches of training.

### 培訓與發展

同仁堂致力實踐「人才促進發展」的理念，支援員工持續發展及職業規劃，以培育優秀人才，提高員工的歸屬感。本公司制定了一套晉升流程制度，並透過《員工手冊》向員工提供明確指引。根據定期員工績效評估及考核，我們評價員工的工作表現及提出反饋，為員工擬訂合適的發展方針。

同仁堂亦會因應各工作崗位的需要，制訂合適的培訓計劃，例如為廠房員工提供定期的儀器標準操作、安全及緊急管理、消防知識及設施使用等培訓，並接受考核，確保員工在具備崗位所需的安全知識下工作。同時，亦為零售終端員工提供培訓，務求提供高質量的客戶服務。每位員工均有詳細培訓檔案，協助其檢視所參與的培訓及考核結果。通過定期收集員工意見，我們檢討及更新培訓內容，以完善培訓方針。

#### Before arriving at workplace

- declare physical condition
- ensure no travel history within 14 days

#### 抵達工作場所前

- 申報身體狀況
- 確保 14 天內沒有外遊紀錄

#### During work

- Wear a mask
- Measure and record body temperature regularly on a daily basis
- Clean their hands with alcohol-based handrub before and after entering and leaving shops, and touching objects

#### 工作期間

- 配戴口罩
- 每日按時測量及紀錄體溫
- 於出入店舖及接觸物品前後，使酒精搓手液消毒雙手

#### Leaving workplace

- 1:99 diluted bleach is used to clean and disinfect frequently touched objects
- Enhance cleaning and disinfection of waste containers
- Carry out waste separation

#### 離開工作場所

- 使用 1:99 稀釋漂白水清潔及消毒經常接觸的物品
- 加強清潔及消毒垃圾盛裝容器
- 進行垃圾分類



| Focus of training<br>培訓重點  | Description of training<br>培訓描述  |
|----------------------------|--|
| Working Skill<br>工作技能      | Targeted on job requirements for employees, our staff knowledge on our products and work tasks as well as their professional skills can be enhanced through provision of different kinds of skill training. For example, trainings on management of manufacturing equipment and sampling are provided.<br>針對員工的職位要求，提供不同的技能訓練，加強對產品及工作的認識、專業技能等方面，例如提供製造設備的管理及取樣培訓。  |
| Product Quality<br>產品質量    | To enhance our employees' understanding and performance of production processes and quality requirements, the Group provides different trainings on product quality.<br>為加強員工對生產流程及質量要求的認識及表現，本集團提供不同的產品質量培訓。  |
| Health and Safety<br>健康與安全 | In order to ensure the health and safety of our employees, the Group provides health and safety trainings as well as special activities on different topics to teach and demonstrate different exercises for safety and health to draw more internal personnel attention to occupational health and safety.<br>為確保員工的健康與安全，本集團提供不同主題的健康及安全訓練及專項活動，教授和示範不同的安全及保健動作，提高內部人員對職業健康與安全的關注。   |
| New Staff<br>新入職人員         | The Group is endeavored to providing an inclusive workplace. As a result, the Group provides induction training and career training for new staff every year to give them a hand in understanding their own responsibility, familiarizing them with the Group's culture and its core values with the aim of adapting themselves to new working environment and integrating them into the new organization.<br>本集團希望提供包容的工作場所。因此，每年都提供新入職員工培訓及職場訓練，協助新員工了解自身職責、集團文化和價值觀等，希望新加入員工能夠適應新的工作環境，融入新組織。 |

During the Year, the Group provided trainings for 34.0% of its employees, in which male and female employees accounted for 28.1% and 71.9% respectively; among those employees received trainings, 4.3% was directors and management, 17.8% was managers and 77.9% was general staff.

本年，本集團為34.0%員工提供培訓，當中男性員工和女性員工分別佔28.1%和71.9%，而4.3%受訓員工為董事及管理人員，17.8%為經理級和77.9%為基本員工。

Total training hours of all employees  
全體員工培訓總時數

2084 hours  
小時

Training hours per employee  
平均每名員工培訓時數 2.8 hours  
小時

Male employees  
男性員工

742 hours  
小時

Training hours per employee  
平均每名員工培訓時數 3.2 hours  
小時

Managerial grade staff  
經理級員工

915 hours  
小時

Training hours per employee  
平均每名員工培訓時數 13.3 hours  
小時

Directors<sup>(5)</sup> and Senior Management  
董事<sup>(5)</sup>及高級管理人員

218 hours  
小時

Training hours per employee  
平均每名員工培訓時數 19.8 hours  
小時

Female employees  
女性員工

1342 hours  
小時

Training hours per employee  
平均每名員工培訓時數 2.6 hours  
小時

General staff  
基本員工

951 hours  
小時

Training hours per employee  
平均每名員工培訓時數 1.4 hours  
小時

<sup>(5)</sup> Excluding Independent Non-executive Directors  
不包括獨立非執行董事



Forging the self-discipline of “Dedication comes from the heart in the steps that no one else can see for Tong Ren Tang”, while we pursue excellence in Chinese medicine products research and manufacturing, and we are committed to take up responsibility of environmental protection.

同仁堂樹立「修合無人見，存心有天知」的自律意識，在研製中藥產品方面精益求精的同時，亦承擔保護環境的責任。

Complying with the environment-related laws and regulations, the Group implemented “Measures on the Administration of Environmental Management Protection of Production Bases” to regulate the emissions of Tai Po Production and R&D Base. Through standardising the emissions management, implementing resources conservation measures and raising employees’ awareness, we monitor and continuously optimise our environmental performance. Meanwhile, with the enhancement of resource utilization efficiency and reduction of emissions as our environmental goals, the Group continuously evaluates, records and discloses environmental data every year for reviewing effectiveness of current measures, and further formulates specific indicators for emission and waste reduction as well as energy and water conservation in the future, improving governance performance.

本集團依循與環境相關的法律法規，制定《生產基地環境保護管理辦法》，規範大埔生產研發基地的排放物管理。我們透過制定排放物處理標準、推行節約資源措施及提高員工意識，把控及持續完善環境表現。同時，本集團以提高資源使用效率並減少排放為環境目標，持續評估、紀錄及每年披露環境數據，從而檢討現行措施成效，並於日後進一步制訂減排、減廢、節能及節水的具體指標，加強管治表現。

## EMISSIONS MANAGEMENT

### Waste

The Group, being well aware of the potential impacts of waste on the environment and social, cautiously treats solid waste arising from its operation. Solid waste generated during the operation is divided into hazardous waste and general non-hazardous waste. In this regard, we have formulated treatment measures for each category of waste. This Year, a total of 0.70 tonnes of hazardous waste such as acupuncture needles and cotton generated by the Group were handed over to qualified companies for processing. At the same time, non-hazardous waste such as domestic waste of approximately 431.0 tonnes in total were handed over to local government authorities for collection, clearing and processing.

### 排放管理

#### 廢棄物

本集團深知廢棄物對環境及社會的潛在影響，謹慎處理營運中產生的固體廢物。我們營運中產生的固體廢物分為有害廢棄物及一般無害廢棄物，並針對各廢棄物訂立處理措施。本年，本集團產生的針灸針和棉花等有害廢棄物共0.70公噸，均交由合資格公司處理；同時產生的生活垃圾等無害廢棄物共約431.0公噸，交由當地政府部門收集、清運和處理。



### Hazardous waste 有害廢棄物

Hazardous wastes such as a small amount of chemicals are generated from the Group’s production process while a small amount of medical waste is generated from the Chinese clinical services at retail outlets. Paying attention to the risk of improper disposal of hazardous waste, such waste will be disposed of with proper supervision and disposal.

本集團的生產過程牽涉少量化學品等有害廢棄物，而零售終端的中醫診療服務亦只產生少量醫療廢物。我們關注不慎處理有害廢棄物的風險，透過妥善監督及棄置，適當處理有關廢棄物。

| Chemicals and other hazardous waste<br>化學品及其他有毒有害廢棄物   | Medical waste<br>醫療廢物   |
|--|---|
| <p>Understanding that the chemicals we use in production and experiments pose a potential threat to staff and public health and pollute the environment, the Group formulated control measures, which are administered and supervised by laboratory management, in accordance with “Hazardous Chemicals Control Ordinance” of Hong Kong.</p> <p>深明生產和進行實驗時使用的化學品對員工及公眾健康構成的潛在危險，亦會對環境造成污染。因此，本集團依照香港《有毒化學品管制條例》制定控制措施，並由實驗室管理人員負責執行及監督。</p> <p>Toxic and hazardous wastes such as chemical containers and waste oil are classified and disposed to specially-marked collection containers, which are stored separately in the leak-proof, dust-proof and explosion-proof facilities. Licenses from the relevant government authority were applied and such waste is sent to qualified recyclers for handling. The amount of recycling for each time will be registered and recorded.</p> <p>化學品容器、廢機油等有毒有害廢棄物，須分類棄置於特別標識的收集容器，獨立存放於有防流失、防洩漏、防飛揚及防爆等功能的設施。我們已向相關政府機構申請牌照，並移交相關廢棄物至合資格回收單位處理，每次進行登記及記錄回收量。</p> <p>The Group also encourages employees to collect the hazardous wastes such as ink cartridges and used battery for recycling to mitigate the impact on the environment.</p> <p>本集團亦鼓勵員工收集墨水匣、舊電池等有害廢棄物，並進行回收，以降低對環境的影響。</p> | <p>The acupuncture needles used in Chinese medical consultation fall within the scope of medical waste Group 1 — Used or Contaminated Sharps. The “Medical Waste Treatment Procedures” prepared by the Group complies with “Waste Disposal Ordinance” and “Codes of Practice for the Management of Clinical Waste”. Our staff at retail outlets are required to recap and properly placed used sharp needles in medical disposal bin with special marks to separate from other waste and avoid contact with humans. The sealed medical waste will be transferred to a licensed medical waste collector for disposal. Meanwhile, we will submit a relevant application to the Environmental Protection Department for follow-up actions.</p> <p>提供中醫診療服務時針灸所用的針屬醫療廢物第一組別 — 「經使用或受污染利器」。本集團依循香港《廢物處置條例》及《醫療廢物管理工作守則》編製《醫療廢物處置流程》，零售終端員工先要將尖銳的針頭套好，妥善安放於特別標識的醫療廢桶，並與其他廢物分隔，減少與人接觸的機會。員工密封醫療廢物後，移交持牌醫療廢物收集商處置。同時，員工亦須向環保署遞交相關申請，以便跟進。</p> |

### Non-hazardous waste 無害廢棄物

The Group’s daily operation generates non-hazardous waste such as packaging materials and domestic wastes. By reducing waste at source, the Group supports reusing and recycling resources, and strives to reduce the non-hazardous waste generated by the operation. During the Year, the Group recycled 10.57 tonnes of waste paper and paper cartons, and discussed with recycling companies and had access to data of wastes so that we can further improve our relevant disclosures.

本集團的日常營運產生包裝廢料及生活垃圾等無害廢棄物。我們透過奉行源頭減廢，支持循環再用及資源回收，減少營運所帶來的無害廢棄物。本年，本集團回收了10.57公噸的廢紙及紙皮，並與回收公司商討，並取得廢棄物數據，進一步完善相關的披露。

### Waste generated from the production process and packaging materials 生產流程及包裝品所產生的垃圾

The Group adheres to the approach of “purchase on demand”, where we purchase packaging material based on the production volume of our products accordingly. Employees at Tai Po Production and R&D Base are encouraged to reuse resources, and prevent willful discard of recyclable waste such as newspapers and paper boxes. Employees are required to collect and separate recyclable waste, which will be sent to waste collector for recycling.

本集團堅持「按需購進」的原則，按產品生產量採購相應數量的包裝材料。本集團鼓勵大埔生產研發基地員工重用資源，禁止任意丟棄可回收廢棄物，如報紙及紙箱。同時，亦要求員工收集及分類可回收廢棄物，再交由垃圾收集商作回收處理。

### Domestic wastes 生活垃圾

Food waste generated from the canteen of the Tai Po Production and R&D Base is collected and stored at designated rubbish bins to be sent and disposed by our collector. The qualified collector will regularly collect and handle sewage and waste oil being discharged from the kitchen to the grease traps subsequently.

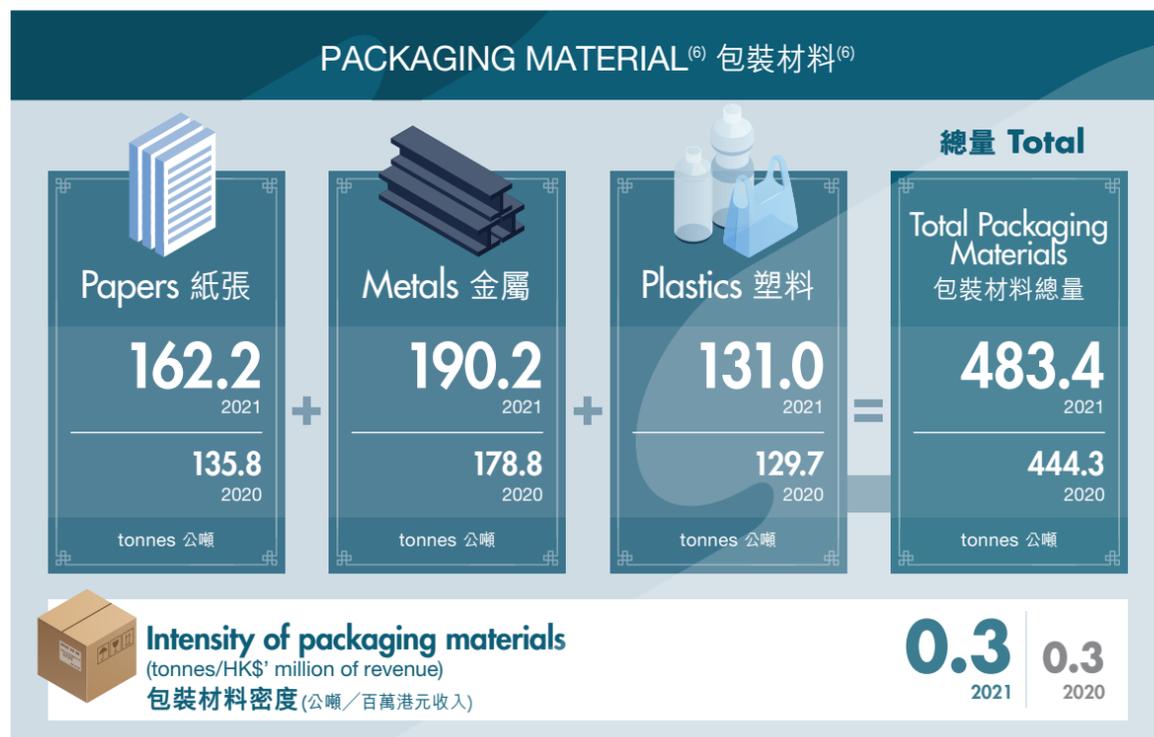
本集團以專屬垃圾桶收集及儲存大埔生產研發基地食堂的廚餘，並由收集商棄置。廚房排放至吸油池的污水及油，均交由合資格收集商定期收集及後續處理。

Meanwhile, office staff are encouraged to reduce using as well as making best use and recycle any single-use items by types: 同時，我們鼓勵辦公室員工減少一次性用品的使用，以及物盡其用和分類回收：

- Establish a new electronic system, adopt paperless communications to reduce printing  
建立新的電子系統，實行無紙化溝通，減少列印
- Use double-sided papers and reuse single-side printed paper  
使用雙面影印，重用單面紙
- Collect paper, ink cartridges and used battery for further treatment by independent professional recyclers  
收集紙張、墨盒、舊電池等，交由獨立專業回收商作後續處理

During the Year, the Group consumed a total of 483.4 tonnes of packaging materials, which consists of 162.2 tonnes of paper, 131.0 tonnes of plastics and 190.2 tonnes of metals. Through the optimization of our data collection system, data accuracy has been further improved, thus the total consumption during the Year increased by approximately 8.80% compared to that of the last year.

本年，本集團共消耗483.4公噸包裝材料，當中包括162.2公噸紙張、131.0公噸塑料及190.2公噸金屬。透過完善數據收集系統，進一步提升了數據準確度，因而令本年度總消耗量較上一年度上升約8.80%。



Note 附註：

<sup>(6)</sup> It only includes the operation sites involved consumption of packaging materials. 只包括涉及包裝材料消耗的營運點。

### Carbon emissions and air pollutants

During the Year, the Group also engaged an independent consultant to conduct a carbon assessment for quantifying the greenhouse gas emissions (or "carbon emissions") generated from its operations. The quantification process is carried out based on a set of guidelines drawn up by the Hong Kong Environmental Protection Department and the Electrical and Mechanical Services Department<sup>(7)</sup> and other international standards such as the "Greenhouse gas accounting system: a corporate accounting and reporting standard" and ISO14064-1.

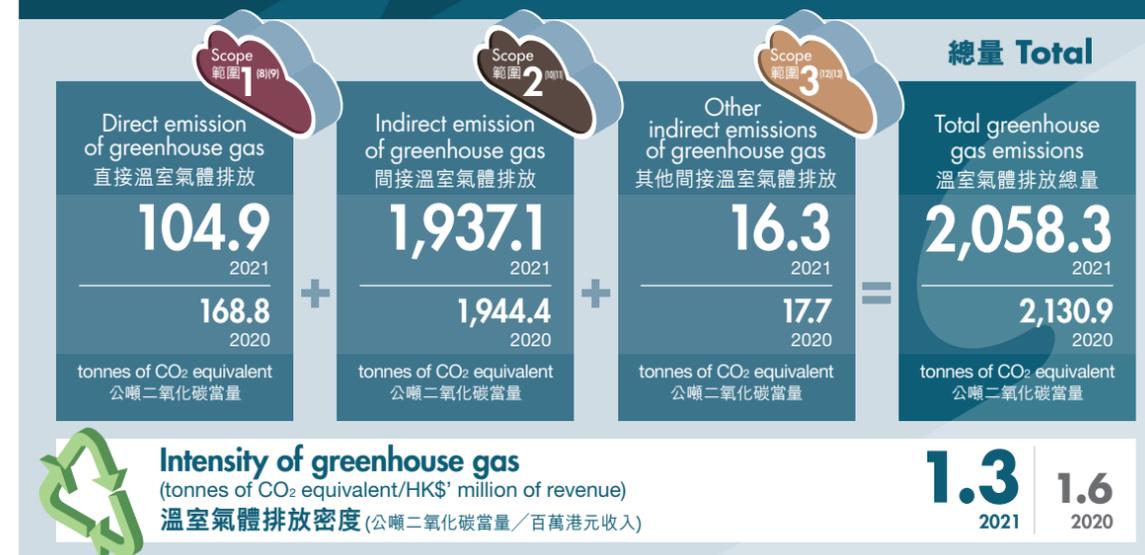
During the Year, the Group's total carbon emissions were 2,058.3 tonnes of CO<sub>2</sub> equivalent. The Group's carbon emissions were mainly from the use of purchased electricity in Scope 2, which accounted for about 94.1% of the total emissions, followed by burning of fossil fuel in mobile sources in Scope 1, which accounted for about 5.1% of the total emissions. Total carbon emissions for the Year decreased by approximately 3.4% as compared to that of the last year, mainly because of the decrease in usage of motor vehicles and fixed facilities.

### 碳排放及空氣污染物

本年，本集團亦委託獨立顧問進行碳評估，以量化營運產生的溫室氣體排放（或稱「碳排放」），量化的過程參考香港環保署和機電工程署編製的指引<sup>(7)</sup>、《溫室氣體核算體系：企業核算與報告標準》及ISO14064-1等其他國際標準進行。

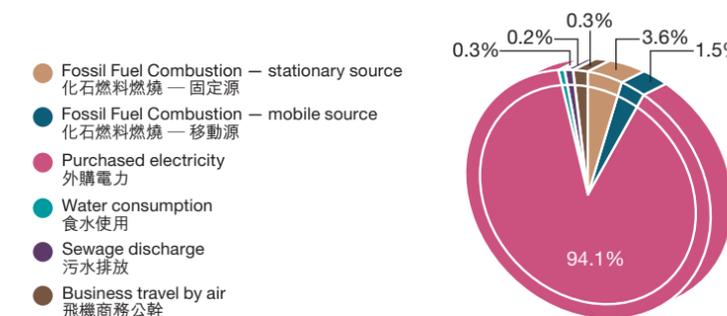
本年，本集團的總碳排放為2,058.3噸二氧化碳當量。本集團的碳排放主要來自範圍2之外購電力使用，佔總排放量約94.1%，其次為範圍1之移動源的化石燃料燃燒，約佔總排放量的5.1%。本年度總碳排放較上一年度減少約3.4%，主要是車輛及固定設備的使用量下降。

### CARBON EMISSIONS 碳排放



Notes 附註：

- <sup>(7)</sup> "Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for buildings (Commercial, Residential or Institutional Purpose) in Hong Kong". 《香港建築物(商業、住宅或公共用途)的溫室氣體排放及減除的核算和報告指引》。
- <sup>(8)</sup> Scope 1 includes direct greenhouse gas emissions arising from gasoline and diesel combustion from stationary source and mobile source. 範圍1包括來自固定源及流動源燃燒汽油、柴油等燃料的直接溫室氣體排放。
- <sup>(9)</sup> With reference to "How to Prepare an ESG Report Appendix 2: Reporting Guidance on Environmental KPIs" by the Hong Kong Stock Exchange and "2006 IPCC Guidelines for National Greenhouse Gas Inventories". 參考香港交易所《如何準備環境、社會及管治報告附錄二：環境關鍵績效指標匯報指引》及《2006年IPCC國家溫室氣體清單指南》。
- <sup>(10)</sup> Scope 2 includes indirect greenhouse gas emissions from purchase of powers such as electricity from third parties. 範圍2包括從第三方購買電力等能源的間接溫室氣體排放。
- <sup>(11)</sup> With reference to "How to Prepare an ESG Report Appendix 2: Reporting Guidance on Environmental KPIs" by the Hong Kong Stock Exchange, description of revision of "Corporate Greenhouse Gas Emissions Accounting Methodology and Reporting Guidelines for Power Generation Facilities (2021 Revised version)" (Draft for Comments) by Ministry of Ecology and Environment of the People's Republic of China and calculation of electricity or grid coefficients at each operating site. 參考香港交易所《如何準備環境、社會及管治報告附錄二：環境關鍵績效指標匯報指引》、中華人民共和國生態環境部《企業溫室氣體排放核算方法與報告指南發電設施(2021年修訂版)》(徵求意見稿)修訂說明及各營運點所在地的電力或電網系數計算。
- <sup>(12)</sup> Scope 3 includes other indirect greenhouse gas emissions derived from electricity needed for water and sewage treatment at Hong Kong operating sites and business trips. 範圍3包括香港營運點於處理食水及污水所需的電力及商務旅行的其他間接溫室氣體排放。
- <sup>(13)</sup> With reference to "How to Prepare an ESG Report Appendix 2: Reporting Guidance on Environmental KPIs" by the Hong Kong Stock Exchange. 參考香港交易所《如何準備環境、社會及管治報告附錄二：環境關鍵績效指標匯報指引》。



Air pollutants are mainly generated from emissions from gasoline and diesel burned from vehicles operating in each operating sites, liquefied petroleum gas consumed by cooking herbs in Asia operating sites, the burning of natural gas by cooking herbs in the Americas operating sites and the burning of natural gas in Europe for heating purpose.

For the purpose of reducing carbon emissions, the Group encourages its employees to replace business travel with video conference or teleconferencing, to use more public transport and switch off idling car engines. Air pollutants for the Year reduced as compared to that of the last year mainly because of reduction in consumption of gasoline for vehicles.

空氣污染物主要源自各營運點的車輛燃燒汽油和柴油、亞洲營運點煎煮藥材消耗液化石油氣、美洲營運點煎煮藥材燃燒天然氣，以及歐洲供暖燃燒天然氣等產生的排放。

為減少碳排放，本集團鼓勵員工以視像或電話會議形式代替商務出行，多乘搭公共交通工具及停車熄匙。本年，空氣污染物較上一年度減少主要是因為車輛汽油消耗量減少。



<sup>(14)</sup> Including air pollutants generated from gasoline burned from vehicles. 包括來自車輛燃燒汽油產生的空氣污染物。

<sup>(15)</sup> Emission factors are calculated with reference to "How to Prepare an ESG Report Appendix 2: Reporting Guidance on Environmental KPIs" by the Hong Kong Stock Exchange, "Technical Guide for the Preparation of Air Pollutant Emission Inventory for Road Vehicles" by Ministry of Ecology and Environment of the People's Republic of China, "Compilation of Air Emissions Factors" by United States Environmental Protection Agency and "EMEP/EEA air pollutant emission inventory guidebook" by European Environment Agency. 排放因子參考香港交易所《如何準備環境、社會及管治報告附錄二：環境關鍵績效指標匯報指引》、中華人民共和國生態環境部《道路機動車大氣污染物排放清單編制技術指南》、美國環保局《空氣污染物排放系數手冊》，以及歐洲環境署《EMEP/EEA air pollutant emission inventory guidebook》計算。

## Wastewater

Polluted water discharged by the Group is mainly sewage from production and domestic sewage. Sewage discharged in operation is discharged to specified sewage treatment system via government pipes, and it is collected, sampled and tested by government authorities on a regular basis. Meanwhile, in order to minimise the impact of sewage discharge on the environment, we perform random sewage tests at our Tai Po Production and R&D Base every 5 years to ensure the standards are complied with for further supervision on the sewage quality.

The production equipment, containers and tools are cleaned and sterilized with self-produced purified water and formulated alcohol. The cleaning and disinfection of medicine equipment are processed without any use of detergents to ensure the water discharged are "residue-free and pollution-free", which minimises the detrimental impact on the environment caused in the production process. We adopt food-grade lubricants on production equipment which are easily degraded to reduce pollution.

## 污水

本集團產生的污水主要涵蓋生產及生活廢水。營運中排放的污水均經由政府鋪設的管道排放污水至固定污水處理系統，並供相關機構定時收集及抽樣檢驗。同時，為減低污水排放對環境造成的影響，我們每5年於大埔生產研發基地抽檢，確保合乎標準，進一步監管污水質量。

生產的設備、容器、工具均使用廠房自製純水及已調配好濃度的酒精進行清潔及消毒。接觸藥品的設備清潔及消毒過程完全不使用任何清潔劑，確保排出的用水「零殘留、零污染」，把製藥過程對環境污染的損害程度減到最低。而生產設備亦採用容易分解的食品等級潤滑劑以減少污染。



## RESOURCES EFFICIENCY

### Resources Conservation

The Group fully understands that energy and water are valuable natural resources on Earth shared among humans. This Year, each operation sites of the Group obtained water from local governments, and did not encounter any difficulties in sourcing water that is fit for purpose. We pay great emphasis on electricity and water conservation and require the employees to be prudent in the use of electricity and water resources without wastage. The Group has implemented a series of measures to enhance resources efficiency. Among which, as energy consumption is the primary source of the Group's greenhouse gas emissions, we will continue to focus on and strive to enhance the energy usage efficiency at the Tai Po Production and R&D Base, offices and retail outlets.

### 資源效益

#### 節約資源

本集團深明能源及食水乃來自地球的寶貴天然資源，亦是人類的共享資源。本年，本集團各營運場所用水來自當地政府，並在求取適用水源上無任何問題。我們重視節約用電及用水，要求員工秉持合理使用、杜絕浪費的原則。本集團已實施一系列提升資源效益的措施。其中，鑑於能源消耗是本集團溫室氣體排放的主要來源，我們將繼續關注並努力提升大埔生產研發基地、辦公室及零售終端的能源使用效益。

#### Primary measures to enhance resources efficiency and minimize carbon emissions 提升資源效益及減少碳排放的主要措施

##### Tai Po Production and R&D Base 大埔生產研發基地

- The air conditioning and lighting system of the Production Base are set at day or night modes to reduce the energy consumption during night time  
生產基地的空調及照明系統設日間及夜間模式，減少夜間能源損耗
- Install timers along the corridors, the surroundings and the concourse of the Production Base  
於生產基地走廊、周邊及大堂設立時間掣
- Maintain energy consumption at a reasonable level based on the production requirement  
按照生產需求，合理地安排用電
- Turn off all electrical, air conditioning and lighting appliances before leaving for the day or when not in use  
於下班或無人使用時關掉所有設備、空調及照明系統
- Regularly check and maintain energy-consuming production equipment to sustain its energy efficiency  
定期檢查保養耗能生產設備，以保持其能源效益
- Install information card for production equipment to make it easier for professionals to perform regular monitoring and follow-up  
為生產設備配置設備狀態卡，方便專業人員定期監測及跟進
- Taking into account the actual needs of the environment, timers are installed for outdoor advertising signs so that the signs are turned off for a designated period at night  
考慮現場環境需要，為戶外招牌燈飾設立時間掣，於指定晚間時段關掉
- Maximise the use of natural light and adjust lightings based on sunlight conditions  
儘量採用自然光，因應日照調整照明系統及亮燈習慣
- Adopt energy-saving lamps with higher energy efficiency  
選用高能源效益的節能燈具
- Regularly perform inspection and maintenance to ensure proper functioning of water equipments and pipes  
定期檢查和保養用水設備及管道，確保正常運作
- Regularly collect and inspect the electricity and water usage for analysis and response  
定期收集和檢視用電及用水量以作分析反饋
- Select and plan the plant species for greening Tai Po Production and R&D Base  
認真擇選及規劃設計大埔生產研發基地周邊綠化植物的種類

Primary measures to enhance resources efficiency and minimize carbon emissions

提升資源效益及減少碳排放的主要措施

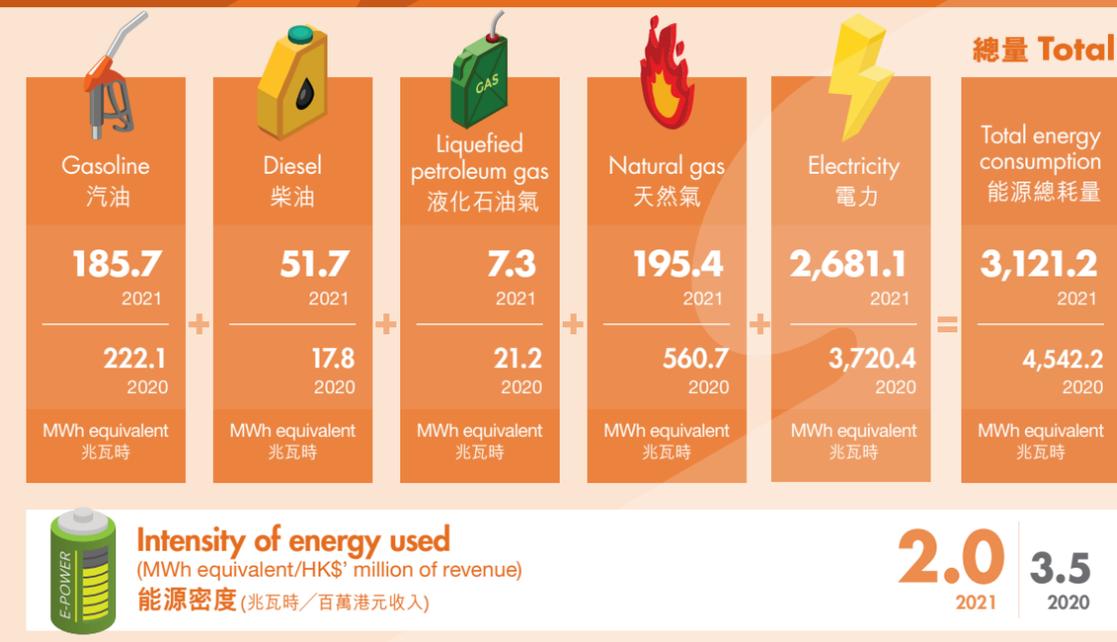
Hong Kong office and retail outlets  
香港辦公室及零售終端

- The air conditioning and lighting system of the office are set at day or night modes to reduce the energy consumption during night time  
辦公室的空調及照明系統設日間及夜間模式，減少夜間能源損耗
- Air-conditioning temperature of office is set at 25.5°C  
設定空調系統維持室內溫度 25.5°C
- Regularly educate the employees on the importance of energy and water conservation  
定期向員工灌輸節能節水的重要性
- Place different green plants in office to adjust the air quality and relieve the monotony and weariness from work  
於辦公室放置各種綠色植物，以調節空氣及緩解工作帶來的單調與疲憊
- Remind employees to turn off all electrical, air conditioning and lighting appliances before leaving for the day or when not in use  
提示員工於下班或無人使用時關掉所有設備、空調及照明系統
- Maximise the use of natural light and adjust lightings based on sunlight conditions  
儘量採用自然光，因應日照調整照明系統及亮燈習慣
- Adopt energy-saving lamps with higher energy efficiency  
選用高能源效益的節能燈具
- Regularly collect and inspect the electricity and water usage for analysis and response  
定期收集和檢視用電及用水量以作分析反饋

During the Year, the Group's total energy consumption was 3,121.2 MWh equivalent, and the total electricity consumption was 2,681.1 MWh. Other energy consumption included liquefied petroleum gas, natural gas, gasoline and diesel. The Group's electricity consumption is mainly derived from its business in Hong Kong. Total energy consumption for the Year decreased by approximately 31.3% as compared to that of the last year. Apart from the significant increase in consumption of diesel, the consumption of other energy decreased due to the decrease in relevant usage at operation sites and the decrease in the number of operation sites.

本年，本集團的能源總耗量為3,121.2兆瓦時等值，總耗電量為2,681.1兆瓦時。其他能源使用包括液化石油氣、天然氣、汽油和柴油。本集團的耗電主要來自香港業務。本年度能源總耗量較上一年度減少約31.3%，除了柴油的消耗量明顯上升，其他能源因營運點的相關使用量及營運點數量減少而下降。

ENERGY USED 能源使用<sup>(16)</sup>



<sup>(16)</sup> The energy consumption of some operation sites is estimated based on monthly average consumption. 部份營運點的能源消耗量按每月平均數值估算。

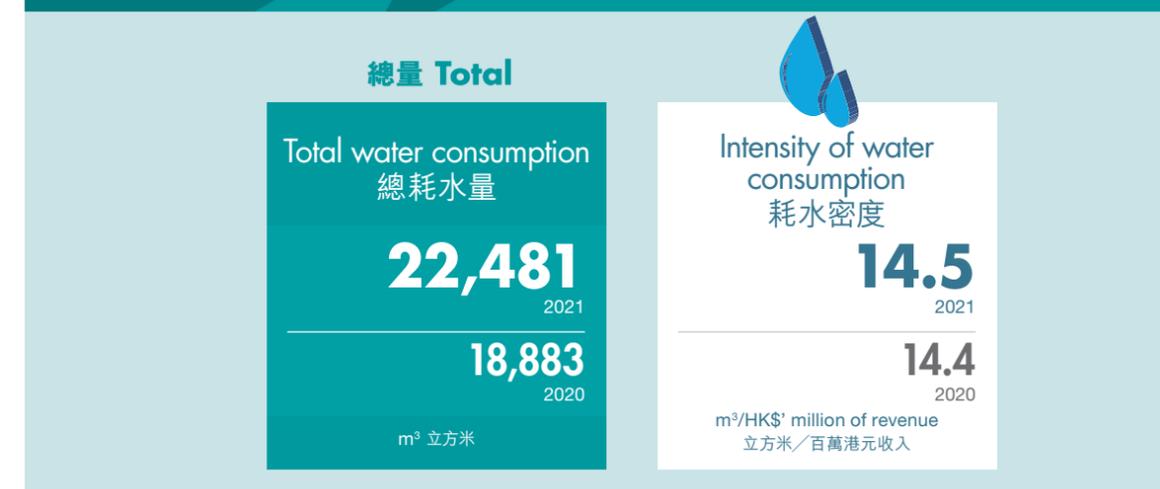
Water Resources Usage

The Group's total water consumption for the Year was 22,481 m<sup>3</sup>, and the water consumption intensity was 14.5 m<sup>3</sup>/HK\$' million of revenue. Compared to the previous year, water consumption for the Year increased by around 19.1% and the reason is the significant increase in water consumption for cleaning during the pandemic.

水資源使用

本年，本集團的總耗水量為22,481立方米，耗水密度為14.5立方米/百萬港元收入。相比上一年度，本年耗水量上升約19.1%，原因為疫情期間，用於清潔的耗水量明顯上升。

CONSUMPTION OF WATER RESOURCES 水資源使用<sup>(17)</sup>



Notes 附註：

<sup>(17)</sup> As water resources of its offices, warehouses and some operating sites in Hong Kong are managed by property management offices or there are no physical operating sites, the data only covers some operating sites. 由於香港辦公室、倉庫及部分營運點的水資源為物業管理處管理或未有實體營運點，數據只涵蓋部分營運點。

ENVIRONMENT AND NATURAL RESOURCES

In compliance with the environmental laws and regulations, the Group regularly supervises each operation site in its daily operation to ensure its emissions complies with statutory requirements. Despite that its daily operation has no direct impact of material nature on the environment and natural resources, in view of the growing attention of all stakeholders in community on sustainability, the Group intends to alleviate the ecological impact from perspective on product life cycle by reducing waste generated from the disposal of products.

CLIMATE CHANGE

The Group understands that climate change brings changes to society and daily operations. With its growing influence, we recognize the importance of identifying and formulating countermeasures, and will formulate monitoring mechanisms and policies in the future to increase the stability of our own operations.

環境及天然資源

本集團在日常營運中遵守有關環境的法律法規，定期監察各營運點，確保其排放物符合法定要求。儘管本集團的日常營運沒有直接對環境及天然資源造成重大影響，但隨著社會上各持份者愈來愈關注可持續發展，本集團將計劃從產品生命週期角度，考慮減低對生態環境的影響，如減少產品棄置產生的廢棄物。

氣候變化

本集團明白氣候變化為社會及日常營運帶來轉變。隨著其影響逐漸增強，我們明白識別及訂立應對措施的重要性，並會於未來制訂監督機制及政策，提升自身營運的穩定性。

We are committed to the corporate spirit of “Nurturing kindness and virtue, Preserving tranquility and wellness” to promote healthy life and TCM culture in the community.

我們秉承「同修仁德，濟世養生」的企業精神，於社區推廣健康生活及傳統中醫藥文化。

As a time-honored enterprise with centuries of history, Tong Ren Tang has always upheld the mission and vision of “Healthy Life Global Choice” to improve the wellness of the community and actively promote TCM culture across the world. While providing quality medicine products to the Chinese medicine market, the Group also actively participates in social welfare. The Group fully carries out the responsibility of a corporate citizen and gives back to the community. We leverage our expertise in TCM to facilitate cooperation among different sectors of community and encourage employees to care for and serve the community. We promote community investment in four aspects, including “caring for public health”, “supporting the grassroots and the underprivileged”, “promoting TCM culture”, and “boosting TCM education”.

作為一家百年老字號，同仁堂一直以「創造健康，全球共享」為使命願景，提升社區健康水平，並積極於各地推廣中醫藥文化。本集團在為中國醫藥市場提供優質藥品的同時，也積極投身於社會公益事業，全力履行企業公民所肩負的責任，回饋社會。我們運用中醫藥的專長，緊密聯繫社會各界，鼓勵員工關愛和服務社區。我們循四方面推動社區投資，包括「關愛公眾健康」、「扶植貧困基層」、「弘揚中醫藥文化」和「推動中醫藥教育」。



Since 2020, the epidemic has brought a significant impact on the global society and also brought people to raise considerable concern over personal health and hygiene. In response to the community concerns in the field of personal health, the Group held Chinese medicine talks online for the Year, with total number of impressions for such videos reached over 250,000 times, in which 14,000 people watched them online and 50,000 views for talks were broadcast live and replayed. While maintaining social distance to lower the chance of virus transmission, the public can learn about epidemic prevention measures through online media to alleviate the impact of the epidemic on their own health.

Apart from online activities, the Group also held Cardiovascular Stiffness Test Day cum Free Chinese Medical Consultation and “Show Love and Care to Stroke Prevention 2021” during the Year, for instance, we paid a visit to the elderly for stroke prevention in Sik Sik Yuen Wong Tai Sin Temple and Pentecostal Church of Hong Kong Choi Wan Elderly Centre, with around 660 people having free medical consultation and a total of about 300 participants in the visit. The event is beneficial to the public and the elderly in understanding their own health conditions and taking corresponding measures as soon as possible for protection of their personal health. The public can also get in touch with TCM services through free Chinese medical consultation and visits, contributing to the promotion of TCM culture and gaining more public recognition.

Meanwhile, in response to social needs, the Group offered discounts on products or services in order to relieve the burden on the community during the corresponding period. In the light of concerns caused by the epidemic, the Group has launched anti-epidemic discounts to assist the community in the protection of personal health and safety without increasing the financial burden. Also, Tong Ren Tang provided eligible persons with anti-epidemic soup packs and supplies for their better personal health, thus lessening the possibility of infection.

Success can in no way be achieved overnight but it takes continued effort to reap rewards. In order to realize the mission and vision of Tong Ren Tang, the Group understands that long-term efforts and perseverance are indispensable. The Group will continue to give back to society in various ways and promote the improvement of health and TCM culture, so as to achieve “Healthy Life Global Choice”.

自2020年，疫情為全球社會帶來不可忽視的影響，亦使大眾對個人健康及衛生的關注明顯提升。為回應社區在個人健康範疇的關注，本集團於本年舉辦了多個線上中醫講座，影片曝光次數共超過25萬次，當中有1萬4千人線上觀看及5萬次講座直播及重溫流覽。大眾可在保持社交距離、減低病毒傳播機會的同時，透過線上媒體認識防疫措施，減低疫情對自身健康的影響。

除了線上活動，本集團亦於本年舉辦心血管硬度檢測日暨中醫義診及2021「同仁關愛防中風」，當中包括耆園黃大仙祠及竹園區神召會彩雲長者鄰舍中心長者預防中風探訪活動，義診人數約660人，探訪活動參與人數共約300人。活動均協助大眾及長者了解自身的健康程度，有助其及早作出相應措施，保障個人健康。大眾亦可透過中醫義診及探訪活動，接觸到中醫藥服務，有助於推廣中醫藥文化，使其更為大眾認識。

與此同時，本集團亦會因應社會需求，提供產品或服務優惠，以減輕社區在相應時期的負擔。針對疫情帶來的憂慮，本集團推出了抗疫優惠，以助社區能有保護個人健康與安全的同時，不會增加經濟負擔。同仁堂亦為合資格人士，提供防疫湯包及物資，進一步加強其個人健康，減低染疫的機會。

成功不是一蹴可及，需要持續的努力才會有收穫。為實現同仁堂的使命願景，本集團明白長期的努力及堅持是不可或缺。本集團會繼續以不同方式，回饋社會並推廣提升健康水平及推廣中醫藥文化，達到「創造健康，全球共享」。



| Subject Areas<br>主要範疇               | Description<br>內容   | Page Index<br>頁碼索引 |
|-------------------------------------|---|--------------------|
| <b>A1: Emissions</b><br>排放物         |   |                    |
| General Disclosure<br>一般披露          | Information on:<br>Relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.<br>有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的：<br>(a) the policies; and<br>政策；及<br>(b) compliance with relevant laws and regulations that have a significant impact on the issuer.<br>遵守對發行人有重大影響的相關法律及規例的資料。 | 48, 76-77          |
| A1.1                                | The types of emissions and respective emissions data.<br>排放物種類及相關排放數據。  | 78-80              |
| A1.2                                | Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions and intensity.<br>直接(範圍1)及能源間接(範圍2)溫室氣體排放量及密度。  | 78-79              |
| A1.3                                | Total hazardous waste produced and intensity.<br>所產生有害廢棄物總量及密度。   | 76                 |
| A1.4                                | Total non-hazardous waste produced and intensity.<br>所產生無害廢棄物總量及密度。   | 76-77              |
| A1.5                                | Description of emissions target(s) set and steps taken to achieve them.<br>描述所訂立的排放量的目標及為達到這些目標所採取的步驟。  | 76                 |
| A1.6                                | Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.<br>描述處理有害及無害廢棄物的方法，及描述所訂立的減廢目標及為達到這些目標所採取的步驟。  | 76-77              |
| <b>A2: Use of Resources</b><br>資源使用 |   |                    |
| General Disclosure<br>一般披露          | Policies on the efficient use of resources, including energy, water and other raw materials.<br>有效使用資源(包括能源、水及其他原材料)的政策。  | 48, 76             |
| A2.1                                | Direct and/or indirect energy consumption by type in total and intensity.<br>按類型劃分的直接及/或間接能源總耗量及密度。   | 82                 |
| A2.2                                | Water consumption in total and intensity.<br>總耗水量及密度。   | 83                 |
| A2.3                                | Description of energy use efficiency target(s) set and steps taken to achieve them.<br>描述所訂立的能源使用效益目標及為達到這些目標所採取的步驟。  | 76, 81-82          |
| A2.4                                | Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them and results achieved.<br>描述求取適用水源上可有任何問題，以及所訂立的用水效益目標及為達到這些目標所採取的步驟計劃及所得成果。   | 76, 81             |
| A2.5                                | Total packaging material used for finished products and with reference to per unit produced.<br>製成品所用包裝材料的總量及每生產單位佔量。   | 78                 |

| Subject Areas<br>主要範疇                                       | Description<br>內容   | Page Index<br>頁碼索引 |
|---|---|--------------------|
| <b>A3: The Environment and Natural Resources</b><br>環境及天然資源 |   |                    |
| General Disclosure<br>一般披露                                  | Policies on minimising the issuer's significant impact on the environment and natural resources.<br>減低發行人對環境及天然資源造成重大影響的政策。   | 48, 83             |
| A3.1  | Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.<br>描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。  | 83                 |
| <b>A4: Climate Change</b><br>氣候變化                           |   |                    |
| General Disclosure<br>一般披露                                  | Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.<br>識別及應對已經及可能會對發行人產生影響的重大氣候相關事宜的政策。  | 83                 |
| A4.1  | Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.<br>描述已經及可能會對發行人產生影響的重大氣候相關事宜，及應對行動。  | 83                 |
| <b>B1: Employment</b><br>僱傭                                 |   |                    |
| General Disclosure<br>一般披露                                  | Information on:<br>Relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.<br>有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的：<br>(a) the policies; and<br>政策；及<br>(b) compliance with relevant laws and regulations that have a significant impact on the issuer.<br>遵守對發行人有重大影響的相關法律及規例的資料。 | 48, 66-67          |
| B1.1  | Total workforce by gender, employment type, age group and geographical region.<br>按性別、僱傭類型、年齡組別及地區劃分的僱員總數。  | 67-69              |
| B1.2  | Employee turnover rate by gender, age group and geographical region.<br>按性別、年齡組別及地區劃分的僱員流失比率。   | 67-69              |
| <b>B2: Health and Safety</b><br>健康與安全                       |   |                    |
| General Disclosure<br>一般披露                                  | Information on:<br>Relating to providing a safe working environment and protecting employees from occupational hazards.<br>有關提供安全工作環境及保障僱員避免職業性危害的：<br>(a) the policies; and<br>政策；及<br>(b) compliance with relevant laws and regulations that have a significant impact on the issuer.<br>遵守對發行人有重大影響的相關法律及規例的資料。  | 48, 70             |
| B2.1  | Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.<br>過去三年(包括匯報年度)每年因工作關係而死亡的人數及比率。  | 71                 |
| B2.2  | Lost days due to work injury.<br>因工傷損失工作日數。   | 71                 |
| B2.3  | Description of occupational health and safety measures adopted, how they are implemented and monitored.<br>描述所採納的職業健康與安全措施，以及相關執行及監察方法。   | 70-72              |

| Subject Areas<br>主要範疇                        | Description<br>內容  | Page Index<br>頁碼索引 |
|--|--|--------------------|
| <b>B3: Development and Training</b><br>發展及培訓 |  |                    |
| General Disclosure<br>一般披露                   | Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.<br>有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。   | 48, 73-74          |
| B3.1   | The percentage of employees trained by gender and employee category.<br>按性別及僱員類別劃分的受訓僱員百分比。  | 74                 |
| B3.2   | The average training hours completed per employee by gender and employee category.<br>按性別及僱員類別劃分，每名僱員完成受訓的平均時數。  | 75                 |
| <b>B4: Labour Standards</b><br>勞工準則          |  |                    |
| General Disclosure<br>一般披露                   | Information on:<br>Relating to preventing child and forced labour.<br>有關防止童工或強制勞工的：<br>(a) the policies; and<br>政策；及<br>(b) compliance with relevant laws and regulations that have a significant impact on the issuer.<br>遵守對發行人有重大影響的相關法律及規例的資料。 | 48, 66-67          |
| B4.1   | Description of measures to review employment practices to avoid child and forced labour.<br>描述檢討招聘慣例的措施以避免童工及強制勞工。   | 67                 |
| B4.2   | Description of steps taken to eliminate such practices when discovered.<br>描述在發現違規情況時消除有關情況所採取的步驟。   | 67                 |
| <b>B5: Supply Chain Management</b><br>供應鏈管理  |  |                    |
| General Disclosure<br>一般披露                   | Policies on managing environmental and social risks of the supply chain.<br>管理供應鏈的環境及社會風險政策。   | 49, 64-65          |
| B5.1   | Number of suppliers by geographical region.<br>按地區劃分的供應商數目。  | 65                 |
| B5.2   | Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.<br>描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目，以及相關執行及監察方法。                                    | 64-65              |
| B5.3   | Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.<br>描述有關識別供應鏈每個環節的環境及社會風險的慣例，以及相關執行及監察方法。  | 64-65              |
| B5.4   | Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.<br>描述在揀選供應商時促使多用環保產品及服務的慣例，以及相關執行及監察方法。  | 64-65              |

| Subject Areas<br>主要範疇                     | Description<br>內容   | Page Index<br>頁碼索引 |
|---|---|--------------------|
| <b>B6: Product Responsibility</b><br>產品責任 |   |                    |
| General Disclosure<br>一般披露                | Information on:<br>Relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.<br>有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的：<br>(a) the policies; and<br>政策；及<br>(b) compliance with relevant laws and regulations that have a significant impact on the issuer.<br>遵守對發行人有重大影響的相關法律及規例的資料。 | 49, 54, 59-61, 63  |
| B6.1                                      | Percentage of total products sold or shipped subject to recalls for safety and health reasons.<br>已售或已運送產品總數中因安全與健康理由而須回收的百分比。  | 60                 |
| B6.2                                      | Number of products and service related complaints received and how they are dealt with.<br>接獲關於產品及服務的投訴數目以及應對方法。  | 60-61, 63          |
| B6.3                                      | Description of practices relating to observing and protecting intellectual property rights.<br>描述與維護及保障知識產權有關的慣例。   | 54                 |
| B6.4                                      | Description of quality assurance process and recall procedures.<br>描述質量檢定過程及產品回收程序。   | 57-60, 63          |
| B6.5                                      | Description of consumer data protection and privacy policies, how they are implemented and monitored.<br>描述消費者資料保障及私隱政策，以及相關執行及監察方法。  | 54                 |
| <b>B7: Anti-corruption</b><br>反貪污         |   |                    |
| General Disclosure<br>一般披露                | Information on:<br>Relating to anti-bribery, extortion, fraud and money laundering.<br>有關防止賄賂、勒索、欺詐及洗黑錢的：<br>(a) the policies; and<br>政策；及<br>(b) compliance with relevant laws and regulations that have a significant impact on the issuer.<br>遵守對發行人有重大影響的相關法律及規例的資料。  | 49, 55             |
| B7.1                                      | Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.<br>於匯報期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。   | 55                 |
| B7.2                                      | Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.<br>描述防範措施及舉報程序，以及相關執行及監察方法。  | 55                 |
| B7.3                                      | Description of anti-corruption training provided to directors and staff.<br>描述向董事及員工提供的反貪污培訓。   | 55                 |
| <b>B8: Community Investment</b><br>社區投資   |   |                    |
| General Disclosure<br>一般披露                | Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.<br>有關以社區參與來了解營運所在社區需要和確保其業務活動會考慮社區利益的政策。   | 84                 |
| B8.1                                      | Focus areas of contribution.<br>專注貢獻範疇。   | 84                 |
| B8.2                                      | Resources contributed.<br>在專注範疇所動用資源。   | 85                 |

# Investor Relations Report

## 投資者關係報告

### MULTI-CHANNEL INVESTOR COMMUNICATION STRATEGY

We believe that expanding our diversified channels of effective communication will help us to streamline our communication with individuals, institutional shareholders and public investors (collectively named as “Investors” in this investor relations report), facilitate, open and transparent exchange of information. Investors’ understanding and understanding of the Company’s corporate mission and vision, development strategy, industry competition and operational and financial performance will enable investors to make investment decisions in informed circumstances. The Company is responsible for fair, accurate and timely disclosure of company information to ensure a high degree of transparency, enhance the Group’s attention, stabilize our relationship with investors, and strengthen the mutual trust of each other.

In 2021, the Group continued to maintain a positive and effective communication with investors who are concerned about the business development of the Company in a positive and responsive manner. The Group is committed to providing investors with convenient communication channels and endeavored to ensure that all published data are true and accurate and clear and balanced. The Group also collected feedback from investors and analysts and reflects the views to the management and the board of directors. We are committed to maintaining healthy and two-way communication to ensure that investors can fully understand the Group’s long-term development, strategy, industry competition and financial and operational performance.

### INVESTOR RELATIONS ACTIVITIES

The Group strictly follows the principle of fair disclosure to ensure fair communication with investors and the media and does not selectively disclose significant non-public information to any person. We are very supportive of investor relations activities. To facilitate the two-way communication with investors, the Group has adopted different ways, including local and overseas non-deal road shows, investor meetings, annual general meetings, corporate meetings, conference calls and e-mail consultation, to closely and frequently communicate with shareholders, analysts and potential investors.

This Year, despite the impact of the COVID-19 pandemic which caused large and small investment summits and on site roadshows cancelled or changed to telephone or video conferences, our management still maintained close contact with investors and actively communicated with them in various countries through telephone, email and video conferences to discuss the Group’s development and direction, providing them with a deep understanding of the Group and also strengthening investors’ confidence in our sustainable development.

The Group has made use of a number of channels to interact with investors and keep them abreast of the Group’s latest developments.

### Non-deal roadshows and investment forums

We held non-deal roadshows after the interim and annual results announcement so that investors can obtain first-hand information on the latest release from the management. The Group also actively participated in several investment conferences organized by investment banks of which the management of the Group directly talked with investors and analysts to share our financial results, business strategies and etc..

