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武夷药业
Wuyi Pharmaceutical

Wuyi International Pharmaceutical Company Limited

武夷國際藥業有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號: 1889

Interim Report **2015** 中期報告





BOARD OF DIRECTORS

Executive Directors

Mr. Lin Ou Wen (*Chairman*)
Mr. Lin Qing Ping
Mr. Xu Chao Hui

Non-executive Directors

Mr. Tang Bin
Mr. John Yang Wang
Mr. Wen Cyrus Jun-Ming
(*appointed with effect from 15 June 2015*)

Independent Non-executive Directors

Mr. Liu Jun
Mr. Lam Yat Cheong
Mr. Du Jian

COMPANY SECRETARY

Mr. Kung Wai Chiu, Marco
FCPA (Practising), FCCA, FTIHK, ACIS, ACS and CTA (HK)

AUTHORIZED REPRESENTATIVES

Mr. Lin Ou Wen
Mr. Kung Wai Chiu, Marco
FCPA (Practising), FCCA, FTIHK, ACIS, ACS and CTA (HK)

AUDIT COMMITTEE

Mr. Lam Yat Cheong (*Chairman*)
Mr. Liu Jun
Mr. Du Jian

REMUNERATION COMMITTEE

Mr. Lam Yat Cheong (*Chairman*)
Mr. Lin Ou Wen
Mr. Liu Jun
Mr. Du Jian

董事會

執行董事

林歐文先生(*主席*)
林慶平先生
許朝暉先生

非執行董事

唐彬先生
王陽先生
聞俊銘先生
(*由二零一五年六月十五日起獲委任*)

獨立非執行董事

劉軍先生
林日昌先生
杜建先生

公司秘書

孔維釗先生
FCPA (執業), FCCA, FTIHK, ACIS, ACS及CTA (香港)

法定代表

林歐文先生
孔維釗先生
FCPA (執業), FCCA, FTIHK, ACIS, ACS及CTA (香港)

審核委員會

林日昌先生(*主席*)
劉軍先生
杜建先生

薪酬委員會

林日昌先生(*主席*)
林歐文先生
劉軍先生
杜建先生



NOMINATION COMMITTEE

Mr. Lin Ou Wen (*Chairman*)
Mr. Lin Qing Ping
Mr. Liu Jun
Mr. Lam Yat Cheong
Mr. Du Jian

AUDITOR

Crowe Horwath (HK) CPA Limited
Certified Public Accountants

SOLICITOR

Gallant Y. T. Ho & Co.

PRINCIPAL BANKER

Bank of Communications Co., Ltd.

REGISTERED OFFICE

Floor 4, Willow House
Cricket Square, P.O. Box 2804
Grand Cayman KY1-1112
Cayman Islands

PLACE OF BUSINESS

Unit 1113, 11th Floor
North Tower, Concordia Plaza
1 Science Museum Road
Tsimshatsui East
Kowloon, Hong Kong
(with effect from 1 September 2015)

提名委員會

林歐文先生(主席)
林慶平先生
劉軍先生
林日昌先生
杜建先生

核數師

國富浩華(香港)會計師事務所有限公司
執業會計師

律師

何耀棣律師事務所

主要往來銀行

交通銀行股份有限公司

註冊辦事處

Floor 4, Willow House
Cricket Square, P.O. Box 2804
Grand Cayman KY1-1112
Cayman Islands

營業地點

香港九龍
尖沙咀東部
科學館道1號
康宏廣場北座
11樓1113室
(由二零一五年九月一日起生效)



SHARE REGISTRARS AND TRANSFER OFFICES

Principal share registrar and transfer office
Royal Bank of Canada Trust Company
(Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road, George Town
Grand Cayman KY1-1110
Cayman Islands

Hong Kong branch share registrar and transfer office
Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

STOCK CODE

1889

WEBSITE

www.wuyi-pharma.com

股份過戶登記處

股份過戶登記總處
Royal Bank of Canada Trust Company
(Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road, George Town
Grand Cayman KY1-1110
Cayman Islands

