



Venturepharm Laboratories Limited
萬全科技藥業有限公司
(Incorporated in the Cayman Islands with Limited Liability)
(於開曼群島註冊成立之有限公司)
(Stock code: 8225) (股份代號: 8225)

Annual Report 2010 年報



www.venturepharm.com

Venturepharm Laboratories Limited 萬全科技藥業有限公司

Annual Report 2009 二零一零年年報



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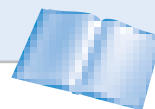
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目 錄 CONTENTS



公司資料	1
Corporate Information	
主席報告	3
Chairman's Statement	
財務摘要	8
Financial Highlights	
管理層討論及分析	9
Management Discussion and Analysis	
董事及高級管理層簡歷	15
Profile of Directors and Senior Management	
董事會報告	18
Directors' Report	
企業管治報告	32
Corporate Governance Report	
核數師報告書	38
Auditors' Report	
綜合全面收益表	40
Consolidated Statement of Comprehensive Income	
綜合財務狀況表	41
Consolidated Statement of Financial Position	
財務狀況表	42
Statement of Financial Position	
綜合權益變動表	43
Consolidated Statement of Changes in Equity	
綜合現金流量表	44
Consolidated Statement of Cash Flows	
綜合財務報表附註	45
Notes to the Consolidated Financial Statements	
五年財務概要	117
Five Years Financial Summary	

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Mr. WU Xin
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Mr. Paul CONTOMICHALOS
Mr. WU Ming Yu

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Mr. Leung Kwok Fai Ben Rich

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Mr. William Xia GUO

董事會

執行董事:

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宋雪梅博士

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梁國輝先生

監察主任

郭夏先生

AUDIT COMMITTEE MEMBERS

Mr. WANG Hong Bo
Mr. Paul CONTOMICHALOS
Mr. WU Ming Yu

審核委員會成員

王紅波先生
Paul CONTOMICHALOS 先生
吳明瑜先生

PRINCIPAL BANKERS

Credit Suisse
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主要往來銀行

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執業會計師

GEM STOCK CODE

8225

創業板股份代號

8225

Dear Shareholders,

Venturepharm now stands at the forefront of the most exciting and dynamic shift in the history of the contract research industry. Drug development outsourcing is expected to more than double over the next seven years as pharmaceutical and biotechnology companies increasingly look for ways to reduce their fixed costs and improve the efficiencies of bringing important new medicines to market. Over the past several years, Venturepharm has positioned itself to be able to succeed in this emerging environment. Among contract research organizations (CROs), only Venturepharm has the combined breadth of services, geographic footprint, and experience managing large partnerships, as well as more than 300 employees today in China.

This is a very trying time for CRO Clinical and Pharmaceutical development sector, 2010 was an exceptionally challenging year for the Company. Many financial, regulatory and industrial environment changes have temporary impact on the Company's performance. Though we have never run into such challenges, we also have never been so confident of our future because the continued growth of the China healthcare industry and the global recession provide great opportunities for the Company to capitalize on the increasing international outsourcing. We continue to innovate and adapt to the changes, and strategically position the Company as an Asian based life science leader in China, with a world-class most affordable full service plus model, covering discovery, preclinical and clinical study, pharmaceutical development services, compound partnering and royalty sharing.

I'm pleased to report the strategic progress that Venturepharm made in 2010 and outlook of 2011:

Though the Company reports negative financial results in many adjustments from none operation aspects in 2010. We still have accomplished a lot:

- We maintain to be China's No. 1 in new drug application and in clinical trials study in terms of the numbers of ongoing trials studies which drive our future growth. We have obtained about 60 new applications approvals for IP (Intellectual property) application, clinical trials, import drug licenses and manufacturing.
- We are proud of being completing one of China largest scale world-class drug R&D center.

尊敬的各位股東：

萬全科技現在站在臨床研究行業歷史上最令人興奮的和有活力變化的前列。隨着製藥和生物技術公司不斷尋找新的方法以降低固定成本和向市場推出重要新藥物的效率，藥物研發外包預計在未來七年將增加一倍以上。在過去的幾年裏，萬全科技已經找準了定位，以在這個新興的環境中獲得成功。在眾多的CRO(臨床研究中心)公司中，只有萬全科技具有服務，地理足跡整合的廣度和對大型合作夥伴往來管理的經驗，時至今日，萬全科技在中國已經有超過300名的僱員。

對於CRO的臨床和製藥研發部門，這是一個非常艱難的時刻，對於公司來說，剛過去的2010年也是一個非常有挑戰性的一年。許多金融、監管和產業環境的變化對公司業績產生了暫時性的影響。我們未曾遇到過這些挑戰，我們也從未對未來有如此信心，因為中國醫療保健行業的不斷增長和全球經濟衰退為公司提供了巨大的機遇，以利用不斷增加的國際服務外包。我們不斷創新、不斷適應這些變化、戰略性地將公司定位為亞洲基礎生命科學在中國的領導者。公司擁有世界級、可負擔的一站式的研發服務，包括藥物發現、臨床前和臨床研究、製藥工藝研究、化合物共享合作和特許經營等。

在此，我非常高興報告萬全科技在2010年的成果和對2011年的展望：

雖然公司本年度因非業務方面的諸多調整而報告了一些負面的財務業績，我們依然收獲頗豐：

- 在中國的新藥應用和臨床試驗研究中的我們保持了領先地位，正在進行的試驗研究能夠推動我們未來的發展，我們已經完成了60多項的新的IP(知識產權)應用、臨床試驗、許可和藥物進口和生產許可。
- 我們為自己是中國完成的最大規模的世界一流的藥物研發中心之一而自豪。

STRATEGIC AND OPERATIONAL HIGHLIGHTS

The pharmaceutical industry is undergoing dramatic change. China is expected to become one of the world's top healthcare markets by as early as 2011. By 2020, Shanghai area will be No. 1 in the world for the number of scientists engaged in commercial drug discovery research, and Chinese patent office will be No. 1 in the number of patents granted. A majority of the top 20 pharmaceutical companies in the world will have R&D centers in Shanghai. Shanghai great area will have as many biotech companies as San Diego and more new drugs launched than Boston.

Great opportunities create great business. Traditional models are no longer enough. To capture the opportunities, the Company has made strategic progress towards our vision to be one of the most affordable world-class fully-integrated R&D service giant. As a market leader in clinical trial study and pharmaceutical development service in China, the Company made strategic move by JV (Joint venture) with world top clinical research company follow by acquiring IP assets and transfer those know-how from west.

The Company had also made great progress in setting up various strategic platforms worldwide to provide most affordable fully-integrated world-class R&D services. Commitment to R&D is critical to the Company's long-term success in the pharmaceutical industry.

1. PRECLINICAL SERVICES

To expand the Company's therapeutic width and provide scale benefits, we continue to seek for pharmaceutical asset acquisition opportunities for new segments. We expect our clients will gradually embrace more full service outsourcing, and our mission is to deliver reliable value-added integrated project management services.

VPS-Preclinical is building a three-phase 500,000 square feet lab, which probably is one of the largest in Asia. The new facilities will provide preclinical animal testing full service in China, including discovery, toxicology, pathology and animal models of Disease services.

戰略和運營

製藥業正經歷巨大的變化。中國最早在2011年有望成為世界頂級醫療保健市場之一。到2020年，上海地區在為在商業藥物發現研究工作的科學家人數的領域中將成為世界第一，中國專利局將在專利授予數量上名列第一。在世界上排名前20的多數製藥企業將在上海擁有研發中心，同聖地亞哥一樣，上海也將有許多生物技術公司並且有比波士頓更多的新藥發佈。

巨大的商業機會創造出偉大的商業企業。舊的模式已經無法適應改變了的環境。為了抓住這些機遇，公司已經朝着成為世界頂級的可負擔、一站式的研發服務巨人的遠景做出戰略部署。作為在中國的臨床試驗研究和製藥工藝服務行業的市場領導者。公司做出戰略舉措，通過從西方購買知識產權和轉讓專門技術，成立合資公司同世界頂級的臨床研究企業合作。

公司也已經在世界範圍內建立各種世界級的提供可負擔、整合的一站式研發服務的努力中取得重大進展，致力於研發對公司在製藥行業取得長期的成功顯得至關重要。

1. 臨床前研究

為了拓寬公司在治療領域的服務範圍，創造更大規模效益，我們不斷尋找醫藥界各階段的資產並購重組機會。我們希望我們的客戶可以逐漸接受更優質全面的外包服務，並且我們始終堅持提供可信賴的、增值的、全面的一體化項目管理服務的信念。

VPS-Preclinical正在建造一個三期實驗室，500,000平方英尺，它可能成為亞洲最大的實驗室。新的設施將為中國提供臨床前動物實驗的全方位服務，包括藥物發現、毒理、病理、動物各類疾病模型建立等各種服務。

2. CLINICAL SERVICES

VPS (Venturepharm Service CRO Group) is a No.1 clinical services organization in China that provides global clinical, preclinical and regulatory affair services. It is a leader in oncology, hepatitis, vaccine, CNS, cardiovascular, hematology, diabetes, allergy and immunology.

The Company heavily invests in establishing clinical research operation units to drive the future growth of the Company:

- VPS Clinical is international listed company that take a leading position in clinical trail base in China. VPS Clinical focuses on innovation drug and MCT(Multiple Center Clinical Trial), it is a clinical trail research organization famous in greater, faster, better and more economic.
- VPRA-Porsche Center, Safe arrival at full speed ahead, First and Best in Class for ten years.
- VPS-mart Postmarketing,clinical research institute of drug postmarketing,the leader for clinical research and medical services in Asia.
- CNS-VPS Institute, Clinical Research Institute of Neuropsychiatry, pain treatment center.
- Vacc-VPS intitute, Vaccine clinical research base in China.
- Onc-VPS, Cancer and AIDS clinical research centre.
- Diab-VPS, clinical research Centre of Endocrinology and Diabetes.
- CV-VP Cardiovascular Pacific-Asia clinical research center.
- SAS-Venturepharm data management and medical statistics center.

2. 臨床服務

VPS (萬全陽光臨床研究服務集團)是中國第一的臨床研究組織,提供全球臨床和註冊服務。在腫瘤、肝病、疫苗、精神神經、心腦血管、血液、糖尿病、過敏和免疫學等領域都處於領先地位。

公司重點投資建立臨床研究運營機構以促進公司未來的發展:

- 陽光萬全(VPS Clinical)是海外上市公司的一部份,在中國的臨床服務領域具有領先地位。VPS Clinical 專註於創新藥和國際多中心臨床研究,是一家以多,快,好,省著稱的中國臨床研究公司。
- 保時萬全(VPRA-Porsche)藥政事務公司“全速領先安全到達”10年蟬聯冠軍。
- 萬全瑪特(VPS-mart Postmarketing)上市後產品臨床研究院,亞洲上市後藥品臨床研究及醫學服務的領先者。
- 喜恩萬全(CNS-VPS Institute)亞太精神神經臨床研究及疼痛治療中心。
- 萬全中國疫苗臨床研究基地(Vacc-VPS)。
- 安克萬全癌症及愛滋病研究中心(Onc-VPS)。
- 唐喜萬全內分泌及糖尿病研究院(Diab-VPS)。
- 卡地萬全心血管亞太臨床研究院。
- SAS 萬全臨床統計數據中心。

3. PHARMACEUTICAL DEVELOPMENT SERVICES

Product royalty and compound partnership will be one of the Company's drivers for revenue growth. We plan to invest more in building pharmaceutical development services capabilities and continue to add new products to our product pipelines through pharmaceutical development service (PDS). This will not only help achieve royalty revenue growth, but also further improve our fully integrated services capabilities to provide low-cost high quality drugs.

4. API (ACTIVE PHARMACEUTICAL INGREDIENT) DEVELOPMENT SERVICES

The Company continues to build up capabilities for API development services, custom synthesis and scale up service delivery.

EXCITING FUTURE

Looking ahead, we remain confident that we will be at the forefront in capitalizing upon the global outsourcing opportunity as it unfolds. The Chinese pharmaceutical industry is experiencing consolidation amongst key players, a trend which is expected to gain momentum in the future. While striving unceasingly to exercise strong leadership in the industry in China, we remain firmly committed to unlocking shareholder value through the delivery of high quality service solutions.

Based on our strong fundamentals of innovation, entrepreneurship and aggressive marketing skills, we are determined to capitalize upon the global outsourcing opportunities and remain committed to enhancing shareholder value, as we actively pursue our strategy of growth through both organic and inorganic means. To complement our expansion strategy, we are also looking to further strengthen our service delivery through acquisition.

In summary, we have aggressive and exciting plans for 2011, and once again we intend to deliver on our goals. In the year ahead, we expect to meet the following milestones:

3. 藥學研發服務

產品特許銷售和化合物共享合作將成為公司收入增長的重要途徑。我們計劃將更多投資用於藥學研發服務能力的提高，並通過藥學研發服務不斷增加新的產品到我們自己的產品線中。這不但有利於特許權收入的增長，而且提高了我們提供整合一站式低成本高質量研發服務的能力。

4. API 服務

公司繼續提高 API(原料藥)服務能力，提供定製合成與工藝放大服務。

令人激動的未來

展望未來，我們堅信我們將抓住全球外包服務業展現出的巨大機會，整合資源，走在最前列。中國製藥行業正在經歷核心成員的重新整合，這將是未來的發展勢頭。我們會不斷努力，佔據中國醫藥行業的領軍地位，並將通過提供高質量的服務解決方案，給股東帶來更多利益。

在我們強大的研發實力、企業家精神、市場進取精神的基礎上，我們決心抓住全球外包服務業的機會，整合資源，將股東利益最大化。為了我們不斷發展的戰略規劃，我們將採取有機和無機兩種方式，並將繼續通過企業併購提高服務能力。

總之，在 2011 年，我們有極具進取心，令人激動的計劃，我們將再一次實現我們的目標，在這一年，我們要達到以下里程碑：

1. KEY GROWTH DRIVER 1 OF 2011: SET UP A FULLY INTEGRATED HIGH QUALITY MOST AFFORDABLE DRUG DISCOVERY GLOBAL SERVICE DIVISION

Clinical study and PDS will be the two engines to drive the growth of this sector.

2. KEY GROWTH DRIVER 2 OF 2011: FURTHER IMPROVE PRECLINICAL STUDIES CAPABILITIES

We aim at turning a No. 1 VPS CRO in domestic market to a global specialty pharmacy and Biotech company, by setting up sales and marketing offices in North America and Europe, and expanding through global alliance and M&A of global CRO companies.

3. KEY GROWTH DRIVER 3 FOR 2011: COMPOUND PARTNERSHIP MODELS:

The Company will continue the co-finance, co-development and co-marketing strategy and engage in strategic licensing of therapeutic compound pipelines, and marketing of projects to China, an emerging global top five market.

In closing, Venturepharm has a committed group of employees who are bright, enthusiastic and hard-working. I would like to thank the management and all of our employees for their dedication and commitment. On behalf of everyone at Venturepharm, we extend our sincerest appreciation to our shareholders for their continuing repose of confidence in the Company. We will deliver improved value in 2010 and the years to come. We look forward to your ongoing support and to sharing this dynamic growth phase of our journey with you.

By order of the Board
William Xia Guo
Chairman

20 June 2011

1. 2011 年關鍵增長驅動 1: 建立整合的一站式、高質量、可負擔的藥物發現全球服務基地

臨床研究與 PDS 將成爲此業務模塊發展的引擎。

2. 2011 年關鍵增長驅動 2: 繼續發展臨床前和臨床研究能力

我們致力於將已經在本土市場中第一位的臨床研究公司 VPS-CRO, 轉型成爲爲品牌仿製藥公司和生物技術公司提供服務的供貨商, 我們會通過在北美和歐洲建立辦事處, 並與國際一流 CRO 公司的合作和併購來加速達成這一目標。

3. 2011 年關鍵增長驅動 3: 特許經營和化合物共享合作模式

公司將繼續進行合作經營、合作發展、合作市場營銷的戰略並投身於戰略性治療領域產品線的引進, 並推動其在中國, 這個世界五大市場之一的市場拓展。

最後, 萬全有着忠實的員工, 他們聰明、熱情、勤奮工作。我感謝所有辛勤工作、忠誠、奉獻的員工。代表在萬全的每一位員工, 我們真誠的感謝每一位股東對萬全一直以來的信任與支持。我們將繼續二零一零年的改進與完善, 並在今後將其不斷傳承發展。我們期待您的繼續支持, 並願與您分享高速發展的成功之旅!

受董事會委派
郭夏
主席

二零一一年六月二十日

		Year ended 31 December	
		截至十二月三十一日止年度	
		2010	2009
		二零一零年	二零零九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Results	業績		
Revenue	收益	37,687	47,308
(Loss)/Profit for the year	年內(虧損)/溢利	(57,260)	6,033
Assets and Liabilities	資產及負債		
Total Assets	總資產	200,150	210,185
Total Liabilities	總負債	143,825	97,281
Shareholders' equity	股東權益	59,544	111,527

- For the year ended 31 December 2010, consolidated turnover amounted to RMB37,687,000 representing a decrease of 20% compared with RMB47,308,000 of last year .
- For the year ended 31 December 2010, the loss before income tax was RMB 55,422,000 compared with profit of RMB 6,310,000 of last year. The loss in 2010 was mainly contributed to the loss of total RMB 70,604,000 without direct cash flow out as followed compared with the loss of same items of total RMB13,119,000 included in profit of last year, including loss on revaluation of convertible bond RMB 22,193,000 (2009: RMB 9,996,000), provision for impairment losses of trade receivables RMB 9,747,000 (2009: RMB 1,245,000), provision for impairment losses of work-in-progress RMB14,451,000, impairment loss on financial assets at fair value through profit or loss RMB10,185,000, exchange loss RMB9,818,000 (2009: RMB 1,878,000) and provision for impairment of intangible assets RMB4,210,000. Excluding the items listed above for both 2010 and 2009, the profit before income tax for 2010 should be RMB 15,182,000 representing a decrease of 22% compared with RMB19,429,000 of last year.

- 截至二零一零年十二月三十一日止年度本集團錄得營業收入約人民幣37,687,000元。較二零零九年同期之營業收入下降約20%。
- 截至二零一零年十二月三十一日止年度本集團錄得除稅前虧損為約人民幣55,422,000元。而二零零九年同期除稅前盈餘為約人民幣6,310,000元。本年度大幅虧損是主要因為以下各項沒有直接現金流出的損失的影響所致，其中包括在產品減值損失約人民幣14,451,000元，壞賬準備人民幣約9,747,000元(2009:人民幣1,245,000元)，新藥技術減值損失約人民幣4,210,000元，可換股債券重估虧損約人民幣22,193,000元(2009:人民幣9,996,000元)，匯兌損失約人民幣9,818,000元(2009:人民幣1,878,000元)，金融資產減值損失人民幣10,185,000元，共計人民幣70,604,000元(2009:人民幣13,119,000元)。在2010年度和2009年度分別扣除上述影響，本年度除稅前盈餘應為約人民幣15,182,000元，較二零零九年同期之除稅前盈餘約人民幣19,429,000元下降約22%。

RESULTS

For the year ended 31 December 2010, consolidated turnover amounted to RMB37,687,000 representing a decrease of 20% compared with RMB47,308,000 of last year. The 2010 consolidated turnover included approximately RMB4,316,000 was derived from contracted pharmaceutical development services (PDS), approximately RMB26,755,000 from contracted clinical research services (VPS), and approximately RMB5,400,000 from franchise commercialization.

In terms of revenue structure, the revenue of VPS amounted to 71% of the total revenue, which was increased by 8% compared with that of last year. The revenue of PDS decreased by 71% and the revenue of royalty income decreased by 4% compared with that of 2009. As there was a significant change in the Chinese Government's policies and regulations in drug approval, especially the newly released GMP regulation (revised in 2010 and effective in 2011), which led to the increase in rigidity and cautiously in government approval and increased the timing and risk in new drug development, the revenue of PDS dropped significantly in 2010.

The overall gross profit margin was 57% compared with 56% in last year. General and administrative expenses amounted to RMB62,592,000 representing an increase of 262% compared with RMB17,304,000 in 2009, and the increase was mainly attributable to the provision for impairment of new drugs technology, work-in-progress and account receivables related to PDS projects, reflecting the influence of changes in Chinese government's policies and regulations mentioned before. Finance costs amounted to RMB14,828,000 representing an increase of 135% compared to RMB6,301,000 in 2009, due to the significant increase in exchange loss.

CONVERTIBLE BONDS

On 10 September 2007, Venturepharm Laboratories Limited, issued bonds of an aggregate principal amount of CHF15,000,000 (the "Bonds"), which will be expired in 9 September 2012.

Because of the fair value change and exchange rate change in 2010, approximately total loss of RMB 29,129,000 related to the bonds, in which loss on fair value change of the Bonds was approximately RMB 22,193,000 and exchange loss of the Bonds was approximately RMB 6,936,000 was contributed to 53% total loss before tax of RMB 55,422,000 in 2010.

業績

截至二零一零年十二月三十一日止期間，綜合營業額為人民幣37,687,000元，較上年度人民幣47,308,000元，減少20%，二零一零年度有關合約藥物開發收入約人民幣4,316,000元，臨床研究服務收入約人民幣26,755,000元，特許權收入約人民幣5,400,000元。

從收入結構看，臨床研究服務收入比上年度增長8%，並佔總收入的71%。合約藥物開發收入下降71%，特許權收入下降4%。由於中國國家藥品審批政策法規近年來發生重大調整，新藥審批更加嚴格和謹慎，特別是2011年開始實施《藥品生產質量管理規範(2010年修訂)》帶來的不確定因素，新藥研發的時間和風險加大，造成合約藥物開發業務收入下降。

於回顧年度內，本集團整體毛利率為57%，比上年度56%略有增加。一般及行政開支約為人民幣62,592,000元，比二零零九年人民幣17,304,000元增加262%，主要原因是考慮到前述國家政策的影響，大幅增加在產品減值損失，壞賬準備，新藥技術減值損失，金融資產減值損失；財務費用人民幣14,828,000元，比二零零九年人民幣6,301,000元增加135%，主要原因是匯兌損失大幅增加所致。

可換股債券

於二零零七年九月十日，萬全科技藥業有限公司發行本金總額為15,000,000瑞士法郎之債券(「債券」)，該債券將於二零一二年九月九日到期。由於公允價值變動和匯率變化，本年度與債券有關的損失約為人民幣29,129,000元，佔二零一零年全部稅前損失人民幣55,422,000元的53%，其中，公允價值變動損失約為人民幣22,193,000元，匯率變化損失約為人民幣6,936,000元。

At 31 December 2010, the carrying amounts and fair value of the non-current convertible bonds for the Group amounted to approximately of RMB108,005,000 (2009: RMB78,333,000).

LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO

During the year, the Group maintained a sound financial position and prudent liquidity risk management, and had sufficient cash to meet the need of its business development. As at 31 December 2010, the Group had current assets of approximately RMB178,072,000, among which RMB6,910,000 was cash and cash equivalents. The Group had maintained sufficient cash.

FOREIGN EXCHANGE EXPOSURE

During the year, the Group's transactions were substantially denominated in Renminbi ("RMB"). The Group closely monitors its foreign currency risk from time to time and will use appropriate hedging when necessary.

BUSINESS REVIEW

Aiming at long-term development and based on its business transformation strategy of transforming from a leading technology transfer supplier to an enterprise integrating pharmaceutical development and products commercialization, the Group continued to expand its product lines and accelerate the establishment of the marketing network so as to rapidly capture its market share. The Group has managed to establish a comprehensive value-added business mode for value chains such as Active Pharmaceutical Ingredient (API), formulation and analysis technology, pre-clinical research, clinical trial, regulatory affair (RA) service and franchise commercialization, thereby enhancing the profitability and risk resistance capability of the Group, and enabling the Group to secure long-term stable profitability in future.

於二零一零年十二月三十一日，本集團的非流動可換股債券的賬面值 and 公允價值分別約為人民幣 108,005,000 元(二零零九年：人民幣 78,333,000 元)。

流動資金、財務資源及負債比率

集團的資金鏈是非常健康的，流動資金也很充裕。足以應付公司經營之需要。於二零一零年十二月三十一日，本集團之流動資產約為人民幣 178,072,000 元，當中約人民幣 6,910,000 元為現金及現金等價物。本集團現金充足，財務狀況良好。

外匯風險

於本年度，本集團之交易絕大部份以人民幣計值。本集團不時密切監察其外幣風險，並將於有需要時進行適當之對沖。

業務回顧

本集團基於長期發展考慮，繼續推進從領先的技術轉讓供貨商轉變為集藥物開發及產品商業化為一體的業務轉型策略，不斷擴充產品線以及加快建立市場網絡以便迅速佔領市場份額。本集團已經初步建立了有效藥劑成分、製劑及分析技術、臨床前研究、臨床試驗、藥政服務、特許經營商品化使用等價值鏈的全面增值過程業務模式，使得公司在未來贏得長久穩定的盈利能力。

SALES AND MARKETING

For the year ended 31 December 2010, the Group had signed 22 new contracts with contract value of approximately RMB35,974,000 representing a decrease of 48% compared to RMB69,310,000 in 2009. Because of the changes in government policy, our customers postponed their investment on new drug development.

The Group continued its investment in the enhancement of marketing capability and the expansion of market network, and introduced new technologies in the domestic market under the brand of Venturepharm while striving to establish and expand overseas markets under the brand of VPS-CRO. During the year, the Group not only focused on business expansion, but also paid more attention to the enhancement of brand value and the improvement of professional capability, aiming at becoming a comprehensive and reliable technology and service provider with the most prestigious brand and leading technologies.

CLINICAL RESEARCH SERVICE (VPS)

Taken clinical study as the prime focus, the Group has established the most integrated service in the country, which provides a series of services ranging from phase I clinical and bioequivalence studies, phase II-III clinical studies, and phase IV post-marketing clinical study, to data management and medical statistics, and medical administration related service. Meanwhile, the Group makes a great efforts to improve the professional capability involving the above mentioned services and has preliminarily established 13 professional research institutions including Venturepharm-CBI phase I clinical research center, VPS-mart phase IV clinical research and academic promotion center, SAS-Venturepharm data management and medical statistics center, VP-Porsche RA service center, OHH-VP Pacific-Asia clinical research institution for oncology, TangXi-VP Pacific-Asia clinical research institution for Diabetes, CNSVP Psychoneurologic and pain management Pacific-Asia clinical research institution, CV-VP Cardiovascular Pacific-Asia clinical research center, AIDS and hepatitis Pacific-Asia clinical research institution, DermNova Pacific-Asia clinical research institution for dermatosis and gynecologic disease and TCM-VP clinical research center for natural drug and traditional Chinese medicine, etc.