Major investor conferences participated and roadshows held in 2021 are set out below:

### Ongoing communication with the investment community

| Month 月份  | Event 事項                                | Organizers 主辦機構            | Location 地點 / Form 形式     |
|-----------|---|----------------------------|---------------------------|
| March 三月  | Post-results non-deal roadshow 業績後非交易路演 | Morgan Stanley 摩根士丹利       | Telephone conference 電話會議 |
|           | Post-results non-deal roadshow 業績後非交易路演 | HSBC 滙豐                    | Telephone conference 電話會議 |
|           | Post-results non-deal roadshow 業績後非交易路演 | CICC 中金公司                  | Telephone conference 電話會議 |
|           | Post-results non-deal roadshow 業績後非交易路演 | First Shanghai 第一上海        | Telephone conference 電話會議 |
|           | Post-results non-deal roadshow 業績後非交易路演 | Industrial Securities 興業證券 | Telephone conference 電話會議 |
| August 八月 | Post-results non-deal roadshow 業績後非交易路演 | Morgan Stanley 摩根士丹利       | Telephone conference 電話會議 |
|           | Post-results non-deal roadshow 業績後非交易路演 | CICC 中金公司                  | Telephone conference 電話會議 |

### 多渠道的投資者溝通策略

我們相信拓展多元化的有效溝通渠道，有助於深化我們與個人、機構股東及公眾投資者（於此投資者關係報告統稱「投資者」）進行暢通、便捷、公開和透明的資訊交流，更能加深投資者對本集團之企業使命及願景、發展策略、業內競爭情況以至營運及財務表現方面之認識及瞭解，從而讓投資者能在知情之情況下作出投資決定。本集團以公平、準確及適時披露公司資料為首任，以確保維持高透明度，提升本集團的關注度，穩固我們與投資者的關係，以及堅固雙方對彼此的信任。

2021年，本集團繼續秉承透明、可信與及時的原則，積極回應，時刻保持與關注公司業務發展的投資者的持續有效溝通。本集團致力為投資者提供便捷的溝通渠道，並盡力確保所公佈的全部數據均為真實無誤並清晰平衡地呈列，客觀披露數據。本集團亦收集投資者及分析員的反饋意見，並將該等意見反映給管理層及董事會。我們致力於保持健康及雙向的溝通，確保投資者能全面並及時地瞭解本集團的長期發展狀況、策略、行業競爭狀況以及財務及營運表現。

### 投資者關係活動

本集團嚴格遵循公平披露原則，確保以公平的方式與投資者及傳媒溝通，且不會選擇性地向任何人士透露重大非公開資料。我們對投資者關係活動十分支持，為促進與投資者之間的雙向溝通，本集團通過本地及國內外的非交易路演、投資者會議、股東週年大會、公司會面、電話會議及電郵諮詢等不同的渠道，與股東、分析師及潛在投資者作緊密及頻繁的交流。

本年，儘管受冠狀病毒疫情的影響而導致大大小小的投資者峰會及路演現場會議都相繼取消或改以電話或視頻形式進行，本公司管理層仍與投資者一直保持緊密聯繫，積極透過電話、電郵及視像會議等各種形式與各國各地的投資者溝通本集團的發展方向，讓投資者深入瞭解本集團的情況，加強投資者對我們持續發展的信心。

本集團透過多種渠道與投資者互動交流，令投資者得悉本集團最新的發展動向。

### 非交易路演及投資者研討會

我們於中期及年度業績發佈後舉行非交易路演，以便投資者向管理層取得有關最新發佈業績的資料。本集團還積極參加由投資銀行組織的投資者峰會。本集團管理層於會上會見投資者及分析員，與他們分享本集團財務業績、業務策略等最新資料。

於2021年參與之大型投資者峰會及舉行之路演如下：

### 持續與投資界溝通

The Group actively arranged various investor relation activities, including telephone conferences with analysts and investor meetings and etc., in order to keep investors abreast of the Group's latest updates and business operations. Through such activities, we not only maintain close contact with investors so that investors can get more in-depth and meticulous understanding of the Company's situation, but also collect valuable advice from investor's on the Group's business strategy.

### Timely response to investors, analysts and media

Our investor relation representative provided detailed and accurate information in a timely manner in response to various forms of enquiries from Shareholders, investors, analysts and the media via email, fax or telephone.

Besides the above systematic communication activities, the Company website also contains an updated investor relations section to reach out to the investment community and public with the latest information on the Company. We also promote proactive communication through direct contact with our investor relations team via email at ir@tongrentangcm.com.

本集團主動地安排各種投資者溝通活動，包括分析師電話會議、投資者會議等，及時向投資者介紹和分析最新動向和經營情況。透過此類活動，我們既可與投資者維持緊密聯繫，讓投資者更加深入細緻的瞭解公司情況，亦可收集投資者對本集團業務策略的寶貴意見。

### 及時回應投資者、分析員及傳媒查詢

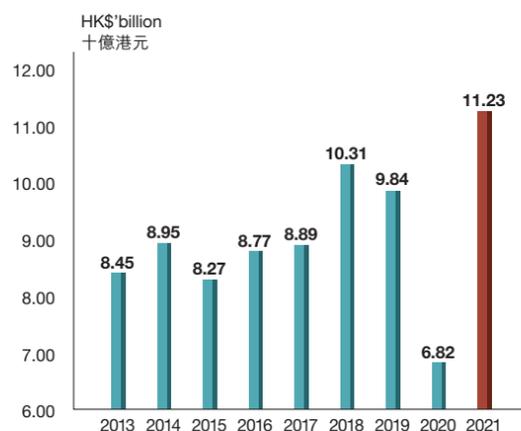
投資者關係負責人透過電郵、傳真或電話方式，及時回應股東、投資者、分析員及傳媒的各種查詢，並提供有關本公司準確詳盡的資料。

除了以上系統性的溝通活動外，本公司網站的投資者關係網頁也在不斷更新，有助本公司向投資者及公眾人士提供本公司最新消息與及時的業務數據。另外，為了方便利益相關者獲取集團資訊，本公司亦通過投資者關係電子郵件ir@tongrentangcm.com與投資者進行直接聯絡，促進有效溝通。

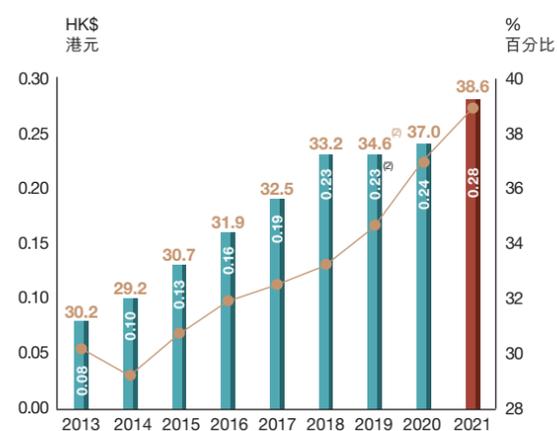
### Share Performance 股價表現

|   | 2021  | 2020  | 2019  | 2018  | 2017  | 2016  | 2015  | 2014  | 2013  |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Closing price as at 31 December (HK\$ per share)<br>於12月31日的收市價(每股港元) | 13.42 | 8.15  | 11.76 | 12.32 | 10.62 | 10.48 | 9.88  | 10.78 | 10.18 |
| Highest price during the year (HK\$ per share)<br>年度最高價(每股港元)         | 14.30 | 14.50 | 15.86 | 17.94 | 12.00 | 12.20 | 14.82 | 12.50 | 14.90 |
| Lowest price during the year (HK\$ per share)<br>年度最低價(每股港元)          | 7.99  | 7.75  | 9.88  | 10.54 | 9.98  | 7.55  | 7.71  | 9.09  | 4.70  |
| Average daily trading volume (thousand share)<br>每日平均成交量(千股)          | 1,385 | 1,531 | 854   | 925   | 469   | 424   | 883   | 1,120 | 4,200 |

### MARKET CAPITALISATION (1) 市值(1)



### DIVIDEND PER SHARE AND DIVIDEND PAYOUT RATIO 每股股息及派息比率



(1) Market capitalization are calculated based on the closing share price of the Company as at 31 December of the respective years. 市值及股息率是根據當年12月31日的本公司收市股價計算。  
(2) Not included 2019 Special interim dividend (HK\$0.72 per share). 不包括2019年特別中期股息(每股0.72港元)。



## ANNUAL GENERAL MEETING

The AGM is a platform for face-to-face communication with Shareholders. Our Board members, senior management, lawyer and external auditor will attend and answer questions on the performance of the Group raised by the Shareholders.

The 2021 AGM was held at 3 Dai King Street, Tai Po Industrial Estate, New Territories, Hong Kong on 28 May 2021, for approval of, among others, the re-election of retiring Directors and the general mandates to issue and purchase shares. Particulars of the major items considered at the 2021 AGM were set out in the circular dated 22 April 2021. All proposed resolutions were passed by way of poll voting at the 2021 AGM.

The 2022 AGM will be held at 3 Dai King Street, Tai Po Industrial Estate, New Territories, Hong Kong on Friday, 10 June 2022 at 10:30 a.m..

## 股東週年大會

股東週年大會是一個親身與股東交流的平台，我們的董事會成員、高級管理人員、公司律師及外聘核數師均會出席，可以就股東提出有關本集團表現的問題作出回應。

2021年股東週年大會於2021年5月28日假座香港新界大埔工業邨大景街3號舉行。2021年股東週年大會上通過之事項，其中包括重選退任董事以及發行及購回股份之一般授權等事宜。2021年股東週年大會上經考慮之主要事項詳情載於日期為2021年4月22日之通函內。所有於2021年股東週年大會上提呈之決議案，均以投票方式獲得通過。

2022年股東週年大會將於2022年6月10日（星期五）早上10時30分假座香港新界大埔工業邨大景街3號舉行。



## EXECUTIVE DIRECTORS

**Ding Yong Ling**, aged 58, is an executive director and the chairman of the Board of the Company. She is mainly responsible for leading the Board to determine the development strategic direction of the Group and the high-level oversight of the management. Ms. Ding was appointed as a managing director (now namely as chief executive officer) of the Company in September 2004 and the chairman of the Board of the Company on 11 March 2019. Ms. Ding resigned as the chief executive officer of the Company on 18 April 2019. Ms. Ding joined Beijing Tong Ren Tang Group in 1984 and was formerly the head of the foreign trade division of Tong Ren Tang Holdings, manager of the import and export branches and the executive director and the deputy general manager of Tong Ren Tang Technologies and the director of Beijing Tong Ren Tang International Co., Ltd., and also is currently the director and the deputy general manager of Tong Ren Tang Holdings. Ms. Ding graduated from the Party School of the Central Committee of the Communist Party of China in August 1997 with a bachelor's degree in major of economic management, and she further completed an on-the-job postgraduate course in international business administration at the Business School of the University of International Business and Economics in April 2002.

**Chen Fei**, aged 51, is an executive director and the chief executive officer of the Company and is mainly responsible for our day-to-day operation and management. Mr. Chen was appointed as a non-executive director of the Company on 24 March 2020 and was re-designated as an executive director and was appointed as the chief executive officer of the Company on 11 March 2021. Mr. Chen joined Beijing Tong Ren Tang Group in August 1994 and formerly served as the deputy manager and manager of Operational Management Department of Tong Ren Tang Holdings, the deputy manager of Pricing Department of Tong Ren Tang Holdings, the deputy manager of Economic Operation Department of Tong Ren Tang Holdings and the general manager of Beijing Tong Ren Tang (Thailand) Co., Ltd.. Mr. Chen obtained a bachelor's degree in Chinese medicine from School of Chinese Medicine of Beijing Union University in August 1994.

**Lin Man**, aged 46, is an executive director and chief operating officer of the Company and is mainly responsible for the sales and business management of the Company. Ms. Lin joined the Company in 2004 and was appointed as the company secretary of the Company in 2005, the chief financial officer of the Company in 2008, and a Director on 1 February 2011. Ms. Lin was appointed as the chief operating officer of the Company on 21 May 2020 and ceased to be the chief financial officer and the company secretary of the Company on the same day. Ms. Lin is a member of the Hong Kong Institute of Certified Public Accountants. Ms. Lin obtained a bachelor's degree in arts in Polish from Beijing Foreign Studies University in July 1999 and a bachelor's degree in accounting and finance from the University of Lancaster in July 2004.

## INDEPENDENT NON-EXECUTIVE DIRECTORS

**Tsang Yok Sing, Jasper, G.B.M., G.B.S., J.P.**, aged 74, was appointed as an independent non-executive director of the Company on 12 September 2017. Mr. Tsang is Honorary Professor of the Faculty of Social Science of The Chinese University of Hong Kong and the Convenor of Hong Kong Vision Research Programme. Mr. Tsang currently serves as an independent non-executive director of Kunlun Energy Company Limited (Stock code: 135) and DTXS Silk Road Investment Holdings Company Limited (Stock code: 620) which are listed on the Stock Exchange. Mr. Tsang held a number of posts in public service, including the President of the Fourth and the Fifth Legislative Council of the HKSAR from 2008 to 2016. Prior to his election as President of the Legislative Council of the HKSAR, Mr. Tsang served as a member of the Legislative Council from 1998 to 2016, representing the Kowloon West constituency from 1998 to 2008 and the Hong Kong Island constituency from 2008 to 2016. He served as a member of the Executive Council of the HKSAR from 2002 to 2008. From 1992 to 2003, he served as chairman of the Democratic Alliance for the Betterment of Hong Kong. Mr. Tsang was actively involved in the establishment of the HKSAR. He served as a member of the Preparatory Committee established by the Standing Committee of the Chinese National People's Congress in 1996 and a member of the Provisional Legislative Council of the HKSAR from 1997 to 1998. Mr. Tsang was a member of the National Committee of the Chinese People's Political Consultative Conference from 1993 to 2013, a non-executive director of the Hong Kong Securities and Futures Commission from 2001 to 2007, a member of the Executive Committee of the Commission on Strategic Development from 2005 to 2008, a board member of the Airport Authority Hong Kong from 2005 to 2008, a member of the Independent Commission Against Corruption Complaints Committee from 2003 to 2008 and a member of the Disaster Relief Fund Advisory Committee from 2002 to 2008. Mr. Tsang also served as a member of the Council of The Open University of Hong Kong from 1996 to 2005 and a member of the Standing Committee on Language Education and Research from 1996 to 2000. Mr. Tsang obtained a Bachelor of Arts degree at The University of Hong Kong in 1968, Certificate in Education at The University of Hong Kong in 1981 and a Master of Education degree at The University of Hong Kong in 1983. Mr. Tsang was appointed as a Justice of the Peace (J.P.) in 1998 and was awarded the Gold Bauhinia Star (G.B.S.) in 2002 and the Grand Bauhinia Medal (G.B.M.) in 2015.

## 執行董事

丁永玲，58歲，本公司執行董事兼董事會主席，主要負責帶領董事會釐定本集團發展策略方向及負責高層次督導管理層。丁女士於2004年9月獲委任為本公司董事總經理（現稱首席執行官），並於2019年3月11日獲委任為本公司董事會主席。於2019年4月18日，丁女士辭任本公司首席執行官。丁女士於1984年加入北京同仁堂集團，歷任同仁堂集團公司外經外貿處處長、進出口分公司經理、同仁堂科技執行董事兼副總經理、北京同仁堂國際有限公司董事總經理及現任同仁堂集團公司董事及副總經理。丁女士1997年8月畢業於中共中央黨校經濟管理專業並獲得大學學歷，其後於2002年4月完成對外經濟貿易大學國際商學院國際企業管理專業在職研究生課程。

陳飛，51歲，本公司執行董事及首席執行官，主要負責本公司的日常營運及管理事宜。陳先生於2020年3月24日獲委任為本公司非執行董事並於2021年3月11日調任為本公司執行董事及獲委任為首席執行官。陳先生於1994年8月加入北京同仁堂集團，歷任同仁堂集團公司運營管理部副部長及部長、同仁堂集團公司市場物價管理部副部長、同仁堂集團公司經濟運行部副部長及北京同仁堂（泰國）有限公司總經理。陳先生於1994年8月獲北京聯合大學中醫藥學院授予中醫學士學位。

林曼，46歲，本公司執行董事兼首席運營官，主要負責本公司的銷售及業務管理。林女士於2004年加入本公司，於2005年獲委任為本公司公司秘書，於2008年獲委任為本公司財務總監，並於2011年2月1日獲委任為董事。林女士於2020年5月21日獲委任為本公司首席運營官，並於同日不再擔任本公司財務總監及公司秘書。林女士為香港會計師公會會員。林女士於1999年7月獲北京外國語大學授予波蘭語文學士學位，於2004年7月獲蘭卡斯特大學授予會計與財務學士學位。

## 獨立非執行董事

曾鈺成，大紫荊勳章、金紫荊星章、太平紳士，74歲，於2017年9月12日獲委任為本公司獨立非執行董事。曾先生現為香港中文大學社會科學院榮譽教授，香港願景計劃召集人。曾先生目前出任於聯交所上市昆侖能源有限公司（股份代號：135）及大唐西市絲路投資控股有限公司（股份代號：620）的獨立非執行董事。曾先生曾擔任多項政府公職，包括自2008年至2016年擔任香港特別行政區第四屆至第五屆立法會主席。在當選香港特別行政區立法會主席之前，曾先生於1998年至2016年擔任立法會議員，1998年至2008年代表九龍西選區、2008年至2016年代表香港島選區，並於2002年至2008年擔任香港特別行政區行政會議成員。自1992年至2003年，曾先生曾任民主建港聯盟主席。曾先生積極參與成立香港特別行政區的工作，曾出任全國人民代表大會常務委員會於1996年成立的香港特別行政區籌備委員會委員，並在1997年至1998年擔任香港特別行政區臨時立法會議員。曾先生分別於1993年至2013年擔任中國人民政治協商會議全國委員會委員，2001年至2007年擔任香港證券及期貨事務監察委員會非執行董事，2005年至2008年擔任策略發展委員會行政委員會委員，2005年至2008年擔任香港機場管理局成員，2003年至2008年擔任廉政公署投訴委員會委員，以及於2002年至2008年擔任賑災基金諮詢委員會委員。曾先生亦曾於1996年至2005年擔任香港公開大學校董，以及於1996年至2000年擔任語文教育及研究常務委員會委員。曾先生分別於1968年獲得香港大學文學士學位，於1981年獲得香港大學教育文憑，及於1983年獲得香港大學教育碩士學位。曾先生於1998年獲委任為太平紳士（J.P.）、於2002年獲頒授金紫荊星章（G.B.S.）及於2015年獲頒授大紫荊勳章（G.B.M.）。

**Zhao Zhong Zhen**, aged 64, was appointed as an independent non-executive director of the Company on 15 April 2013. Mr. Zhao is currently a professor of the School of Chinese Medicine of Hong Kong Baptist University. Mr. Zhao has been an associate professor of Hong Kong Baptist University since April 1999. Mr. Zhao is currently a member of the Chinese Pharmacopoeia Commission. From 1985 to 1987, Mr. Zhao was a research assistant of Institute of Chinese Material Medical China Academy of Chinese Medical Sciences. From 1987 to 1988 and 1991 to 1992, Mr. Zhao was a visiting scholar of Tokyo University of Pharmacy and Life Science. Mr. Zhao was a research director of a laboratory for Chinese medicines in Japan during the period from October 1992 to April 1999. From July 2009 to January 2010, Mr. Zhao was a visiting scholar of Osher Research Centre of Harvard Medical School and was a member of Chinese Medicine Development Committee from February 2013 to January 2019. Mr. Zhao obtained a bachelor's degree and a master's degree, both in Chinese medicine, from Beijing University of Chinese Medicine in March 1982, and from China Academy of Chinese Medical Sciences in December 1985, respectively. Mr. Zhao obtained his doctorate degree in pharmacy in Tokyo University of Pharmacy and Life Science in March 1992.

**Chan Ngai Chi**, aged 50, was appointed as an independent non-executive director of the Company on 15 April 2013. Prior to joining the Company, Mr. Chan had more than 20 years of financial management, compliance and auditing experience. Mr. Chan worked in the audit division of PricewaterhouseCoopers Hong Kong and various Hong Kong and U.S. listed companies. Mr. Chan is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants, and also a Chartered Financial Analyst Charterholder. Mr. Chan graduated from the Hong Kong University of Science and Technology with a bachelor's degree in business administration in accounting in 1994 and, also obtained a master's degree in Science from the Chinese University of Hong Kong in 2003 and an EMBA degree from Peking University in 2021.

## SENIOR MANAGEMENT

**Wu Wei**, aged 51, is the deputy general manager of the Company and is responsible for the production. Ms. Wu joined Beijing Tong Ren Tang Group in 2002, transferred to the Company from Tong Ren Tang Research Institute in 2014, and was mainly responsible for product, technology development and project management. Ms. Wu obtained a bachelor's degree in Biochemical Engineering from Shanghai Jiao Tong University in 1992 and a master degree's in Medicine from Beijing University of Chinese Medicine in 2007.

**Shen Zheng Guo**, aged 48, is the deputy general manager and general counsel of the Company. Mr. Shen joined the Company in February 2022 and is responsible for branding, legal, compliance and internal audit affairs. Mr. Shen has over 26 years of experience in financial management and legal affairs. Prior to joining the Company, Mr. Shen worked as the deputy manager of finance department of China Railway Signal & Communication (Group) Corporation Limited and China Railway Signal & Communication Corporation Limited (Stock code: HK3969), the manager of finance department of China Railway Signal & Communication Shanghai Engineering Company, the Chief Financial Officer and General Counsel of CRSC International Holdings Company Limited, and the Chief Financial Officer and General Counsel of CRSC (Beijing) Rail Industry Group Co., Ltd.. Mr. Shen is qualified as a senior accountant, a Certified Public Accountant, a Certified Tax Agent, a Corporate Counsel and a Chartered Global Management Accountant. Mr. Shen graduated from Beijing Jiaotong University in 1995 with a bachelor's degree in Economics and obtained a Master's degree in Accounting at Fudan University in 2007. He was awarded the National Accounting Leading Talent Certificate issued by the Ministry of Finance of the PRC in 2018.

**Tsang Fung Yi**, aged 46, is the chief financial officer and the company secretary of the Company. Ms. Tsang joined the Company as a deputy chief financial officer in October 2012. Ms. Tsang was appointed as the chief financial officer and the company secretary of the Company on 21 May 2020. Prior to joining the Company, Ms. Tsang worked as a senior audit manager in PricewaterhouseCoopers Hong Kong. Ms. Tsang graduated from the Hong Kong University of Science and Technology with a bachelor's degree in business administration in accounting in 1998 and is a member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants.

**趙中振**，64歲，於2013年4月15日獲委任為本公司獨立非執行董事。趙先生現任香港浸會大學中醫藥學院講座教授，自1999年4月起擔任香港浸會大學副教授。目前，趙先生是國家藥典委員會委員。1985年至1987年，趙先生為中國中醫科學院中藥研究所助理研究員。於1987年至1988年及1991年至1992年，趙先生為東京藥科大學的訪問學者。趙先生曾於1992年10月至1999年4月在日本的中藥實驗室擔任主任研究員。於2013年2月至2019年1月，趙先生為哈佛大學醫學院Osher研究中心的訪問學者，並於2019年7月至2019年1月曾任香港中醫中藥發展委員會委員。趙先生於1982年3月獲北京中醫藥大學授予中醫學學士學位，於1985年12月獲中國中醫科學院授予中藥學碩士學位，於1992年3月獲東京藥科大學授予藥學博士學位。

**陳毅馳**，50歲，於2013年4月15日獲委任為本公司獨立非執行董事。加入本公司前，陳先生累積逾20年財務管理、合規及核數經驗。陳先生曾任職於香港羅兵咸永道會計師事務所核數部及多家香港及美國上市公司。陳先生為香港會計師公會及英國特許公認會計師公會的資深會員，亦為特許財務分析師。陳先生於1994年畢業於香港科技大學並獲授工商管理會計學士學位，於2003年獲香港中文大學授予理學碩士學位及於2021年獲北京大學授予高級管理人員工商管理碩士學位。

## 高級管理人員

**吳煒**，51歲，本公司副總經理，負責生產事宜。吳女士於2002年加入北京同仁堂集團，2014年由同仁堂研究院調入本公司，主要負責產品、技術開發及項目管理工作。吳女士於1992年獲上海交通大學授予生物化學工程學士學位，並於2007年獲北京中醫藥大學授予醫學碩士學位。

**沈正果**，48歲，本公司副總經理兼總法律顧問。沈先生於2022年2月加入本公司，負責品牌、法務、合規及內審工作。沈先生擁有逾26年財務管理和法務工作經驗，加入本公司前，曾擔任中國鐵路通信信號集團有限公司、中國鐵路通信信號股份有限公司（股份代碼：HK3969）財務部副部長，中國鐵路通信信號上海工程公司財務部部長，通號國際控股有限公司總會計師兼總法律顧問，及通號（北京）軌道工業集團有限公司總會計師兼總法律顧問。沈先生具有高級會計師、註冊會計師、註冊稅務師、企業法律顧問和全球特許管理會計師資格。沈先生於1995年畢業於北京交通大學並獲授經濟學學士學位，於2007年獲復旦大學授予會計碩士學位，於2018年獲中國財政部授予全國會計領軍人才證書。

**曾鳳儀**，46歲，本公司財務總監兼公司秘書。曾女士於2012年10月加入本公司擔任副財務總監。曾女士於2020年5月21日獲委任為財務總監及公司秘書。加盟本公司之前，曾女士曾任職於香港羅兵咸永道會計師事務所擔任高級審計經理。曾女士於1998年畢業於香港科技大學並獲授工商管理會計學士學位，亦為香港會計師公會及英國特許公認會計師公會的會員。

The Directors are pleased to present the report and the audited consolidated financial statements of the Group for the year ended 31 December 2021.

## PRINCIPAL ACTIVITIES

The principal activities of the Company are manufacturing, retail and wholesale of Chinese medicine products and healthcare products and provision of Chinese medical consultation and treatments. The principal activities and other particulars of the Company's principal subsidiaries are set out in note 30 to the consolidated financial statements.

## RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 December 2021 are set out in the consolidated income statement on pages 160 to 161 of this annual report.

The Board has proposed a final dividend of HK\$0.28 (2020: HK\$0.24) per ordinary share for the year ended 31 December 2021. Such final dividend will be proposed for approval by shareholders at the AGM to be held on Friday, 10 June 2022 and if approved, will be payable on or before Thursday, 30 June 2022 to shareholders whose names appear on the Register of Members of the Company on Monday, 20 June 2022.

Details of the dividend for the year ended 31 December 2021 are set out in note 14 to the consolidated financial statements. Details of the dividend policy of the Company are also set out in the below section headed "Corporate Governance Report".

## CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed during the following periods:

- (i) from Monday, 6 June 2022 to Friday, 10 June 2022 (both days inclusive), for the purpose of ascertaining shareholders' entitlement to attend and vote at the AGM. In order to be eligible to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Thursday, 2 June 2022; and
- (ii) from Thursday, 16 June 2022 to Monday, 20 June 2022 (both days inclusive), for the purpose of ascertaining shareholders' entitlement the proposed final dividend. In order to qualify for the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar, Computershare Hong Kong Investor Services Limited, at the address as set out in sub-paragraph (i) above for registration no later than 4:30 p.m. on Wednesday, 15 June 2022.

During the periods mentioned in sub-paragraphs (i) and (ii) above, no transfers of shares will be registered.

## SEGMENT INFORMATION

Details of the segment information of the Group are set out in note 5 to the consolidated financial statements.

## PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group are set out in note 16 to the consolidated financial statements.

## BORROWINGS

As at 31 December 2021, the Group had borrowings of HK\$1.3 million (2020: HK\$2.3 million), details of which are set out in note 25 to the consolidated financial statements.

## SHARE CAPITAL

Details of movements in the Company's share capital during the year ended 31 December 2021 are set out in note 23 to the consolidated financial statements.

董事欣然呈列本集團截至2021年12月31日止年度的報告及經審核綜合財務報表。

## 主要業務

本公司主要從事中藥產品和保健品的生產、零售及批發業務，並提供中醫診療服務。本公司主要附屬公司之主要業務及其他詳情載於綜合財務報表附註30。

## 業績及股息

本集團截至2021年12月31日止年度之業績載於本年報第160至161頁之綜合利潤表。

董事會建議就截至2021年12月31日止年度派付末期股息每股普通股0.28港元(2020年：0.24港元)。建議之末期股息將於2022年6月10日(星期五)舉行的股東週年大會上呈呈股東批准，倘獲批准，將於2022年6月30日(星期四)或之前派發予2022年6月20日(星期一)登記在本公司股東名冊的股東。

截至2021年12月31日止年度之股息詳情載於綜合財務報表附註14。本公司之股息政策詳情亦載於下文「企業管治報告」一節。

## 暫停辦理股份過戶登記手續

本公司將於下列時段暫停辦理股份過戶登記手續：

- (i) 由2022年6月6日(星期一)至2022年6月10日(星期五)(包括首尾兩天)，暫停辦理股份過戶登記手續，以確定股東可出席股東週年大會並於會上投票的權利。為確保合資格出席股東週年大會及於會上投票的權利，所有過戶文件連同有關股票，必須於2022年6月2日(星期四)下午4時30分前，送交本公司香港證券登記處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖；及
- (ii) 由2022年6月16日(星期四)至2022年6月20日(星期一)(包括首尾兩天)，暫停辦理股份過戶登記手續，以確定股東享有建議末期股息的資格。凡欲獲派末期股息，所有過戶文件連同有關股票，必須於2022年6月15日(星期三)下午4時30分前，送交本公司香港證券登記處香港中央證券登記有限公司(其地址列於上文分段(i))。

於上文分段(i)及(ii)所述期間內將不會辦理股份過戶登記手續。

## 分部資料

本集團分部資料的詳情載於綜合財務報表附註5。

## 物業、廠房及設備

本集團物業、廠房及設備之變動詳情載於綜合財務報表附註16。

## 借貸

於2021年12月31日，本集團之借貸為1.3百萬港元(2020年：2.3百萬港元)，詳情載於綜合財務報表附註25。

## 股本

本公司於截至2021年12月31日止年度內的股本變動詳情載於綜合財務報表附註23。

## RESERVES

Details of movements in the reserves of the Company and the Group during the year ended 31 December 2021 are set out in notes 32 and 24 to the consolidated financial statements respectively and in the consolidated statement of changes in equity on pages 166 to 167 of the annual report, respectively.

## DISTRIBUTABLE RESERVES

As at 31 December 2021, the reserves of the Company available for distribution amounted to HK\$2,477.8 million (2020: HK\$2,090.7 million).

## DONATIONS

Cash charitable donations made by the Group during the year ended 31 December 2021 amounted to HK\$0.1 million (2020: HK\$2.0 million).

## NINE YEARS FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last nine financial years is set out on pages 16 to 17 of the annual report.

## MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 December 2021, revenue received/receivable from the top five customers in aggregate and the single largest customer accounted for approximately 48.2% (2020: 59.1%) and 19.6% (2020: 26.4%) of the Group's revenue, respectively.

During the year ended 31 December 2021, purchases paid/payable to the top five suppliers in aggregate and the largest supplier constituted approximately 49.9% (2020: 53.2%) and 20.5% (2020: 23.7%) of the Group's total purchases, respectively.

For the year ended 31 December 2021, among the Group's top five customers include a subsidiary of the ultimate holding company, subsidiaries of the intermediate holding company and the immediate holding company. In addition, the Group's top five suppliers include the immediate holding company, the intermediate holding company and their associates.

Save as disclosed above, none of the Directors, their associates or any Shareholder (which to the knowledge of the Directors owns more than 5% of the number of issued shares of the Company) had any interest in any of the top five customers and suppliers.

## RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Group values the contributions of employees. The Group provides competitive remuneration package to attract and motivate the employees. The Group regularly reviews the remuneration package of employees and makes necessary adjustments to conform to the market standard. Details are set out below under the section "Emolument Policy" and note 2(t) to the consolidated financial statements.

To maintain its core competitiveness, the Group aims at delivering constantly high standards of quality in the Chinese medicine products and service to its customers. The Group also understands that it is important to maintain good relationship with its customers and suppliers to fulfil its long term goals and carefully select (including and taking into account their financial position, credit history and other factors) our suppliers to ensure that our commitment to customers of quality and ethics. As at 31 December 2021, majority of the Group's trade receivables are due within 90 days from the date of invoices, and credit periods granted to customers, including related parties, normally range from 30 days to 180 days. Details are set out in note 21 to the consolidated financial statements. During the year ended 31 December 2021, there was no material and significant dispute between the Group and its customers and/or suppliers.

## 儲備

本公司及本集團截至2021年12月31日止年度的儲備變動詳情分別載於綜合財務報表附註32及24及本年報第166至167頁之綜合權益變動表。

## 可供分派儲備

於2021年12月31日，本公司的可供分派儲備為2,477.8百萬港元（2020年：2,090.7百萬港元）。

## 捐贈

截至2021年12月31日止年度，本集團慈善現金捐贈為0.1百萬港元（2020年：2.0百萬港元）。

## 九年財務摘要

本集團於過去九個財政年度之業績、資產及負債概要載於本年報第16至17頁。

## 主要客戶及供應商

截至2021年12月31日止年度，來自五大客戶合共及單一最大客戶的已收／應收收益分別佔本集團收入約48.2%（2020年：59.1%）及19.6%（2020年：26.4%）。

截至2021年12月31日止年度，已付／應付五大供應商合共及最大供應商採購額分別佔本集團總採購額約49.9%（2020年：53.2%）及20.5%（2020年：23.7%）。

截至2021年12月31日止年度，本集團的五大客戶中包括了最終控股公司旗下的附屬公司、中間控股公司旗下的附屬公司及直接控股公司。此外，本集團的五大供應商中包括了直接控股公司、中間控股公司及其聯繫人。

除上文所披露外，本公司董事、彼等的聯繫人或任何股東（就董事所知持有本公司5%以上股本）概無擁有五大客戶及五大供應商的任何權益。

## 與僱員、客戶及供應商關係

本集團重視僱員貢獻。本集團提供有競爭力的薪酬待遇以吸引和激勵僱員。本集團定期檢討員工的薪酬待遇，並進行必要的調整，以符合市場標準。詳情載於下文「酬金政策」一節及綜合財務報表附註2(t)。

為保持其品牌核心競爭力，本集團致力於為客戶持續提供高質量的中藥產品和服務。本集團亦了解與客戶和供應商保持良好關係對實現其長期目標的重要性，並審慎挑選我們的供應商（包括考慮其財務狀況、信貸歷史及其他因素）以盡力確保我們對客戶質量及道德的承諾。於2021年12月31日，本集團大部份貿易應收款項於開具發票之日起90天內到期，授予客戶（包括關聯方）的信貸期為30至180天，詳情載於綜合財務報表附註21。截至2021年12月31日止年度，本集團與客戶及／或供應商之間沒有重要和重大爭議。

## DIRECTORS

The Directors during the Year and up to the date of this report are as follows:

### Executive Directors

Ding Yong Ling (Chairman)

Chen Fei (Chief Executive Officer) (re-designated as an executive director and appointed as chief executive officer on 11 March 2021)

Zhang Huan Ping (Chief Executive Officer) (retired on 11 March 2021)

Lin Man (Chief Operating Officer)

### Non-executive Director

Chen Fei (re-designated as an executive director on 11 March 2021)

### Independent Non-executive Directors

Tsang Yok Sing, Jasper

Zhao Zhong Zhen

Chan Ngai Chi

In accordance with Articles 97 of the Articles of Association, two directors, namely, Mr. Chen Fei and Mr. Chan Ngai Chi shall retire from office by rotation respectively at the forthcoming AGM and, all being eligible, have offered themselves for re-election as the Directors at the forthcoming AGM.

With effect from 11 March 2021, Mr. Zhang Huan Ping has retired as the executive director and chief executive officer of the Company as Mr. Zhang has reached the retirement age.

Mr. Chan Ngai Chi has served as an independent non-executive director of the Company for more than 9 years since 2013. He satisfies the independence criteria set out in Rule 3.13 of the Listing Rules. Mr. Chan Ngai Chi has extensive knowledge and experience in the finance sector and provide valuable independent advice to the Board. He is free from any business or other relationship with the Company which could interfere with his exercise of independent judgment. The Board believes that Mr. Chan is still independent and his re-election is in the best interests of the Company and the shareholders as a whole.

The Company has received, from each of the Independent Non-executive Directors, a confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all the Independent Non-executive Directors are independent. A full list of the names of the directors of the Group's subsidiaries can be found in the Company's website (cm.tongrentang.com) under "Investor Relations".

## DIRECTORS' SERVICE AGREEMENTS

Executive Directors, Ms. Ding Yong Ling, Mr. Chen Fei and Ms. Lin Man, entered into service contracts with the Company for a fixed term of three years commencing from 15 April 2019, 11 March 2021 and 15 April 2019 respectively.

Mr. Tsang Yok Sing, Jasper, Mr. Zhao Zhong Zhen and Mr. Chan Ngai Chi, being all Independent Non-executive Directors, entered into a letter of appointment with the Company for a fixed term of three years commencing from 12 September 2020, 15 April 2019 and 15 April 2019, respectively, unless terminated by either party giving at least two months' notice in writing.

None of the Directors has entered or proposed to enter into any service contracts with the Company which is not determinable by the Company within one year without payment of compensation other than statutory compensation.

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of the Directors and senior management of the Group are set out on pages 96 to 99 of the annual report.

## EMOLUMENT POLICY

The remuneration of the employees of the Group is determined with reference to market terms and the performance, qualifications and experience of the individual employee. The remunerations of the Directors are determined with reference to the economic situation, the market condition, the responsibilities and duties assumed by each Director as well as their individual performance. Details of the fee and emolument of the Directors are set out in note 9 to the consolidated financial statements.

## 董事

於年內及截至本報告日期止之董事如下：

### 執行董事

丁永玲(主席)

陳飛(首席執行官)(於2021年3月11日調任為執行董事及獲委任為首席執行官)

張煥平(首席執行官)(於2021年3月11日退任)

林曼(首席運營官)

### 非執行董事

陳飛(於2021年3月11日調任為執行董事)

### 獨立非執行董事

曾鈺成

趙中振

陳毅馳

根據本公司之章程第97條，兩位董事陳飛先生及陳毅馳先生將於應屆股東週年大會輪值退任，而彼等符合資格，並願意於應屆股東週年大會上膺選連任董事。

張煥平先生由於已屆退休年齡，自2021年3月11日起退任本公司執行董事及首席執行官。

陳毅馳先生自2013年起已擔任本公司獨立非執行董事超過9年。彼符合上市規則第3.13條所載之獨立性條件。陳先生在財務領域擁有豐富知識及經驗，可向董事會提供寶貴獨立意見。彼與本公司並無任何業務或其他關係而干預到其行使獨立判斷。董事會相信，陳先生仍具獨立性，而彼之重選符合本公司及股東之整體利益。

本公司已獲每位獨立非執行董事根據上市規則第3.13條規定確認其獨立性。本公司認為所有獨立非執行董事均為獨立人士。本集團下屬子公司之董事完整名單可以從公司網站(cm.tongrentang.com)中「投資者關係」查詢。

## 董事服務協議

執行董事丁永玲女士、陳飛先生及林曼女士各自與本公司訂立服務合約，分別自2019年4月15日、2021年3月11日及2019年4月15日為期3年。

獨立非執行董事曾鈺成先生、趙中振先生及陳毅馳先生各自與本公司訂立委任書，分別自2020年9月12日、2019年4月15日及2019年4月15日起為期3年，惟任何一方發出至少兩個月的書面通知終止則除外。

董事概無與本公司訂立或擬訂立於1年內終止而須支付補償(法定補償除外)的任何服務合約。

## 董事及高級管理人員履歷

董事及本集團高級管理人員履歷詳情載於本年報第96至99頁。

## 酬金政策

本集團僱員之薪酬乃經參考市場條款及僱員個人表現、資歷及經驗後釐定。董事之薪酬乃經參照經濟形勢、市場情況、各位董事的職責和個人表現後釐定。董事袍金及酬金詳情載於綜合財務報表附註9。

## RETIREMENT SCHEMES

The Group operates various retirement schemes. Particulars of these retirement schemes are set out in note 2(t) to the consolidated financial statements.

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES

As at 31 December 2021, the interest and short positions in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO (Chapter 571 of the laws of Hong Kong)) of Directors and chief executives of the Company which would have to be notified to the Company pursuant to of Part XV of the SFO (including interests which they are taken or deemed to have under such provisions of the SFO) and required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 of the Listing Rules of the Exchange, to be notified to the Company and the Exchange, were as follows:

### Long position in shares

|                        | Types of interests<br>權益性質 | Capacity<br>身份         | Number of shares<br>股份數目 | Approximate<br>percentage of<br>issued share capital<br>佔已發行股本的<br>概約百分比 |
|------------------------|----------------------------|------------------------|--------------------------|--|
| <b>The Company 本公司</b> |                            |                        |                          |  |
| Ding Yong Ling 丁永玲     | Personal 個人                | Beneficial owner 實益擁有人 | 410,000                  | 0.049%   |
| Chen Fei 陳飛            | Personal 個人                | Beneficial owner 實益擁有人 | 20,000                   | 0.002%   |
| Lin Man 林曼             | Personal 個人                | Beneficial owner 實益擁有人 | 290,000                  | 0.035%   |

Save as disclosed above, none of the Directors and chief executives of the Company had any interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Exchange pursuant to the Model Code contained in Appendix 10 of the Listing Rules.

## RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Other than as disclosed under the section "Directors' and chief executives' interests in shares" above, at no time during the year ended 31 December 2021 was the Company, any of its subsidiaries, or any of its fellow subsidiaries, a party to any arrangement to enable the Directors or chief executives of the Company or their respective associates (as defined in the Listing Rules) to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

## DIRECTORS' INTERESTS IN COMPETING BUSINESSES

None of the Directors or their respective associates has any competing interests which need to be disclosed pursuant to Rule 8.10 of the Listing Rules.

## INTERESTS IN COMPETING BUSINESSES

To ensure that the business classification between the Company and the Controlling Shareholders are properly documented and established, each of the Controlling Shareholders entered into a deed of non-competition (the "Deed of Non-competition") in favour of the Company on 18 April 2013, details of which are set out in the Prospectus, mainly to the effect that at any time until their collective beneficial interest in the equity interest in the Company is less than 30%, each of them shall not, and shall procure their respective subsidiaries (except through its interests in the Group) not to, without prior written consent of the Company, directly or indirectly:

- (i) engage in the research, development, manufacture and sales of any products containing ganoderma lucidum or ganoderma lucidum spores as raw materials in the Non-PRC Markets;

## 退休計劃

本集團實行多項退休計劃。這些退休計劃詳情載於綜合財務報表附註2(t)。

## 董事及主要行政人員於股份中的權益

於2021年12月31日，董事及本公司主要行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)(香港法例第571章)的股份及相關股份中，擁有根據證券及期貨條例第XV部須知會本公司的權益(包括根據證券及期貨條例有關規定彼等當作或視作擁有的權益)及根據證券及期貨條例第352條須予備存的登記冊所記錄或根據上市規則附錄10所載的標準守則之規定須知會本公司及聯交所的權益及淡倉如下：

### 股份好倉

除上文所披露外，概無董事及本公司主要行政人員於本公司及其相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債權證中，擁有根據證券及期貨條例第352條須予備存的登記冊所記錄或根據上市規則附錄10所載的標準守則須知會本公司及聯交所的任何權益及淡倉。

## 收購股份或債權證的權利

除上文「董事及主要行政人員於股份中的權益」一節所披露外，本公司、其任何附屬公司或其任何同系附屬公司於截至2021年12月31日止年度內任何時間，概無訂有任何安排，賦予本公司董事或主要行政人員或彼等各自的聯繫人士(定義見上市規則)任何權利可認購本公司或任何相聯法團(定義見證券及期貨條例)的證券或透過收購本公司或任何其他法人團體的股份或債權證的方式取得利益。

## 董事所持競爭業務權益

董事或彼等各自的聯繫人概無擁有根據上市規則第8.10條須予披露的任何競爭業務權益。

## 競爭業務權益

為妥善紀錄及界定本公司及控股股東各自的業務分野，各控股股東與本公司於2013年4月18日訂立不競爭契據(「不競爭契據」)，其詳情刊載於本公司招股章程，除非彼等共同實際擁有本公司權益少於30%，否則於任何時間均不會、並促使彼等各自的附屬公司不會在未經本公司事先書面同意的的情況下，直接或間接(借助本集團權益而進行除外)：

- (i) 於非中國市場從事研發、製造及銷售以靈芝或靈芝孢子為原材料的產品；

- (ii) engage in the research, development, manufacture and sale of any products with “Tong Ren Tang” brands in Non-PRC Markets, except for the manufacture of the Chinese medicine products for the two independent third parties in Japan; for the avoidance of doubt and without prejudice to the generality of the Deed of Non-competition, except for the current excluded business in Japan, engage in arrangement with any other parties in the Non-PRC Markets similar to the excluded business in Japan;
- (iii) carry out any sales or registration (new or renewal) for Angong Niu Huang Wan in the Non-PRC Markets;
- (iv) engage in the distribution of any Chinese medicine products in Non-PRC Markets, except for certain existing arrangements as disclosed in the Prospectus; and
- (v) carry out any new overseas registration of “Tong Ren Tang” branded products ((i) to (v) are collectively known as “Restricted Business”).

In addition, under the Deed of Non-competition, each of the Controlling Shareholders has also undertaken that if each of them and/or any of its associates is offered or becomes aware of any project or new business opportunity (the “New Business Opportunity”) that relates to the Restricted Business, whether directly or indirectly, it shall (i) promptly and in any event not later than seven (7) days notify the Company in writing of such opportunity and provide such information as is reasonably required by the Company in order to enable the Company to come to an informed assessment of such opportunity; and (ii) use its best endeavours to procure that such opportunity is offered to the Company on terms no less favourable than the terms on which such opportunity is offered to it and/or its associates.

The Directors (including the Independent Non-executive Directors) will review the New Business Opportunity and decide whether to invest in the New Business Opportunity within thirty (30) business days of receipt of notice from Controlling Shareholders.

Tong Ren Tang Holdings has also granted the Company rights of first refusal to acquire its interest in Beijing Tong Ren Tang Hong Kong Medicine Management Limited, Beijing Tong Ren Tang (UK) Limited and Beijing Tong Ren Tang Tai Fong Co., Ltd. on terms which are not less favorable than the terms it wishes to sell to other parties.

In this connection, the Group adopted the following corporate governance measures to manage any potential conflicts of interest arising from any future potential competing business and to safeguard the interests of the shareholders of the Company:

- (i) the Independent Non-executive Directors shall review, at least on an annual basis, the compliance with and enforcement of the terms of the Deed of Non-competition by the Controlling Shareholders; and
- (ii) the Company will disclose the review by the Independent Non-executive Directors with basis on the compliance with and enforcement of the terms of the Deed of Non-competition in its annual report.

In monitoring the competing business of the Parent Group, an executive committee (the “Competition Executive Committee”) comprising two disinterested Directors, namely Mr. Chen Fei and Ms. Lin Man, has been established with the following major responsibilities:

- (a) conduct quarterly inspection of the distribution channels of the Parent Group, including retail stores and wholesale customers, to check whether any products containing ganoderma lucidum or ganoderma lucidum spores as raw materials (other than GLSPC) is sold in Non-PRC Markets; and
- (b) conduct quarterly communications with representatives of the Parent Group to confirm whether their research and development portfolio has any products which contain ganoderma lucidum or ganoderma lucidum spores as raw materials.

A supervisory committee (the “Competition Supervisory Committee”), comprising three independent non-executive directors, namely, Mr. Tsang Yok Sing, Jasper (Chairman), Mr. Zhao Zhong Zhen and Mr. Chan Ngai Chi, has been established, with the following major responsibilities:

- (a) meet quarterly and review the quarterly inspection record and daily communication records by the Competition Executive Committee (if applicable); and
- (b) report findings during its review of the records provided by the Competition Executive Committee to the Board which will be published in the Company’s annual report.

To the best knowledge of the Competition Executive Committee, they are not aware of the distribution channels of the Parent Group selling any products containing ganoderma lucidum or ganoderma lucidum spores as raw materials (other than GLSPC) in Non-PRC Markets for the year ended 31 December 2021.

- (ii) 於非中國市場研發、製造及銷售任何「同仁堂」品牌的產品，惟為日本兩名獨立第三方製造的中藥產品除外。僅此說明，在不影響不競爭契據一般性原則下，除目前於日本的除外業務外，不會與非中國市場任何其他各方訂立與日本除外業務類似的安排；
- (iii) 於非中國市場銷售或註冊（新註冊或續期）安宮牛黃丸；
- (iv) 於非中國市場從事任何中藥產品的分銷，惟本公司招股章程所披露的若干現有安排除外；及
- (v) 進行任何「同仁堂」品牌產品的新海外註冊（第(i)至(v)項統稱為「受限制業務」）。

此外，根據不競爭契據，各控股股東亦承諾，倘彼等各自及／或其任何聯繫人士直接或間接獲要約進行或得悉任何與受限制業務相關的項目或新業務機會（「新業務機會」），其必須(i)立即且無論如何不得遲於七(7)天向本公司發出有關該等機會的通知書，並向本公司提供其合理要求的資料，以使本公司可在知情情況下對該等機會作出評估；及(ii)盡力促使該等機會按不遜於其及／或其聯繫人獲提供的條款提供予本公司。

董事（包括獨立非執行董事）會審閱新業務機會，並於接獲控股股東通知後三十(30)個營業日內決定是否投資新業務機會。

同仁堂集團公司亦向本公司授予優先認購權，本公司可按不遜於同仁堂集團公司願意向其他人士出售的條款收購其所持北京同仁堂香港藥業管理有限公司、北京同仁堂(英國)有限公司及北京同仁堂太豐股份有限公司的權益。

有見及此，本集團採取下列企業管治措施以應付任何日後潛在競爭業務產生的任何潛在利益衝突及保障本公司股東利益：

- (i) 獨立非執行董事須至少每年審閱控股股東有否遵守及執行不競爭契據的條款；及
- (ii) 本公司將於年報披露獨立非執行董事基於遵守及執行不競爭契據之條款進行的審閱。

為監察母集團的競爭業務，由兩名無權益董事（即陳飛先生及林曼女士）組成之執行委員會（「競爭執行委員會」）已成立，其主要職責如下：

- (a) 對母集團分銷渠道（包括零售店舖及批發客戶）進行季度檢查，以檢查是否有以靈芝或靈芝孢子為原材料的產品（破壁靈芝孢子粉膠囊除外）於非中國市場銷售；及
- (b) 每季與母集團代表溝通，確認彼等的研發產品組合中是否有以靈芝或靈芝孢子為原材料的產品。

由三名獨立非執行董事（即曾鈺成先生（主席）、趙中振先生及陳毅馳先生）組成之監察委員會（「競爭監察委員會」）已成立，其主要職責如下：

- (a) 每季開會並審閱競爭執行委員會的季度檢查記錄及每日通訊記錄（如適用）；及
- (b) 向董事會報告競爭執行委員會所提供記錄的審閱結果（將刊載於本公司年報）。

就競爭執行委員會所知悉，截至2021年12月31日止年度，母集團並無於非中國市場設立分銷渠道銷售任何以靈芝或靈芝孢子為原材料的產品（破壁靈芝孢子粉膠囊除外）。

## SUBSTANTIAL SHAREHOLDERS

At 31 December 2021, the interest of the persons, other than Directors or chief executive of the Company, in the shares and underlying shares of the Company which were notified to the Company and the Exchange pursuant to Part XV of the SFO and entered in the register maintained by the Company pursuant to Section 336 of the SFO, or otherwise notified to the Company were as follows:

### Long Position in Shares

| Name of shareholder<br>股東名稱                                  | Capacity<br>身份                                | Number of shares<br>股份數目 | Approximate<br>percentage of<br>issued share capital<br>佔已發行股本的<br>概約百分比 |
|--|---|--------------------------|--|
| Tong Ren Tang Technologies 同仁堂科技                             | Beneficial owner 實益擁有人                        | 318,540,000              | 38.05%   |
| Tong Ren Tang Ltd. <sup>(1)</sup> 同仁堂股份 <sup>(1)</sup>       | Beneficial owner 實益擁有人                        | 281,460,000              | 33.62%   |
|  | Interest of a controlled corporation 受控制公司的權益 | 318,540,000              | 38.05%   |
| Tong Ren Tang Holdings <sup>(2)</sup> 同仁堂集團公司 <sup>(2)</sup> | Interest of a controlled corporation 受控制公司的權益 | 600,000,000              | 71.67%   |

Notes:

- (1) Tong Ren Tang Ltd. directly holds 46.85% of the issued share capital of Tong Ren Tang Technologies. Accordingly, Tong Ren Tang Ltd. is deemed to be interested in 318,540,000 shares of the Company held by Tong Ren Tang Technologies.
- (2) Tong Ren Tang Holdings directly holds 52.45% of the issued share capital of Tong Ren Tang Ltd. which in turn directly holds 46.85% of the issued share capital of Tong Ren Tang Technologies. Tong Ren Tang Holdings also directly holds 1.65% domestic shares and H shares in total of Tong Ren Tang Technologies. Accordingly, Tong Ren Tang Holdings is deemed to be interested in 318,540,000 shares of the Company and 281,460,000 shares of the Company held by Tong Ren Tang Technologies and Tong Ren Tang Ltd., respectively.

Save as disclosed above, the Company had not been notified by any persons (other than Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall under the provisions of Part XV of the SFO to be disclosed to the Company, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

## RELATED PARTY TRANSACTIONS

Details of related party transactions of the Group during the year ended 31 December 2021 are set out in note 29 to the consolidated financial statements, certain of these transactions also constitute connected transactions/continuing connected transactions under Chapter 14A of the Listing Rules. The Company confirmed that it has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

## CONTINUING CONNECTED TRANSACTIONS

The Group has entered into a number of connected transactions/continuing connected transactions with the connected persons (as defined in the Listing Rules) of the Company. The Directors confirmed that the Company has complied with the disclosure requirements in accordance with Chapter 20 of GEM Listing Rules (applicable to the Company prior to the Transfer of Listing and Chapter 14A of the Listing Rules (applicable to the Company immediately after the Transfer of Listing)). Details of the non-exempted continuing connected transactions of the Group during the year ended 31 December 2021 are as follows:

### (1) PRC Distribution Framework Agreement with Tong Ren Tang Holdings

On 2 December 2019, the Company and Tong Ren Tang Holdings entered into a PRC distribution framework agreement (the "PRC Distribution Framework Agreement") that Tong Ren Tang Group (collectively refer to Tong Ren Tang Holdings, its subsidiaries, its jointly controlled entities and its associates, other than Tong Ren Tang Technologies and its subsidiaries) acts as a non-exclusive distributor of the Group and would purchase the Owned Products (as defined in the announcement of the Company dated 2 December 2019) from the Group and then distribute the same to retailers or end users in the PRC for a period from 1 January 2020 to 31 December 2022.

## 主要股東

於2021年12月31日，在本公司股份及相關股份中擁有根據證券及期貨條例第XV部已知會本公司及聯交所及登記於本公司所根據證券及期貨條例第336條備存登記冊的權益或知會本公司的權益的人士（董事或本公司主要行政人員除外）如下：

### 股份好倉

| Name of shareholder<br>股東名稱                                  | Capacity<br>身份                                | Number of shares<br>股份數目 | Approximate<br>percentage of<br>issued share capital<br>佔已發行股本的<br>概約百分比 |
|--|---|--------------------------|--|
| Tong Ren Tang Technologies 同仁堂科技                             | Beneficial owner 實益擁有人                        | 318,540,000              | 38.05%   |
| Tong Ren Tang Ltd. <sup>(1)</sup> 同仁堂股份 <sup>(1)</sup>       | Beneficial owner 實益擁有人                        | 281,460,000              | 33.62%   |
|  | Interest of a controlled corporation 受控制公司的權益 | 318,540,000              | 38.05%   |
| Tong Ren Tang Holdings <sup>(2)</sup> 同仁堂集團公司 <sup>(2)</sup> | Interest of a controlled corporation 受控制公司的權益 | 600,000,000              | 71.67%   |

附註：

- (1) 同仁堂股份直接持有同仁堂科技已發行股本的46.85%。因此，同仁堂股份視為擁有同仁堂科技所持本公司318,540,000股股份的權益。
- (2) 同仁堂集團公司直接持有同仁堂股份已發行股本的52.45%，而同仁堂股份則直接持有同仁堂科技已發行股本的46.85%。同仁堂集團公司亦直接持有同仁堂科技共1.65%內資股及H股股份。故此，同仁堂集團公司視為擁有同仁堂科技及同仁堂股份分別所持本公司318,540,000股股份及本公司281,460,000股股份的權益。

除上文所披露外，本公司並無獲悉任何人士（董事或本公司主要行政人員除外）知會擁有根據證券及期貨條例第XV部條文須向本公司披露或根據證券及期貨條例第336條本公司須予備存的登記冊所記錄的本公司股份或相關股份權益或淡倉。

## 關聯方交易

本集團截至2021年12月31日止年度的關聯方交易詳情載於綜合財務報表附註29，其中若干交易亦為上市規則第14A章規定的關連交易／持續關連交易。本公司確認一直遵守上市規則第14A章的披露規定。

## 持續關連交易

本集團與本公司關連人士（定義見上市規則）訂立多項關連交易／持續關連交易。董事確認本公司已遵守GEM上市規則第20章（適用於本公司轉板上市前）及上市規則第14A章（適用於本公司轉板上市後）的相關條款。截至2021年12月31日止年度，本集團非豁免持續關連交易的詳情如下：

### (1) 與同仁堂集團訂立中國分銷框架協議

於2019年12月2日，本公司與同仁堂集團公司訂立中國分銷框架協議（「中國分銷框架協議」），同仁堂集團（指同仁堂集團公司、其附屬公司、其共同控制實體及其聯繫人（同仁堂科技及其附屬公司除外））於2020年1月1日至2022年12月31日作為本集團非獨家分銷商，向本集團購買自有產品（於本公司2019年12月2日之公告所定義），然後分銷予中國的零售商或終端用戶。

Tong Ren Tang Holdings is the ultimate controlling shareholder of the Company and is therefore a connected person of the Company under Listing Rules. The annual caps for the transactions contemplated under the PRC Distribution Framework Agreement for the years ended 31 December 2020 and 2021 and the year ending 31 December 2022 are HK\$273,000,000 (exclusive of value-added tax in the PRC), HK\$296,000,000 (exclusive of value-added tax in the PRC) and HK\$322,000,000 (exclusive of value-added tax in the PRC), respectively.

