



SHINEWING (HK) CPA Limited  
20/F., Shui On Centre  
6-8 Harbour Road, Hong Kong

#### 致山東新華製藥股份有限公司全體股東

(於中華人民共和國註冊成立之股份有限公司)

我們已完成審核山東新華製藥股份有限公司(「貴公司」)及其附屬公司(「貴集團」)載於第75頁至第149頁的綜合財務報告，包括於二零零六年十二月三十一日的綜合資產負債表、截至該日止年度的綜合損益表、綜合權益變動表及綜合現金流量表以及主要會計政策概要及其他說明附註。

#### 董事對綜合財務報告負上的責任

貴公司董事須遵照香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定，負責編製並真實兼公平地呈列此等綜合財務報告。此責任包括設計、實行及維持與編製並真實兼公平地呈列綜合財務報告有關的內部監控，以確保其並無重大錯誤陳述(不論其由欺詐或錯誤引起)；選擇並應用適當會計政策；及在不同情況作出合理的會計估算。

#### TO THE SHAREHOLDERS OF SHANDONG XINHUA PHARMACEUTICAL COMPANY LIMITED (a joint stock limited company established in the People's Republic of China with limited liability)

We have audited the consolidated financial statements of Shandong Xinhua Pharmaceutical Company Limited (the "Company") and its subsidiaries (collectively referred as the "Group") set out on pages 75 to 149, which comprise the consolidated balance sheet as at 31st December 2006, the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

#### Directors' Responsibility for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation and the true and fair presentation of these consolidated financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

# 獨立核數師報告書 (續)

## INDEPENDENT AUDITORS' REPORT (continued)

### 核數師的責任

我們的責任是根據我們審核工作的結果，對該等綜合財務報告作出獨立意見，並僅向全體股東報告，而本報告不得用作其他用途。我們不會就本報告的內容向其他人士負責或承擔任何責任。我們按照香港會計師公會頒佈的香港審計準則進行審核。該等準則要求我們遵守操守規定以及計劃及進行審核以合理確定此等綜合財務報告是否不存在重大的錯誤陳述。

審核範圍包括進程序以取得與綜合財務報告所載數額及披露事項有關的審核憑證。選取的該等程序須視乎核數師的判斷，包括評估綜合財務報告的重大錯誤陳述(不論其由欺詐或錯誤引起)之風險。在作出該等風險評估時，核數師將考慮與貴集團編製並真實兼公平地呈列綜合財務報告有關的內部監控，以為不同情況設計適當審核程序，但並非旨在就貴集團的內部監控是否有效表達意見。審核範圍亦包括評估所用會計政策的恰當性，董事所作的會計估算的合理性，並就綜合財務報告的整體呈列方式作出評估。

我們相信，我們所取得的審核憑證就提出審核意見而屬充分恰當。

### 意見

我們認為，綜合財務報告根據香港財務報告準則真實與公平地反映貴集團於二零零六年十二月三十一日的財政狀況及貴集團截至該日止年度的溢利和現金流量，並已按香港公司條例的披露規定適當地編製。

**信永中和(香港)會計師事務所有限公司**

執業會計師

**樓妙敏**

執業證書編號：P03603

香港

二零零七年三月二十三日

### 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. 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 as to 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 auditor's judgment, 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 and true and fair presentation of the consolidated financial statements 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 Group as at 31st December 2006 and of the Group's profit 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.

**SHINEWING (HK) CPA Limited**

Certified Public Accountants

**Lau Miu Man**

Practising Certificate Number: P03603

Hong Kong

23rd March 2007