股份過戶登記處香港分處

香港中央證券登記有限公司
香港灣仔
皇后大道東183號
合和中心17樓
1712-1716號舖

股份代號

1889

網址

www.wuyi-pharma.com

**TO THE BOARD OF DIRECTORS OF
WUYI INTERNATIONAL PHARMACEUTICAL
COMPANY LIMITED**

(Incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial statements of Wuyi International Pharmaceutical Company Limited (the “Company”) and its subsidiaries (together the “Group”) set out on pages 6 to 30, which comprise the condensed consolidated statement of financial position as at 30 June 2015 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended and explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “*Interim Financial Reporting*” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The directors of the Company are responsible for the preparation and presentation of these interim financial statements in accordance with HKAS 34.

Our responsibility is to form a conclusion, based on our review, on these interim financial statements and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

致：武夷國際藥業有限公司董事會

(於開曼群島註冊成立的有限公司)

引言

本核數師已審閱載於第6至30頁之武夷國際藥業有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之中期財務報表，當中包括於二零一五年六月三十日的簡明綜合財政狀況表與截至該日止六個月期間的相關簡明綜合損益及其他全面收益表、簡明綜合權益變動表及簡明綜合現金流量表及其他說明附註。香港聯合交易所有限公司證券上市規則規定，中期財務報告的編製必須符合當中有關條文以及香港會計師公會(「香港會計師公會」)頒佈的香港會計準則第34號「*中期財務報告*」(「香港會計準則第34號」)。貴公司董事須對根據香港會計準則第34號編製及呈列的該等中期財務報表負責。

本核數師的責任是根據吾等的審閱對中期財務報表作出結論，並按照委聘的協定條款僅向作為實體的閣下報告結論，並無其他目的。本核數師不會就本報告的內容向任何其他人士負上或承擔任何責任。



SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the HKICPA. A review of the interim financial statements consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements as at 30 June 2015 are not prepared, in all material respects, in accordance with HKAS 34.

Crowe Horwath (HK) CPA Limited

Certified Public Accountants
Hong Kong, 31 August 2015

Sze Chor Chun, Yvonne

Practising Certificate Number P05049

審閱範圍

本核數師已根據香港會計師公會頒佈的香港審閱委聘準則第2410號「由實體獨立核數師審閱中期財務資料」進行審閱。審閱中期財務報表包括主要向負責財務和會計事務的人員作出查詢，並應用分析性和其他審閱程序。審閱範圍遠少於根據香港核數準則進行審核的範圍，故不能令本核數師保證本核數師將知悉在審核中可能發現的所有重大事項。因此，本核數師不會發表審核意見。

結論

按照本核數師的審閱，本核數師並無發現任何事項，令本核數師相信於二零一五年六月三十日之中期財務報表在各重大方面未有根據香港會計準則第34號編製。

國富浩華(香港)會計師事務所有限公司

執業會計師
香港，二零一五年八月三十一日

史楚珍

執業證書編號P05049



Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

簡明綜合損益及其他全面收益表

For the six-month period ended 30 June 2015 截至二零一五年六月三十日止六個月期間

		Six months ended 30 June 截至六月三十日止六個月	
		2015	2014
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Revenue	收益	244,602	232,908
Cost of sales	銷售成本	(180,808)	(182,357)
Gross profit	毛利	63,794	50,551
Other revenue and net income	其他收入及淨收益	1,714	921
Net gain on disposal of land use rights and property, plant and equipment	出售土地使用權及物業、廠房及設備收益淨額	34,962	-
Distribution costs	分銷成本	(22,094)	(32,620)
Administrative and other operating expenses	行政及其他經營費用	(23,435)	(21,147)
Finance costs	融資成本	(1,105)	(501)
Profit/(loss) before tax	除稅前溢利/(虧損)	53,836	(2,796)
Income tax	所得稅	(18,718)	(298)
Profit/(loss) for the period attributable to owners of the Company	本公司擁有人應佔期內溢利/(虧損)	35,118	(3,094)
Other comprehensive income for the period	期內其他全面收益	-	-
Total comprehensive income/(loss) for the period attributable to owners of the Company	期內本公司擁有人應佔全面總收益/(虧損)	35,118	(3,094)
Earnings/(loss) per share – Basic and diluted	每股盈利/(虧損) – 基本及攤薄	RMB2.1 cents 人民幣 2.1 分	RMB(0.2) cents 人民幣 (0.2) 分