As the market demand for the Owned Products in the PRC exceeded the original projection, the aggregate amount of the Owned Products procured by the Tong Ren Tang Group from the Group under the PRC Distribution Framework Agreement for the year ended 31 December 2020 was expected to exceed the original annual cap. With the continuous business development of the Group and market demand for the Owned Products in the PRC, the Board decided to revise the corresponding annual caps under the PRC Distribution Framework Agreement. Except for the annual caps, all other terms of the PRC Distribution Framework Agreement remain unchanged.

The revised annual caps in respect of the transactions under the PRC Distribution Framework Agreement for the years ended 31 December 2020 and 2021 and year ending 31 December 2022 are HK\$363,000,000 (exclusive of value-added tax in the PRC), HK\$430,000,000 (exclusive of value-added tax in the PRC) and HK\$470,000,000 (exclusive of value-added tax in the PRC), respectively. As one or more of the applicable percentage ratios (other than the profits ratio) of the annual caps exceed 5% and the annual caps are more than HK\$10,000,000, the PRC Distribution Framework Agreement and the transactions contemplated thereunder are subject to reporting, announcement and annual review requirements as well as the independent shareholders' approval under the Listing Rules. Details of the revision of the annual caps under the PRC Distribution Framework Agreement are set out in the announcement of the Company dated 6 November 2020.

The revision of annual caps under the PRC Distribution Framework Agreement was approved by the independent shareholders of the Company in the EGM held on 17 December 2020.

## (2) PRC Distribution Framework Agreement with Tong Ren Tang Technologies

On 13 May 2020, the Company and Tong Ren Tang Technologies entered into a PRC distribution framework agreement (the "TRT Tech PRC Distribution Framework Agreement") that Tong Ren Tang Technologies Group (collectively refer to Tong Ren Tang Technologies and its subsidiaries (either directly owned or indirectly owned), other than the Group) acts as a non-exclusive distributor of the Group and would purchase the Relevant Products (as defined in the announcement of the Company dated 13 May 2020) from the Group and then sell the same to distributors, retailers or end users in the PRC or for the purpose of production for a period from 13 May 2020 to 31 December 2022.

Tong Ren Tang Technologies is our controlling shareholder of the Company and hence a connected person of the Company for the purpose of the Listing Rules. The annual caps for the transactions contemplated under the TRT Tech PRC Distribution Framework Agreement for the years ended 31 December 2020 and 2021 and the year ending 2022 are HK\$50,000,000 (exclusive of value-added tax in the PRC), HK\$57,000,000 (exclusive of value-added tax in the PRC) and HK\$65,000,000 (exclusive of value-added tax in the PRC), respectively.

As one or more of the applicable percentage ratios (other than the profits ratio) of the annual caps exceed 0.1% but less than 5% on an annual basis, the transactions contemplated under the TRT Tech PRC Distribution Framework Agreement are subject to reporting, announcement and annual review requirements but exempt from the independent shareholders' approval requirement under the Listing Rules. Details of the TRT Tech PRC Distribution Framework Agreement are set out in the announcement of the Company dated 13 May 2020.

## (3) New Exclusive Distributorship Framework Agreements with Tong Ren Tang Technologies and Tong Ren Tang Ltd.

On 6 November 2020, the Company entered into new exclusive distributorship framework agreements (the "New Exclusive Distributorship Framework Agreements") with each of Tong Ren Tang Technologies and Tong Ren Tang Ltd. whereby TRT International Natural-Pharm, a wholly-owned subsidiary of the Company, was appointed by each of Tong Ren Tang Technologies Group (collectively refer to Tong Ren Tang Technologies, its subsidiaries and its associates (other than the Group)) and Tong Ren Tang Ltd. Group (collectively refer to Tong Ren Tang Ltd., its subsidiaries and its associates (other than Tong Ren Tang Technologies Group and the Group)) as the sole distributor of Tong Ren Tang branded products in Non-PRC markets for the period from 1 January 2021 to 31 December 2023. TRT International Natural-Pharm would purchase Tong Ren Tang branded products from Tong Ren Tang Technologies Group and Tong Ren Tang Ltd. Group and distribute them to the Non-PRC Markets. Tong Ren Tang Technologies and Tong Ren Tang Ltd. are both the controlling shareholders of the Company and hence are connected persons of the Company for the purpose of the Listing Rules.

同仁堂集團公司乃本公司的最終控股股東，故根據上市規則屬本公司的關連人士。截至2020年、2021年及2022年12月31日止年度。中國分銷框架協議所涉交易的年度上限分別為273,000,000港元(不含中國增值稅)、296,000,000港元(不含中國增值稅)及322,000,000港元(不含中國增值稅)。

由於中國市場對自有產品的需求超過原本預期，因此截至2020年12月31日止年度，同仁堂集團根據中國分銷框架協議向本集團採購自有產品的總額有機會超過原訂之年度上限。隨著本集團的業務持續發展及中國市場對自有產品的需求，董事會決定修訂中國分銷框架協議項下相應的年度上限。除年度上限外，中國分銷框架協議項下的所有其他條款維持不變。

截至2020年、2021年及2022年12月31日止年度根據補充協議進行之交易的相關修訂年度上限分別為363,000,000港元(不含中國增值稅)、430,000,000港元(不含中國增值稅)及470,000,000港元(不含中國增值稅)。由於年度上限的一項或多項適用百分比率(溢利比率除外)均超過5%且年度上限超過10,000,000港元，因此續訂中國分銷框架協議及所涉交易均須遵守上市規則的申報、公告、年度審核及獨立股東批准規定。中國分銷框架協議項下年度上限的修訂詳情載於本公司2020年11月6日之公告內。

中國分銷框架協議年度上限的修訂已於2020年12月17日舉行的股東特別大會上獲本公司獨立股東批准。

## (2) 與同仁堂科技訂立中國分銷框架協議

於2020年5月13日，本公司與同仁堂科技訂立中國分銷框架協議(「同仁堂科技中國分銷框架協議」)，同仁堂科技集團(指同仁堂科技公司、其(直接或間接擁有的)附屬公司(本集團除外))於2020年5月13日至2022年12月31日作為本集團非獨家分銷商，向本集團購買相關產品(於本公司2020年5月13日之公告所定義)，然後分銷予中國的分銷商、零售商或終端用戶或用作生產用途。

同仁堂科技乃本公司的控股股東，故根據上市規則屬本公司的關連人士。截至2020年、2021年及2022年12月31日止年度。同仁堂科技中國分銷框架協議所涉交易的年度上限分別為50,000,000港元(不含中國增值稅)、57,000,000港元(不含中國增值稅)及65,000,000港元(不含中國增值稅)。

由於年度上限的一項或多項適用百分比率(溢利比率除外)均超過0.1%但低於5%，因此同仁堂科技中國分銷框架協議及所涉交易均須遵守上市規則的申報、公告及年度審核，但不需要獨立股東批准。同仁堂科技中國分銷框架協議的詳情載於本公司2020年5月13日之公告內。

## (3) 與同仁堂科技及同仁堂股份訂立新獨家經銷框架協議

於2020年11月6日，本公司與同仁堂科技及同仁堂股份分別訂立新獨家經銷框架協議(「新獨家經銷框架協議」)，同仁堂科技集團(指同仁堂科技、其附屬公司及其聯繫人(不包括本集團))及同仁堂股份集團(指同仁堂股份、其附屬公司及其聯繫人(不包括同仁堂科技集團及本集團))均委任本公司全資附屬公司同仁堂國際藥業於2021年1月1日至2023年12月31日為非中國市場同仁堂品牌產品的獨家經銷商。同仁堂國際藥業從同仁堂科技集團及同仁堂股份集團購買同仁堂品牌產品並分銷至非中國市場。同仁堂科技及同仁堂股份均為本公司控股股東，因此屬上市規則所指本公司的關連人士。

The annual caps for the transactions under the New Exclusive Distribution Framework Agreements for the year ended 31 December 2021 and years ending 31 December 2022 and 2023 are HK\$53,700,000 (exclusive of value-added tax in the PRC), HK\$61,800,000 (exclusive of value-added tax in the PRC) and HK\$71,000,000 (exclusive of value-added tax in the PRC) with Tang Ren Tang Technologies, as well as HK\$86,200,000 (exclusive of value-added tax in the PRC), HK\$99,100,000 (exclusive of value-added tax in the PRC) and HK\$114,000,000 (exclusive of value-added tax in the PRC) with Tang Ren Tang Ltd., respectively.

As one or more of the applicable percentage ratios (other than the profits ratio) of the annual caps exceed 5% and the annual caps are more than HK\$10,000,000, the New Exclusive Distribution Framework Agreements and the transactions contemplated thereunder are subject to reporting, announcement and annual review requirements as well as the independent shareholders' approval under the Listing Rules. Details of the New Exclusive Distribution Framework Agreements are set out in the announcement of the Company dated 6 November 2020.

The New Exclusive Distribution Framework Agreements were approved by the independent shareholders of the Company in the EGM held on 17 December 2020.

#### (4) Procurement of Angong Niu Huang Wan Powder from Tong Ren Tang Ltd.

The Company and Tong Ren Tang Ltd. entered into a renewed Angong Niu Huang Wan Powder master purchase agreement on 6 December 2018 (the "Angong Niu Huang Wan Powder Master Purchase Agreement") whereby the Company would purchase Angong Niu Huang Wan Powder, being the raw materials for production of Angong Niu Huang Wan, from Tong Ren Tang Ltd. Group for the period from 1 January 2019 to 31 December 2021.

Tong Ren Tang Ltd. is our controlling shareholder of the Company and hence a connected person of the Company for the purpose of the Listing Rules. The annual caps for the transactions contemplated under the Angong Niu Huang Wan Powder Master Purchase Agreement for the years ended 31 December 2019, 2020 and 2021 are HK\$31,000,000, HK\$42,000,000 and HK\$55,000,000, respectively.

As the Angong Niu Huang Wan Powder Master Purchase Agreement expired on 31 December 2021, the Company entered into a new Angong Niu Huang Wan Powder master purchase agreement on 28 December 2021 with Tong Ren Tang Ltd. (the "New Angong Niu Huang Wan Powder Master Purchase Agreement") to renew the procurement arrangement for a further term of three years from 1 January 2022 to 31 December 2024. The annual caps for the transactions under the New Angong Niu Huang Wan Powder Master Purchase Agreement for the years ending 31 December 2022, 2023 and 2024 are HK\$54,000,000, HK\$60,000,000 and HK\$64,000,000, respectively.

As one or more of the applicable percentage ratios (other than the profits ratio) of the annual caps exceed 0.1% but less than 5% on an annual basis, the transactions contemplated under the New Angong Niu Huang Wan Powder Master Purchase Agreement are subject to reporting, announcement and annual review requirements but exempt from the independent shareholders' approval requirements under the Listing Rules. Details of the New Angong Niu Huang Wan Powder Master Purchase Agreement are set out in the announcement of the Company dated 28 December 2021.

#### (5) Master Lease Framework Agreement with Tong Ren Tang Holdings

On 30 December 2019, the Company and Tong Ren Tang Holdings entered into a renewed master lease framework agreement (the "Renewed Master Lease Framework Agreement"), pursuant to which, Tong Ren Tang Holdings has agreed to lease and procure other members of the Parent Group to lease certain premises to the Group for its productions and operations so that any member of the Group may continue, amend or renew the existing leases with any member of the Parent Group from time to time and as necessary for the future business needs of the Group for a period from 1 January 2020 to 31 December 2022.

Tong Ren Tang Holdings is the ultimate controlling shareholder of the Company and is therefore a connected person of the Company under the Listing Rules. The annual caps for the transactions contemplated under the Renewed Master Lease Framework Agreement for the years ended 31 December 2020 and 2021 and the year ending 31 December 2022 are HK\$21,000,000, HK\$16,000,000 and HK\$11,200,000, respectively.

As one or more of the applicable percentage ratios (other than the profits ratio and equity capital ratio) of the annual caps exceed 0.1% but less than 5% on an annual basis, the transactions contemplated under the Renewed Master Lease Framework Agreement are subject to reporting, announcement and annual review requirements but exempt from the independent shareholders' approval requirement under the Listing Rules. Details of the Renewed Master Lease Framework Agreement are set out in the announcement of the Company dated 30 December 2019.

截至2021年、2022年及2023年12月31日止年度根據新獨家經銷框架協議項下之交易的年度上限分別與同仁堂科技為53,700,000港元(不含中國增值稅)、61,800,000港元(不含中國增值稅)及71,000,000港元(不含中國增值稅),以及與同仁堂股份為86,200,000港元(不含中國增值稅)、99,100,000港元(不含中國增值稅)及114,000,000港元(不含中國增值稅)。

由於年度上限的一項或多項適用百分比率(溢利比率除外)均超過5%且年度上限超過10,000,000港元,因此新獨家經銷框架協議及所涉交易均須遵守上市規則的申報、公告、年度審核及獨立股東批准規定。新獨家經銷框架協議的詳情載於本公司2020年11月6日之公告內。

此新獨家經銷框架協議已於2020年12月17日舉行的股東特別大會上獲本公司獨立股東批准。

#### (4) 自同仁堂股份採購安宮牛黃丸粉

於2018年12月6日,本公司與同仁堂股份訂立續訂安宮牛黃丸粉總採購協議(「安宮牛黃丸粉總採購協議」),以從同仁堂股份集團購買生產安宮牛黃丸的原材料安宮牛黃丸粉,期限為2019年1月1日至2021年12月31日。

同仁堂股份乃本公司的控股股東,故此屬上市規則所指本公司的關連人士。截至2019年、2020年及2021年12月31日止年度根據安宮牛黃丸粉總採購協議進行之交易的相關年度上限分別為31,000,000港元、42,000,000港元及55,000,000港元。

由於安宮牛黃丸粉總採購協議已於2021年12月31日屆滿,本公司於2021年12月28日與同仁堂股份訂立新安宮牛黃丸粉總採購協議(「新安宮牛黃丸粉總採購協議」),以進一步重續為期三年的採購安排,期限為2022年1月1日至2024年12月31日。截至2022年、2023年及2024年12月31日止年度根據新安宮牛黃丸粉總採購協議項下之交易的年度上限分別為54,000,000港元、60,000,000港元及64,000,000港元。

由於年度上限的一項或多項適用百分比率(溢利比率除外)超過0.1%但低於5%,因此新安宮牛黃丸粉總採購協議及所涉交易均須遵守上市規則的申報、公告及年度審核,但不需要獨立股東批准。新安宮牛黃丸粉總採購協議的詳情載於本公司2021年12月28日之公告內。

#### (5) 與同仁堂集團公司訂立租賃框架總協議

於2019年12月30日,本公司與同仁堂集團公司訂立續訂租賃框架總協議(「續訂租賃框架總協議」)。據此,同仁堂集團公司已同意租賃並促使母集團的其他成員公司租賃若干物業予本集團作生產及營運之用,故此,自2020年1月1日起至2022年12月31日止期間,本集團的任何成員公司均可不時延續、修訂或重續與母集團的任何成員公司的現有租約,惟受限於年度上限。

同仁堂集團公司乃本公司的最終控股股東,故根據上市規則屬本公司的關連人士。截至2020年、2021年及2022年12月31日止年度,續訂租賃框架總協議所涉交易的年度上限分別為21,000,000港元、16,000,000港元及11,200,000港元。

由於年度上限的一項或多項適用百分比率(溢利比率及股權資本比率除外)超過0.1%但低於5%,因此續訂租賃框架總協議及所涉交易均須遵守上市規則的申報、公告及年度審核,但不需要獨立股東批准。續訂租賃框架總協議的詳情載於本公司2019年12月30日之公告內。

## (6) Advertising Agency Framework Agreement with Tong Ren Tang Century Advertising

On 28 April 2020, the Company and Beijing Tong Ren Tang Century Advertising Co., Ltd. ("Tong Ren Tang Century Advertising") entered into the advertising agency framework agreement (the "Advertising Agency Framework Agreement") that Tong Ren Tang Century Advertising, a wholly-owned subsidiary of Tong Ren Tang Technologies act as a non-exclusive advertising agent of the Group, to provide the Advertising Agency Services (as defined in the announcement of the Company dated 28 April 2020) to the Group in the PRC for a period from 1 May 2020 to 31 December 2022.

Tong Ren Tang Technologies is the controlling shareholder of the Company and hence a connected person of the Company for the purpose of the Listing Rules. The annual caps for the transactions contemplated under the Advertising Agency Framework Agreement for the years ended 31 December 2020 and 2021 and the year ending 31 December 2022 are HK\$6,200,000 (exclusive of value-added tax in the PRC), HK\$7,600,000 (exclusive of value-added tax in the PRC) and HK\$8,900,000 (exclusive of value-added tax in the PRC), respectively.

As one or more of the applicable percentage ratios (other than the profits ratio) of the annual caps exceed 0.1% but less than 5% on an annual basis, the transactions contemplated under the Advertising Agency Framework Agreement are subject to reporting, announcement and annual review requirements but exempt from the independent shareholders' approval requirement under the Listing Rules.

Details of the above continuing connected transactions are further summarised as follows:

| Name of connected party<br>關聯方名稱                 | Nature of transaction<br>交易性質                            | Transaction amount<br>for the year ended<br>31 December 2021<br>截至 2021 年<br>12 月 31 日<br>年度交易額<br>HK\$'000<br>千港元 | Annual cap<br>for the year ended<br>31 December 2021<br>截至 2021 年<br>12 月 31 日<br>年度之年度上限<br>HK\$'000<br>千港元 |
|--|--|--|--|
|  |  |  |  |
| (1) Tong Ren Tang Group<br>同仁堂集團                 | Sales of the Owned Products<br>銷售自有產品                    | 92,118   | 430,000  |
| (2) Tong Ren Tang Technologies Group<br>同仁堂科技集團  | Sales of the Relevant Products<br>銷售相關產品                 | 703  | 57,000   |
| (3) Tong Ren Tang Technologies Group<br>同仁堂科技集團  | Purchase of Tong Ren Tang branded products<br>購買同仁堂品牌產品  | 26,319   | 53,700   |
| Tong Ren Tang Ltd. Group<br>同仁堂股份集團              |  | 14,299   | 86,200   |
| (4) Tong Ren Tang Ltd. Group<br>同仁堂股份集團          | Purchase of Angong Niu Huang Wan Powder<br>購買安宮牛黃丸粉      | 19,004   | 55,000   |
| (5) Parent Group<br>母集團                          | Lease of premises<br>物業租賃                                | 985  | 16,000   |
| (6) Tong Ren Tang Century Advertising<br>同仁堂世紀廣告 | Provision of the Advertising Agency Services<br>提供廣告代理服務 | 2,552  | 7,600  |

The price and the terms of the above transactions have been determined in accordance with the pricing policies and guideline set out in the relevant announcements.

Confirmation of Independent Non-executive Directors:

The Independent Non-executive Directors have reviewed the above continuing connected transactions and confirmed that these continuing connected transactions have been entered into by the Group:

- (1) in the ordinary and usual course of business of the Group;
- (2) on normal commercial terms or better; and
- (3) in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

## (6) 與同仁堂世紀廣告訂立廣告代理框架協議

於 2020 年 4 月 28 日，本公司與北京同仁堂世紀廣告有限公司（「同仁堂世紀廣告」）訂立廣告代理框架協議（「廣告代理框架協議」），同仁堂科技全資附屬公司同仁堂世紀廣告於 2020 年 5 月 1 日至 2022 年 12 月 31 日作為本集團非獨家廣告代理商，於中國向本集團提供廣告代理服務（於本公司 2020 年 4 月 28 日之公告所定義）。

同仁堂科技乃本公司的控股股東，故根據上市規則屬本公司的關連人士。截至 2020 年、2021 年及 2022 年 12 月 31 日止年度。廣告代理框架協議所涉交易的年度上限分別為 6,200,000 港元（不含中國增值稅）、7,600,000 港元（不含中國增值稅）及 8,900,000 港元（不含中國增值稅）。

由於年度上限的一項或多項適用百分比率（溢利比率除外）均超過 0.1% 但低於 5%，因此廣告代理框架協議及所涉交易均須遵守上市規則的申報、公告及年度審核，但不需要獨立股東批准。

上述持續關連交易詳情進一步概述如下：

上述交易的價格與條款已根據相關公告所載定價政策與指引釐定。

獨立非執行董事確認：

獨立非執行董事已審閱上述持續關連交易，並確認該等持續關連交易乃本集團：

- (1) 於本集團日常及一般業務過程中訂立；
- (2) 按一般商業條款或更佳條款訂立；及
- (3) 按條款公平合理並符合本公司股東整體利益的有關協議進行。

PricewaterhouseCoopers, the Company's auditor, was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The Company's auditor has issued their unqualified letter containing their findings and conclusions in respect of the continuing connected transactions disclosed above by the Group on pages 110 to 117 of this annual report in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Exchange.

## CONTRACTS OF SIGNIFICANCE

Saved as disclosed above, there is no contract of significance between the Company or any of its subsidiaries, and the Controlling Shareholders or any of its subsidiaries. There is no contract of significance for the provision of services to the Company or any of its subsidiaries by the Controlling Shareholders or any of its subsidiaries.

## DIRECTORS' INTERESTS IN TRANSACTION, ARRANGEMENT OR CONTRACTS OF SIGNIFICANCE

Details of Directors' interests in contracts of significance in relation to the Group's business are set out in the section headed "Continuing Connected Transactions" in this annual report. Other than as disclosed above, there was no transaction, arrangement or contract of significance to which the Company or its subsidiaries, or its holding companies or any of its fellow subsidiaries was a party, and in which a Director or an entity connected with the Director was materially interested, whether directly or indirectly, subsisting during or at the end of the year ended 31 December 2021.

## PURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the year ended 31 December 2021.

## INDEMNITY OF DIRECTORS

The Company has arranged for appropriate insurance cover for Directors' and officers' liabilities in respect of legal actions against its Directors and senior management arising out of corporate activities. A permitted indemnity provision (as defined in section 469 of the Hong Kong Companies Ordinance) for the benefit of the Directors is currently in force and was in force throughout this year.

## ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group considers the importance of environmental affairs and believes business development and environment affairs are highly related. This year, the Group implemented certain environmental protection measures to save energy and reduce the consumption of resources. These policies were supported by our staff and were implemented effectively. The Board of the Company has also reviewed the 2021 ESG Report. For more comprehensive information, please refer to the ESG Report on pages 36 to 89 of this annual report.

## COMPLIANCE WITH LAWS AND REGULATIONS

As a listed company engages business in Hong Kong, the Group is subject to various laws and regulations including Companies Ordinance (Chapter 622), Business Registration Ordinance (Chapter 310), Inland Revenue Ordinance (Chapter 112) and Employment Ordinance (Chapter 57). Our Group has put in place internal controls to ensure compliance of the same. In addition, as the Group also engages business in certain jurisdictions, compliance procedures are in place to ensure adherence to applicable laws, rules and regulations in particular, those have significant impact on the Group. Any changes in the applicable laws, rules and regulations are brought to the attention of relevant employees and relevant operation units in the Company and subsidiaries from time to time.

## SUFFICIENCY OF PUBLIC FLOAT

As at the latest practicable date prior to the issue of this report, based on information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained a sufficient public float of more than 25% of the Company's issued shares as required under the Listing Rules.

本公司核數師羅兵咸永道會計師事務所獲委任根據香港會計師公會頒佈的香港核證聘用準則第3000號(新訂)「歷史財務資料審核或審閱以外之核證工作」,並參照實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」就本集團的持續關連交易作出報告。本公司核數師已根據上市規則第14A.56條發出函件,對載於本年報第110至117頁所披露本集團持續關連交易的相關結果及結論無保留意見。本公司已向聯交所呈交核數師函件。

## 重大合約

除上文所披露外,本公司或其任何附屬公司概無與控股股東或其任何附屬公司訂立重大合約。控股股東或其任何附屬公司概無向本公司或其任何附屬公司提供服務而訂立重大合約。

## 董事所擁有交易、安排或重大合約的權益

董事所擁有與本集團業務相關的重大合約權益詳情載於本年報「持續關連交易」一節。除上文所披露外,截至2021年12月31日止年度期間或於截至該日,本公司或其附屬公司或控股公司或任何同系附屬公司概無訂立任何董事或其關聯實體直接或間接於其中擁有重大權益的交易、安排或重大合約。

## 購買、出售或贖回本公司上市證券

截至2021年12月31日止年度,本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

## 董事彌償

本公司已為董事及高級人員購買適當保險,保障彼等因履行職務而可能承擔之法律訴訟責任。惠及董事的獲准許的彌償條文(根據公司條例第469條)均於現時及貫穿本年生效。

## 環境政策及表現

本集團重視環境保護,認為企業業務發展與環境事務高度相關。於本年,本集團制定了一定的環境保護措施,努力節約能源及減少耗用資源。此等政策獲得我們員工支持並有效實施。本公司董事會亦已審閱2021年環境、社會及管治報告。有關更全面的資料,請參閱本年報第36至89頁環境、社會及管治報告。

## 遵守法律及法規

作為一家在香港經營的上市公司,本集團受多項法律及法規規管,包括公司條例(第622章)、商業登記條例(第310章)、稅務條例(第112章)及僱傭條例(第57章)。本集團已制定內部控制,以確保符合規定。此外,本集團亦在某些司法權區從事經營,已制定合規程序以確保遵守適用的法律、條例及規則,特別是對本集團有顯著影響的法律、條例及規則。相關僱員及公司和子公司經營單位不時檢視適用的法律、條例及規則的任何更改。

## 足夠公眾持股量

在發出本報告之前盡可能最近的日期,根據本公司所獲得的公開資料及就董事所知的情況下,本公司根據上市規則所規定一直保持足夠公眾持股量佔本公司已發行股份25%以上。

## EVENTS AFTER THE REPORTING PERIOD

The Group does not have significant event occurred after this year need to disclose.

## CORPORATE GOVERNANCE

The Company is committed to achieving and maintaining high standards of corporate governance which it believes is crucial to the development of the Group and safeguard the interests of the shareholders of the Company. Information on the Company's corporate governance principles and practices is set out in the Corporate Governance Report on pages 122 to 151 of this annual report.

## AUDITOR

PricewaterhouseCoopers will retire, and being eligible, offer themselves for re-appointment at the forthcoming annual general meeting. A resolution for their re-appointment as the auditor of the Company will be proposed at the forthcoming AGM. The Company has not changed its auditor in any of the preceding three years.

## 報告期後事項

本集團沒有於本年之後發生的重大事項需要披露。

## 企業管治

本公司致力達致及維持高水平企業管治，並相信此舉對本集團發展及保障本公司股東之利益十分重要。有關本公司所採納之企業管治常規及守則資料載列於本年報第122至151頁企業管治報告。

## 核數師

羅兵咸永道會計師事務所即將退任，惟符合資格於應屆股東週年大會重選連任。本公司將於應屆股東週年大會提呈續聘羅兵咸永道會計師事務所為本公司核數師的決議案。本公司過往3年並無更換核數師。

On behalf of the Board  
**Ding Yong Ling**  
*Chairman*

Hong Kong, 9 March 2022

代表董事會  
丁永玲  
主席

香港，2022年3月9日

CORPORATE GOVERNANCE FRAMEWORK  
企業管治架構

SHAREHOLDERS  
股東

BOARD GOVERNANCE FRAMEWORK  
董事會管治框架

BOARD OF DIRECTORS 董事會

董事會轄下委員會  
BOARD COMMITTEES

管理層  
MANAGEMENT

AUDIT COMMITTEE  
審核委員會

responsible for the communication with external auditors and review of the Group's financial information, financial reporting system, internal control procedures and risk management system  
負責與外聘核數師溝通並審閱本集團財務資料、財務報告系統、內部監察程序及風險管理制度

NOMINATION COMMITTEE  
提名委員會

responsible for reviewing the structure, size and composition of the Board, assessing the independence of the independent non-executive Directors and making recommendations to the Board on the appointment and re-appointment of Directors  
負責審閱董事會結構、人數及組成、評估獨立非執行董事的獨立性及就委任及續任董事向董事會提出推薦建議

REMUNERATION COMMITTEE  
薪酬委員會

responsible for making recommendations to the Board on the policy and structure of the remuneration of all the Directors and senior management for approval by the Board  
負責就本公司董事及高級管理人員的整體薪酬政策及架構向董事會提出建議供董事會批准

COMPETITION SUPERVISORY COMMITTEE  
競爭監察委員會

responsible for review of findings by the competition executive committee on competing business of the Parent Group  
負責審閱競爭執行委員會有關與母集團競爭業務的報告

COMPETITION EXECUTIVE COMMITTEE  
競爭執行委員會

responsible for monitoring of the competing business of the Parent Group  
負責監察與母集團競爭業務

responsible for overseeing the day-to-day management and operation with Board's delegated authority, and implementation of the Group's strategy and policy  
根據董事會賦予的權力負責監督日常管理及營運，實施本集團策略及政策

## CORPORATE GOVERNANCE PRACTICES

The Board as a whole and the management of the Company are committed to the maintenance of good corporate governance practices and procedures. The Group firmly believes that strict corporate governance can enhance the Group's credibility and transparency, thus strengthening the confidence of the shareholders and investors in the Group.

For the year ended 31 December 2021, the Group had complied with all applicable provisions of the CG Code.

## COMPLIANCE WITH THE REQUIRED STANDARD OF DEALINGS IN SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code for Securities Transactions Directors of Listed Issuers contained in Appendix 10 of the Listing Rules of the Exchange. Having made specific enquiries to all the Directors, all the Directors confirmed that they had complied with the required standard of dealings and the code of conduct regarding securities transactions by Directors adopted by the Company during the Period.

## 企業管治常規

董事會全體董事及本公司管理層致力維持良好的企業管治常規與程序。本集團堅信，嚴格的企業管治有利於加強本集團的信譽及透明度，從而提升股東及投資者對本集團的信心。

截至2021年12月31日止年度，本集團一直遵守企業管治守則的所有適用條文。

## 遵守上市發行人之董事進行證券交易的標準守則

本公司已採納與上市規則附錄10所載的董事進行證券交易的標準守則。經特定查詢後，全體董事確認於本期內已遵守了標準守則內列載的標準及本公司採納的關於董事進行證券交易的行為守則。

### Directors 董事

#### Executive Directors 執行董事

Ding Yong Ling (Chairman) 丁永玲(主席)  
Chen Fei 陳飛  
Lin Man 林曼

#### Independent Non-executive Directors 獨立非執行董事

Tsang Yok Sing, Jasper 曾鈺成  
Zhao Zhong Zhen 趙中振  
Chan Ngai Chi 陳毅馳

### Audit Committee 審核委員會

Chan Ngai Chi<sup>(1)</sup> 陳毅馳<sup>(1)</sup>  
Tsang Yok Sing, Jasper 曾鈺成  
Zhao Zhong Zhen 趙中振

### Nomination Committee 提名委員會

Tsang Yok Sing, Jasper<sup>(1)</sup> 曾鈺成<sup>(1)</sup>  
Chan Ngai Chi 陳毅馳  
Zhao Zhong Zhen 趙中振

### Remuneration Committee 薪酬委員會

Zhao Zhong Zhen<sup>(1)</sup> 趙中振<sup>(1)</sup>  
Chan Ngai Chi 陳毅馳  
Tsang Yok Sing, Jasper 曾鈺成

### Competition Supervisory Committee 競爭監察委員會

Tsang Yok Sing, Jasper<sup>(1)</sup> 曾鈺成<sup>(1)</sup>  
Zhao Zhong Zhen 趙中振  
Chan Ngai Chi 陳毅馳

### Competition Executive Committee 競爭執行委員會

Chen Fei 陳飛  
Lin Man 林曼

<sup>(1)</sup> Being the chairman of the respective committee  
為該委員會主席

## DIRECTORS

### Board composition

As at the date of this report, the Board consists of 6 Directors, comprising 3 Executive Directors and 3 Independent Non-executive Directors. Details of the composition of the Board and the Directors' biographical information are set out on pages 96 to 99 of the annual report, respectively. At least one-third of the Board is Independent Non-executive Directors of which more than one have appropriate professional qualifications, or accounting or related financial management expertise. The structure, size, composition and diversity of the Board are reviewed from time to time to ensure that it has a balance of expertise, skills and experience appropriate for the requirements of the business of the Company. The independence of the Independent Non-executive Directors is assessed according to the relevant rules and requirements under the Listing Rules.

The composition of the Board, by category and position of Directors including the names of the chairman, the Executive Directors and the Independent Non-executive Directors, is disclosed in all corporate communications by the Company. The Company maintains on the Company's website and on the website of the Exchange, (i) an updated list of its Directors identifying their respective roles and functions together with their biographical information and whether they are Independent Non-executive Directors; and (ii) the terms of reference of the Board committees to enable the shareholders to understand the roles played by those Independent Non-executive Directors who serve on the relevant Board committees.

### Board and Committee Meetings

Regular Board meetings are usually scheduled towards the end of the immediately preceding year to give all Directors adequate time to plan their schedules to attend the meetings. At least 14 days formal notice would be given before each regular meeting. Board meeting documents including supporting analysis and related background information are normally sent to the Directors at least 3 days before regular Board meetings.

The Board meets regularly and held 7 meetings during the Year. In consultation with members of the Board, the company secretary of the Company assists the chairman of the board in preparing the meeting agenda, where applicable, matters proposed by other Directors are included in the agenda. During the year ended 31 December 2021, the Company has arranged for 1 individual meeting between chairman of the Board and non-executive Directors (including Independent Non-executive Directors). The senior management members are also invited to join Board meetings if necessary, to enhance the Board and management communication.

During the year ended 31 December 2021, the Directors actively participated in meetings and a summary of the Directors' attendance records in 2021 are as follows:

| Members of the Board<br>董事會成員                                | Attendance/Number of Meetings 出席次數/會議次數 |                             |                                    |                                  |                                     |
|--|---|-----------------------------|------------------------------------|----------------------------------|-------------------------------------|
|  | Board<br>董事會                            | Audit<br>Committee<br>審核委員會 | Remuneration<br>Committee<br>薪酬委員會 | Nomination<br>Committee<br>提名委員會 | Annual General<br>Meeting<br>股東週年大會 |
| <b>Executive Directors 執行董事</b>                              |   |                             |                                    |                                  |                                     |
| Ding Yong Ling 丁永玲   | 7/7                                     | –                           | 1/1                                | 1/1                              | 1/1                                 |
| Zhang Huan Ping 張煥平 (retired on 11 March 2021 於2021年3月11日退任) | 2/7                                     | 1/3                         | –                                  | –                                | –                                   |
| Chen Fei 陳飛 (re-designated on 11 March 2021 於2021年3月11日調任)   | 7/7                                     | 2/3                         | –                                  | –                                | 1/1                                 |
| Lin Man 林曼   | 7/7                                     | 3/3                         | –                                  | –                                | 1/1                                 |
| <b>Independent Non-executive Directors 獨立非執行董事</b>           |   |                             |                                    |                                  |                                     |
| Tsang Yok Sing, Jasper 曾鈺成                                   | 7/7                                     | 3/3                         | –                                  | 1/1                              | 1/1                                 |
| Zhao Zhong Zhen 趙中振  | 7/7                                     | 3/3                         | 1/1                                | –                                | 1/1                                 |
| Chan Ngai Chi 陳毅馳  | 7/7                                     | 3/3                         | 1/1                                | 1/1                              | 1/1                                 |

The Company Secretary prepares written resolutions or minutes and keeps records of substantive matters discussed and decisions resolved at all Board and Board committee meetings. These meetings minutes/resolutions:

- contain sufficient detail the matters considered by the Board/Board committees and decisions reached;
- are sent to the Directors for their comments;
- are sent to all Directors/Board committee members within a reasonable time (generally within 14 days) after such meeting; and
- are available for inspection by Directors/Board committee members.

## 董事

### 董事會組成

截至本年報日期止，董事會由6名董事組成，包括3名執行董事及3名獨立非執行董事。董事會組成及各董事履歷詳情分別載於本年報第96至99頁。至少董事會三分之一的成員為獨立非執行董事，不止1名成員具備相關專業資格、會計或相關財務管理專業知識。本公司不時檢討董事會的架構、人數、組成及多元化，確保維持本公司業務所需專業知識、技能及經驗的平衡。本公司根據上市規則的相關規則與規定評估獨立非執行董事的獨立性。

本公司已於所有公司通訊按董事類別及職務(包括主席、執行董事及獨立非執行董事的姓名)披露董事會的組成。本公司分別在本公司網站及聯交所網站存置(i)一份最新董事名單，列明董事角色、職能與履歷並註明是否獨立非執行董事；及(ii)董事委員會書面職權範圍，以便股東了解獨立非執行董事於相關董事委員會擔任的職務。

### 董事會及委員會會議

董事會定期會議的召開時間通常於前一年度結束前安排，以便全體董事有充足時間規劃出席。各定期會議召開前應發出至少14天正式通知。董事會文件(包括分析證明及相關背景資料)通常於董事會定期會議召開前至少3天發出。

董事會每年定期召開會議，並於本年內召開7次會議。與董事會成員協商後，本公司公司秘書協助董事會主席制訂會議議程，其他董事提議的事項亦列入議程(如適用)。截至2021年12月31日止年度，本公司已安排董事會主席與非執行董事(包括獨立非執行董事)進行1次獨立會議。如有需要亦會邀請高級管理人員參加董事會會議以加強董事會與管理層的交流。

截至2021年12月31日止年度，各董事積極參加會議，彼等於2021年出席會議的紀錄概述如下：

公司秘書撰寫書面決議案或會議紀錄並記錄所有董事會會議及董事委員會會議討論的實質問題及議決的事項，該等會議紀錄/決議：

- 包括董事會/董事委員會所審議事項詳情及所作決定；
- 送交各董事以作評論；
- 於相關會議後合理時間內(一般為14日內)送交全體董事/董事委員會成員；及
- 可供各董事/董事委員會成員查閱。

Important matters are dealt with by a physical Board meeting rather than written resolutions only. If a Director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter will be dealt with in accordance with applicable rules and regulations and, if appropriate, an independent Board committee will be set up to deal with the matter. Directors must declare his/her interest in the matters to be passed in the resolution, if applicable.

The Company has arranged for appropriate liability insurance to indemnify its Directors for their liabilities arising out of corporate activities undertaken for the Company. During the year ended 31 December 2021, no claim was made against the Directors.

## Chairman and Chief Executive

Ms. Ding Yong Ling, the chairman of the Board, leads the Board in terms of formulating policies. The chairman of the Board determines the board strategic direction of the Group in consultation with the Board and is responsible for the high-level oversight of the management. With the support of the executive directors and the Company Secretary, the chairman of the Board ensures that all Directors are properly briefed on all key and appropriate issues in a timely manner. The chairman of the Board promotes a culture of openness and encourages Directors with different views to voice their opinion and be fully engaged in the Board's affairs so as to contribute to the Board's functions, and she may meet and/or communicate with the independent non-executive directors without the presence of the Executive Directors. During the Year, an individual meeting between Ms. Ding Yong Ling, the chairman of the Board, and Independent Non-executive Directors was held without the presence of the Executive Directors.

While our chief executive officer, Mr. Chen Fei (who was appointed on 11 March 2021 as the chief executive officer), is responsible for business strategic planning and day-to-day management and operation of the Group. The Board believes this segregation of duties helps to supervise and balance the power and authority of the Board and enhances the independence and accountability of the Board.

## Appointment, Re-election and Removal

The procedures for appointing and re-electing Directors are set out in the Articles of Association. The appointment of a new Director must be approved by the Board. The Nomination Committee is responsible for making recommendations to the Board on the selection of individuals nominated for directorship taking into account factors such as appropriate professional knowledge, industry experience, personal ethics, integrity, personal skills, gender, age, cultural and educational background.

Pursuant to Article 97 of the Articles of Association, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation and shall be eligible for re-election. The Directors to retire by rotation will be those Directors who have been Directors longest in office since their last re-election or appointment.

In accordance with Article 97 of the Articles of Association, two Directors, namely, Mr. Chen Fei and Mr. Chan Ngai Chi shall retire from office by rotation respectively at the forthcoming AGM and, all being eligible, have offered themselves for re-election as Directors at the forthcoming AGM.

The Company has entered into service agreements with each Executive Director and also appointment letters with Independent Non-executive Directors. The tenure of all Directors is 3 years.

## Roles and Responsibilities of the Board

The Board is accountable to the shareholders for sustainable development of the Group. The Board is responsible for formulating the overall strategies as well as monitoring and evaluating the operation and financial performance of the Group. The Board reserved for its decision or consideration matters covering overall Group strategy, major acquisitions and disposals, annual and interim results, recommendations on Directors' appointment or reappointment, approval of major capital transactions and other significant operational and financial matters. All the Directors carry out their duties in good faith and in compliance with applicable laws and regulations and pursue excellence in the interests of the shareholders at all times.

Our Executive Directors, together with our Independent Non-executive Directors offer diverse industry expertise, serve the important function of advising the management on strategies and ensuring that the Board fulfils high standards of financial and other mandatory reporting requirements as well as providing adequate checks and balances for safeguarding the interests of the shareholders and the Company as a whole.

The Independent Non-executive Directors not only exercise their independent judgment and advise on the future business direction and strategic plans of the Company, but also review the financial information and operational performance of the Company on a regular basis.

重要事項應舉行由董事親自出席的董事會會議處理，而非只傳閱董事會書面決議。倘董事對董事會將審議且董事會認為重大之事項存在利益衝突，則有關事項根據相關規則與法規處理，如有需要，則設立獨立董事委員會處理。董事須聲明其於決議案將通過事項的權益（如適用）。

本公司已安排適當的責任保險，用以彌償董事為本公司業務活動所承擔的責任。截至2021年12月31日止年度，董事概無遭受任何索償。

## 董事會主席及最高行政人員

董事會主席丁永玲女士領導董事會制定決策。董事會主席與董事會磋商後釐定本集團董事會策略方向，負責高層次督導管理層。在執行董事與公司秘書的協助下，董事會主席確保全體董事及時妥善地了解所有重要及相關問題。董事會主席提倡開明文化，鼓勵持有不同見解的董事提出意見及全面參與董事會事務，進而對董事會的職能作出貢獻。董事會主席亦可於沒有執行董事出席的情況下會見及／或與獨立非執行董事溝通。本年，本公司董事會主席丁永玲女士在沒有執行董事參與的情況下召開與獨立非執行董事的獨立會議。

首席執行官陳飛先生（於2021年3月11日獲委任為首席執行官）則負責本集團業務策略規劃及日常管理與營運。董事會認為職責獨立有利於監督及平衡董事會權力和權限，亦可增強董事會的獨立性和問責性。

## 委任、重選及罷免

本公司章程載有委任及重選董事的程序。委任新董事必須經董事會批准。提名委員會負責考慮適當專業知識、行業經驗、個人道德、誠信、個人技能、性別、年齡、文化和教育背景等因素，就挑選提名董事的個別人士向董事會提出推薦意見。

根據章程第97條，每屆股東週年大會須有三分之一的董事（如人數並非3或3的倍數則為最接近但不少於三分之一的人數）退任，惟彼等可重選連任。須退任的董事為自上次重選或委任以來任期最長的董事。

根據本公司之章程第97條，兩位董事陳飛先生及陳毅馳先生將於應屆股東週年大會輪值退任，而彼等符合資格，並願意於應屆股東週年大會上膺選連任董事。

本公司已與各執行董事訂立服務協議，亦與獨立非執行董事訂立委任函，任期均為3年。

## 董事會角色及職責

董事會對股東負責，維持本集團可持續發展。董事會負責制定整體策略及監督和評估本集團之營運及財務表現。須經董事會決定或考慮的事務包括本集團整體策略、主要收購及出售、年度及中期業績、董事任命或續聘推薦、批准主要資本交易與其他重大經營及財務事宜。全體董事均盡忠職守，並遵守適用的法律及法規，一直致力為股東爭取最大利益。

本公司執行董事及獨立非執行董事具備多元化的行業專業知識，主要負責就發展策略向管理層提出意見，確保董事會嚴格遵守財務與其他法定報告要求，以及提供充分監督與制衡以保障股東及本公司的整體利益。

獨立非執行董事不僅就本公司之未來業務方向及策略規劃提供獨立判斷及意見，亦定期審閱本公司的財務資料及營運表現。

Every executive director has hands-on knowledge and expertise in the areas and operation in which he/she is charged with. Appropriate attention to the affairs of the Company is measured in terms of time as well as the quality of such attention and the ability of the Directors to contribute with reference to his/her area of knowledge and expertise, and his/her global perspective. There is satisfactory attendance at Board meetings during the year ended 31 December 2021.

The Directors have disclosed to the Company at the time of their appointment and from time to time thereafter the number and nature of offices held in public companies or organizations and other significant commitments, identifying the public companies or organizations involved.

## Continuous Professional Development of the Directors

All Directors receive comprehensive information on appointment, so as to ensure understanding of the business and operations of the Group and Directors' responsibilities and obligations under the Listing Rules and relevant regulatory requirements.

The Company also updates the Directors on the latest developments and changes of the Listing Rules and the applicable legal and regulatory requirements in the discharge of their duties.

During the year ended 31 December 2021, all the Directors actively participated in continuous professional development, by attending external training or seminars, attending in-house training and/or reading materials on the various topics covering regulations, corporate governance, finance and business, to develop and refresh their knowledge and skills, which ensure that their contribution to the Board remains informed and relevant. The Directors have provided records of training to the Company.

各執行董事均具備所負責業務範疇及運作方面的實際知識及相關專長。董事對本公司業務的關注程度，按所投入的時間、服務的質素、本身知識及專長作出貢獻之能力和環球視野衡量。截至2021年12月31日止年度，董事會會議出席率良好。

董事於獲委任時及其後不時向本公司披露所擔任上市公司或組織之職位的數目及性質和其他重大職務，指明涉及的上市公司或組織。

## 董事的持續專業發展

所有董事獲委任時均獲得全面資料，確保了解本集團業務營運及上市規則和相關監管規定的董事責任與義務。

本公司亦向董事提供上市規則及彼等履行職責所適用的法律及監管規定的最新發展及更新。

截至2021年12月31日止年度，全體董事積極參與持續專業發展，參加外界培訓或研討會，參加內部培訓及／或閱讀有關規管、企業管治、財務及業務等各類議題的資料，發展並更新其知識及技能，以確保其繼續在具備全面資訊及切合所需的情況下對董事會作出貢獻。董事已向本公司提供培訓紀錄。

| Directors<br>董事  | Types of Continuous Professional Development<br>持續專業發展類別   |   |  |  |
|--|--|---|--|--|
|  | Attending directors' training, seminars or conferences related to directors' duties or other relevant topics<br>出席有關董事職責或其他相關議題的董事培訓或研討會 | Reviewing legislative or regulatory updates<br>審閱法律或規管的最新資料 | Reviewing information relevant to the Company or its business<br>審閱與本公司或其業務相關的資料 | Attending corporate events or shop visits<br>出席公司活動或視察店舖 |
| Ding Yong Ling 丁永玲   | ✓  | ✓   | ✓  | ✓  |
| Zhang Huan Ping 張煥平 (retired on 11 March 2021 於2021年3月11日退任) | -  | ✓   | ✓  | ✓  |
| Chen Fei 陳飛 (re-designated on 11 March 2021 於2021年3月11日調任)   | ✓  | ✓   | ✓  | ✓  |
| Lin Man 林曼   | ✓  | ✓   | ✓  | ✓  |
| Tsang Yok Sing, Jasper 曾鈺成                                   | ✓  | ✓   | ✓  | ✓  |
| Zhao Zhong Zhen 趙中振  | ✓  | ✓   | ✓  | ✓  |
| Chan Ngai Chi 陳毅馳  | ✓  | ✓   | ✓  | ✓  |

## Independence of the Independent Non-executive Directors

During the year ended 31 December 2021, the Company complied with Rule 3.10 of the Listing Rules relating to the appointment of at least 3 independent non-executive directors representing more than one-third of the Board and they possess professional qualification and experience in the three areas of financial accounting, social science and Chinese medicine industry, respectively. All Independent Non-executive Directors also meet the guidelines for assessment of their independence pursuant to Rule 3.13 of the Listing Rules. Each of the Independent Non-executive Directors makes an annual confirmation of independence pursuant to the requirements of the Listing Rules. The Company is of that view that all the Independent Non-executive Directors meet the independence guidelines set out in the relevant requirements of the Listing Rules and are independent in accordance with the terms of the guidelines.

## 獨立非執行董事的獨立性

截至2021年12月31日止年度，本公司已遵照上市規則第3.10條的規定，委任至少3名獨立非執行董事且佔董事會至少三分之一，有關獨立非執行董事均具備財務會計、社會科學與中藥行業三方面的專業資格和經驗。所有獨立非執行董事亦符合上市規則第3.13條評估獨立非執行董事獨立性的指引。各獨立非執行董事根據上市規則的規定每年就獨立性發出確認，本公司認為所有獨立非執行董事均符合上市規則所載相關獨立性指引之規定，均屬獨立。

## Supply of and Access to Information

Board/Board committee meeting documents with adequate and reliable information are circulated not less than three days before the regular Board/Board committee meetings to enable the Directors/Board committee members in making informed decisions on matters to be raised at the Board/Board committee meetings.

All Directors have full and timely access to all relevant information as well as the advice and services of the Company Secretary and senior management of the Company, with a view to ensuring compliance with the Board procedures and all applicable laws and regulations.

The Company Secretary acts as the bridge between the Directors and business units of the Group to ensure that queries raised and clarification sought by the Directors are dealt with and that further supporting information is provided, as appropriate.

Directors have been advised that the Company Secretary can arrange independent professional advice at the expense of the Company should such advice be considered necessary by any Director or any Board committee.

## Delegation to Management

Executive Directors are in charge of different businesses and functional divisions in accordance with their respective areas of expertise.

For matters or transactions of a material nature, the same will be referred to the Board for approval. For matters or transactions of a magnitude requiring disclosure under the Listing Rules or other applicable rules or regulations appropriate disclosure will be made and where necessary, circular will be prepared and shareholders' approval will be obtained in accordance with the requirements of the applicable rules and regulations. Specially, the Board has had in place Guidelines for Investments stating the authority approval limits and procedures.

The Board led by the chairman, is responsible for the Group's future development directions; overall strategies and policies; evaluation of the performance of the Group and the management and approval of matters that are of a material or substantial nature. Under the leadership of the chief executive officer, management is responsible for the day-to-day operations of the Group.

## CORPORATE GOVERNANCE DUTIES

The Board has delegated the responsibility of performing the corporate governance duties to the Audit Committee, and is responsible for performing the corporate governance duties according to the Code Provision D.3.1, which includes:

- (1) developing and reviewing the policies and practices on corporate governance of the Group;
- (2) reviewing and monitoring the training and continuous professional development of Directors and senior management;
- (3) reviewing and monitoring the Group's policies and practices on compliance with legal and regulatory requirements;
- (4) developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to Directors and employees; and
- (5) reviewing the Company's compliance with the Code and disclosure in the corporate governance report of the Company.

## 提供及查閱資料

董事會／董事委員會定期會議召開前不少於3天開始傳閱包含充足可靠信息的董事會／董事委員會文件，以便董事／董事委員會成員就董事會／董事委員會會議擬議事宜作出知情決定。

全體董事均可全面及時取得所有相關資料，亦可獲得公司秘書及高級管理人員提供的意見和協助，確保遵守董事會程序及所有適用法律和法規。

公司秘書擔當董事與本集團各部門之間的橋樑，確保董事提出的查詢及疑問得以處理，並提供進一步證明文件(如適用)。

董事獲悉，倘董事或董事委員會認為有必要徵求獨立建議，公司秘書可安排獲取獨立專業意見，費用由本公司承擔。

## 委派管理層

執行董事根據各自專長負責不同業務及職能部門的事務。

一切重大事項或交易均交由董事會審批。根據上市規則或其他適用的規則或規例而須披露之重要事項或交易，均會作出適當披露，並於必要時根據適用規則及規例要求，刊發通函及取得股東批准。董事會制定專門的投資指引列明審批權限及程序。

董事會由主席領導，負責制定本集團未來發展方向、整體策略與政策，評估本集團及管理層表現及審批重要或重大事項。在首席執行官的領導下，管理層負責本集團日常營運。

## 企業管治職責

董事會已委派審核委員會履行企業管治職責的責任，負責根據守則條文第D.3.1條執行企業管治職責，包括：

- (1) 制訂及審閱本集團的企業管治政策及常規；
- (2) 審閱及監督董事和高級管理人員的培訓及持續專業發展；
- (3) 審閱及監督本集團有關遵守法律及監管要求的政策和常規；
- (4) 制訂、審閱及監察董事和僱員適用的行為守則及合規手冊(如有)；及
- (5) 審閱本公司遵守守則的情況及本公司企業管治報告內所披露的資料。

## BOARD COMMITTEES

The Board established an Audit Committee, a Remuneration Committee and a Nomination Committee on 28 March 2013 with written terms of reference which are available for viewing on the websites of the Company and the Exchange. Board committees report to the Board of their decisions and recommendations at the Board meetings.

### Audit Committee

The Board established the Audit Committee with written terms of reference in compliance with Rules 3.21 to 3.24 of the Listing Rules and the CG Code. As at 31 December 2021, the Audit Committee has 3 members (all of them are the Independent Non-Executive Directors) comprising Mr. Chan Ngai Chi (Chairman), Mr. Tsang Yok Sing, Jasper and Mr. Zhao Zhong Zhen.

The primary duties of the Audit Committee are mainly to communicate with external auditor; to review the remuneration, terms of engagement, independence and objectivity of the external auditor; to review the accounting policy, financial position, the financial reporting system, internal control procedures and risk management system of the Company and making recommendations thereof.

Minutes drafted by the Company Secretary are circulated to members of the Audit Committee within a reasonable time after each meeting. Audit Committee meetings were held in March, August and November of 2021.

The following is a summary of the work of the Audit Committee during 2021:

- (1) Reviewed the financial reports for 2020 annual results and 2021 interim results;
- (2) Reviewed the findings and recommendations of the internal audit department on the work of various departments and related companies;
- (3) Reviewed the effectiveness of the internal control and risk management systems;
- (4) Reviewed the external auditor's audit findings;
- (5) Reviewed the auditor's remuneration;
- (6) Reviewed the control mechanisms for the risks of different business units and advising on action plans for improvement of the situations;
- (7) Performed the corporate governance functions and reviewed the corporate governance policies and practices; and
- (8) Reviewed the connected transactions with the Parent Group.