銷售及市場推廣

截至二零一零年十二月三十一日，本集團成功簽訂22份新的合約，價值約人民幣35,974,000元，合同額較去年人民幣69,310,000元下降48%，主要由於前述中國國家藥品審批政策變化的影響，較多客戶推遲了在藥品開發上的投資所致。

本集團不斷在增強市場推廣能力及拓展市場網絡方面作出投資，以萬全科技品牌在本地市場推出新技術，同時以VPS-CRO(萬全陽光臨床研究服務集團-臨床研究中心)全力構建和拓展海外服務市場。期間，本集團非僅僅注重業務數量增長，同時更注重積累服務的品牌價值以及專業能力提升，力求發展成為品牌最優、質量可靠、技術領先的全面的技術和服務供應商。

臨床研究服務(VPS)

本集團已經建立起國內最完整的以臨床研究為主體內容的服務業務，包括I期臨床及生物等效性研究，II-III期臨床研究，IV期暨上市後臨床研究，資料管理及醫學統計，藥政事務服務等一系列服務；同時着力打造以上業務所涉及的專業能力，初步建立起萬全CBI一期臨床研究中心、萬全瑪特(VPS-mart)四期臨床研究及學術推廣中心、SAS-萬全數據管理及醫學統計中心、保時萬全(VP-Porsche RA)藥政事務中心、安克萬全(OHH-VP)癌症亞太臨床研究院、唐喜萬全亞太臨床研究院、喜恩萬全(CNSVP)精神神經亞太臨床研究院、喜恩萬全疼痛醫學(CNSVP-Pain management)研究院、怡妙萬全(Vacc-VP)亞太臨床研究院、卡地萬全心血管(CV-VP)亞太臨床研究中心、甘艾(滋病及肝炎)亞太臨床研究院、德美萬全(DermNova)皮膚及婦科亞太臨床研究院、萬全堂(TCM-VP)天然藥與中藥臨床研究中心等13個專業研究機構。

In the meantime, the Group has built a nation-wide network with bases in Beijing, Shanghai and Guangzhou and offices in over 30 provincial capital cities for clinical monitoring and academic promotion, covering over 80% hospitals which have been authorized to conduct clinical research. The Group has the capacity of operating more than 60 phase I and BE projects each year and conducting 50 phase II-III clinical projects simultaneously. Meanwhile, the Group is able to carry out 4 phase IV clinical trials with large sample size (2,000 subjects) at the same period.

PRE-CLINICAL RESEARCH SERVICES (THE PRE-STAFF SERVICE)

Venturepharm group is building Asia CMC drug evaluation center, it's a GLP standard pre-clinical laboratory with a total area of 50,000 square meters, and the laboratory will be the largest in Asia after completion. At present the first-phase infrastructure construction has been finished and two internal decoration designs are ongoing. The newly completed center will adopt international standards from building design, process layout, equipment selection and installation, personnel, system construction and so on. It is planned to undertake 30% of the CBI R&D outsourcing business, so as to serve the top consumers of Europe and the USA and domestic and foreign small and medium-sized enterprise at the same time. The main business center platform has: drug discovery experimental platform; Toxicology experiment platform; Pathological experiment platform; Disease animal model experimental platform.

PHARMACEUTICAL DEVELOPMENT SERVICE (PDS)

The Group's portfolio for technology R&D and transfer covers 13 major and high growth therapeutic areas such as endocrine, CNS, cardiovascular disease, dermatosis, cancer, AIDS, allergy and antibiotics. Several of its products are introduced to the domestic market for the first time and are exclusive products. Furthermore, several advanced technology platforms have been established for drug synthesis, pharmaceutical analysis and drug delivery systems.

Because of the changes in the Chinese Government's policies and regulations in drug approval, especially the newly released GMP regulation (revised in 2010 and effective in 2011), which led to the increase in rigidity and cautiously in government approval and increased the timing and risk in new drug development, the revenue of PDS dropped significantly in 2010. The group had reviewed the strategy of PDS, inspected the assets related to PDS and make necessary provision or impairment to such assets.

同時，集團在全國建立了以北京、上海、廣州為基地，附帶30多個省會城市辦事處的全國性臨床監察和學術推廣網絡；覆蓋到80%以上可以有資格進行臨床研究的醫院，目前每年可以達到I期及生物等效項目60個以上的操作能力，II-III期項目可以同時開展50個；大樣本量(2000例)的IV期臨床可以同時開展4個。

臨床前研究服務(PRE-CLINICAL SERVICE)

集團正在興建萬全亞洲 CMC 藥物評價中心，一個總面積為50,000平方米的GLP標準的臨床前實驗室，該實驗室建成之後將成為亞洲最大的臨床前實驗室。目前已經完成1期基礎設施建設及正在進行2項內部裝修設計。新落成的中心，從建築設計、工藝佈局、設備選型及安裝、人員配備、制度建設等方面均採用國際標準。計劃承接30%的CBI研發外包業務，既滿足歐美高端客戶的需求，同時對國內及國外的中小企業也提供服務。中心的主要業務平台有：藥物發現實驗平台；毒理學實驗平台；病理學實驗平台；疾病動物模型實驗平台。

藥物開發服務(PDS)

本集團之技術研發與轉讓的項目，涉及13個主要及高增長之治療範圍，例如內分泌、精神神經系統疾病、心血管疾病、皮膚病、癌症、愛滋病、過敏症及抗生素等。多個產品為國內首家及獨家產品；在藥物合成藥物分析及藥物傳遞系統上，建立了多個優勢技術平台。

由於中國國家藥品審批政策法規近年來發生重大調整，新藥審批更加嚴格和謹慎，特別是二零一一年開始實施《藥品生產質量管理規範(2010年修訂及於2011年生效)》帶來的不確定因素，新藥研發的時間和風險加大，造成該項業務收入下降。本集團對重新評估了PDS發展戰略，對涉及PDS業務之各項資產進行了詳細的檢視，在本年度對有關資產進行必要的減值撥備。

Along with a reinforced investment, the Group's R&D strength continues to maintain a leading position in the industry. Under the circumstance of such strict and delayed review by State Food and Drug Administration (SFDA), the Group still obtained 13 new Clinical Study Permits (CSPs) and 3 Manufacturing Permits (MPs), maintaining the No.1 position in China. For the year ended 31 December 2010, the total number of CSPs obtained by the Group accumulated to 327 and the total number of MPs accumulated to 131.

ACTIVE PHARMACEUTICAL INGREDIENT (API)

Aside from technology transfer projects, the business of API is developing in a comprehensive way. Despite that API's sales revenue accounts for less than 1% of the total revenue in 2010, it is able to provide integrated services including custom synthesis, API and intermediate marketing and API related services. It is believed that API business could realize a dramatic growth in 2011.

PATENTS

The Group has always placed great emphasis on the protection of intellectual property rights. Since its incorporation and up to 31 December 2010, the Group has applied over 500 patents.

PROSPECTS

To capitalize on the opportunity of the increased demand of global R&D outsourcing market, the company has made best efforts to improve its service capacities and performance in R&D outsourcing service by providing fully integrated pharmaceutical services that include VP Discovery, API (Active Pharmaceutical Ingredient), PDS (Pharmaceutical Development Service), Pre-clinical research, CRS (Contract Research Service) and RAS (Regulatory Affairs Service). In the meantime, the Group believes that as the government further standardizes and implements its supervision, the market environment will become more favourable to the Group given its competitive edge. Meanwhile, the investment from Chinese government into the scientific research of biologic and pharmaceutical technology, with the investment of RMB6.6 billion into major new drug research included, will stimulate greatly to the R&D service market. The upcoming new booming age of the pharmaceutical industry will not only present the Group with rare and precious business opportunities, but also considerable return for the shareholders.

隨着不斷的大力投資，本集團一直保持在新藥研發市場之優勢地位。在國家審評如此嚴格和延遲的情況下，仍然獲得國家食品藥品監督管理局批出13張臨床研究批件及3個生產批件，繼續保持國內第一。公司截至二零一零年十二月三十一日，獲發之臨床研究許可證總數已累積至327張，獲發之生產許可證總數已累積至131張。

API 業務

除單純的原料藥項目的技術轉讓外，萬全API業務，正向綜合方向發展。雖然二零零九年API銷售只佔收入的1%，但目前已經可以提供定製合成，API和中間體銷售，API相關服務等綜合的服務業務，相信在二零一零年也會有比較大的增長。

專利

本集團一向注重保護知識產權。本公司由成立至二零一零年十二月三十一日止共申請專利超過500項。

展望

為把握國際研發外包市場需求增長之機遇，本集團不遺餘力提高自身研發能力及質量，以提供涵蓋藥物發現(VP-Discovery)、有效藥劑成分(API)、藥物開發(PDS)、臨床前研究、臨床合同研究服務(CRS)、藥政服務(RAS)之全面綜合的服務。同時本集團也相信，隨着政府對於藥品監督管理各個環節的進一步規範，監管進一步落實，市場環境會更符合本集團的競爭優勢。同時，中國政府在生物和醫藥技術領域科研方面的投入，包括重大新藥創製在內的人民幣66億元的投入，對於研發服務市場也是非常大的刺激。我們相信醫藥行業的新繁榮時期將為本集團帶來不可多得的機遇，必將為股東帶來豐厚的回報。

CAPITAL STRUCTURE

There has not been any change to the capital structure of the Company since that date.

SIGNIFICANT INVESTMENT

The Company invested its surplus fund through its principal bank in investment market, which was RMB 60,138,000.

EMPLOYEE COMPENSATION

The Group's remuneration policy is basically determined by the performance of individual employees. In addition to salaries and bonuses, employee benefits included medical and pension contributions and share options schemes.

APPROPRIATION

The Directors do not recommend the payment of final dividend for the year ended 31 December 2010.

REVIEW OF FINANCIAL STATEMENTS

The audit committee of the Board has reviewed the consolidated financial statements for the year, including the accounting principles and new and revised accounting standards adopted by the Company, and discussed matters relating to auditing, internal controls and financial reporting.

資本結構

本公司之資本結構與上年相比無變動。

重大投資

本公司已透過其主要往來銀行將盈餘資金投資於市場約人民幣 60,138,000 元。

僱員薪酬資料

本集團之薪酬政策基本上按僱員之個人表現釐定。除薪金及花紅外，僱員福利亦包括醫療及退休供款，以及購股權計劃。

分配

董事不建議就截至二零一零年十二月三十一日止年度派發末期股息。

財務報表之審閱

審核委員會已審閱本公司本年度之綜合財務報表，包括本公司所採納的新訂及經修訂準則，並已討論有關審計、內部監控及財務匯報事宜。

EXECUTIVE DIRECTORS

Mr. William Xia GUO, is the Chairman, Chief Executive Officer, Managing Director and Joint Chief Technology Officer of the Group. Mr. Guo is responsible for strategic planning and development, overall management and R&D activities of the Group. Mr. Guo obtained with a Master degree in science from University of Toronto in March 1997. Mr. Guo has also completed various approved courses for the degree of Master of Business Administration in the Heriot-Watt University. Before establishing the Group in December 1998, Mr. Guo had worked for two pharmaceutical companies in Canada, namely Ortho-McNeil Inc. and Novopharm Limited, both are pharmaceutical companies in Canada as research scientist and process development manager, respectively. Mr. Guo has approximately 10 years experience in research, pharmaceutical development and management in the pharmaceutical industry. Mr. Guo is a member of the American Association of Pharmaceutical Scientists and the National Pharmaceutical Sciences Group Inc.

Dr. Maria Xue Mei SONG, is an executive Director. Dr. Song is responsible for Clinical Research (R&D) and also the head of the Human Resources Management Department of the Group. Dr. Song graduated from China Concord Medical University with a Doctorate degree in clinical medicine in July 1995. She is also a Registered Pharmacist in the PRC. Prior to joining the Group in February 2000, Ms. Song had served as general manager of Beijing Tiancifu Biopharmaceutical Co. Ltd.

NON-EXECUTIVE DIRECTORS

Mr. FENG Tao, is nominated as a non-executive Director by C Tech Fund. Mr. Feng obtained a Master degree in Science from the Department of Statistics and Applied Probability from the University of Alberta in June 1992. Mr. Feng has been serving as the Vice President Officer of The Foundation of Science and Technology for Development of the State Planning Committee, State Economic and Trade Commission of the PRC and China Science Academy since September 1999. He was appointed as non-executive Director in August 2002.

執行董事

郭夏先生，本集團主席、首席執行官、董事總經理兼聯席首席技術官。郭先生負責本集團之策略規劃及發展、整體管理及研發業務。郭先生於一九九七年三月取得多倫大多學理學碩士學位，亦在 Heriot-Watt University 完成工商管理碩士學位之多個認可課程。於一九九八年十二月成立本集團之前，郭先生曾於兩間加拿大製藥公司 Ortho-McNeil Inc. 及 Novopharm Limited 分別擔任研究科學家及工序開發經理。郭先生於製藥行業之研究、製藥開發及管理方面擁有約十年經驗。郭先生乃美國藥學科學家協會及 National Pharmaceutical Sciences Group Inc. 之會員。

宋雪梅博士，執行董事。宋博士負責本集團之臨床研究(研發)服務，並為人力資源管理部主管。宋博士畢業於中國協和醫科大學，於一九九五年七月獲頒臨床醫藥博士學位。彼亦為中國註冊藥劑師。於二零零零年二月加盟本集團之前，宋女士曾於北京天賜福生物醫藥有限公司擔任總經理。

非執行董事

馮濤先生，獲 C Tech Fund 提名出任非執行董事。馮先生於一九九二年六月在 University of Alberta 統計及應用概率學係取得理學碩士學位。馮先生自一九九九年九月起一直出任國家計委、國家經貿委及中國科學院科技促進經濟部基金委員會副主任。彼於二零零二年八月獲委任為非執行董事。

Mr. WU Xin, is a non-executive Director nominated by C Tech Fund. Mr. Wu is a vice-president of New Margin. Mr. Wu obtained his Master of Science degree from Stanford University in Engineering-Economic Systems in 1994 and a Bachelor of Science degree in Electrical Engineering from University of Illinois in May 1993. Prior to joining New Margin, Mr. Wu worked in Chase Capital Partners, an investment firm, and at Robertson Stephens & Company, an investment firm based in San Francisco. He was appointed as non-executive Director in August 2002.

Dr. Nathan Xin ZHANG, is a non-executive Director. Dr. Zhang is the former chief executive officer of Chipscreen Biosciences Ltd., a leading Chinese biotech company specialized in innovated cancer, diabetes, and osteoporosis drug discovery. Dr. Zhang had worked with KPMG LLP and Credit Suisse First Boston. Dr. Zhang holds an M.D. from Tianjin Medical University, Ph. D from University of Pennsylvania, and an MBA from the University of Chicago, USA.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. WANG Hong Bo, is an independent non-executive Director and is the chairman of the audit committee. He is a member of the Association of Chartered Certified Accountants and the Chinese Institute of Certified Public Accountants. Mr. Wang graduated from Nan Kai University with a master degree. Mr. Wang is presently a finance manager of TCL Group Limited. Mr. Wang has over 10 years of experience in auditing. He was appointed as independent non-executive Director in September 2004.

Mr. Paul CONTOMICHALOS, is an independent non-executive Director. He was awarded an MBA from the Columbia University in May 1985. Mr. Contomichalos had worked for Bristol-Myers Squibb (BMS). His first position in China was to start up the consumer over-the-counter business of Bristol-Myers Squibb in 1994. He became Chairman and President of Bristol-Myers Squibb China from 1997 to 2000. Prior to working in China, Mr. Contomichalos held various key consumer marketing and business development positions with Bristol-Myers Squibb in the USA and Canada and has about 18 years of experience in this field. He was appointed as independent non-executive Director in August 2002.

吳欣先生，獲 C Tech Fund 提名為非執行董事。吳先生為 New Margin 之副總裁，彼於一九九四年在史丹福大學獲得工程經濟系統理學碩士學位，及於一九九三年五月在伊利諾伊大學取得電力工程理學士學位。於加盟 New Margin 前，吳先生曾任職一間投資公司 Chase Capital Partners 及三藩市之投資公司 Robertson Stephens & Company。彼於二零零二年八月獲委任為非執行董事。

張欣博士，非執行董事。張博士曾任深圳微芯生物公司總裁，該公司是一家中國致力於治療腫瘤、糖尿病及骨質疏松等的知名創新生物醫藥公司。彼也曾就職於 KPMG 紐約公司、瑞士信貸第一波士頓。彼持有天津醫學院博士學位、美國賓夕凡尼亞大學藥理學博士學位及芝加哥大學商學院工商管理碩士。

獨立非執行董事

王紅波先生，獨立非執行董事及審核委員會主席。彼為英國特許公認會計師公會及中國註冊會計師協會之會員。王先生畢業於南開大學，獲頒碩士學位。彼現為 TCL 集團股份有限公司財務經理。王先生擁有逾 10 年審計經驗。彼於二零零四年九月獲委任為獨立非執行董事。

Paul CONTOMICHALOS 先生，獨立非執行董事。彼於一九八五年五月獲哥倫比亞大學頒授工商管理碩士學位。Contomichalos 先生曾任職於 Bristol-Myers Squibb (BMS)，在中國首項工作為於一九九四年開辦 Bristol-Myers Squibb 之消費者場外業務。彼於一九九七年至二零零零年間出任 Bristol-Myers Squibb China 之主席兼總裁。於中國工作之前，Contomichalos 先生曾在美國及加拿大 Bristol-Myers Squibb 擔任多個主要消費者市場推廣及業務開發職位，在該範疇積逾約十八年經驗。彼於二零零二年八月獲委任為獨立非執行董事。

Mr. WU Ming Yu, is an independent non-executive Director. Mr. Wu is a member of the education committee of the China (Hainan) Reform Development Research Institute, a member of Standing Committee of China Association of Science and Technology; President of Chinese Society of Technology Economics; Honorary President of China Society of Science and Science Technology Policy Research and Vice-President of China Society of Land Economics Research. Mr. Wu has held the post of Vice Minister of the Development Research Center of the State Council, Vice Minister of the State Science and Technology Commission; President of China Technology Economic Research Institute; Vice President of China Society of Science and Science Technology Policy; Economist of Economy Research Institute of the State Council and President of Asia-Pacific Research Institute. He was appointed as independent non-executive Director in August 2002.

SENIOR MANAGEMENT

The Group's senior management comprises the following employees:

Dr. Tom Tuo JIN, is the Joint Chief Technology Officer. Dr. Jin holds M.D. from University of Toronto and Ph. D from Hokkaido University. Dr. Jin engaged in education and pharmaceutical R&D in Japan, USA Novartis and Canada for years. Dr. Jin was a researcher with Aventis-Pasteur (USA), Supervisor of Formulation Division with BioDelivery Science (USA), as well as Associate Professor with Long Island University. Dr. Jin is the dean of Sinican Institute. Dr. Jin published 25 articles in periodical and applied for 10 patents. Dr. Jin is a member of American Association of Pharmaceutical Scientists.

Dr. Tarun GUPTA, is the co-head of the Group's Business Development Department (International Division). He is also the Chief Executive Officer of P.K. Pharmatech in India. Dr. Gupta has obtained his degree of Bachelor of Medicine and Bachelor of Surgery in December 1982. He worked with Lupin Laboratories Limited of India before he joined the Group in December 2000 and was seconded to the exclusive marketing and distribution agent in Hong Kong in 1996. He was responsible for marketing and distributing of product of Lupin Group in the Asia region. He has over 10 years of experience in the field of pharmaceutical industry.

吳明瑜先生，獨立非執行董事。吳先生為中國(海南)改革發展研究院學術委員會委員、中國科學技術協會全國委員會委員、中國技術經濟研究會理事長、中國科學與科技政策研究會名譽理事長及中國國土經濟學研究會副理事長。吳先生曾任國務院發展研究中心副主任、國家科學技術委員會副主任、中國技術經濟研究會理事長、中國科學與科技政策研究會副理事長、國務院經濟研究中心經濟學家及 Asia-Pacific Research Institute 理事長。彼於二零零二年八月獲委任為獨立非執行董事。

高級管理層

本集團之高級管理層由以下僱員組成：

金托博士，為聯席技術總監。金博士持有多倫多大學醫學博士及日本北海道大學博士學位。金博士多年來於日本、美國 Novartis 及加拿大從事教育及藥劑研發工作。金博士曾經擔任 Aventis-Pasteur(USA) 的研究員、BioDelivery Science (USA) 配方的主管，以及美國長島大學副教授。金博士為 Sinican Institute 的院長。金博士曾於學報發表 25 篇文章及擁有 10 項專利發明。金博士為美國藥學科學家協會成員。

Tarun GUPTA 博士，為本集團業務發展部(國際部)聯席主管。彼亦為印度 P.K. Pharmatech 之行政總裁。Gupta 博士於一九八二年十二月獲得醫藥學學士學位及外科學學士學位。於二零零零年十二月加入本集團前，彼於印度 Lupin Laboratories Limited 工作，於一九九六年被調任為香港獨家市場推廣及分銷代理。彼負責 Lupin 集團產品在亞洲區之市場推廣及分銷。彼於製藥業有逾 10 年經驗。

The Directors of the Company present their annual report and the audited consolidated financial statements of the Company and its subsidiaries (the "Group") for the year ended 31 December 2010.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The principal activities of the Company's subsidiaries are set out in notes 8 to the financial statements.

An analysis of the Group's performance for the year by business segments is set out in note 5 to the financial statements.

RESULTS AND APPROPRIATION

The results of the Group for the year ended 31 December 2010 are set out in the consolidated statement of comprehensive income on page 40 of the annual report.

The Directors do not recommend the payment of final dividend for the year ended 31 December 2010

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group and the Company during the year are set out in note 6 to the financial statements.

SHARE CAPITAL

Details of the share capital of the Company are set out in note 15 to the financial statements.

RESERVES

Movements in the reserves of the Group and of the Company during the year are set out in note 16 to the financial statements.

FIVE YEARS FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on pages 107 to 118.

本公司董事謹此呈報本公司及附屬公司(「本集團」)截至二零一零年十二月三十一日止年度之年度報告及經審核綜合財務報表。

主要業務

本公司為一間投資控股公司。本公司之附屬公司之主要業務載於財務報表附註 8。

本集團年內表現按業務單元分析，載於財務報表附註 5。

業績及分配

本集團截至二零一零年十二月三十一日止年度之業績載於本年報第 40 頁綜合全面收益表。

董事不建議就截至二零一零年十二月三十一日止年度派發末期股息。

物業、廠房及設備

本集團及本公司物業、廠房及設備於本年度之變動詳情載於財務報表附註 6。

股本

本公司股本之詳情載於財務報表附註 15。

儲備

本集團及本公司儲備於年內之變動詳情載於財務報表附註 16。

五年財務概要

本集團於過去五個財政年度之業績及資產與負債概要載於第 107 至 118 頁。

DIRECTORS

The Directors of the Company during the year and up to the date of this report are:

Managing Director:

William Xia GUO

Executive Director:

Maria Xuemei SONG

Non-executive Directors:

FENG Tao

WU Xin

Nathan Xin ZHANG

Independent Non-executive Directors:

WANG Hong Bo

Paul CONTOMICHALOS

WU Ming Yu

SERVICE CONTRACTS OF DIRECTORS

In accordance with Articles 95 and 121 of the Company's Articles of Association, WU Xin, FENG Tao, Nathan Xin ZHANG, WANG Hong Bo, Paul CONTOMICHALOS and WU Ming Yu retire and, being eligible, offer themselves for re-election.

Apart from Nathan Xin ZHANG and WANG Hong Bo, who do not have a service contract, each of the Directors has entered into a service contract with the Company for three years from 10 July 2003 (the "Listing Date"). Each of the Executive Directors and Non-executive Directors was appointed as Director of the Company respectively subject to termination in certain circumstances as stipulated in the relevant service contracts, if applicable.

On 11 July 2010, the service contracted with each Director other than Nathan Xin ZHANG and WANG Hong Bo, expired and be renewed for one more year.

Save as disclosed above, no Directors proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

董事

年內及截至本報告日期止本公司之在任董事為:

董事總經理:

郭夏

執行董事:

宋雪梅

非執行董事:

馮濤

吳欣

張欣

獨立非執行董事:

王紅波

Paul CONTOMICHALOS

吳明瑜

董事的服務合約

根據本公司之組織章程細則第95及121條，吳欣、馮濤、張欣、王紅波、Paul CONTOMICHALOS及吳明瑜退任並合資格應選連任。

除張欣及王紅波並無訂立服務合約外，各執行董事已與本公司訂立自二零零三年七月十日(「上市日期」)起計為期三年之服務合約。各執行董事及非執行董事獲委任為本公司董事均受限於在有關服務合約(如適用)訂明之若干情況下予以終止。

於二零一零七月十一日，除張欣與王紅波外，各董事之服務合約屆滿，並續約期一年。

除上文披露者外，擬於應屆股東周年大會膺選連任之董事，概無與本公司或其任何附屬公司訂立任何本集團於一年內不作出補償(法定補償除外)而不能予以終止之服務合約。

DIRECTORS' AND CHIEF EXECUTIVE'S INTEREST IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2010, the interests and short positions of the Company's Directors and chief executives in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), which are required (a) to notify the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have taken under such provision of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

LONG POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

(1) The Company

Name	Type of interest	Capacity	Number of shares in which interested (other than under equity derivatives) 持有權益之股份數目(股本衍生工具除外)	Number of shares in which interested under physically settled equity derivatives 根據實物結算股本衍生工具持有權益之股份數目 (Note 3) (附註3)	Total number of shares	Approximate percentage of interest 權益概約百分比
姓名	權益類別	身份			股份總數	
William Xia GUO	Personal	Beneficial owner	9,110,377	9,570,000	18,680,377	5.14
William Xia GUO	Corporate	Interest of a controlled Corporation (Note 1)	149,432,583	-	149,432,583	41.11
William Xia GUO	Corporate	Interest of a controlled Corporation (Note 2)	15,966,073	-	15,966,073	4.39
郭夏	個人	實益擁有人	9,110,377	9,570,000	18,680,377	5.14
郭夏	公司	受控制法團權益(附註1)	149,432,583	-	149,432,583	41.11
郭夏	公司	受控制法團權益(附註2)	15,966,073	-	15,966,073	4.39

Note 1: The controlled corporation, Venturepharm Holdings Inc., is 47.63 % directly held by Mr. William Xia GUO and 49.00 % held by Mr. William Xia GUO through Winsland Agents Limited, his wholly and beneficially owned company incorporated in British Virgin Islands.

董事及主要行政人員於股份、相關股份及債券之權益

於二零一零年十二月三十一日，本公司之董事及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(「證券及期貨條例」)第 XV 部)之股份、相關股份或債券中，擁有(a)須根據證券及期貨條例第 XV 部第 7 及第 8 分部知會本公司及香港聯合交易所有限公司(「聯交所」)之權益及淡倉(包括彼等根據證券及期貨條例該等條文被當作或視為擁有之權益或淡倉)；或(b)根據證券及期貨條例第 352 條，須列入該條所述登記冊之權益及淡倉；或(c)根據創業創業板上市規則第 5.46 至 5.67 條所述之權益及淡倉如下：

於本公司股份及相關股份之好倉

(1) 本公司

附註1：受控制法團 Venturepharm Holdings Inc. 由郭夏先生直接持有 47.63% 股權，以及由郭夏先生透過 Winsland Agent Limited (於英屬處女群島註冊成立，由郭先生全資實益擁有) 持有 49.00% 股權。

Note 2: The controlled corporation, Bright Excel Assets Limited, is 100 % beneficially owned by Venturepharm Holdings Inc.