Condensed Consolidated Statement of Financial Position

簡明綜合財政狀況表

As at 30 June 2015 於二零一五年六月三十日



			30 June 六月三十日 2015 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 十二月三十一日 2014 RMB'000 人民幣千元 (Audited) (經審核)
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	10	808,807	812,666
Land use rights	土地使用權	10	53,253	59,041
Intangible assets	無形資產		-	-
Deferred tax assets	遞延稅項資產		60,074	64,262
			922,134	935,969
Current assets	流動資產			
Inventories	存貨		48,889	29,195
Trade and other receivables	貿易應收款項及其他應收款項	11	102,283	138,417
Cash and cash equivalents	現金及現金等價物	12	551,743	480,461
			702,915	648,073
Current liabilities	流動負債			
Trade and other payables	貿易應付款項及其他應付款項	13	74,811	97,427
Secured bank loans	有抵押銀行貸款	14	35,000	15,000
Current taxation	當期稅項		14,188	3,898
			123,999	116,325
Net current assets	流動資產淨值		578,916	531,748
Total assets less current liabilities	總資產減流動負債		1,501,050	1,467,717
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債		14,545	16,330
Net assets	資產淨值		1,486,505	1,451,387



Condensed Consolidated Statement of Financial Position

簡明綜合財政狀況表

As at 30 June 2015 於二零一五年六月三十日

			30 June 六月三十日	31 December 十二月三十一日
			2015	2014
		Note 附註	RMB'000 人民幣千元 (Unaudited) (未經審核)	RMB'000 人民幣千元 (Audited) (經審核)
Equity	權益			
Share capital	股本	15	17,098	17,098
Reserves	儲備		1,469,407	1,434,289
Total equity attributable to owners of the Company	本公司擁有人應佔總權益		1,486,505	1,451,387

Approved and authorised for issue by the board of directors on 31 August 2015 and signed on its behalf by:

於二零一五年八月三十一日經董事會批准及授權刊發，並由以下人士代表簽署：

Lin Ou Wen
林歐文

Chairman and Chief Executive Officer
主席及行政總裁

Lin Qing Ping
林慶平

Executive Director, General Manager and Chief Operating Officer
執行董事、總經理兼營運總裁


Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表



For the six-month period ended 30 June 2015 截至二零一五年六月三十日止六個月期間

		Attributable to owners of the Company							
		本公司擁有人應佔							
		Share capital	Share premium	Special reserve	Capital reserve	Statutory surplus reserve	Non-distributable reserve	Retained profits	Total
		股本	股份溢價	特別儲備	資本儲備	盈餘儲備	分派儲備	保留溢利	總計
		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
At 1 January 2014 (audited)	於二零一四年一月一日 (經審核)	17,098	929,533	(124,106)	53,000	247,374	23,752	348,765	1,495,416
Loss and total comprehensive loss for the period	期內虧損及全面總虧損	-	-	-	-	-	-	(3,094)	(3,094)
At 30 June 2014 (unaudited)	於二零一四年六月三十日 (未經審核)	17,098	929,533	(124,106)	53,000	247,374	23,752	345,671	1,492,322
At 1 January 2015 (audited)	於二零一五年一月一日 (經審核)	17,098	929,533	(124,106)	53,000	252,227	23,752	299,883	1,451,387
Profit and total comprehensive income for the period	期內溢利及全面總收益	-	-	-	-	-	-	35,118	35,118
At 30 June 2015 (unaudited)	於二零一五年六月三十日 (未經審核)	17,098	929,533	(124,106)	53,000	252,227	23,752	335,001	1,486,505



Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

For the six-month period ended 30 June 2015 截至二零一五年六月三十日止六個月期間

Six months ended 30 June

截至六月三十日止六個月

		2015	2014
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Operating activities	經營活動		
Profit/(loss) before tax	除稅前溢利/(虧損)	53,836	(2,796)
Adjustments for:	為下列各項調整：		
Interest income	利息收入	(914)	(902)
Finance costs	融資成本	1,105	501
Depreciation of property, plant and equipment	物業、廠房及設備的折舊	21,342	29,523
Amortisation of land use rights	土地使用權的攤銷	713	715
Net gain on disposal of land use rights and property, plant and equipment	出售土地使用權及物業、廠房及設備的收益淨額	(34,962)	-
		41,120	27,041
Changes in working capital	營運資金變動		
Increase in inventories	存貨增加	(19,694)	(8,205)
Decrease/(increase) in trade and other receivables	貿易應收款項及其他應收款項減少/(增加)	36,134	(2,569)
(Decrease)/increase in trade and other payables	貿易應付款項及其他應付款項(減少)/增加	(22,616)	2,015
Cash generated from operations	經營活動產生的現金	34,944	18,282
Income tax paid – The People's Republic of China (the "PRC")	已付所得稅－中華人民共和國(「中國」)	(6,025)	(6,536)
Net cash generated from operating activities	經營活動產生的現金淨額	28,919	11,746
Investing activities	投資活動		
Interest received	已收利息	914	902
Payment for the purchase of property, plant and equipment	購買物業、廠房及設備的款項	(53,935)	(4,530)
Proceeds from disposal of land use rights and property, plant and equipment	出售土地使用權及物業、廠房及設備的所得款項	76,489	-

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表



For the six-month period ended 30 June 2015 截至二零一五年六月三十日止六個月期間

		Six months ended 30 June	
		截至六月三十日止六個月	
		2015	2014
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
Net cash generated from/(used in) investing activities	投資活動產生/(所用)的現金淨額	23,468	(3,628)
Financing activities	融資活動		
Interest paid	已付利息	(1,105)	(501)
New bank loan raised	新取得的銀行貸款	20,000	–
Net cash generated from/(used in) financing activities	融資活動產生/(所用)的現金淨額	18,895	(501)
Net increase in cash and cash equivalents	淨現金及現金等價物增加	71,282	7,617
Cash and cash equivalents at 1 January	於一月一日的現金及現金等價物	480,461	512,419
Cash and cash equivalents at 30 June	於六月三十日的現金及現金等價物	551,743	520,036
Analysis of the balances of cash and cash equivalents	現金及現金等價物結餘分析		
Bank balances and cash	銀行結餘及現金	551,743	520,036



1. GENERAL

Wuyi International Pharmaceutical Company Limited (the “Company”) was incorporated and registered as an exempted company with limited liability under the Companies Law, Cap.22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and acts as an investment holding company. Its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 1 February 2007. The addresses of the registered office and principal place of business of the Company are 4/F., Willow House, Cricket Square, P.O. Box 2804, Grand Cayman KY1-1112, Cayman Islands and Room 2805, 28/F., Central Plaza, 18 Harbour Road, Wanchai, Hong Kong respectively. The principal activities of its principal subsidiaries are the development, manufacturing, marketing and sales of pharmaceutical products.

The unaudited interim financial statements are presented in Renminbi (“RMB”), rounded to the nearest thousand except for per share data. RMB is the Company’s functional and the Group’s presentation currency.

1. 一般資料

武夷國際藥業有限公司(「本公司」)根據開曼群島公司法第22章(一九六一年第三條法例，經綜合及經修訂)註冊成立為受豁免有限公司並作為一家投資控股公司。其股份於二零零七年二月一日於香港聯合交易所有限公司(「聯交所」)主板上市。本公司的註冊辦事處及主要營業地點的地址分別為4/F., Willow House, Cricket Square, P.O. Box 2804, Grand Cayman KY1-1112, Cayman Islands及香港灣仔港灣道18號中環廣場28樓2805室。本公司主要附屬公司的主要業務為從事醫藥產品開發、製造、市場推廣及銷售。

未經審核中期財務報表以人民幣(「人民幣」)呈列並四捨五入至千元，惟每股資料除外。人民幣為本公司之功能貨幣及本集團之呈列貨幣。



2. BASIS OF PREPARATION

The unaudited interim financial statements have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim financial reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. It was authorised for issue on 31 August 2015.