On 28 February 2022, the Audit Committee met to review the Group's 2021 consolidated financial statements, including the accounting principles and practices adopted by the Group, in conjunction with the Company's external auditor. After review and discussions with the management, internal auditor and external auditor, the Audit Committee endorsed the accounting treatment adopted by the Company, and the Audit Committee had to the best of its ability assured itself that the disclosure of the financial information in the Annual Report 2021 complied with the applicable accounting standards and the Listing Rules.

The Group's annual report for the year ended 31 December 2021 has been reviewed by the Audit Committee. The Audit Committee therefore resolved to recommend for the Board's approval the consolidated financial statements for the year ended 31 December 2021. The Audit Committee also recommended to the Board the re-appointment of PricewaterhouseCoopers as the Company's external auditor for 2022 and that the related resolution shall be put forth for shareholders' consideration and approval at the 2022 annual general meeting.

No member of the Audit Committee is a former partner of the existing auditing firm of the Company during the two years after he/she ceased to be a partner of the auditing firm.

## 董事會轄下委員會

董事會於2013年3月28日設立審核委員會、薪酬委員會和提名委員會，並訂立相關書面職權範圍，可於本公司和聯交所網站查閱。董事委員會於董事會會議向董事會報告其決定及建議。

### 審核委員會

董事會根據上市規則第3.21條至第3.24條和企業管治守則設立審核委員會，並訂立書面職權範圍。於2021年12月31日，審核委員會由3名成員組成，包括陳毅馳先生(主席)、曾鈺成先生及趙中振先生，均為獨立非執行董事。

審核委員會主要負責與外聘核數師溝通，檢討其薪酬、聘用條款與外聘核數師是否獨立客觀，審閱本公司的會計政策、財務狀況、財務報告系統、內部控制程序及風險管理系統並提出相關建議。

會議紀錄由公司秘書草擬，於每次會議後一段合理時間內發送給各審核委員會成員閱覽。審核委員會於2021年3月、8月及11月召開會議。

審核委員會於2021年的工作概述如下：

- (1) 審閱2020年年度業績及2021年中期業績之財務報告；
- (2) 審閱內審部提交有關各部門及相關公司工作的審核結果及建議；
- (3) 檢討內部監控及風險管理系統的成效；
- (4) 審閱外聘核數師的審計結果；
- (5) 審閱核數師酬金；
- (6) 審閱不同業務部門之風險監控機制，並就改善有關狀況之行動計劃提出意見；
- (7) 履行企業管治職責及審閱企業管治政策與常規；及
- (8) 審閱與母集團的關連交易。

於2022年2月28日，審核委員會舉行會議，聯同本公司外聘核數師審閱本集團2021年度的綜合財務報表，包括本集團採納的會計原則及慣例。審核委員會審閱並與管理層、內審部及外聘核數師討論後，贊同本公司所採納的會計處理方式，並已盡力確保2021年年報披露的財務資料符合適用的會計準則及上市規則之規定。

審核委員會已審閱本集團截至2021年12月31日止年度之年報。因此，審核委員會決議建議董事會批准通過截至2021年12月31日止年度的綜合財務報表。審核委員會亦向董事會建議，續聘羅兵咸永道會計師事務所為本公司2022年度的外聘核數師，並建議將有關決議案於2022年度股東週年大會上提交予股東考慮及通過。

本公司現任核數公司概無任何前任合夥人於離任核數公司合夥人日期起計2年內，擔任本公司審核委員會成員。

## Remuneration Committee

The Company established the Remuneration Committee with written terms of reference in compliance with Rule 3.25 to Rule 3.26 of the Listing Rules and the CG Code. The Remuneration Committee has 3 members comprising Mr. Zhao Zhong Zhen (Chairman and Independent Non-executive Director), Mr. Tsang Yok Sing, Jasper (Independent Non-executive Director) and Mr. Chan Ngai Chi (Independent Non-executive Director). Ms. Ding Yong Ling resigned as a member of the Remuneration Committee on 9 March 2022.

The primary duties of the Remuneration Committee are mainly to make recommendations to the Board and review the terms of the remuneration package of each Director and member of senior management of the Company and making recommendations to the Board regarding any adjustment thereof in accordance with the Group's corporate goals and objectives; and to review and evaluate the performance of individual Directors. No Director shall participate in any discussion about his or her own remuneration.

The Remuneration Committee did consult the chairman of the Board and/or the Executive Director about proposals relating to the remuneration packages and other human resources issues of the Directors and senior management of the Company, including but not limited to, succession plan and key personnel movements as well as policies for recruiting and retaining qualified personnel. The human resources department provides administrative support and implements the approved remuneration packages and other human resources related decisions approved by the Remuneration Committee.

The remuneration of the Directors was determined with reference to their respective experiences, responsibilities with the Group and general market conditions. During the year ended 31 December 2021, the Remuneration Committee had held 1 meeting to review the remuneration package of the Directors and senior management of the Company. Details of the remuneration of the Directors for the year ended 31 December 2021 are set out in Note 9 to the consolidated financial statements.

## Nomination Committee

The Company established the Nomination Committee with written terms of reference in compliance with the Code Provision A.5.1 and Code Provision A.5.2 as set out in the CG Code. The Nomination Committee has 3 members comprising Mr. Tsang Yok Sing, Jasper (Chairman and Independent Non-executive Director), Mr. Zhao Zhong Zhen (Independent Non-executive Director) and Mr. Chan Ngai Chi (Independent Non-executive Director). Ms. Ding Yong Ling resigned as a member of the Nomination Committee on 9 March 2022. During the year ended 31 December 2021, the Nomination Committee had held 1 meeting to review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board, and also recommended the re-appointment of the Directors standing for re-election at the upcoming annual general meeting.

The primary duties of the Nomination Committee are mainly to review the structure, size and composition (including the skills, knowledge, experience and diversity of perspectives) of the Board at least annually and to make recommendations on any proposed changes to the Board to complement the Company's corporate strategy; to identify individuals suitably qualified to become the Board members and select or make recommendations to the Board on the selection and/or re-appointment of individuals nominated for directorships of the Company and to assess the independence of Independent Non-executive Director. In reviewing and recommending the appointment of new Directors, the Nomination Committee would seek to identify the competencies required to enable the Board to fulfill its responsibilities. The resume or document of the nominee or candidate would be given to the Nomination Committee for consideration.

The Board adopted a board diversity policy setting out the approach to diversity of members of the Board and the Nomination Committee reviews such policy periodically. The Company recognizes and embraces the benefits of diversity of Board members. It endeavours 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 a merit basis with due regard for the benefits of diversity of the Board members.

## 薪酬委員會

本公司根據上市規則第3.25條至第3.26條和企業管治守則設立薪酬委員會，並訂立書面職權範圍。薪酬委員會由3名成員組成，包括趙中振先生（主席兼獨立非執行董事）、曾鈺成先生（獨立非執行董事）及陳毅馳先生（獨立非執行董事）。丁永玲女士則於2022年3月9日辭任薪酬委員會成員。

薪酬委員會主要負責審閱各董事及本公司高級管理人員的薪酬待遇條款並向董事會提出建議，根據本集團的企業目標向董事會提出有關調整薪酬待遇條款的建議，以及審閱和評估個別董事的表現。董事不得參與討論本身的薪酬。

薪酬委員會就有關董事及本公司高級管理人員的薪酬待遇及其他人力資源事宜（包括但不限於連任計劃、主要人員變動及招募與留任合資格人員的政策）的議案諮詢董事會主席及／或執行董事。人力資源部提供行政支持並實施經批准薪酬待遇及薪酬委員會批准的其他人力資源相關決定。董事薪酬參考彼等各自的經驗、於本集團承擔的職責及整體市況釐定。

截至2021年12月31日止年度，薪酬委員會已舉行1次會議審閱董事及本公司高級管理人員的薪酬待遇。有關截至2021年12月31日止年度的董事薪酬詳情載於綜合財務報表附註9。

## 提名委員會

本公司根據企業管治守則所載守則條文第A.5.1條和第A.5.2條設立提名委員會，並訂立書面職權範圍。提名委員會由3名成員組成，包括曾鈺成先生（主席兼獨立非執行董事）、趙中振先生（獨立非執行董事）及陳毅馳先生（獨立非執行董事）。丁永玲女士則於2022年3月9日辭任提名委員會成員。截至2021年12月31日止年度，提名委員會已舉行1次會議審閱董事會的架構、規模及組成（包括技能、知識、經驗及多元化方面），以及建議重新委任將在本公司應屆股東週年大會上膺選連任的董事。

提名委員會主要負責至少每年審閱1次董事會的架構、規模和組成（包括技能、知識、經驗及多元化的觀點），並就任何為配合本公司的公司策略而擬對董事會作出的變動提出建議，亦負責物色具備合適資格可擔任董事的人士，並挑選有關人士出任本公司董事或就此向董事會提供意見，以及評估獨立非執行董事的獨立性。審核及建議委任及／或重新委任新董事時，提名委員會會鑑定相關人士是否具備履行董事會職責所需能力。候選人的簡歷或文件會報送提名委員會審議。

董事會依循董事會成員多元化政策，使董事會有來自不同背景的成員，提名委員會須定期審閱該政策。本公司亦十分認同且重視董事會成員多元化的益處，因此會盡力確保董事會成員具備本公司業務所需的各方面技能、經驗及觀點多樣性。董事會將繼續沿才授職，充分發揮董事會成員多元化的益處。

## CRITERIA FOR NOMINATION AND APPOINTMENT OF DIRECTORS

In evaluating and selecting any candidate for directorship, the following criteria should be considered:

- Character and integrity.
- Qualifications including professional qualifications, skills, knowledge and experience and diversity aspects under the Board Diversity Policy that are relevant to the Company's business and corporate strategy.
- Any measurable objectives adopted for achieving diversity on the Board.
- Requirement for the Board in accordance with the Listing Rules and whether the candidate would be considered independent with reference to the independence guidelines set out in the Listing Rules.
- Any potential contributions the candidate can bring to the Board in terms of qualifications, skills, experience, independence, gender and cultural diversity.
- Willingness and ability to devote adequate time to discharge duties as a member of the Board and/or Board committee(s) of the Company.
- Such other perspectives that are appropriate to the Company's business and succession plan and where applicable, may be adopted and/or amended by the Board and/or the Nomination Committee from time to time for nomination of directors and succession planning.

## 董事提名及委任準則

在評估及挑選候選人擔任董事時，提名委員會及／或董事會應考慮下列準則：

- 品格與誠信。
- 資格，包括專業資格、技巧、知識及與本公司業務及策略相關的經驗，以及董事會成員多元化政策所提及的多元化因素。
- 為達致董事會成員多元化而採納的任何可計量目標。
- 根據上市規則的規定，以及參考上市規則內列明候選人是否被視為獨立的指引。
- 候選人的專業資格、技巧、經驗、獨立性、性別及文化多元化方面可為董事會帶來的任何潛在貢獻。
- 是否願意及是否能夠投放足夠時間履行身為董事會成員及擔任董事會轄下委員會的委員的職責。
- 其他適用於本公司業務及其繼任計劃的其他各項因素，提名委員會及／或董事會可在有需要時修訂有關因素。

## NOMINATION PROCEDURE OF DIRECTORS 董事提名程序

### Nomination Committee and/or the Board

提名委員會及／或董事會

### Appointment of New Director 委任新董事

- May select candidates for directorship from various channels, including but not limited to internal promotion, re-designation, referral by other member of the management and external recruitment agents.

可從各種途徑招攬董事人選，包括但不限於內部晉升、調任、由管理層其他成員和外部招聘代理人推薦。



### Nomination Committee 提名委員會

- Should recommend to the Board to appoint the appropriate candidate for directorship, as applicable.

就委任合適人選擔任董事一事向董事會提出建議（如適用）。



- Upon receipt of the proposal on appointment of new director and the biographical information (or relevant details) of the candidate, evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.

在收到委任新董事的建議及候選人的個人資料（或相關詳情）後，依據上述準則評估該候選人，以決定該候選人是否合資格擔任董事。

- If the process yields one or more desirable candidates, the Nomination Committee and/or the Board should rank them by order of preference based on the needs of the Company and reference check of each candidate (where applicable).

如過程涉及一個或多個適合的候選人，應根據本公司的需要及每位候選人的證明審查（如適用）排列他們的優先次序。



### Re-election of Director 重選董事

- Should review the overall contribution and service to the Company of the retiring director and the level of participation and performance on the Board.

應檢討退任董事對本公司的整體貢獻及服務，以及在董事會的參與程度及表現。



### The Board 董事會

- Should evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.  
依據上述準則評估該候選人，以決定該候選人是否合資格擔任董事。
- Should make recommendation to shareholders of the Company in respect of the proposed election of Director at the general meeting, as applicable.  
應於股東大會上就委任董事的提案向本公司股東提出建議（如適用）。

### Shareholders 股東

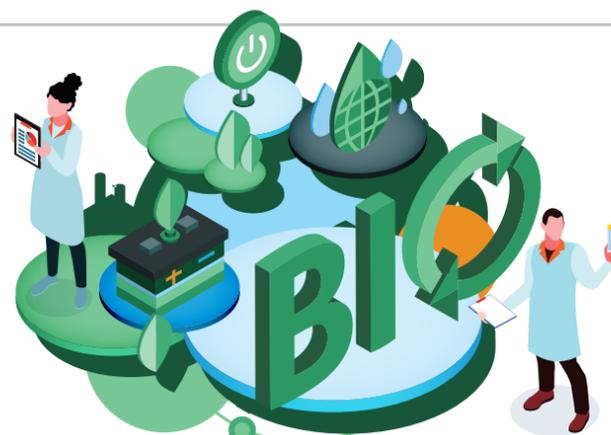
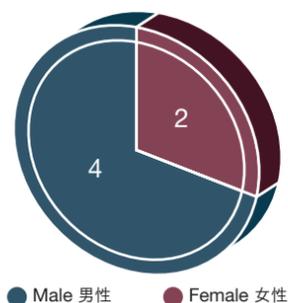
- Proposes a resolution to elect or re-elect a candidate as Director at the general meeting.  
在公司的股東大會中通過委任或重選候選人董事。



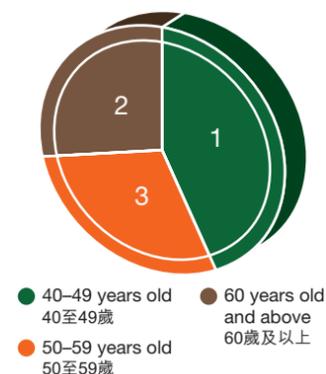
## BOARD DIVERSITY

Selection and appointment of new directors will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, qualifications, skills, knowledge, business and related experience, commitment, ability to contribute to the Board process and such qualities and attributes that may be required by the Board. The ultimate decision will be made upon the merits and contribution that the selected candidates will bring to the Board.

By Gender  
按性別劃分



By Age Group  
按年齡組別劃分



## 董事會多元化

提名委員會將基於多元化的考慮因素選任新董事，包括但不限於性別、年齡、文化及教育背景、資質、技能、知識、業務及相關經驗、承擔、向董事會作出貢獻的能力與董事會可能要求的相關資格及能力，並將根據相關候選人可為董事會帶來的價值及貢獻作出最後決定。

## ACCOUNTABILITY AND AUDIT

Directors are provided with a review of the Group's major business activities and key financial information on a regular basis and the management provide all members of the Board with monthly updates of the Company's performance.

The Board has included the separate statement containing a discussion and analysis of the Group's sustainability strategy in the section headed "Management Discussion and Analysis" of this annual report.

## DIVIDEND POLICY

Stable and sustainable returns to Shareholders to be our goal of the Company. The Board considered that it would be prudent and appropriate to target a dividend payout ratio not less than 30%. In deciding whether to propose a dividend, determining the dividend amount as well as to provide relatively steady dividend payout ratio, the Board takes into account the Group's earnings performance, financial results, cash flow position, investment requirements, business conditions and strategies, future operations and earnings, future operations and earnings, and any other factors that the Board may consider relevant.

## DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Board, supported by the finance department, is responsible for the preparation of the financial statements of the Company and the Group. The Board has prepared the financial statements in accordance with the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants. Appropriate accounting policies have also been used and applied consistently. The Directors were not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Group's ability to continue as a going concern.

The statement by the independent auditor of the Company about their reporting responsibilities is set out in the Independent Auditor's Report on pages 152 to 159 of this annual report.

## DIRECTORS' INTERESTS IN SHARES

Details of Directors' interests in the shares of the Company are set out in the Directors' Report on pages 106 to 107 of this annual report.

## 問責及審核

管理層定期向董事報告本集團主要業務活動及重要財務資料的審查結果，並每月向全體董事會成員報告本公司業績。

董事會已在本年報「管理層討論及分析」一節載入討論及分析本集團可持續發展策略的獨立陳述。

## 股息政策

本公司以提供穩定及可持續回報予股東作為目標。董事會認為將股息派發率定於不少於30%是審慎和適當的做法。董事會會考慮本集團之盈利表現、財務業績狀況、現金流量狀況、投資需求、業務狀況及策略、未來營運及收入、任何派付股息的限制、及董事會可能視為相關的任何其他因素，從而決定是否建議派發股息、釐定股息金額並提供相對穩定之派息比率。

## 董事對綜合財務報表的責任

財務部協助董事會編製本公司及本集團的財務報表。董事會已根據香港會計師公會頒佈之香港財務報告準則編製財務報表，亦已貫徹應用相應的會計政策。就董事所知，並無任何重大不確定事件或狀況引致本集團持續營運能力可能受重大質疑。

本公司獨立核數師就其申報責任發出的聲明載於本年報第152至159頁的獨立核數師報告。

## 董事所持股份權益

董事所持本公司股份權益詳情載於本年報第106至107頁的董事會報告。

## COMPANY SECRETARY

Ms. Tsang Fung Yi is the chief financial officer and the company secretary of the Company, as well as a full-time employee of the Group, discharges the functions of company secretary of the Company with her professional skill and extensive experience. To update her skills and knowledge, Ms. Tsang complied with the relevant professional training requirements under Rule 3.29 of the Listing Rules during the year ended 31 December 2021. The appointment and removal of the Company Secretary is subject to Board approval in accordance with the Articles of Association. The Company Secretary reports to the Board and also to the Chief Executive Officer on day-to-day duties and responsibilities. Company Secretary is responsible for supporting and advising the Board on governance matters. All Directors have access to the advice and service of the Company Secretary to ensure that board procedures, all applicable rules and regulations are followed.

## AUDITOR'S REMUNERATION

The remuneration paid/payable to the Company's external auditor, PricewaterhouseCoopers in respect of the services rendered for the year ended 31 December 2021 is set out as follows:

| Serviced rendered to the Company 為本公司所提供服務 | Amount 金額<br>HK\$'000 千港元 |
|--|---------------------------|
| Audit services 核數服務                        | 3,958                     |
| Non-audit services 非核數服務                   | 430                       |
| Total 總計                                   | 4,388                     |

Fee paid/payable to other auditors were approximately HK\$1,309,000.

Non-audit services mainly include tax consultancy services.

## INTERNAL CONTROL AND RISK MANAGEMENT

### Internal Control and Risk Management System

The Group has set up a risk management regulation and internal control procedure to establish a clear structure and procedures for risk management with a systematic and rigorous approach. The Group's risk management and internal control systems are aligned with the internal control framework of international body consisting of the five elements, namely, the control environment, risk assessment, control activities, information and communication, and monitoring. The Group's risk governance structure is based on the "3 lines of defense" model comprised of day-to-day operational management and control, risk and compliance management, and independent supervision assurance.

The Board is responsible for overseeing the Group's risk management and internal control systems and reviewing its effectiveness. The management is responsible for implementing and maintaining a robust risk management and internal control systems to protect the Group's assets and interests of stakeholders. The Board annually reviews the adequacy of resources, staff qualifications and experience, and staff training programs together with its relevant budget of the Group's accounting, internal auditing and financial reporting, and also the satisfaction with the adequacy of the parties concerned.

## 公司秘書

曾鳳儀女士為本公司財務總監及公司秘書，亦為本集團全職僱員，並具備專業資格及豐富經驗以履行本公司公司秘書職務。截至2021年12月31日止年度，曾女士已遵守上市規則第3.29條的相關專業培訓要求，以更新其技能及知識。根據章程相關規定，公司秘書的任免須經董事會批准。公司秘書向董事會匯報，並向首席執行官匯報日常職責及責任。公司秘書負責就管治事宜向董事會提供支持及意見。所有董事均可獲得公司秘書之意見和服務，以確保董事會程序及所有適用規則和規例均獲得遵守。

## 核數師薪酬

截至2021年12月31日止年度已付／應付本公司的外聘核數師羅兵咸永道會計師事務所提供服務的酬金載列如下：

已付／應付其他核數師的費用為約1,309,000港元。

非核數服務主要為稅務諮詢服務費。

## 風險管理及內部監控

### 風險管理及內部監控系統

本集團已設立風險管理制度及內部監控程序，採納系統性及嚴格的方法，為風險管理及內部監控系統建立清晰的架構及程序。本集團之風險管理及內部監控系統符合國際組織之內部監控框架，由五項元素（即監控環境、風險評估、監控活動、資訊與溝通及監督）組成。本集團之風險管理及內部監控架構以「三道防線」模式為基礎，包括日常營運管理及監控、風險合規管理以及獨立監督保證。

董事會負責持續監督本集團的風險管理及內部監控系統，以及檢討其有效性，而管理層則負責執行本集團的風險管理制度及內部監控程序，以保障本集團資產及持份者權益。董事會每年審閱本集團的財務、運作及合規情況，同時就本集團在會計、內部審核及財務匯報職能方面的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算是否足夠作年度檢討，並對有關方面的充足程度表示滿意。

## Identification, Evaluation and Management of the Significant Risks Procedure

The Board is responsible for determining the Group's risk profile within the acceptable tolerance levels for significant risks, overseeing the Group's risk management framework, reviewing the Group's significant existing and potential risks and their response and ensuring risk management effectiveness. The Company has set up a risk management committee. The risk management committee discusses and collects risk monitoring report through meeting to review the management of these risks and effectiveness of response, and to constantly monitor the changes in risks.

Risk assessment is the identification and analysis of existing and emerging risks which identifies, filters and prioritizes the significant risks faced by the Group by the likelihood and degree of impact of the risks to identify risks. The Group has adopted a top-down approach to review and assess if risks are comprehensively identified and prioritised, and properly addressed by the management to accomplish the Group's objectives.

This Year, the significant risks were identified by the Group, which included strategic risk, market risk, operation risk, and legal risk. Certain response measures for significant risks were established, and the relevant functional departments and operation units performed daily monitoring on the identified risks pursuant to the established risk management workflow and response measures, and then submitted a "Risk Control Report", which summarised the overall status of the risks and risk management activities, to the risk management committee. The risk management committee prepared "Risk Management Report" in accordance with the monitoring status of the significant risks and the internal audit department reported to the Audit Committee.

The Group's risk management programme is a structured mechanism and a continuous process of identifying, evaluating, responding, controlling, monitoring and reporting of the risks that the Group faces. The significant process of the Group's risk management is illustrated below:



## 識別、評估及管理重大風險的程序

董事會負責釐定本集團重大風險可承受程度的風險概況、監察本集團的風險管理框架、審閱本集團的現有與潛在重大風險以及相關應對措施，並確保風險管理的有效性。本集團已設立風險管理小組，通過會議討論和收集風險監控報告等形式，審閱風險的管理以及應對措施的成效，不斷監察風險的變動。

本集團根據風險發生的可能性及影響程度評估集團面對的風險，並對這些風險加以整理及排序以識別重大風險。本集團利用自上而下的方式評估及檢討管理層於實現本集團的目標時是否已全面識別風險、為風險劃分級別及予以妥善處理。

本年，本集團已識別出重大風險，範疇包括戰略風險、市場風險、運營風險及法律風險。本集團已制定重大風險的應對措施，相關職能部室和業務單位按照既定的風險管理工作流程及應對措施對已識別的風險進行日常監控，向風險管理小組提交風險監控報告，概述風險總體情況及風險管理活動。風險管理小組根據重大風險監控情況形成風險管理報告，通過內部審核部門向審核委員會匯報。

本集團之企業風險管理程序具有結構分明之機制，持續識別、評估、應對、監控及匯報本集團所面對之風險。本集團企業風險管理之主要程序列示如下：



| Major Risks of the Group<br>本集團主要風險 | Description of the Risks<br>風險描述   | Control Measure(s)<br>主要應對措施  |
|-------------------------------------|--|---|
| <b>Investment Risk</b><br>投資風險      | <p>Investment Risks can be divided into four aspects: project decision-making, project implementation, effect evaluation, and suspension and quit. If the Group lacks of risk awareness and risk control mechanism when making decisions on investment projects, feasibility demonstration and lacks of scientific demonstration or formality when due diligence, and fail to perform the correct decision-making on approval and filing procedures, decision-making risks on investment projects may arise. If the Group lacks in-process supervision and control procedures in the investment process, lacks remedial measures when the decision-making environment and specific circumstances change, and fails to perform the decision-making change procedures on approval, it may generate investment project implementation risks. If the Group's failure to analyze, summarize and evaluate the purpose, execution process, benefits, realization of expected goals, rationality of the project and the realization of benefit indicators of the completed investment projects, it may result in investment effect evaluation risks. If the Group has not made a prudent investment decision on quit, and the investment quit method is not selected properly, there may be a risk of investment suspension and quit.</p> <p>投資風險可細分為項目決策、項目實施、效果評估、中止退出共四大方面。若本集團進行投資項目決策時缺乏風險意識和風險制約機制、可行性論證或盡職調查缺乏科學論證及流於形式，沒有履行正確的審批決策備案程序，將有可能產生投資項目決策風險。若本集團在投資過程中缺乏事中的監督和控制程序，在決策環境和具體情況發生變化缺乏補救措施，沒有履行審批決策更改程序，將有可能產生投資項目實施風險。若本集團未能對已完成投資項目的目的、執行過程、效益、預期目標的實現，項目的合理性及效益指標實現等進行分析、總結及評價，將有可能產生投資效果評估風險。若本集團未有審慎地進行投資退出決策，投資退出方式選擇不當，將有可能產生投資中止退出風險。</p> | <ul style="list-style-type: none"> <li>The major measures to Decision-making Risks on Investment Project: Before making investment decisions, the Group compiles decision-making documents such as feasibility reports and processes approval procedures in accordance with relevant investment regulations; conducts in-depth research on project product registration, overall arrangement of medical personnel, overseas market industrial policies, political economy, and epidemics. Preparation in advance to reduce the risk of investment project decision-making effectively.<br/>投資項目決策風險的主要應對措施：在進行投資決策前，本集團按照投資相關規定，編制可行性報告等決策文件並按程序辦理審批；針對項目產品註冊、統籌安排醫療人才及海外市場產業政策、政治經濟、疫情等問題深入調研，提前準備，有效減低投資項目決策風險。</li> <li>The major measures to the Implementation Risks of Investment Projects: The Group's investment projects are carried out in an orderly manner in accordance with relevant investment management systems; a reporting mechanism for changes in project has been established; the system's systemic requirements for demonstration of projects are followed to ensure that the project is based on scientific demonstration.<br/>投資項目實施風險的主要應對措施：本集團投資項目遵從投資管理相關制度有序地進行；建立針對項目變化的匯報機制；遵循制度對論證項目的系統性要求，確保建立在科學論證之上。</li> <li>The major measures to the Effect Evaluation on Risk of Investment: The Group evaluates implemented projects based on relevant measures for the management of post-evaluation of investment projects to ensure that the risk of subsequent project investment effect evaluation is truly controllable.<br/>投資效果評估風險的主要應對措施：本集團根據投資項目後評價管理相關辦法對已實施項目進行評價，確保後續項目投資效果評估的風險真實可控。</li> <li>The major measures to the Risk of Investment Suspension and Quit: The Group strictly implements the decision-making and implementation procedures for project quit in the investment management, "San-Zhong, Yi-Da" system, and strictly implements them in practice.<br/>投資中止退出風險的主要應對措施：本集團嚴格執行投資管理、三重一大等制度中對項目退出的決策程序、實施程序的要求，在實踐中嚴格執行。</li> </ul> |
| <b>Macroeconomic Risk</b><br>宏觀經濟風險 | <p>Macroeconomic Risks can be divided into three major aspects: changes in the global economic environment, economic inflation, and the impact of public emergencies on the macroeconomic. If there are major changes on national economy of the area covered by the Group's business, risks of changes in the global economic environment may arise. Inflation risks may result in inflation, currency depreciation, and a decline in purchasing power; unexpected social incidents and health incidents may cause the retail environment to become quieter and cause the retail business environment to deteriorate.</p> <p>宏觀經濟風險可細分為全球經濟環境變化、經濟通脹、突發公共事件對宏觀經濟影響共三大方面。若本集團的業務覆蓋區域的國民經濟發生重大變化，可能產生全球經濟環境變化風險；經濟通脹風險可能產生通貨膨脹、貨幣貶值，而購買力下降。突發社會事件和衛生等事件，引發零售環境的遇冷，導致零售經營環境惡化。</p>   | <ul style="list-style-type: none"> <li>The major measures to the Risks of Changes in the Global Economic Environment: Under strengthening epidemic prevention and control, the Group will resume work and production as soon as possible, scientifically assess market risks, make prudent investments, and strengthen internal management and control to minimize the impact of macro risks on itself.<br/>全球經濟環境變化風險的主要應對措施：本集團在加強疫情防控的前提下，科學評估市場風險，謹慎投資，並加強內部經營管控，力爭將宏觀風險對自身的衝擊降到最低。</li> <li>The major measures against Economic Inflation Risks: The Group speeds up the return of funds while increasing the procurement and reserves of expensive raw materials required for production, reasonably controlling the cost of capital, improving the efficiency of capital use, and alleviating the risks of inflation and rising raw material costs.<br/>經濟通脹風險的主要應對措施：本集團加快資金回籠同時增加生產所需貴細原材料的採購和儲備，合理控制資金成本，提升資金使用效率，緩解通貨膨脹及原材料成本上升的風險。</li> <li>The major measures to the Macroeconomic Impact of Public Emergencies: The Group pays attention to national and regional import and export regulations, actively responds to endangered species raw materials policies, prevents and controls excessive heavy metals and pesticide residues in raw materials and finished products, and ensures that packaging instructions meet policy requirements to reduce product import and export risks effectively.<br/>突發公共事件對宏觀經濟影響風險的主要應對措施：本集團根據地區防疫政策，合法合規地安排營業時間，保障各地區員工及顧客健康安全。其次，本集團努力推進智慧零售新體驗，豐富抗疫情產品，開展了線上購物等多元化服務方式，努力降低社會環境不穩定的負面影響。</li> </ul>   |

| Major Risks of the Group<br>本集團主要風險                                       | Description of the Risks<br>風險描述   | Control Measure(s)<br>主要應對措施  |
|---|--|---|
| <b>Policy Risk (Impact on the industry as a whole)</b><br>政策風險 (對產業整體的影響) | <p>Policy Risks can be divided into four major aspects: Regulations on Chinese medicine and Chinese Medicine Industry, Regulations on Food and Health Products, Access and Registration, and Product Import and Export. The Group's TCM products, TCM, healthcare consultation, and food or health products are subject to regulatory supervision. If the Group fails to meet the requirements of laws and regulations, it may cause regulatory risks in the TCM industry or food and health products. If the Group misunderstands or is unclear about the market conditions, standards and approval procedures, or fails to meet the registration/filing requirements, it may cause access and registration risks. The Group's import and export activities of the products are regulated by the laws and regulations of different jurisdictions; failure to meet the requirements may result in product import and export risks.</p> <p>政策風險可細分為中藥中醫行業法規、食品保健品法規、准入及註冊及產品進出口四大方面。本集團的中藥產品、中醫、保健諮詢及食品或保健品受法規監管，若集團未能符合法律法規要求，有可能產生中藥中醫行業法規風險或食品保健品法規風險。若本集團對產品進入當地市場的條件、標準及審批程序不瞭解、不清晰或未能符合註冊/備案要求，將可能產生准入及註冊風險。本集團所需產品的進出口活動受不同司法權區法規規範，如未能符合要求，將有可能產生產品進出口風險。</p> | <ul style="list-style-type: none"> <li>The major measures to the Legal Risks of the Chinese medicine industry and the Food and Health Products: The Group prevents risks by collecting and mastering the laws, regulations and policies of the country/region where the project is located, improving the management system of overseas companies, strengthening the construction of overseas product quality control systems, regular auditing and monitoring, enhancing compliance awareness, introducing talents, and treating contract terms carefully.<br/>中藥中醫行業法規風險及食品保健品法規風險的主要應對措施：本集團通過收集掌握項目所在國家/地區法律法規及政策、完善海外公司管理制度、加強建設海外產品品質管制體系、定期審計監督、增強合規意識、人才引進、謹慎對待合同條款等方式防範風險。</li> <li>The major measures to Access and Registration Risks: The Group dynamically grasps the access regulatory policy of the country where the project is located, adjusts the product varieties sold in a timely manner; carries out risk assessment, product registration, packaging design, brand use, etc. in advance; establishes an early warning mechanism for product access policies.<br/>准入及註冊風險的主要應對措施：本集團動態掌握項目所在國准入監管政策，適時調整銷售產品品種；開展風險評估，提前開展產品註冊、包裝設計、品牌使用等工作；建立產品准入政策的預警機制。</li> <li>The major measures to Product Import and Export Risks: The Group pays attention to national and regional import and export regulations, actively responds to endangered species raw materials policies, prevents and controls excessive heavy metals and pesticide residues in raw materials and finished products, and ensures that packaging instructions meet policy requirements so as to reduce product import and export risks effectively.<br/>產品進出口風險的主要應對措施：本集團通過關注國家和地區進出口監管法規、積極應對瀕危物種原材料的政策、防控原料及成品的重金屬及農殘超標及確保包裝說明符合政策要求等措施，有效降低產品進出口風險。</li> </ul> |

## Evaluation on the effectiveness of the risk management and internal control system

Through the Audit Committee, the Board has conducted review of the effectiveness of the Group's risk management and internal control systems twice a year, covering the changes in the nature and extent of significant risks, the ability to respond to changes in its business and the external environment of the Group, the effectiveness on the measures of significant risks, the scope and quality of management's ongoing monitoring of risks and of the internal control systems, the duties of internal audit department and its effectiveness, and etc..

Based on the results of the above review, for the year ended 31 December 2021, the Board considers that the risk management and internal monitor systems are well effective. Such systems of the Group are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

## Internal Control

The Company has set up an independent internal audit department which regularly reports directly to the Audit Committee. The internal audit department is responsible for reviewing all aspects of the Group's activities, risk management, corporate governance processes and constantly supervising the work flow and risk assessment of each department of the Group, and to independently assess the effectiveness of the internal control systems and risk management programme in order to seek continuous improvement.

Being an integral part of the risk management to provide assurance on the effectiveness of the Group's risk management programme and system of internal control, the internal audit department carries out assessment on the risk management programme. When developing the annual project plan, the internal audit department identifies, prioritises and formulates the audit works by a continuous risk assessment of the Group's business activities with significant risks. The Audit Committee reviews and approves the annual project plan and approve all subsequent major changes (if any) during the regular meeting. In the individual audit project, the internal audit department will further assess the key areas of strategic, market, financial operation and legal risks to evaluate the control effectiveness and the response measures adopted by management.

The internal audit department reports significant risks, material changes and the associated response plans and highlights to the Audit Committee regularly to enhance the accountability and quality of the risk management programme. The internal audit department will communicate with management in details on all findings and recommendations on internal control deficiencies identified from each audit work. Management will establish remedial plans to improve those internal control deficiencies within a reasonable time period. The internal audit department will report significant deficiencies of individual engagement to the Audit Committee. During the Year, the Audit Committee held 3 meetings with the internal audit department. The Audit Committee reviewed and discussed the works done and reports submitted by the internal audit department and reported the results of review and discussion to the Board.

## 檢討風險管理及內部監控系統有效性的程序

董事會通過審核委員會就本集團風險管理及內部監控系統成效的調查結果和意見進行審議，每年2次檢討本集團風險管理及內部監控系統的有效性，審議涵蓋了：重大風險的性質及嚴重程度的轉變、本集團應付業務轉變及外在環境轉變的能力、重大風險應對措施的有效性、管理層持續監察風險及內部監控系統的工作範疇及質素、內部審核部門的工作及有效程度等。

根據上述檢討結果，於截至2021年12月31日止年度，董事會認為本集團的風險管理及內部監控系統均有效運作，本集團的風險管理及內部監控系統旨在管理而非消除未能達成業務目標的風險，而且只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。

## 內部監控

本集團設有獨立的內部審核部門，定期直接向審核委員會匯報。內部審核部門負責審閱本集團的業務活動、風險管理及企業管治過程等各方面的資料，持續監察本集團的工作流程及風險評估，獨立評核風險管理程序及內部監控系統的成效，以致力推動持續的改善。

內部審核部門乃本集團風險管理程序及內部監控系統不可或缺的一部分，對風險管理程序及內部監控系統的有效性作出分析及獨立評估。內部審核部門對本集團中有重大風險的業務活動，進行持續的風險評估，從而制定年度工作計劃。審核委員會審閱及批准年度工作計劃，並在定期會議內審批其後的一切重大變動(如有)。在個別審核專案中，內部審核部門會進一步評估戰略、市場、財務營運、法律風險等重點範疇，從而評核監控成效及管理層所採取的應對措施。

內部審核部門定期向審核委員會報告重大風險及其重要變動、相關應對方案之摘要，以提升風險管理程序的問責性及質素。各審核專案所得出有關內部監控不足的調查結果及建議，內部審核部門均與管理層詳細討論，並由管理層制訂改善計劃，務求於合理時間內改善內部監控的不足。如遇個別審核專案的重大不足，內部審核部門會向審核委員會匯報。本年，審核委員會與內部審核部門共舉行3次會議。審核委員會審閱及討論內部審核部門的工作及所提交的報告，並向董事會報告審閱及討論結果。

## DISCLOSURE OF INSIDE INFORMATION

The Group acknowledges its responsibilities under the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong and the Listing Rules that inside information should be announced to the public as soon as reasonably practicable. The procedures and internal controls for the handling and dissemination of inside information are as follows:

- The Board shall take reasonable precautions for preserving the confidentiality of inside information and the relevant announcement (if applicable) before publication;
- Before the relevant information is fully disclosed to the public, the Group should ensure that all inside information must be treated strictly confidential; and
- Disclosure must be made in a manner that provides the public with an equal, timely and effective access to the inside information disclosed, such as through the electronic publication system operated by the Exchange.

## EFFECTIVE COMMUNICATIONS WITH SHAREHOLDERS

The Board aims to present a clear, balanced and understandable assessment of the Group's performance and position in all shareholder communications. The Board is aware of and updated with the requirements under the applicable rules and regulations about timely disclosure of inside information or matters regarding the Company and will authorise the publication of such announcements as and when the occasion arises.

The Board adopted a Shareholder's Communication Policy on 8 May 2013 which provides that the Board should endeavour to maintain an ongoing dialogue with the shareholders and in particular, use annual general meetings or other general meetings to communicate with the shareholders and encourage their participation. Such policy is being reviewed from time to time to ensure its effectiveness. During the year ended 31 December 2021, the Company establishes different communication channels with shareholders and investors, including:

- printed copies of corporate communications (including but not limited to financial reports, notices of meetings, circulars and proxy forms) required under the Listing Rules;
- the annual general meeting and other shareholders meetings provide a forum for shareholders to raise comments and exchange views with the Board;
- updated and key information on the Group is available on the website (cm.tongrentang.com) of the Company;
- the Company's website (cm.tongrentang.com) offers a communication channel between the Company and its shareholders and stakeholders;
- meetings with analysts are arranged from time to time to update on the performance of the Group;
- the executive directors and senior management of the Company hold meetings with institutional investors and analysts through telephone calls, email and video conferences, and attend investor forums in the Mainland China, Hong Kong and overseas countries from time to time;
- the Company's Registrar deals with shareholders for share registration and related matters; and
- the investor relations department of the Company handles enquires from shareholders and investors.

In 2021, the Board members, the Company's senior management, external auditor and legal advisor attended the annual general meeting, and were available to answer questions. The Company's notice to shareholders for the 2021 annual general meeting of the Company was sent at least 20 clear business days before the meeting.

## VOTING BY POLL

At the annual general meeting held in 2021, the chairman of the meeting (i) explained the detailed procedures for conducting a poll, and answered questions from shareholders; (ii) exercised his power under the Company's Articles of Association to put each resolution set out in the notice to be voted by way of a poll.

Representatives of the Share Registrar of the Company were appointed as scrutineers to monitor and count the poll votes cast at the annual general meeting held in 2021. Poll results were then posted on the websites of the Company and the Exchange.

## 披露內幕消息

本集團知悉其根據香港法例第571章證券及期貨條例及上市規則所應履行的責任，內幕消息必須在合理切實可行的範圍內向公眾作出公佈。處理及發佈內幕消息的程序及內部監控措施如下：

- 董事會將採取合理措施將內幕消息及有關公佈(如適用)保密，直至公開刊發為止；
- 本集團在向公眾全面披露有關消息前，所有內幕消息均須絕對保密；及
- 披露的方式，須使公眾能平等、適時及有效地取得所披露的內幕消息，如於聯交所之電子登載系統刊登。

## 與股東有效溝通

董事會致力於全體股東交流會上簡明綜合評估本集團的表現和情況。董事會知悉及了解適時披露本公司內幕消息或事宜相關規則及規例的最新規定，並於相關情況出現時授權刊發相關公告。

董事會於2013年5月8日採納股東溝通政策，規定董事會應盡量與股東保持溝通，特別是利用股東週年大會或其他股東大會與股東溝通，鼓勵股東參與。本公司不時檢討該政策，以確保有效。截至2021年12月31日止年度，本公司設有多種溝通渠道與股東及投資者交流，包括：

- 依照上市規則的要求刊發企業通訊印刷本(包括但不限於財務報告、會議通告、通函及代表委任表格)；
- 召開股東週年大會及其他股東會議，提供論壇供股東提出意見與董事會交流；
- 於本公司網站(cm.tongrentang.com)發佈本集團最新及重要信息；
- 於本公司網站(cm.tongrentang.com)開關溝通渠道供本公司與股東和持份者溝通；
- 不時與分析師會面更新本集團表現；
- 執行董事及本公司高級管理人員不時在中國內地、香港及海外國家透過電話、電郵及視像會議等各種方法與機構投資者及分析員會面及出席投資者論壇；
- 設立登記處處理股東的股份登記及相關事宜；及
- 設有投資者關係部處理股東與投資者的詢問。

2021年，董事會成員、本公司高級管理人員、外聘核數師及法律顧問出席股東週年大會並回答問題。本公司2021年股東週年大會通告是提前至少20個完整營業日寄予股東。

## 以投票方式表決

於2021年召開的股東週年大會，會議主席(i)闡述了表決的詳細程序，並回答股東提問；(ii)行使本公司章程賦予之權力要求以投票方式表決通知所載各項決議案。

本公司香港股份過戶登記處代表獲委任為於2021年召開的股東週年大會的監票員，負責監察投票及點算票數。投票表決結果其後於本公司及聯交所網站登載。

## SHAREHOLDERS' RIGHTS

### Procedures for convening a general meeting

The general meetings of the Company provide an opportunity for communication between the shareholders and the Board. An annual general meeting of the Company shall be held in each year and at the place as may be determined by the Board. Any general meeting other than an annual general meeting shall be referred to as an EGM.

Subject to applicable laws and regulations, including the Listing Rules and the Company's Articles of Association, an EGM can be convened to consider proposals in accordance with the following provisions:

The Board may, whenever it thinks fit, convene an EGM, and EGM shall also be convened on such requisition, or in default may be convened by such requisitionist(s), holding at least 5% of the total voting rights of all the members having a right to vote at general meetings. If at any time there are not sufficient Directors capable of acting to form a quorum, any Director or any 2 shareholders who are entitled to attend and vote at a general meeting may convene an EGM in the same manner as nearly as possible as that in which a meeting may be convened by the Directors.

The requirements and procedures as set out in section 566 to section 569 of the Companies Ordinance are summarised as follows:

- The requisition must state the general nature of the business to be dealt with at the meeting, and may include the text of a resolution that may properly be moved and is intended to be moved at the meeting, and must be signed by the requisitionists and deposited at the registered office of the Company which is presently situated at Room 1405-1409, Office Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong, and may consist of several documents in like form, each signed by one or more requisitionists.
- If the Directors do not within 21 days from the date of the deposit of the requisition proceed duly to convene a meeting for a day not more than 28 days after the date on which the notice convening the meeting is given, the requisitionists, or any of them representing more than one-half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of 3 months from the said date.
- Any reasonable expenses incurred by the requisitionists by reason of the failure of the Directors duly to convene a meeting shall be repaid to the requisitionists by the Company.

In addition, shareholders are requested to follow section 615 of the Companies Ordinance for including a resolution at an annual general meeting. The requirements and procedures are set out below:

- Any number of shareholders representing not less than 25% of the total voting rights of all shareholders having at the date of the requisition a right to vote at the annual general meeting to which the requisition relates, or not less than 50 shareholders who have a right to vote on the resolution at the annual general meeting to which the requests relate, may submit a requisition in writing to put forward a resolution which may properly be moved and is intended to be moved at an annual general meeting.
- The Company shall not be bound by the Companies Ordinance to give notice of the proposed resolution to shareholders of the Company entitled to receive notice of an annual general meeting unless a request (a) is sent to the Company in hard copy form or in electronic form; (b) the resolution of which notice is to be given is identified; (c) is authenticated by the person or persons making it; and (d) is received by the Company not later than (i) 6 weeks before the annual general meeting to which the requests relate; or (ii) if later, the time at which notice is given of that meeting.

### Procedures for sending enquiries to the Board

The Company welcomes shareholders' views and concerns relating to the Group's management and corporate governance. The Company's website (cm.tongrentang.com) provides email address (for enquiry purpose only), postal address, fax number and telephone number by which Shareholders may at any time send their enquiries to the Board. Shareholders may also put forward their enquiries to the Board at the general meetings of the Company.

## ARTICLES OF ASSOCIATION

During the year ended 31 December 2021, a new set of Articles of Association of the Company has been approved and adopted by the 2021 annual general meeting on 28 May 2021. Details of the amendments are set out in the circular dated 22 April 2021 to the shareholders and the new set of Articles of Association of the Company is also available on the Company's website (cm.tongrentang.com) and the Stock Exchange's website.

## 股東權利

### 召開股東大會之程序

本公司股東大會提供機會讓股東與董事會溝通交流。本公司須每年召開1次股東週年大會，地點由董事會決定。任何並非股東週年大會的股東大會均為股東特別大會。

在符合相關法律及法規(包括上市規則及公司章程)的情況下，股東特別大會可按下述規定召開以審閱議案：

董事會可於其認為適合時召開股東特別大會，另外亦須應要求召開股東特別大會，如董事會未能應要求召開股東特別大會，則由持有有權於股東大會表決的所有股東之總表決權最少5%的人士召開。倘於任何時間董事人數不足法定人數，則任何1名董事或有權出席股東大會並於會上投票之2名股東可按盡量近似由董事召開大會之方式召開股東特別大會。

公司條例第566條至第569條的要求及程序概述如下：

- 請求書必須列明大會所處理事項的一般性質，包括擬於大會動議之可恰當動議的決議案文本，經請求人士簽署後，遞交至本公司的註冊辦事處，現址為香港灣仔港灣道1號會展廣場辦公大樓1405-1409室。請求書可由經1名或多名請求人士簽署之1式多份文件組成。
- 倘董事並未於請求遞交日期起計21日內正式召開大會(大會日期須為發出召開會議通告日期後28日內)，則所有請求人士或個別持有所有請求人士總投票權一半以上的請求人士可自行召開大會，惟任何以此方式召開的大會舉行日期不可遲於上述日期起計3個月屆滿當日。
- 請求人士因董事未應前述要求舉行會議而自行召集並舉行會議所涉及的合理費用，由本公司承擔。

此外，股東於本公司股東週年大會上提呈決議案須遵照公司條例第615條的規定。相關要求及程序載列如下：

- 在遞交請求書當日，持有不少於有權在與請求相關的股東週年大會上表決的總表決權25%的相關數目股東，或不少於50名有權在與請求相關的股東週年大會上就決議案表決的股東，可遞交一份書面請求，列明擬於股東週年大會上動議之可恰當動議的決議案。
- 除非(a)以硬拷貝形式或電子形式向本公司發出請求書；(b)確認所發出通知當中的決議案；(c)經提出請求的人士簽名證實；及(d)本公司必須於(i)與請求相關之股東週年大會前6個星期；或(ii)大會通知發出的較後時間收到請求書，否則本公司毋須根據公司條例向有權接收股東週年大會通告的本公司股東發出任何建議決議案的通知。

### 向董事會提出查詢之程序

本公司歡迎股東提出有關本集團管理及企業管治的意見及關注事項。本公司的網站(cm.tongrentang.com)提供了電郵地址(僅供查詢用途)、郵寄地址、傳真號碼及電話號碼，股東可隨時用以向董事會提出查詢。股東亦可於本公司股東大會上向董事會直接提問。

## 章程

截至2021年12月31日止年度，本公司之新章程於2021年5月28日在2021年股東週年大會上批准並採納。有關修訂詳情載於日期為2021年4月22日致股東的通函內，本公司之新章程亦可於本公司的網站(cm.tongrentang.com)及聯交所網站查閱。



To the Members of Beijing Tong Ren Tang Chinese Medicine Company Limited  
(incorporated in Hong Kong with limited liability)

## OPINION

### What we have audited

The consolidated financial statements of Beijing Tong Ren Tang Chinese Medicine Company Limited (the "Company") and its subsidiaries (the "Group"), which are set out on pages 160 to 265, comprise:

- the consolidated balance sheet as at 31 December 2021;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

### Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2021, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

### BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

### KEY AUDIT MATTERS

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

Key audit matter identified in our audit is impairment of goodwill.

致北京同仁堂國藥有限公司成員  
(於香港註冊成立的有限公司)

## 意見

### 我們已審計的內容

北京同仁堂國藥有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)列載於第160至265頁的綜合財務報表,包括:

- 於2021年12月31日的綜合資產負債表、
- 截至該日止年度的綜合利潤表、
- 截至該日止年度的綜合全面收益表、
- 截至該日止年度的綜合權益變動表、
- 截至該日止年度的綜合現金流量表及
- 綜合財務報表附註,包括主要會計政策及其他解釋信息。

### 我們的意見

我們認為,該等綜合財務報表已根據香港會計師公會頒布的《香港財務報告準則》真實而中肯地反映了貴集團於2021年12月31日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港《公司條例》妥為擬備。

### 意見的基礎

我們已根據香港會計師公會頒布的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。

我們相信,我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

### 獨立性

根據香港會計師公會頒布的《專業會計師道德守則》(以下簡稱「守則」),我們獨立於貴集團,並已履行守則中的其他專業道德責任。

### 關鍵審計事項

關鍵審計事項是根據我們的專業判斷,認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

我們在審計中識別的關鍵審計事項為商譽減值。

羅兵咸永道會計師事務所,香港中環太子大廈廿二樓  
總機: +852 2289 8888, 傳真: +852 2810 9888, www.pwchk.com

PricewaterhouseCoopers, 22/F, Prince's Building, Central, Hong Kong  
T: +852 2289 8888, F: +852 2810 9888, www.pwchk.com

| Key Audit Matter  | How our audit addressed the Key Audit Matter  | 關鍵審計事項   | 我們的審計如何處理關鍵審計事項  |
|---|---|--|--|
| <p>Impairment of goodwill</p> <p>Refer to note 4 (Critical accounting estimates and judgements) and note 17 to the consolidated financial statements.</p> <p>As at 31 December 2021, the Group had a goodwill of HK\$49,419,000 and it was significant to the consolidated financial statements.</p> <p>Management prepared the value-in-use calculation based on cash flow forecast of the cash-generating unit that included this goodwill to determine whether there was any impairment.</p> <p>Management has concluded that there is no impairment of goodwill.</p> <p>We focused on this area due to the size of the goodwill balance and the estimation of recoverable amount being subject to high degree of estimation uncertainty. The inherent risk in relation to the impairment assessment of goodwill is considered significant due to subjectivity of assumptions used including estimated growth rates and discount rate which are subject to change of economic environment in future.</p> | <p>We obtained an understanding of the management's internal control and assessment process of impairment of goodwill and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk.</p> <p>We evaluated the outcome of prior period assessment of impairment of goodwill to assess the effectiveness of management's estimation process.</p> <p>We evaluated management's impairment assessment including cash flow forecast, and the process by which they were drawn up, and tested the underlying calculations.</p> <p>Specific work we performed over the impairment assessment included:</p> <ul style="list-style-type: none"> <li>comparing management's short-term forecasted sales and profit margins with historical performance;</li> <li>comparing the management's key assumptions for discount rate and long-term growth rate in the forecast with industry data; and</li> <li>obtaining management's sensitivity analysis over the key assumptions of the cash flow forecast to analyse the potential impact of a range of possible outcomes.</li> </ul> <p>We also considered whether the judgements made in selecting the growth rates and discount rate would give rise to indicators of possible management bias.</p> <p>Based on the above, we considered that management's judgements and assumptions applied in the impairment assessment of goodwill were supportable by the evidence obtained and procedures performed.</p> | <p>商譽減值</p> <p>請參閱綜合財務報表附註4(重大會計估計及判斷)及附註17。</p> <p>商譽為 貴集團本年度綜合財務報表的重大項目。截至2021年12月31日，其餘額為49,419,000港元。</p> <p>管理層根據此商譽所屬之現金產出單元的現金流預測來準備其使用價值模型，以確認是否存在減值需要。</p> <p>管理層的結論是，商譽沒有減值的需要。</p> <p>我們集中於此事項皆因其餘額重大及估計的可回收金額存在重大不確定性。與商譽減值評估有關的固有風險被認為是重大的，因為所用的假設包括估計的增長率和折現率存在主觀性以及將來可能會隨著經濟環境的變化而變化。</p> | <p>我們了解了管理層對商譽減值的內部控制和評估過程，通過考慮估計的不確定性程度和其他固有風險因素，評估了重大錯報的固有風險。</p> <p>我們檢視了商譽減值在以前年度的預測結果，以評估管理層評估過程的有效性。</p> <p>我們檢視了管理層的減值評估，包括現金流量預測及其制定流程，並且測試了相關計算。</p> <p>我們對減值評估執行了如下的具體工作：</p> <ul style="list-style-type: none"> <li>將管理層對短期銷售預測及利潤率與歷史業績作比較；</li> <li>將該等預測中管理層對折現率及長期增長率的關鍵假設與行業數據進行比較；及</li> <li>取得了管理層對現金流預測的敏感性分析，以分析有可能的潛在影響。</li> </ul> <p>我們還考慮了在选择增長率和折現率時所作的判斷是否可能受管理層偏見的影响。</p> <p>基於以上所述，我們認為管理層在商譽減值評估中採用的判斷和假設是能被所獲取的證據和上述所執行的程序支持的。</p> |

## OTHER INFORMATION

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## 其他信息

貴公司董事須對其他信息負責。其他信息包括年報內的所有信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，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綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

## RESPONSIBILITIES OF DIRECTORS AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The Audit Committee is responsible for overseeing the Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 405 of the Hong Kong Companies Ordinance and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

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

## 董事及審計委員會就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒布的《香港財務報告準則》及香港《公司條例》擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估 貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將 貴集團清盤或停止經營，或別無其他實際的替代方案。

審計委員會須負責監督 貴集團的財務報告過程。

## 核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們僅按照香港《公司條例》第405條向閣下（作為整體）報告我們的意見，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對 貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就 貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與審計委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

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

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

The engagement partner on the audit resulting in this independent auditor's report is Ng Hiu Tung.