附註2: 受控制法團Bright Excel Assets Limited全部股權由 Venturepharm Holdings Inc.實益擁有。

Note 3: Various interests of the Directors and chief executives pursuant to physically settled equity derivatives are through share options granted under the Pre-IPO share option scheme. Details of which are set forth as follows:

附註3: 董事及主要行政人員於實物結算股本衍生工具項下之多項權益為透過根據首次公開售股前購股權計劃授出之購股權持有。詳情載列如下:

Name	Number of shares in which interested under physically settled equity derivatives as at		Date of grant	Exercise price
	20 June 2003 and 31 December 2010			
	於二零零三年六月二十日及二零零一年十二月三十一日根據實物結算股本衍生工具持有權益之股份數目			
姓名			授出日期	行使價
William Xia GUO	7,200,000		20-Jun-03	HK\$0.32
William Xia GUO	360,000		2-Mar-05	HK\$0.52
William Xia GUO	360,000		14-Dec-05	HK\$0.45
William Xia GUO	324,000		10-Aug-06	HK\$0.36
William Xia GUO	966,000		10-May-07	HK\$0.625
William Xia GUO	360,000		7-Apr-09	HK\$0.435
郭夏	7,200,000		二零零三年六月二十日	0.32 港元
郭夏	360,000		二零零五年三月二日	0.52 港元
郭夏	360,000		二零零五年十二月十四日	0.45 港元
郭夏	324,000		二零零六年八月十日	0.36 港元
郭夏	966,000		二零零七年五月十日	0.625 港元
郭夏	360,000		二零零九年四月七日	0.435 港元

Options granted to Mr. William Xia GUO contain a vesting schedule, pursuant to which may exercise up to 30 % of the underlying shares after 31 December 2003, up to another 30 % of the underlying shares after 31 December 2004 and the balance after 31 December 2005. The relevant options will expire after ten years from the date of grant. Mr. William Xia GUO has undertaken to the Stock Exchange that he will not exercise their options granted under the Pre-IPO Share Options Scheme within the first 12 months from the Listing Date

郭夏先生獲授之購股權均附帶歸屬時間，據此，彼可於二零零三年十二月三十一日後行使不多於相關股份30%之購股權、於二零零四年十二月三十一日後行使不多於相關股份其餘30%之購股權，及於二零零五年十二月三十一日後行使餘下之購股權。有關購股權將於授出日期後十年屆滿。郭夏先生亦已向聯交所承諾，於上市日期起計首12個月內，彼不會行使彼根據首次公開發售前購股權計劃獲授之購股權。

- (2) **A subsidiary of the Company - Beijing Dezhong-Venture Pharmaceutical Technology Development Company Limited** (2) 本公司之附屬公司－北京德衆萬全藥物技術開發有限公司

Name	Type of interest	Capacity	Capital contribution on a Sino-foreign co-operative joint venture 於一間中外合作於合營企業股權	Approximate percentage of interest of shareholding in joint venture 於合營企業股權之權益概約百分比
姓名	權益類別	身份		
William Xia GUO	Corporate	Interest of a controlled corporation (Note 1)	US\$111,000	12.83
郭夏	公司	受控制法團權益(附註 1)	111,000 美元	12.83

Note 1: The interest is held by Beijing Venturepharm Biotech Pharmaceutical Technology Company Limited, a limited liability company incorporated in the PRC, for which 99% of its shareholding is beneficially held by Mr. William Xia GUO and 1% held by Dr. Maria Xue-mei SONG.

附註 1：股權由北京萬全生物醫藥科技有限公司持有。該公司為一家於中國註冊成立之有限公司，其 99% 股權由郭夏先生實益持有，另 1% 則由宋雪梅博士持有。

Save as disclosed above, as at 31 December 2010, none of the Directors and chief executive had any interests or short positions in any securities of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provision of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the rules 5.46 to 5.67 of the GEM Listing Rules.

除上文所披露者外，於二零一零年十二月三十一日，董事及主要行政人員概無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)之證券中，擁有須(a)根據證券及期貨條例第 XV 部第 7 及第 8 分部知會本公司及聯交所之任何權益或淡倉(包括彼等根據證券及期貨條例該等條文被當作或視為擁有之權益或淡倉)；或(b)根據證券及期貨條例第 352 條列入該條例所述登記冊之任何權益或淡倉；或(c)根據創業板上市規則第 5.46 至 5.67 條之規定之任何權益或淡倉。

SUBSTANTIAL SHAREHOLDERS

So far as it is known to any Directors, chief executives of the Company, as at 31 December 2010, the interests and short positions of persons in the shares and underlying shares of the Company which would fall to be disclosed pursuant to Division 2 and 3 of Part XV of the SFO or which were required, pursuant to section 336 of Part XV of the SFO, to be entered in the register referred to therein were as follows:

Name 名稱	Capacity 身份	Number of shares 股份數目	Approximate percentage of interest 權益概約百分比
Venturepharm Holdings Inc. (Note 1)	Beneficial owner	149,432,583	41.11
Venturepharm Holdings Inc. (Note 2)	Interest of controlled corporation	15,966,073	4.39
Bright Excel Assets Limited (Note 2)	Beneficial owner	15,966,073	4.39
William Xia GUO (Notes 1, 2 and 3)	Beneficial owner and interest of controlled corporations	182,069,033	50.09
Venturepharm Holdings Inc. (附註 1)	實益擁有人	149,432,583	41.11
Venturepharm Holdings Inc. (附註 2)	受控制法團權益	15,966,073	4.39
Bright Excel Assets Limited (附註 2)	實益擁有人	15,966,073	4.39
郭夏(附註 1、2 及 3)	實益擁有人及受控制法團權益	182,069,033	50.09

主要股東

據本公司任何董事及主要行政人員所知，於二零一零年十二月三十一日，以下人士持有本公司之股份及相關股份中的權益及淡倉而須根據證券及期貨條例第 XV 部第 2 及第 3 分部作出披露，或須根據證券及期貨條例第 XV 部第 336 條須列入該條所述登記冊之權益及淡倉：

Long positions in shares and underlying shares of the Company

Note 1: Venturepharm Holdings Inc. is 47.63% directly held by Mr. William Xia GUO and 49.00% held by Mr. William Xia GUO through Winsland Agent Limited, his wholly and beneficially owned company incorporated in the British Virgin Islands.

Note 2: The controlled corporation, Bright Excel Assets Limited, is 100 % beneficially owned by Venturepharm Holdings Inc.

Note 3: Apart from shares held through Venturepharm Holdings Inc., the interest of 16,310,377 shares comprising of 7,200,000 and 360,000 shares underlying the options granted to him under the Pre-IPO Share Option Scheme and Share Option Scheme respectively are beneficially owned by Mr. William Xia GUO.

於本公司股份及相關股份之好倉

附註 1: Venturepharm Holdings Inc. 分別由郭夏先生直接持有 47.63% 股權，以及由郭夏先生透過 Winsland Agent Limited (於英屬處女群島註冊成立，由郭先生全資實益擁有) 持有 49.00% 股權。

附註 2: 受控制法團 Bright Excel Assets Limited 全部股權由 Venturepharm Holdings Inc. 實益擁有。

附註 3: 除透過 Venturepharm Holdings Inc. 持有之股份外，郭夏先生實益擁有 16,310,377 股股份權益，其中包括根據首次公開售股前購股權計劃及購股權計劃授予彼之購股權所涉及及分別 7,200,000 股股份及 360,000 股股份。

Save as disclosed above, as at 31 December 2010, there was no other persons who was recorded in the register of the Company as having interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO or which were required, pursuant to section 336 of Part XV of the SFO, to be entered in the register referred to therein.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

No other contracts of significance to which the Company or any of its subsidiaries 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.

SHARE OPTION SCHEME

1. Pre-IPO Share Option Scheme

Pursuant to the written resolution passed by the shareholder on 31 March 2003, the Company adopted a share option scheme (the "Pre-IPO Share Option Scheme") in order to recognize and reward the contribution of certain Directors, senior management and advisers, the details of which are set out in the paragraph head "Share Option Scheme" in Appendix IV to the Prospectus. As at 20 June 2003, options comprising a total of 11,520,000 underlying shares were granted. As at 31 December 2010, the options outstanding are 11,520,000 and no options granted pursuant to the Pre-IPO Share Option Scheme had been exercised, cancelled or lapsed. Particulars of the outstanding options that had been granted under the Pre-IPO Share Option Schemes at 31 December 2009 are as follows:

除上文所披露者外，於二零一零年十二月三十一日，按本公司登記冊記錄，概無任何其他人士於本公司之股份或相關股份中持有須根據證券及期貨條例第XV部第2及第3分部向本公司披露之權益或淡倉，或須根據證券及期貨條例第XV部第336條列入該條所述登記冊之權益或淡倉。

董事於重大合約之權益

於年結日或年內任何時間，概無存在本公司或其任何附屬公司為其中訂約方及本公司董事於當中直接或間接擁有重大權益之重大合約。

購股權計劃

1. 首次公開售股前購股權計劃

本公司根據股東於二零零三年三月三十一日通過之書面決議案採納購股權計劃(「首次公開售股前購股權計劃」)，以肯定及嘉獎若干董事、高級管理層及顧問之貢獻，詳情載於售股章程附錄四「購股權計劃」一段。於二零零三年六月二十日，本公司已授出涉及合共11,520,000股相關股份之購股權。於二零一零年十二月三十一日，11,520,000份購股權尚未行使，且根據首次公開售股前購股權計劃授出之購股權概無獲行使、註銷或失效。於二零一零年十二月三十一日，根據首次公開售股前購股權計劃已授出但尚未行使之購股權詳情如下：

Name of grantees	Period during which the options remain exercisable after the date of grant	Exercise price per share	Number of underlying shares under the option as at 20.6.2003 and 31.12.2010 於二零零三年六月二十日及二零一零年十二月三十一日購股權涉及之相關股份數目
承授人姓名	購股權於授出日期後可予行使期限	每股行使價	
William Xia GUO (Notes 1 & 2)	10 years	HK\$0.32	7,200,000
2 other participants (Notes 1 & 2)	10 years	HK\$0.32	2,520,000
1 other participant (Note 3)	10 years	HK\$0.40	1,800,000
			11,520,000
郭夏(附註 1 及 2)	十年	0.32 港元	7,200,000
兩名其他參與者(附註 1 及 2)	十年	0.32 港元	2,520,000
一名其他參與者(附註 3)	十年	0.40 港元	1,800,000
			11,520,000

Note 1: Options granted to each of them contain a vesting schedule, pursuant to which may exercise up to 30% of the underlying shares after 31 December 2003, (subject to Note 2), up to another 30 % of the underlying shares after 31 December 2004 and the balance after 31 December 2006.

附註 1: 彼等獲授之購股權均附帶歸屬時間, 據此, 彼等可於二零零三年十二月三十一日後行使不多於相關股份 30% 之購股權(在附註 2 之規限下), 於二零零四年十二月三十一日後行使不多於相關股份其余 30% 之購股權, 及於二零零六年十二月三十一日後行使余下之購股權。

Note 2: Each of the grantees has undertaken to the Stock Exchange that they will not exercise their options granted under the Pre-IPO Share Options Scheme within the first 12 months from the Listing Date.

附註 2: 各承授人已向聯交所承諾, 於上市日期起計首 12 個月內, 彼等將不會行使根據首次公開售股前購股權計劃獲授之購股權。

Note 3: Options granted to an adviser contain a vesting schedule, pursuant to which may exercise up to 30 % of the underlying shares after 31 December 2002, up to another 30 % of the underlying shares after 31 December 2003 and the balance after 31 December 2004. Each of the grantees has undertaken to the Stock Exchange that they will not exercise their options granted under the Pre-IPO Share Options Scheme within the first 6 months from the Listing Date.

附註 3: 授予一名顧問之購股權附帶歸屬時間, 據此, 彼可於二零零二年十二月三十一日後行使不多於相關股份 30% 之購股權, 於二零零三年十二月三十一日後行使不多於相關股份其余 30% 之購股權, 及於二零零四年十二月三十一日後行使余下之購股權。有關承授人已向聯交所承諾, 於上市日期起計首 6 個月內, 彼將不會行使根據首次公開售股前購股權計劃獲授之購股權。

2. SHARE OPTION SCHEME

Pursuant to the written resolutions by the shareholders of the Company on 23 May 2003, the Company adopted a new share option scheme.

As at 2 March 2005, options comprising a total of 4,042,000 underlying shares were granted. As at 31 December 2010, the options outstanding are 1,572,000 and 2,150,000 options granted pursuant to this Share Option Scheme had been cancelled or lapsed. Particulars of the outstanding options which have been granted under this Share Option Scheme as at 31 December 2010 are as follows:

Name of grantees	Period during which the options remain exercisable after the date of grant	Exercise price per share	Number of underlying shares under the option as at 23.2.2005 and 31.12.2010 於二零零五年三月二日及二零一零年十二月三十一日 購股權涉及之相關股份數目
承授人姓名	購股權於授出日期後可予行使期限	每股行使價	
William Xia GUO	10 years	HK\$0.52	360,000
Other Directors	10 years	HK\$0.52	720,000
Other participants	10 years	HK\$0.52	492,000
			1,572,000
郭夏	十年	0.52 港元	360,000
其他董事	十年	0.52 港元	720,000
其他參與者	十年	0.52 港元	492,000
			1,572,000

3. SHARE OPTION SCHEME

Pursuant to the written resolutions by the shareholders of the Company on 23 May 2003, the Company adopted a new share option scheme.

As at 14 December 2005, options comprising a total of 1,098,000 underlying shares were granted. As at 31 December 2010, the options outstanding are 619,200 and 810,000 options granted pursuant to this Share Option Scheme had been cancelled or lapsed. Particulars of the outstanding options which have been granted under this Share Option Scheme as at 31 December 2010 are as follows:

2. 購股權計劃

根據本公司股東於二零零三年五月二十三日之書面決議案，本公司採納一項新購股權計劃。

於二零零五年三月二日，已授出涉及合共4,042,000股相關股份之購股權。於二零一零年十二月三十一日，有1,572,000份購股權尚未行使，及有2,150,000份根據該購股權計劃授出之購股權已被註銷或失效。於二零一零年十二月三十一日，有關根據購股權計劃授出之尚未行使購股權詳情如下：

3. 購股權計劃

根據本公司股東於二零零三年五月二十三日之書面決議案，本公司採納一項新購股權計劃。

於二零零五年十二月十四日，已授出涉及合共1,098,000股相關股份之購股權。於二零一零年十二月三十一日，有619,200份購股權尚未行使，及有810,000份根據購股權計劃授出之購股權已被註銷或失效。於二零一零年十二月三十一日，有關根據購股權計劃授出之尚未行使購股權詳情如下：

Name of grantees	Period during which the options remain exercisable after the date of grant	Exercise price per share	Number of underlying shares under the option as at 14.12.2005 and 31.12.2010 於二零零五年十二月十四日及二零一零年十二月三十一日 購股權涉及之相關股份數目
承授人姓名	購股權於授出日期後可予行使期限	每股行使價	購股權涉及之相關股份數目
William Xia GUO	10 years	HK\$0.45	360,000
4 participants	10 years	HK\$0.45	259,200
			619,200
郭夏	十年	0.45 港元	360,000
4 名參與者	十年	0.45 港元	259,200
			619,200

4. SHARE OPTION SCHEME

Pursuant to the written resolutions by the shareholders of the Company on 23 May 2003, the Company adopted a new share option scheme.

As at 10 August 2006, options comprising a total of 4,118,000 underlying shares were granted. As at 31 December 2010, the options outstanding are 2,590,200 and 950,400 options granted pursuant to this Share Option Scheme had been cancelled or lapsed. Particulars of the outstanding options which have been granted under this Share Option Scheme as at 31 December 2010 are as follows:

4. 購股權計劃

根據本公司股東於二零零三年五月二十三日之書面決議案，本公司採納一項新購股權計劃。

於二零零六年八月十日，已授出涉及合共4,118,000股相關股份之購股權。於二零一零年十二月三十一日，有2,590,200份購股權尚未行使，及有950,400份根據購股權計劃授出之購股權已被註銷或失效。於二零一零年十二月三十一日，有關根據購股權計劃授出之尚未行使購股權詳情如下：

Name of grantees	Period during which the options remain exercisable after the date of grant	Exercise price per share	Number of underlying shares under the option as at 10.8.2006 and 31.12.2010 於二零零六年八月十日及二零一零年十二月三十一日 購股權涉及之相關股份數目
承授人姓名	購股權於授出日期後可予行使期限	每股行使價	購股權涉及之相關股份數目
William Xia GUO	10 years	HK\$0.36	324,000
Other directors	10 years	HK\$0.36	792,000
Other participants	10 years	HK\$0.36	1,474,200
			2,590,200
郭夏	十年	0.36 港元	324,000
其他董事	十年	0.36 港元	792,000
其他參與者	十年	0.36 港元	1,474,200
			2,590,200

5. SHARE OPTION SCHEME

Pursuant to the written resolutions by the shareholders of the Company on 23 May 2003, the Company adopted a new share option scheme.

As at 10 May 2007, options comprising a total of 7,568,000 underlying shares were granted. As at 31 December 2010, the options outstanding are 6,449,880 and 762,800 options granted pursuant to this Share Option Scheme had been cancelled or lapsed. Particulars of the outstanding options which have been granted under this Share Option Scheme as at 31 December 2010 are as follows:

Name of grantees	Period during which the options remain exercisable after the date of grant	Exercise price per share	Number of underlying shares under the option as at 10.5.2007 and 31.12.2010 於二零零七年五月十日及二零一零年十二月三十一日 購股權涉及之相關股份數目
承授人姓名	購股權於授出日期後可予行使期限	每股行使價	
William Xia GUO	10 years	HK\$0.625	966,000
Other directors	10 years	HK\$0.625	956,000
Other participants	10 years	HK\$0.625	4,527,800
			6,449,800
郭夏	十年	0.625 港元	966,000
其他董事	十年	0.625 港元	956,000
其他參與者	十年	0.625 港元	4,527,800
			6,449,800

6. SHARE OPTION SCHEME

Pursuant to the written resolutions by the shareholders of the Company on 25 March 2009, the Company adopted a new share option scheme.

As at 7 April 2009, options comprising a total of 11,966,800 underlying shares were granted. As at 31 December 2010 the options outstanding are 11,966,800 and no options granted pursuant to this Share Option Scheme had been cancelled or lapsed. Particulars of the outstanding options which have been granted under this Share Option Scheme as at 31 December 2010 are as follows:

5. 購股權計劃

根據本公司股東於二零零三年五月二十三日之書面決議案，本公司採納一項新購股權計劃。

於二零零七年五月十日，已授出涉及合共7,568,000股相關股份之購股權。於二零一零年十二月三十一日，有6,449,800份購股權尚未行使，及有762,800份根據購股權計劃授出之購股權已被註銷或失效。於二零一零年十二月三十一日，有關根據購股權計劃授出之尚未行使購股權詳情如下：

6. 購股權計劃

根據本公司股東於二零零九年三月二十五日之書面決議案，本公司採納一項新購股權計劃。

於二零零九年四月七日，已授出涉及合共11,966,800股相關股份之購股權。於二零一零年十二月三十一日，有11,966,800份購股權尚未行使，根據購股權計劃授出之購股權沒有已被註銷或失效。於二零一零年十二月三十一日，有關根據購股權計劃授出之尚未行使購股權詳情如下：

Name of grantees	Period during which the options remain exercisable after the date of grant	Exercise price per share	Number of underlying shares under the option as at 7.4.2009 and 31.12.2010 於二零零九年四月七日及二零一零年十二月三十一日 購股權涉及之相關股份數目
承授人姓名	購股權於授出日期後可予行使期限	每股行使價	
William Xia GUO	10 years	HK\$0.435	360,000
Other directors	10 years	HK\$0.435	975,200
Other participants	10 years	HK\$0.435	10,631,600
			11,966,800
郭夏	十年	0.435 港元	360,000
其他董事	十年	0.435 港元	975,200
其他參與者	十年	0.435 港元	10,631,600
			11,966,800

CONNECTED TRANSACTIONS

Details of the discloseable connected transactions during the year are set out in note 30 to the consolidated financial statements

MANAGEMENT CONTRACTS

No contract of significance concerning the management and administration of the whole or any substantial part of the business of the Company or any of its subsidiaries was entered into or subsisted during the year.

COMPETING INTERESTS

As at 31 December 2010, none of the Directors or the management shareholders of the Company and their respective associates (as defined in the GEM Listing Rules) had any interest in a business that competes or may compete with the business of the Group.

BOARD PRACTICE AND PROCEDURES

Since the listing of the Company, the Company has complied with Board Practices and Procedures as set out in Rules 5.46 to 5.68 of the GEM Listing Rules.

關連交易

年內需予披露之關連交易詳情載於綜合財務報表附註 30。

管理合約

年內並無簽署有關管理及經營本公司或其任何附屬公司全部或大部份業務之重要合約。

競爭權益

於二零一零年十二月三十一日，本公司之董事或管理層股東及彼等各自之關係人士(定義見創業板上市規則)概無於任何與本集團業務構成或可能構成競爭的業務中擁有權益。

董事會常規及程序

本公司自上市以來，一直遵守創業板上市規則第 5.46 至 5.68 條載列之董事會常規及程序。

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each Independent Non-executive Directors an annual confirmation for independence pursuant to Rule 5.09 of the GEM Listing Rules. The Independent Non-executive Directors have confirmed that they are independent.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed shares during the year ended 31 December 2010.

MAJOR SUPPLIERS AND CUSTOMERS

During the year, the five largest customers of the Group accounted for approximately 36% of the Group's sales. The largest customer accounted for approximately 12% of the sales of the Group.

Aggregate purchases attributable to the Group's five largest suppliers were less than 10% of the Group's total purchases.

None of the Directors, their associates or any shareholders which, to the knowledge of the Directors, own more than 5% of the Company's issued share capital had any interest in the five largest customers of the Group.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

獨立非執行董事之獨立性

本公司已根據創業板上市規則第5.09條收到各獨立非執行董事獨立性之年度確認。各獨立非執行董事已確認屬獨立人士。

購買、出售或贖回本公司股份

截至二零一零年十二月三十一日止年內，本公司或其任何附屬公司概無購買、出售或贖回任何本公司上市股份。

主要供貨商及客戶

年內，本集團五大客戶佔本集團銷售額約36%。最大客戶佔本集團銷售額約12%。

本集團五大供貨商應佔總購貨額少於本集團總購貨額10%。

就董事所知，擁有本公司已發行股本逾5%之董事、其聯繫人士或任何股東概無於本集團五大客戶中擁有任何權益。

優先購股權

本公司之公司組織章程細則或開曼群島法例並無優先購股權之條文，故本公司毋須按比例向現有股東提呈新股份。

AUDITORS

Deloitte Touche Tohmatsu resigned as auditor of the Company on 9 May 2011. On 9 May 2011, UHY Vocation HK CPA Limited ("UHY") was appointed auditor of the Company. A resolution will be proposed at the forthcoming annual general meeting to re-appoint UHY as auditor of the Company.

On behalf of the Board

Chairman

William Xia GUO

Beijing, the PRC, 20 June 2011

核數師

德勤·關黃陳方會計師行已於二零一一年五月九日辭任本公司核數師。天道香港會計師事務所有限公司(「天道」)於二零一一年五月九日獲委任為本公司核數師。本公司將於應屆股東周年大會上提呈決議案，續聘天道為本公司核數師。

代表董事會

主席

郭夏

中國北京，二零一一年六月二十日

(1) CORPORATE GOVERNANCE PRACTICES

The Company applied the principles and fully complied with the Code Provision as set out in Appendix 15 of the GEM Listing Rules (“CG Code”) save with certain deviations in respect of the roles of chairman and chief executive officer.

(2) DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Company Code for Securities Transactions by Directors of Listed Issuers in compliance with the provisions that are set out in the GEM Listing Rules as its own code of conduct for Directors’ dealings of securities since 29 June 2005. Specific enquiries have been made with all Directors and the Directors confirmed that they have complied with the required standard set out in the Company Code throughout the year ended 31 December 2010.

(3) BOARD OF DIRECTORS

The overall governance structure of the Company is set out below:

(1) 企業管治常規

本公司依循創業板上市規則附錄 15 所載原則及全面遵守當中所載守則條文(「企業管治常規守則」), 當中只有數項偏離, 是有關主席與行政總裁之角色。

(2) 董事之證券交易

本公司已遵照創業板上市規則所載條文, 採納上市發行人董事進行證券交易的公司守則, 作為本公司就二零零五年六月二十九日起董事買賣證券之操守準則。經向全體董事作出具體查詢後, 董事確認, 彼等於截至二零一零年十二月三十一日止年度全年, 一直遵守公司守則所載規定準則。

(3) 董事會

本公司整體管治結構如下:



Note:

- (a) *The Non-Executive Directors of the Company during the year and up to the date of this report are:*

FENG Tao
WU Xin
Nathan Xin ZHANG

- (b) *Apart from Nathan Xin ZHANG and Wang Hong Bo, who do not have a service contract, each of the Directors has entered into a service contract with the Company for three years from 10 July 2003 (the "Listing Date"). Each of the Executive Directors and Non-executive Directors was appointed as Director of the Company respectively subject to termination in certain circumstances as stipulated in the relevant service contracts, if applicable.*

On 11 July 2010, the service contract with each director other than Nathan Xin ZHANG and WANG Hong Bo, expired and be renewed for one more year.

- (c) *Save as disclosed above, no Director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).*

The Board of Directors ("Board") of the Company is collectively responsible for the oversight of the management of the business and affairs of the Group with the objective of enhancing shareholders value.

The Board of the Company comprises a total of eight Directors, with two Executive Directors, three Non-executive Directors and three Independent Non-executive Directors. One-third of the Board is Independent Non-executive Directors and one of them has appropriate professional qualifications. Reviews are made regularly of the Board composition to ensure that it has a balance of expertise, skills and experience appropriate for the requirements of the business of the Company. All Independent Non-executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines.

附註:

- (a) 年內及截至本報告日期，本公司之在任非執行董事為：

馮濤
吳欣
張欣

- (b) 除張欣及王紅波並無訂立服務合約外，各董事已與本公司訂立自二零零三年七月十日(「上市日期」)起計為期三年之服務合約。各執行董事及非執行董事均獲委任為本公司董事，惟可在有關服務合約(如適用)上訂明之若干情況下予以終止。

二零一零年七月十一日，除張欣及王紅波外，各董事之服務合約已屆滿並獲續簽一年。

- (c) 除上文所披露者外，概無擬於應屆即將召開之股東周年大會上重選之董事與本公司或其任何附屬公司訂立任何本集團於一年內不作出補償(法定補償除外)而不能予以終止之服務合約。

本公司董事會(「董事會」)共同負責監督本集團業務及事務之管理，以提升股東價值為目的。

本公司董事會由合共八名董事組成，其中兩名為執行董事、三名為非執行董事及三名為獨立非執行董事。三分之一之董事會成員為獨立非執行董事，當中一名具合適專業資格。董事會定期檢討其組成，以確保於適當之專業知識、技能及經驗中取得平衡，以配合本公司業務需要。全體獨立非執行董事均符合上市規則第3.13條所載獨立指引，且遵照有關指引條文屬獨立身份。

The Board, led by the Chairman, is responsible for the approval and monitoring of the Group's overall strategies and policies; approval of annual budgets and business plans; evaluating the performance of the Group; and oversight of management. One of the important roles of the Chairman is to provide leadership to the Board to ensure that the Board acts in the best interests of the Group. All Directors have been consulted about any matters proposed for inclusion in the agenda. With the support of Executive Directors and the Company Secretary, the Chairman seeks to ensure that all Directors are properly briefed on issues arising at Board meetings and receives adequate and reliable information in a timely manner.

Regular Board meetings of the year are scheduled in advance to give all Directors an opportunity to attend. Four regular Board meetings at approximately quarterly intervals have been scheduled for 2010. The Directors can attend meetings in persons or through other means of electronic communication in accordance with the Company's Articles of Association.

Board papers are circulated not less than seven days before the Board meetings to enable the Directors to make informed decisions on matters to be raised at the Board meetings. The Company Secretary and the Qualified Accountant shall attend all regular Board meetings to advise on corporate governance, statutory compliance, accounting and financial matters when necessary. Directors shall have full access to information on the Group and are able to obtain independent professional advice whenever deemed necessary by the Directors. The Company Secretary assists the Chairman in establishing the meeting agenda, and each Director may request inclusion of items in the agenda. Minutes of the board meetings are kept by the Company Secretary and are open for inspection by Directors.