The unaudited interim financial statements have been prepared in accordance with the same accounting policies adopted in the 2014 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2015 annual financial statements. Details of any changes in accounting policies are set out in note 3.

2. 編製基準

未經審核中期財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈之香港會計準則（「香港會計準則」）第34號「中期財務報告」及香港聯合交易所有限公司證券上市規則之適用披露規定編製。本中期報告已於二零一五年八月三十一日授權刊發。

除預期將於二零一五年度財務報表反映的會計政策變動外，未經審核中期財務報表乃根據二零一四年之年度財務報表所採納相同會計政策編製。會計政策任何變動詳情載於附註3。



2. BASIS OF PREPARATION (CONTINUED)

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses on a year-to-date basis. Actual results may differ from these estimates. The unaudited interim financial statements contain condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of the events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2014 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

The interim financial report is unaudited, but has been reviewed by Crowe Horwath (HK) CPA Limited in accordance with Hong Kong Standard on Review Engagements 2410 “Review of interim financial information performed by the independent auditor of the entity” issued by the HKICPA. The independent review report to the Board of Directors is included on pages 6 and 30.

2. 編製基準(續)

根據香港會計準則第34號，管理層在編製中期財務報告時需要作出判斷、估計和假設，這些判斷、估計和假設會影響政策的應用、資產及負債和年度至該日止之收入和支出的匯報數額。實際結果可能有別於該等估計。未經審核中期財務報表包括簡明綜合財務報表及選定之解釋附註。附註包括自二零一四年之年度財務報表當日起對瞭解本集團財務狀況及表現之變動而言屬重要之事項及交易之解釋。本簡明綜合中期財務報表及其中所載附註並不包括所有根據香港財務報告準則（「香港財務報告準則」）而編製整份財務報表所需之一切資料。

中期財務報告雖未經審核，但已由國富浩華（香港）會計師事務所有限公司根據香港會計師公會頒佈之香港審閱委聘準則第2410號「獨立核數師對中期財務信息的審閱」進行審閱。致董事會之獨立審閱報告載於第6至30頁。



2. BASIS OF PREPARATION (CONTINUED)

The financial information relating to the financial year ended 31 December 2014 that is included in the unaudited interim financial statements as comparative information does not constitute the Company's statutory annual consolidated financial statements for the financial year but is derived from those financial statements. The statutory financial statements for the year ended 31 December 2014 are available from the Company's registered office. The auditor has expressed an unqualified opinion on those financial statements in their report dated 27 March 2015.

3. CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued the following amendments to HKFRSs that are first effective for the current accounting period of the Group:

- Amendments to HKFRSs
香港財務報告準則之修訂
- Amendments to HKFRSs
香港財務報告準則之修訂
- Amendments to HKAS 19
香港會計準則第19號之修訂

2. 編製基準(續)

未經審核中期財務報表所載關於截至二零一四年十二月三十一日止財政年度之財務資料(作為比較資料)並不構成本公司於該財政年度之法定年度綜合財務報表,惟乃摘錄自該等財務報表。截至二零一四年十二月三十一日止年度之法定財務報表於本公司註冊辦事處可供取閱。核數師已於二零一五年三月二十七日刊發之報告對該等財務報表發表無保留意見。

3. 會計政策之變動

香港會計師公會已頒佈下列於本集團本會計期間首次生效之香港財務報告準則之修訂:

- Annual Improvements to HKFRSs 2010-2012 Cycle
香港財務報告準則於二零一零年至二零一二年週期之年度改進
- Annual Improvements to HKFRSs 2011-2013 Cycle
香港財務報告準則於二零一一年至二零一三年週期之年度改進
- Defined Benefit Plans: Employee Contributions
定額福利計劃: 僱員供款



3. CHANGES IN ACCOUNTING POLICIES (CONTINUED)

None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

4. SEGMENT INFORMATION

The Group determines its operating segments based on the internal reports reviewed by the Group's chief executive officer, being the chief operating decision maker, that are used to make strategic decisions.