我們還向審計委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，用以消除對獨立性產生威脅的行動或採取的防範措施。

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

出具本獨立核數師報告的審計項目合夥人是吳曉彤。

**PricewaterhouseCoopers**  
Certified Public Accountants

Hong Kong, 9 March 2022

羅兵咸永道會計師事務所  
執業會計師

香港，2022年3月9日

# Consolidated Income Statement

# 綜合利潤表

For the year ended 31 December 2021

截至2021年12月31日止年度

|   |         | 2021             | 2020         |
|---|---------|------------------|--------------|
|   | Note 附註 | HK\$'000 千港元     | HK\$'000 千港元 |
| Revenue 收入  | 5       | 1,556,158        | 1,315,346    |
| Cost of sales 銷售成本  | 7       | (436,535)        | (362,443)    |
| <b>Gross profit 毛利</b>  |         | <b>1,119,623</b> | 952,903      |
| Distribution and selling expenses 分銷及銷售開支   | 7       | (186,368)        | (168,917)    |
| General and administrative expenses and others 一般及行政開支及其他   |         |                  |              |
| — General and administrative expenses 一般及行政開支   | 7       | (155,312)        | (135,534)    |
| — Net impairment losses on financial assets 金融資產之減值計提   | 7       | (7,522)          | (3,327)      |
| Other gains, net 淨其他利得  | 6       | 8,039            | 24,278       |
| <b>Operating profit 經營利潤</b>  |         | <b>778,460</b>   | 669,403      |
| Finance income 財務收益   | 10      | 4,377            | 21,652       |
| Finance costs 財務支出  | 10      | (4,707)          | (4,300)      |
| Finance (costs)/income, net 淨財務(支出)/收益  |         | (330)            | 17,352       |
| Share of profits/(losses) of investments accounted for using the equity method 應佔按權益法入賬之投資利潤/(虧損)                                     | 11      | 261              | (860)        |
| <b>Profit before income tax 除所得稅前利潤</b>   |         | <b>778,391</b>   | 685,895      |
| Income tax expense 所得稅開支  | 12      | (126,848)        | (118,014)    |
| <b>Profit for the year 年度利潤</b>   |         | <b>651,543</b>   | 567,881      |
| <b>Profit attributable to: 以下人士應佔利潤:</b>  |         |                  |              |
| Owners of the Company 本公司擁有人  |         | 607,838          | 542,456      |
| Non-controlling interests 非控股權益   |         | 43,705           | 25,425       |
|   |         | <b>651,543</b>   | 567,881      |
| <b>Earnings per share attributable to owners of the Company for the year (expressed in HK\$ per share)</b><br>年內本公司擁有人應佔每股盈利(以每股港元列示) |         |                  |              |
| <b>Basic and diluted earnings per share 每股基本及攤薄盈利</b>   | 13      | <b>0.73</b>      | 0.65         |

The above consolidated income statement should be read in conjunction with the accompanying notes.

以上綜合利潤表應與隨附附註一併閱讀。

# Consolidated Statement of Comprehensive Income

# 綜合全面收益表

For the year ended 31 December 2021

截至2021年12月31日止年度

|  |         | 2021           | 2020         |
|--|---------|----------------|--------------|
|  | Note 附註 | HK\$'000 千港元   | HK\$'000 千港元 |
| <b>Profit for the year 年度利潤</b>  |         | <b>651,543</b> | 567,881      |
| <b>Other comprehensive (losses)/income: 其他綜合(虧損)/收益:</b>   |         |                |              |
| <i>Item that may be reclassified to profit or loss 可能重新分類至損益的項目</i>  |         |                |              |
| Currency translation differences 貨幣兌換差額  |         | (635)          | 15,474       |
| <i>Item that will not be reclassified to profit or loss 不會重新分類至損益的項目</i>   |         |                |              |
| Change in fair value of financial asset at fair value through other comprehensive income<br>以公允價值計量且其變動計入其他綜合收益的金融資產公允價值變動 | 18      | (645)          | (4,875)      |
| <b>Other comprehensive (losses)/income for the year 年度其他綜合(虧損)/收益</b>  |         | <b>(1,280)</b> | 10,599       |
| <b>Total comprehensive income for the year 年度綜合收益總額</b>  |         | <b>650,263</b> | 578,480      |
| <b>Attributable to: 以下人士應佔:</b>  |         |                |              |
| Owners of the Company 本公司擁有人   |         | 607,857        | 550,521      |
| Non-controlling interests 非控股權益  |         | 42,406         | 27,959       |
| <b>Total comprehensive income for the year 年度綜合收益總額</b>  |         | <b>650,263</b> | 578,480      |

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

以上綜合全面收益表應與隨附附註一併閱讀。

# Consolidated Balance Sheet

# 綜合資產負債表

As at 31 December 2021

於2021年12月31日

|   |         | 2021             | 2020             |
|---|---------|------------------|------------------|
|   | Note 附註 | HK\$'000 千港元     | HK\$'000 千港元     |
| <b>Assets 資產</b>  |         |                  |                  |
| <b>Non-current assets 非流動資產</b>   |         |                  |                  |
| Property, plant and equipment 物業、廠房及設備  | 16      | 183,309          | 187,379          |
| Right-of-use assets 使用權資產   | 15      | 214,255          | 194,442          |
| Intangible assets 無形資產  | 17      | 60,953           | 54,836           |
| Investments accounted for using the equity method 按權益法入賬之投資   | 11      | 57,896           | 17,763           |
| Financial asset at fair value through other comprehensive income 以公允價值計量且其變動計入其他綜合收益的金融資產               | 18      | 5,463            | 6,108            |
| Deposits paid for purchase of property, plant and equipment and intangible assets 購買物業、廠房及設備以及無形資產的已付按金 |         | 14,245           | 10,430           |
| Deferred income tax assets, net 淨遞延所得稅資產  | 19      | 22,050           | 13,064           |
|   |         | 558,171          | 484,022          |
| <b>Current assets 流動資產</b>  |         |                  |                  |
| Inventories 存貨  | 20      | 431,865          | 495,378          |
| Trade receivables and other current assets 貿易應收款項及其他流動資產  | 21      | 569,378          | 590,432          |
| Short-term bank deposits 短期銀行存款   | 22      | 615,264          | 421,097          |
| Cash and cash equivalents 現金及現金等價物  | 22      | 1,660,304        | 1,426,040        |
|   |         | 3,276,811        | 2,932,947        |
| <b>Total assets 總資產</b>   |         | <b>3,834,982</b> | <b>3,416,969</b> |
| <b>Equity and liabilities 權益及負債</b>   |         |                  |                  |
| <b>Equity attributable to owners of the Company 本公司擁有人應佔權益</b>  |         |                  |                  |
| Share capital 股本  | 23      | 938,789          | 938,789          |
| Reserves 儲備   | 24      |                  |                  |
| – Other reserves 其他儲備   |         | (25,167)         | (18,917)         |
| – Retained earnings 保留收益  |         | 2,504,551        | 2,097,617        |
|   |         | 3,418,173        | 3,017,489        |
| <b>Non-controlling interests 非控股權益</b>  |         | <b>121,331</b>   | <b>112,021</b>   |
| <b>Total equity 權益總額</b>  |         | <b>3,539,504</b> | <b>3,129,510</b> |
| <b>Liabilities 負債</b>   |         |                  |                  |
| <b>Non-current liabilities 非流動負債</b>  |         |                  |                  |
| Borrowings 借貸   | 25      | 799              | 2,052            |
| Lease liabilities 租賃負債  |         | 74,475           | 63,095           |
| Deferred income tax liabilities, net 淨遞延所得稅負債   | 19      | 7,147            | 5,696            |
|   |         | 82,421           | 70,843           |
| <b>Current liabilities 流動負債</b>   |         |                  |                  |
| Borrowings 借貸   | 25      | 480              | 260              |
| Trade and other payables 貿易及其他應付款項  | 26      | 127,550          | 140,138          |
| Lease liabilities 租賃負債  |         | 52,722           | 40,603           |
| Current income tax liabilities 當期所得稅負債  |         | 32,305           | 35,615           |
|   |         | 213,057          | 216,616          |
| <b>Total liabilities 總負債</b>  |         | <b>295,478</b>   | <b>287,459</b>   |
| <b>Total equity and liabilities 權益及負債總額</b>   |         | <b>3,834,982</b> | <b>3,416,969</b> |

The consolidated financial statements on pages 160 to 265 were approved by the Board of Directors on 9 March 2022 and were signed on its behalf.

第160至265頁的綜合財務報表於2022年3月9日獲董事會批准，並由以下代表簽署。

Ding Yong Ling  
Director

Lin Man  
Director

丁永玲  
董事

林曼  
董事

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

以上綜合資產負債表應與隨附附註一併閱讀。

# Consolidated Statement of Changes in Equity

# 綜合權益變動表

For the year ended 31 December 2021

截至2021年12月31日止年度

|   | Attributable to owners of the Company 本公司擁有人應佔 |                     |                     |                        |                       |                        |                 | Non-controlling interests 非控股權益 | Total equity 權益總額 |
|---|--|---------------------|---------------------|------------------------|-----------------------|------------------------|-----------------|---------------------------------|-------------------|
|   | Share capital 股本                               | Merger reserve 合併儲備 | Other reserves 其他儲備 | Statutory reserve 法定儲備 | Exchange reserve 匯兌儲備 | Retained earnings 保留收益 | Total 總額        |                                 |                   |
|   | HK\$'000<br>千港元                                | HK\$'000<br>千港元     | HK\$'000<br>千港元     | HK\$'000<br>千港元        | HK\$'000<br>千港元       | HK\$'000<br>千港元        | HK\$'000<br>千港元 |                                 |                   |
| <b>At 1 January 2020 於2020年1月1日</b>   | 938,789  | (13,124)            | (1,975)             | 6,229                  | (18,112)              | 1,747,694              | 2,659,501       | 106,135                         | 2,765,636         |
| <b>Comprehensive income 綜合收益</b>  |  |                     |                     |                        |                       |                        |                 |                                 |                   |
| Profit for the year 年度利潤  | -  | -                   | -                   | -                      | -                     | 542,456                | 542,456         | 25,425                          | 567,881           |
| <b>Other comprehensive (losses)/income 其他綜合(虧損)/收益</b>  |  |                     |                     |                        |                       |                        |                 |                                 |                   |
| Change in fair value of financial asset at fair value through other comprehensive income 以公允價值計量且其變動計入其他綜合收益的金融資產公允價值變動 | -  | -                   | (4,875)             | -                      | -                     | -                      | (4,875)         | -                               | (4,875)           |
| Currency translation differences 貨幣兌換差額   |  |                     |                     |                        |                       |                        |                 |                                 |                   |
| – Group 本集團   | -  | -                   | -                   | -                      | 12,861                | -                      | 12,861          | 2,534                           | 15,395            |
| – Joint ventures 合營企業   | -  | -                   | -                   | -                      | 79                    | -                      | 79              | -                               | 79                |
| <b>Total comprehensive (losses)/income 綜合(虧損)/收益總額</b>  | -  | -                   | (4,875)             | -                      | 12,940                | 542,456                | 550,521         | 27,959                          | 578,480           |
| <b>Transactions with owners in their capacity as owners 與權益所有者以其所有者的身份進行的交易</b>   |  |                     |                     |                        |                       |                        |                 |                                 |                   |
| Dividends paid 已付股息   | -  | -                   | -                   | -                      | -                     | (192,533)              | (192,533)       | (22,073)                        | (214,606)         |
| <b>Total transactions with owners in their capacity as owners 與權益所有者以其所有者的身份進行的交易的總額</b>                                | -  | -                   | -                   | -                      | -                     | (192,533)              | (192,533)       | (22,073)                        | (214,606)         |
| <b>At 31 December 2020 於2020年12月31日</b>   | 938,789  | (13,124)            | (6,850)             | 6,229                  | (5,172)               | 2,097,617              | 3,017,489       | 112,021                         | 3,129,510         |
| <b>At 1 January 2021 於2021年1月1日</b>   | 938,789  | (13,124)            | (6,850)             | 6,229                  | (5,172)               | 2,097,617              | 3,017,489       | 112,021                         | 3,129,510         |
| <b>Comprehensive income 綜合收益</b>  |  |                     |                     |                        |                       |                        |                 |                                 |                   |
| Profit for the year 年度利潤  | -  | -                   | -                   | -                      | -                     | 607,838                | 607,838         | 43,705                          | 651,543           |
| <b>Other comprehensive (losses)/income 其他綜合(虧損)/收益</b>  |  |                     |                     |                        |                       |                        |                 |                                 |                   |
| Change in fair value of financial asset at fair value through other comprehensive income 以公允價值計量且其變動計入其他綜合收益的金融資產公允價值變動 | -  | -                   | (645)               | -                      | -                     | -                      | (645)           | -                               | (645)             |
| Currency translation differences 貨幣兌換差額   |  |                     |                     |                        |                       |                        |                 |                                 |                   |
| – Group 本集團   | -  | -                   | -                   | -                      | 624                   | -                      | 624             | (1,299)                         | (675)             |
| – Joint ventures and an associate 合營企業及聯營公司   | -  | -                   | -                   | -                      | 40                    | -                      | 40              | -                               | 40                |
| <b>Total comprehensive (losses)/income 綜合(虧損)/收益總額</b>  | -  | -                   | (645)               | -                      | 664                   | 607,838                | 607,857         | 42,406                          | 650,263           |
| <b>Transactions with owners in their capacity as owners 與權益所有者以其所有者的身份進行的交易</b>   |  |                     |                     |                        |                       |                        |                 |                                 |                   |
| Capital injections to a subsidiary 向附屬公司注資  | -  | -                   | -                   | -                      | -                     | -                      | -               | 738                             | 738               |
| Transactions with non-controlling interests (Note 30) 與非控制權益進行的交易(附註30)   | -  | -                   | (6,269)             | -                      | -                     | -                      | (6,269)         | (10,333)                        | (16,602)          |
| Dividends paid 已付股息   | -  | -                   | -                   | -                      | -                     | (200,904)              | (200,904)       | (23,501)                        | (224,405)         |
| <b>Total transactions with owners in their capacity as owners 與權益所有者以其所有者的身份進行的交易的總額</b>                                | -  | -                   | (6,269)             | -                      | -                     | (200,904)              | (207,173)       | (33,096)                        | (240,269)         |
| <b>At 31 December 2021 於2021年12月31日</b>   | 938,789  | (13,124)            | (13,764)            | 6,229                  | (4,508)               | 2,504,551              | 3,418,173       | 121,331                         | 3,539,504         |

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

以上綜合權益變動表應與隨附附註一併閱讀。

# Consolidated Statement of Cash Flows

# 綜合現金流量表

For the year ended 31 December 2021

截至2021年12月31日止年度

|   |         | 2021             | 2020             |
|---|---------|------------------|------------------|
|   | Note 附註 | HK\$'000 千港元     | HK\$'000 千港元     |
| <b>Cash flows from operating activities 經營活動所產生的現金流量</b>  |         |                  |                  |
| Cash generated from operations 經營所產生之現金   | 27(a)   | 915,005          | 327,589          |
| Income tax paid 已付所得稅   |         | (137,835)        | (211,535)        |
| Net cash generated from operating activities 經營活動所產生的現金淨額   |         | 777,170          | 116,054          |
| <b>Cash flows from investing activities 投資活動所產生的現金流量</b>  |         |                  |                  |
| Interest received 已收利息  |         | 5,044            | 28,855           |
| Dividends received 已收股息   |         | 180              | 165              |
| (Increase)/decrease in short-term bank deposits with original maturities exceeding three months<br>原期限為三個月以上之短期銀行存款 (增加)/減少 |         | (194,167)        | 490,558          |
| Proceeds from sale of property, plant and equipment 出售物業、廠房及設備所得款   | 27(b)   | 22               | 30               |
| Purchase of property, plant and equipment and intangible assets 購買物業、廠房及設備及無形資產   |         | (10,354)         | (7,190)          |
| Deposit paid for purchase of property, plant and intangible assets 購買物業、廠房及設備及無形資產的已付按金                                     |         | (13,074)         | (5,690)          |
| Acquisition of an associate 收購聯營公司  |         | (39,832)         | -                |
| Acquisition of further interest in a subsidiary 收購子公司額外權益   |         | (13,553)         | -                |
| Net cash (used in)/generated from investing activities 投資活動 (所用)/所產生現金淨額  |         | (265,734)        | 506,728          |
| <b>Cash flows from financing activities 融資活動所產生的現金流量</b>  |         |                  |                  |
| Principal elements of lease payments 租賃付款額的本金部分   |         | (50,496)         | (46,613)         |
| Capital injections by non-controlling interests 非控制權益注資   |         | 738              | -                |
| Dividends paid to the Company's shareholders 已付本公司股東的股息   |         | (200,904)        | (192,540)        |
| Dividends paid to non-controlling interests 已付非控股權益的股息  |         | (23,501)         | (22,073)         |
| Interest paid 已付利息  |         | (4,707)          | (4,300)          |
| Proceeds from borrowing 借貸所得款   |         | 387              | 1,394            |
| Repayment of borrowing 償還借貸   |         | (166)            | (166)            |
| Net cash used in financing activities 融資活動所用現金淨額  |         | (278,649)        | (264,298)        |
| <b>Net increase in cash and cash equivalents 現金及現金等價物增加淨額</b>   |         |                  |                  |
| Cash and cash equivalents at beginning of year 年初之現金及現金等價物  |         | 1,426,040        | 1,056,711        |
| Exchange gains on cash and cash equivalents 現金及現金等價物匯兌收益  |         | 1,477            | 10,845           |
| <b>Cash and cash equivalents at end of year 年終之現金及現金等價物</b>   |         | <b>1,660,304</b> | <b>1,426,040</b> |

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

以上綜合現金流量表應與隨附附註一併閱讀。

## 1 GENERAL INFORMATION

Beijing Tong Ren Tang Chinese Medicine Company Limited (the “Company”) and its subsidiaries (together the “Group”) are engaged in manufacturing, retail and wholesale of Chinese medicine products and healthcare products and provision of Chinese medical consultation and treatments. The immediate holding company of the Company is Tong Ren Tang Technologies Co. Ltd. (“Tong Ren Tang Technologies”) which is a joint stock limited company established in the People’s Republic of China (the “PRC”) and is listed on the Main Board of The Stock Exchange of Hong Kong Limited. The intermediate holding company of the Company is Beijing Tong Ren Tang Company Limited, (“Tong Ren Tang Ltd.”) which is a joint stock limited company incorporated in the PRC and is listed on the Shanghai Stock Exchange. The ultimate holding company of the Company is China Beijing Tong Ren Tang Group Co., Ltd. (“Tong Ren Tang Holdings”) which is a company incorporated in the PRC.

The Company is a limited liability company incorporated in Hong Kong. The address of its registered office is Room 1405–1409, Office Tower, Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong.

The shares of the Company were listed on GEM of the Stock Exchange starting from 7 May 2013 and were transferred to be listed on the Main Board of the Stock Exchange starting from 29 May 2018.

These consolidated financial statements are presented in Hong Kong dollars (HK\$), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 9 March 2022.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

### (a) Basis of preparation

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) and requirements of the Hong Kong Companies Ordinance Cap. 622. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial asset at fair value through other comprehensive income, which is carried at fair value.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

#### (i) Adoption of revised framework and amendments to standards

The Group has adopted the following revised framework and amendments to standards which are relevant to the Group’s operations and are mandatory for the financial year beginning on 1 January 2021:

|   |  |
|---|--|
| Amendments to HKFRS 9, Hong Kong Accounting Standard (“HKAS”) 39, HKFRS 7, HKFRS 4 and HKFRS 16 | Interest Rate Benchmark Reform — Phase 2 |
| HKFRS 16 (Amendments)   | Covid-19-Related Rent Concessions        |

The adoption of the above revised framework and amendments to standards did not have any significant financial impact on these consolidated financial statements.

## 1 一般資料

北京同仁堂國藥有限公司(「本公司」)及其附屬公司(統稱「本集團」)從事中藥產品和保健品的生產、零售及批發並提供中醫診療。本公司直接控股公司北京同仁堂科技發展股份有限公司(「同仁堂科技」)為於中華人民共和國(「中國」)成立的股份有限公司，於香港聯合交易所有限公司主板上市。本公司中間控股公司北京同仁堂股份有限公司(「同仁堂股份」)為於中國成立的股份有限公司，於上海證券交易所上市。本公司最終控股公司中國北京同仁堂(集團)有限責任公司(「同仁堂集團公司」)為於中國註冊成立的公司。

本公司為在香港註冊成立的有限公司，註冊辦事處地址為香港灣仔港灣道1號會展廣場辦公大樓1405–1409室。

本公司股份於2013年5月7日在聯交所GEM上市，並於2018年5月29日轉至於聯交所主板上市。

除另有註明外，該等綜合財務報表以港元(「港元」)列賬。該等綜合財務報表已於2022年3月9日獲董事會批准刊發。

## 2 主要會計政策概要

編製該等綜合財務報告所採用的主要會計政策如下。除另有註明外，該等政策貫徹應用於呈列的所有年度。

### (a) 編製基準

綜合財務報表已按香港財務報告準則(「香港財務報告準則」)及香港《公司條例》(第622章)編製。綜合財務報表根據歷史成本法編製，並已就以公允價值計量且其變動計入其他綜合收益的金融資產的重估作出修訂。

編製符合香港財務報告準則的財務報表需採用若干關鍵會計估計。此亦需管理人員在應用本集團的會計政策時行使判斷。涉及高度判斷或複雜性的範疇，或涉及對綜合財務報表屬重大假設及估計的範疇已於附註4披露。

#### (i) 採納新修訂框架及準則之修訂

本集團所採納與本集團業務相關且於2021年1月1日或之後開始之財政年度須強制採用的新修訂框架、新解釋及準則之修訂如下：

|  |                |
|--|----------------|
| 香港財務報告準則第9號、<br>香港會計準則第39號、<br>香港財務報告準則第7號、<br>香港財務報告準則第4號及<br>香港財務報告準則第16號(修訂本) | 利率基準改革 — 第2階段  |
| 香港財務報告準則第16號(修訂本)  | 新型冠狀病毒肺炎相關租金減讓 |

採納上述新修訂框架及準則之修訂對該等綜合財務報表並無任何重大財務影響。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (a) Basis of preparation (Continued)

#### (ii) New standard, amendments to standards and interpretations which are not yet effective

The following are new standard, amendments to standards and interpretations that have been published and are mandatory for the Group's accounting periods beginning on or after 1 January 2022 or later periods, but have not been early adopted by the Group.

|  |  |
|--|--|
| Annual improvement project (Amendments)                                | Annual Improvements to HKFRSs 2018–2020 <sup>(1)</sup>   |
| HKFRS 3, HKAS 16 and HKAS 37 (Amendments)                              | Narrow-scope amendments <sup>(1)</sup>   |
| Amendments to Accounting Guideline 5 Hong Kong Interpretation 5 (2020) | Merger Accounting for Common Control Combinations <sup>(1)</sup><br>Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause <sup>(2)</sup> |
| HKAS 1 (Amendments)<br>HKFRS 17 (New Standard)                         | Classification of Liabilities as Current or Non-current <sup>(2)</sup><br>Insurance Contracts <sup>(2)</sup>   |
| HKAS 1 and HKFRS Practice Statement 2 (Amendments)                     | Disclosure of Accounting Policies <sup>(2)</sup>   |
| HKAS 8 (Amendments)<br>HKAS 12 (Amendments)                            | Definition of Accounting Estimates <sup>(2)</sup><br>Deferred Tax related to Assets and Liabilities arising from a Single Transaction <sup>(2)</sup>   |
| HKFRS 10 and HKAS 28 (Amendments)                                      | Sales or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>(3)</sup>  |

<sup>(1)</sup> Effective for the accounting period beginning on or after 1 January 2022

<sup>(2)</sup> Effective for the accounting period beginning on or after 1 January 2023

<sup>(3)</sup> Effective date to be determined

The Group will apply the above new standard, amendments to standards and interpretations when they become effective.

### (b) Subsidiaries

#### (i) Consolidation

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

#### Business combinations

Except for business combination under common control, the Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement, and fair value of any pre-existing equity interest in the subsidiary. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

## 2 主要會計政策概要(續)

### (a) 編製基準(續)

#### (ii) 尚未生效的新訂準則，準則之修訂及解釋

下列新訂準則，準則之修訂及解釋與本集團於2022年1月1日或之後開始的會計期或較後期間強制實行，惟本集團並無提早採納。

|                                  |   |
|----------------------------------|---|
| 年度改進計劃(修訂本)                      | 香港財務報告準則2018–2020年的年度改進 <sup>(1)</sup>          |
| 香港財務報告準則第3號、香港會計準則第16號及第37號(修訂本) | 小範圍修訂 <sup>(1)</sup>                            |
| 會計指引5(修訂本)                       | 共同控制的合併會計法 <sup>(1)</sup>                       |
| 香港詮釋第5號(二零二零年)                   | 財務報表之呈列 — 借款人對包含隨時要求償還條文之有期貨款之分類 <sup>(2)</sup> |
| 香港會計準則第1號(修訂本)                   | 負債分類為流動或非流動 <sup>(2)</sup>                      |
| 香港財務報告準則第17號(新準則)                | 保險合約 <sup>(2)</sup>                             |
| 香港會計準則第1號及香港財務報告準則實務聲明第2號(修訂本)   | 會計政策披露 <sup>(2)</sup>                           |
| 香港會計準則第8號(修訂本)                   | 會計估計的定義 <sup>(2)</sup>                          |
| 香港會計準則第12號(修訂本)                  | 與單一交易所產生之資產及負債有關的遞延所得稅 <sup>(2)</sup>           |
| 香港財務報告準則第10號及香港會計準則第28號(修訂本)     | 與合資或關聯企業間之資產出售或投入 <sup>(3)</sup>                |

<sup>(1)</sup> 於2022年1月1日或以後開始的會計期間生效

<sup>(2)</sup> 於2023年1月1日或以後開始的會計期間生效

<sup>(3)</sup> 生效日期待定

當上述新訂準則，準則之修訂及解釋生效時，本集團將應用此等準則及準則之修訂。

### (b) 附屬公司

#### (i) 合併

附屬公司為本集團對其有控制權的實體(包括結構實體)。當本集團具有承擔或享有參與有關實體所得之可變回報的風險或權利，並能透過其在該實體的權力影響該等回報，則本集團對該實體具有控制權。附屬公司自控制權轉至本集團當日起合併計算，並自該控制權終止當日起不再合併計算。

#### 業務合併

除共同控制下的業務合併外，收購法用作本集團業務合併的入賬方法。就收購附屬公司所轉讓的代價為所轉讓資產、被收購方前擁有人產生的負債及本集團所發行股權的公允價值。所轉讓的代價包括或有代價安排產生的任何資產或負債的公允價值。業務合併中所收購可識別資產與所承擔負債及或有負債，初步以彼等於收購日期的公允價值計量以及及子公司中任何現有股權的公允價值。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (b) Subsidiaries (Continued)

#### (i) Consolidation (Continued)

##### Business combinations (Continued)

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis. Non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured at either fair value or the present ownership interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by HKFRS.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date; any gains or losses arising from such remeasurement are recognised in profit or loss.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the net identifiable assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the identifiable net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the consolidated income statement.

Intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

##### Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in a loss of control are accounted for as equity transactions — that is, as transactions with the owners of the subsidiary in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying amount of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

##### Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in the profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint ventures or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

#### (ii) Separate financial statements

Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment. Cost includes directly attributable costs of investment. The results of subsidiaries, joint ventures and associates are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries, joint ventures and associates are required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiaries, joint ventures and associates in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

## 2 主要會計政策概要(續)

### (b) 附屬公司(續)

#### (i) 合併(續)

##### 業務合併(續)

本集團按逐項收購基準確認被收購方的任何非控股權益。屬現時所有權權益且賦予持有人權利於清盤時按比例享有實體資產淨值的被收購方非控股權益按公允價值或現時所有權權益按比例應佔被收購方可識別資產淨值的確認金額計量。除非香港財務報告準則要求採用其他計量基準，否則其他所有非控股權益部份均按收購日期的公允價值計量。

收購相關成本在產生時支銷。

倘業務合併分階段進行，則收購方先前所持被收購方股權於收購日期的賬面值按收購日期的公允價值重新計量，重新計量所產生的任何收益或虧損於損益確認。

商譽按所轉撥代價、被收購方非控股權益金額及被收購方先前股權於收購日的公允價值超出所收購可識別資產淨值公允價值的部分計量。倘所轉讓代價、已確認非控股權益及計量的先前所持權益總額低於議價購買所收購附屬公司資產淨值之公允價值，則差額直接於綜合利潤表確認。

集團內交易、結餘及集團及公司間交易所得未變現收益予以對銷。未變現虧損亦予以對銷。必要時，附屬公司之呈報數額已予以調整，以與本集團會計政策保持一致。

##### 不導致控制權變動之附屬公司所有權權益變動

不導致失去控制權之非控股權益交易入賬列作權益交易 — 即以彼等為擁有人之身份與附屬公司擁有人進行交易。任何已付代價的公允價值與應佔所收購附屬公司資產淨值賬面值相關部分的差額於權益列賬。向非控股權益出售的收益或虧損亦於權益列賬。

##### 出售附屬公司

倘本集團不再有控制權，則其於該實體之任何保留權益按失去控制權當日之公允價值重新計量，而賬面值變動則於損益確認。對於其後入賬列作聯營公司、合營企業或金融資產的保留權益，公允價值指初始賬面值。此外，先前於其他綜合收益確認與該實體有關的任何金額按猶如本集團已直接出售相關資產或負債的方式入賬。這可能意味著先前於其他綜合收益確認的金額重分類至損益。

#### (ii) 獨立財務報表

於附屬公司、聯營公司和合營企業的投資以成本扣除減值入賬。成本包括投資的直接應佔成本。本公司將來自附屬公司、聯營公司和合營企業的業績按已收及應收股息入賬。

倘投資附屬公司、聯營公司和合營企業收取之股息超過附屬公司、聯營公司和合營企業於股息宣派期之綜合收益總額或獨立財務報表之投資賬面值超過綜合財務報表被投資公司資產淨值(包括商譽)之賬面值，則須對該等投資進行減值測試。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (c) Associates

An associate is an entity over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investments in associates include goodwill identified on acquisition. Upon the acquisition of the ownership interest in an associate, any difference between the cost of the associate and the Group's share of the net fair value of the associate's identifiable assets and liabilities is accounted for as goodwill.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognised in the income statement, and its share of post-acquisition movements in other comprehensive income is recognised in the statement of other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to "share of profit/loss of investments accounted for using equity method", in the income statement.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Gain or losses on dilution of equity interest in associates are recognised in the income statement.

### (d) Joint arrangements

The Group has applied HKFRS 11 to all joint arrangements. Under HKFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Interests in joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. The Group's investments in joint ventures include goodwill identified on acquisition. Upon the acquisition of the ownership interest in a joint venture, any difference between the cost of the joint venture and the Group's share of the net fair value of the joint venture's identifiable assets and liabilities is accounted for as goodwill. When the Group's share of losses in joint ventures equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interests in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

## 2 主要會計政策概要(續)

### (c) 聯營公司

聯營公司指本集團對其有重大影響力但並無控制權的實體，一般附帶擁有其20%至50%投票權的股權。於聯營公司的投資採用權益會計法列賬。根據權益法，投資初始以成本確認，於收購日期後，賬面值增加或減少，確認投資者應佔被投資方利潤或虧損。本集團於聯營公司的投資包括收購時識別的商譽。收購聯營公司的所有權權益後，聯營公司的成本與本集團應佔聯營公司可識別資產及負債的公允價值淨額的任何差額入賬列作商譽。

倘於聯營公司的所有權權益減少但仍保留重大影響力，則僅須將過往按比例於其他綜合收益確認金額的部份，於適當情況下重新劃分至損益入賬。

本集團應佔收購後的利潤或虧損於收益表確認，而應佔收購後的其他綜合收益變動在其他綜合收益確認，並相應調整投資的賬面值。本集團應佔聯營公司虧損等於或超過所持聯營公司權益(包括任何其他無抵押應收款項)時，本集團不再確認虧損，除非本集團因此產生法定或推定責任或代聯營公司支付款項。

本集團於各報告日釐定有否客觀證據顯示於聯營公司的投資出現減值。倘證實為減值，則本集團會計算出減值金額(於聯營公司可收回金額與其賬面值之差額)並於收益表的「應佔按權益法入賬之投資利潤/虧損」確認該金額。

本集團及其聯營公司間之上下游交易所產生利潤及虧損於本集團財務報表確認，惟僅以非關連投資方於聯營公司的權益為限。除非有證據顯示交易中所轉讓的資產出現減值，否則未變現虧損亦應予以對銷。聯營公司會計政策已於必要時變更，以確保與本集團採納的政策一致。

於聯營公司股權的攤薄收益或虧損於收益表確認。

### (d) 合營安排

本集團已對所有合營安排應用香港財務報告準則第11號。根據香港財務報告準則第11號，於合營安排的投資視乎各投資方的合約權利及責任分類為合營業務或合營企業。本集團已評估合營安排的性質，將其釐定為合營企業。投資合營企業按權益法入賬。

根據權益會計法，於合營企業之權益初步按成本確認，隨後調整以確認本集團應佔收購後利潤或虧損及其他綜合收益之變動。本集團於合營企業的投資包括收購時產生的商譽。收購合營企業的所有權權益時，合營企業的成本與本集團應佔合營企業可識別資產及負債的公允價值淨額的任何差額入賬列作商譽。倘本集團應佔合營企業之虧損等於或超過所持合營企業之權益(包括實際屬於本集團於合營企業投資淨額之任何長期權益)，本集團不再確認虧損，除非本集團產生責任或代合營企業付款，則作別論。

本集團與其合營企業交易之未變現收益會對銷，以本集團所持合營企業之權益為限。除非有證據顯示交易中所轉讓資產出現減值，否則未變現虧損亦會對銷。合營企業的會計政策如有需要已改變以符合集團採納的政策。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (e) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Company's executive directors that makes strategic decisions.

### (f) Foreign currency translation

#### (i) Functional and presentation currency

Items included in the financial statements of each of Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is the Company's functional and the Group's presentation currency.

#### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

#### (iii) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting currency translation differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate. Currency translation differences arising are recognised in other comprehensive income.

#### (iv) Disposal of foreign operation

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a joint venture that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the currency translation differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

## 2 主要會計政策概要(續)

### (e) 分部報告

營運分部的呈報方式與向主要經營決策者提供的內部報告一致。主要經營決策者負責分配資源及評估營運分部表現，已確定為作出策略決定的本公司執行董事。

### (f) 外幣換算

#### (i) 功能及呈報貨幣

本集團旗下各實體之財務報表所列項目均採用有關實體營業所在主要經濟環境之貨幣(「功能貨幣」)為計算單位。綜合財務報表以港元(「港元」)列賬。港元乃本公司之功能貨幣及本集團之呈報貨幣。

#### (ii) 交易及結餘

外幣交易按交易當日或項目重新計量估值當日通行之匯率換算為功能貨幣。該等交易結算和以外幣計值的貨幣資產及負債按年結匯率換算產生之外幣匯兌損益，於收益表確認。

#### (iii) 集團公司

所有集團實體(並無惡性通貨膨脹經濟的貨幣)的業績及財務狀況的功能貨幣如有別於呈報貨幣，均按以下方式換算為呈報貨幣：

- 於各資產負債表呈列的資產及負債按有關資產負債表結算日的收市匯率換算；
- 各收益表的收支按平均匯率換算(除非該平均匯率並非在有關交易當日通行的匯率累積影響的合理估計內，在該情況下，收支按有關交易當日的匯率換算)；及
- 所有因此而產生的貨幣兌換差額於其他綜合收益確認。

因收購海外業務而產生的商譽及公允價值調整，均視作有關海外業務的資產與負債，並按收市匯率換算。所產生的貨幣兌換差額在其他綜合收益確認。

#### (iv) 出售海外業務

對於出售海外業務(即出售本集團一項海外業務的全部權益、或涉及失去對一間附屬公司(包括一項海外業務)之控制權的出售、涉及失去對一間合營企業(包括一項海外業務)之共同控制權的出售、或涉及失去對一間聯營公司(包括一項海外業務)之重大影響力的出售)，本公司擁有人就該業務於權益累計的所有貨幣兌換差額均重新分類至損益。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (g) Property, plant and equipment

Buildings comprise mainly a factory, offices and retail shops. All property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the reporting period in which they are incurred.

Freehold land is not depreciated. Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost net of their residual values over their estimated useful lives, as follows:

|                           |  |
|---------------------------|--|
| — Buildings               | 25 to 50 years                                 |
| — Leasehold improvement   | Shorter of remaining lease term or useful life |
| — Plant and machinery     | 3 to 12 years                                  |
| — Motor vehicles          | 5 to 8 years                                   |
| — Furniture and equipment | 2.5 to 12 years                                |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2(i)).

### (h) Intangible assets

#### (i) Goodwill

Goodwill arises on the acquisition of subsidiaries represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identified net assets acquired.

Goodwill is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate a potential impairment. Gains and losses on disposal of an entity include the carrying amount of goodwill relating to the entity sold.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGUs"), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

#### (ii) Customer relationships

Customer relationships acquired in a business combination are recognised at fair value at the acquisition date. The customer relationships have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the expected life of the customer relationships of ten years.

#### (iii) Other intangible assets

Within the Group there are three types of other intangible assets: management contract, exclusive supply contract and computer software. These intangible assets acquired have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over their expected useful lives.

## 2 主要會計政策概要(續)

### (g) 物業、廠房及設備

樓宇主要為廠房、辦公室及零售商舖。所有物業、廠房及設備按歷史成本減折舊列賬。歷史成本包括收購該等項目直接引致的開支。

其後成本僅在與該項目有關的未來經濟利益可能流入本集團而且該項目成本能可靠計量時，方會計入資產賬面值或確認為獨立資產(如適用)。已更換零件的賬面值會終止入賬。所有其他維修及保養支出在其發生的報告期內於收益表支銷。

永久業權土地並無計提折舊。物業、廠房及設備的折舊以將其成本扣除剩餘價值，於估計可使用年期直線法計算，有關估計可使用年期如下：

|          |                |
|----------|----------------|
| — 樓宇     | 25至50年         |
| — 租賃物業裝修 | 剩餘租期或可使用年期的較短者 |
| — 廠房及機器  | 3至12年          |
| — 汽車     | 5至8年           |
| — 傢俱及設備  | 2.5至12年        |

資產的剩餘價值及可使用年期均在各報告期末檢討及調整(如適用)。

倘資產的賬面值高於其估計可收回金額，其賬面值將即時撇減至可收回金額(附註2(i))。

### (h) 無形資產

#### (i) 商譽

商譽產生自收購子公司，並相當於所轉讓對價，被收購方的非控制性權益金額以及享有的被收購方過往的權益在收購日的公允價值超過本集團獲得的被收購方的可辨認淨資產公允價值的數額。

商譽不攤銷，但對商譽的減值檢討每年進行，如事件或情況轉變顯示可能存在減值，則更頻密地檢討。出售一間企業之損益包括與該售出企業有關之商譽之賬面值。

就減值測試而言，在業務合併中購入的商譽會分配至每個現金產出單元或現金產出單元組(預期可從合併中獲取協同利益)。商譽被分配的每個單元或單元組指在主體內商譽被監控作內部管理用途的最底層次。商譽在經營分部層次進行監控。

#### (ii) 客戶合同關係

在業務合併中購入的客戶合同關係按購買日的公允價值列賬。客戶合同關係有限定的可使用年期，並按成本減累計攤銷列賬。攤銷是按客戶關係的十年預計可使用年期利用直線法分攤計算。

#### (iii) 其他無形資產

本集團的其他無形資產中包括管理合同，獨家供貨合同以及電腦軟件。這些無形資產均有限定的可使用年期，並按成本減累計攤銷列賬。攤銷是按之預計可使用年期利用直線法分攤計算。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (i) Impairment of non-financial assets

Assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

### (j) Financial assets

#### (i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value through other comprehensive income ("OCI"), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income ("FVOCI").

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

#### (ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

#### (iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset.

##### (a) Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

## 2 主要會計政策概要(續)

### (i) 非金融資產的減值

無確定使用年期的資產或尚未可供使用的無形資產毋須作攤銷，並每年進行減值測試。當有事件出現或情況改變顯示賬面值可能無法收回時，則須檢討須攤銷的資產有否減值。倘資產的賬面值高於其可收回金額，則按差額確認減值虧損。可收回金額以資產的公允價值扣除銷售成本或使用價值兩者之較高者為準。評估減值時，資產按可分開識別現金流量的最低層次組合(現金產出單元)分組。除商譽外，已減值的非金融資產均在每個報告日檢討減值是否可以撥回。

### (j) 金融資產

#### (i) 分類

本集團按以下計量類別對金融資產進行分類：

- 後續以公允價值計量且其變動計入其他綜合收益的金融資產，及
- 以攤餘成本計量的金融資產。

該分類取決於主體管理金融資產的業務模式以及該資產的合同現金流量特徵。

對於非交易性的權益工具投資，其分類將取決於本集團在初始確認時是否作出不可撤銷的選擇而將其指定為以公允價值計量且其變動計入其他綜合收益。

僅當管理該等資產的業務模式發生變化時，本集團才對債權投資進行重分類。

#### (ii) 確認和終止確認

常規方式購買及出售的金融資產於交易日確認。交易日是指本集團承諾購買或出售資產的日期。當收取金融資產現金流量的權利已到期或已轉讓，且本集團已經轉移了金融資產所有權上幾乎所有的風險和報酬，金融資產即終止確認。

#### (iii) 計量

對於不被分類為以公允價值計量且其變動計入損益的金融資產，本集團以其公允價值加上可直接歸屬於獲得該項金融資產的交易費用進行初始確認。

##### (a) 權益工具

本集團以公允價值對所有權益投資進行後續計量。如果本集團管理層選擇將權益投資的公允價值利得和損失計入其他綜合收益，則當終止確認該項投資時，不會將公允價值利得和損失重分類至損益。對於股利，當本集團已確立收取股利的權利時，該等投資的股利才作為其他收益而計入損益。

對於以公允價值計量且其變動計入其他綜合收益的權益投資，其減值損失(以及減值損失轉回)不在其他公允價值變動外單獨列示。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (j) Financial assets (Continued)

#### (iii) Measurement (Continued)

##### (b) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. The Group classified its debt instruments into financial assets at amortised cost:

**Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

#### (iv) Impairment

The Group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see Note 3(a) for further details.

### (k) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

### (l) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

### (m) Trade receivables and other current assets

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Other current assets include prepayment, deposits and other receivables. If collection of trade receivables and other current assets is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables and other current assets, excluding prepayments, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment.

### (n) Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts (if any).

### (o) Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

## 2 主要會計政策概要(續)

### (j) 金融資產(續)

#### (iii) 計量(續)

##### (b) 債務工具

債務工具的後續計量取決於本集團管理該資產的業務模式以及該資產的現金流量特徵。本集團將債務工具分為以攤餘成本計量的金融資產：

**以攤餘成本計量：**對於持有以收取合同現金流量的資產，如果合同現金流量僅代表對本金和利息的支付，則該資產以攤餘成本計量。該等金融資產的利息收入以實際利率法計算並計入財務收入。終止確認時產生的利得或損失直接計入損益，並與匯兌利得和損失一同列示在其他利得/(損失)中。減值損失作為單獨的科目在損益表中列報。

#### (iv) 減值

對於以攤餘成本計量的債務工具，本集團就其預期信用損失做出前瞻性評估。減值方法取決於其信用風險是否顯著增加。

對於貿易應收款項，本集團採用香港財務報告準則第9號允許的簡化方法，在初始確認時計量貿易應收款項整個存續期的預期信用損失，詳見附註3(a)。

### (k) 抵銷金融工具

當有法定可執行權利抵銷金融資產與金融負債的已確認金額，且有意以淨額基準結算或同時變現資產及結清負債，則可將金融資產與金融負債互相抵銷，並在資產負債表呈報淨額。法定可執行權利不得視乎未來事件而定且於日常業務過程中及公司或交易對手違約、無力償債或破產時須可執行。

### (l) 存貨

存貨按成本與可變現淨值兩者之較低者入賬。成本按加權平均法釐定。製成品及在製品成本包括原材料、直接勞工、其他直接成本及相關生產費用(以正常產能計算)。可變現淨值按日常業務過程中的估計售價減適用浮動銷售開支計算。

### (m) 貿易應收款項及其他流動資產

貿易應收款項為日常業務過程中就已出售商品或所履行服務應收客戶的款項。其他流動資產包括預付款項、按金及其他應收款項。倘預期於一年或以內(倘時間較長，則於業務的正常運營週期內)追收貿易應收款項及其他流動資產，則該等款項分類為流動資產，否則呈列為非流動資產。

貿易應收款項及其他流動資產，預付款項除外，初步以公允價值確認，其後按攤銷成本以實際利率法計量，並扣除減值撥備。

### (n) 現金及現金等價物

綜合現金流量表中，現金及現金等價物包括庫存現金、銀行活期存款、其他原期限為三個月或以內之短期高流動性投資。

### (o) 股本

普通股分類為權益。

直接歸屬於發行新股份的新增成本於權益列賬為所得款項的扣減(已扣除稅項)。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (p) Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

### (q) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

### (r) Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### (s) Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

#### (i) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

## 2 主要會計政策概要(續)

### (p) 貿易及其他應付款項

貿易應付款項為在日常業務過程中就自供應商購入貨品或服務的付款責任。倘預期貿易及其他應付款項於一年或以內(倘時間較長,則於業務的正常營運週期內)到期,則該等款項分類為流動負債,否則呈列為非流動負債。

貿易及其他應付款項初步以公允價值確認,其後按攤銷成本以實際利率法計量。

### (q) 借貸

借貸按公允價值並扣除產生的交易費用為初始確認。借貸其後按攤銷成本列賬;所得款(扣除交易成本)與贖回價值的任何差額利用實際利率法於借貸期間內在綜合利潤表確認。

設立融資額度時支付的費用在部份或全部融資將會很可能提取時確認為貸款的交易費用。在此情況下,費用遞延至貸款提取為止。如沒有證據證明部份或全部融資額度將會很可能被提取,則該費用資本化作為流動資金服務的預付款,並按有關的融資額度期間攤銷。

除非本集團可無條件將負債的結算遞延至結算日後最少12個月,否則借貸分類為流動負債。

### (r) 借貸成本

直接歸屬於收購、興建或生產合資格資產(指必須經一段長時間處理以作其預定用途或銷售的資產)的一般及指定借貸成本,加入該等資產的成本內,直至資產大致上備妥供其預定用途或銷售為止。

就特定借貸,因有待合資格資產的支出而臨時投資賺取的投資收入,應自合資格資本化的借貸成本中扣除。

所有其他借貸成本在產生期內的損益中確認。

### (s) 即期及遞延所得稅

期內所得稅開支或抵免按當期應課稅收入與按各司法權區的適用稅率計算,並就由於暫時性差異及未抵扣稅務虧損而導致的遞延稅項資產及負債作出調整。

#### (i) 即期所得稅

即期所得稅支出乃根據貴公司的附屬公司營運及產生應課稅收入的國家於報告期末已頒佈或實質頒佈的稅務法例計算。管理層就適用稅務規例受詮釋所規限的情況定期評估報稅表的狀況,並在適當情況下根據預期須向稅務機關支付的金額設定撥備。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (s) Current and deferred income tax (Continued)

#### (ii) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

#### (iii) Offsetting

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

### (t) Employee benefits

The Group operates various post-employment schemes which are defined contribution plans and are generally funded through payments to insurance companies or trustee-administered funds. The Group has adopted a provident fund scheme for its employees in Hong Kong as required under the Mandatory Provident Fund Schemes Ordinance, and has also participated in employee pension schemes organised and governed by the relevant local authorities for its employees in the Mainland China and overseas countries/regions.

#### (i) Pension obligations

A defined contribution plan is a pension plan under which the Group pays fixed contributions to a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

#### (ii) Bonus plans

The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

#### (iii) Termination benefits

Termination benefits are payable when employment is terminated by the group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The group recognises termination benefits at the earlier of the following dates: (a) when the group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of HKAS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

## 2 主要會計政策概要(續)

### (s) 即期及遞延所得稅(續)

#### (ii) 遞延所得稅

遞延所得稅利用負債法按資產及負債的稅基與資產及負債在合併財務資料的賬面值之間產生的暫時性差額悉數撥備。然而，倘遞延稅項負債來自對商譽的初步確認，則不會確認遞延稅項負債。倘遞延所得稅來自在交易(不包括業務合併)中對資產或負債的初步確認，而在交易時不影響會計或應課稅溢利或虧損並且不會產生相等的應納稅額，則亦不會將遞延所得稅列賬。遞延所得稅採用於報告期末或之前已頒佈或實質上已頒佈，並在有關遞延所得稅資產變現或遞延所得稅負債結算時預期將會適用的稅率(及法例)而釐定。

遞延稅項資產僅於可能有未來應課稅溢利用作抵銷暫時性差額及虧損時確認。

倘貴公司有能力控制撥回暫時性差額的時間及該等差額很可能不會於可見將來撥回，則不會就海外業務投資的賬面值及稅基之間的暫時性差額確認遞延稅項負債及資產。

#### (iii) 抵銷

倘有法定可執行權力將即期稅項資產與負債相互抵銷而遞延稅項結餘涉及同一稅務機關，則遞延稅項資產及負債可予相互抵銷。倘有關實體有法定可執行權力可抵銷及有意按淨值基準結算，或有意同時變現資產及結算負債，則即期稅項資產及稅項負債可相互抵銷。

即期及遞延所得稅於損益確認，惟有關於其他全面收益或直接於權益確認的項目除外。在此情況下，稅項亦分別於其他全面收益或直接於權益確認。

### (t) 僱員福利

本集團公司實施多項退休後計劃，該等計劃為定額供款計劃，一般透過向保險公司或受託人管理基金付款而獲得資金。本集團已根據強制性公積金計劃條例為香港僱員訂立強積金計劃，及亦為中國內地及海外國家/地區的僱員參與當地相關部門組織及規管的僱員退休金計劃。

#### (i) 退休金責任

定額供款計劃為本集團向獨立實體支付固定供款的退休金計劃。倘基金並無持有足夠資產以於本期間及過往期間就僱員服務向全體僱員支付福利，則本集團並無作出進一步供款的法定或推定責任。

#### (ii) 獎金計劃

本集團於合約規定或因過往慣例產生推定責任時確認撥備。

#### (iii) 離職福利

本集團將在正常退休日期之前終止僱傭關係或當僱員接受自願裁員以換取這些福利時，支付離職福利。本集團在下列日期中較早者確認離職福利：(a) 當本集團不能再撤回這些福利的提議時；和(b) 當公司確認屬於香港會計準則第37號範圍內並涉及支付離職福利的成本時。如果提出鼓勵自願裁員的要約，解僱福利是根據預期接受要約的員工人數來衡量的。報告期結束後超過12個月到期的福利按現值折現。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (u) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

### (v) Revenue recognition

#### (i) Sales of goods

The Group sells healthcare products and Chinese medicine to wholesalers and individual customers. Sales of goods are recognised when control of the products has been transferred to the wholesaler or customer, being when the products are delivered to the wholesaler or customer.

##### Wholesales

For wholesales, the wholesaler has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products. Delivery does not occur until the products have been shipped to the specified location, the risks of obsolescence and loss have been transferred to the wholesaler, and either the wholesaler has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied. Sales are recorded based on the price specified in the sales contracts.

No element of financing is deemed present as the sales are made with a credit term ranging from 30 to 180 days, which is consistent with market practice.

Receivable is recognised when the goods are delivered at the point in time that the consideration is unconditional, which only the passage of time is required before the payment is due.

##### Retail sales

For retail sales, the Group operates a chain of retail outlets for selling products. Sales of goods are recognised when a group entity sells a product to the customer. Payment of the transaction price is due immediately. Retail sales are usually in cash or by credit card.

#### (ii) Service income

The Group mainly provides Chinese medical consultation and treatments in retail outlets. Service income is recognised over-time in which the service is provided to the customer and it is settled in cash or by credit card.

#### (iii) Royalty fee income

Royalty fee income is based on pre-determined rates on the total turnover of overseas entities for them to use the "Tong Ren Tang" brand name. Royalty fee is recognised in the income statement on an accrual basis upon sales recognised by the overseas entities.

#### (iv) Financing components

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

## 2 主要會計政策概要(續)

### (u) 撥備

倘本集團因過往事件而須承擔現有法定或推定責任，資源很可能流出以履行有關責任，而相關金額能可靠估計，則會確認撥備。未來的營運虧損則不會確認撥備。

倘出現多項類似責任，經考慮整體責任類別釐定是否須支出資金以解除責任。即使同類責任內任何一個項目支出資金的可能不大，仍會確認撥備。

撥備按照預期須償付有關責任的開支以稅前折現利率貼現的現值計量，該利率反映當時市場對貨幣時間價值和有關責任特定風險的評估。隨時間流逝而增加的撥備確認為利息開支。

### (v) 收入確認

#### (i) 銷售貨品

本集團銷售保健品及中藥予批發商及個別客戶。銷售貨品於集團實體向批發商或客戶交付產品時確認。

##### 批發

批發方面，批發商對出售產品的管道及價格有充分酌情權，且並無未履行的責任可影響批發商接受產品。在產品到達指定地點、陳舊過時及虧損風險已轉嫁批發商，而批發商已根據銷售合約接受產品、接納規定已失效或本集團有客觀證據顯示符合接納的所有標準時，方會確認交付。銷售按銷售合約指定的價格入賬。

在於銷售存在30天至180天內的信用期，與市場慣例相同，故沒有融資成分。

本集團在貨品交付時確認應收款，因為此時收回對價的權利是無條件的，本集團僅需等待客戶付款。

##### 零售

零售方面，本集團透過連鎖零售商鋪銷售產品。銷售貨品於集團實體向客戶銷售產品時確認。零售通常以現金或信用卡結付。

#### (ii) 服務收益

本集團於其零售商鋪提供中醫診療。服務收益於向客戶提供服務的會計期間確認，以現金或信用卡結付。

#### (iii) 品牌使用費收益

品牌使用費收益乃就海外實體使用「同仁堂」品牌根據總營業額按預定費率收取。品牌使用費於海外實體確認銷售時按應計基準於收益表確認。

#### (iv) 融資組成部分

本集團預計合同中承諾向客戶交付貨品或提供服務的時間與客戶付款的時間間隔不會超過一年。因此，本集團不因貨幣時間價值而調整任何交易價格。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (w) Interest income

Interest income on financial assets at amortised cost calculated using the effective interest method is recognised in the consolidated statement of income statement as part of finance income, net.

Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes, see Note 10 below. Any other interest income is included in other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

### (x) Dividend income

Dividends are received from a financial asset measured at FVOCI. Dividends are recognised as other net gains in the consolidated income statement when the right to receive payment is established.

### (y) Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- (i) fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- (ii) variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- (iii) amounts expected to be payable by the Group under residual value guarantees;
- (iv) the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- (v) payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- (i) where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received;
- (ii) uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing; and
- (iii) makes adjustments specific to the lease, e.g. term, country, currency and security.