董事會由主席領導，負責審批及監管本集團整體策略及政策；批准年度預算與業務計劃；評估本集團表現；及監督管理層。主席其中一項重要職務，為領導董事會，以確保董事會以本集團最佳利益行事。任何建議加載議程之事項均會徵詢全體董事意見。憑借執行董事及公司秘書之支持，主席致力確保全體董事及時獲妥為知會於董事會會議提出之事項，並獲取足夠及可靠數據。

本公司會就每年定期董事會會議事先編列時間表，以便全體董事有機會出席。於二零一零年，曾於各季度間安排舉行四次定期董事會會議。根據本公司之公司組織章程細則，董事可親身或透過電子通訊方式出席會議。

董事會檔會於董事會會議舉行最少七天前傳閱，以確保董事能就將於董事會會議提出之事項作出知情決定。公司秘書及合資格會計師須出席所有定期董事會會議，並於需要時就企業管治、法定規例、會計及財務事項提供意見。董事應可獲取本集團所有數據，並能於董事認為需要時取得獨立專業意見。公司秘書協助主席編製會議議程，而各董事可要求於議程加載項目。董事會會議記錄由公司秘書存管，並可供董事查閱。

During the twelve months ended 31 December 2010, the Board met and held four meetings in January, March, May, and August 2010. The attendance records of the aforementioned four Board meetings are set out below:

截至二零一零年十二月三十一日止十二個月，董事會曾於二零一零年一月、三月、五月及八月舉行四次會議。上述四次董事會會議之出席記錄載列如下：

		Attendance of individual directors at board meetings during the year 年內個別董事之董事會會議出席率	
		Attendance no. 出席次數	Attendance rate 出席率
Executive Director	執行董事		
William Xia GUO	郭夏	4/4	100%
Maria Xuemei SONG	宋雪梅	4/4	100%
Non-executive Directors	非執行董事		
FENG Tao	馮濤	4/4	100%
WU Xin	吳欣	4/4	100%
Nathan Xin ZHANG	張欣	4/4	100%
Independent Non-executive Directors	獨立非執行董事		
WANG Hong Bo	王紅波	4/4	100%
Paul CONTOMICHALOS	Paul CONTOMICHALOS	4/4	100%
WU Ming Yu	吳明瑜	4/4	100%

(4) CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Chairman of the Board is responsible for the leadership and effective running of the Board, and ensures that all keys and appropriate issues are discussed by the Board in a timely and constructive manner.

However, the Chief Executive Officer of the Company has not yet been appointed. Currently, the day-to-day management of the Company's business is handled by the executive directors and senior management, who take the responsibility to run the Group's business and to implement the Group's strategy so as to achieve the overall commercial objectives of the Company.

(4) 主席及行政總裁

董事會主席負責領導董事會及使其有效運作，以確保董事會及時且具建設性地討論所有重要及適當事項。

然而，本公司尚未委任任何行政總裁。現時，本公司業務之日常管理由執行董事及高級管理人員執行，彼等負責經營本集團業務及推行本集團策略，以達致本公司整體商業目標。

(5) REMUNERATION OF DIRECTORS

Currently, the Remuneration Committee comprises the Chairman of the Board Mr. William Xia GUO, a Non-executive Director Mr. FENG Tao and an Independent Non-executive Director Mr. Paul CONTOMICHALOS. Mr. William Xia GUO is the chairman of the Remuneration Committee.

The principal responsibilities of the Remuneration Committee include making recommendations to the Board on the Company's policy and structure for all remuneration of Directors and senior management and reviewing the specific remuneration packages of all executive Directors and senior management by reference to corporate goals and objectives resolved by the Board from time to time.

(6) NOMINATION OF DIRECTORS

In accordance with the Company's Articles of Association, nomination of Directors is determined by the Board with approvals by the shareholders in the general meeting.

(7) AUDITORS' REMUNERATION

The coming annual general meeting should approve the appointment of UHY Vocation HK CPA Limited as the auditors of the Group and that the Board is and be hereby authorized to fix auditors' remuneration.

(8) AUDIT COMMITTEE

The audit committee was established with written terms of reference in compliance with the GEM Listing Rules. The primary duties of the audit committee are to review the Company's annual reports and accounts, half-yearly reports and quarterly reports and internal control system of the Group and provide advice and comments to the Board. The audit committee has three members comprising the three Independent Non-executive Directors, Mr. WANG Hong Bo, Mr. Paul CONTOMICHALOS and Mr. WU Ming Yu. Mr. WANG Hong Bo is the chairman of the audit committee.

(5) 董事酬金

現時，薪酬委員會由董事會主席郭夏先生、非執行董事馮濤先生及獨立非執行董事 Paul CONTOMICHALOS 先生組成。郭夏先生為薪酬委員會主席。

薪酬委員會之主要職責為就有關董事及高級管理人員全部酬金之本公司政策及結構，向董事會提出推薦意見，並參考董事會不時議決之公司目標及宗旨，檢討全體執行董事及高級管理人員之特定酬金組合。

(6) 提名董事

根據本公司之公司組織章程細則，董事提名由董事會決定，並須獲股東於股東大會批准。

(7) 核數師酬金

於即將舉行之股東周年大會上將批准委聘天道香港會計師事務所有限公司為本集團新任核數師，董事會謹此獲授權釐定核數師酬金。

(8) 審核委員會

審核委員會已成立，並遵照創業板上市規則書面訂明其職權範圍。審核委員會之主要職責為覆審本公司之年度報告及賬目、半年報告及季度報告以及本集團之內部監控制度，並向董事會提供意見及建議。審核委員會由三名獨立非執行董事王紅波先生、Paul CONTOMICHALOS 先生及吳明瑜先生組成，王紅波先生為審核委員會之主席。

The audit committee holds meetings on quarterly basis. During the twelve months ended 31 December 2010, the audit committee held four meetings and reviewed the Group's annual report, quarterly and interim financial results. The attendance records of the aforementioned four audit committee meetings are set out below:

審核委員會每季舉行會議一次。截至二零一零年十二月三十一日止十二個月，審核委員會曾舉行四次會議，並已審閱本集團之年度報告、季度及中期財務業績。上述四次審核委員會會議之出席記錄載列如下：

		Attendance of member at audit committee meetings during the year	
		年內審核委員會成員之出席率	
		Attendance no.	Attendance rate
		出席次數	出席率
Members	成員		
WANG Hong Bo	王紅波	4/4	100%
Paul CONTOMICHALOS	Paul CONTOMICHALOS	4/4	100%
WU Ming Yu	吳明瑜	4/4	100%

(9) DIRECTORS' ACKNOWLEDGEMENT OF THEIR RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledge that they take full responsibility in the preparation of the financial statements.

(10) INTERNAL CONTROL AND RISK MANAGEMENT

The Board is responsible for ensuring that the Group has a sound and effective internal control system. The Group is committed to the identification, monitoring and management of risks associated with its business activities and has implemented a practical and effective control system which includes a defined management structure with limits of authority, a sound cash management system and periodic review of the Group's operation and performance by the Audit Committee and the Board. The internal control system is reviewed on an ongoing basis by the Board to ensure it is effective. The Board is satisfied that, based on information furnished to it and on its own observations, the present internal controls of the Group are satisfactory. The Board has conducted review of the effectiveness of the system of internal control and is of the view that the system of internal control adopted for the year ended 31 December 2010 is sound and effective. The Group does not have an internal audit function and the Board is of the view that there is currently no need for the Group to have this function.

(9) 董事了解彼等有關財務報表之責任

董事了解，彼等全權負責編製財務報表。

(10) 內部監控及風險管理

董事會負責確保本集團的內部監控系統是健全及有效。本集團致力於識別、監控及管理與其業務有關之風險，並已實施一項實際可行和行之有效之監控系統，包括清晰界定權限之管理結構、良好之現金管理系統，以及由審核委員會及董事會定期對本集團之營運及業績進行檢討。內部監控系統乃由董事會持續進行檢討是否有效。董事會根據向其獲提供之資料及本身之觀察，對本集團現有之內部監控感到滿意。董事會亦已審閱內部監控系統之有效性，認為截至二零一零年十二月三十一日止年度採納之內部監控系統屬健全及有效。本集團並無內部核數功能，董事會認為本集團目前並不需要增設此項功能。



香港灣仔告士打道50號馬來西亞大廈3樓
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**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF
VENTUREPHARM LABORATORIES LIMITED
(incorporated in the Cayman Islands with limited liability)**

致萬全科技藥業有限公司
(於開曼群島註冊成立之有限公司)
全體股東之獨立核數師報告

We have audited the consolidated financial statements of Venturepharm Laboratories Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 40 to 118 which comprise the consolidated and the Company's statement of financial position as at 31 December 2010, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants, 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

本核數師已完成審核第40至第118頁所載萬全科技藥業有限公司(「本公司」)及附屬公司(「本集團」)的綜合財務報表，包括於二零一零年十二月三十一日之綜合財務狀況表及截至該日止年度之綜合全面收益表、綜合權益變動表及綜合現金流量表，及主要會計政策概要及其他說明附註。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例編製綜合財務報表，以令綜合財務報表作出真實而公平的反映，及落實其認為編製綜合財務報表所必要的內部控制，以使綜合財務報表不存在由於欺或錯誤而導致的重大錯誤陳述。

核數師之責任

本核數師之責任是根據吾等審核之結果對此等綜合財務報表作出意見，並僅向全體股東呈報，除此之外本報告別無其他用途。本核數師概不就本報告之內容向任何其他人士負責或承擔任何責任。

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and the Group as at 31 December 2010 and of the Group's loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

UHY VOCATION HK CPA Limited
Certified Public Accountants
YUEN SHU TONG,
Auditor,
Practising Certificate Number P02140

Hong Kong, 20 June 2011

本核數師已按照香港會計師公會所頒佈之香港核數準則進行審核工作。該等準則要求本核數師遵守操守規定，以及計劃及進行審核以合理地確定本綜合財務報表確實不存在重大錯誤陳述。

審核範圍包括進行程序以取得與綜合財務報表所載數額及披露事項有關之審核憑證。選用之程序須視乎核數師之判斷，包括綜合評估財務報表之重大錯誤陳述(不論是否由欺詐或錯誤引起)之風險。在作出該等風險評估時，核數師將考慮與 貴公司編製並真實兼公平地呈列綜合財務報表有關之內部監控，以及為不同情況設計適當審核程序，但並非旨在就 貴公司內部監控是否有效表達意見。審核範圍亦包括評估所用之會計政策之恰當性，董事所作之會計估算之合理性，並就綜合財務報表之整體呈列方式作出評估。

本核數師相信，本核數師所取得之審核憑證就提出審核意見而言屬充分及恰當。

意見

本核數師認為，根據香港財務報告準則編製之綜合財務報表足以真實兼公平地顯示 貴公司及貴集團於二零一零年十二月三十一日之財務狀況及 貴集團截至該日止年度之虧損及現金流量，並已按照香港公司條例之披露規定妥為編製。

天道香港會計師事務所有限公司
執業會計師
原樹堂
核數師
執業證書編號 P02140

香港，二零一一年六月二十日

截至二零一零年十二月三十一日止年度
For the year ended 31 December 2010

		Year ended 31 December		
		截至十二月三十一日止年度		
		2010	2009	
		二零一零年	二零零九年	
		RMB'000	RMB'000	
		人民幣千元	人民幣千元	
	Note			
	附註			
Revenue	營業收入	5	37,687	47,308
Cost of sales	營業成本		(16,317)	(20,674)
Gross profit	毛利		21,370	26,634
Other income	其他收入	20	22,556	12,193
Administrative expenses	管理費用		(62,592)	(17,304)
Loss on revaluation of convertible bonds	可換股債券重估虧損		(22,193)	(9,996)
Finance costs - net	財務費用 – 淨值	21	(14,563)	(5,217)
(Loss)/profit before tax	除稅前(虧損)/ 利潤		(55,422)	6,310
Income tax	所得稅	24	(1,838)	(277)
Total comprehensive income for the year	本年度全面收益總額		(57,260)	6,033
Attributable to:	應佔:			
Owners of the parent	母公司股東	25	(56,928)	6,276
Non-controlling interests	非控制權益		(332)	(243)
			(57,260)	6,033
Basic and diluted (loss)/earnings per share	基本及攤薄每股(虧損)/ 盈利	26	(15.66)cents	1.73cents

The notes on pages 45 to 116 are an integral part of these consolidated financial statements.
隨附 45 至 116 頁附註為綜合財務報表組成部份。

綜合財務狀況表

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

2010 年度報告

ANNUAL REPORT

於二零一零年十二月三十一日

As at 31 December 2010

		As at 31 December	
		於十二月三十一日	
		2010	2009
		二零一零年	二零零九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		Note	
		附註	
ASSETS	資產		
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	6	16,738
New drugs technology	新藥技術	7	-
Deferred tax assets	遞延稅項資產	19	5,340
			22,078
			9,668
			9,374
			7,720
			26,762
Current assets	流動資產		
Work-in-progress	在產品	10	58,849
Trade receivables	應收賬款	11	10,347
Prepayments and other receivables	預付賬款及其他應收款	12	41,828
Financial assets at fair value through profit or loss	按公允價值透過損益 記賬之金融資產	13	60,138
Cash and cash equivalents	現金及現金等價物	14	6,910
			178,072
			183,423
Total assets	總資產		200,150
			210,185
EQUITY	股東權益		
Capital and reserves attributable to owners of the parent	母公司股東應佔權益		
Ordinary shares	股本	15	38,469
Reserves	儲備	16	16,811
			55,280
			111,527
Non-controlling interests	非控制權益		1,045
			1,377
Total equity	股東權益合計		56,325
			112,904
LIABILITIES	負債		
Non-current liabilities	非流動負債		
Borrowings	借款	18	108,005
			78,333
Current liabilities	流動負債		
Other payables and accruals	其他應付款及應付費用	17	31,153
Receipt in advance	預收賬款		3,221
Income tax liabilities	應付稅項		1,446
			35,820
			18,948
Total liabilities	負債合計		143,825
			97,281
Total equity and liabilities	股東權益及負債合計		200,150
			210,185
Net current assets	流動資產淨值		142,252
			164,475
Total assets less current liabilities	總資產減流動負債		164,330
			191,237

Approved and authorised for issue by the Board of Directors on 20 June 2011:

董事會已於二零一一年六月二十日批准及授權刊發:

Mr. William Xia GUO

郭夏先生

Director

董事

Dr. Maria Xuemei SONG

宋雪梅博士

Director

董事

The notes on pages 45 to 116 are an integral part of these consolidated financial statements.

隨附 45 至 116 頁附註為綜合財務報表組成部份。

於二零一零年十二月三十一日
As at 31 December 2010

		As at 31 December	
		於十二月三十一日	
		2010	2009
		二零一零年	二零零九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
ASSETS	資產		
Non-current assets	非流動資產		
Investments in subsidiaries	於附屬公司之投資	8	79,973
			78,496
Current assets	流動資產		
Prepayments and other receivables	預付賬款及其他應收款		7,309
Financial assets at fair value through profit or loss	按公允價值透過損益 記賬之金融資產	13	60,138
Cash and cash equivalents	現金及現金等價物	14	53
			522
			67,500
			60,225
Total assets	總資產		147,473
			138,721
EQUITY	所有者權益		
Capital and reserves attributable to owners of the parent	母公司股東應佔權益		
Ordinary shares	股本	15	38,469
Reserves	儲備	16	(16,628)
			14,691
Total equity	所有者權益合計		21,841
			53,160
LIABILITIES	非流動負債		
Non-current liabilities			
Borrowings	借款	18	108,005
			78,333
Current liabilities	流動負債		
Other payables and accruals	其他應付款及應付費用	17	17,627
			7,228
Total liabilities	負債合計		125,632
			85,561
Total equity and liabilities	所有者權益及負債合計		147,473
			138,721
Net current assets	流動資產淨值		49,873
			52,997
Total assets less current liabilities	總資產減流動負債		129,846
			131,493

Approved and authorised for issue by the Board of Directors on 20 June 2011:
董事會已於二零一一年六月二十日批准及授權刊發:

Mr. William Xia GUO
郭夏先生
Director
董事

Dr. Maria Xuemei SONG
宋雪梅博士
Director
董事

The notes on pages 45 to 116 are an integral part of these consolidated financial statements.
隨附 45 至 116 頁附註為綜合財務報表組成部份。

綜合權益變動表

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

2010 年度報告

ANNUAL REPORT

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

		Attributable to owners of the parent									
		母公司股東應佔權益									
		Share-based capital	Share- based payment reserve	Special reserve	Capital reserve	Statutory reserve	Statutory enterprise expansion fund	Retained earnings/ (accumulated loss)	Total	Non- controlling interests	Total equity
		以股份支付 股本	之酬金儲備	特別儲備	資本儲備	法定公積	發展基金	留存盈利/ (累計虧損)	合計	非控制權益	權益合計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2009	於二零零九年 一月一日	38,407	2,766	6,039	1,186	3,803	6,986	45,549	104,736	1,620	106,356
Total comprehensive income for the year	本年度全面收益	-	-	-	-	-	-	6,276	6,276	(243)	6,033
Transactions with owners	與所有者的交易										
Employee share option benefits	僱員購股權福利	-	227	-	-	-	-	-	227	-	227
Share premium for the exercise of share options	期權行使股份溢價	-	-	-	226	-	-	-	226	-	226
Issuance of ordinary shares pursuant to the exercise of share options	行使期權新發股份	62	-	-	-	-	-	-	62	-	62
Exercise of share options	行使期權	-	(47)	-	47	-	-	-	-	-	-
Total transactions with owners	與所有者的交易合計	62	180	-	273	-	-	-	515	-	515
At 31 December 2009 and 1 January 2010	於二零零九年十二月 三十一日及於二零 一零年一月一日	38,469	2,946	6,039	1,459	3,803	6,986	51,825	111,527	1,377	112,904
Total comprehensive income for the year	本年度全面收益	-	-	-	-	-	-	(56,928)	(56,928)	(332)	(57,260)
Transactions with owners	與所有者的交易										
Employee share option benefits	僱員購股權福利	-	681	-	-	-	-	-	681	-	681
Total transactions with owners	與所有者的交易合計	-	681	-	-	-	-	-	681	-	681
At 31 December 2010	於二零一零年十二月 三十一日	38,469	3,627	6,039	1,459	3,803	6,986	(5,103)	55,280	1,045	56,325

The notes on pages 45 to 116 are an integral part of these consolidated financial statements.

隨附 45 至 116 頁附註為綜合財務報表組成部份。

截至二零一零年十二月三十一日止年度
For the year ended 31 December 2010

		Year ended 31 December	
		截至十二月三十一日止年度	
		2010	2009
		二零一零年	二零零九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		Note	附註
Cash flows from operating activities			
Cash generated from operations	經營活動之現金流量 經營活動產生之現金	27	3,677
Interest paid	利息支出		(4,382)
Income tax paid	所得稅支出		(9)
Net cash (used in)/generated from operating activities	經營活動(使用)/ 產生之現金淨額		(714)
Cash flows from investing activities			
Purchase of property, plant and equipment	投資活動之現金流量 購買物業、廠房及設備	6	(10,669)
Dividends received	股利收入		99
Payments for the acquisition of financial assets at fair value through profit or loss	購買按公允價值透過損益記賬之金融資產		(166,763)
Proceeds from disposal of a subsidiary	出售一家附屬公司之收入		9
Proceeds from disposal of financial assets at fair value through profit or loss	出售按公允價值透過損益記賬之金融資產之收入		165,196
Proceeds from disposal of new drugs technology	出售新藥技術之收入		5,400
Interest received	收取利息		265
Net cash (used in)/generated from investing activities	投資活動(使用)/ 產生之現金淨額		(6,463)
Cash flows from financing activities			
Proceeds from issuance of new shares	籌資活動之現金流量 發行股票所得現金		-
Net cash generated from financing activities	籌資活動產生之現金淨額		288
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物淨 (減少)/ 增加		(7,177)
Cash and cash equivalents at the beginning of the year	現金及現金等價物 期初餘額	14	14,087
Cash and cash equivalents at the end of the year	現金及現金等價物的 期末餘額	14	6,910

The notes on pages 45 to 116 are an integral part of these consolidated financial statements.
隨附 45 至 116 頁附註為綜合財務報表組成部份。

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

1. GENERAL INFORMATION

Venturepharm Laboratories Limited (the “Company”) is a public listed company incorporated in the Cayman Islands on 21 May 2002 as an exempted company with limited liability under the Companies Law (2002 Revision) of the Cayman Islands. The address of its registered office is Scotia Centre, 4th Floor, PO Box 2804, George Town, Grand Cayman, Cayman Islands, and its principal place of business is disclosed in “Corporate Information” of the annual report. The Company has its shares listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are set out in note 8 to the consolidated financial statements.

The consolidated financial statements are presented in thousands of units of Renminbi (“RMB’000”) which is the functional currency of the Company.

The consolidated financial statements for the year ended 31 December 2010 were approved for issue by the Board of Directors on 20 June 2011.

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.

1. 公司資料

萬全科技藥業有限公司(「本公司」)為一間公開上市，並於二零零二年五月二十一日根據開曼群島公司法(二零零二年修訂版)在開曼群島註冊成立為獲豁免有限責任公司，其註冊辦事處地址為Scotia Centre, 4th Floor, PO Box 2804, George Town, Grand, Cayman, Cayman Islands，而其主要營業地點披露於本年報「公司資料」內。其股份於香港聯合交易所有限公司(「聯交所」)上市。

本公司之主要業務為投資控股，其附屬公司之主要業務已呈列於綜合財務報表附註8。

本綜合財務報表以本公司的功能貨幣人民幣千元編製。

截至二零一零年十二月三十一日止年度之綜合財務報表已於二零一一年六月二十日經董事會批准刊發。

2. 重要會計政策概要

編製該等綜合財務報表所用重要會計政策載列如下。除另有說明者外，該等政策貫徹應用於所有呈報年度。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation

The consolidated financial statements of the Company and its subsidiaries (together, the “Group”) have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The consolidated financial statements also include the applicable disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on The Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”).

The consolidated financial statements have been prepared under the historical cost convention except that, as disclosed in the accounting policies below, financial assets at fair value through profit or loss and derivative financial instruments are stated at fair value.

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 4.

2. 重要會計政策概要(續)

2.1 編製基準

本公司及其附屬公司(統稱「本集團」)之綜合財務報表乃根據香港財務報告準則(「香港財務報告準則」),其統稱詞匯包括香港會計師公會頒佈之所有適用個別香港財務報告準則、香港會計準則及詮釋編製。綜合財務報表亦包括香港公司條例及香港聯合交易所有限公司創業板證券上市規則(「創業板上市規則」)之適用披露規定。

除如下文會計政策所披露之以公允價值計量且其變動計入損益的金融資產及衍生金融工具以公允價值列賬外,綜合財務報表乃根據歷史成本法編製。

編製符合香港財務報告準則之綜合財務報表須使用若干關鍵會計估計。管理層亦須於應用本集團會計政策過程中行使其判斷。涉及高度判斷及複雜性之領域或綜合財務報表之假設及估計之領域披露於附註4。

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

Impact of new and revised Standards and Interpretations

(a) In the current year, the Group has applied the following new and revised Standards and Interpretations issued by the HKICPA, the adoption of these new and revised standards and interpretations has had no material effect on these financial statements:

HKFRSs (Amendments)	Improvement to HKFRS issued in 2010 in relation to amendments to HKAS 1 Presentation of Financial Statements
HKFRSs (Amendments)	Amendment to HKFRS 5 as part of improvements to HKFRSs 2008
HKFRSs (Amendments)	Improvements to HKFRSs 2009
HKFRS 1 (Amendment)	Additional Exemptions for First-time Adopters
HKFRS 1 (Revised)	First-time Adoption of HKFRSs
HKFRS 2 (Amendment)	Group Cash-settled Share-based Payment Transactions
HKFRS 3 (Revised)	Business Combinations
HKAS 27 (Revised)	Consolidated and Separate Financial Statements
HKAS 39 (Amendment)	Eligible Hedged Items
HK(IFRIC) -Int 17	Distribution of Non-cash Assets to Owners
HK-Int 4 (Amendments)	Determination of Length of Lease Term in respect of Hong Kong Land Leases
HK-Int 5	Presentation of Financial Statements - Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

2. 重要會計政策概要(續)

2.1 編製基準(續)

新頒佈及經修訂的香港財務報告準則的影響

(a) 本集團於本年度財務報告中採納以下新頒佈及經修訂之香港財務報告準則。採納該等新頒佈及經修訂的準則和詮釋對本財務報告並無重大影響:

香港財務報告準則 (修訂本)	對二零一零年頒佈之香港財務報告準則(關於香港會計準則第1號中財務報表之呈列之修訂)
香港財務報告準則 (修訂本)	對香港財務報告準則第5號的修正(作為二零零八年改進部分)
香港財務報告準則 (修訂本)	對香港財務報告準則二零零九年的改進
香港財務報告準則第1號(修訂本)	首次採納者的額外豁免
香港財務報告準則第1號(經修訂)	首次採納香港財務報告準則
香港財務報告準則第2號(修訂本)	集團以現金結算以股份為基礎交易之會計處理
香港財務報告準則第3號(經修訂)	業務合併
香港會計準則第27號(經修訂)	綜合及獨立財務報表
香港會計準則第39號(修訂本)	合資格對沖項目
香港(國際財務報告詮釋委員會) - 詮釋第17號	向股東分派非現金資產
香港 - 詮釋第4號 (修訂本)	釐定香港土地租賃期限
香港 - 詮釋第5號	財務報表呈列 - 按定期貸款(含有按要求償還之條款)之借款人分類

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

Impact of Standards and Interpretations issued but not yet effective

- (b) The Group has not applied the following new and revised Standards and Interpretations that have been issued but are not yet effective in these consolidated financial statements.

HKFRSs (Amendment)	Improvements to HKFRSs issued in 2010 ³
HKFRS 1 (Amendment)	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters ²
HKFRS 1 (Amendment)	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters ⁵
HKFRS 7 (Amendments)	Disclosures - Transfers of Financial Assets ⁵
HKFRS 9	Financial Instruments ⁷
HKAS 12 (Amendment)	Deferred Tax : Recovery of Underlying Assets ⁶
HKAS 24 (Revised)	Related Party Disclosures ⁴
HKAS 32 (Amendment)	Presentation - Classification of Right Issues ¹
HK(IFRIC) - Int 14 (Amendment)	Prepayments of a Minimum Funding Requirement ⁴
HK(IFRIC) - Int 19	Extinguishing Financial Liabilities with Equity Instruments ²

2. 重要會計政策概要(續)

2.1 編製基準(續)

已頒佈但尚未生效香港財務報告準則之影響

- (b) 本集團並無應用下列已頒佈但尚未生效的新訂及經修訂之香港財務報告準則於本財務報告：

香港財務報告準則 (修訂本)	2010 年頒佈的香港財務報告準則的改進 ³
香港財務報告準則第 1 號(修訂本)	香港財務報告準則第 7 號對首次採納者披露比較數字之有限豁免 ²
香港財務報告準則第 1 號(修訂本)	嚴重高通脹及剔除首次採納的固定日期 ⁵
香港財務報告準則第 7 號(修訂本)	披露 - 金融資產轉撥 ⁵
香港財務報告準則第 9 號	金融工具 ⁷
香港會計準則第 12 號(修訂本)	遞延稅項：收回相關資產 ⁶
香港會計準則第 24 號(經修訂)	關連人士披露 ⁴
香港會計準則第 32 號(修訂本)	供股分類 ¹
香港(國際財務報告詮釋委員會)- 詮釋第 14 號(修訂本)	最低資金要求的預付款項 ⁴
香港(國際財務報告詮釋委員會)- 詮釋第 19 號	用股本工具抵消財務負債 ²

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

Impact of Standards and Interpretations issued but not yet effective (Continued)

- (b) The Group has not applied the following new and revised Standards and Interpretations that have been issued but are not yet effective in these consolidated financial statements. (Continued)

In May 2009, the HKICPA issued Improvements to HKFRSs* which set out amendments to HKFRSs, primarily with a view to removing inconsistencies and clarifying wording. The Group adopted the amendments to HKFRSs from 1 January 2010. There are separate transitional provisions for each standard. While the adoption of some of them may result in changes in accounting policy, none of these amendments are expected to have a material financial impact on the Group.