The Group manages its business by business lines. The Group has only one reportable operating segment which is the development, manufacturing, marketing and sales of pharmaceutical products. Therefore, there is no presentation of operating segment information. In addition, as the Group's revenue from external customers and the majority of the non-current assets of the Group are located in the PRC, no geographical information is presented.

During the six-month period ended 30 June 2015 and 2014, no revenue from transactions with a single external customer accounted to 10% or more of the Group's total revenue.

3. 會計政策之變動(續)

概無有關變動對本集團本期間或過往期間已編製或已呈列的業績及財務狀況造成不利影響。本集團並無採用於本會計期間尚未生效的任何新準則或詮釋。

4. 分類資料

本集團根據本集團行政總裁(首席營運決策人)用作決策所審閱的內部報告釐訂其業務分類。

本集團按業務劃分管理其業務。本集團僅有一個須申報經營分類，即關於進行醫藥產品開發、製造、市場推廣及銷售，故並無呈列任何經營分類資料。此外，由於本集團來自外界客戶之收益及大部份非流動資產位於中國，故並無呈列任何地區資料。

截至二零一五年及二零一四年六月三十日止六個月期間內，概無與單一外部客戶進行之交易收益佔本集團總收入10%或以上。



5. REVENUE

The principal activities of the Group are the development, manufacturing, marketing and sales of pharmaceutical products.

Revenue represented the invoiced value of goods sold by the Group to external customers after deducting goods returned, trade discount and sales tax.

5. 收益

本集團的主要業務為藥品開發、製造、市場推廣及銷售。

收益指經由本集團銷售予對外客戶扣除退貨、貿易折扣及營業稅後貨品的發票價值。

		Six months ended 30 June 截至六月三十日止六個月	
		2015 RMB'000 人民幣千元 (Unaudited) (未經審核)	2014 RMB'000 人民幣千元 (Unaudited) (未經審核)
Sales of pharmaceutical products	銷售藥品	244,602	232,908



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For the six-month period ended 30 June 2015 截至二零一五年六月三十日止六個月期間

6. PROFIT/(LOSS) BEFORE TAX

Profit/(loss) before tax is arrived at after charging/(crediting) the following:

6. 除稅前溢利／(虧損)

除稅前溢利／(虧損)已扣除／(計入)下列項目：

		Six months ended 30 June 截至六月三十日止六個月	
		2015	2014
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
a)	Finance costs Interest on bank borrowing wholly repayable within five years	a) 融資成本 須於五年內悉數償還的 銀行借貸利息	
		1,105	501
b)	Staff costs Directors' and chief executive officer's emoluments Other staff costs – Contributions to defined contribution retirement benefits scheme – Salaries, wages and other benefits	b) 員工成本 董事及行政總裁酬金 其他員工成本 – 定額供款退休福利計劃供款 – 工資、薪資及其他福利	
		1,537	1,528
		2,296	2,219
		18,088	16,321
	Total staff costs **	21,921	20,068
c)	Other items Depreciation of property, plant and equipment ** Amortisation of land use rights Exchange loss/(gain), net Operating lease payments in respect of rented premises Research and development costs* Cost of inventories# Bank interest income	c) 其他項目 物業、廠房及設備折舊** 土地使用權的攤銷 匯兌虧損／(收益)淨額 就租賃物業支付的經營租約租金 研發成本* 存貨成本# 銀行利息收入	
		21,342	29,523
		713	715
		1,326	(19)
		677	584
		622	946
		180,808	182,357
		(914)	(902)



6. PROFIT/(LOSS) BEFORE TAX (CONTINUED)

- # Cost of inventories includes RMB23,778,000 (six-month period ended 30 June 2014: RMB33,369,000) relating to staff costs and depreciation which amount is also included in the respective total amounts disclosed separately above.
- * Research and development costs includes RMB596,000 (six-month period ended 30 June 2014: RMB902,000) relating to staff costs and depreciation which amount is also included in the respective total amounts disclosed separately above.