## 2 主要會計政策概要(續)

### (w) 利息收益

按實際利率法計算的以攤餘成本計量的金融資產利息收益於綜合利潤表中確認為財務收益 — 淨額的一部分。

出於現金管理目的而持有的金融資產的利息收益列示為財務收入，參見下文附註10。所有其他利息收益計入其他收益。

除後續會發生信用減值的金融資產外，按金融資產的賬面餘額和實際利率計算利息收益。對已發生信用減值的金融資產，按照其扣除減值準備的賬面餘額和實際利率計算利息收益。

### (x) 股利收益

股利源自以公允價值計量且其變動計入其他綜合收益的金融資產。當本集團已確定收取股利的權利時，股利於綜合利潤表中確認為其他淨利得。

### (y) 租賃

本集團在租賃資產可供其使用的當日將租賃確認為使用權資產和相應的負債。

合同可能同時包含租賃組成部分和非租賃組成部分。本集團基於各租賃組成部分與非租賃組成部分的單獨價格相對比例分攤合同對價。

租賃產生的資產和負債按現值進行初始計量。租賃負債包括以下租賃付款額的淨現值：

- (i) 固定付款額(包括實質固定付款額)，扣除任何應收的租賃激勵；
- (ii) 基於指數或比率確定的可變租賃付款額，採用租賃期開始日的指數或比率進行初始計量；
- (iii) 餘值擔保預計應付的金額；
- (iv) 如果本集團合理確定將行使的購買選擇權的行權價格；以及
- (v) 在租賃期反映出本集團將行使選擇權的情況下終止租賃的罰款金額。

當本集團合理確定將行使續租選擇權時，租賃付款額也納入負債的計量中。

租賃付款額按租賃內含利率折現。本集團的租賃內含利率通常無法直接確定，在此情況下，應採用承租人的增量借款利率，即承租人在類似經濟環境下獲得與使用權資產價值接近的資產，在類似期間以類似抵押條件借入資金而必須支付的利率。

為確定增量借款利率，本集團應：

- (i) 在可能的情况下，以承租人最近收到的第三方融資為起點，並進行調整以反映融資條件自收到第三方融資後的變化；
- (ii) 對於近期未獲得第三方融資持有的租賃，採用以無風險利率為起點的累加法，並按照租賃的信用風險進行調整；並
- (iii) 針對租賃做出特定調整，如租賃期、國家、貨幣及抵押。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### (y) Leases (Continued)

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- (i) the amount of the initial measurement of lease liability;
- (ii) any lease payments made at or before the commencement date less any lease incentives received;
- (iii) any initial direct costs; and
- (iv) restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of properties and equipment and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

### (z) Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

### (aa) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the income statement over the period necessary to match them with the costs that they are intended to compensate.

## 3 FINANCIAL RISK MANAGEMENT

### (a) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and cash flow interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by management of each individual entity within the Group.

#### (i) Market risk

##### (1) Foreign exchange risk

Each individual group entity has its own functional currency. Foreign exchange risk to each individual group entity arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the group entity's functional currency.

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Renminbi. The Group currently does not have a foreign currency hedging policy. The Group manages its foreign currencies risk by closely monitoring the movement of the foreign currency rates.

## 2 主要會計政策概要(續)

### (y) 租賃(續)

本集團未來可能會面臨基於指數或利率確定的可變租賃付款額增加的風險，這部分可變租賃付款額在實際發生時納入租賃負債。當基於指數或利率對租賃付款額進行調整時，租賃負債應予以重估並根據使用權資產調整。

租賃付款額在本金和融資費用之間進行分攤。融資費用在租賃期內計入損益，以按照固定的週期性利率對各期間負債餘額計算利息。

使用權資產按成本計量，包括：

- (i) 租賃負債的初始計量金額；
- (ii) 在租賃期開始日或之前支付的租賃付款額扣除收到的租賃激勵；
- (iii) 初始直接費用；以及
- (iv) 復原成本。

使用權資產一般在資產的使用壽命與租賃期兩者孰短的期間內按直線法計提折舊。如本集團合理確定會行使購買權，則在標的資產的使用壽命期間內對使用權資產計提折舊。

與短期物業和設備租賃及所有低價值資產租賃相關的付款額按直線法確認為費用，計入損益。短期租賃是指租賃期為12個月或者小於12個月的租賃。

### (z) 股息分派

向本公司股東分派的股息在股息獲本公司股東或董事(如適用)批准的期間於本集團及本公司財務報表確認為負債。

### (aa) 政府補助

在合理保證將收到政府補助且本集團將遵守所有附帶條件的情況下，以公允價值確認政府補助。

與成本相關的政府補助，在與所需補償的成本相匹配的必要期間內，遞延並在損益中確認。

## 3 財務風險管理

### (a) 財務風險因素

本集團業務面對多項財務風險：市場風險(包括貨幣風險及現金流利率風險)、信貸風險及流動資金風險。本集團的整體風險管理方案專注於金融市場的不可預測性，致力減低對本集團財務表現的潛在不利影響。風險管理由本集團內各個別實體的管理人員進行。

#### (i) 市場風險

##### (1) 外匯風險

各個別集團實體擁有自身的功能貨幣。各個別集團實體的外匯風險來自以非集團實體功能貨幣的貨幣計值的未來商業交易或已確認資產或負債。

本集團經營國際業務，故面對不同貨幣產生的外匯風險，主要涉及人民幣。本集團現時並無任何外幣對沖政策。本集團通過嚴密監控外幣匯率波動控制外匯風險。

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### (a) Financial risk factors (Continued)

##### (i) Market risk (Continued)

###### (1) Foreign exchange risk (Continued)

At 31 December 2021, if Renminbi had strengthened/weakened by 5% against Hong Kong dollar, with all other variables held constant, the profit before income tax for the year ended 31 December 2021 would have been HK\$20,096,000 (2020: HK\$23,294,000) higher/lower, mainly as a result of foreign exchange gains/losses on translation of Hong Kong dollar-denominated trade payables held by a subsidiary in the Mainland China whose functional currency is Renminbi. Whereas, the exposure arising from the other foreign currencies is not significant to the Group.

###### (2) Cash flow interest rate risk

Other than short-term bank deposits and bank balances, the Group does not have significant interest-bearing assets or liabilities. The Group's exposure to interest rate risk associated with the effects of fluctuations in the prevailing levels of the market interest rates on its cash flows are not deemed to be substantial in the view of the Directors based on the nature of the assets and liabilities.

At 31 December 2021, if the interest rates on bank deposits had been 50 basis-points higher with all other variables held constant, profit before income tax for the year would have been HK\$11,373,000 (2020: HK\$9,231,000) higher, respectively, mainly as a result of higher interest income on bank deposits.

##### (ii) Credit risk

Credit risk arises from bank deposits and trade receivables (including trade receivables from the immediate holding company, fellow subsidiaries, joint ventures and an associate) and other current assets.

###### (1) Risk management

All the bank deposits are placed with banks with good credit ratings to mitigate the risk. For trade receivables (including trade receivables from related companies) and other current assets, the Group assesses the credit quality of the counter — parties by taking into account their financial position, credit history and other factors. Management also regularly reviews the recoverability of these receivables and follows up on the disputes or amounts overdue, if any. The credit terms of trade receivables are within 30 to 180 days (2020: 30 to 90 days). The management is of the opinion that the risk of default by counterparties is low. The Group does not hold any collateral as security.

As at 31 December 2021, excluding those customers under the common control of the ultimate holding company, there were 2 customers (2020: 1 customer) which individually contributed over 10% of the Group's gross trade receivables. The amount of trade receivables from these customers amounted to 59% (2020: 17%) of the Group's total trade receivables.

###### (2) Impairment of financial assets

###### *Trade receivables*

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

###### Trade receivables — related parties

The Group considers the credit risk characteristics with reference to certain factors such as default rate given by external researches over the expected lives of the debtors, repayment and default histories of different customers to measure the expected credit losses. As at 31 December 2021, trade receivables of HK\$54,103,000 (2020: HK\$378,725,000) are due from related parties of which HK\$1,357,000 (2020: HK\$187,570,000) were past due. Given there is no history of significant defaults from related parties and insignificant impact from forward-looking estimates, the assessed expected credit losses are not material. As at 31 December 2021, the loss allowance in respect of the trade receivables due from related parties was HK\$24,000 (2020: HK\$1,137,000).

###### Trade receivables — third party

The Group measures the expected credit losses on a combination of both individual and collective basis.

### 3 財務風險管理(續)

#### (a) 財務風險因素(續)

##### (i) 市場風險(續)

###### (1) 外匯風險(續)

2021年12月31日，倘人民幣兌港元升值／貶值5%，而所有其他變量保持不變，則截至2021年12月31日止年度的除所得稅前利潤增加／減少20,096,000港元(2020年：23,294,000港元)，主要是由於換算中國內地附屬公司(其功能貨幣為人民幣)所持港元計值的貿易應付款項的外匯收益／損失所致。管理層認為其他外幣產生的風險對本集團並不重大。

###### (2) 現金流利率風險

除短期銀行存款及銀行結餘外，本集團並無重大計息資產或負債。基於資產及負債的性質，董事認為本集團因現金流的當前市場利率波動而須承擔的利率風險並不重大。

於2021年12月31日，倘銀行存款利率上升50個基點，而所有其他變量保持不變，則主要由於銀行存款利息收益增加，年度除所得稅前利潤將增加11,373,000港元(2020年：9,231,000港元)。

##### (ii) 信貸風險

信貸風險來自銀行存款、貿易應收款項(包括來自直接控股公司，同系附屬公司，合營企業和聯營公司的貿易應收款項)及其他流動資產。

###### (1) 風險管理

所有銀行存款均存放於具有良好信貸評級的銀行以減低風險。對於貿易應收款項(包括來自集團公司的貿易應收款項)及其他流動資產，本集團考慮對手方的財務狀況、信貸歷史及其他因素評估其信貸質素。管理人員亦定期審查該等應收款項可否收回，並跟進有關糾紛或逾期款項(如有)。貿易應收款項的信用期在30至180天(2020年：30天至90天)之間。管理人員認為，對方拖欠款項的風險較低。本集團並無持有任何抵押品作為擔保。

於2021年12月31日，在不考慮最終控股公司所控制的實體下，有2名客戶(2020年：1名客戶)個別於本集團貿易應收款項總額超過10%。來自該等客戶的貿易應收款項金額佔本集團貿易應收款項總額59%(2020年：17%)。

###### (2) 金融資產減值

###### *應收賬款*

本集團採用香港財務報告準則第9號的簡化方法計量預期信用損失，即對所有貿易應收款項按照整個存續期的預期損失計提損失撥備。

###### 應收賬款 — 關聯方

本集團參考外部研究給出的債務人在預期年限內的違約率、不同客戶過去的回款和違約記錄等因素考慮信用風險特徵，以計量預期信用損失。於2021年12月31日，應收賬款中54,103,000港元(2020：378,725,000港元)來自關聯方，其中已逾期的應收賬款為1,357,000港元(2020年：187,570,000港元)。鑒於過去關聯方無重大違約且前瞻性估計的影響不重大，因此關聯方的預期信用損失極小。於2021年12月31日，關聯方應收賬款撥備餘額為24,000港元(2020：1,137,000港元)。

###### 應收賬款 — 第三方

本集團以個別和組合基準計量預期信用損失。

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### (a) Financial risk factors (Continued)

##### (ii) Credit risk (Continued)

###### (2) Impairment of financial assets (Continued)

###### Trade receivables (Continued)

###### Measurement of expected credit loss on individual basis

The receivables relating to customers with known financial difficulties or with significant doubt on collection of receivables are assessed individually for provision for impairment allowance. As at 31 December 2021, the balance of individually assessed impaired receivables was HK\$3,411,000 (2020: HK\$20,420,000) and the loss allowance in respect of individually assessed receivables was HK\$3,411,000 (2020: HK\$5,718,000). Please refer to Note 21 for details.

Receivables for which an impairment provision was recognised were written off against the provision when there was no expectation of recovering additional cash.

###### Measurement of expected credit loss on collective basis

Expected credit losses are also estimated by grouping the remaining receivables from third party, excluding third parties which are assessed individually, based on geographical location of where the customer operates in and the nature of business of its customers and their shared credit risk characteristics, and collectively assessed for the likelihood of loss allowance, taking into account the default rates given by external researches over the expected lives of the debtors, repayment and default histories of different customers, and applying expected credit loss rates to the respective gross carrying amounts of the receivables.

The expected credit loss rates are adjusted to reflect current and forward-looking information such as macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP of the countries in which it sells its goods and services to be the most relevant factor, and accordingly adjusts the expected credit loss rates based on expected changes in the GDP.

As at 31 December 2021, trade receivables of HK\$483,700,000 are due from remaining third parties, excluding third parties which are assessed individually, and are assessed under collective basis, of which HK\$378,247,000 have not past due. The expected loss rate in respect of the trade receivables was 0.02%-3.17% and the loss allowance was HK\$11,286,000. As at 31 December 2021, if the expected loss rate in respect of the trade receivables had been 300 basis-points higher with all other variables held constant, the loss allowance would have been HK\$14,511,000 higher.

As at 31 December 2020, trade receivables of HK\$154,300,000 are due from remaining third parties, excluding third parties which are assessed individually, and are assessed under collective basis, of which HK\$83,316,000 have not yet past due while HK\$67,517,000 and HK\$3,467,000 were past due less than 60 days and over 60 days respectively. The expected loss rate in respect of the trade receivables past due over 60 days was 4% and the loss allowance was HK\$138,000.

###### Other financial assets at amortised cost

For other financial assets at amortised cost, including deposits and other receivables, management considers that its credit risk has not increased significantly since initial recognition with reference to the counterparty historical default rate and current financial position. The impairment provision is determined based on the 12-month expected credit losses which is close to zero.

Impairment losses on other financial assets at amortised cost are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

### 3 財務風險管理(續)

#### (a) 財務風險因素(續)

##### (ii) 信貸風險(續)

###### (2) 金融資產減值(續)

###### 應收賬款(續)

###### 按個別基準計量預期信用損失

與已知財務困難或應收賬款收回存在重大疑慮的客戶相關的應收款項單獨評估減值準備。於2021年12月31日，單獨評估已減值的應收款項為3,411,000港元(2020: 20,420,000港元)，相關的損失撥備餘額為3,411,000港元(2020年: 5,718,000港元)。詳情請參閱附註21。

對於已確認減值撥備的應收賬款，當本集團預計無法收回更多的現金時，則核銷該項應收賬款。

###### 按組合基準計量預期信用損失

預期信用損失亦根據客戶經營所在的地理位置、客戶的業務性質及其共同的信用風險特徵，將應收剩餘第三方款項(不包括單獨評估的第三方)的應收款項組合在一起，並綜合評估預期信用損失。參考外部研究給出的債務人在預期年限內的違約率、不同客戶過去的回款和違約記錄等因素考慮信用風險特徵，並將預期信用損失率應用於相應應收賬款的賬面總額。

預期信用損失率經調整以反映當前及前瞻性信息，例如影響客戶結清應收款項能力的宏觀經濟因素。本集團已將其商品和服務銷售所在國家的國內生產總值確定為最相關的因素，並根據國內生產總值的預期變化相應調整預期信用損失率。

於2021年12月31日，應收剩餘第三方(不包括個別評估的第三方)貿易應收款項483,700,000港元按組合基準計量。其中378,247,000港元尚未逾期。貿易應收款項的預期損失率為0.02%-3.17%，損失撥備為11,286,000港元。於2021年12月31日，倘若該貿易應收款項的預期損失率利率上升300個基點，而所有其他變量保持不變，損失撥備將增加14,511,000港元。

於2020年12月31日，應收剩餘第三方(不包括個別評估的第三方)貿易應收款項154,300,000港元按組合基準計量。其中83,316,000港元尚未逾期，67,517,000港元以及3,467,000港元分別逾期六個月以內以及逾期六個月以上。逾期六個月以上貿易應收款項的預期損失率為4%，損失撥備為138,000港元。

###### 以攤餘成本計量的其他金融資產

以攤餘成本計量的其他金融資產包括存款和其他應收款。管理層認為，就交易方違約率和當前財務狀況而言，其信用風險自初始確認後未顯著增加。減值撥備根據12個月預期信用損失進行計量，預期信用損失幾乎為零。

以攤餘成本計量的其他金融資產的減值損失在經營利潤中列報為減值損失淨額。後續收回的之前沖銷的金額在相同項目中貸記。

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### (a) Financial risk factors (Continued)

##### (iii) Liquidity risk

The Group's policy is to maintain sufficient cash and cash equivalents to meet its working capital requirements. The Group has steady cash inflow from operations and has adequate financial resources to fund its operations and future expansions. As at 31 December 2021, the Group's financial liabilities were mainly trade and other payables amounting to HK\$88,390,000 (2020: HK\$106,677,000), lease liabilities amounting to HK\$127,197,000 (2020: HK\$103,698,000) and borrowings amounting to HK\$1,279,000 (2020: HK\$2,312,000).

The analysis of the financial liabilities into relevant maturity groupings based on their contractual maturities is set out below. The amounts disclosed are the contractual undiscounted cash flows.

|                                    | Less than<br>1 year<br>少於一年 | Between 1 and<br>2 years<br>一至二年 | Between 2 and<br>5 years<br>二至五年 | Over 5 years<br>多於五年 | Total<br>總計  |
|------------------------------------|-----------------------------|----------------------------------|----------------------------------|----------------------|--------------|
|                                    | HK\$'000 千港元                | HK\$'000 千港元                     | HK\$'000 千港元                     | HK\$'000 千港元         | HK\$'000 千港元 |
| At 31 December 2021 於2021年12月31日   |                             |                                  |                                  |                      |              |
| Trade and other payables 貿易及其他應付款項 | 88,390                      | -                                | -                                | -                    | 88,390       |
| Lease liabilities 租賃負債             | 55,890                      | 33,477                           | 32,558                           | 12,756               | 134,681      |
| Borrowings 借款                      | 481                         | 467                              | 333                              | -                    | 1,281        |
| Total 總計                           | 144,761                     | 33,944                           | 32,891                           | 12,756               | 224,352      |

|                                    | Less than<br>1 year<br>少於一年 | Between 1 and<br>2 years<br>一至二年 | Between 2 and<br>5 years<br>二至五年 | Over 5 years<br>多於五年 | Total<br>總計  |
|------------------------------------|-----------------------------|----------------------------------|----------------------------------|----------------------|--------------|
|                                    | HK\$'000 千港元                | HK\$'000 千港元                     | HK\$'000 千港元                     | HK\$'000 千港元         | HK\$'000 千港元 |
| At 31 December 2020 於2020年12月31日   |                             |                                  |                                  |                      |              |
| Trade and other payables 貿易及其他應付款項 | 106,677                     | -                                | -                                | -                    | 106,677      |
| Lease liabilities 租賃負債             | 44,138                      | 31,610                           | 29,760                           | 6,485                | 111,993      |
| Borrowings 借款                      | 262                         | 710                              | 1,380                            | -                    | 2,352        |
| Total 總計                           | 151,077                     | 32,320                           | 31,140                           | 6,485                | 221,022      |

#### (b) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Total capital is calculated as 'equity' as shown in the consolidated balance sheet. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

#### (c) Fair value estimation

The Group's financial asset at FVOCI is carried at fair value as at 31 December 2021 by level of the inputs to valuation techniques used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

### 3 財務風險管理(續)

#### (a) 財務風險因素(續)

##### (iii) 流動資金風險

本集團的政策是維持充裕的現金及現金等價物以滿足其營運資金需求。本集團有穩定的經營業務現金流入及充足財務資源，可為其業務及未來擴張提供資金。於2021年12月31日，本集團的金融負債主要為88,390,000港元(2020年：106,677,000港元)之貿易及其他應付款項；127,197,000港元(2020年：103,698,000港元)之租賃負債以及1,279,000港元(2020年：2,312,000港元)之借款。

根據合同期限的金融負債到期日組別分析如下，披露的金額為合同未折現現金流量。

#### (b) 資本管理

本集團管理資本旨在保障本集團有能力按持續經營基準繼續營運，為股東帶來回報，同時令其他權益持有人獲益，並維持優化的資本結構以減少資金成本。

資本總額為資產負債表所示「權益」。為維持或調整資本架構，本集團或會調整向股東派付的股息金額、向股東退還資本、發行新股份或出售資產以減少債務。

#### (c) 公允價值估計

本集團於2021年12月31日的以公允價值計量且其變動計入其他綜合收益的金融資產按照估值技術中所運用的輸入的層級歸類為如下三層：

- 相同資產或負債在活躍市場的報價(未經調整)(第1層)。
- 除了第1層所包括的報價外，該資產和負債的可觀察的其他輸入，可為直接(即例如價格)或間接(即源自價格)(第2層)。
- 資產和負債並非依據可觀察市場數據的輸入(即非可觀察輸入)(第3層)。

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### (c) Fair value estimation (Continued)

There were no transfers between any levels during the year.

The Group's financial asset at FVOCI is included in level 1.

Details on the fair value measurement for financial asset at FVOCI are set out in Note 18 to the consolidated financial statements.

The rest of the Group's financial assets are classified as financial assets and are measured at amortised cost. The carrying amounts of the Group's financial assets, including short-term bank deposits, cash and cash equivalents and trade receivables and other current assets, approximate their fair values due to their short maturities.

The carrying amounts of the Group's financial liabilities, including trade and other payables, borrowings and lease liabilities are measured at amortised cost.

### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

#### (a) Goodwill

The Group tests annually whether goodwill has suffered any impairment according to the recoverable amounts of the cash-generating units determined based on value-in-use calculations. These calculations require the use of estimates including five-year sales growth rate, estimated growth rate beyond the five-year period and discount rate which are subject to change of economic environment in future. Details are set out in Note 17.

#### (b) Loss allowance on trade receivables

The loss allowances for trade receivables are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past experience, existing market conditions as well as forward-looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in Note 3.

### 5 SEGMENT INFORMATION

The chief operating decision maker has been identified as the executive directors of the Company (the "Executive Directors"). The Executive Directors review the Group's internal reporting in order to assess performance and allocate resources and have determined the operating segments based on these reports.

The Executive Directors assess the performance of the operating segments based on revenue and segment results of each segment. The Executive Directors have determined the operating segments based on the location of the entities and the information reviewed by the Group's chief operating decision maker for the purposes of allocating resources and assessing performance and have determined that the Group has three reportable operating segments.

The geographical location of revenue is analysed based on location where goods are sold and services are provided. The details are set out as follows:

- (i) Hong Kong — sale of Chinese medicine products and healthcare products and provision of Chinese medical consultation and treatments through retail outlets as well as wholesale of Chinese medicine products and healthcare products in Hong Kong. In addition, it includes the royalty fee income received from overseas entities for using "Tong Ren Tang" brand name.
- (ii) Mainland China — wholesale of healthcare products in the Mainland China and the sole distribution of Tong Ren Tang branded products of Tong Ren Tang Technologies and Tong Ren Tang Ltd. to customers outside the Mainland China.
- (iii) Overseas — retail and wholesale of Chinese medicine products and healthcare products and provision of Chinese medical consultation and treatments in other overseas countries/regions, including Macao.

### 3 財務風險管理(續)

#### (c) 公允價值估計(續)

年內各層級之間並無轉撥。

本集團的以公允價值計量且其變動計入其他綜合收益的金融資產歸類為第1層。

以公允價值計量且其變動計入其他綜合收益的金融資產的公允價值詳情載列於附註18。

本集團的金融資產分類為金融資產，按攤銷成本計量。因短期內屆滿，本集團金融資產(包括短期銀行存款、現金及現金等價物以及貿易應收款項與其他流動資產)賬面值與其公允價值相若。

本集團金融負債(包括貿易及其他應付款項、借款及租賃負債)的賬面值按攤銷成本計量。

### 4 重大會計估計及判斷

估計及判斷根據過往經驗及其他因素(包括在當時情況下對未來事件相信為合理的預測)持續評估。

本集團對未來作出估計及假設，而所得會計估計將難免偏離相關實際結果。該等估計及假設存在相當風險，足以導致須於下一個財政年度對資產及負債的賬面值作出如下重大調整。

#### (a) 商譽

本集團每年根據現金產生單元的使用價值確定可收回金額，測試商譽是否需要任何減值。這些計算中需使用的估計包括五年期銷售增長率，五年期以後之財政預算估計增長率和稅前貼現率或會受將來經濟環境而改變。詳情載於附註17。

#### (b) 貿易應收款損失撥備

應收賬款損失撥備是基於對違約風險和預期損失率的假設而計算的。本集團在做出假設和選擇計算的輸入值時，按照本集團以往經驗、現有市場條件以及於各報告期末的前瞻性估計進行判斷。本集團所使用的關鍵假設和輸入值詳情披露於附註3中。

### 5 分部資料

主要經營決策者已確認為本公司的執行董事(「執行董事」)。執行董事審閱本集團內部報告以評估表現並分配資源，同時根據該等報告釐定營運分部。

執行董事根據各個營運分部的收入及分部業績評估分部表現。執行董事根據實體的位置及本集團主要經營決策者為分配資源及評估表現所審閱的資料釐定營運分部並釐定本集團有3個呈報營運分部。

收入來源地區按銷售貨品及提供服務所在地分析。相關詳情如下：

- (i) 香港 — 在香港透過零售店鋪銷售中藥產品及保健品並提供中醫診療服務，以及批發中藥產品及保健品。此外，該分部包括來自使用「同仁堂」品牌名稱的海外實體的品牌使用費收益。
- (ii) 中國內地 — 於中國內地批發保健品及向中國內地以外的客戶獨家分銷同仁堂科技及同仁堂股份的同仁堂品牌產品。
- (iii) 海外 — 於其他海外國家/地區(包括澳門)零售及批發中藥產品及保健品以及提供中醫診療服務。

## 5 SEGMENT INFORMATION (Continued)

Segment assets include property, plant and equipment, right-of-use assets, intangible assets, investments accounted for using equity method, financial asset at fair value through other comprehensive income, deposits paid for purchase of property, plant and equipment and intangible assets, deferred income tax assets, inventories, trade receivables and other current assets, short-term bank deposits and cash and cash equivalents. Segment liabilities include borrowings, lease liabilities, trade and other payables, current and deferred income tax liabilities.

Unallocated items comprise mainly corporate expenses.

Sales between segments are carried in accordance with terms agreed by the parties involved.

## (a) Analysis of consolidated income statement

|   | Hong Kong<br>香港 | Mainland China<br>中國內地 | Overseas<br>海外 | Total<br>總計  |
|---|-----------------|------------------------|----------------|--------------|
|   | HK\$'000 千港元    | HK\$'000 千港元           | HK\$'000 千港元   | HK\$'000 千港元 |
| <b>Year ended 31 December 2021 截至2021年12月31日止年度</b>                                 |                 |                        |                |              |
| Segment revenue 分部收入  | 1,212,075       | 578,803                | 443,604        | 2,234,482    |
| Inter-segment revenue 分部間收入   | (523,680)       | (152,385)              | (2,259)        | (678,324)    |
| Revenue from external customers 來自外部客戶之收入   | 688,395         | 426,418                | 441,345        | 1,556,158    |
| Timing of revenue recognition 收入確認的時點   |                 |                        |                |              |
| At a point in time 在某一時點  | 686,576         | 421,775                | 404,994        | 1,513,345    |
| Overtime 在一段時間內   | 1,819           | 4,643                  | 36,351         | 42,813       |
|   | 688,395         | 426,418                | 441,345        | 1,556,158    |
| Contribution to segment results 分部業績之貢獻   | 718,039         | 36,228                 | 111,279        | 865,546      |
| Depreciation of property, plant and equipment 物業、廠房及設備折舊                            | (7,456)         | (491)                  | (5,122)        | (13,069)     |
| Depreciation of right-of-use assets 使用權資產折舊   | (31,126)        | (2,416)                | (21,106)       | (54,648)     |
| Amortisation of intangible assets 無形資產攤銷  | (2,255)         | -                      | -              | (2,255)      |
| Losses on disposals of property, plant and equipment 出售物業、廠房及設備之虧損                  | (12)            | (2)                    | (423)          | (437)        |
| (Loss allowance)/reversal of loss allowance on trade receivables 貿易應收款項之(減值計提)/減值撥回 | (4,568)         | (2,968)                | 14             | (7,522)      |
| Impairment loss on inventories 存貨之減值計提  | -               | -                      | (58)           | (58)         |
| Write-off of inventories 存貨撇減   | (201)           | -                      | (122)          | (323)        |
| Segment results 分部業績  | 672,421         | 30,351                 | 84,462         | 787,234      |
| Inter-segment elimination 分部間對銷   |                 |                        |                | (8,774)      |
| Operating profit 經營利潤   |                 |                        |                | 778,460      |
| Finance income 財務收益   | 3,456           | 327                    | 594            | 4,377        |
| Finance costs 財務支出  | (1,671)         | (180)                  | (2,856)        | (4,707)      |
| Share of profits of investments accounted for using the equity method 應佔按權益法入賬之投資利潤 |                 |                        |                | 261          |
| Profit before income tax 除所得稅前利潤  |                 |                        |                | 778,391      |
| Income tax expense 所得稅開支  |                 |                        |                | (126,848)    |
| Profit for the year 年度利潤  |                 |                        |                | 651,543      |

## 5 分部資料(續)

分部資產包括物業、廠房及設備、使用權資產、無形資產、按權益法入賬之投資、以公允價值計量且其變動計入其他綜合收益的金融資產、購置物業、廠房及設備以及無形資產的已付按金、遞延所得稅資產、存貨、貿易應收款項及其他流動資產、短期銀行存款及現金及現金等價物，分部負債包括借貸、租賃負債、貿易及其他應付款項、當期及遞延所得稅負債。

未分配項目主要包括企業開支。

分部間銷售根據相關方協定之條款進行。

## (a) 綜合利潤表分析

## 5 SEGMENT INFORMATION (Continued)

### (a) Analysis of consolidated income statement (Continued)

## 5 分部資料(續)

### (a) 綜合利潤表分析(續)

|  | Hong Kong<br>香港 | Mainland China<br>中國內地 | Overseas<br>海外 | Total<br>總計  |
|--|-----------------|------------------------|----------------|--------------|
|  | HK\$'000 千港元    | HK\$'000 千港元           | HK\$'000 千港元   | HK\$'000 千港元 |
| <b>Year ended 31 December 2020 截至2020年12月31日止年度</b>                                |                 |                        |                |              |
| Segment revenue 分部收入   | 971,433         | 623,345                | 337,995        | 1,932,773    |
| Inter-segment revenue 分部間收入  | (424,994)       | (192,315)              | (118)          | (617,427)    |
| Revenue from external customers 來自外部客戶之收入  | 546,439         | 431,030                | 337,877        | 1,315,346    |
| Timing of revenue recognition 收入確認的時點  |                 |                        |                |              |
| At a point in time 在某一時點   | 545,445         | 425,819                | 306,392        | 1,277,656    |
| Overtime 在一段時間內  | 994             | 5,211                  | 31,485         | 37,690       |
|  | 546,439         | 431,030                | 337,877        | 1,315,346    |
| Contribution to segment results 分部業績之貢獻  | 617,721         | 69,638                 | 85,872         | 773,231      |
| Depreciation of property, plant and equipment 物業、廠房及設備折舊                           | (7,974)         | (494)                  | (8,250)        | (16,718)     |
| Depreciation of right-of-use assets 使用權資產折舊  | (32,425)        | (2,053)                | (21,076)       | (55,554)     |
| Amortisation of intangible assets 無形資產攤銷   | (1,300)         | –                      | (4,514)        | (5,814)      |
| Losses on disposals of property, plant and equipment 出售物業、廠房及設備之虧損                 | (13)            | –                      | (2,111)        | (2,124)      |
| Loss allowance on trade receivables 貿易應收款項之減值計提                                    | (43)            | (3,044)                | (240)          | (3,327)      |
| Write-off of inventories 存貨撇減  | (51)            | –                      | (159)          | (210)        |
| Segment results 分部業績   | 575,915         | 64,047                 | 49,522         | 689,484      |
| Inter-segment elimination 分部間對銷  |                 |                        |                | (20,081)     |
| Operating profit 經營利潤  |                 |                        |                | 669,403      |
| Finance income 財務收益  | 20,959          | 127                    | 566            | 21,652       |
| Finance costs 財務支出   | (1,337)         | (132)                  | (2,831)        | (4,300)      |
| Share of losses of investments accounted for using the equity method 應佔按權益法入賬之投資虧損 |                 |                        |                | (860)        |
| Profit before income tax 除所得稅前利潤   |                 |                        |                | 685,895      |
| Income tax expense 所得稅開支   |                 |                        |                | (118,014)    |
| Profit for the year 年度利潤   |                 |                        |                | 567,881      |

## 5 SEGMENT INFORMATION (Continued)

### (b) Analysis of consolidated balance sheet

|  | Hong Kong<br>香港 | Mainland China<br>中國內地 | Overseas<br>海外 | Total<br>總計  |
|--|-----------------|------------------------|----------------|--------------|
|  | HK\$'000 千港元    | HK\$'000 千港元           | HK\$'000 千港元   | HK\$'000 千港元 |
| <b>At 31 December 2021 於2021年12月31日</b>                                |                 |                        |                |              |
| <b>Segment assets and liabilities 分部資產及負債</b>                          |                 |                        |                |              |
| Total assets 總資產   | 2,815,098       | 581,373                | 438,511        | 3,834,982    |
| Investments accounted for using the equity method 按權益法入賬之投資            | 9,260           | 40,599                 | 8,037          | 57,896       |
| Additions to non-current assets <sup>(1)</sup> 非流動資產之增加 <sup>(1)</sup> | 52,206          | 1,196                  | 28,231         | 81,633       |
| Total liabilities 總負債  | (127,969)       | (47,554)               | (119,955)      | (295,478)    |
| <b>At 31 December 2020 於2020年12月31日</b>                                |                 |                        |                |              |
| <b>Segment assets and liabilities 分部資產及負債</b>                          |                 |                        |                |              |
| Total assets 總資產   | 2,383,239       | 653,722                | 380,008        | 3,416,969    |
| Investments accounted for using the equity method 按權益法入賬之投資            | 9,074           | –                      | 8,689          | 17,763       |
| Additions to non-current assets <sup>(1)</sup> 非流動資產之增加 <sup>(1)</sup> | 53,464          | 7,376                  | 4,614          | 65,454       |
| Total liabilities 總負債  | (117,320)       | (62,892)               | (107,247)      | (287,459)    |

<sup>(1)</sup> In this analysis, additions to non-current assets exclude investments accounted for using the equity method, financial asset at fair value through other comprehensive income and deferred tax assets.

<sup>(1)</sup> 本分析中，非流動資產之增加不包括按權益法入賬之投資、以公允價值計量且其變動計入其他綜合收益的金融資產和遞延所得稅資產。

### (c) Revenue

The analysis of revenue by category is as follows:

|                            | 2021         | 2020         |
|----------------------------|--------------|--------------|
|                            | HK\$'000 千港元 | HK\$'000 千港元 |
| Sales of products 銷售產品     | 1,513,345    | 1,277,656    |
| Service income 服務收入        | 42,495       | 37,487       |
| Royalty fee income 品牌使用費收益 | 318          | 203          |
|                            | 1,556,158    | 1,315,346    |

### (d) Information about major customers

For the year ended 31 December 2021, revenue from two (2020: two) customers each accounted for more than ten percent of the Group's total revenue. These revenues are attributable to the Hong Kong segment and the Mainland China segment. The revenues from these customers are summarised below:

|   | 2021         | 2020         |
|---|--------------|--------------|
|   | HK\$'000 千港元 | HK\$'000 千港元 |
| Revenue from: 來自以下人士的收入：  |              |              |
| – Entities under the control of the ultimate holding company <sup>(1)</sup> (Note 29(a))<br>最終控股公司所控制的實體 <sup>(1)</sup> (附註29(a)) | N/A 不適用      | 346,692      |
| – Customer A 客戶A  | 305,388      | 265,670      |
| – Customer B 客戶B  | 167,988      | N/A 不適用      |
|   | 473,376      | 612,362      |

<sup>(1)</sup> It represents a group of entities under common control considered as a single customer.

There are no customers of other segments individually accounted for ten percent or more of the Group's total revenue for the year ended 31 December 2021 (2020: nil).

### (c) 收入

按類別劃分的收入分析如下：

### (d) 有關主要客戶的資料

截至2021年12月31日止年度，來自兩名(2020年：兩名)客戶的收入各佔本集團總收入百分之十以上。該等收入來自香港分部及中國內地分部。來自該等客戶的收入概述如下：

<sup>(1)</sup> 指受共同控制的一組實體，視為單一客戶。

截至2021年12月31日止年度，其他分部概無客戶(2020年：無)個別佔本集團總收入的百分之十或以上。

## 5 SEGMENT INFORMATION (Continued)

## (e) Information about geographical areas

The Company is domiciled in Hong Kong. An analysis of revenue from external customers and non-current assets of the Group by geographical area is set out below:

(i) Revenue<sup>(1)</sup>

|                      | 2021         | 2020         |
|----------------------|--------------|--------------|
|                      | HK\$'000 千港元 | HK\$'000 千港元 |
| Hong Kong 香港         | 688,395      | 546,439      |
| Mainland China 中國內地  | 426,418      | 431,030      |
| Macao 澳門             | 266,037      | 169,552      |
| Australia 澳大利亞       | 48,542       | 52,243       |
| Canada 加拿大           | 45,114       | 41,081       |
| New Zealand 新西蘭      | 28,267       | 24,293       |
| Singapore 新加坡        | 24,448       | 23,053       |
| United States 美國     | 12,175       | 10,957       |
| Other countries 其他國家 | 16,762       | 16,698       |
|                      | 1,556,158    | 1,315,346    |

(ii) Non-current assets<sup>(2)</sup>

|                      | 2021         | 2020         |
|----------------------|--------------|--------------|
|                      | HK\$'000 千港元 | HK\$'000 千港元 |
| Hong Kong 香港         | 292,593      | 278,916      |
| Mainland China 中國內地  | 5,692        | 7,217        |
| Macao 澳門             | 65,908       | 61,427       |
| Australia 澳大利亞       | 51,785       | 50,285       |
| Canada 加拿大           | 16,258       | 11,746       |
| New Zealand 新西蘭      | 13,741       | 15,076       |
| Europe 歐洲            | 11,797       | 12,177       |
| United States 美國     | 2,008        | 2,953        |
| Other countries 其他國家 | 12,980       | 7,290        |
|                      | 472,762      | 447,087      |

<sup>(1)</sup> The geographical location of revenue is analysed based on the location where goods are sold and services are provided.

<sup>(2)</sup> The geographical location of non-current assets is analysed based on where the assets are located or held. In this analysis, the total of non-current assets excludes investments accounted for using the equity method, financial asset at fair value through other comprehensive income and deferred tax assets.

## 5 分部資料(續)

## (e) 有關地區的資料

本公司於香港營運。本集團按地區劃分的來自外界客戶之收入及非流動資產的分析如下：

(i) 收入<sup>(1)</sup>

|                      | 2021         | 2020         |
|----------------------|--------------|--------------|
|                      | HK\$'000 千港元 | HK\$'000 千港元 |
| Hong Kong 香港         | 688,395      | 546,439      |
| Mainland China 中國內地  | 426,418      | 431,030      |
| Macao 澳門             | 266,037      | 169,552      |
| Australia 澳大利亞       | 48,542       | 52,243       |
| Canada 加拿大           | 45,114       | 41,081       |
| New Zealand 新西蘭      | 28,267       | 24,293       |
| Singapore 新加坡        | 24,448       | 23,053       |
| United States 美國     | 12,175       | 10,957       |
| Other countries 其他國家 | 16,762       | 16,698       |
|                      | 1,556,158    | 1,315,346    |

(ii) 非流動資產<sup>(2)</sup>

|                      | 2021         | 2020         |
|----------------------|--------------|--------------|
|                      | HK\$'000 千港元 | HK\$'000 千港元 |
| Hong Kong 香港         | 292,593      | 278,916      |
| Mainland China 中國內地  | 5,692        | 7,217        |
| Macao 澳門             | 65,908       | 61,427       |
| Australia 澳大利亞       | 51,785       | 50,285       |
| Canada 加拿大           | 16,258       | 11,746       |
| New Zealand 新西蘭      | 13,741       | 15,076       |
| Europe 歐洲            | 11,797       | 12,177       |
| United States 美國     | 2,008        | 2,953        |
| Other countries 其他國家 | 12,980       | 7,290        |
|                      | 472,762      | 447,087      |

<sup>(1)</sup> 收入來源地區按銷售貨品及提供服務所在地分析。

<sup>(2)</sup> 非流動資產按地區分析是根據該資產的所在地或持有地釐定。本分析中，非流動資產總額不包括按權益法入賬之投資、以公允價值計量且其變動計入其他綜合收益的金融資產和遞延所得稅資產。

## 5 SEGMENT INFORMATION (Continued)

## (f) Assets and liabilities related to contracts with customers

The Group has recognised the following liabilities related to contract with customers:

|   | At<br>31 December 2021<br>於2021年12月31日 | At<br>31 December 2020<br>於2020年12月31日 |
|---|--|--|
|   | HK\$'000 千港元                           | HK\$'000 千港元                           |
| Contract liabilities — Service income 合同負債 — 服務收入 | 4,508                                  | 3,734                                  |

The Group has not recognised any contract assets related to contract with customers as at 31 December 2021 and 31 December 2020.

There is no significant changes in contract assets and liabilities during the year ended 31 December 2021.

## (g) Revenue recognised in relation to contract liabilities

The following table shows revenue recognised in relation to contract liabilities in the year related to carried forward contract liabilities.

|   | At<br>31 December 2021<br>於2021年12月31日 | At<br>31 December 2020<br>於2020年12月31日 |
|---|--|--|
|   | HK\$'000 千港元                           | HK\$'000 千港元                           |
| Revenue recognised in relation to contract liabilities at 1 January 已確認與1月1日合同負債有關的收入 | 2,506                                  | 1,327                                  |

## 6 OTHER GAINS, NET

|   | 2021         | 2020         |
|---|--------------|--------------|
|   | HK\$'000 千港元 | HK\$'000 千港元 |
| Government grants (note) 政府補助 (附註)            | 5,103        | 22,373       |
| Unsecured government loans waived 獲豁免的無抵押政府貸款 | 1,227        | —            |
| Others 其他                                     | 1,709        | 1,905        |
|   | 8,039        | 24,278       |

Note: There are no unfulfilled conditions or other contingencies attaching to these grants. The Group did not benefit directly from any other forms of government assistance.

## 5 分部資料(續)

## (f) 與客戶合同有關的資產和負債

本集團已確認以下與客戶合同有關的負債：

|   | At<br>31 December 2021<br>於2021年12月31日 | At<br>31 December 2020<br>於2020年12月31日 |
|---|--|--|
|   | HK\$'000 千港元                           | HK\$'000 千港元                           |
| Contract liabilities — Service income 合同負債 — 服務收入 | 4,508                                  | 3,734                                  |

於2021年12月31日和2020年12月31日，本集團未確認與客戶合同有關的合同資產。

截至2021年12月31日止年度，合同資產和負債未發生重大變更。

## (g) 已確認的與合同負債有關的收入

下表所示為年度已確認的與合同負債有關的收入中與已結轉合同負債有關的收入金額。

|   | At<br>31 December 2021<br>於2021年12月31日 | At<br>31 December 2020<br>於2020年12月31日 |
|---|--|--|
|   | HK\$'000 千港元                           | HK\$'000 千港元                           |
| Revenue recognised in relation to contract liabilities at 1 January 已確認與1月1日合同負債有關的收入 | 2,506                                  | 1,327                                  |

## 6 淨其他利得

|   | 2021         | 2020         |
|---|--------------|--------------|
|   | HK\$'000 千港元 | HK\$'000 千港元 |
| Government grants (note) 政府補助 (附註)            | 5,103        | 22,373       |
| Unsecured government loans waived 獲豁免的無抵押政府貸款 | 1,227        | —            |
| Others 其他                                     | 1,709        | 1,905        |
|   | 8,039        | 24,278       |

附註：這些補助金沒有附帶任何未滿足的條件或其他突發事件。集團沒有直接從任何其他形式的政府援助中受益。

## 7 EXPENSES BY NATURE

## 7 按性質分類的開支

|  | 2021         | 2020         |
|--|--------------|--------------|
|  | HK\$'000 千港元 | HK\$'000 千港元 |
| Cost of inventories sold (Note 20) 出售存貨成本 (附註20)   | 351,189      | 284,198      |
| Employee benefit expenses (Note 8) 僱員福利開支 (附註8)  | 216,711      | 183,587      |
| COVID-19-related rent concessions 新型冠狀病毒肺炎相關租金減讓   | (483)        | (3,360)      |
| Expenses relating to short-term leases 短期租賃費用  | 14,291       | 13,042       |
| Variable lease payments not included in the measurement of lease liabilities (note)<br>不包括於租賃負債內的可變租賃付款費用 (附註) | 205          | 193          |
| Amortisation of intangible assets (Note 17) 無形資產攤銷 (附註17)  | 2,255        | 5,814        |
| Depreciation of right-of-use assets (Note 15) 使用權資產折舊 (附註15)   | 54,648       | 55,554       |
| Depreciation of property, plant and equipment (Note 16) 物業、廠房及設備折舊 (附註16)                                      | 13,069       | 16,718       |
| Losses on disposals of property, plant and equipment (Note 27) 出售物業、廠房、設備之虧損 (附註27)                            | 437          | 2,124        |
| Impairment loss on inventories (Note 20) 存貨之減值計提 (附註20)  | 58           | -            |
| Write-off of inventories (Note 20) 存貨撇減 (附註20)   | 323          | 210          |
| Loss allowance on trade receivables (Note 21) 貿易應收款項之減值計提 (附註21)   | 7,522        | 3,327        |
| Auditors' remuneration 核數師酬金   |              |              |
| — Audit services 核數服務  | 5,267        | 4,058        |
| — Non-audit services 非核數服務   | 430          | 304          |
| Research and development expenses 研發費用   | 11,273       | 9,462        |
| Net exchange loss/(gain) 匯兌損失/(收益) 淨額  | 152          | (53)         |
| Promotion and advertising expenses 宣傳及廣告開支   | 23,579       | 16,821       |
| Legal and professional expenses 法律及專業開支  | 7,127        | 3,999        |

Note: Variable lease payments represent the amounts which are calculated based on percentages of revenue generated by certain retail outlets that exceed their fixed rentals.

附註：可變租賃付款費用指若干零售店產生的收入按百分比計算後超出其固定租金的金額。

## 8 EMPLOYEE BENEFIT EXPENSES, INCLUDING DIRECTORS' EMOLUMENTS

## 8 僱員福利開支，包括董事酬金

|   | 2021         | 2020         |
|---|--------------|--------------|
|   | HK\$'000 千港元 | HK\$'000 千港元 |
| Salaries, wages and bonuses 薪金、工資及花紅                      | 187,914      | 164,366      |
| Pension costs — defined contribution plans 退休金成本 — 定額供款計畫 | 15,484       | 8,380        |
| Other benefits 其他福利                                       | 13,313       | 10,841       |
|   | 216,711      | 183,587      |

During the years ended 31 December 2020 and 2021, there is no forfeited contributions of the Group utilised and available at the year-end to reduce future contributions.

截至二零二零年及二零二一年十二月三十一日止年度，本集團沒有動用沒收的供款，年末也沒有可用來減少未來供款的供款。

## (a) Five highest paid individuals

## (a) 五名最高薪人士

The five individuals whose emoluments were the highest in the Group for the year include one (2020: two) directors whose emoluments are reflected in the analysis presented in Note 9(a). The emoluments paid or payable to the remaining four (2020: three) individuals during the year are as follows:

本集團年內的五名最高薪人士包括一位(2020年：兩位)董事，其酬金於附註9(a)分析中反映。年內已付或應付餘下四位(2020年：三位)人士的酬金如下：

|   | 2021         | 2020         |
|---|--------------|--------------|
|   | HK\$'000 千港元 | HK\$'000 千港元 |
| Basic salaries and other benefits 基本薪金及其他福利               | 2,763        | 2,380        |
| Bonuses 花紅  | 2,963        | 1,910        |
| Pension costs — defined contribution plans 退休金成本 — 定額供款計畫 | 220          | 136          |
|   | 5,946        | 4,426        |

The emoluments fell within the following bands:

酬金介乎以下範圍

| Emolument bands 酬金範圍                  | Number of individuals 人數 |      |
|---------------------------------------|--------------------------|------|
|                                       | 2021                     | 2020 |
| HK\$ 港元 1,000,001 — HK\$ 港元 1,500,000 | 3                        | 2    |
| HK\$ 港元 1,500,001 — HK\$ 港元 2,000,000 | 1                        | 1    |

For the year ended 31 December 2021, no emoluments (2020: nil) were paid by the Group to any of the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office, and no arrangement under which any of the highest paid individuals waived or agreed to waive any of the emoluments.

截至2021年12月31日止年度，本集團並無向五名最高薪人士支付任何酬金(2020年：無)，作為吸引其加入或加入本集團時的獎勵或離職補償，亦無最高薪人士放棄或同意放棄任何酬金的安排。

9 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES)

9 董事的利益和權益(由香港《公司條例》第622章)第383條及公司(披露董事利益資料)規例第622G章)規定的披露及上市規則規定的披露)

(a) Directors' emoluments

(a) 董事酬金

The remuneration of every director for the years ended 31 December 2021 and 2020 are set out below:

截至2021年及2020年12月31日止年度的本公司各董事薪酬如下：

| Year ended 31 December 2021<br>截至2021年12月31日止年度  | Emoluments paid or receivable in respect of a person's services as a director,<br>whether of the Company or its subsidiary undertaking<br>作為董事(不管是本公司或其子公司企業)提供服務而支付或應收的酬金 |   |                                  |   |                 | Total<br>合計     |
|--|--|---|----------------------------------|---|-----------------|-----------------|
|  | Fees<br>袍金   | Salary and<br>other benefits<br>薪金及其他福利 | Discretionary<br>bonuses<br>酌情花紅 | Employer's<br>contribution to a<br>retirement benefit<br>scheme<br>僱主之退休金<br>計劃供款 |                 |                 |
|  | HK\$'000<br>千港元  | HK\$'000<br>千港元                         | HK\$'000<br>千港元                  | HK\$'000<br>千港元   | HK\$'000<br>千港元 |                 |
| <b>Executive Directors 執行董事</b>  |  |   |                                  |   |                 |                 |
| Ms. Ding Yong Ling <sup>(1)</sup> 丁永玲女士 <sup>(1)</sup>   | -  | -                                       | -                                | -   | -               | -               |
| Mr. Zhang Huan Ping <sup>(3)</sup> 張煥平先生 <sup>(3)</sup>  | -  | -                                       | 1,179                            | -   | -               | 1,179           |
| Ms. Lin Man 林曼女士   | -  | 1,069                                   | 637                              | 78  | -               | 1,784           |
| Mr. Chen Fei <sup>(2)</sup> 陳飛先生 <sup>(2)</sup>  | -  | 1,035                                   | -                                | 63  | -               | 1,098           |
| <b>Independent Non-executive Directors 獨立非執行董事</b>   |  |   |                                  |   |                 |                 |
| Mr. Tsang Yok Sing, Jasper 曾鈺成先生   | 240  | -                                       | -                                | -   | -               | 240             |
| Mr. Zhao Zhong Zhen 趙中振先生  | 240  | -                                       | -                                | -   | -               | 240             |
| Mr. Chan Ngai Chi 陳毅馳先生  | 240  | -                                       | -                                | -   | -               | 240             |
|  | 720  | 2,104                                   | 1,816                            | 141   | -               | 4,781           |
| <b>Year ended 31 December 2020<br/>截至2020年12月31日止年度</b>  |  |   |                                  |   |                 |                 |
| Emoluments paid or receivable in respect of a person's services as a director,<br>whether of the Company or its subsidiary undertaking<br>作為董事(不管是本公司或其子公司企業)提供服務而支付或應收的酬金 |  |   |                                  |   |                 |                 |
|  | Fees<br>袍金   | Salary and<br>other benefits<br>薪金及其他福利 | Discretionary<br>bonuses<br>酌情花紅 | Employer's<br>contribution to a<br>retirement benefit<br>scheme<br>僱主之退休金<br>計劃供款 |                 | Total<br>合計     |
|  | HK\$'000<br>千港元  | HK\$'000<br>千港元                         | HK\$'000<br>千港元                  | HK\$'000<br>千港元   | HK\$'000<br>千港元 | HK\$'000<br>千港元 |
| <b>Executive Directors 執行董事</b>  |  |   |                                  |   |                 |                 |
| Ms. Ding Yong Ling <sup>(1)</sup> 丁永玲女士 <sup>(1)</sup>   | -  | -                                       | -                                | -   | -               | -               |
| Mr. Zhang Huan Ping <sup>(3)</sup> 張煥平先生 <sup>(3)</sup>  | -  | 741                                     | 1,763                            | 4   | -               | 2,508           |
| Ms. Lin Man 林曼女士   | -  | 824                                     | 896                              | 4   | -               | 1,724           |
| Mr. Chen Fei <sup>(2)</sup> 陳飛先生 <sup>(2)</sup>  | -  | -                                       | -                                | -   | -               | -               |
| <b>Independent Non-executive Directors 獨立非執行董事</b>   |  |   |                                  |   |                 |                 |
| Mr. Tsang Yok Sing, Jasper 曾鈺成先生   | 240  | -                                       | -                                | -   | -               | 240             |
| Mr. Zhao Zhong Zhen 趙中振先生  | 240  | -                                       | -                                | -   | -               | 240             |
| Mr. Chan Ngai Chi 陳毅馳先生  | 240  | -                                       | -                                | -   | -               | 240             |
|  | 720  | 1,565                                   | 2,659                            | 8   | -               | 4,952           |

<sup>(1)</sup> Ms. Ding Yong Ling is also the Chief Executive of the Company.

<sup>(1)</sup> 丁永玲女士亦為本公司最高行政人員。

<sup>(2)</sup> Mr. Chen Fei was re-designated as Executive Director of the Company on 11 March 2021.

<sup>(2)</sup> 陳飛先生自2021年3月11日起獲調任為本公司執行董事。

<sup>(3)</sup> Mr. Zhang Huan Ping has retired as Executive Director of the Company on 11 March 2021.

<sup>(3)</sup> 張煥平先生自2021年3月11日起退任本公司執行董事。

9 BENEFITS AND INTERESTS OF DIRECTORS (DISCLOSURES REQUIRED BY SECTION 383 OF THE HONG KONG COMPANIES ORDINANCE (CAP. 622), COMPANIES (DISCLOSURE OF INFORMATION ABOUT BENEFITS OF DIRECTORS) REGULATION (CAP. 622G) AND HK LISTING RULES) (Continued)

(a) Directors' emoluments (Continued)

No directors of the Company waived or returned any emoluments and no emoluments were paid by the Group to any of the directors of the Company as an inducement to join or upon joining the Group or as a compensation for loss of office as a director.

(b) Directors' retirement benefits

None of the directors received or will receive any retirement benefit under a defined benefit scheme during the year ended 31 December 2021 (2020: Nil).

(c) Directors' termination benefits

No payment was made to any directors as compensation for the early termination of the appointment during the year ended 31 December 2021 (2020: Nil).

(d) Consideration provided to third parties for making available directors' services

No payment was made to the former employer of any directors for making available the services of them as a director of the Company during the year ended 31 December 2021 (2020: Nil).

(e) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

There are no loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors during the year ended 31 December 2021 (2020: Nil).

(f) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year ended 31 December 2021 (2020: Nil).