- | | |
|---|--|
| 1 | Effective for annual periods beginning on or after 1 February 2010 |
| 2 | Effective for annual periods beginning on or after 1 July 2010 |
| 3 | Effective for annual periods beginning on or after 1 July 2010 and 1 January 2011, as appropriate |
| 4 | Effective for annual periods beginning on or after 1 January 2011 |
| 5 | Effective for annual periods beginning on or after 1 July 2011 |
| 6 | Effective for annual periods beginning on or after 1 January 2012 |
| 7 | Effective for annual periods beginning on or after 1 January 2013 |
| * | Improvements to HKFRSs contain amendments to HKFRS 2, HKFRS 5, HKFRS 8, HKAS 1, HKAS 7, HKAS 17, HKAS 18, HKAS 36, HKAS 38, HKAS 39, HK(IFRIC) - Int 9 and HK(IFRIC) - Int 16. |

2. 重要會計政策概要(續)

2.1 編製基準(續)

已頒佈但尚未生效香港財務報告準則之影響(續)

- (b) 本集團並無應用下列已頒佈但尚未生效的新訂及經修訂之香港財務報告準則於本財務報告：(續)

二零零九年五月，香港會計師公會頒佈對香港財務報告準則的改進*，其中載列對香港財務報告準則的修定，主要目的為刪去不一致條文及澄清措辭。本集團於二零一零年一月一日起採納對香港財務報告準則的修訂。各項準則均就有關修訂各自有過渡性條文。採納其中部份修訂可能會導致政策的變動，惟該等修訂預計均不會對本集團構成重大財務影響。

- | | |
|---|--|
| 1 | 於二零一零年二月一日或之後開始的年度期間生效 |
| 2 | 於二零一零年七月一日或之後開始的年度期間生效 |
| 3 | 於二零一零年七月一日及二零一一年一月一日(視情況而定)開始或之後的年度期間生效 |
| 4 | 於二零一一年一月一日或之後開始的年度期間生效 |
| 5 | 於二零一一年七月一日或之後開始的年度期間生效 |
| 6 | 於二零一二年一月一日或之後開始的年度期間生效 |
| 7 | 於二零一三年一月一日或之後開始的年度期間生效 |
| * | 經修訂之香港財務報告準則包含經修訂之香港財務報告準則第2號、第5號和第8號及香港會計準則第1號、第7號、第17號、第18號、第36號、第38號、第39號和香港(國際財務報告詮釋委員會)－詮釋第9號和第16號。 |

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the each of the 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 Renminbi ("RMB"), which is the functional and presentation currency of the Group and the Company.

(b) 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 consolidated statement of comprehensive income.

Foreign exchange gains and losses are presented in the statement of comprehensive income within 'finance costs - net'.

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss. Translation differences on non-monetary financial assets, such as equities classified as available for sale, are included in other comprehensive income.

2. 重要會計政策概要(續)

2.2 外幣交易

(a) 功能及列報貨幣

本集團各實體之財務報表所包括之項目，乃按該實體經營所在之主要經濟環境之貨幣（「功能貨幣」）計量。本集團及公司之功能及呈報貨幣為人民幣（「人民幣」）。綜合財務報表以人民幣呈列。

(b) 交易和餘額

外幣交易均按交易或估值當日之現行匯率換算為功能貨幣。因該等交易結算及按結算日之匯率兌換以外幣計值之貨幣資產及負債而產生之匯兌損益，均於全面收益表確認。

與借款及現金及現金等價物相關的匯兌損益均呈現於全面收益表中的「財務費用-淨值」內。其他的匯兌損益均會呈現於全面收益表中的「其他收入」內。

因重新換算按公平值列賬的非貨幣項目（例如按公平值透過損益記賬之權益）而產生的匯兌差額，列入綜合全面收益表的公平值盈虧中。

非貨幣金融資產及負債（例如以公允值計量且其變動計入損益的權益工具）的匯兌差額於損益表中確認為公允值損益的一部分。非貨幣金融資產（例如可分類為可供出售的權益）的匯兌差額計入其他全面收益。

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.3 Consolidation

The consolidated financial statements include the financial statements of the Company and all of its subsidiaries made up to 31 December 2010.

(a) Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group, other than the common control combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in business combination are measured initially at their fair values at the acquisition date. On an acquisition-by acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

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 identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the consolidated statement of comprehensive income.

2. 重要會計政策概要(續)

2.3 綜合財務報表

綜合財務報表包括本公司及其全部附屬公司截止二零一零年十二月三十一日的財務報表。

(a) 附屬公司

附屬公司指本集團有權管控其財政及營運政策之所有實體，一般持有其超過半數投票權之股權。在評定本集團是否控制另一實體時，目前可行使或可兌換之潛在投票權之存在及影響均予以考慮。

附屬公司在控制權轉移至本集團之日全面綜合入賬。附屬公司在控制權終止之日起停止綜合入賬。

本集團採用收購會計法作為本集團收購附屬公司(共同控制合併除外)的入賬方法。收購附屬公司而轉讓的價值為所轉讓資產、所產生負債及本集團發行的股本權益的公允值。所轉讓的對價包括或有對價安排產生的任何資產或負債的公允值。收購的相關成本在產生時支銷。在企業合併中購入的可辨認資產和承擔的負債和或有負債，初步按收購日的公允值計量。對個別收購項目，本集團按公允值或非控制權益應佔被收購方淨資產的比例，確認任何被收購方的非控制性權益。

所轉讓對價、被收購方的任何非控制性權益，以及被收購方任何之前權益的購買日公允值超過本集團應佔所購入可辨認淨資產公允值的數額，記錄為商譽。就廉價收購而言，若該數額低於所購入附屬公司資產淨值的公允值，該差額直接在綜合全面收益表中確認。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.2 Consolidation (Continued)

(a) Subsidiaries (Continued)

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary in the consolidated financial statements to ensure consistency with the policies adopted by the Group.

In the Company's statement of financial position, the investments in subsidiaries are stated at cost less provision for impairment losses (Note 2.5). The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

(b) Transactions with non-controlling interests

The Group treats transactions with non-controlling interest as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposal to non-controlling interests are also recorded in equity.

When the Group ceased to have control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, jointly controlled entities, or financial assets. 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.

If the ownership interest in an associate is reduced but significant influence is related, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2. 重要會計政策概要(續)

2.2 綜合財務報表(續)

(a) 附屬公司(續)

集團內公司之間之交易、交易結餘及未實現收益均予以對銷。所有未變現虧損亦予以對銷。附屬公司之會計政策已按需要作出改變，以確保與本集團採用之政策符合一致。

在本公司之財務狀況表內，於附屬公司之投資按成本值扣除減值虧損撥備列賬(附註2.5)。附屬公司之業績由本公司按已收及應收股息入賬。

(b) 與非控制權益的交易

本集團將其與非控制權益進行的交易視為與本公司權益所有者進行之交易。向非控制權益進行的收購，所支付的任何對價與相關應佔被收購附屬公司淨資產之賬面值的差額記錄為權益。向非控制性權益的出售利益或損失亦記錄在權益中。

當本集團不再持有控制權或重大影響力，在實體的任何保留權益重新計量至公允價值，賬面值的變動在損益中確認。公允價值為就保留權益的後續入賬而言的初始賬面值，作為聯營、合營或金融資產。此外，之前在其他綜合收益中確認的任何數額猶如本集團已直接處置相關資產和負債。這意味着之前在其他綜合收益中確認的數額重新分類至損益。

如聯營的權益持有被削減但仍保留重大影響力，只有按比例將之前在其他綜合收益中確認的數額重新分類至損益(如適當)。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Property, plant and equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

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 consolidated statement of comprehensive income during the financial period in which they are incurred.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their costs or revalued amounts to their residual values over their estimated useful lives, as follows:

Leasehold improvements	5 years
Machinery and equipment	5 - 10 years
Motor vehicles	5 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 2.5).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other income' in the consolidated statement of comprehensive income. When revalued assets are sold, the amounts included in other reserves are transferred to retained earnings.

2. 重要會計政策概要(續)

2.4 物業、廠房及設備

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項目直接應佔之開支。成本亦可包括從權益中轉撥有關以外幣購買廠房及設備之合資格現金流量對沖所產生之任何收益虧損。

其後成本只有在與該項目有關之未來經濟利益有可能流入本集團，而該項目之成本能可靠計量時，才包括在資產之賬面值或確認為獨立資產(按適用)。重置部份之賬面價值予以核銷。所有其他維修及保養費用在產生之財政期間內於綜合全面收益表列支銷。

折舊乃按物業、廠房及設備之估計可使用年期以直線法撇銷其成本至估計餘值計算，其折舊年率如下：

租賃物業裝修	5年
機器及設備	5 - 10年
汽車	5年

資產之剩餘價值及可使用年期在各報告期末進行檢查，及在適當時調整。

若資產之賬面值高於其估計可收回價值，其賬面值實時撇減至可收回金額(附註 2.5)。

出售之損益乃按有關資產之銷售所得款項淨額與其賬面值之差額釐定，並列入綜合全面收益表「其他收入」中。重估資產出售時，則計入其他儲備內之金額將轉至保留盈利。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.5 Impairment of investments in subsidiaries and non-financial assets

Assets that have an indefinite useful life or have not yet available for use are not subject to amortisation and are tested annually for impairment. Assets 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 to sell 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 (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.6 Financial assets

2.6.1 Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets.

2. 重要會計政策概要(續)

2.5 於附屬公司的投資及非金融資產減值

具無限期可使用年期或未能投入使用之資產不予攤銷，但須每年進行減值檢測。當有事件發生或情況改變顯示賬面值可能無法收回時，則須就資產減值進行檢討。減值虧損按資產賬面值超出其可收回金額之差額確認。可收回金額為資產公允價值減銷售成本及使用價值兩者之較高者。評估減值時，資產按個別可識別現金流量(現金產生單位)之最低層次分類。於各報告日，已減值商譽以外之非金融資產將就撥回減值之可能性進行檢討。

2.6 金融資產

2.6.1 分類

本集團將其金融資產分類為以下類別：按公允價值透過損益記賬之金融資產、貸款及應收款以及可供出售金融資產。分類乃根據購入金融資產之目的進行。管理層在初始確認時釐定金融資產之分類。

(a) 按公允價值透過損益記賬之金融資產

按公允價值透過損益記賬之金融資產是持有作買賣用途之金融資產。金融資產若在購入時主要用作在短期內出售，則分類為此類別。衍生工具分類為持作買賣資產，除非其被指定為對沖用途。此類別之資產分類為流動資產。

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.6 Financial assets (Continued)****2.6.1 Classification (Continued)****(b) Loans and receivables**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the reporting date. These are classified as non-current assets. The Group's loans and receivables comprised 'trade receivables', 'prepayments and other receivables' and 'cash and cash equivalents' in the statement of financial position (Notes 2.8 and 2.9).

(c) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting date.

2.6.2 Recognition and measurement

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. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the consolidated statement of comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

2. 重要會計政策概要(續)**2.6 金融資產(續)****2.6.1 分類(續)****(b) 貸款及應收款項**

貸款及應收款項為有固定或可釐定付款且沒有在活躍市場上報價之非衍生金融資產。該項目列入流動資產內，但到期日由報告日起計超過十二個月者，則分類為非流動資產。貸款及應收款項於財務狀況表分類列為「應收賬款」、「預付賬款及其他應收款」及「現金及現金等價物」(附註 2.8 及 2.9)。

(c) 可供出售金融資產

可供出售金融資產為被指定為此類別或並無分類為任何其他類別之非衍生工具。除非管理層有意在報告日後十二個月內出售該項投資，否則該等資產列入非流動資產內。

2.6.2 確認和計量

以常規方式買賣金融資產在交易日予以確認，即本集團承諾購買或出售該資產當日。對於並非按公允價值透過損益記賬之所有金融資產，其投資初步按公允價值加交易成本確認。按公允價值透過損益記賬之金融資產，則初步按公允價值確認，而交易成本則在綜合全面收益表中支銷。當從投資收取現金流量之權利經已到期或經已轉讓，而本集團已將擁有權之所有重大風險和回報實際轉讓時，金融資產即終止確認。可供出售金融資產及按公允價值透過損益記賬之金融資產其後則按公允價值列賬。貸款及應收款項利用實際利率法按攤銷成本列賬。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Financial assets (Continued)

2.6.2 Recognition and measurement (Continued)

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the consolidated statement of comprehensive income in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the consolidated statement of comprehensive income when the Group's right to receive payments is established.

Changes in the fair value of monetary and non-monetary securities classified as available-for-sale are recognised in other comprehensive income.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the consolidated statement of comprehensive income.

Interests on available-for-sale securities calculated using the effective interest method are recognised in the consolidated statement of comprehensive income as part of other income. Dividends on available-for-sale equity instruments are recognised in the consolidated statement of comprehensive income as part of other income when the Group's right to receive payments is established.

The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group established fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models, making maximum use of market inputs and relying as little as possible on entity-specific inputs.

2. 重要會計政策概要(續)

2.6 金融資產(續)

2.6.2 確認和計量(續)

來自「按公允價值透過損益記賬之金融資產」類別之公允價值變動所產生之盈虧，列入產生期間綜合全面收益表內。來自按公允價值透過損益記賬之金融資產之股息，於本集團收取有關款項之權利確定時，在綜合全面收益表內確認。

被分類為可供出售的貨幣性及非貨幣性證券公允價值變動於其他全面收益中確認。

當分類為可供出售之證券售出或減值時，在權益中確認之累計公允價值調整列入綜合全面收益表內。

可供出售證券以實際利率法計算之利息在全面收益表內確認為部份其他收入。可供出售權益工具之股息則於本集團收取有關款項之權利確定時在綜合全面收益表內確認為「其他收入」。

有報價之投資之公允價值根據當時之買盤價計算。若某項金融資產之市場並不活躍(及就非上市證券而言)，本集團利用估值方法設定公允價值。該等方法包括利用近期公平原則交易、參考大致相同之其他工具、貼現現金使用分析法和期權定價模式，充份利用市場數據而盡量少依賴實體特有之數據。

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.6 Financial assets (Continued)

2.6.3 Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets are impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the securities below its cost is considered as an indicator that in determining whether the securities are impaired. If any such evidence exists, the cumulative loss (measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss) is removed from equity and recognised in the consolidated statement of comprehensive income. Impairment losses recognised in the consolidated statement of comprehensive income on equity instruments are not reversed through the consolidated statement of comprehensive income. Impairment testing of trade and other receivables is described in (Note 2.8).

2.7 Work-in-progress

Work-in-progress is stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, cost of development including costs that have been incurred for the provision of pharmaceutical application, registration and testing services, is calculated using the first-in, first-out method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Where the outcome of a pharmaceutical development and clinical research contract or service can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting date, as measured by the proportion that contract costs incurred for work performed to date bear to the total contract costs or the proportion that contract revenue billed or recognised for work performed to date bear to the total contract sums, whichever is the lower, except where this would not be representative of the stage of completion.

2. 重要會計政策概要(續)

2.6 金融資產(續)

2.6.3 金融資產減值損失

本集團於各報告期末評估是否有客觀證據表明某項金融資產或某組金融資產經已減值。對於分類為可供出售之股權證券，證券公允價值若大幅度或長期跌至低於其成本值，會被視為證券已經顯示減值。若可供出售金融資產存在此等證據，累計虧損(按收購成本與當時公允價值之差額，減該金融資產之前在收益表確認之任何減值虧損計算)自權益中剔除並在綜合全面收益表中記賬。在綜合全面收益表中確認之權益工具減值虧損不會透過綜合全面收益表撥回。應收賬款及其他應收款項之減值測試在附註 2.8 中說明。

2.7 在產品

在產品乃按成本及可變現淨值兩者中之較低者列賬。成本包括所有採購成本及(如適用)開發成本(包括因提供相關製藥申請、註冊及測試服務之成本)，並按先進先出法計算。可變現淨值指在日常業務中之估計售價減去估計完成成本及估計所需銷售成本。

倘能可靠地估計醫療發展及臨床研究合約或服務之結果，收益及成本會參照報告日之合約活動完成階段確認，並按工程進行至該日所產生之合約成本佔總合約成本之比例或工程進行至該日所計入或確認之合約收益佔總合約金額之比例(以較低者為準)計算，惟此方法並不能代表完成階段。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Work-in-progress (Continued)

Where the outcome of a contract or service cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable that they will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that the total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

2.8 Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables 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 and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the assets is reduced through the use of an allowance account, and the amount of loss is recognised in the consolidated statement of comprehensive income within 'administrative expenses'. When a receivable is uncollectible, it is written off against the allowance account for receivables. Subsequent recoveries of amounts previously written off are credited against 'administrative expenses' in the consolidated statement of comprehensive income.

2. 重要會計政策概要(續)

2.7 在產品(續)

倘不能可靠地估計合約或服務之結果,則僅會將所產生而有可能收回之合約成本確認為合約收益。合約成本於產生期間確認為開支。

倘總合約成本可能超過總合約收益,預期虧損會即時確認為開支。

2.8 應收賬款及其他應收款

應收賬款指於日常業務過程中就出售商品或提供服務而應收客戶的款項。倘預期應收賬款及其他應收款於一年或以內(或正常經營週期內(以較長者為準)收回,則分類為流動資產,否則以非流動資產呈列。

應收賬款及其他應收款初步以公允價值確認,其後利用實際利率法按攤銷成本扣除減值撥備計量。當有客觀證據證明本集團將無法按應收賬款之原有條款收回所有款項時,即就應收賬款及其他應收款設定減值撥備。債務人之重大財務困難、債務人可能破產或進行財務重組以及拖欠或逾期付款,均被視為是應收賬款已減值之迹象。撥備金額為資產之賬面值與按原實際利率折現之估計未來現金流量之現值之差額。資產之賬面值透過使用備付賬戶削減,而有關之虧損數額則在綜合全面收益表內之「管理費用」中確認。如一項應收賬款無法收回,其會與應收賬款內之備付賬戶撇銷。之前已撇銷之款項如其後收回,將撥回綜合全面收益表中之「管理費用」內。

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.9 Cash and cash equivalents**

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

2.10 SHARE CAPITAL

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.11 OTHER PAYABLES AND ACCRUALS

Other payables and accruals are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2. 重要會計政策概要(續)**2.9 現金及現金等價物**

就綜合現金流量表而言，現金及現金等價物是指手頭現金及活期存款，以及購入後通常於三個月內到期，可隨時轉換為已知金額現金的短期高變現能力但價值改變風險不大的投資，減按要求償還且組成本集團現金管理的不可或缺部分的銀行透支。

就財務狀況表而言，現金及現金等價物包括手頭現金及銀行存款，包括定期存款，以及性質類似現金的資產，其用途不受限制。

2.10 股本

普通股被列為權益。

直接由發行新股或購股權引致之新增成本在權益中列為所得款項之減少(扣除稅項)。

2.11 其他應付款及應付費用

其他應付款及應付費用初步以公允價值確認，其後利用實際利率法按攤銷成本計量。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.12 CONVERTIBLE BONDS

Conversion options that are not settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of equity instruments are recognised as financial instruments carried at fair value through profit or loss.

On initial recognition, the convertible bonds with the derivatives component as a whole are designated as financial liabilities at fair value through profit or loss. The entire convertible bonds are initially recognised at fair value on the date of issue and are subsequently measured at fair value until extinguished on conversion or redemption. Changes in the fair value of the entire convertible bonds are recognised in the statement of comprehensive income as they arise. Interest on convertible bonds designated as financial liabilities at fair value through profit or loss is included in the fair value gain or loss for that period.

Transaction costs that are directly attributable to the issue of the convertible bonds designated as financial liabilities at fair value through profit or loss are recognised immediately in the statement of comprehensive income.

2.13 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated statement of comprehensive income, 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.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date in the countries where the Company and its subsidiaries 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 and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2. 重要會計政策概要(續)

2.12 可換股債券

不能以交換固定金額的現金和或其他固定數目權益工具解付的轉換選擇權被認為按公允價值透過損益記賬之金融工具。

含有衍生部份之可換股債券於初次確認時經損益按公允價值被視為金融負債。所有可換股債券均於發行日初次以公允價值確認，且其後直至轉換或贖回前會以公允價值計量。所有可換股債券公允價值之改變將於其產生時在全面收益表中確認。以公允價值計量且其變動計入損益的財務負債的利息，將於其產生期間確認為公允價值收益或損失。

發行該些以公允價值計量且其變動計入損益的金融負債的直接相關之交易成本，將實時於全面收益表中確認。

2.13 即期及遞延稅項

期內稅項開支包括即期及遞延稅項，並於綜合全面收益表內確認，惟與直接於其他全面收益或權益確認項目相關者除外。在此情況下，有關稅項亦分別於其他全面收益或權益確認。

即期稅項支出根據本公司及其附屬公司經營並獲得應課稅收入以所在國家於報告日已頒佈或實質已頒佈的稅法計算。管理層定期評估與須作詮釋的適用稅務法例情況有關的退稅狀況，並在適用情況下根據預期將支付予稅務機關稅款設定撥備。

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.13 Current and deferred income tax (Continued)

Deferred income tax is recognised, 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, the deferred income tax is 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. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2. 重要會計政策概要(續)

2.13 即期及遞延稅項(續)

遞延所得稅採用債務法按資產及負債的稅基與其綜合財務報表所載賬面值產生的暫時差額作全數撥備。然而，倘遞延所得稅來自在交易(企業合併除外)中對資產或負債的初始確認，而交易並不影響會計處理及應課稅盈虧，則不予列賬。遞延所得稅採用在報告日前已頒佈或實質已頒佈，且預期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適用之稅率(及稅法)予以釐定。

倘很可能有未來應課稅利潤可用以抵銷暫時差額，方確認遞延所得稅資產。

遞延稅項就於附屬公司的投資所產生的暫時差額計提撥備，惟本集團可控制暫時差額的轉回時間，且暫時差額不會於可見未來撥回之遞延稅項資產負債則除外。

倘有法定可執行權利將即期稅項資產與即期稅項負債抵銷，且遞延稅項資產及負債均涉及同一稅務機關向課稅實體或不同課稅實體但有意向以淨額基準徵收的所得稅，則遞延稅項資產與負債可相互抵銷。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.14 Employee benefits

(a) Pension obligations

The Group participates in various defined contribution retirement benefit schemes. A defined contribution plan is a retirement benefit scheme under which the Group pays fixed contributions into a separate entity. The schemes are generally funded through payments to government authorities or trustee-administered funds. The Group pays contributions on a mandatory, contractual or voluntary basis. The Group has no legal or constructive obligations to pay further contribution for post-retirement benefits beyond these fixed contributions. The contributions are recognised as employment costs when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(b) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

2. 重要會計政策概要(續)

2.14 員工福利

(a) 養老金義務

本集團參加了若干固定供款養老計劃。固定供款養老計劃是指本集團付固定供款給專門機構的退休福利計劃。這種計劃通常經政府機構或信託管理基金，集團付供款以法定、契約、自願的形式，本集團沒有法定或契約義務付超出固定供款的退休福利。供款於到期時便確認為費用、預付供款以未來可收到現金退款或未來付款可減少金額應確認為資產。

(b) 員工休假權利

員工享有的年假在員工提供服務的年度內確認預計負債，作為至報告日時員工提供服務的費用。

員工病假及產假實際發生時才予以確認。

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.14 Employee benefits (Continued)

(c) Share-based compensation

The Group operates an equity-settled, share-based compensation plan. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each reporting date, the entity revises its estimates of the number of options that are expected to vest based on the non-marketing vesting conditions. It recognises the impact of the revision of original estimates, if any, in the statement of comprehensive income with a corresponding adjustment to equity.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and capital reserve when the options are exercised.

2.15 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. Provision for an onerous contract is recognised when the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received. The unavoidable costs under a contract reflect the least net cost of existing from the contract, which is the lower of the cost fulfilling the contract and any compensation or penalties arising from failure to fulfil the contract.

2. 重要會計政策概要(續)

2.14 員工福利(續)

(c) 股份結算薪酬

本集團設有一項以權益結算以股份為基礎的補償計劃。以附屬公司授出的認股權所換取僱員服務的公允值確認為費用。歸屬期內將支銷的總金額參考已授出認股權的公允值釐定，不包括任何非市場歸屬條件的影響。非市場既定條件包括在預期可行使的認股權數目的假設中。於各報告日，本集團均會修訂預期可行使認股權數目的估計，並於綜合全面收益表內確認對原估算修訂(如有)的影響，以及在餘下歸屬期內對權益作出相應調整。

於行使認股權時，所收取的所得款項扣除任何直接應佔的交易成本後計入股本(面值)及股份溢價。

2.15 撥備

當本集團現時因過往事件而負有法定或推定責任，並很可能耗費資源履行有關責任，且相關金額能可靠地估計，則會確認撥備。未來經營虧損不會被確認為撥備。當履行合同責任的不可避免成本超逾預計將獲得的經濟利益時確認虧損合同撥備。合同的不可避免成本為解除合約的最低成本淨額，即履行合約的成本與違約所產生的任何賠償或罰金之較低者。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.15 Provisions (Continued)

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 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.

2.16 Revenues

Revenues from transfer of new drug development and formulation data are recognised upon transfer of risks and rewards of ownership, which generally coincides with the time when the compound and data are delivered to customers.

Revenues from contracted research and development, pharmaceutical application, registration and testing services are recognised to the extent of the milestone payments earned in accordance with the applicable performance requirements and contractual terms and, where appropriate, as the related costs are incurred. Payments received that are related to future performance are deferred and recorded as revenues as they are earned over the specified future performance periods.

Subject to the terms as stated in the technology transfer agreements and the buyers' success in commercialisation of the products to which the technology transferred is applied, the Group may receive additional royalty income or profit sharing income in the future. Should there be any royalty income or sharing of profit, they will be recognised when the right to receive the income is established.

2. 重要會計政策概要(續)

2.15 撥備(續)

如有多項類似責任，則須整體考慮該類責任來釐定履責時要求資源流出的可能性。即使就該類責任中某個項目而言，資源流出的可能性很低，仍須確認撥備。

撥備以預期履行有關責任所須支出，按反映當時市場對貨幣時間價值及相關責任的特有風險的評估之稅前利率計算的現值計量。隨時間流逝而增加的撥備確認為利息費用。

2.16 收入

因轉讓新藥品開發及製劑數據而產生之收益於轉讓所有權之風險及回報時確認，一般為化合物及數據交予客戶之時間。

因已訂約研發、製藥申請、註冊及測試服務而產生之收益，乃按根據適用之履行規定及合約條款而賺取之分期付款及有關成本產生期間(如適用)予以確認。所收取與未來履行有關之款項將遞延處理，在該等款項於指定未來履行期間賺取時列作收益。

以技術轉讓協議條款為準，及基於買方成功將運用轉讓技術的產品商業化，本集團將來或取得額外的特許權收入或利潤分成。倘有特許權收入或利潤分成，於確立收款權利時確認。

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.16 Revenues (Continued)

Service income is recognised when services are provided.

Royalty income on drugs produced by third parties using the Group's drug technology is recognised when the right to receive is established.

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the interest rate applicable.

Dividend income is recognised when the right to receive payment is established.

2.17 Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable, which is when the refund is approved by the relevant government authorities.