10 FINANCE (COSTS)/INCOME, NET

|  | 2021         | 2020         |
|--|--------------|--------------|
|  | HK\$'000 千港元 | HK\$'000 千港元 |
| Finance income 財務收益                    | 4,377        | 21,652       |
| Finance costs 財務支出                     |              |              |
| – Borrowing 借貸                         | (2)          | (7)          |
| – Lease liabilities 租賃負債               | (4,705)      | (4,293)      |
|  | (4,707)      | (4,300)      |
| Finance (costs)/income, net 淨財務(支出)/收益 | (330)        | 17,352       |

9 董事的利益和權益(由香港《公司條例》(第622章)第383條及公司(披露董事利益資料)規例)(第622G章)規定的披露及上市規則規定的披露)(續)

(a) 董事酬金(續)

本公司並無董事放棄或退讓任何酬金。本集團亦無向董事支付任何酬金，作為吸引加入集團之獎勵或在加入時獎勵或作為離職補償。

(b) 董事退休福利

本年度內並無已付或應付董事退休福利，作為其提供本公司或其附屬單位事務管理相關其他服務之酬勞(2020年：無)。

(c) 董事辭退福利

本年度內並無向董事支付任何酬金，作為其提前辭任的離職補償(2020年：無)。

(d) 聘任第三方人員為董事應支付的代價

本年度內並無因聘任第三方人員為本公司董事而應支付給該等人員前任僱主的代價(2020年：無)。

(e) 董事、董事控制企業、董事關聯實體之貸款、準貸款以及其他交易相關資訊

本年度內並無董事、董事控制企業、董事關聯實體之貸款、準貸款以及其他交易相關資訊(2020年：無)。

(f) 董事在本集團訂立的交易、安排或合同中的重大權益

本年度內或年結時，本集團概無簽訂任何涉及本集團之業務而本公司之董事直接或間接在其中擁有重大權益之重要交易、安排或合同(2020年：無)。

10 淨財務(支出)/收益

## 11 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

## 11 按權益法入賬之投資

(a) The amounts recognised in the consolidated balance sheet are as follows:

(a) 於綜合資產負債表確認的金額如下：

|                        | 2021         | 2020         |
|------------------------|--------------|--------------|
|                        | HK\$'000 千港元 | HK\$'000 千港元 |
| At 31 December 於12月31日 |              |              |
| Joint ventures 合營企業    | 17,297       | 17,763       |
| Associates 聯營公司        | 40,599       | -            |
|                        | 57,896       | 17,763       |

(b) The amounts recognised in the consolidated income statement are as follows:

(b) 於綜合利潤表確認的數額如下：

|  | 2021         | 2020         |
|--|--------------|--------------|
|  | HK\$'000 千港元 | HK\$'000 千港元 |
| For the year ended 31 December 截至12月31日止年度 |              |              |
| Joint ventures 合營企業                        | 124          | (860)        |
| Associates 聯營公司                            | 137          | -            |
|  | 261          | (860)        |

## (c) Interests in joint ventures

The Group has interests in a number of individually immaterial joint ventures. The following table analyses, in aggregate, the movement of the carrying amount of the Group's interests in these joint ventures, and its share of results, other comprehensive income and commitments of these joint ventures.

## (c) 於合營企業之權益

本集團擁有若干個別不重大的合營企業的權益。下表分析本集團合共所持該等合營企業的權益賬面值變動和應佔該等合營企業的業績、其他綜合收益及承擔。

|  | 2021         | 2020         |
|--|--------------|--------------|
|  | HK\$'000 千港元 | HK\$'000 千港元 |
| At 1 January 於1月1日   | 17,763       | 18,544       |
| Share of profits/(losses) 應佔年度利潤/(虧損)                        | 124          | (860)        |
| Share of other comprehensive income 應佔其他綜合收益                 |              |              |
| – Currency translation differences 貨幣兌換差額                    | (590)        | 79           |
| At 31 December 於12月31日                                       | 17,297       | 17,763       |
| The Group's share of joint ventures' commitments 本集團應佔合營企業承擔 | -            | 555          |

Notes:

- (a) The joint ventures are private companies and there are no quoted market prices available for their shares.
- (b) There are no contingent liabilities relating to the Group's interests in joint ventures.
- (c) Details of the joint ventures are set out in Note 30.

附註：

- (a) 合營企業為私人公司，其股份並無市場報價。
- (b) 並無有關本集團所持合營企業權益的或有負債。
- (c) 合營企業詳情載於附註30。

## 11 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

### (d) Interests in associates

- (i) Set out below is the associate of the Group as at 31 December 2021 which, in the opinion of the directors, is material to the Group.

On 30 September 2021, the Group completed the acquisition of 40% of the equity interests in Beijing Tong Ren Tang WM Dianorm Biotech Co., Limited (the “Target Company”) from an independent third party at a total consideration of RMB33,109,300 (equivalent to approximately HK\$39,832,000).

The management assessed that the Group has significant influence but not control over the Target Company, as such, the Target Company is accounted for as an associate of the Group under equity method.

The amount recognised in the consolidated balance sheet is as follows:

|   | 2021         |
|---|--------------|
|   | HK\$'000 千港元 |
| At 1 January 於1月1日  | -            |
| Acquisition of interest in an associate 收購一間聯營公司之權益         | 39,832       |
| Share of profits 應佔年度利潤                                     | 137          |
| Share of other comprehensive income 應佔其他綜合收益                |              |
| — Currency translation differences 貨幣兌換差額                   | 630          |
| At 31 December 於12月31日                                      | 40,599       |
| The Group's share of an associate's commitments 本集團應佔聯營公司承擔 | -            |

### Summarised financial information for an associate

|   | 2021           |
|---|----------------|
|   | HK\$'000 千港元   |
| <b>Assets and liabilities as at 31 December 於12月31日的資產及負債</b> |                |
| <b>Current assets 流動資產</b>                                    |                |
| Cash and cash equivalents 現金及現金等價物                            | 30,223         |
| Other current assets 其他流動資產                                   | 71,851         |
| <b>Total current assets 總流動資產</b>                             | <b>102,074</b> |
| <b>Non-current assets 非流動資產</b>                               | <b>17,324</b>  |
| <b>Current liabilities 流動負債</b>                               |                |
| Financial liabilities (excluding trade payables) 金融負債 (除應付賬款) | 3,146          |
| Other current liabilities 其他流動負債                              | 11,844         |
| <b>Total current liabilities 總流動負債</b>                        | <b>14,990</b>  |
| <b>Non-current liabilities 非流動負債</b>                          | <b>2,910</b>   |
| <b>Net assets 淨資產</b>   | <b>101,498</b> |

## 11 按權益法入賬之投資(續)

### (d) 於聯營公司之權益

- (i) 董事認為下文載列的聯營公司於2021年12月31日是本集團重要的聯營公司。

2021年9月30日，本集團完成向獨立第三方收購北京同仁堂麥爾海生物技術有限公司(「目標公司」)40%的股權，總對價為人民幣33,109,300元(相當於約39,832,000港元)。

管理層評估本集團對目標公司具有重大影響但不具有控制權，因此目標公司為本集團的聯營公司，按權益法核算。

於綜合資產負債表中確認之款項如下：

### 聯營公司的綜合財務資料概要

## 11 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (Continued)

## (d) Interests in associates (Continued)

- (i) Set out below is the associate of the Group as at 31 December 2021 which, in the opinion of the directors, is material to the Group. (Continued)

## Summarised financial information for an associate

|                                   | 2021         |
|-----------------------------------|--------------|
|                                   | HK\$'000 千港元 |
| Revenue 收入                        | 80,336       |
| Interest income 利息收入              | 211          |
| Depreciation 折舊                   | (522)        |
| Amortisation 攤銷                   | (602)        |
| Income tax expense 所得稅費用          | (464)        |
| <b>Loss for the period 期間損益</b>   | <b>(490)</b> |
| Other comprehensive income 其他綜合收益 | 1,575        |
| Total comprehensive income 綜合收益總額 | 1,085        |

## Reconciliation of summarized consolidated financial information

## 綜合財務資料概要的對賬

|   | 2021         |
|---|--------------|
|   | HK\$'000 千港元 |
| Net assets as at acquisition date 於收購日資產淨值                              | 99,579       |
| Profits for the period since acquisition 收購後期間利潤                        | 344          |
| Other comprehensive income for the period since acquisition 收購後期間其他綜合收益 | 1,575        |
| Closing net assets 期末資產淨值   | 101,498      |
| Interest in an associate (40%) 於一間聯營公司之權益(40%)                          | 40,599       |

- (ii) The Group has interests in a number of individually immaterial associates.

- (ii) 本集團擁有若干個別不重大的聯營公司的權益。

|  | 2021         | 2020         |
|--|--------------|--------------|
|  | HK\$'000 千港元 | HK\$'000 千港元 |
| Aggregate carrying amount of individually immaterial associate 聯營公司賬面值 | -            | -            |
| The Group's share of associates' commitments 本集團應佔聯營公司承擔               | -            | -            |

## Notes:

- (a) The associates are private companies and there are no quoted market prices available for their shares.
- (b) There are no contingent liabilities relating to the Group's interests in associates.
- (c) In 2021 and 2020, the Group has not recognised its share of loss of one of its associates as its share of accumulated losses has exceeded its investment cost.

## 附註：

- (a) 聯營公司為私人公司，其股份並無市場報價。
- (b) 並無有關本集團所持聯營公司權益的或有負債。
- (c) 因本集團應佔一間聯營公司的虧損超過本集團於該聯營公司之投資成本，故於2021年及2020年並無確認其應佔的虧損。

## 12 INCOME TAX EXPENSE

Hong Kong profits tax has been provided for at the rate of 16.5% (2020: 16.5%) on the estimated assessable profit for the year. PRC corporate income tax has been provided at the rate of 25% (2020: 25%) on the estimated assessable profits for the year of the subsidiaries operating in the Mainland China. Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

|   | 2021           | 2020           |
|---|----------------|----------------|
|   | HK\$'000 千港元   | HK\$'000 千港元   |
| Current income tax 當期所得稅                            |                |                |
| – Current year 本年度                                  | 135,399        | 120,643        |
| – (Over)/under-provision in prior years 往年(多計)/少計撥備 | (993)          | 1,041          |
|   | 134,406        | 121,684        |
| Deferred income tax (Note 19) 遞延所得稅(附註19)           | (7,558)        | (3,670)        |
| <b>Income tax expense 所得稅支出</b>                     | <b>126,848</b> | <b>118,014</b> |

The income tax on the Group's profit before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

|   | 2021           | 2020           |
|---|----------------|----------------|
|   | HK\$'000 千港元   | HK\$'000 千港元   |
| <b>Profit before income tax 除所得稅前利潤</b>   | <b>778,391</b> | <b>685,895</b> |
| Tax calculated at domestic tax rates applicable to profits in the respective countries<br>按個別國家利潤相關的國內稅率計算之稅項 | 127,564        | 117,687        |
| Tax effects of: 以下的稅務影響:  |                |                |
| – Income not subject to tax 免稅收益  | (1,134)        | (6,588)        |
| – Expenses not deductible for tax purposes 不可扣稅開支   | 2,458          | 4,560          |
| – Tax losses for which no deferred income tax asset was recognised 未確認遞延所得稅資產的稅項虧損                            | 774            | 2,030          |
| – Withholding income tax on royalty fee from overseas entities 自海外實體品牌使用費代扣所得稅                                | 41             | 14             |
| – Withholding income tax on dividend income 股息收入代扣所得稅   | 297            | –              |
| – (Over)/under-provision in prior years 往年(多計)/少計撥備   | (993)          | 1,041          |
| – Research and development enhanced deduction 研究開發費的加倍扣稅額   | (484)          | (181)          |
| – Others 其他   | (1,675)        | (549)          |
| <b>Income tax expense 所得稅</b>   | <b>126,848</b> | <b>118,014</b> |

## 13 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

|   | 2021         | 2020         |
|---|--------------|--------------|
|   | HK\$'000 千港元 | HK\$'000 千港元 |
| Profit attributable to owners of the Company (HK\$'000) 本公司擁有人應佔利潤(千港元)         | 607,838      | 542,456      |
| Weighted average number of ordinary shares in issue (thousands) 已發行普通股加權平均數(千股) | 837,100      | 837,100      |
| Earnings per share (HK\$) 每股盈利(港元)  | 0.73         | 0.65         |

For the years ended 31 December 2021 and 2020, diluted earnings per share is the same as basic earnings per share as there were no potential dilutive shares.

## 12 所得稅支出

就年內估計應課稅利潤按16.5%(2020年:16.5%)的稅率計提香港利得稅。就中國內地營運附屬公司年內估計應課稅利潤按25%(2020年:25%)的稅率計提中國企業所得稅。海外利潤的稅項基於年內估計應課稅利潤按本集團經營所在國家的現行稅率計算。

本集團除稅前利潤的所得稅與採用適用於合併入賬實體利潤的加權平均稅率計算的理論金額差異如下:

## 13 每股盈利

每股基本盈利乃按本公司擁有人應佔利潤除以年內已發行普通股的加權平均數計算。

截至2021年及2020年12月31日止年度，因為無具潛在攤薄效應之股份，每股攤薄溢利等於每股基本盈利。

## 14 DIVIDENDS

The dividends paid in 2021 and 2020 were HK\$200,904,000 (HK\$0.24 per share) and HK\$192,533,000 (HK\$0.23 per share) respectively. There was no interim dividend declared or paid in 2021 and 2020. Dividend in respect of the year ended 31 December 2021 of HK\$0.28 per share, amounting to a total dividend of HK\$234,388,000, is to be proposed at the annual general meeting on 10 June 2022. These financial statements do not reflect this dividend payable.

|  | 2021         | 2020         |
|--|--------------|--------------|
|  | HK\$'000 千港元 | HK\$'000 千港元 |
| Proposed final dividend of HK\$0.28 (2020: HK\$0.24) per ordinary share<br>建議每股普通股末期股息0.28港元(2020年：0.24港元) | 234,388      | 200,904      |

## 15 RIGHT-OF-USE ASSETS

|   | Leasehold land<br>租賃土地 | Buildings<br>樓宇 | Total<br>合計  |
|---|------------------------|-----------------|--------------|
|   | HK\$'000 千港元           | HK\$'000 千港元    | HK\$'000 千港元 |
| <b>At 1 January 2020 於2020年1月1日</b>     | 98,139                 | 96,918          | 195,057      |
| Additions 增加                            | -                      | 52,574          | 52,574       |
| Modification 變更                         | -                      | 150             | 150          |
| Depreciation charge (Note 7) 折舊支出(附註7)  | (2,668)                | (52,886)        | (55,554)     |
| Currency translation differences 貨幣兌換差額 | -                      | 2,215           | 2,215        |
| <b>At 31 December 2020 於2020年12月31日</b> | 95,471                 | 98,971          | 194,442      |
| <b>At 1 January 2021 於2021年1月1日</b>     | 95,471                 | 98,971          | 194,442      |
| Additions 增加                            | -                      | 58,093          | 58,093       |
| Modification 變更                         | -                      | 17,788          | 17,788       |
| Depreciation charge (Note 7) 折舊支出(附註7)  | (2,668)                | (51,980)        | (54,648)     |
| Currency translation differences 貨幣兌換差額 | -                      | (1,420)         | (1,420)      |
| <b>At 31 December 2021 於2021年12月31日</b> | 92,803                 | 121,452         | 214,255      |

(a) The total cash outflow for leases, including the payments made in relation to lease liabilities and expenses relating to short-term and variable lease payments in 2021 was HK\$69,697,000 (2020: HK\$64,141,000).

## (b) The Group's leasing activities and how these are accounted for

The Group leases various offices, warehouses and retail stores. Rental contracts are typically made for fixed periods of 6 months to 10 years (2020: 6 months to 10 years), but may have extension options as described below.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets must not be used as security for borrowing purposes.

Some property leases contain variable payment terms that are linked to sales generated from a store. For individual stores, variable lease payments are calculated based on percentages of revenue generated by certain retail outlets that exceed their fixed rentals. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Extension and termination options are included in a number of property leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

## 14 股息

2021年及2020年的已付股息分別為200,904,000港元(每股0.24港元)及192,533,000港元(每股0.23港元)。2021年及2020年無分派中期股息。截至2021年12月31日止年度的股息每股0.28港元(股息總額為234,388,000港元)將於本公司在2022年6月10日舉行的股東週年大會上提呈。該等財務報表並無反映該應付股息。

## 15 使用權資產

|   | Leasehold land<br>租賃土地 | Buildings<br>樓宇 | Total<br>合計  |
|---|------------------------|-----------------|--------------|
|   | HK\$'000 千港元           | HK\$'000 千港元    | HK\$'000 千港元 |
| <b>At 1 January 2020 於2020年1月1日</b>     | 98,139                 | 96,918          | 195,057      |
| Additions 增加                            | -                      | 52,574          | 52,574       |
| Modification 變更                         | -                      | 150             | 150          |
| Depreciation charge (Note 7) 折舊支出(附註7)  | (2,668)                | (52,886)        | (55,554)     |
| Currency translation differences 貨幣兌換差額 | -                      | 2,215           | 2,215        |
| <b>At 31 December 2020 於2020年12月31日</b> | 95,471                 | 98,971          | 194,442      |
| <b>At 1 January 2021 於2021年1月1日</b>     | 95,471                 | 98,971          | 194,442      |
| Additions 增加                            | -                      | 58,093          | 58,093       |
| Modification 變更                         | -                      | 17,788          | 17,788       |
| Depreciation charge (Note 7) 折舊支出(附註7)  | (2,668)                | (51,980)        | (54,648)     |
| Currency translation differences 貨幣兌換差額 | -                      | (1,420)         | (1,420)      |
| <b>At 31 December 2021 於2021年12月31日</b> | 92,803                 | 121,452         | 214,255      |

(a) 2021年因租賃發生的現金流出合計為69,697,000港元(2020年：64,141,000港元)，包括對租賃負債的現金支付以及短期租賃付款額和可變租賃付款額。

## (b) 集團的租賃活動及其會計處理

本集團租用多處辦公室、庫房和零售店舖。租賃合同通常是固定期限，6個月至10年(2020年：6個月至10年)不等，還可能包含下文所述的續租選擇權。

租賃期限應在每項租賃的基礎上進行商談，並可能包含不同的條款和條件。租賃協議不應包含出租人持有的租賃資產的擔保利息之外的任何契約。租賃資產不得用作借款擔保。

部分房地產租賃包含與店舖的銷售額掛鉤的可變付款額條款。對於各店舖，可變租賃付款額是根據零售店超過其固定租金的營業額部分所佔百分比計算的。根據銷售額確定的可變租賃付款額在觸發該等付款額的條件發生的期間計入損益。

本集團有大量房地產租賃包含續租選擇權和終止租賃選擇權，以在本集團經營所用的資產管理方面最大程度地提高運營的靈活性。本集團持有的大部分續租選擇權和終止租賃選擇權僅由本集團行使，而非由相應的出租人行使。

## 16 PROPERTY, PLANT AND EQUIPMENT

## 16 物業、廠房及設備

|   | Freehold land<br>永久業權土地 | Buildings<br>樓宇 | Leasehold<br>improvement<br>租賃物業裝修 | Plant and<br>machinery<br>廠房及機器 | Furniture<br>and<br>equipment<br>傢俱及設備 | Motor<br>vehicles<br>汽車 | Total<br>合計  |
|---|-------------------------|-----------------|------------------------------------|---------------------------------|--|-------------------------|--------------|
|   | HK\$'000 千港元            | HK\$'000 千港元    | HK\$'000 千港元                       | HK\$'000 千港元                    | HK\$'000 千港元                           | HK\$'000 千港元            | HK\$'000 千港元 |
| <b>Year ended 31 December 2020 截至2020年12月31日止年度</b> |                         |                 |                                    |                                 |  |                         |              |
| Opening net book amount 期初帳面淨值                      | 48,149                  | 100,970         | 16,907                             | 13,512                          | 14,242                                 | 1,089                   | 194,869      |
| Additions 增加  | –                       | –               | 2,179                              | 1,984                           | 2,690                                  | 1,044                   | 7,897        |
| Disposals (Note 27(b)) 處置 (附註27(b))                 | –                       | –               | (2,048)                            | (9)                             | (97)                                   | –                       | (2,154)      |
| Depreciation charge (Note 7) 折舊支出 (附註7)             | –                       | (3,113)         | (4,871)                            | (1,709)                         | (6,671)                                | (354)                   | (16,718)     |
| Currency translation differences 貨幣兌換差額             | 668                     | 2,074           | 449                                | –                               | 282                                    | 12                      | 3,485        |
| Closing net book amount 期末帳面淨值                      | 48,817                  | 99,931          | 12,616                             | 13,778                          | 10,446                                 | 1,791                   | 187,379      |
| <b>At 31 December 2020 於2020年12月31日</b>             |                         |                 |                                    |                                 |  |                         |              |
| Cost 成本   | 48,817                  | 134,210         | 67,752                             | 59,455                          | 41,801                                 | 4,664                   | 356,699      |
| Accumulated depreciation and impairment 累計折舊及減值     | –                       | (34,279)        | (55,136)                           | (45,677)                        | (31,355)                               | (2,873)                 | (169,320)    |
| Net book amount 帳面淨值                                | 48,817                  | 99,931          | 12,616                             | 13,778                          | 10,446                                 | 1,791                   | 187,379      |

|   | Freehold land<br>永久業權土地 | Buildings<br>樓宇 | Leasehold<br>improvement<br>租賃物業裝修 | Plant and<br>machinery<br>廠房及機器 | Furniture<br>and<br>equipment<br>傢俱及設備 | Motor<br>vehicles<br>汽車 | Total<br>合計  |
|---|-------------------------|-----------------|------------------------------------|---------------------------------|--|-------------------------|--------------|
|   | HK\$'000 千港元            | HK\$'000 千港元    | HK\$'000 千港元                       | HK\$'000 千港元                    | HK\$'000 千港元                           | HK\$'000 千港元            | HK\$'000 千港元 |
| <b>Year ended 31 December 2021 截至2021年12月31日止年度</b> |                         |                 |                                    |                                 |  |                         |              |
| Opening net book amount 期初帳面淨值                      | 48,817                  | 99,931          | 12,616                             | 13,778                          | 10,446                                 | 1,791                   | 187,379      |
| Additions 增加  | 410                     | 1,641           | 2,681                              | 2,765                           | 3,856                                  | –                       | 11,353       |
| Disposals (Note 27(b)) 處置 (附註27(b))                 | –                       | –               | (379)                              | (2)                             | (78)                                   | –                       | (459)        |
| Depreciation charge (Note 7) 折舊支出 (附註7)             | –                       | (3,163)         | (3,392)                            | (1,936)                         | (4,167)                                | (411)                   | (13,069)     |
| Currency translation differences 貨幣兌換差額             | (405)                   | (1,248)         | (169)                              | –                               | (64)                                   | (9)                     | (1,895)      |
| Closing net book amount 期末帳面淨值                      | 48,822                  | 97,161          | 11,357                             | 14,605                          | 9,993                                  | 1,371                   | 183,309      |
| <b>At 31 December 2021 於2021年12月31日</b>             |                         |                 |                                    |                                 |  |                         |              |
| Cost 成本   | 48,822                  | 134,457         | 68,211                             | 62,123                          | 43,118                                 | 4,615                   | 361,346      |
| Accumulated depreciation and impairment 累計折舊及減值     | –                       | (37,296)        | (56,854)                           | (47,518)                        | (33,125)                               | (3,244)                 | (178,037)    |
| Net book amount 帳面淨值                                | 48,822                  | 97,161          | 11,357                             | 14,605                          | 9,993                                  | 1,371                   | 183,309      |

As at 31 December 2021, bank borrowing is secured by a freehold land and building amounted to HK\$10,406,000 (2020: HK\$11,255,000) (Note 25).

於2021年12月31日，銀行借款以賬面值10,406,000港元（2020年：11,255,000港元）的永久業權土地及樓宇作為抵押（附註25）。

Depreciation expenses were charged to the consolidated income statement as follows:

於綜合利潤表中計入折舊開支如下：

|   | 2021         | 2020         |
|---|--------------|--------------|
|   | HK\$'000 千港元 | HK\$'000 千港元 |
| Cost of sales 銷售成本                          | 4,935        | 4,559        |
| Distribution and selling expenses 分銷及銷售開支   | 4,428        | 7,391        |
| General and administrative expenses 一般及行政開支 | 3,706        | 4,768        |
|   | 13,069       | 16,718       |

No impairment loss on property, plant and equipment was charged to general and administrative expenses in the consolidated income statement for the years ended at 31 December 2020 and 2021.

2020及2021年度並無減值計提於綜合利潤表的一般及行政開支中計入。

## 17 INTANGIBLE ASSETS

The net book value of the Group's intangible assets is analysed as follows:

|   | Goodwill<br>商譽 | Computer software<br>電腦軟件 | Other intangible<br>assets<br>其他無形資產 | Total<br>總額  |
|---|----------------|---------------------------|--------------------------------------|--------------|
|   | HK\$'000 千港元   | HK\$'000 千港元              | HK\$'000 千港元                         | HK\$'000 千港元 |
| At 1 January 2020 於2020年1月1日                                  | 49,419         | –                         | 11,250                               | 60,669       |
| Amortisation (Note 7) 攤銷 (附註7)                                | –              | –                         | (5,814)                              | (5,814)      |
| Currency translation difference 貨幣兌換差額                        | –              | –                         | (19)                                 | (19)         |
| At 31 December 2020 and 1 January 2021 於2020年12月31日及2021年1月1日 | 49,419         | –                         | 5,417                                | 54,836       |
| Additions 增加  | –              | 8,372                     | –                                    | 8,372        |
| Amortisation (Note 7) 攤銷 (附註7)                                | –              | (955)                     | (1,300)                              | (2,255)      |
| At 31 December 2021 於2021年12月31日                              | 49,419         | 7,417                     | 4,117                                | 60,953       |

Note:

Other intangible assets represent customer relationships, a management contract and an exclusive supply contract.

## Impairment test for goodwill

The Group recognised a goodwill of HK\$49,419,000 in 2015 as a result of the acquisition of the equity interest in Honour Essence Trading Limited, which is principally engaged in the distribution of Chinese medicine products in Hong Kong. The goodwill has been allocated for impairment testing to this Honour Essence Trading Limited CGU within the Hong Kong segment.

Goodwill is monitored by management at the operating segment level. For the purpose of impairment testing, the goodwill arising on acquisition is allocated to the Group's cash generating units ("CGU") within the Hong Kong segment.

The recoverable amount of the CGU is determined by management based on value-in-use calculation. The key assumptions adopted in the value-in-use calculation are based on management's best estimates and past experience.

The value-in-use calculation is based on a five-year financial budget approved by management, with five-year sales growth rate ranging between 3% to 6% (2020: 0% to 21%). Cash flows beyond the five-year period are extrapolated using the estimated growth rate of 3% (2020: 3%). A pre-tax discount rate of 16% (2020: 16%) is used which reflects the specific risks relating to the relevant operating segment.

There was no impairment required from the review on goodwill. A reasonably change in assumptions would not result in impairment as a such disclosure of sensitivity analysis is not considered necessary.

## 18 FINANCIAL ASSET AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

FVOCI represents a Hong Kong listed equity security which is denominated in Hong Kong dollars. This is a strategic investment which is not held for trading and the Group considers this classification to be more relevant. Its fair value is analysed as follow:

|   | 2021         | 2020         |
|---|--------------|--------------|
|   | HK\$'000 千港元 | HK\$'000 千港元 |
| At 1 January 於1月1日  | 6,108        | 10,983       |
| Loss recognised in other comprehensive income 虧損計入至其他綜合收益 | (645)        | (4,875)      |
| At 31 December 於12月31日                                    | 5,463        | 6,108        |

## 17 無形資產

本集團的無形資產的賬面淨值分析如下：

|   | Goodwill<br>商譽 | Computer software<br>電腦軟件 | Other intangible<br>assets<br>其他無形資產 | Total<br>總額  |
|---|----------------|---------------------------|--------------------------------------|--------------|
|   | HK\$'000 千港元   | HK\$'000 千港元              | HK\$'000 千港元                         | HK\$'000 千港元 |
| At 1 January 2020 於2020年1月1日                                  | 49,419         | –                         | 11,250                               | 60,669       |
| Amortisation (Note 7) 攤銷 (附註7)                                | –              | –                         | (5,814)                              | (5,814)      |
| Currency translation difference 貨幣兌換差額                        | –              | –                         | (19)                                 | (19)         |
| At 31 December 2020 and 1 January 2021 於2020年12月31日及2021年1月1日 | 49,419         | –                         | 5,417                                | 54,836       |
| Additions 增加  | –              | 8,372                     | –                                    | 8,372        |
| Amortisation (Note 7) 攤銷 (附註7)                                | –              | (955)                     | (1,300)                              | (2,255)      |
| At 31 December 2021 於2021年12月31日                              | 49,419         | 7,417                     | 4,117                                | 60,953       |

附註：

其他無形資產分別為客戶關係、管理合同及獨家供貨合同。

## 商譽減值測試

本集團於2015年收購大宏貿易有限公司(其主要業務為於香港從事分銷中藥產品)時確認其商譽為49,419,000港元。商譽被分配至香港分部大宏貿易有限公司的現金產出單位中進行減值測試。

管理層在經營分部層面監測商譽。為了減值測試的目的，商譽已分配至本集團之香港地區內的已辨識的現金產生單位。

現金產生單位的可收回金額是管理層根據使用價值計算法而釐定。用於計算使用價值的關鍵假設是基於管理層的最佳估計和過去的經驗而釐定。

使用價值計算是基於管理層通過的五年財政預算。五年期銷售增長率為3%至6%(2020: 0%至21%)。五年期以後之財政預算乃使用3%(2020: 3%)的估計增長率推算。所用之稅前貼現率為16%(2020: 16%)，反映有關分部之特定風險。

商譽經減值測試後不需要減值。由於假設的合理變化不會導致減值，所以不需要披露敏感性分析。

## 18 以公允價值計量且其變動計入其他綜合收益的金融資產

以公允價值計量且其變動計入其他綜合收益的金融資產為以港元結算的香港上市公司證券，屬於戰略性投資及非交易性權益證券，本集團認為這一分類更恰當。其公允價值分析如下：

## 19 DEFERRED INCOME TAX

The analysis of deferred income tax assets and liabilities is as follows:

|  | 2021         | 2020         |
|--|--------------|--------------|
|  | HK\$'000 千港元 | HK\$'000 千港元 |
| Deferred income tax assets 遞延所得稅資產   | 45,931       | 32,449       |
| – Set-off of deferred tax liabilities pursuant to set-off provisions 按照抵銷規定所抵銷的遞延所得稅負債 | (23,881)     | (19,385)     |
| Deferred income tax assets, net 淨遞延所得稅資產   | 22,050       | 13,064       |
| Deferred income tax liabilities 遞延所得稅負債  | (31,028)     | (25,081)     |
| – Set-off of deferred tax liabilities pursuant to set-off provisions 按照抵銷規定所抵銷的遞延所得稅負債 | 23,881       | 19,385       |
| Deferred income tax liabilities, net 淨遞延所得稅負債  | (7,147)      | (5,696)      |
| Deferred income tax, net 遞延所得稅淨額   | 14,903       | 7,368        |

The net movement in the deferred income tax account is as follows:

|   | 2021         | 2020         |
|---|--------------|--------------|
|   | HK\$'000 千港元 | HK\$'000 千港元 |
| At 1 January 於1月1日  | 7,368        | 3,561        |
| Credited to the consolidated income statement (Note 12) 計入綜合利潤表(附註12) | 7,558        | 3,670        |
| Currency translation differences 貨幣兌換差額                               | (23)         | 137          |
| At 31 December 於12月31日  | 14,903       | 7,368        |

The gross movements in deferred income tax assets and liabilities, without taking into consideration the offsetting of balances within the same tax jurisdiction, are as follows:

|   | Accelerated accounting depreciation 加速會計折舊 | Unrealised profit resulting from intragroup transactions 集團內部交易產生的未變現利潤 | Provisions 撥備 | Lease liabilities 租賃負債 | Total 總計      |
|---|--|---|---------------|------------------------|---------------|
|   | HK\$'000 千港元                               | HK\$'000 千港元  | HK\$'000 千港元  | HK\$'000 千港元           | HK\$'000 千港元  |
| <b>Deferred income tax assets 遞延所得稅資產</b>                             |  |   |               |                        |               |
| At 1 January 2020 於2020年1月1日  | 82   | 7,480   | 1,038         | 20,229                 | 28,829        |
| (Charged)/credited to the consolidated income statement (扣自)/計入綜合利潤表  | (51)                                       | 3,056   | 724           | (913)                  | 2,816         |
| Currency translation differences 貨幣兌換差額                               | (1)  | –   | 112           | 693                    | 804           |
| <b>At 31 December 2020 and 1 January 2021 於2020年12月31日以及2021年1月1日</b> | <b>30</b>                                  | <b>10,536</b>   | <b>1,874</b>  | <b>20,009</b>          | <b>32,449</b> |
| Credited to the consolidated income statement 計入綜合利潤表                 | –  | 6,625   | 2,972         | 4,365                  | 13,962        |
| Currency translation differences 貨幣兌換差額                               | –  | –   | (3)           | (477)                  | (480)         |
| <b>At 31 December 2021 於2021年12月31日</b>                               | <b>30</b>                                  | <b>17,161</b>   | <b>4,843</b>  | <b>23,897</b>          | <b>45,931</b> |

|   | Accelerated tax depreciation 加速稅項折舊 | Right-of-use assets 使用權資產 | Total 總額        |
|---|-------------------------------------|---------------------------|-----------------|
|   | HK\$'000 千港元                        | HK\$'000 千港元              | HK\$'000 千港元    |
| <b>Deferred income tax liabilities 遞延所得稅負債</b>                        |                                     |                           |                 |
| At 1 January 2020 於2020年1月1日  | (5,418)                             | (19,850)                  | (25,268)        |
| (Charged)/credited to the consolidated income statement (扣自)/計入綜合利潤表  | (520)                               | 1,374                     | 854             |
| Currency translation differences 貨幣兌換差額                               | (6)                                 | (661)                     | (667)           |
| <b>At 31 December 2020 and 1 January 2021 於2020年12月31日以及2021年1月1日</b> | <b>(5,944)</b>                      | <b>(19,137)</b>           | <b>(25,081)</b> |
| Charged to the consolidated income statement 扣自綜合利潤表                  | (2,268)                             | (4,136)                   | (6,404)         |
| Currency translation differences 貨幣兌換差額                               | –                                   | 457                       | 457             |
| <b>At 31 December 2021 於2021年12月31日</b>                               | <b>(8,212)</b>                      | <b>(22,816)</b>           | <b>(31,028)</b> |

遞延所得稅資產及負債的分析如下：

遞延所得稅賬目淨變動如下：

在不考慮同一稅務司法權區內結餘抵銷的情況下，遞延所得稅資產及負債總變動如下：

## 19 DEFERRED INCOME TAX (Continued)

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. The Group did not recognise deferred income tax assets of approximately HK\$10,859,000 (2020: HK\$12,970,000) in respect of tax losses amounting to approximately HK\$60,091,000 (2020: HK\$71,209,000) at 31 December 2021 that can be carried forward against future taxable income. These tax losses have no expiry dates except for the tax losses of HK\$17,168,000 (2020: HK\$26,584,000) which will expire between 2022 and 2040 (2020: expire between 2021 and 2040).

The Group did not recognise the deferred income tax liabilities of HK\$6,558,000 (2020: HK\$5,709,000) in respect of the withholding tax that would be payable on the unremitted earnings of certain subsidiaries amounting to HK\$131,161,000 (2020: HK\$114,189,000) at 31 December 2021, as the Group can control the dividend policies of these subsidiaries and these unremitted earnings will not be distributed in the foreseeable future.

## 20 INVENTORIES

|   | 2021         | 2020         |
|---|--------------|--------------|
|   | HK\$'000 千港元 | HK\$'000 千港元 |
| Raw materials 原材料                               | 293,992      | 344,049      |
| Work in progress 在製品                            | 2,114        | 5,148        |
| Finished goods and trading merchandise 製成品及貿易商品 | 135,759      | 146,181      |
|   | 431,865      | 495,378      |

The cost of inventories recognised as expense and included in "cost of sales" amounted to HK\$351,189,000 (2020: HK\$284,198,000).

## 21 TRADE RECEIVABLES AND OTHER CURRENT ASSETS

|   | 2021         | 2020         |
|---|--------------|--------------|
|   | HK\$'000 千港元 | HK\$'000 千港元 |
| Trade receivables 貿易應收款項                                |              |              |
| — immediate holding company 直接控股公司                      | 288          | 3,596        |
| — fellow subsidiaries 同系附屬公司                            | 23,974       | 364,721      |
| — joint ventures 合營企業                                   | 2,693        | 1,931        |
| — associate 聯營公司  | 27,148       | 8,477        |
| — third parties 第三方                                     | 487,111      | 174,720      |
| Trade receivables, gross 貿易應收款項，總額                      | 541,214      | 553,445      |
| Less: loss allowance (note d) 減：減值損失 (附註d)              | (14,737)     | (6,993)      |
| Trade receivables, net 淨貿易應收款項                          | 526,477      | 546,452      |
| Prepayments and other receivables 預付款項及其他應收款項           | 24,175       | 23,738       |
| Deposits 按金   | 17,756       | 19,272       |
| Amount due from a joint venture (note b) 應收合營企業款項 (附註b) | 970          | 970          |
|   | 569,378      | 590,432      |

Notes:

- (a) The fair values of trade receivables and other current assets approximate their carrying amounts.
- (b) The amount is repayable on demand, unsecured in nature and bears no interest.

## 19 遞延所得稅(續)

倘可通過未來應課稅利潤變現相關稅項優惠，則就稅項虧損結轉確認遞延所得稅資產。本集團並沒就可結轉以抵銷未來應課稅收益的虧損60,091,000港元(2020年：71,209,000港元)確認遞延所得稅資產約10,859,000港元(2020年：12,970,000港元)。除稅項虧損17,168,000港元(2020年：26,584,000港元)惟於2022至2040年間到期(2020年：2021至2040年間到期)，該等稅項虧損並無屆滿日期。

於2021年12月31日，本集團並無就若干附屬公司未結匯之盈利131,161,000港元(2020年：114,189,000港元)計提應付之代扣稅項之遞延所得稅負債6,558,000港元(2020年：5,709,000港元)，此乃由於集團能夠控制這些附屬公司的股息政策，並且這些未結匯的利潤不會在可預見的未來分配。

## 20 存貨

|   | 2021         | 2020         |
|---|--------------|--------------|
|   | HK\$'000 千港元 | HK\$'000 千港元 |
| Raw materials 原材料                               | 293,992      | 344,049      |
| Work in progress 在製品                            | 2,114        | 5,148        |
| Finished goods and trading merchandise 製成品及貿易商品 | 135,759      | 146,181      |
|   | 431,865      | 495,378      |

截至2021年12月31日止年度，確認為開支並計入「銷售成本」的存貨成本為351,189,000港元(2020年：284,198,000港元)。

## 21 貿易應收款項及其他流動資產

|   | 2021         | 2020         |
|---|--------------|--------------|
|   | HK\$'000 千港元 | HK\$'000 千港元 |
| Trade receivables 貿易應收款項                                |              |              |
| — immediate holding company 直接控股公司                      | 288          | 3,596        |
| — fellow subsidiaries 同系附屬公司                            | 23,974       | 364,721      |
| — joint ventures 合營企業                                   | 2,693        | 1,931        |
| — associate 聯營公司  | 27,148       | 8,477        |
| — third parties 第三方                                     | 487,111      | 174,720      |
| Trade receivables, gross 貿易應收款項，總額                      | 541,214      | 553,445      |
| Less: loss allowance (note d) 減：減值損失 (附註d)              | (14,737)     | (6,993)      |
| Trade receivables, net 淨貿易應收款項                          | 526,477      | 546,452      |
| Prepayments and other receivables 預付款項及其他應收款項           | 24,175       | 23,738       |
| Deposits 按金   | 17,756       | 19,272       |
| Amount due from a joint venture (note b) 應收合營企業款項 (附註b) | 970          | 970          |
|   | 569,378      | 590,432      |

附註：

- (a) 貿易應收款項及其他流動資產的公允價值與其賬面值相若。
- (b) 該款項須於要求時償還、無抵押及免息。

21 TRADE RECEIVABLES AND OTHER CURRENT ASSETS  
(Continued)

Notes: (Continued)

- (c) Retail sales at the Group's stores are usually made in cash or by debit or credit cards. For wholesales to customers (including related parties), the Group grants credit periods ranging from 30 to 180 days (2020: 30 to 90 days).

At 31 December 2021 and 2020, the aging analysis of trade receivables based on invoice date (including amounts due from related parties of trading in nature) is as follows:

|                        | 2021           | 2020           |
|------------------------|----------------|----------------|
|                        | HK\$'000 千港元   | HK\$'000 千港元   |
| Up to 90 days 90天      | 457,121        | 344,216        |
| 91-180 days 91天至180天   | 45,779         | 67,156         |
| 181-365 days 181天至365天 | 29,803         | 59,542         |
| Over 365 days 365天以上   | 8,511          | 82,531         |
|                        | <b>541,214</b> | <b>553,445</b> |

- (d) The Group applies HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. This resulted in loss allowance amounted to HK\$14,737,000 (2020: HK\$6,993,000) for trade receivables as at 31 December 2021. Please refer to Note 3(a)(ii) for details about the calculation of the allowance and the Group's exposure to credit risk.

The loss allowances for trade receivables as at 31 December reconcile to the opening loss allowances as follows:

|  | 2021          | 2020         |
|--|---------------|--------------|
|  | HK\$'000 千港元  | HK\$'000 千港元 |
| Loss allowance as at 1 January 於1月1日減值損失                                   | 6,993         | 3,351        |
| Loss allowance of trade receivables for the year (Note 7) 貿易應收款之減值計提 (附註7) | 7,522         | 3,327        |
| Exchange difference 匯兌差額   | 222           | 315          |
| Loss allowance as at 31 December 於12月31日減值損失                               | <b>14,737</b> | <b>6,993</b> |

- (e) The carrying amounts of the Group's trade receivables and other current assets are denominated in the following currencies:

|                         | 2021           | 2020           |
|-------------------------|----------------|----------------|
|                         | HK\$'000 千港元   | HK\$'000 千港元   |
| Hong Kong dollar 港元     | 268,271        | 171,315        |
| Renminbi 人民幣            | 282,943        | 399,258        |
| United States dollar 美元 | 8,568          | 9,045          |
| Australian dollar 澳元    | 1,810          | 674            |
| Canadian dollar 加元      | 1,251          | 1,388          |
| Euro 歐元                 | 1,154          | 1,435          |
| South Korea won 韓元      | 590            | 2,718          |
| Other currencies 其他貨幣   | 4,791          | 4,599          |
|                         | <b>569,378</b> | <b>590,432</b> |

- (f) At 31 December 2021, the Group does not hold any collateral as security (2020: nil).

## 21 貿易應收款項及其他流動資產(續)

附註：(續)

- (c) 本集團零售業務通常以現金、借記卡或信用卡進行。而就批發予客戶(包括關聯方)而言，本集團授出的信貸期為30至180天(2020年：30至90天)。

於2021年及2020年12月31日，根據發票日期的貿易應收款項(包括應收關連方的貿易款項)的賬齡分析如下：

- (d) 本集團採用香港財務報告準則第9號的簡化方法計量預期信用損失，即對所有貿易應收款項確認整個存續期的預期損失撥備。於2021年12月31日，產生的貿易應收款項損失撥備為14,737,000港元(2020：6,993,000港元)。附註3(a)(ii)說明撥備計算的詳細情況。

於12月31日，貿易應收款項之減值計提與期初貿易應收款項之減值計提的調整如下：

- (e) 本集團的貿易應收款項及其他流動資產的賬面值以下列貨幣計值：

- (f) 於2021年12月31日，本集團並無持有任何抵押品作為擔保(2020年：無)。

## 22 CASH AND BANK BALANCES

## 22 現金及銀行結餘

|   | 2021         | 2020         |
|---|--------------|--------------|
|   | HK\$'000 千港元 | HK\$'000 千港元 |
| Cash and cash equivalents 現金及現金等價物  |              |              |
| – Cash at bank and on hand 銀行及庫存現金  | 652,482      | 497,829      |
| – Short-term bank deposits with original maturities within three months 原期限為三個月或以內之短期銀行存款 | 1,007,822    | 928,211      |
|   | 1,660,304    | 1,426,040    |
| Short-term bank deposits with original maturities exceeding three months 原期限為三個月以上之短期銀行存款 | 615,264      | 421,097      |
| Total 總計  | 2,275,568    | 1,847,137    |

At 31 December 2021, the Group's cash and cash equivalents and short-term bank deposits included balances of HK\$154,041,000 (2020: HK\$117,886,000), which were deposits with banks in the Mainland China. The remittance of such balances out of the Mainland China is subject to the rules and regulations of foreign exchange control promulgated by the PRC government.

於2021年12月31日，本集團的現金及現金等價物以及短期銀行存款包括154,041,000港元（2020年：117,886,000港元），該等款項屬在中國內地開設之銀行的存款。將該等結餘匯出中國內地須受中國政府頒佈的外匯管制規則及法規監管。

The carrying amounts of the Group's cash and cash equivalents and short-term bank deposits are denominated in the following currencies:

本集團的現金及現金等價物以及短期銀行存款的賬面值以下列貨幣計值：

|                         | 2021         | 2020         |
|-------------------------|--------------|--------------|
|                         | HK\$'000 千港元 | HK\$'000 千港元 |
| Hong Kong dollar 港元     | 1,913,828    | 1,573,583    |
| Renminbi 人民幣            | 154,618      | 102,049      |
| Macao pataca 澳門元        | 70,813       | 27,684       |
| Canadian dollar 加元      | 32,936       | 30,281       |
| Australian dollar 澳元    | 31,409       | 30,909       |
| Singapore dollar 新加坡元   | 28,057       | 28,154       |
| United States dollar 美元 | 20,372       | 35,404       |
| Other currencies 其他貨幣   | 23,535       | 19,073       |
|                         | 2,275,568    | 1,847,137    |

## 23 SHARE CAPITAL

## 23 股本

|   | Number of shares<br>股份數目 | Share capital<br>股本 |
|---|--------------------------|---------------------|
|   |                          | HK\$'000 千港元        |
| Ordinary shares issued and fully paid 已發行及繳足普通股 |                          |                     |
| At 31 December 2020 and 2021 於2020年及2021年12月31日 | 837,100,000              | 938,789             |

## 24 RESERVES

## 24 儲備

|  | Merger reserve<br>(note a)<br>合併儲備<br>(附註 a) | Other<br>reserves<br>其他儲備 | Statutory reserve<br>(note b)<br>法定儲備<br>(附註 b) | Exchange<br>reserve<br>匯兌儲備 | Retained<br>earnings<br>保留收益 | Total<br>總計  |
|--|--|---------------------------|---|-----------------------------|------------------------------|--------------|
|  | HK\$'000 千港元                                 | HK\$'000 千港元              | HK\$'000 千港元                                    | HK\$'000 千港元                | HK\$'000 千港元                 | HK\$'000 千港元 |
| <b>At 1 January 2020 於2020年1月1日</b>  | (13,124)                                     | (1,975)                   | 6,229   | (18,112)                    | 1,747,694                    | 1,720,712    |
| <b>Comprehensive income 綜合收益</b>   |  |                           |   |                             |                              |              |
| Profit for the year 年度利潤   | -  | -                         | -   | -                           | 542,456                      | 542,456      |
| <b>Other comprehensive (losses)/income 其他綜合(虧損)/收益</b>   |  |                           |   |                             |                              |              |
| Change in fair value of financial asset at fair value through other comprehensive income<br>以公允價值計量且其變動計入其他綜合收益的金融資產公允價值變動 | -  | (4,875)                   | -   | -                           | -                            | (4,875)      |
| Currency translation differences 貨幣兌換差額  |  |                           |   |                             |                              |              |
| — Group 本集團  | -  | -                         | -   | 12,861                      | -                            | 12,861       |
| — Joint ventures 合營企業  | -  | -                         | -   | 79                          | -                            | 79           |
| <b>Total comprehensive (losses)/income 綜合(虧損)/收益總額</b>   | -  | (4,875)                   | -   | 12,940                      | 542,456                      | 550,521      |
| <b>Transactions with owners in their capacity as owners 與權益所有者以其所有者的身份進行的交易的總額</b>   |  |                           |   |                             |                              |              |
| Dividends paid (Note 14) 已付股息(附註14)  | -  | -                         | -   | -                           | (192,533)                    | (192,533)    |
| <b>Total transactions with owners in their capacity as owners 與權益所有者以其所有者的身份進行的交易的總額</b>                                   | -  | -                         | -   | -                           | (192,533)                    | (192,533)    |
| <b>At 31 December 2020 於2020年12月31日</b>  | (13,124)                                     | (6,850)                   | 6,229   | (5,172)                     | 2,097,617                    | 2,078,700    |

|  | Merger reserve<br>(note a)<br>合併儲備<br>(附註 a) | Other<br>reserves<br>其他儲備 | Statutory reserve<br>(note b)<br>法定儲備<br>(附註 b) | Exchange<br>reserve<br>匯兌儲備 | Retained<br>earnings<br>保留收益 | Total<br>總計  |
|--|--|---------------------------|---|-----------------------------|------------------------------|--------------|
|  | HK\$'000 千港元                                 | HK\$'000 千港元              | HK\$'000 千港元                                    | HK\$'000 千港元                | HK\$'000 千港元                 | HK\$'000 千港元 |
| <b>At 1 January 2021 於2021年1月1日</b>  | (13,124)                                     | (6,850)                   | 6,229   | (5,172)                     | 2,097,617                    | 2,078,700    |
| <b>Comprehensive income 綜合收益</b>   |  |                           |   |                             |                              |              |
| Profit for the year 年度利潤   | -  | -                         | -   | -                           | 607,838                      | 607,838      |
| <b>Other comprehensive (losses)/income 其他綜合(虧損)/收益</b>   |  |                           |   |                             |                              |              |
| Change in fair value of financial asset at fair value through other comprehensive income<br>以公允價值計量且其變動計入其他綜合收益的金融資產公允價值變動 | -  | (645)                     | -   | -                           | -                            | (645)        |
| Currency translation differences 貨幣兌換差額  |  |                           |   |                             |                              |              |
| — Group 本集團  | -  | -                         | -   | 624                         | -                            | 624          |
| — Joint ventures and associates 合營企業及聯營公司  | -  | -                         | -   | 40                          | -                            | 40           |
| <b>Total comprehensive (losses)/income 綜合(虧損)/收益總額</b>   | -  | (645)                     | -   | 664                         | 607,838                      | 607,857      |
| <b>Transactions with owners in their capacity as owners 與權益所有者以其所有者的身份進行的交易的總額</b>   |  |                           |   |                             |                              |              |
| Transactions with non-controlling interests (Note 30) 與非控制權益進行的交易(附註30)  | -  | (6,269)                   | -   | -                           | -                            | (6,269)      |
| Dividends paid (Note 14) 已付股息(附註14)  | -  | -                         | -   | -                           | (200,904)                    | (200,904)    |
| <b>Total transactions with owners in their capacity as owners 與權益所有者以其所有者的身份進行的交易的總額</b>                                   | -  | (6,269)                   | -   | -                           | (200,904)                    | (207,173)    |
| <b>At 31 December 2021 於2021年12月31日</b>  | (13,124)                                     | (13,764)                  | 6,229   | (4,508)                     | 2,504,551                    | 2,479,384    |

Notes:

- (a) Merger reserve of the Group represents the difference between the net book value of the entities that had been acquired and the investment consideration paid by the Company to effect a reorganisation that took place in 2010.
- (b) The PRC laws and regulations require companies registered in the Mainland China to provide for certain statutory reserves, which are to be appropriated from the net profit (after offsetting accumulated losses from prior years) as reported in their respective statutory financial statements, before profit distributions to equity holders. All statutory reserves are created for specific purposes. The company in the Mainland China is required to appropriate 10% of statutory net profits to statutory reserves, upon distribution of its post-tax profits of the current year. A company may discontinue the contribution when the aggregate sum of the statutory reserve is more than 50% of its registered capital. The statutory reserves shall only be used to make up losses of the companies, to expand the companies' production operations, or to increase the capital of the companies. In addition, a company may make further contribution to the statutory reserve using its post-tax profits in accordance with resolutions of the board of directors.

附註：

- (a) 本集團的合併儲備指已收購實體的賬面淨值與本公司為於2010年進行重組所支付的投資代價的差額。
- (b) 中國法律及法規規定，在中國內地註冊的公司向股權持有人分派利潤前，須從各自法定財務報表所呈報的淨利潤(抵銷以往年度的累計虧損後)中，分配款項以提撥若干法定儲備。所有法定儲備均為特定用途而設立。中國內地公司於分派當年度的除稅後利潤時，須向法定儲備分配法定淨利潤的10%。當公司法定儲備的總和超過其註冊資本的50%時，公司可停止分配。法定儲備只可用作彌補公司的虧損、擴大公司的生產營運或增加公司的資本。此外，按照董事會決議案，公司可使用其除稅後利潤向法定儲備作出進一步供款。

## 25 BORROWINGS

## 25 借貸

|                                      |         | 2021         | 2020         |
|--------------------------------------|---------|--------------|--------------|
|                                      | Note 附註 | HK\$'000 千港元 | HK\$'000 千港元 |
| Non-current 非流動                      |         |              |              |
| – Secured bank borrowing 有抵押銀行貸款     | (a)-(c) | 56           | 59           |
| – Unsecured government loan 無抵押政府借款  | (d)     | 743          | 1,993        |
| Total non-current borrowings 非流動借貸總額 |         | 799          | 2,052        |
| Current 流動                           |         |              |              |
| – Unsecured government loan 無抵押政府借款  | (d)     | 480          | 260          |
| Total current borrowings 流動借貸總額      |         | 480          | 260          |
| Total borrowings 借貸總額                |         | 1,279        | 2,312        |

Notes:

- (a) The bank borrowing is secured by the freehold land and building of the Group amounted to HK\$10,406,000 (2020: HK\$11,255,000) (Note 16).
- (b) The bank borrowing bears interest at 1.5% plus the bank bill rate in Australia per annum and is wholly repayable in 2023 (2020: same). The Group has HK\$7,885,000 (2020: HK\$8,320,000) undrawn borrowing facility with floating rate expiring beyond one year.
- (c) The bank borrowing is denominated in Australian dollar and its carrying amount approximates its fair values.
- (d) The government loans represent a fund from Macau Economic Bureau under a special assistance scheme for small-medium corporations affected by typhoon and funds from governments under the schemes related to COVID-19.

For Macau government loan, the interest free loan is unsecured and repayable in 7 years (2020: same). The loan is denominated in Macao pataca and its carrying amount approximates its fair values.

For other government loans, all loans are interest free (2020: two of the loans bears interest at 1% per annum and the remaining loans are interest free). All of the loans are unsecured and repayable in 1 to 2 years (2020: 2 to 5 years). The loans are denominated in Canadian dollar and Poland zloty (2020: Canadian dollar, Poland zloty and United States dollar) respectively and their carrying amounts approximate their fair values.