2. 重要會計政策概要(續)

2.16 收入(續)

服務收入於提供服務時確認。

因第三方使用本集團製藥技術生產藥品而產生之特許權收入於確立收款權利時確認。

金融資產利息收入乃按時間比例基準以未清償本金及適用息率累計。

股息收入於股東收取付款之權利確立時確認。

2.17 政府補助金

當可合理確定能收取政府資助且本集團將能符合所附帶之條件時，政府資助將首次在財務狀況表中確認。

補償本集團所招致開支之資助，在產生開支之同一期間在全面收益表內有系統地確認。補償本集團有關資產成本之資助，於達致該資產之賬面值時予以扣除，其後則按可使用年期在損益賬中確認。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.18 New drugs technology development costs

Expenditure on research activities on new drug technology is recognised as an expense in the period in which it is incurred.

An internally-generated asset arising from new drug technology development expenditure is recognised only if it is anticipated that the development costs incurred on a clearly-defined project will be recovered through future commercial activity. The resultant asset is amortised on a straight-line basis over its useful life. Where no internally-generated intangible asset can be recognised, new drug technology development expenditure is recognised as an expense in the period in which it is incurred.

2.19 Leases (as the lessee for operating leases)

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

2.20 Dividend distribution

Dividend distribution to the Company's equity holders is recognised as a liability in the financial statements in the period in which the dividends are approved by the Company's equity holders or directors, where appropriate.

2. 重要會計政策概要(續)

2.18 新藥技術開發成本

新藥技術之研究開支於產生期內確認為支出。

僅在預期清楚界定之項目產生之開發成本將透過日後商業活動收回之情況下，方會確認新藥品技術開發開支產生之內部產生資產。產生之資產於其可使用年期按直線法攤銷。倘並無內部產生無形資產可予確認，則新藥品技術開發開支於其產生之期間確認為支出。

2.19 租賃(營運租賃)

如租賃擁有權之主要部份風險和回報由出租人保留，則分類為營運租賃。根據營運租賃支付之款項(扣除自出租人收取之任何獎勵金後)於租賃期內以直線法在全面收益表支銷。

2.20 股利分配

當股利分配方案被本公司董事會或權益持有人批准後，分配給股東或權益持有人的股利在當期財務報表中列為負債。

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

3. FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Market risk

(i) Foreign currency risk

The Group is exposed to foreign currency risk arising from various currency exposures, primarily with respect to Hong Kong Dollars ("HKD"), United States Dollars ("USD") and Swiss Franc ("CHF"). Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities. In addition, the conversion of RMB into foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC Government.

The Group mainly operates in the PRC with most of the transactions denominated and settled in RMB. Foreign exchange risk also arises from certain financial assets and convertible bonds which are denominated in HKD, USD and CHF. The Group currently does not hedge its foreign exchange exposure.

At 31 December 2010, if HKD, USD or CHF had weakened/strengthened by 1% against Renminbi with all other variables held constant, post-tax profit or loss for the year would have been RMB1,759,368 (2009: RMB1,367,778) higher/lower.

3 財務風險管理

3.1 金融風險因素

本集團面臨各種金融風險：市場風險(包括外匯風險、利率風險及價格風險)、信用風險和資金流動風險。本集團整體的風險管理體系集中關注金融市場的不可預見性，盡量降低對本集團財務業績的潛在負面影響。

(a) 市場風險

1. 外匯風險

本集團面臨的外匯風險來自於使用不同的外幣，主要有港元、美元及瑞士法郎。外匯風險來自未來商業交易，以及已確認的資產和負債，另外，人民幣與外幣的兌換還受制於中國政府關於外匯管製的法律規範。

本集團大部份業務在中國境內進行且以人民幣結算，外匯風險還有來自港元、美元及瑞士法郎記價的金融資產及可換股債券，本集團目前沒有就外匯風險進行保值業務。

於二零一零年十二月三十一日，如果港元、美元及瑞士法郎對人民幣的匯率下降/上漲1%(其他因素維持不變)，本年稅後利潤將增加/減少人民幣1,759,368元(二零零九年：人民幣1,367,778元)。

3. FINANCIAL RISK MANAGEMENT (CONTINUED) 3 財務風險管理(續)

3.1 Financial risk factors (Continued) 3.1 財務風險(續)

(a) Market risk (Continued) (a) 市場風險(續)

(ii) Interest rate risks 2. 利率風險

The Group's interest rate risk arises primarily from interest bearing borrowings. The Group's interest bearing borrowings are issued at fixed rates and exposed to fair value interest rate risk. The details of the Group's interest borrowings are disclosed in Note 18.

本集團的利率風險主要來自附息借款。本集團的附息借款是以固定利率發行，因此承受公允價值利率風險。本集團的附息借款的詳情載於附註 18。

(iii) Price risks 3. 價格風險

The Group is exposed to securities price risk because investments held by the Group are classified in the consolidated statement of financial position at fair value through profit or loss. The Group has not mitigated its price risk arising from investments in securities financial assets.

本集團綜合財務狀況表包含列為按公允價值透過損益記賬之金融資產，故本集團面臨證券價格風險。本集團沒有就該風險進行保值。

For the Group's investments that are publicly traded, the fair value is determined with reference to quoted market prices. For the Group's investments that are not publicly traded, the Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the reporting date.

對於本集團於公開市場的投資，公允價值由證券市場價格決定。無公開市場的投資，本集團基於報告日的市場狀況，使用判斷選擇若干合適方法，並作出假設來決定其公允價值。

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

3. FINANCIAL RISK MANAGEMENT (CONTINUED) 3 財務風險管理(續)

3.1 Financial risk factors (Continued) 3.1 財務風險(續)

(a) Market risk (Continued) (a) 市場風險(續)

(iii) Price risks (Continued) 3. 價格風險(續)

At 31 December 2010, if the market prices of these securities financial assets had increased/decreased by 1% with all other variables held constant, Group's post-tax loss for the year ended would have been changed as follows:

於二零一零年十二月三十一日,如果證券價格上漲/下跌1%(其他因素維持不變),本集團本年稅後虧損將有以下變動:

		2010	2009
		二零一零年	二零零九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Post-tax loss (2009: profit)	稅後虧損(二零零九年:利潤)		
increase/(decrease)	增加/(減少)		
- Market prices increased by 1%	- 市價上漲 1%	557	384
- Market prices decreased by 1%	- 市價下跌 1%	(557)	(384)

(b) Credit risk (b) 信用風險

Credit risk arises from trade receivables and bank balances.

信用風險來自於應收賬款及銀行餘額。

The Group's credit risk is primarily attributable to trade receivables.

本集團信用風險主要來自於應收賬款。

For the sales of products to third party customers, there is a concentration of credit risk with respect to trade receivables as the largest five customers contribute around 64% (2009: 45%) of the balance. The Group has policies in place to ensure that credit is only granted to customers with an appropriate credit history and a good reputation. The exposure to credit risk is closely monitored on an ongoing basis.

在本集團銷售產品予第三方客戶中,信用風險集中於佔有本集團64%(二零零九年:45%)餘額的最大五家客戶。本集團信用政策確保只有良好還款記錄和良好聲譽的客戶才給予賒購,並持續密切管理其信用風險。

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

流動資金的信用風險是有限的,因為對方是國際信用評價機構認定為信用等級很高的銀行。

The maximum exposure to credit risk is represented by the carrying amount of each financial asset.

信用風險最大的是金融資產的賬面餘額。

3. FINANCIAL RISK MANAGEMENT (CONTINUED) 3 財務風險管理(續)

3.1 Financial risk factors (Continued) 3.1 財務風險(續)

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and bank balances. The liquidity of the Group is adequately managed and monitored by maintaining sufficient cash, which is available to meet its continuous operational needs. In the opinion of the directors, the Group does not have any significant liquidity risk.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

(c) 流動性風險(續)

審慎的流動性風險管理包括備有充足現金及銀行存款，本集團保留充足的現金以滿足持續經營之需要。董事認為本集團不存在重大流動性風險。

下表基於報告日到合同到期日剩餘期限，按到期日分析本集團金融負債。披露金額為合同非折現現金流。

Group		At 31 December 2010			
		Less than 1 year 少於 1 年 RMB'000 人民幣千元	Between 1 and 2 years 1-2 年 RMB'000 人民幣千元	Between 2 and 5 years 2-5 年 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Borrowings	借款	-	108,005	-	108,005
Other payables and accruals	其他應付款及應付費用	31,153	-	-	31,153
		At 31 December 2009			
		Less than 1 year 少於 1 年 RMB'000 人民幣千元	Between 1 and 2 years 1-2 年 RMB'000 人民幣千元	Between 2 and 5 years 2-5 年 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
Borrowings	借款	-	-	78,333	78,333
Other payables and accruals	其他應付款及應付費用	13,368	-	-	13,368

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

3. FINANCIAL RISK MANAGEMENT (CONTINUED)

3.1 Financial risk factors (Continued)

(c) Liquidity risk (Continued)

3 財務風險管理(續)

3.1 財務風險(續)

(c) 流動性風險(續)

Company

本公司

		At 31 December 2010			
		於二零一零年十二月三十一日			
		Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
		少於1年	1-2年	2-5年	合計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Borrowings	借款	-	108,005	-	108,005
Other payables and accruals	其他應付款及應付費用	17,627	-	-	17,627

		At 31 December 2009			
		於二零零九年十二月三十一日			
		Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
		少於1年	1-2年	2-5年	合計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Borrowings	借款	-	-	78,333	78,333
Other payables and accruals	其他應付款及應付費用	7,228	-	-	7,228

3.2 Capital risk 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 to the shareholders and benefits for other stakeholders. The Group's overall strategy remains unchanged from prior years.

The capital structure of the Group represents equity attributable to owners of the parent, comprising issued share capital and retained earnings.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to the shareholder or issue new shares.

3.2 資本風險管理

本集團風險管理的目標是企業持續經營，提供股東回報和利益給其他關係人，本集團整體戰略與上年保持不變。

本集團資本結構代表母公司股東應佔權益，由已簽發股票和留存收益組成。

為保持或調整資本結構，本集團可以調整付給股東的股利或發行新股。

3. FINANCIAL RISK MANAGEMENT (CONTINUED) 3 財務風險管理(續)

3.3 Fair value estimation 3.3 公允價值估計

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined 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).

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2010.

下表按估值法分析按公允價值入賬的金融工具，不同層級的意義如下：

- 同類資產或負債在活躍市場的報價(未經調整)(等級 1)。
- 除包含於等級 1 的報價外，根據可觀察直接(即價格)或間接(即源自價格者)參數而釐定的資產或負債(等級 2)。
- 非根據可見市場數據的資產或負債價格(即隱藏價格)(等級 3)。

下表表示本集團於二零一零年十二月三十一日以公允價值計算的資產和負債。

		Level 1	Level 2	Level 3	Total
		等級 1	等級 2	等級 3	總計
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Assets	資產				
Financial assets at fair value through profit or loss	按公允價值透過損益記賬之金融資產				
- Foreign currency bond funds	- 外幣債券基金	4,433	-	-	4,433
- Shares	- 股票	55,705	-	-	55,705
Total assets	資產總值	60,138	-	-	60,138

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

3. FINANCIAL RISK MANAGEMENT (CONTINUED) 3 財務風險管理(續)

3.3 Fair value estimation (Continued) 3.3 公允價值估計(續)

The following table presents the Group's assets and liabilities that are measured at fair value at 31 December 2009.

下表本集團表示於二零零九年十二月三十一日以公允價值計算的資產和負債。

		Level 1 等級 1 RMB'000 人民幣千元	Level 2 等級 2 RMB'000 人民幣千元	Level 3 等級 3 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Assets	資產				
Financial assets at fair value through profit or loss	按公允價值透過損益記賬之金融資產				
- Foreign currency bond funds	- 外幣債券基金	8,800	-	-	8,800
- Investment funds	- 投資基金	7,838	-	-	7,838
- Bond	- 債券	-	-	3,414	3,414
- Shares	- 股票	38,413	-	-	38,413
Total assets	資產總值	55,051	-	3,414	58,465

The fair value of financial instruments traded in active markets is based on quoted market prices on the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

於活躍市場買賣之金融工具之公允價值為結算日所報市價。倘該報價可隨時或定期從交易市場、交易商、經紀、產業集團、定價服務機構或監管機構獲得，且該等報價公平呈現實際定期發生的市場交易，則該市場視為活躍市場。本集團所持金融資產之市場報價為當時買入價。這些工具包括在等級 1 中。

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

非活躍市場買賣之金融工具之公允價值乃使用合適估值方法釐訂。該等估值技術以最大限度使用可獲得的可觀察市場數據，從而最大限度減輕對公司特定估計的依賴程度。如果公允價值工具所要求的所有重要數據是可供查察的，該工具包括在等級 2 中。

3. FINANCIAL RISK MANAGEMENT (CONTINUED) 3 財務風險管理(續)

3.3 Fair value estimation (Continued) 3.3 公允價值估計(續)

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

倘一個或多個重大參數並非根據可觀察市場數據釐訂，則該項工具屬等級 3。

Specific valuation techniques used to value financial instruments include:

用於對金融工具作出估值所用的特定估值技術包括：

- Quoted market prices or dealer quotes for similar instruments.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

- 市場報價或交易商對同類工具的報價。
- 採用其他技術以釐定其餘金融工具之公允價值，如貼現現金使用分析。

The following table represents the changes in level 3 instruments for the year ended 31 December 2010.

下表呈列本集團的等級3工具於截至二零一零年十二月三十一日止年度的變動。

		Total 總計 RMB'000 人民幣千元
Opening balance	於二零一零年一月一日	3,414
Exchange difference	匯兌差異	(103)
Impairment	減值	(3,311)
Closing balance	於二零一零年十二月三十一日	-
Total losses for the period including in profit or loss for assets held at the end of the reporting period	於報告期期末持有的資產經損益確認的虧損總額	(3,414)

The following table represents the changes in level 3 instruments for the year ended 31 December 2009.

下表呈列本集團的等級3工具於截至二零零九年十二月三十一日止年度的變動。

		Total 總計 RMB'000 人民幣千元
Opening balance	於二零零九年一月一日	3,417
Exchange difference	匯兌差異	(3)
Closing balance	於二零零九年十二月三十一日	3,414
Total losses for the period including in profit or loss for assets held at the end of the reporting period	於報告期期末持有的資產經損益確認的虧損總額	(3)

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements 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 to 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 discussed below.

(a) Impairment of new drugs technology

The Group performs annual tests on whether there has been impairment of new drugs technology in accordance with the accounting policy stated. The recoverable amounts of cash-generating units are determined based on value-in-use calculations. These calculations require the use of estimates and assumptions made by management on the future operation of the business, pre-tax discount rates, and other assumptions underlying the value-in-use calculations.

(b) Estimation of provision for impairment of receivables

The Group makes provision for impairment of receivables based on an assessment of the collectability of trade and other receivables. Provisions for impairment are applied to trade and other receivables where events or changes in circumstances indicate that the balances may not be collectible. The identification of doubtful debts requires the use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying amount of receivables and doubtful debt expense in the period in which such estimate is changed.

4. 重要會計估計及判斷

於編製綜合財務報表時，本集團須作出會計估計及判斷。本集團將根據過往經驗及其他因素(包括日後在合理情況下相信會出現之事件)不斷對會計估計及判斷進行評估。

本集團會就未來作出評估及假設，所產生之會計估計難免偏離實際之相關業績。有關評估及假設很大可能導致下一個財政年度之資產及負債賬面值須作出大幅度調整。有關詳情載於下文。

(a) 新藥技術減值

按照會計政策，本集團每年對無形資產進行減值測試。對可產生現金流單元的可回收金額，管理層基於未來營運對使用價值作出假設和估計，使用稅前折現率和其他使用價值的假設來確定。

(b) 應收款項減值撥備的估計

本集團基於應收賬款和其他應收款的可回收性，計提減值撥備。當有重大事項或情況變化顯示餘額或不能收回時計提減值撥備，對呆賬的識別需要運用判斷和估計，當預期與初始判斷相異時，這種差異將影響估計變化期間應收款項賬面值和呆賬費用。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(c) Net realisable value of work-in-progress

Provision for slowing-moving work-in-progress is made based on the ageing and accomplishment of certain milestone stage such as clinical studies permit during the process of development. The assessment of the provision amount required involving management judgement and estimates. Where the actual outcome or expectation in future is different from the original estimate, such differences will impact the carrying value of work-in-progress and provision charge/write-back in the period in which such estimate has been changed.

(d) Useful lives of property, plant and equipment

The Group's management determines the estimated useful lives and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. It could change significantly as a result of technical innovations and competitor actions in response to competition within the industry. Management will increase the depreciation charge where useful lives are less than previously estimated lives, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

(e) Income taxes

The Group is principally subject to income taxes in the PRC. Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current income tax provision and deferred income tax assets and liabilities in the period in which such determination is made.

4. 重要會計估計及判斷(續)

(c) 在產品可實現淨值

滯銷在產品按開發過程中許可之若干重要階段(例如臨床研究)之進度及成果撥備。管理層評估撥備金額時需要作出判斷及估計。倘實際結果或未來期望與原有估計有別,有關差額將影響估計項目變動期間之在產品賬面值及撥備(或支出撥回)。

(d) 物業、廠房及設備的使用年期

本集團管理層估計物業、廠房及設備的使用期限和折舊費用,這種估計基於同類性質和功能的物業、廠房及設備的使用年期的歷史經驗。技術更新及本行業的競爭行為會導致估計的重大改變。當使用年期比先前估計年期縮短時,管理層將提高折舊費用,或在賬面減值或註銷已報廢或出售的技術落後資產或非戰略性資產。

(e) 所得稅

本集團主要須在中國繳納所得稅。釐定所得稅撥備須作出重大判斷。眾多交易及計算的最終稅務釐定難以在日常業務過程中確定。倘有關事項最終的稅務結果與最初所入賬的金額不同,則該等差額會影響作出釐定期間的即期所得稅撥備以及遞延所得稅資產及負債。

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

5. REVENUE AND SEGMENT INFORMATION

5. 營業收入及分類資料

Breakdown of the revenue from all services is as follows:

收入明細如下：

		2010	2009
		二零一零年	二零零九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Analysis of revenue by category	收入分類		
Contracted clinical research services (VPS)	合約藥物開發與臨床研究服務 收入 – 本集團技術	26,755	24,814
Contracted pharmaceutical development services (PDS)	合約藥物開發與臨床研究服務 收入 – 非本集團技術	4,316	14,936
Import registration services (IRS)	進口註冊服務收入	1,013	1,411
Royalty income	特許權使用費收入	5,400	5,640
Sales of active pharmaceutical ingredients products (API)	銷售有效藥劑成分產品收入	203	507
Total	合計	37,687	47,308

Turnover and contribution to profit from operations by segment has not been presented as over 80% of the Group's turnover was derived from the pharmaceutical research and development, registration, application and testing in the PRC and all assets were located in the PRC for both years.

由於本集團超過 80% 之營業額均來自其於中國之製藥研發、註冊、申請以及測試，而其所有資產於此兩個年度亦位於中國，故並未呈列營業額及對經營溢利之貢獻之分類分析。

6. PROPERTY, PLANT AND EQUIPMENT - GROUP 6. 物業、廠房及設備－本集團

		Leasehold improvement 租賃物業裝修 RMB'000 人民幣千元	Machinery and equipment 機器及設備 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
At 1 January 2009	於二零零九年一月一日				
Cost	成本	7,460	11,857	1,010	20,327
Accumulated depreciation	累計折舊	(2,296)	(6,309)	(802)	(9,407)
Net book amount	賬面淨值	5,164	5,548	208	10,920
Year ended 31 December 2009	於二零零九年十二月三十一日				
Opening net book amount	賬面淨值期初餘額	5,164	5,548	208	10,920
Additions	本期增加	136	446	-	582
Depreciation (Note 22)	折舊(附註 22)	(545)	(1,255)	(34)	(1,834)
Closing net book amount	賬面淨值期末餘額	4,755	4,739	174	9,668
At 31 December 2009	於二零零九年十二月三十一日				
Cost	成本	7,596	12,303	1,010	20,909
Accumulated depreciation	累計折舊	(2,841)	(7,564)	(836)	(11,241)
Net book amount	固定資產淨值	4,755	4,739	174	9,668
Year ended 31 December 2010	於二零一零年十二月三十一日				
Opening net book amount	賬面淨值期初餘額	4,755	4,739	174	9,668
Additions	本期增加	363	10,306	-	10,669
Written off	撤銷	-	(7)	-	(7)
Depreciation (Note 22)	折舊(附註 22)	(1,124)	(2,364)	(110)	(3,598)
Written back	回撥	-	6	-	6
Closing net book amount	賬面淨值期末餘額	3,994	12,680	64	16,738
At 31 December 2010	於二零一零年十二月三十一日				
Cost	成本	7,959	22,602	1,010	31,571
Accumulated depreciation	累計折舊	(3,965)	(9,922)	(946)	(14,833)
Net book amount	賬面淨值	3,994	12,680	64	16,738

Depreciation expense of approximately RMB1,780,000 (2009: RMB1,260,000) has been charged in "cost of sales" and approximately of RMB1,818,000 (2009: RMB574,000) in "administrative expenses".

折舊費用中約人民幣1,780,000元(二零零九年: 人民幣1,260,000元)在「營業成本」列支, 約人民幣1,818,000元(二零零九年: 人民幣574,000元)在「管理費用」中列支。

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

7. NEW DRUGS TECHNOLOGY - GROUP

7. 新藥技術－本集團

		RMB'000 人民幣千元
At 1 January 2009	於二零零九年一月一日	
Cost	成本	22,058
Accumulated amortisation and impairment	累計攤銷及減值	(11,613)
Net book amount	賬面淨值	10,445
Year ended 31 December 2009	於二零零九年十二月三十一日	
Opening net book amount	賬面淨值期初餘額	10,445
Amortisation charge (Note 22)	本期攤銷(附註 22)	(1,071)
Closing net book amount	賬面淨值期末餘額	9,374
At 31 December 2009	於二零零九年十二月三十一日	
Cost	成本	22,058
Accumulated amortisation and impairment	累計攤銷及減值	(12,684)
Net book amount	賬面淨值	9,374
Year ended 31 December 2010	於二零一零年十二月三十一日	
Opening net book amount	賬面淨值期初餘額	9,374
Amortisation charge (Note 22)	本期攤銷(附註 22)	(2,341)
Disposal	本期出售	(2,823)
Impairment	本期減值	(4,210)
Closing net book amount	賬面淨值期末餘額	-
At 31 December 2010	於二零一零年十二月三十一日	
Cost	成本	18,352
Accumulated amortisation and impairment	累計攤銷及減值	(18,352)
Net book amount	賬面淨值	-

The new drugs technology included above have finite useful lives, over which the assets are amortised. The amortisation period for development costs incurred on the Group's new drugs technology is five years. Details of critical accounting estimates were set out in Note 4(a).

Amortization of approximately RMB2,341,000 (2009: RMB1,071,000) is included in the "administrative expenses".

上表所列之新藥技術具有有限使用年期，並於該段期間內攤銷。本集團新藥技術所涉及開發成本之攤銷期間為五年，有關重要會計估計之詳情載於附註 4(a)。

攤銷費用約人民幣2,341,000元(二零零九年:人民幣1,071,000元)在「管理費用」中列示。

8. INVESTMENTS IN SUBSIDIARIES - COMPANY 8. 附屬公司權益 - 本公司

		2010	2009
		二零一零年	二零零九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Unlisted shares, at cost	非上市公司股份 - 成本值	30,374	30,374
Amounts due from subsidiaries (Note 9)	應收附屬公司款項(附註 9)	49,599	48,122
Total	合計	79,973	78,496

The cost of the unlisted shares is based on the book value of the underlying net assets of the subsidiaries attributable to the Group on the date of the Group Reorganisation.

非上市股份之成本值乃按本集團於集團重組日期應佔附屬公司相關資產淨值之賬面值計算。

The amounts due from subsidiaries are unsecured, interest-free and have no fixed repayment terms.

應收附屬公司款項為無抵押、免息及無固定償還期限。

Particulars of the Company's principal subsidiaries as at 31 December 2010 are as follows:

本公司於二零一零年十二月三十一日之主要附屬公司詳情如下：

Name	Place of incorporation and kind of legal entity	Principal activities	Particulars of issued share capital/ registered capital 已發行股本 / 註冊資本	Interest Held 所佔權益
Shares directly held by the Company:				
Venturepharm Laboratories (BVI) Limited ("VP (BVI)")	British Virgin Islands ("BVI"), Limited liability company	Investment holding	US\$100	100%
Venovo Pharma US Inc.	British Virgin Islands ("BVI"), Limited liability company	Investment holding	US\$1	100%
本公司直接持有股份:				
Venturepharm Laboratories (BVI) Limited ("VP(BVI)")	英國處女群島(BVI), 有限責任公司	控股投資	100 美元	100%
Venovo Pharma US Inc.	英國處女群島(BVI), 有限責任公司	控股投資	1 美元	100%

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

8. INVESTMENTS IN SUBSIDIARIES - COMPANY
(CONTINUED)

8. 附屬公司權益－本公司(續)

Name	Place of incorporation and kind of legal entity	Principal activities	Particulars of issued share capital/ registered capital 已發行股本 / 註冊資本	Interest Held 所佔權益
Shares indirectly held by the Company:				
北京德眾萬全藥業技術開發有限公司	Beijing, the PRC, Limited liability company	The research and development of new drug preparation, raw materials, supplementary materials and biodrugs technological transfer and services	US\$865,000	94.512%
漢中漢江萬全醫藥化工有限公司	Hanzhong, the PRC, Limited liability company	Sales and manufacturing of active pharmaceutical ingredients products	US\$306,000	51%
VPSCRO Group Inc.	British Virgin Islands, Limited liability company	Inactive	US\$1	100%
本公司間接持有股份:				
北京德眾萬全藥物技術開發有限公司	中國北京, 有限責任公司	研究及開發新藥製劑、原材料、輔助原材料(賦形劑及添加劑)及生物藥品; 技術轉讓及服務	865,000 美元	94.512%
漢中漢江萬全醫藥化工有限公司	中國漢中, 有限責任公司	銷售及製造有效藥劑成分產品	306,000 美元	51%
VPSCRO Group Inc.	英國處女群島, (「BVI」) 有限責任公司	無經營	1 美元	100%

8. INVESTMENTS IN SUBSIDIARIES - COMPANY 8. 附屬公司權益 - 本公司(續)
(CONTINUED)

Name	Place of incorporation and kind of legal entity	Principal activities	Particulars of issued share capital/ registered capital 已發行股本 / 註冊資本	Interest Held 所佔權益
Shares indirectly held by the Company: (Continued)				
海南盛科生命科學研究院	Hainan, the PRC, Limited liability company	The research, development and production of drugs, natural drugs and synthetic drugs; technological transfer of and services for the research and development of biodrugs, natural drugs and synthetic drugs; pharmacodynamic and clinical research of drugs	US\$360,000	100%
北京萬全陽光醫藥科技有限公司	Beijing, the PRC, Limited liability company	The research, development and production of drugs, natural drugs and synthetic drugs; technological transfer of and services for the research and development of biodrugs, natural drugs and synthetic drugs; pharmacodynamic and clinical research of drugs	US\$200,000	100%
本公司間接持有股份:(續)				
海南盛科生命科學研究院	中國海南, 有限責任公司	研究、開發及生產藥品、天然藥品及合成藥品; 研究及開發生物藥品、天然藥品及合成藥品之技術轉讓及服務; 藥品之藥效研究及臨床研究	360,000 美元	100%
北京萬全陽光醫藥科技有限公司	中國北京, 有限責任公司	研究、開發及生產藥品、天然藥品及合成藥品; 研究及開發生物藥品、天然藥品及合成藥品之技術轉讓及服務; 藥品之藥效研究及臨床研究	200,000 美元	100%

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

8. INVESTMENTS IN SUBSIDIARIES - COMPANY
(CONTINUED)

8. 附屬公司權益－本公司(續)

Name	Place of incorporation and kind of legal entity	Principal activities	Particulars of issued share capital/ registered capital 已發行股本/ 註冊資本	Interest Held 所佔權益
Shares indirectly held by the Company: (Continued)				
北京新德眾萬全醫藥科技 有限公司	Beijing, the PRC, Limited liability company	The research, development and production of new drugs, natural drugs, and synthetic drugs; technological transfer of and services for research and development of biodrugs, natural drugs and synthetic drugs, pharmacodynamic and clinical research of drugs	US\$200,000	100%
北京萬全陽光醫學技術 有限公司	Beijing, the PRC, Limited liability company	The research, development and production of drugs, natural drugs and synthetic drugs; technological transfer of and services for the research and development of biodrugs, natural drugs and synthetic drugs; pharmacodynamic and clinical research of drugs	US\$200,000	100%
本公司間接持有股份:(續)				
北京新德眾萬全醫藥科技 有限公司	中國北京, 有限責任公司	研究、開發及生產藥品、天然藥品及合成藥品；研究及開發生物藥品、天然藥品及合成藥品之技術轉讓及服務；藥品之藥效研究及臨床研究	200,000 美元	100%
北京萬全陽光醫學技術 有限公司	中國北京, 有限責任公司	研究、開發及生產藥品、天然藥品及合成藥品；研究及開發生物藥品、天然藥品及合成藥品之技術轉讓及服務；藥品之藥效研究及臨床研究	200,000 美元	100%

8. INVESTMENTS IN SUBSIDIARIES - COMPANY 8. 附屬公司權益 - 本公司(續)
(CONTINUED)

Name	Place of incorporation and kind of legal entity	Principal activities	Particulars of issued share capital/ registered capital 已發行股本 / 註冊資本	Interest Held
公司名稱	註冊地點及法定法人	主要經營業務		所佔權益
Shares indirectly held by the Company: (Continued)				
泰州萬全醫藥科技有限公司	Taizhou, the PRC, Limited liability company	The research, development and production of drugs, natural drugs and synthetic drugs; technological transfer of and services for the research and development of biodrugs, natural drugs and synthetic drugs; pharmacodynamic and clinical research of drugs	RMB1,000,000	100%
本公司間接持有股份:(續)				
泰州萬全醫藥科技有限公司	中國泰州, 有限責任公司	研究、開發及生產藥品、天然藥品及合成藥品; 研究及開發生物藥品、天然藥品及合成藥品之技術轉讓及服務; 藥品之藥效研究及臨床研究	人民幣 1,000,000 元	100%

Note: None of the subsidiaries had any debt securities outstanding at the end of the year or any time during the year.