附註：

- (a) 銀行借款由本集團為10,406,000港元的永久業權土地及樓宇做抵押(2020年：11,255,000港元)(附註16)。
- (b) 銀行借款按澳大利亞的銀行票據利率加1.5%按年計算，並且銀行借款應於2023年全部償還(2020：相同)。本集團有7,885,000港元(2020年：8,320,000港元)未動用的浮動利率借貸額度到期時間超過一年。
- (c) 銀行借貸以澳元計值，且其賬面值與公允價值相若。
- (d) 政府借款為澳門經濟局受颱風影響中小企業特別援助計劃下的款項以及其他關於新冠肺炎疫情的政府借款。

關於澳門政府借款，此無息借款無抵押並需於7年內償還。借款以澳門元計值，且其賬面值與公允價值相若(2020：相同)。

關於其他政府借款，所有借款無利息(2020年：其中兩個借款的年利率為1%，其餘的借款無利息)。所有借款都無抵押並需於1至2年(2020年：2至5年)內償還。借款以加元以及波蘭茲羅提(2020年：加元、波蘭茲羅提以及美元)計值，且其賬面值與公允價值相若。

## 26 TRADE AND OTHER PAYABLES

## 26 貿易及其他應付款項

|   |  | 2021         | 2020         |
|---|--|--------------|--------------|
|   |  | HK\$'000 千港元 | HK\$'000 千港元 |
| Trade payables 貿易應付款項                   |  |              |              |
| – intermediate holding company 中間控股公司   |  | 9,343        | 10,893       |
| – immediate holding company 直接控股公司      |  | 12,801       | 16,005       |
| – fellow subsidiaries 同系附屬公司            |  | –            | 144          |
| – third parties 第三方                     |  | 12,452       | 47,089       |
| Trade payables (note a) 貿易應付款項(附註a)     |  | 34,596       | 74,131       |
| Accruals and other payables 應計費用及其他應付款項 |  | 88,446       | 62,273       |
| Contract liabilities 合同負債               |  | 4,508        | 3,734        |
|   |  | 127,550      | 140,138      |

Notes:

- (a) At 31 December 2021 and 2020, the aging analysis of the trade payables (including amounts due to related parties of trading in nature) based on invoice date is as follows:

附註：

- (a) 於2021年及2020年12月31日，根據發票日期的貿易應付款項(包括應付關連方的貿易款項)的賬齡分析如下：

|                        | 2021         | 2020         |
|------------------------|--------------|--------------|
|                        | HK\$'000 千港元 | HK\$'000 千港元 |
| Up to 90 days 90天      | 30,273       | 61,015       |
| 91–180 days 91天至180天   | 33           | 7,503        |
| 181–365 days 181天至365天 | –            | 969          |
| Over 365 days 365天以上   | 4,290        | 4,644        |
|                        | 34,596       | 74,131       |

## 26 TRADE AND OTHER PAYABLES (Continued)

## 26 貿易及其他應付款項(續)

(b) The carrying amounts of the Group's trade and other payables are denominated in the following currencies:

(b) 本集團貿易及其他應付款項的賬面值以下列貨幣計值：

|                         | 2021         | 2020         |
|-------------------------|--------------|--------------|
|                         | HK\$'000 千港元 | HK\$'000 千港元 |
| Hong Kong dollar 港元     | 59,367       | 52,685       |
| Renminbi 人民幣            | 36,619       | 46,559       |
| Canadian dollar 加元      | 6,132        | 6,111        |
| Australian dollar 澳元    | 5,204        | 5,660        |
| South African rand 南非蘭特 | 4,836        | 5,236        |
| Singapore dollar 新加坡元   | 2,560        | 2,519        |
| United States dollar 美元 | 1,521        | 6,757        |
| Other currencies 其他貨幣   | 11,311       | 14,611       |
|                         | 127,550      | 140,138      |

## 27 NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS

## 27 綜合現金流量表附註

## (a) Cash generated from operations

## (a) 經營所產生之現金

|  | 2021           | 2020           |
|--|----------------|----------------|
|  | HK\$'000 千港元   | HK\$'000 千港元   |
| Profit before income tax 除所得稅前利潤   | 778,391        | 685,895        |
| Adjustments for: 就以下項目調整：  |                |                |
| – COVID-19-related rent concessions (Note 7) 新型冠狀病毒肺炎相關租金減讓 (附註7)  | (483)          | (3,360)        |
| – Depreciation of right-of-use assets (Note 15) 使用權資產折舊 (附註15)   | 54,648         | 55,554         |
| – Depreciation of property, plant and equipment (Note 16) 物業、廠房及設備折舊 (附註16)  | 13,069         | 16,718         |
| – Amortisation of intangible assets (Note 17) 無形資產攤銷 (附註17)  | 2,255          | 5,814          |
| – Impairment loss on inventories (Note 20) 存貨之減值計提 (附註20)  | 58             | –              |
| – Write-off of inventories (Note 20) 存貨撤銷 (附註20)   | 323            | 210            |
| – Loss allowance on trade receivables (Note 21) 貿易應收款項之減值計提 (附註21)   | 7,522          | 3,327          |
| – Losses on disposals of property, plant and equipment (Note 7) 出售物業、廠房及設備之虧損 (附註7)                                  | 437            | 2,124          |
| – Loss/(gain) on modification of lease 租賃變更之虧損/(利得)  | 83             | (82)           |
| – Dividend income 股利收益   | (180)          | (165)          |
| – Finance costs/(income), net (Note 10) 淨財務支出/(收益) (附註10)  | 330            | (17,352)       |
| – Share of (profits)/losses of investments accounted for using the equity method (Note 11) 應佔按權益法入賬之投資(利潤)/虧損 (附註11) | (261)          | 860            |
| – Unsecured government loan waived 豁免無抵押政府貸款   | (1,227)        | –              |
|  | 854,965        | 749,543        |
| Changes in working capital: 營運資金變動：  |                |                |
| – Inventories 存貨   | 64,958         | (168,753)      |
| – Trade receivables and other current assets 貿易應收款項及其他流動資產   | 23,185         | (219,541)      |
| – Trade and other payables 貿易及其他應付款項   | (28,103)       | (33,660)       |
| <b>Cash generated from operations 經營所產生之現金</b>   | <b>915,005</b> | <b>327,589</b> |

## (b) In the consolidated statement of cash flows, proceeds from disposal of property, plant and equipment comprise:

## (b) 綜合現金流量表中，出售物業、廠房及設備所得款項包括：

|   | 2021         | 2020         |
|---|--------------|--------------|
|   | HK\$'000 千港元 | HK\$'000 千港元 |
| Net book amount (Note 16) 賬面淨值 (附註16)   | 459          | 2,154        |
| Losses on disposals of property, plant and equipment (Note 7) 出售物業、廠房及設備之虧損 (附註7) | (437)        | (2,124)      |
| Proceeds from disposal of property, plant and equipment 出售物業、廠房及設備所得款             | 22           | 30           |

27 NOTES TO CONSOLIDATED STATEMENT OF CASH FLOWS  
(Continued)

## 27 綜合現金流量表附註(續)

## (c) Reconciliation of cash flows from financing activities

## (c) 融資活動所產生的現金流量調節

|   | Borrowings<br>借貸 | Lease liabilities<br>租賃負債 | Total<br>合計  |
|---|------------------|---------------------------|--------------|
|   | HK\$'000 千港元     | HK\$'000 千港元              | HK\$'000 千港元 |
| <b>Liabilities from financing activities as at 1 January 2020 於2020年1月1日融資活動的負債</b>     | 1,053            | 98,822                    | 99,875       |
| Principal elements of lease payments 租賃負債本金部分   | –                | (46,613)                  | (46,613)     |
| Interest paid 已付利息  | (7)              | (4,293)                   | (4,300)      |
| Proceeds from borrowing 借貸所得款   | 1,394            | –                         | 1,394        |
| Repayment of borrowing 償還借貸   | (166)            | –                         | (166)        |
| Acquisition of lease 取得租賃   | –                | 52,574                    | 52,574       |
| Others(i) 其他(i)   | 7                | 1,001                     | 1,008        |
| Foreign exchange adjustments 匯兌調整   | 31               | 2,207                     | 2,238        |
| Liabilities from financing activities as at 31 December 2020 於2020年12月31日融資活動的負債        | 2,312            | 103,698                   | 106,010      |
| <b>Liabilities from financing activities as at 1 January 2021 於2021年1月1日融資活動的負債</b>     | 2,312            | 103,698                   | 106,010      |
| Principal elements of lease payments 租賃負債本金部分   | –                | (50,496)                  | (50,496)     |
| Interest paid 已付利息  | (2)              | (4,705)                   | (4,707)      |
| Proceeds from borrowing 借貸所得款   | 387              | –                         | 387          |
| Repayment of borrowing 償還借貸   | (166)            | –                         | (166)        |
| Unsecured government loan waived 豁免無抵押政府貸款  | (1,227)          | –                         | (1,227)      |
| Acquisition of lease 取得租賃   | –                | 58,093                    | 58,093       |
| Others(i) 其他(i)   | 2                | 22,093                    | 22,095       |
| Foreign exchange adjustments 匯兌調整   | (27)             | (1,486)                   | (1,513)      |
| <b>Liabilities from financing activities as at 31 December 2021 於2021年12月31日融資活動的負債</b> | 1,279            | 127,197                   | 128,476      |

(i) Other changes include accrued interest expense, COVID-19-related rent concessions and lease modification.

(i) 其他變動包括應計利息，新型冠狀病毒肺炎相關租金減讓和租賃變更。

## 28 COMMITMENTS

## 28 承擔

## (a) Capital commitments

## (a) 資本承擔

|  | 2021         | 2020         |
|--|--------------|--------------|
|  | HK\$'000 千港元 | HK\$'000 千港元 |
| Contracted but not provided for 已訂約但未撥備  |              |              |
| – property, plant and equipment 物業、廠房及設備 | 3,342        | 5,155        |

## (b) Lease commitments

## (b) 租賃承擔

The Group has recognised right-of-use assets for leases, except for short-term and low-value leases as set out below:

本集團已確認租賃為使用權資產，以下所載之短期及低價值租賃除外：

|                          | 2021         | 2020         |
|--------------------------|--------------|--------------|
|                          | HK\$'000 千港元 | HK\$'000 千港元 |
| No later than 1 year 1年內 | 1,509        | 5,074        |

As at 31 December 2020, undiscounted future lease payments amounted to HK\$14,059,000 were committed by the Group but the relevant lease periods had not commenced. These lease commitments were recognised as right-of-use assets upon the lease commencement date in 2021. As at 31 December 2021, the Group has no relevant lease commitments not commenced.

於2020年12月31日，本集團已承諾但未開始的未折現未來租賃付款額為14,059,000港元。這些租賃承諾在2021年租賃期開始日時被確認為使用權資產。於2021年12月31日，本集團無相關未開始執行的租賃承擔。

## 29 SIGNIFICANT RELATED PARTY TRANSACTIONS

At 31 December 2021, two subsidiaries of Tong Ren Tang Holdings, namely Tong Ren Tang Technologies and Tong Ren Tang Ltd. directly owned 38.05% and 33.62% of shareholding in the Company respectively. Tong Ren Tang Ltd. is also the controlling shareholder of Tong Ren Tang Technologies. Tong Ren Tang Ltd. effectively owns 71.67% equity interest in the Company. The remaining 28.33% of the shares are widely held.

The Board of Directors of the Company regards Tong Ren Tang Technologies as the immediate holding company, Tong Ren Tang Ltd. as the intermediate holding company and Tong Ren Tang Holdings as the ultimate holding company, all of which are companies incorporated in the PRC.

In addition to those disclosed in other sections of these consolidated financial statements, the following transactions were carried out with related parties:

## (a) Sales and purchases of products

|                                      |         | 2021           | 2020           |
|--------------------------------------|---------|----------------|----------------|
|                                      | Note 附註 | HK\$'000 千港元   | HK\$'000 千港元   |
| Sales of products to 銷售產品予           |         |                |                |
| Joint ventures 合營企業                  | (i)     | 3,852          | 5,105          |
| Fellow subsidiaries 同系附屬公司           | (i)     | 92,118         | 338,024        |
| An associate 聯營公司                    | (i)     | 42,288         | 17,417         |
| Immediate holding company 直接控股公司     | (i)     | 703            | 8,668          |
|                                      |         | <b>138,961</b> | <b>369,214</b> |
| Purchases of products from 自以下公司購買產品 |         |                |                |
| Immediate holding company 直接控股公司     | (i)     | 26,289         | 36,708         |
| Intermediate holding company 中間控股公司  | (i)     | 31,718         | 70,038         |
| Fellow subsidiaries 同系附屬公司           | (i)     | 1,615          | 2,014          |
|                                      |         | <b>59,622</b>  | <b>108,760</b> |

## (b) Royalty fee

|   |         | 2021         | 2020         |
|---|---------|--------------|--------------|
|   | Note 附註 | HK\$'000 千港元 | HK\$'000 千港元 |
| Royalty fee income from joint ventures 來自合營企業之品牌使用費收益 | (ii)    | 318          | 203          |

## (c) Lease payments

|                                 |         | 2021         | 2020         |
|---------------------------------|---------|--------------|--------------|
|                                 | Note 附註 | HK\$'000 千港元 | HK\$'000 千港元 |
| Lease payments to: 向以下公司支付之租金開支 |         |              |              |
| Ultimate holding company 最終控股公司 | (i)     | 985          | 773          |
| Fellow subsidiaries 同系附屬公司      | (i)     | 4,876        | 4,874        |
|                                 |         | <b>5,861</b> | <b>5,647</b> |

At 31 December 2021, the Group recognised lease liabilities payable to fellow subsidiaries of HK\$4,761,000 (2020: HK\$9,336,000) over the relevant property leases.

## 29 重大關聯方交易

於2021年12月31日，同仁堂集團公司的兩間附屬公司同仁堂科技及同仁堂股份有限公司分別直接持有本公司38.05%及33.62%權益。同仁堂股份有限公司亦為同仁堂科技的控股股東。同仁堂股份有限公司實際持有本公司71.67%股權。餘下28.33%的股份被廣泛持有。

本公司董事會視同仁堂科技為直接控股公司、同仁堂股份有限公司為中間控股公司及同仁堂集團公司為最終控股公司，該等公司均於中國註冊成立。

除該等綜合財務報表其他章節所披露者外，下列交易乃與關連方進行：

## (a) 銷售及購買產品

|                                      |         | 2021           | 2020           |
|--------------------------------------|---------|----------------|----------------|
|                                      | Note 附註 | HK\$'000 千港元   | HK\$'000 千港元   |
| Sales of products to 銷售產品予           |         |                |                |
| Joint ventures 合營企業                  | (i)     | 3,852          | 5,105          |
| Fellow subsidiaries 同系附屬公司           | (i)     | 92,118         | 338,024        |
| An associate 聯營公司                    | (i)     | 42,288         | 17,417         |
| Immediate holding company 直接控股公司     | (i)     | 703            | 8,668          |
|                                      |         | <b>138,961</b> | <b>369,214</b> |
| Purchases of products from 自以下公司購買產品 |         |                |                |
| Immediate holding company 直接控股公司     | (i)     | 26,289         | 36,708         |
| Intermediate holding company 中間控股公司  | (i)     | 31,718         | 70,038         |
| Fellow subsidiaries 同系附屬公司           | (i)     | 1,615          | 2,014          |
|                                      |         | <b>59,622</b>  | <b>108,760</b> |

## (b) 品牌使用費

|   |         | 2021         | 2020         |
|---|---------|--------------|--------------|
|   | Note 附註 | HK\$'000 千港元 | HK\$'000 千港元 |
| Royalty fee income from joint ventures 來自合營企業之品牌使用費收益 | (ii)    | 318          | 203          |

## (c) 租金開支

|                                 |         | 2021         | 2020         |
|---------------------------------|---------|--------------|--------------|
|                                 | Note 附註 | HK\$'000 千港元 | HK\$'000 千港元 |
| Lease payments to: 向以下公司支付之租金開支 |         |              |              |
| Ultimate holding company 最終控股公司 | (i)     | 985          | 773          |
| Fellow subsidiaries 同系附屬公司      | (i)     | 4,876        | 4,874        |
|                                 |         | <b>5,861</b> | <b>5,647</b> |

於2021年12月31日，本集團就相關物業租賃確認應付同系附屬公司的租賃負債4,761,000港元（2020年：9,336,000港元）。

## 29 SIGNIFICANT RELATED PARTY TRANSACTIONS (Continued)

## (d) Advertising agency services expense

|   |         | 2021         | 2020         |
|---|---------|--------------|--------------|
|   | Note 附註 | HK\$'000 千港元 | HK\$'000 千港元 |
| Advertising agency services expense to a fellow subsidiary 向同系附屬公司支付之廣告代理服務費用 | (i)     | 2,552        | 1,235        |

## (e) Key management compensation

Key management includes directors (executive and non-executive) and senior management. The emoluments paid or payable to key management for employee services is as follows:

|   | 2021         | 2020         |
|---|--------------|--------------|
|   | HK\$'000 千港元 | HK\$'000 千港元 |
| Salaries and other short-term employee benefits 薪金和其他短期僱員福利 | 8,213        | 7,834        |
| Pension costs – defined contribution plans 退休金成本 – 定額供款計劃   | 301          | 32           |
|   | 8,514        | 7,866        |

Notes:

- (i) These transactions were conducted in the normal course of business at prices and terms mutually agreed between the parties involved.
- (ii) In accordance with the royalty agreements, the royalty fee is charged annually by the Company at either 1% on revenue and 1.5% on profit before income tax of the joint ventures, whichever is higher. Pursuant to these agreements, these joint ventures are permitted to operate under "Tong Ren Tang" brand name.

## 29 重大關聯方交易(續)

## (d) 廣告代理服務費用

## (e) 主要管理人員薪酬

主要管理人員包括執行及非執行董事和高級管理人員。就僱員服務向主要管理人員支付或應付的酬金如下：

附註：

- (i) 該等交易於一般業務過程中按雙方協定的價格及條款進行。
- (ii) 品牌使用費乃本公司根據品牌使用權協議按該等合營企業營業收入的1%和稅前利潤的1.5%的較高者收取。根據該等協議，該等合營企業獲准以「同仁堂」品牌名稱營運。

## 30 PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND AN ASSOCIATE

The following is a list of principal subsidiaries and joint ventures at 31 December 2021 and 2020:

## 30 主要附屬公司，合營企業及聯營公司

下文載列於2021年及2020年12月31日的主要附屬公司，合營企業及聯營公司：

| Name 名稱  | Place of incorporation and kind of legal entity 註冊成立的地點及法人實體類型 | Principal activities and place of operation 主要業務及經營地點   | Particulars of issued share capital 已發行股本詳情 | Effective equity interest held 所持實際權益 |      |
|--|--|---|---|---------------------------------------|------|
|  |  |   |   | 2021                                  | 2020 |
| <b>(a) Subsidiaries 附屬公司</b>   |  |   |   |                                       |      |
| <b>(i) Directly held by the Company 本公司直接持有</b>  |  |   |   |                                       |      |
| Beijing Tong Ren Tang International Natural-Pharm Co., Ltd.<br>北京同仁堂國際藥業有限公司 <sup>(1)(4)</sup> | PRC, limited liability company<br>中國，有限公司                      | Sale and distribution of Chinese medicine products and healthcare products<br>銷售及分銷中藥產品與保健品<br>Beijing, PRC<br>中國，北京  | HK\$10,000,000<br>10,000,000 港元             | 100%                                  | 100% |
| Beijing Tong Ren Tang Australia Pty. Ltd.<br>北京同仁堂(澳大利亞)有限公司                                   | Australia, limited liability company<br>澳大利亞，有限公司              | Wholesale and retail of Chinese medicine products and healthcare products and provision of Chinese medical consultation and treatments<br>批發及零售中藥產品與保健品以及提供中醫診療服務<br>Sydney, Australia<br>澳大利亞，悉尼 | AUD1,000,000<br>1,000,000 澳元                | 75%                                   | 75%  |
| Beijing Tong Ren Tang Science Arts (Singapore) Co Pte. Ltd.<br>北京同仁堂新加坡(科藝)私人有限公司              | Singapore, limited liability company<br>新加坡，有限公司               | Wholesale and retail of Chinese medicine products and healthcare products and provision of Chinese medical consultation and treatments<br>批發及零售中藥產品與保健品以及提供中醫診療服務<br>Singapore<br>新加坡             | SGD857,000<br>857,000 新加坡元                  | 51%                                   | 51%  |
| Beijing Tong Ren Tang (Toronto) Inc.<br>北京同仁堂(多倫多)有限公司   | Canada, limited liability company<br>加拿大，有限公司                  | Retail of Chinese medicine products and healthcare products and provision of Chinese medical consultation and treatments<br>零售中藥產品與保健品以及提供中醫診療服務<br>Toronto, Canada<br>加拿大，多倫多                    | CAD497,300<br>497,300 加拿大元                  | 51%                                   | 51%  |

## 30 PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND AN ASSOCIATE (Continued)

## 30 主要附屬公司，合營企業及聯營公司(續)

| Name 名稱  | Place of incorporation and kind of legal entity<br>註冊成立的地點及法人實體類型 | Principal activities and place of operation<br>主要業務及經營地點  | Particulars of issued share capital<br>已發行股本詳情 | Effective equity interest held<br>所持實際權益 |      |
|--|---|---|--|--|------|
|  |   |   |  | 2021                                     | 2020 |
| <b>(a) Subsidiaries (Continued) 附屬公司 (續)</b>   |   |   |  |  |      |
| <b>(i) Directly held by the Company (Continued) 本公司直接持有 (續)</b>                                  |   |   |  |  |      |
| Beijing Tong Ren Tang Gulf FZ-LLC<br>北京同仁堂海灣有限公司   | United Arab Emirates, limited liability company<br>阿拉伯聯合酋長國，有限公司  | Retail of Chinese medicine products and healthcare products and provision of Chinese medical consultation and treatments<br>零售中藥產品與保健品及提供中醫診療服務<br>Dubai, United Arab Emirates<br>阿拉伯聯合酋長國，迪拜 | AED1,920,000<br>1,920,000阿聯酋迪拉姆                | 51%                                      | 51%  |
| Beijing Tong Ren Tang (Macau) Company Limited<br>北京同仁堂(澳門)有限公司                                   | Macao, PRC, limited liability company<br>中國，澳門，有限公司               | Wholesale and retail of Chinese medicine products and healthcare products and provision of Chinese medical consultation and treatments<br>批發及零售中藥產品與保健品及提供中醫診療服務<br>Macao, PRC<br>中國，澳門       | MOP1,000,000<br>1,000,000澳門元                   | 51%                                      | 51%  |
| Beijing Tong Ren Tang Poland sp.zo.o.<br>北京同仁堂(波蘭)有限公司   | Poland, limited liability company<br>波蘭，有限公司                      | Retail of Chinese medicine products and healthcare products and provision of Chinese healthcare treatments<br>零售中藥產品與保健品及提供中醫診療服務<br>Warsaw, Poland<br>波蘭，華沙                                  | Zloty130,000<br>130,000茲羅提                     | 100%                                     | 100% |
| Beijing Tong Ren Tang (Seoul) Company Limited<br>北京同仁堂(首爾)株式會社                                   | South Korea, limited liability company<br>韓國，有限公司                 | Wholesale of Chinese medicine products and healthcare products<br>批發中藥產品與保健品<br>Seoul, Korea<br>韓國，首爾   | WON 1,052,000,000<br>1,052,000,000韓元           | 51%                                      | 51%  |
| Beijing Tong Ren Tang (Auckland) Company Limited <sup>(b)</sup><br>北京同仁堂(奧克蘭)有限公司 <sup>(b)</sup> | New Zealand, limited liability company<br>新西蘭，有限公司                | Retail of Chinese medicine products and healthcare products and provision of Chinese medical consultation and treatments<br>零售中藥產品與保健品及提供中醫診療服務<br>Auckland, New Zealand<br>新西蘭，奧克蘭           | NZD2,000,000<br>2,000,000新西蘭元                  | 100%                                     | 51%  |
| Beijing Tong Ren Tang Tong Xin Tong Le Company Limited<br>北京同仁堂同心同樂有限公司                          | Hong Kong, PRC, limited liability company<br>中國，香港，有限公司           | Retail of Chinese medicine products and healthcare products and provision of Chinese medical consultation and treatments<br>零售中藥產品與保健品及提供中醫診療服務<br>Hong Kong, PRC<br>中國，香港                    | HK\$10,000<br>10,000港元                         | 100%                                     | 100% |
| Honour Essence Trading Limited<br>大宏貿易有限公司   | Hong Kong, PRC, limited liability company<br>中國，香港，有限公司           | Wholesale of Chinese medicine products and healthcare products<br>批發中藥產品與保健品<br>Hong Kong, PRC<br>中國，香港   | HK\$2,000<br>2,000港元                           | 51%                                      | 51%  |
| Beijing Tong Ren Tang Vancouver Healthcare Center Co., Ltd<br>北京同仁堂溫哥華養生中心有限公司                   | Canada, limited liability company<br>加拿大，有限公司                     | Retail of Chinese medicine products and healthcare products and provision of Chinese medical consultation and treatments<br>零售中藥產品與保健品及提供中醫診療服務<br>Vancouver, Canada<br>加拿大，溫哥華               | CAD1,000,000<br>1,000,000加拿大元                  | 51%                                      | 51%  |

## 30 PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND AN ASSOCIATE (Continued)

## 30 主要附屬公司，合營企業及聯營公司(續)

| Name 名稱   | Place of incorporation and kind of legal entity<br>註冊成立的地點及法人實體類型 | Principal activities and place of operation<br>主要業務及經營地點   | Particulars of issued share capital<br>已發行股本詳情 | Effective equity interest held<br>所持實際權益 |      |
|---|---|--|--|--|------|
|   |   |  |  | 2021                                     | 2020 |
| <b>(a) Subsidiaries (Continued) 附屬公司(續)</b>                                 |   |  |  |  |      |
| <b>(ii) Indirectly held by the Company 本公司間接持有</b>                          |   |  |  |  |      |
| Beijing Tong Ren Tang Melbourne Pty Limited<br>北京同仁堂(墨爾本)有限公司               | Australia, limited liability company<br>澳大利亞, 有限公司                | Retail of Chinese medicine products and healthcare products and provision of Chinese medical consultation and treatments<br>零售中藥產品與保健品及提供中醫診療服務<br>Melbourne, Australia<br>澳大利亞, 墨爾本                       | AUD100,000<br>100,000 澳元                       | 38%                                      | 38%  |
| Beijing Tong Ren Tang Pudu Health Centre B.V.<br>北京同仁堂普度健康中心有限公司            | The Netherlands, limited liability company<br>荷蘭, 有限公司            | Retail of Chinese medicine products and healthcare products and provision of Chinese medical consultation and treatments<br>零售中藥產品與保健品及提供中醫診療服務<br>Den Haag, the Netherlands<br>荷蘭, 海牙                     | Euro650,000<br>650,000 歐元                      | 45%                                      | 45%  |
| Beijing Tong Ren Tang Czech Republic SE<br>北京同仁堂(捷克)有限公司                    | The Czech Republic, limited liability company<br>捷克, 有限公司         | Retail of Chinese medicine products and healthcare products and provision of Chinese medical consultation and treatments<br>零售中藥產品與保健品及提供中醫診療服務<br>Prague, Czech Republic<br>捷克, 布拉格                       | CZK3,296,400<br>3,296,400 捷克克朗                 | 45%                                      | 45%  |
| Beijing Tong Ren Tang Canada Co. Ltd.<br>北京同仁堂(加拿大)有限公司                     | Canada, limited liability company<br>加拿大, 有限公司                    | Retail of Chinese medicine products and healthcare products and provision of Chinese medical consultation and treatments<br>零售中藥產品與保健品及提供中醫診療服務<br>Vancouver, Canada<br>加拿大, 溫哥華                           | CAD1,000,000<br>1,000,000 加拿大元                 | 51%                                      | 51%  |
| Beijing Tong Ren Tang Sweden AB<br>北京同仁堂(瑞典)有限公司                            | Sweden, limited liability company<br>瑞典, 有限公司                     | Retail of Chinese medicine products and healthcare products and provision of Chinese medical consultation and treatment<br>零售中藥產品與保健品及提供中醫診療服務<br>Stockholm, Sweden<br>瑞典, 斯德哥爾摩                           | SEK 50,000<br>50,000 瑞典克朗                      | 45%                                      | 45%  |
| Beijing Tong Ren Tang Swiss SA<br>北京同仁堂瑞士股份有限公司                             | Switzerland, limited liability company<br>瑞士, 有限公司                | Provision of Chinese medical consultation and treatments<br>提供中醫診療服務<br>Geneva, Switzerland<br>瑞士, 日內瓦   | CHF500,000<br>500,000 瑞士法郎                     | 45%                                      | 45%  |
| Beijing Tong Ren Tang Ming Qi Group, LLC<br>北京同仁堂鳴岐有限公司                     | United States, limited liability company<br>美國, 有限公司              | Wholesale and retail of Chinese medicine products and healthcare products<br>批發及零售中藥產品與保健品<br>New York, United States<br>美國, 紐約  | US\$200,000<br>200,000 美元                      | 60%                                      | 60%  |
| Beijing Tong Ren Tang Concord New York LLC<br>北京同仁堂協和紐約有限公司                 | United States, limited liability company<br>美國, 有限公司              | Wholesale and retail of Chinese medicine products and healthcare products and provision of Chinese medical consultation and treatments<br>批發及零售中藥產品與保健品以及提供中醫診療服務<br>New York, United States<br>美國, 紐約     | US\$800,000<br>800,000 美元                      | 51%                                      | 51%  |
| Beijing Tong Ren Tang Los Angeles Healthcare Center LLC<br>北京同仁堂洛杉磯醫療中心有限公司 | United States, limited liability company<br>美國, 有限公司              | Retail of Chinese medicine products and healthcare products and provision of Chinese medical consultation and treatments<br>零售中藥產品與保健品及提供中醫診療服務<br>Los Angeles, United States<br>美國, 洛杉磯                   | US\$600,000<br>600,000 美元                      | 51%                                      | 51%  |
| Beijing Tong Ren Tang (San Gabriel CA) LLC<br>北京同仁堂(聖蓋博加州)有限公司              | United States, limited liability company<br>美國, 有限公司              | Wholesale and retail of Chinese medicine products and healthcare products and provision of Chinese medical consultation and treatments<br>批發及零售中藥產品與保健品以及提供中醫診療服務<br>Los Angeles, United States<br>美國, 洛杉磯 | US\$600,000<br>600,000 美元                      | 51%                                      | 51%  |

## 30 PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND AN ASSOCIATE (Continued)

## 30 主要附屬公司，合營企業及聯營公司(續)

| Name 名稱   | Place of incorporation and kind of legal entity<br>註冊成立的地點及法人實體類型 | Principal activities and place of operation<br>主要業務及經營地點  | Particulars of issued share capital<br>已發行股本詳情 | Effective equity interest held<br>所持實際權益 |      |
|---|---|---|--|--|------|
|   |   |   |  | 2021                                     | 2020 |
| <b>(b) Joint ventures 合營企業</b>  |   |   |  |  |      |
| <b>(i) Directly held by the Company 本公司直接持有</b>   |   |   |  |  |      |
| Peking Tongrentang (M) SDN. BHD <sup>(1)</sup><br>北京同仁堂(馬)有限公司 <sup>(2)</sup>                                 | Malaysia, limited liability company<br>馬來西亞，有限公司                  | Retail of Chinese medicine products and healthcare products and provision of Chinese medical consultation and treatments<br>零售中藥產品與保健品以及提供中醫診療服務<br>Kuala Lumpur, Malaysia<br>馬來西亞，吉隆坡          | MYR1,900,000<br>1,900,000馬幣                    | 60%                                      | 60%  |
| Beijing Tong Ren Tang (Thailand) Co., Ltd. <sup>(1)</sup><br>北京同仁堂(泰國)有限公司 <sup>(2)</sup>                     | Thailand, limited liability company<br>泰國，有限公司                    | Wholesale and retail of Chinese medicine products and healthcare products and provision of Chinese medical consultation and treatments<br>批發及零售中藥產品與保健品以及提供中醫診療服務<br>Bangkok, Thailand<br>泰國，曼谷 | THB38,000,000<br>38,000,000泰銖                  | 49%                                      | 49%  |
| Union Health International Limited<br>耀康國際有限公司  | Hong Kong, PRC, limited liability company<br>中國，香港，有限公司           | Retail of Chinese medicine products and healthcare products and provision of Chinese medical consultation and treatments<br>零售中藥產品與保健品以及提供中醫診療服務<br>Hong Kong, PRC<br>中國，香港                     | HK\$10,000<br>10,000港元                         | 50%                                      | 50%  |
| <b>(c) Associate 聯營公司</b>   |   |   |  |  |      |
| <b>Directly held by the Company 本公司直接持有</b>   |   |   |  |  |      |
| Beijing Tong Ren Tang WM Dianorm Biotech Co., Limited <sup>(1)(6)</sup><br>北京同仁堂麥爾海生物技術有限公司 <sup>(1)(6)</sup> | PRC, limited liability company<br>中國，有限公司                         | Technological development and sales of biological products, Chinese and western medicines, cosmetics and healthcare products<br>生物產品、中西藥、化妝品和保健食物的技術開發及銷售                                       | US\$3,000,000<br>3,000,000美元                   | 40%                                      | -    |

- (1) The English names of the Group companies incorporated in the Mainland China represent the best effort by the management of the Group in translating from their Chinese names as they do not have official English names.
- (2) Although the Company owns more or less than 50% of the equity interests in these entities, the directors of the Company consider that these entities are joint ventures of the Company because their strategic operating, investing and financing activities are jointly controlled by the Company and the joint venture partners in accordance with the joint venture agreements rather than under the unilateral control or significant influence of the Company.
- (3) The non-controlling interests of all non-wholly owned subsidiaries are individually not material to the Group.
- (4) Registered as a Wholly Foreign Owned Enterprise under the PRC Law.
- (5) The Group acquired 49% equity interests in Beijing Tong Ren Tang (Auckland) Company Limited from non-controlling interests at the consideration of HK\$16,602,000 at 31 December 2021. The carrying amount of 49% equity interests of Beijing Tong Ren Tang (Auckland) Company at acquisition date was HK\$10,333,000.
- (6) On 30 September 2021, the Group completed the acquisition of 40% of the equity interests in Beijing Tong Ren Tang WM Dianorm Biotech Co., Limited (the "Target Company") from an independent third party at a total consideration of RMB33,109,300 (equivalent to approximately HK\$39,832,000).

- (1) 於中國內地註冊成立的集團公司無正式英文名稱，其英文名稱是本集團管理層根據中文名稱翻譯而成。
- (2) 儘管本公司持有該等實體多於或少於50%股權，惟由於根據合營協議，該等實體的策略經營、投資及融資活動均由本公司及合營夥伴共同控制，而非由本公司單方面控制或發揮重大影響，故本公司董事認為該等實體乃本公司合營企業。
- (3) 所有的非全資附屬公司之非控股權益個別而言對集團沒有重大影響。
- (4) 根據中國法律註冊為外商獨資企業。
- (5) 2021年12月31日，本集團用16,602,000港元的對價向非控股權益收購了北京同仁堂(奧克蘭)有限公司49%的股權。北京同仁堂(奧克蘭)有限公司於收購日49%的股權的賬面值為10,333,000港元。
- (6) 2021年9月30日，本集團完成向獨立第三方收購北京同仁堂麥爾海生物技術有限公司(「目標公司」)40%的股權，總對價為人民幣33,109,300元(相當於約39,832,000港元)。

## 31 BALANCE SHEET OF THE COMPANY

## 31 公司資產負債表

|  | 2021    | 2020         |
|--|---------|--------------|
|  | Note 附註 | HK\$'000 千港元 |
| <b>Assets 資產</b>   |         |              |
| <b>Non-current assets 非流動資產</b>  |         |              |
| Property, plant and equipment 物業、廠房及設備   |         | 80,919       |
| Right-of-use assets 使用權資產  |         | 134,602      |
| Investment property 投資物業   |         | 11,796       |
| Intangible assets 無形資產   |         | 7,417        |
| Investments in subsidiaries 於附屬公司之投資   |         | 295,847      |
| Investments in joint ventures 於合營企業之投資   |         | 26,448       |
| Investments in associates 於聯營公司之投資   |         | 43,762       |
| Financial asset at fair value through other comprehensive income<br>以公允價值計量且其變動計入其他綜合收益的金融資產               |         | 5,463        |
| Deposits paid for purchase of property, plant and equipment and intangible assets<br>購買物業、廠房及設備以及無形資產的已付按金 |         | 13,991       |
|  |         | 620,245      |
| <b>Current assets 流動資產</b>   |         |              |
| Inventories 存貨   |         | 311,095      |
| Trade receivables and other current assets 貿易應收款項及其他流動資產   |         | 726,225      |
| Short-term bank deposits 短期銀行存款  |         | 590,400      |
| Cash and cash equivalents 現金及現金等價物   |         | 1,318,557    |
|  |         | 2,946,277    |
| <b>Total assets 資產總額</b>   |         | 3,566,522    |
| <b>Equity and liabilities 權益及負債</b>  |         |              |
| <b>Equity attributable to owners of the Company 本公司擁有人應佔權益</b>   |         |              |
| Share capital 股本   |         | 938,789      |
| Reserves 儲備  |         |              |
| — Financial asset at fair value through other comprehensive income<br>以公允價值計量且其變動計入其他綜合收益的金融資產             |         | (8,325)      |
| — Retained earnings 保留收益   | 32      | 2,477,755    |
| <b>Total equity 權益總額</b>   |         | 3,408,219    |
| <b>Liabilities 負債</b>  |         |              |
| <b>Non-current liabilities 非流動負債</b>   |         |              |
| Lease liabilities 租賃負債   |         | 14,872       |
| Deferred income tax liabilities, net 淨遞延所得稅負債  |         | 6,968        |
|  |         | 21,840       |
| <b>Current liabilities 流動負債</b>  |         |              |
| Trade and other payables 貿易及其他應付款項   |         | 87,007       |
| Lease liabilities 租賃負債   |         | 28,447       |
| Current income tax liabilities 當期所得稅負債   |         | 21,009       |
|  |         | 136,463      |
| <b>Total liabilities 負債總額</b>  |         | 158,303      |
| <b>Total equity and liabilities 權益及負債總額</b>  |         | 3,566,522    |

The balance sheet of the Company was approved by the Board of Directors on 9 March 2022 and was signed on its behalf.

公司的資產負債表於2022年3月9日獲董事會批准，並由以下代表簽署。

Ding Yong Ling  
Director

Lin Man  
Director

丁永玲  
董事

林曼  
董事

## 32 RESERVES OF THE COMPANY

## 32 公司儲備

|  | Retained earnings<br>保留收益 | Financial asset at<br>fair value<br>through other<br>comprehensive<br>income reserve<br>以公允價值計量且<br>其變動計入其他<br>綜合收益的金融資產 |
|--|---------------------------|--|
|  | HK\$'000 千港元              | HK\$'000 千港元   |
| <b>At 1 January 2020 於2020年1月1日</b>  | 1,772,121                 | (2,805)  |
| Profit for the year 年度利潤   | 511,161                   | -  |
| Change in fair value of financial asset at fair value through other comprehensive income<br>以公允價值計量且其變動計入其他綜合收益的金融資產公允價值變動 | -                         | (4,875)  |
| Dividends paid (Note 14) 已付股息 (附註14)   | (192,533)                 | -  |
| <b>At 31 December 2020 於2020年12月31日</b>  | <b>2,090,749</b>          | <b>(7,680)</b>   |
| <b>At 1 January 2021 於2021年1月1日</b>  | <b>2,090,749</b>          | <b>(7,680)</b>   |
| Profit for the year 年度利潤   | 587,910                   | -  |
| Change in fair value of financial asset at fair value through other comprehensive income<br>以公允價值計量且其變動計入其他綜合收益的金融資產公允價值變動 | -                         | (645)  |
| Dividends paid (Note 14) 已付股息 (附註14)   | (200,904)                 | -  |
| <b>At 31 December 2021 於2021年12月31日</b>  | <b>2,477,755</b>          | <b>(8,325)</b>   |

## INVESTOR CALENDAR

|   |  |
|---|--|
| <b>6 August 2021</b>                                    | 2021 interim results announcement  |
| <b>9 March 2022</b>                                     | 2021 annual results announcement   |
| <b>10 June 2022</b>                                     | Annual General Meeting   |
| <b>6 June to 10 June 2022</b><br>(Both days inclusive)  | Closure of Register of Members (for determination of shareholders who are entitled to attend and vote at annual general meeting) |
| <b>16 June to 20 June 2022</b><br>(Both days inclusive) | Closure of Register of Members (for determination of shareholders who qualify for the final dividend)                            |
| <b>20 June 2022</b>                                     | Record Date (for determination of shareholders who qualify for the final dividend)   |
| <b>On or before 30 June 2022</b>                        | Payment of final dividend  |

## SHARE INFORMATION

|  |   |
|--|---|
| <b>Company Name</b>                                | Beijing Tong Ren Tang Chinese Medicine Company Limited    |
| <b>Listing</b>                                     | The Main Board of The Stock Exchange of Hong Kong Limited |
| <b>Stock Code</b>                                  | 3613  |
| <b>GEM Listing Date</b>                            | 7 May 2013  |
| <b>Transferred from GEM to Main Board Date</b>     | 29 May 2018   |
| <b>Lot Size</b>                                    | 1,000 shares  |
| <b>Issued Share Capital as at 31 December 2021</b> | 837,100,000   |

## INVESTOR RELATIONS DEPARTMENT

Room 1405–1409, Office Tower, Convention Plaza  
1 Harbour Road, Wanchai, Hong Kong  
Tel: (852) 2881 7989  
Fax: (852) 2881 0839  
Email: ir@tongrentangcm.com  
Website: cm.tongrentang.com

## SHAREHOLDERS SERVICE AND ENQUIRIES

For enquiries about your shareholding including change of name or address, transfer of shares, loss of share certificates or dividend cheques, registrations and requests for annual/interim report copies, please contact the Company's share registrar and transfer office:

Computershare Hong Kong Investor Services Limited  
Shops 1712–1716, 17th Floor, Hopewell Centre  
183 Queen's Road East, Wanchai, Hong Kong  
Tel: (852) 2862 8555  
Fax: (852) 2865 0990/2529 6087  
Email: hkinfo@computershare.com.hk  
Website: www.computershare.com

## 投資者日曆

|                                     |                                     |
|-------------------------------------|-------------------------------------|
| <b>2021年8月6日</b>                    | 2021年中期業績公告                         |
| <b>2022年3月9日</b>                    | 2021年年度業績公告                         |
| <b>2022年6月10日</b>                   | 股東週年大會                              |
| <b>2022年6月6日至6月10日</b><br>(包括首尾兩日)  | 暫停辦理股份過戶登記手續(確定有權出席股東週年大會並於會上投票之股東) |
| <b>2022年6月16日至6月20日</b><br>(包括首尾兩日) | 暫停辦理股份過戶登記手續(確定合資格收取末期股息的股東)        |
| <b>2022年6月20日</b>                   | 記錄日期(確定合資格收取末期股息的股東)                |
| <b>2022年6月30日或之前</b>                | 派付末期股息                              |

## 股份資料

|                   |               |
|-------------------|---------------|
| <b>公司名稱</b>       | 北京同仁堂國藥有限公司   |
| <b>上市</b>         | 香港聯合交易所有限公司主板 |
| <b>股份代號</b>       | 3613          |
| <b>GEM上市日期</b>    | 2013年5月7日     |
| <b>由GEM轉至主板日期</b> | 2018年5月29日    |

|                           |              |
|---------------------------|--------------|
| <b>買賣單位</b>               | 1,000股股份     |
| <b>於2021年12月31日之已發行股本</b> | 837,100,000股 |

## 投資者關係部

香港灣仔港灣道1號  
會展廣場辦公大樓1405–1409室  
電話：(852) 2881 7989  
傳真：(852) 2881 0839  
電郵：ir@tongrentangcm.com  
網址：cm.tongrentang.com

## 股東服務及查詢

有關閣下股權(包括姓名或地址變更、股份轉讓、遺失股票或股息支票和登記及索取年度/中期報告)的查詢，請聯繫本公司股份登記及過戶處：

香港中央證券登記有限公司  
香港灣仔皇后大道東183號  
合和中心17樓1712–1716號舖  
電話：(852) 2862 8555  
傳真：(852) 2865 0990/2529 6087  
電郵：hkinfo@computershare.com.hk  
網址：www.computershare.com

## DIRECTORS

### Executive Directors

Ding Yong Ling (*Chairman*)  
Chen Fei  
Lin Man

### Independent Non-executive Directors

Tsang Yok Sing, Jasper  
Zhao Zhong Zhen  
Chan Ngai Chi

## AUDIT COMMITTEE

Chan Ngai Chi (*Chairman*)  
Tsang Yok Sing, Jasper  
Zhao Zhong Zhen

## NOMINATION COMMITTEE

Tsang Yok Sing, Jasper (*Chairman*)  
Zhao Zhong Zhen  
Chan Ngai Chi

## REMUNERATION COMMITTEE

Zhao Zhong Zhen (*Chairman*)  
Tsang Yok Sing, Jasper  
Chan Ngai Chi

## COMPANY SECRETARY

Tsang Fung Yi

## AUTHORISED REPRESENTATIVES

Ding Yong Ling  
Lin Man

## STOCK CODE

3613

## HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited  
Shops 1712-1716  
17th Floor, Hopewell Centre  
183 Queen's Road East  
Wanchai, Hong Kong

## COMPANY'S WEBSITE

cm.tongrentang.com

## REGISTERED ADDRESS

Room 1405-1409, Office Tower  
Convention Plaza, 1 Harbour Road  
Wanchai, Hong Kong

## LEGAL ADVISER

Jingtian & Gongcheng LLP  
Suite 3203-3207  
32/F  
Edinburgh Tower  
The Landmark  
15 Queen's Road Central  
Hong Kong

## AUDITOR

PricewaterhouseCoopers  
Certified Public Accountants and  
Registered Public Interest Entity Auditor  
22nd Floor, Prince's Building  
Central, Hong Kong

## 董事

執行董事  
丁永玲 (*主席*)  
陳飛  
林曼

### 獨立非執行董事

曾鈺成  
趙中振  
陳毅馳

## 審核委員會

陳毅馳 (*主席*)  
曾鈺成  
趙中振

## 提名委員會

曾鈺成 (*主席*)  
趙中振  
陳毅馳

## 薪酬委員會

趙中振 (*主席*)  
曾鈺成  
陳毅馳

## 公司秘書

曾鳳儀

## 授權代表

丁永玲  
林曼

## 股份代碼

3613

## 香港證券登記處

香港中央證券登記有限公司  
香港灣仔  
皇后大道東183號  
合和中心17樓  
1712-1716號舖

## 公司網站

cm.tongrentang.com

## 註冊地址

香港灣仔  
港灣道1號會展廣場  
辦公大樓1405-1409室

## 法律顧問

競天公誠律師事務所  
有限法律責任合夥  
香港  
中環皇后大道中15號  
置地廣場  
公爵大廈  
32樓  
3203-3207室

## 核數師

羅兵咸永道會計師事務所  
執業會計師及  
註冊公眾利益實體核數師  
香港中環  
太子大廈22樓

|  |   |           |   |
|--|---|-----------|---|
| AGM  | Annual general meeting of the Company   | 股東週年大會    | 本公司股東週年大會   |
| Articles of Association                          | Articles of Association of the Company  | 章程        | 本公司組織章程細則   |
| Audit Committee                                  | An audit committee of the Company, consists of Chan Ngai Chi, Tsang Yok Sing, Jasper and Zhao Zhong Zhen, and is chaired by Chan Ngai Chi   | 審核委員會     | 本公司之審核委員會，成員包括陳毅馳、曾鈺成及趙中振，由陳毅馳擔任主席  |
| Beijing Tong Ren Tang Group                      | Tong Ren Tang Holdings, its subsidiaries, its jointly controlled entities and its associates (including the Group)  | 北京同仁堂集團   | 同仁堂集團公司、其附屬公司、其共同控制實體及其聯繫人 (包括本集團)  |
| Board  | The board of directors of the Company   | 董事會       | 本公司之董事會   |
| CG Code  | Corporate Governance Code, Appendix 14 of the Listing Rules (version up to 31 December 2021)  | 管治守則      | 上市規則附錄 14 所載之企業管治守則 (至 2021 年 12 月 31 日的版本)   |
| Code Provision(s)                                | Code Provisions in the CG Code  | 守則條文      | 管治守則中之守則條文  |
| Company or TRTCM                                 | Beijing Tong Ren Tang Chinese Medicine Company Limited, a limited company incorporated in Hong Kong, the shares of which were listed on the GEM of the Stock Exchange on 7 May 2013 and were transferred to Main Board of the Stock Exchange on 29 May 2018 | 本公司或同仁堂國藥 | 北京同仁堂國藥有限公司，一家於香港註冊成立之有限公司，其股份於 2013 年 5 月 7 日於聯交所 GEM 上市，並於 2018 年 5 月 29 日轉往聯交所主板上市 |
| Company Secretary                                | The company secretary of the Company  | 公司秘書      | 本公司之公司秘書  |
| Competition Executive Committee                  | A competition executive committee of the Company, consists of Chan Fei and Lin Man  | 競爭執行委員會   | 本公司之競爭執行委員會，成員包括陳飛及林曼   |
| Competition Supervisory Committee                | A competition supervisory committee of the Company, consists of Tsang Yok Sing, Jasper, Zhao Zhong Zhen and Chan Ngai Chi, and is chaired by Tsang Yok Sing, Jasper   | 競爭監察委員會   | 本公司之競爭監察委員會，成員包括曾鈺成、趙中振及陳毅馳，由曾鈺成擔任主席  |
| Controlling Shareholders                         | Tong Ren Tang Ltd., Tong Ren Tang Technologies and Tong Ren Tang Holdings   | 控股股東      | 同仁堂股份、同仁堂科技及同仁堂集團公司   |
| Director(s)                                      | Director(s) of the Company, including all executive directors and independent non-executive directors   | 董事        | 本公司之董事，包括所有執行董事及獨立非執行董事   |
| EGM(s)   | Extraordinary general meeting(s) of the Company   | 股東特別大會    | 本公司股東特別大會   |
| ESG  | Environmental, Social and Governance  | 環境、社會及管治  | 環境、社會及管治  |
| Executive Director(s)                            | The executive director(s) of the Company  | 執行董事      | 本公司之執行董事  |
| GLSPC  | Sporoderm-broken Ganoderma Lucidum Spores Powder Capsules manufactured by the Company   | 破壁靈芝孢子粉膠囊 | 本公司所製造的破壁靈芝孢子粉膠囊  |
| Group, we or us                                  | The Company and its subsidiaries  | 本集團或我們    | 本公司及其附屬公司   |
| Hong Kong or HKSAR                               | The Hong Kong Special Administrative Region of the PRC  | 香港        | 中國香港特別行政區   |
| HK\$   | Hong Kong dollar(s), the lawful currency of Hong Kong   | 港元        | 香港法定貨幣港元  |
| Independent Non-executive Director(s) or INED(s) | The independent non-executive director(s) of the Company  | 獨立非執行董事   | 本公司獨立非執行董事  |
| KOL  | Key Option Leader   | 網絡紅人      | 網絡紅人  |
| Listing Rules                                    | Rules Governing the Listing of Securities on Main Board of the Exchange   | 上市規則      | 聯交所主板證券上市規則   |
| Model Code                                       | the Model Code for Securities Transactions by Directors of Listed Issuers   | 標準守則      | 上市發行人董事進行證券交易的標準守則  |
| Macao  | The Macao Special Administrative Region of the PRC  | 澳門        | 中國澳門特別行政區   |

|  |   |
|--|---|
| Mainland China                                 | PRC but excluding Hong Kong, Macao and Taiwan region for the purpose of this annual report  |
| Nomination Committee                           | A nomination committee of the Company, consists of Tsang Yok Sing, Jasper, Chan Ngai Chi and Ding Yong Ling, and is chaired by Tsang Yok Sing, Jasper   |
| Non-PRC market                                 | Markets outside of the Mainland China   |
| Owned Product(s)                               | The product(s) manufactured by the Group  |
| Parent Group                                   | Tong Ren Tang Holdings, its subsidiaries, its jointly controlled entities and its associates (other than the Group)   |
| PRC  | The People's Republic of China  |
| Prospectus                                     | Prospectus of the Company dated 25 April 2013   |
| Remuneration Committee                         | A remuneration committee of the Company, consists of Zhao Zhong Zhen, Chan Ngai Chi and Ding Yong Ling, and is chaired by Zhao Zhong Zhen   |
| SFO  | Securities and Futures Ordinance, Chapter 571   |
| Share(s)                                       | Share(s) of the Company   |
| Shareholder(s)                                 | Shareholder(s) of the Company   |
| Stock Exchange or Exchange                     | The Stock Exchange of Hong Kong Limited   |
| Tai Po Production and R&D Base                 | The research and development and production base of the Company located at Tai Po Industrial Estate in Hong Kong  |
| TCM  | Traditional Chinese medicine  |
| Tong Ren Tang                                  | Beijing Tong Ren Tang   |
| Tong Ren Tang Holdings or TRT Holdings         | China Beijing Tong Ren Tang Group Co., Ltd., a state-owned enterprise established in the PRC on 17 August 1992 and is the ultimate controlling shareholder of the Company   |
| Transfer of Listing                            | the transfer of listing of the Shares from GEM to the Main Board pursuant to Chapter 9A of the Main Board   |
| TRT International Natural-Pharm                | Beijing Tong Ren Tang International Natural-Pharm Co., Ltd., a wholly-owned subsidiary of the Company   |
| Tong Ren Tang Ltd. or TRT Ltd.                 | Beijing Tong Ren Tang Company Limited, a joint stock limited company established in the PRC on 18 June 1997, the shares of which have been listed on the Shanghai Stock Exchange since 1997, and is the intermediate holding company of the Company                                   |
| Tong Ren Tang Technologies or TRT Technologies | Tong Ren Tang Technologies Co. Ltd., a joint stock limited company established in the PRC on 22 March 2000, the H shares of which have been listed on GEM since 2000 and have been transferred to the Main Board since July 2010, and is the immediate holding company of the Company |
| US or United States                            | The United States of America  |
| Year   | Fiscal year from 1 January 2021 to 31 December 2021   |

|          |  |
|----------|--|
| 中國內地     | 中國，但就本年報而言，不包括香港、澳門及台灣地區   |
| 提名委員會    | 本公司之提名委員會，成員包括曾鈺成、陳毅馳及丁永玲，由曾鈺成擔任主席   |
| 非中國市場    | 中國內地以外的市場  |
| 自有產品     | 本集團製造的產品   |
| 母集團      | 同仁堂集團公司、其附屬公司、其共同控制實體、及其聯繫人(本集團除外)   |
| 中國       | 中華人民共和國  |
| 招股書      | 本公司之招股書，日期為2013年4月25日  |
| 薪酬委員會    | 本公司之薪酬委員會，成員包括趙中振、陳毅馳及丁永玲，由趙中振擔任主席   |
| 證券及期貨條例  | 證券及期貨條例(第571章)   |
| 股份       | 本公司之股份   |
| 股東       | 本公司之股東   |
| 聯交所      | 香港聯合交易所有限公司  |
| 大埔生產研發基地 | 本公司位於香港大埔工業村的生產研發基地  |
| 中醫藥      | 中國傳統中醫藥  |
| 同仁堂      | 北京同仁堂  |
| 同仁堂集團公司  | 中國北京同仁堂(集團)有限責任公司，於1992年8月17日在中國成立的國有企業，為本公司的最終控股股東                                |
| 轉板上市     | 根據主板上市規則第9A章，股份由GEM轉往主板上市  |
| 同仁堂國際藥業  | 北京同仁堂國際藥業有限公司，為本公司全資附屬公司   |
| 同仁堂股份    | 北京同仁堂股份有限公司，於1997年6月18日在中國成立的股份有限公司，其股份自1997年起於上海證券交易所上市，為本公司的中間控股公司               |
| 同仁堂科技    | 北京同仁堂科技發展股份有限公司，於2000年3月22日在中國成立的股份有限公司，其H股自2000年起在GEM上市，並於2010年7月轉往主板，為本公司的直接控股公司 |
| 美國       | 美國   |
| 本年       | 由2021年1月1日至2021年12月31日之年度  |

Where the English and the Chinese texts conflict, the English text prevails.  
中英文版本內容如有歧異，概以英文版本作準。

This Annual Report is printed on environmentally friendly paper  
本年報以環保紙張印製



[cm.tongrentang.com](http://cm.tongrentang.com)