附註: 附屬公司在本年度末及本年度內任何時間無任何尚未償還債券。

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

9. FINANCIAL INSTRUMENTS BY CATEGORY - GROUP AND COMPANY

9. 金融工具明細－本集團及本公司

Group	本集團	Loans and receivables	Assets at fair value through profit or loss	Total
		按公允價值 透過損益記賬 之金融資產	按公允價值 透過損益記賬 之金融資產	合計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Assets as per consolidated statement of financial position 31 December 2010	綜合財務狀況表資產 於二零一零年十二月三十一日			
Trade and other receivables (excluding prepayments) (Note 11 and 12)	應收賬款和其他應收款 (不含預付賬款)(附註 11 和 12)	29,138	-	29,138
Financial assets at fair value through profit or loss (Note 13)	按公允價值透過損益記賬之 金融資產(附註 13)	-	60,138	60,138
Cash and cash equivalents (Note 14)	現金及現金等價物(附註 14)	6,910	-	6,910
Total	合計	36,048	60,138	96,186
Assets as per consolidated statement of financial position 31 December 2009	綜合財務狀況表資產 於二零零九年十二月三十一日			
Trade and other receivables (excluding prepayments) (Note 11 and 12)	應收賬款和其他應收款 (不含預付賬款)(附註 11 和 12)	42,413	-	42,413
Financial assets at fair value through profit or loss (Note 13)	按公允價值透過損益記賬之 金融資產(附註 13)	-	58,465	58,465
Cash and cash equivalents (Note 14)	現金及現金等價物(附註 14)	14,087	-	14,087
Total	合計	56,500	58,465	114,965

9. FINANCIAL INSTRUMENTS BY CATEGORY - GROUP AND COMPANY (CONTINUED) 9. 金融工具明細－本集團及本公司(續)

Group (Continued)	本集團(續)	Other financial liabilities 其他金融負債 RMB'000 人民幣千元
Liabilities as per consolidated statement of financial position 31 December 2010	綜合財務狀況表負債 於二零一零年十二月三十一日	
Borrowings	借款	108,005
Other payables and accruals	其他應付款及應付費用	31,153
Total	合計	139,158
Liabilities as per consolidated statement of financial position 31 December 2009	綜合財務狀況表負債 於二零零九年十二月三十一日	
Borrowings	借款	78,333
Other payables and accruals	其他應付款及應付費用	13,368
Total	合計	91,701

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

9. FINANCIAL INSTRUMENTS BY CATEGORY - GROUP AND COMPANY (CONTINUED) 9. 金融工具明細－本集團及本公司(續)

Company	本公司			
		Loans and receivables	Assets at fair value through profit or loss	Total
		貸款及應收款	按公允價值透過損益記賬之金融資產	合計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
Assets as per statement of financial position 31 December 2010	財務狀況表資產 於二零一零年十二月三十一日			
Amounts due from subsidiaries (Note 8)	應收附屬公司款項(附註 8)	49,599	-	49,599
Other receivables	其他應收款(不含預付賬款)	7,309	-	7,309
Financial assets at fair value through profit or loss (Note 13)	按公允價值透過損益記賬之金融資產(附註 13)	-	60,138	60,138
Cash and cash equivalent (Note 14)	現金及現金等價物(附註 14)	53	-	53
Total	合計	56,961	60,138	117,099
Assets as per statement of financial position 31 December 2009	財務狀況表資產 於二零零九年十二月三十一日			
Amounts due from subsidiaries (Note 8)	應收附屬公司款項(附註 8)	48,122	-	48,122
Other receivables	其他應收款(不含預付賬款)	1,238	-	1,238
Financial assets at fair value through profit or loss (Note 13)	按公允價值透過損益記賬之金融資產(附註 13)	-	58,465	58,465
Cash and cash equivalent (Note 14)	現金及現金等價物(附註 14)	522	-	522
Total	合計	49,882	58,465	108,347

9. FINANCIAL INSTRUMENTS BY CATEGORY - GROUP AND COMPANY (CONTINUED) 9. 金融工具明細－本集團及本公司(續)

Company (Continued)	本公司(續)	Other financial liabilities 其他金融負債 RMB'000 人民幣千元
Liabilities as per statement of financial position 31 December 2010		
Borrowings	財務狀況表負債 於二零一零年十二月三十一日 借款	108,005
Other payables and accruals	其他應付款及應付費用	17,627
Total	合計	125,632
Liabilities as per statement of financial position 31 December 2009		
Borrowings	財務狀況表負債 於二零零九年十二月三十一日 借款	78,333
Other payables and accruals	其他應付款及應付費用	7,228
Total	合計	85,561

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

10. WORK-IN-PROGRESS - GROUP

10. 在產品－本集團

		2010	2009
		二零一零年	二零零九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Work-in-progress	在產品		
- contracted (Note (a))	- 已訂約(附註(a))	24,940	19,699
Work-in-progress	在產品		
-not-contracted (Note (b))	- 未訂約(附註(b))	33,909	40,951
Total	合計	58,849	60,650

(a) The balance represents the project costs incurred for the contracted research and development, pharmaceutical application, registration and testing services, but have not met the extent of the milestone payments earned in accordance with the applicable performance requirements and contractual terms.

(a) 該結餘指已訂約之研究及開發、製藥申請、註冊及測試服務產生之項目成本，惟由於尚未達到相關要求及合同條款規定之進度而未能收取相應進度款項。

(b) The balance comprises of development costs incurred with the intention of outright sales as technology transfer but have not been contracted.

(b) 該結餘指擬作為技術轉讓項目出售之開發成本，但尚未訂立合約。

11. TRADE RECEIVABLES - GROUP

11. 應收賬款－本集團

		2010	2009
		二零一零年	二零零九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Trade receivables	應收賬款	40,831	35,960
Less: provision for impairment of trade receivables	減：減值準備	(30,484)	(20,737)
Trade receivables - net	應收賬款淨額	10,347	15,223

11. TRADE RECEIVABLES - GROUP (CONTINUED)

The Group allows an average credit period of 90 days to its trade customers. As 31 December 2010 and 2009, the ageing of the trade receivables net of impairment were as follows:

		2010	2009
		二零一零年	二零零九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
1-30 days	1-30 天	3,217	3,307
31-60 days	31-60 天	485	1,009
61-90 days	61-90 天	2,430	1,695
91-180 days	91-180 天	425	1,060
Over 180 days	超過 180 天	3,790	8,152
Total	合計	10,347	15,223

As at 31 December 2010, trade receivables of RMB4,215,000 (2009: RMB9,212,000) were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. These customers have a good track record with the Group. Based on the past experience, the management believes that no impairment is provided in respect of these balances as there have no significant changes in the credit quality of these customers and the balances are considered fully recoverable. The Group does not hold any collateral over these balances.

As of 31 December 2010, trade receivables of RMB9,747,000 (2009: RMB1,245,000) were impaired and provided for. The amount of the provision was RMB30,484,000 as at 31 December 2010 (2009: RMB20,737,000). The individually impaired receivables mainly related to customers, which are in unexpected difficult economic situations. It was assessed that a portion of the receivables is expected not to be recovered.

11. 應收賬款－本集團(續)

本集團給予客戶的信用期限一般為九十天。於二零一零年及二零零九年十二月三十一日，減值後的應收賬款賬齡如下：

於二零一零年十二月三十一日，應收賬款中包括人民幣4,215,000元(二零零九年：人民幣9,212,000元)已逾期但未計提減值準備。這些賬務來自多名在本集團有良好還款記錄的獨立客戶。基於以往的經驗，管理層認為沒有計提減值準備的需要，因為這些客戶的信用質量沒有重大改變且相信這些餘額能全部收回。本集團不持有任何此等應收賬款的抵押品。

於二零一零年十二月三十一日，應收賬款中包括人民幣9,747,000元(二零零九年：人民幣1,245,000元)計提了減值準備，減值準備餘額為人民幣30,484,000元(二零零九年：人民幣20,737,000元)。單筆減值應收賬款主要來自於遭遇經濟困境之客戶，預期部份應收賬款未能收回。

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

11. TRADE RECEIVABLES - GROUP (CONTINUED)

Movement on the Group's provision for impairment of trade receivables are as follow:

		2010	2009
		二零一零年	二零零九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
At 1 January	於一月一日	20,737	19,492
Provision for impairment of receivable	應收賬款減值準備	9,747	1,245
At 31 December	於十二月三十一日	30,484	20,737

The other classes within trade receivables do not contain impaired assets.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned above. The Group does not hold any collateral as security.

12. PREPAYMENTS AND OTHER RECEIVABLES - GROUP

The prepayments and other receivables are as follows:

		2010	2009
		二零一零年	二零零九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Prepayments	預付賬款	23,037	7,808
Other receivables	其他應收款	18,791	27,190
Total	合計	41,828	34,998
Related parties	關連方	4,078	27,221
Third parties	第三方	37,750	7,777
Total	合計	41,828	34,998

The carrying amounts of prepayments and other receivables approximate their fair values.

11. 應收賬款－本集團(續)

本集團之應收賬款減值變動摘要如下:

應收貿易賬款內其他類別不含已減值資產。

於報告日,所面臨之最大信用風險為上述應收賬款賬面值。本集團並無持有任何抵押品作為擔保。

12. 預付賬款及其他應收款－本集團

預付賬款及其他應收款明細如下:

預付賬款及其他應收款項之賬面值與其公允價值相若。

13. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS - GROUP AND COMPANY

13. 按公允價值透過損益記賬之金融資產－本集團及本公司

		Group and Company 本集團及本公司	
		2010	2009
		二零一零年	二零零九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Foreign currency bond fund	外幣債券基金	4,433	8,800
Investment funds	投資基金	-	7,838
Bond	債券	-	3,414
Shares	股票	55,705	38,413
Total	合計	60,138	58,465

Financial assets at fair value through profit or loss are presented within “investing activities” in the consolidated statement of cash flows.

按公允價值透過損益記賬之金融資產在現金流量表中列示於投資活動項下。

Changes in fair values of financial assets at fair value through profit or loss are recorded in “other income” in the statement of comprehensive income (Note 20).

按公允價值透過損益記賬之金融資產的公允價值變動記錄在綜合收益表中的「其他收入」中列示(附註20)。

The fair value of all financial assets at fair value through profit or loss is based on their current bid prices in an active market.

所有按公允價值透過損益記賬之公允價值乃根據其於活躍市場之買入價計算。

Financial assets at fair value through profit or loss are denominated in the following currencies:

按公允價值透過損益記賬之金融資產以下列貨幣計值：

		Group and Company 本集團及本公司	
		2010	2009
		二零一零年	二零零九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
HK dollars	港幣	55,705	33,765
US dollars	美元	4,433	24,700
Total	合計	60,138	58,465

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

14. CASH AND CASH EQUIVALENTS - GROUP AND COMPANY

14. 現金及現金等價物－本集團及本公司

		Group 本集團		Company 本公司	
		2010	2009	2010	2009
		二零一零年	二零零九年	二零一零年	二零零九年
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Cash at banks and on hand	銀行存款及庫存現金	6,910	14,087	53	522

Bank balances and cash were denominated in the following currencies:

銀行餘額及現金由下列貨幣構成：

		Group 本集團		Company 本公司	
		2010	2009	2010	2009
		二零一零年	二零零九年	二零一零年	二零零九年
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Renminbi	人民幣	6,822	13,530	-	-
US dollars	美元	88	557	53	522
Total	合計	6,910	14,087	53	522

15. SHARE CAPITAL

15. 股本

		Number of ordinary shares 普通股數目	Amount 金額 HK\$'000 港幣千元	Shown in the financial statements 財務報表列示 RMB'000 人民幣千元
Ordinary shares of HK\$0.10 each	每股面值0.1港元的普通股			
Authorised:	法定：			
At 31 December 2009 and 31 December 2010	於二零零九年十二月三十一日 及二零一零年十二月三十一日	1,000,000,000	100,000	106,000
Issued and fully paid:	已發行及繳足			
At 31 December 2009 and 31 December 2010	於二零零九年十二月三十一日 及二零一零年十二月三十一日	363,511,664	36,351	38,469

15. SHARE CAPITAL (CONTINUED)

15. 股本(續)

A summary of the above movements in issued share capital of the Company is as follows:

上述本公司發行股本的變動摘要如下：

		2010 二零一零年		2009 二零零九年	
		Number of issued ordinary shares of HK\$0.1 each 每股面值 港幣 0.1 元的 普通股 發行股數	Par value HK\$000 面值 港幣千元	Number of issued ordinary shares of HK\$0.1 each 每股面值 港幣 0.1 元的 普通股 發行股數	Par value HK\$000 面值 港幣千元
Beginning of the year	期初	363,511,664	36,351	362,806,664	36,281
Issue of shares pursuant to exercise of share options (Note (a))	根據購股權行使 發行之股票 (附註(a))	-	-	705,000	70
End of the year	期末	363,511,664	36,351	363,511,664	36,351

Notes:

(a) No new shares were issued upon the exercise of options under the share option scheme during the year. (2009: 705,000 shares of HK\$0.1 par value each were issued at an exercise price ranging from HK\$0.36 to HK\$0.625 per share).

附註:

(a) 本年度並沒有因行使購股權而發行之新股。(二零零九年: 705,000 股每股面值 \$0.1 港幣之新股以每股 \$0.36 港幣至 \$0.625 港幣之行使價發行)。

The Company has share option schemes as at 31 December 2010, under which it may grant options to employees of the Group to subscribe for shares of the Company. During the year, no options lapsed (2009: nil) in connection with the cessation of employment of certain employees and the expiry of exercise period.

於二零一零年十二月三十一日,本公司可就認股權計劃授出認股權予本集團之僱員以購本公司之股份。本年度沒有(二零零九年: 無)購股權因若干僱員離職及到期而告失效。

No option exercised during the year. In 2009, the exercise of share options yielded the proceeds of RMB 288,000.

本年度並無購股權行使。於二零零九年,因行使購股權所得之款項為人民幣 288,000 元。

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

15. SHARE CAPITAL (CONTINUED)

Movements in the number of share options outstanding and their related weighted average exercise prices during the year ended 31 December 2010 are as follows:

15. 股本(續)

未行使購股權數目及其有關加權平均行使價於截至二零一零年十二月三十一日止年度期間之變動詳情如下:

Date of grant	Exercise Price	Note	Number of share options				At 31 December 2010
			At 1 January 2010	Granted during the year	Exercised during the year	Lapsed during the year	
授權日	行權價	附註	購股權數目	購股權數目	購股權數目	購股權數目	購股權數目
			於二零一零年一月一日	本年授出	本年行權	本年註銷	於二零一零年十二月三十一日
20 June 2003	HK\$0.32	(i)	9,720,000	-	-	-	9,720,000
20 June 2003	HK\$0.40	(ii)	1,800,000	-	-	-	1,800,000
2 March 2005	HK\$0.52	(iii)	1,572,000	-	-	-	1,572,000
14 December 2005	HK\$0.45	(iv)	619,200	-	-	-	619,200
10 August 2006	HK\$0.36	(v)	2,590,200	-	-	-	2,590,200
10 May 2007	HK\$0.625	(vi)	6,449,800	-	-	-	6,449,800
7 April 2009	HK\$0.435	(vii)	11,966,800	-	-	-	11,966,800
			34,718,000	-	-	-	34,718,000
二零零三年六月二十日	0.32 港元	(i)	9,720,000	-	-	-	9,720,000
二零零三年六月二十日	0.40 港元	(ii)	1,800,000	-	-	-	1,800,000
二零零五年三月二日	0.52 港元	(iii)	1,572,000	-	-	-	1,572,000
二零零五年十二月十四日	0.45 港元	(iv)	619,200	-	-	-	619,200
二零零六年八月十日	0.36 港元	(v)	2,590,200	-	-	-	2,590,200
二零零七年五月十日	0.625 港元	(vi)	6,449,800	-	-	-	6,449,800
二零零九年四月七日	0.435 港元	(vii)	11,966,800	-	-	-	11,966,800
合計			34,718,000	-	-	-	34,718,000

15. SHARE CAPITAL (CONTINUED)

Movements in the number of share options outstanding and their related weighted average exercise prices during the year ended 31 December 2009 are as follows:

15. 股本(續)

未行使購股權數目及其有關加權平均行使價截至二零零九年十二月三十一日止年度期間之變動詳情如下:

Date of grant	Exercise Price	Note	Number of share options				At 31 December 2009
			At 1 January 2009	Granted during the year	Exercised during the year	Lapsed during the year	
授權日	行權價	附註	於二零零九年一月一日	本年授出	本年行權	本年註銷	於二零零九年十二月三十一日
20 June 2003	HK\$0.32	(i)	9,720,000	-	-	-	9,720,000
20 June 2003	HK\$0.40	(ii)	1,800,000	-	-	-	1,800,000
2 March 2005	HK\$0.52	(iii)	1,827,000	-	(255,000)	-	1,572,000
14 December 2005	HK\$0.45	(iv)	619,200	-	-	-	619,200
10 August 2006	HK\$0.36	(v)	2,916,900	-	(326,700)	-	2,590,200
10 May 2007	HK\$0.625	(vi)	6,573,100	-	(123,300)	-	6,449,800
7 April 2009	HK\$0.435	(vii)	-	11,966,800	-	-	11,966,800
			23,456,200	11,966,800	(705,000)	-	34,718,000
二零零三年六月二十日	0.32 港元	(i)	9,720,000	-	-	-	9,720,000
二零零三年六月二十日	0.40 港元	(ii)	1,800,000	-	-	-	1,800,000
二零零五年三月二日	0.52 港元	(iii)	1,827,000	-	(255,000)	-	1,572,000
二零零五年十二月十四日	0.45 港元	(iv)	619,200	-	-	-	619,200
二零零六年八月十日	0.36 港元	(v)	2,916,900	-	(326,700)	-	2,590,200
二零零七年五月十日	0.625 港元	(vi)	6,573,100	-	(123,300)	-	6,449,800
二零零九年四月七日	0.435 港元	(vii)	-	11,966,800	-	-	11,966,800
合計			23,456,200	11,966,800	(705,000)	-	34,718,000

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

15. SHARE CAPITAL (CONTINUED)

Notes:

- (i) *These options are exercisable at HK\$0.32 (RMB0.28) per share in three tranches: the maximum percentage of options exercisable within the periods commencing from 1 January 2004 to 31 December 2004, from 1st January 2005 to 31st December 2005 and after 1st January 2006 are 30%, 60% and 100%, respectively. The options shall be valid and effective for a period of 10 years from the grant date.*
- (ii) *These options are exercisable at HK\$0.40 (RMB0.35) per share in three tranches: the maximum percentage of options exercisable within the periods commencing from 1 January 2003 to 31 December 2003, 1st January 2004 to 31st December 2004 and after 1 January 2005 are 30%, 60% and 100%, respectively. The options shall be valid and effective for a period of 10 years from the grant date.*
- (iii) *These options are exercisable at HK\$0.52 (RMB0.46) per share: the share options exercisable within the period commencing from 2 March 2005 to 1 March 2015. The options shall be valid and effective for a period of 10 years from the grant date.*
- (iv) *These options are exercisable at HK\$0.45 (RMB0.40) per share: the share options exercisable within the period commencing from 14 December 2005 to 13 December 2015. The options shall be valid and effective for a period of 10 years from the grant date.*
- (v) *These options are exercisable at HK\$0.36 (RMB0.32) per share: the share options exercisable within the period commencing from 10 August 2006 to 9 August 2016. The options shall be valid and effective for a period of 10 years from the grant date.*
- (vi) *These options are exercisable at HK\$0.625 (RMB0.55) per share: the share options exercisable within the period commencing from 10 May 2007 to 9 May 2017. The options shall be valid and effective for a period of 10 years from the grant date.*
- (vii) *These options are exercisable at HK\$0.435 (RMB0.38) per share: the share options exercisable within the period commencing from 7 April 2009 to 6 April 2019. The options shall be valid and effective for a period of 10 years from the grant date.*

15. 股本—本集團及本公司(續)

附註:

- (i) 該等購股權之行使價為每股0.32 港元(0.28 人民幣), 可分三期行使: 即二零零四年一月一日至二零零四年十二月三十一日、二零零五年一月一日至二零零五年十二月三十一日及二零零六年一月一日以後, 分別以30%、60%及100%之可予行使購股權百分比上限認購本公司股份。該購股權將自其授出當日起計10年內有效及生效。
- (ii) 該等購股權之行使價為每股0.40 港元(0.35 人民幣), 可分三期行使: 即於二零零三年一月一日至二零零三年十二月三十一日、二零零四年一月一日至二零零四年十二月三十一日及二零零五年一月一日以後, 分別以30%、60%及100%之可予行使購股權百分比上限認購本公司股份。該購股權將自其授出當日起計10年內有效及生效。
- (iii) 該等購股權之行使價為每股0.52 港元(0.46 人民幣), 可於二零零五年三月二日至二零一五年三月一日期間認購本公司股份。該購股權將自其授出當日起計10年內有效及生效。
- (iv) 該等購股權之行使價為每股0.45 港元(0.40 人民幣), 可於二零零五年十二月十四日至二零一五年十二月十三日期間認購本公司股份。該購股權將自其授出當日起計10年內有效及生效。
- (v) 該等購股權之行使價為每股0.36 港元(0.32 人民幣), 可於二零零六年八月十日至二零一六年八月九日期間認購本公司股份。該購股權將自其授出當日起計10年內有效及生效。
- (vi) 該等購股權之行使價為每股0.625 港元(0.55 人民幣), 可於二零零七年五月十日至二零一七年五月九日期間認購本公司股份。該購股權將自其授出當日起計10年內有效及生效。
- (vii) 該等購股權之行使價為每股0.435 港元(0.38 人民幣), 可於二零零九年四月七日至二零一九年四月六日期間認購本公司股份。該購股權將自其授出當日起計10年內有效及生效。

16. RESERVES - GROUP AND COMPANY

16. 儲備－本集團和本公司

(a) Group

(a) 本集團

		Share-based payment reserve	Special reserve	Capital reserve	Statutory reserve	Statutory enterprise expansion fund	Retained earnings/ (accumulated losses)	Total
		以股份支付 之酬金儲備	特別儲備	資本儲備	法定公積	法定企業 發展基金	留存盈利/ (累計虧損)	合計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2009	於二零零九年一月一日	2,766	6,039	1,186	3,803	6,986	45,549	66,329
Total comprehensive income for the year	本年度全面收益合計	-	-	-	-	-	6,276	6,276
Transactions with owners	與所有者的交易							
Employee share option benefits	僱員購股權福利	227	-	-	-	-	-	227
Share premium for exercise of share options	購股權行使股份溢價	-	-	226	-	-	-	226
Exercise of share options	行使期權	(47)	-	47	-	-	-	-
Total transactions with owners	與所有者的交易合計	180	-	273	-	-	-	453
At 31 December 2009 and 1 January 2010	於二零零九年十二月三十一日及於二零一零年一月一日	2,946	6,039	1,459	3,803	6,986	51,825	73,058
Total comprehensive income for the year	本年度全面收益合計	-	-	-	-	-	(56,928)	(56,928)
Transactions with owners	與所有者的交易							
Employee share option benefits	僱員購股權福利	681	-	-	-	-	-	681
Total transactions with owners	與所有者的交易合計	681	-	-	-	-	-	681
At 31 December 2010	於二零一零年十二月三十一日	3,627	6,039	1,459	3,803	6,986	(5,103)	16,811

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

16. RESERVES - GROUP AND COMPANY 16. 儲備－本集團和本公司(續)
(CONTINUED)

(b) Company

(b) 本公司

		Share-based payment reserve	Capital reserve	Contribution surplus	Accumulated losses	Total
		以股份支付 之酬金儲備 RMB'000 人民幣千元	資本儲備 RMB'000 人民幣千元	供款盈餘 RMB'000 人民幣千元	保留盈利/ (累計虧損) RMB'000 人民幣千元	合計 RMB'000 人民幣千元
At 1 January 2009	於二零零九年一月一日	2,853	1,093	28,011	(10,103)	21,854
Total comprehensive income for the year	本年度全面收益合計	-	-	-	(7,616)	(7,616)
Transactions with owners	與所有者的交易					
Employee share option benefits	僱員購股權福利	227	-	-	-	227
Share premium for exercise of share options	購股權行使股份溢價	-	226	-	-	226
Exercise of share option	行使期權	(47)	47	-	-	-
Total transactions with owners	與所有者的交易合計	180	273	-	-	453
At 31 December 2009 and 1 January 2010	於二零零九年十二月 三十一日和二零一 零年一月一日	3,033	1,366	28,011	(17,719)	14,691
Total comprehensive income for the year	本年度全面收益合計	-	-	-	(32,000)	(32,000)
Transactions with owners	與所有者的交易					
Employee share option benefits	僱員購股權福利	681	-	-	-	681
Total transactions with owners	與所有者的交易合計	681	-	-	-	681
At 31 December 2010	於二零一零年十二月 三十一日	3,714	1,366	28,011	(49,719)	(16,628)

16. RESERVES - GROUP AND COMPANY
(CONTINUED)

Statutory reserve

Pursuant to the Company Law of the PRC, articles of association and board resolutions of the Company, the Company provides 10% from its net profit for the year determined in accordance with China Accounting Standards for the statutory surplus reserve until the balance of this reserve reaches 50% of the paid-up share capital. Statutory surplus reserve can be used to reduce any losses incurred or to increase share capital of the Company. Statutory surplus reserve balance should not fall below 25% of the registered capital after any such shares issuance.

Statutory enterprise expansion fund

As stipulated by the relevant PRC laws and regulations, the subsidiaries of the Company established in the PRC shall appropriate 5% or 10% of its net profit after tax as the statutory enterprise expansion fund. The director shall have discretion in determining the percentage within the range specified by the relevant PRC laws and regulations.

Special reserve

The special reserve represents the differences between the nominal value of the shares of VP (BVI), the company which was the holding company of the other members of the Group prior to the Group Reorganisation, and the nominal value of the company's shares issued thereof pursuant to the Group Reorganisation.

Capital reserve

The capital reserve represents the additional contributions made by the shareholders of the Company prior to the listing of the Company's shares on the Stock Exchange and the additional contributions made by the minority shareholder of a subsidiary of the Company during the year.

16. 儲備－本集團和本公司(續)

法定公積

根據中國公司法及本公司的章程細則，本公司須將根據中國會計準則釐定之淨利潤的 10% 分配至法定公積，直至該法定公積達到本公司註冊資本的 50% 為止。法定公積的撥備必須於向權益持有人作出任何股息分派前作出。法定公積可用作抵銷過往年度的虧損(倘有)及部分撥充本公司股本，惟用於擴充公司股本後的該等法定公積餘額不得少於本公司股本的 25%。

法定企業發展基金

根據有關中國法例及法規之規定，本公司於中國成立之附屬公司須將其除稅後純利之 5% 或 10% 撥入法定企業發展基金。董事可根據有關中國法例及法規所規定之範圍而酌情釐定百分比。

特別儲備

特別儲備是指 VP(BVI)(本集團重組前本集團其他成員公司之控股公司)股份面值及本公司根據本集團重組而發行之股份面值兩者間之差額。

資本儲備

資本儲備是指本公司股東於本公司股份在聯交所上市前所作之額外註資，以及本公司附屬公司少數股東於年內所作額外註資。

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

**16. RESERVES - GROUP AND COMPANY
(CONTINUED)**

Contributed surplus

The contributed surplus of the Company represents the difference between the net assets of the subsidiaries and the nominal amount of the Company's shares issued in exchange thereof pursuant to the Group Reorganisation.

The Company's reserves available for distribution to its shareholders comprise share premium, capital reserve, contributed surplus and accumulated profit. In accordance with the Company's Articles of Association, dividends shall be payable out of the profit or other reserves, including the share premium account, of the Company and, under the Companies Law (2002 Revision) of the Cayman Islands, the Company must be able to pay its debts as they fall due in the ordinary course of business immediately following the distribution of dividend.

17. OTHER PAYABLES AND ACCRUALS - GROUP AND COMPANY

16. 儲備－本集團和本公司(續)

供款盈餘

本公司之供款盈餘是指附屬公司之資產淨值及本公司根據本集團重組發行以作交換之股份面值兩者間之差額。

本公司可供分派予股東之儲備包括股份溢價、資本儲備、實繳溢價及累計溢利。根據本公司組織章程，應付之股息須自本公司溢利或其他儲備中撥出(包括股份溢價賬)。此外，根據開曼群島之公司法(二零零二年修訂版)，本公司須在緊接派發股息之後，能夠支付日常業務中到期之借貸。

17. 其他應付款及應付費用－本集團和本公司

		Group 本集團		Company 本公司	
		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Other payables	其他應付款	28,481	12,113	16,507	6,678
Accrued expenses	應付費用	2,672	1,255	1,120	550
Total	合計	31,153	13,368	17,627	7,228
Related parties	關連方	7,957	1,530	-	-
Third parties	第三方	23,196	11,838	17,627	7,228
Total	合計	31,153	13,368	17,627	7,228

18. BORROWINGS - GROUP AND COMPANY

18. 借款－本集團和本公司

	Group 本集團		Company 本公司	
	2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Non-current				
Convertible bonds	108,005	78,333	108,005	78,333

At 31 December 2010, the carrying amounts and fair value of the non-current convertible bonds for the Group and the Company amounted approximately of RMB108,005,000 (2009: RMB78,333,000).

The carrying amounts of the Group's and the Company's borrowings are denominated in the following currencies:

於二零一零年十二月三十一日，本集團和本公司的非流動可換股債券的賬面值和公允價值約為人民幣108,005,000元(二零零九年：人民幣78,333,000元)。

本集團和本公司的借款賬面值以下列貨幣交易：

	Group and Company 本集團及本公司	
	2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Swiss Francs	108,005	78,333

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

**18. BORROWINGS - GROUP AND COMPANY
(CONTINUED)****Convertible bonds**

On 10 September 2007, Venturepharm Laboratories Limited, issued bonds of an aggregate principal amount of CHF15,000,000. Unless previously redeemed, repurchased and cancelled or converted, any outstanding convertible bonds shall be redeemed at the redemption amount (110% of the principal amount outstanding of the convertible bonds) on the date falling on the fifth anniversary of the date of issue of the convertible bonds.

The bonds bear interest at the rate of 3.5% per annum and payable annually.

The conversion price shall be amount in Swiss Francs that will be equivalent to 130% of the average closing prices of the shares of the Company as published in the daily quotation sheets published by the Stock Exchange of Hong Kong Limited for 30 consecutive trading days up to and including the fifth business day prior to the closing date per share.

The bondholders will have the right to convert, at the conversion price, the whole of the principal amount of the convertible bonds into shares at any time and from time to time, from the date of issue of the convertible bonds.

Bondholders may at any time during the period on or after the date of issue of the convertible bonds and prior to the close of business on the maturity date or (i) if the Company shall have exercised its rights to redeem the convertible bonds (tax redemption or early redemption), then up to the fifth business day preceding the date fixed for such redemption, (ii) if the Company shall be in breach of its obligations under the terms of the convertible bonds (event of default), then up to the time when the convertible bonds become due and repayable to convert, at the conversion price, the whole or any part of the convertible bonds held by the bondholders into conversion shares.

18. 借款－本集團和本公司(續)**可換股債券**

於二零零七年九月十日，萬全科技藥業有限公司發行本金總額為15,000,000瑞士法郎之債券(「債券」)。除先前已經予以贖回、購回及註銷或轉換外，本公司將於可換股債券之發行日期第五周年當日以贖回金額(該可換股債券的本金餘額的110%)贖回任何未償還的可換股債券。

該可換股債券是以固定利率計息，每年支付，年息率為3.5%。

轉換價格應以瑞士法郎結算。該價格應相當於截至收市日前第五個工作日(包括該日)止連續三十個工作日本公司每股股份在聯交所每日報價表所報之平均收市價的130%。

債券持有人可自可換股債券發行日期起任何時候及不時於每次轉換時按換股價格將全部本金額可換股債券轉換成股份。

債券持有人可在可換股債券發行日起或之後，並在到期日營業結束前的期間內之任何時間，或者(i)若公司行使贖回可換股債券(稅收贖回或提早贖回)之權利，則直到定為贖回之日前的第五個營業日；(ii)若公司違反其於可換股債券條款的責任(違約事件)，則直到可換股債券到期償還時，按換股價格將債券所有人所持有的全部或任何部份可換股債券轉換成換股股份。

**18. BORROWINGS - GROUP AND COMPANY
(CONTINUED)**

Convertible bonds (continued)

The carrying amounts of convertible bonds approximated their fair value.

As at 31 December 2010, the fair value of the liability component, included in non-current borrowings, of the convertible bonds was calculated using effective interest method at the rate of 10.32%.

As at 31 December 2010, the fair value of the derivative component of the convertible bonds was calculated using the Monte Carlo Simulation Model. Any change in the major inputs into the Monte Carlo Simulation Model will result in changes in the fair value of the derivative component.

The change in fair value of the convertible bonds during the year resulted in a loss from changes in fair value of RMB 22,193,000 (2009: RMB 9,996,000), which has been recorded as "loss on revaluation of convertible bonds" in the statement of comprehensive income.

Interest and other expenses of approximately RMB4,019,000 (2009: RMB3,914,000) has been recognised in the statement of comprehensive income in respect of the convertible bonds for the year ended 31 December 2010.

18. 借款－本集團和本公司(續)

可換股債券(續)

該可換股債券的賬面值跟公允價值相若。

於二零一零年十二月三十一日，該可換股債券的負債部分(於非流動借款中)的公允價值乃以實際利率法(10.32%)計算。

於二零一零年十二月三十一日，該可換股債券的衍生工具部分的公允價值乃以Monte Carlo Simulation模型計算。Monte Carlo Simulation模型中重要參數的任何變動將有可能引起衍生工具部分公允價值的變動。

本年度該可換股債券的公允價值變動造成的損失約為人民幣22,193,000元(二零零九年：約為人民幣9,996,000元)，並已記入截至二零一零年十二月三十一日止年度全面收益表中「可換股債券重估虧損」項目內。

截至二零一零年十二月三十一日止年度期間，約人民幣4,019,000元(二零零九年：人民幣3,914,000元)的可換股債券利息及其他費用於全面收益表中列支。

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

19. DEFERRED TAX ASSETS - ROUP

Deferred taxation is calculated in full on temporary differences under the liability method using the applicable taxation rates prevailing in the countries/places in which the Group operates.

No deferred taxation was charged to equity during the year (2009: Nil).

The movements in deferred tax assets during the year are as follows:

		Provisions		Tax loss		Total	
		撥備		稅務虧損		合計	
		2010	2009	2010	2009	2010	2009
		二零一零年	二零零九年	二零一零年	二零零九年	二零一零年	二零零九年
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January	於二零一零年一月一日	6,813	5,753	907	2,375	7,720	8,128
Debited to the statement of comprehensive income	借記全面收益表	(4,377)	-	-	(2,159)	(4,377)	(2,159)
Credited to the statement of comprehensive income	貸記全面收益表	-	1,060	1,997	691	1,997	1,751
At 31 December	於十二月三十一日	2,436	6,813	2,904	907	5,340	7,720

Deferred tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through the future taxable profits is probable. Most of the tax losses will expire in various dates up to the year 2014.

19. 遞延稅項－本集團

遞延稅項是用本集團經營所在地所適用之稅率以暫時差異為基礎使用負債法來計算。

本年度無遞延稅項沖減權益(二零零九年：無)。

本年遞延稅項資產變動如下：

除非未來有應稅收入足以抵減其臨時性差異所影響稅額，才能確認遞延稅項資產。大部份未確認之稅項虧損將於截至二零一四年內不同日期到期。

20. OTHER INCOME

20. 其他收入

		2010	2009
		二零一零年	二零零九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Government subsidies	政府資助	1,077	184
Subsidies received from third parties	第三方補助	-	291
Fair value gains on financial assets at fair value through profit or loss	按公允價值透過損益記賬之金融資產之公允價值變動收益	19,666	4,780
Dividends income	股利收入	331	133
Business tax refund	營業稅收退還	-	159
Profit on disposal of financial assets	出售金融資產的收益	650	6,286
Compensation income	賠償收入	632	-
Gain on disposal of a subsidiary (Note 28)	出售一間附屬公司的收益(附註 28)	162	-
Others	其他收入	38	360
Total	合計	22,556	12,193

During the year, the Group received RMB1,077,000 (2009: RMB184,000) of government subsidies towards the research and development projects.

本年度本集團獲得有關研發項目的政府資助人民幣 1,077,000 元(二零零九年: 人民幣 184,000 元)。

21. FINANCE INCOME AND COSTS

21. 財務收入及費用

		2010	2009
		二零一零年	二零零九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Finance costs:	財務費用		
- Exchange losses	- 匯兌損失	(9,818)	(1,878)
- Interest on margin financing	- 籌資費用	(960)	(481)
- Convertible bond interest	- 可換股債券利息	(3,422)	(3,317)
- Convertible bond expenses	- 可換股債券費用	(597)	(597)
- Others	- 其他	(31)	(28)
	合計	(14,828)	(6,301)
Finance income:	財務收入		
- Interest income from short term bank deposits	- 短期銀行存款利息收入	7	1,084
- Loan interest income	- 借貸利息收入	258	-
	合計	265	1,084
Finance costs - net	財務費用 - 淨額	(14,563)	(5,217)

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

22. EXPENSES BY NATURE

Expenses included in cost of sales and administrative expenses are analysed as follows:

22. 費用性質

營業成本及管理費用分析如下：

		2010	2009
		二零一零年	二零零九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cost of sales	營業成本	16,317	20,674
Depreciation (Note 6)	折舊(附註 6)	3,598	1,834
Amortisation of new drugs technology including in administrative expenses (Note 7)	管理費用中新藥技術攤銷(附註 7)	2,341	1,071
Auditors' remuneration	審計費用	1,153	641
Employee benefit expenses (Note 23)	僱員福利費用(附註 23)	17,642	13,402
Operating lease payment	經營租賃費用	2,492	2,332
Provision for impairment loss of trade receivables (Note 11)	應收賬款減值撥備(附註 11)	9,747	1,245
Written off of work-in-progress	在產品減值損失	14,451	-
Impairment loss on financial assets at fair value through profit or loss	按公允價值透過損益記賬之金融資產減值損失	10,185	-
Impairment loss of new drugs technology	新藥技術減值損失	4,210	-
Impairment loss on loan and other receivables	貸款及應收款項減值損失	163	-

23. EMPLOYEE BENEFIT EXPENSE

23. 僱員福利支出

		2010	2009
		二零一零年	二零零九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Wages and salaries	工資及薪金	14,550	11,672
Retirement benefits scheme contributions	退休福利計劃供款	2,411	1,503
Employee share option benefits	僱員購股權福利	681	227
Total	合計	17,642	13,402

23. EMPLOYEE BENEFIT EXPENSE (CONTINUED)

23. 僱員福利支出(續)

(a) Directors' and senior management's emoluments

(a) 董事及高級管理層酬金

	Director's fee 董事袍金		Salaries and bonus 薪金及紅利		Provident fund contribution 公積金供款		Employee share-based payment 僱員股份付款		Total 合計	
	2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元	2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
William, Xia GUO 郭夏	-	-	506	466	-	-	51	17	557	483
Maria, Xue Mei SONG 宋雪梅	-	-	307	381	17	15	43	15	367	411
Tao FENG 馮濤	-	-	-	-	-	-	6	2	6	2
Xin WU 吳欣	-	-	-	-	-	-	6	2	6	2
Nathan Xin ZHANG 張欣	-	-	-	-	-	-	6	2	6	2
Ming Yu WU 吳明瑜	30	30	-	-	-	-	5	2	35	32
Paul CONTOMICHALOS	-	-	-	-	-	-	8	2	8	2
Hong Bo WANG 王紅波	-	-	-	-	-	-	8	2	8	2
Total 合計	30	30	813	847	17	15	133	44	993	936

(b) Five highest paid individuals

(b) 五名最高薪酬人士

The five individuals whose emoluments were the highest in the Group for the year included two (2009: one) directors whose emolument are reflected in the analysis presented above. The emoluments payable of the remaining three (2009: four) individuals during the year are as follows:

五名最高薪酬人士包括二名(二零零九年: 一名)本公司董事。他們的薪酬於前面已做分析。其餘三名(二零零九年: 四名)之酬金如下:

	2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
Salaries and allowances 薪金及津貼	910	999
Employee share-based payment 員工股份付款	86	17
Retirement benefits scheme contributions 退休福利計劃供款	51	60
Total 合計	1,047	1,076

The emoluments of each of the five highest paid employees are less than RMB1,000,000.

五名最高薪酬僱員之酬金均少於人民幣1,000,000元。

During the year, no emoluments were paid by the Group to any directors of the Company or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors has waived any emoluments in the year.

於本年度內,本集團概無向本公司董事或五名最高薪酬人士支付任何酬金,作為加入或在加入本集團時之獎勵,或作為離職賠償,而董事亦概無於年內放棄任何酬金。

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

24. INCOME TAX

No provision for Hong Kong profits tax has been made as the Group had no estimated assessable profit generated in Hong Kong for the year (2009: Nil).

PRC Enterprise Income Tax has been calculated on the estimated assessable profit for the year according to the relevant laws and regulations.

The applicable income tax rate is 25% as at 31 December 2010 (2009: 25%).

The amount of taxation charged to the consolidated statement of comprehensive income represents:

24. 所得稅費用

由於本集團於年度內並無在香港產生任何應課稅溢利，故並無就香港利得稅作出撥備(二零零九年：無)。

中國企業所得稅乃根據中國相關法律及規例計算。

於二零一零年十二月三十一日的適用所得稅稅率為25%(二零零九年:25%)。

綜合全面收益表中所得稅費用如下：

		2010	2009
		二零一零年	二零零九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
PRC enterprise income tax	中國企業所得稅		
- current year	- 本年度	1,455	1,998
- over-provision in prior years	- 以前年度過度撥備	(1,997)	(2,129)
Deferred taxation (Note 19)	遞延稅項(附註 19)	2,380	408
Total	合計	1,838	277

24. INCOME TAX (CONTINUED)

The tax on the Group's (loss)/profit before tax differs from the theoretical amount that would arise using PRC Enterprise Income Tax rate as follows:

24. 所得稅費用(續)

以除稅前利潤/(虧損)為基礎,本集團所得稅與以中國稅法企業所得稅率計算之理論稅額之區別如下:

		2010	2009
		二零一零年	二零零九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
(Loss)/profit before tax	除稅前(虧損)/利潤	(55,422)	6,310
Calculated at a tax rate of 25% (2009: 25%)	以 25% 稅率計稅(2009:25%)	(13,856)	1,262
Effect of differential tax rate of overseas entities	海外實體不同稅率的影響	10,106	2,113
Unrecognised tax loss	未確認稅務虧損	985	-
Change in deferred taxes in respect of change in preferential tax rate	優惠稅率變化對遞延稅項資產所產生的變化	-	(969)
Derecognition of previously recognised deferred tax assets	回撥先前確認的遞延稅項資產	4,377	-
Expenses not deductible for taxation purpose	不可扣稅開支	2,521	-
Over-provision in prior years	以前年度過度撥備	(1,997)	(2,129)
Others	其他	(298)	-
Taxation	本年度所得稅費用	1,838	277

25. (LOSS)/PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT

The loss attributable to owners of the parent is dealt with in the financial statements of the Company to the extent of approximately RMB 56,928,000 (2009: Profit RMB 6,276,000).

25. 母公司權益股東應佔的(虧損)/溢利

在本公司財務報表中,本公司的母公司股東應佔的虧損約為人民幣56,928,000元(二零零九年:溢利人民幣6,276,000元)。

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

26. BASIC AND DILUTED (LOSS)/EARNINGS PER SHARE

(a) Basic (loss)/earnings per share

Basic (loss)/earnings per share is calculated by dividing the (loss)/profit attributable to owners of the parent by the weighted average number of ordinary shares in issue during the year.

26. 基本及攤薄每股(虧損)/ 盈利

(a) 每股基本(虧損)/ 盈利

每股基本(虧損)/盈利的計算乃基於年內母公司普通股股東應佔(虧損)/溢利及年內本公司已發行普通股加權平均股數。

		2010	2009
		二零一零年	二零零九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
(Loss) /profit attributable to owners of the parent	母公司股東應佔(虧損)/ 溢利	(56,928)	6,276
Weighted average number of ordinary shares in issue (thousands)	已發行普通股加權平均股數 (千股)	363,512	362,810
Basic (loss) / earnings per share (RMB cents per share)	基本及攤薄每股(虧損)/ 盈利 (人民幣 / 每股)	(15.66)仙	1.73 仙

26. BASIC AND DILUTED (LOSS)/EARNINGS PER SHARE (CONTINUED)

26. 基本及攤薄每股(虧損)/盈利(續)

(b) Diluted (loss)/earnings per share

(b) 每股攤薄(虧損)/盈利

The calculation of the diluted (loss)/earnings per share for the year is based on the (loss)/profit attributable to ordinary equity shareholders and adjusted to eliminate the interest expense less the tax effect. The weighted average number of 430,180,000 (2009: 433,445,000) ordinary shares after adjusting for the effect of the dilutive potential ordinary shares to be issued to the exercise of the options granted under all relevant Share Option Schemes and the conversion of convertible bond as detailed below of 66,668,000 (2009: 70,635,000) shares, calculated as follows:

每股攤薄(虧損)/盈利的計算乃基於年內本公司普通股股東應佔溢利並調整除稅後之可換股債券利息。普通股加權平均股數 430,180,000 股(二零零九年: 433,445,000 股), 已就由於行使有關購股權計劃下授出的購股權及可換股債券而將予發行的攤薄潛在普通股為 66,668,000 股(二零零九年: 70,635,000 股)的影響作出調整, 計算如下:

		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
(Loss)/profit attributable to owners of parent	母公司普通股股東應佔 (虧損)/溢利	(56,928)	6,276
Interest expense on convertible bond (net of tax)	可換股債券利息(除稅後)	3,422	3,317
(Loss)/profit used to determine diluted earnings per share	用以計算每股攤薄(虧損)/ 盈利的收入	(53,506)	9,593
Weighted average number of ordinary shares in issue (thousands)	已發行普通股加權平均 股數(千股)	363,512	362,810
Adjustment for:	調整:		
- Effect of deemed issue of ordinary shares under the Company's Share Option Schemes and the conversion of convertible bond (thousands)	根據本公司購股權計劃及 可換股債券或有可能進 行換股等視作發行普通 股的影響(千股)	66,668	70,635
Weighted average number of ordinary shares for diluted earnings per share (thousands)	計算每股攤薄盈利之普通 股加權平均股數(千股)	430,180	433,445

No diluted (loss)/earnings per share for the years ended 31 December 2010 and 2009 is presented as the assumed conversion of convertible bond would result in a (decrease)/increase in (loss)/earnings per share.

由於購股權計劃及可換股債券或有可能進行換股, 而此將令每股盈利增加或虧損減少, 故未呈列截至二零一零年及二零零九年十二月三十一日止兩個年度之每股攤薄盈利或虧損。

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

27. CASH GENERATED FROM OPERATIONS

27. 經營產生現金流量

		2010	2009
		二零一零年	二零零九年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
(Loss)/profit before income tax	稅前(虧損)/利潤	(55,422)	6,310
Adjustments for:	調整:		
- Depreciation (Note 6)	- 折舊(附註6)	3,598	1,834
- Dividends income from financial assets at fair value through profit or loss	- 按公允價值透過損益記賬之 金融資產股息收入	(331)	(133)
- Amortisation of new drugs technology (Note 7)	- 攤銷(附註7)	2,341	1,071
- Loss on revaluation of convertible bonds	- 可換股債券重估虧損	22,193	9,996
- Exchange loss	- 匯兌虧損	8,611	1,650
- Written off of work-in-progress	- 在產品減值虧損	14,451	-
- Impairment loss on loan and other receivables	- 貸款及應收款項減值虧損	163	-
- Impairment loss on financial assets at fair value through profit or loss	- 金融資產減值虧損	10,185	-
- Impairment loss on new drugs technology	- 新藥技術減值虧損	4,210	-
- Impairment loss on prepayment	- 預付賬款減值虧損	1,338	-
- Profit on disposal of financial assets at fair value through profit or loss	- 按公允價值透過損益記賬之 金融資產變賣收益	(152)	(6,286)
- Provision for impairment loss of trade receivables	- 應收貿易賬款減值撥備	9,747	1,245
- Gain on disposal of a subsidiary	- 出售一間附屬公司收益	(162)	-
- Gain on disposal of new drugs technology	- 出售新藥技術收益	(2,577)	-
- Finance cost-net	- 財務費用-淨值	4,788	2,680
- Fair value gains on financial assets at fair value through profit or loss	- 按公平值透過損益記賬之金 融資產公允價值變動收益	(19,666)	(4,780)
- Employee share option benefits	- 僱員購股權福利	681	227
Operating cash flow before movement in working capital	營運資金變動	3,996	13,814
- Increase in work-in-progress	- 在產品增加	(12,650)	(4,364)
- Increase in trade receivables	- 應收貿易賬款增加	(4,871)	(3,268)
- Increase in prepayments and other receivables	- 預付賬款及其他應收款增加	(384)	(563)
- Increase in other payables and accruals	- 其他應付款及應付費用增加	17,947	5,207
- Decrease in receipt in advance	- 預收賬款減少	(361)	(796)
Cash generated from operations	經營活動產生之現金	3,677	10,030

28. DISPOSAL OF A SUBSIDIARY

During the year, the Group disposed of its 99.99% equity interest in Venturepharm Life Sciences Capital Limited to Venturepharm Group Corp., a related party, for a consideration of HK\$10,000 (equivalent to RMB9,000).

The net assets of the disposed subsidiary were as follows:

28. 出售一間附屬公司

於本年度，本集團向關聯方 Venturepharm Group Corp. 出售其於萬全生命科技投資有限公司的 99.99% 權益，代價為 10,000 港元(相當於人民幣 9,000 元)。

下列為已出售附屬公司之資產：

		RMB'000 人民幣千元
NET ASSETS DISPOSED OF	淨資產的處置	
Other payables and accruals	其他應付款及預提費用	(153)
Gain on disposal	出售收益	162
Total consideration	總代價	9
Satisfied by:	以下列方式支付：	
Cash	現金	9

29. OPERATING LEASE COMMITMENTS

At the reporting date, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of machinery, land and buildings which fall due as follows:

29. 經營租約承擔

於報告日，本集團根據有關機器、土地及樓宇的不可撤銷經營租約承擔之未來最低租金如下：

		2010 二零一零年 RMB'000 人民幣千元	2009 二零零九年 RMB'000 人民幣千元
No later than 1 year	一年內	2,730	2,122
Later than 1 year and no later than 5 years	一年以上但五年以內	907	2,910
Later than 5 years	超過五年	40	475
Total	合計	3,677	5,507

截至二零一零年十二月三十一日止年度

For the year ended 31 December 2010

30. RELATED PARTY TRANSACTIONS

The following transactions were carried out with related parties:

Name of company	Nature of transactions	2010	2009
		二零一零年 RMB'000 人民幣千元	二零零九年 RMB'000 人民幣千元
萬特製藥(海南)有限公司	Royalty income	5,400	5,640
	Rental expense	120	120
Venturepharm Group Corp.	Disposal of a subsidiary (Note 28)	9	-
萬特製藥(海南)有限公司	特許權使用費收入	5,400	5,640
	租賃費用	120	120
Venturepharm Group Corp.	出售附屬公司盈利(附註 28)	9	-

Those related parties are under common control of a director of the Company.

30. 關連交易

本公司與該等有關連人士之交易詳情如下：

該等有關連人士均由本公司一位董事控制。

31. CONTINGENT LIABILITIES

As at 31 December 2010, the Group and the Company has no significant contingent liabilities.

31. 或然負債

於二零一零年十二月三十一日，本集團和本公司均無重大或然負債。

32. CAPITAL COMMITMENT

Capital expenditure contracted for at the end of the reporting period but not yet incurred is as follows:

	2010	2009
	二零一零年	二零零九年
	RMB'000	RMB'000
	人民幣千元	人民幣千元
Property, plant and equipment	-	730

32. 資本承擔

於報告期期末，本集團已簽定但並未發生之資本承擔如下：

33. EVENTS AFTER REPORTING DATE

In January 2011, 731,600 shares of HK\$0.1 par value each were issued under the share option scheme at an average exercise price of HK\$0.42 per share. The exercise of share options yielded the proceeds of RMB309,668.

33. 結算日後事項

於二零一一年一月，731,600 股每股面值 \$0.1 港幣之新股以平均每股 \$0.42 港幣之行使價發行。因行使購股權所得之款項為人民幣 309,668 元。