6. 除稅前溢利／(虧損)(續)

- # 存貨成本包括與員工成本及折舊有關的人民幣23,778,000元(截至二零一四年六月三十日止六個月期間：人民幣33,369,000元)，該金額亦包括於上文單獨披露的各項費用總金額。
- * 研發成本包括與員工成本及折舊有關的人民幣596,000元(截至二零一四年六月三十日止六個月期間：人民幣902,000元)，該金額亦包括於上文單獨披露的各項費用總金額。

7. INCOME TAX

7. 所得稅

		Six months ended 30 June 截至六月三十日止六個月	
		2015 RMB'000 人民幣千元 (Unaudited) (未經審核)	2014 RMB'000 人民幣千元 (Unaudited) (未經審核)
Current tax – PRC Enterprise Income Tax	當期稅項－中國 企業所得稅	13,815	2,576
Deferred taxation	遞延稅項	4,903	(2,278)
		18,718	298

- a) PRC Enterprise Income Tax is calculated at the applicable rate of 25% on the assessable profits for the six-month period ended 30 June 2015 (six-month period ended 30 June 2014: 25%) in accordance with the relevant laws and regulations in the PRC.

- a) 截至二零一五年六月三十日止六個月期間，中國企業所得稅乃根據中國相關法律及法規就應課稅溢利按適用稅率25%(截至二零一四年六月三十日止六個月期間：25%)計算。



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7. INCOME TAX (CONTINUED)

- b) No provision for Hong Kong profits tax has been made as the Group had no assessable profits in Hong Kong for the six-month period ended 30 June 2015 (six-month period ended 30 June 2014: Nil).
- c) The Group had no significant unrecognised deferred tax assets or liabilities at 30 June 2015 and 31 December 2014.

8. DIVIDENDS

The directors of the Company do not recommend the payment of an interim dividend for the six-month period ended 30 June 2015 (six-month period ended 30 June 2014: Nil).

9. EARNINGS/(LOSS) PER SHARE

a) Basic earnings/(loss) per share

The calculation of basic earnings/(loss) per share is based on the profit for the period attributable to owners of the Company of approximately RMB35,118,000 (six-month period ended 30 June 2014: loss of approximately RMB3,094,000) and the weighted average of 1,709,772,500 ordinary shares (six-month period ended 30 June 2014: 1,709,772,500 ordinary shares) in issue during the period.

7. 所得稅 (續)

- b) 由於本集團截至二零一五年六月三十日止六個月期間在香港並無應課稅溢利(截至二零一四年六月三十日止六個月期間：無)，故並無就香港利得稅作出撥備。
- c) 於二零一五年六月三十日及二零一四年十二月三十一日，本集團概無重大未確認遞延稅項資產或負債。

8. 股息

本公司董事建議不派發截至二零一五年六月三十日止六個月期間的中期股息(截至二零一四年六月三十日止六個月期間：無)。

9. 每股盈利/(虧損)

a) 每股基本盈利/(虧損)

每股基本盈利/(虧損)乃根據期內本公司擁有人應佔溢利約人民幣35,118,000元(截至二零一四年六月三十日止六個月期間：虧損約人民幣3,094,000元)以及期間內已發行普通股加權平均數1,709,772,500股(截至二零一四年六月三十日止六個月期間：1,709,772,500股普通股)計算。



9. EARNINGS/(LOSS) PER SHARE (CONTINUED)

b) Diluted earnings/(loss) per share

Diluted earnings/(loss) per share equals basic earnings/(loss) per share as there were no dilutive potential ordinary shares outstanding during both six-month periods ended 30 June 2015 and 2014.

10. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND LAND USE RIGHTS

During the six-month period ended 30 June 2015, the Group has additions of property, plant and equipment of approximately RMB50,435,000, construction in progress of approximately RMB3,500,000, and transfer of construction in progress of approximately RMB8,100,000 to property, plant and equipment (six-month period ended 30 June 2014: additions of property, plant and equipment of approximately RMB530,000, adjustment resulted from cost variation on construction in progress of approximately RMB374,000 and transfer of construction in progress of approximately RMB804,978,000 to property, plant and equipment).

9. 每股盈利／(虧損)(續)

b) 每股攤薄盈利／(虧損)

由於截至二零一五年及二零一四年六月三十日止六個月兩個期間並無發行在外的攤薄潛在普通股，每股攤薄盈利／(虧損)等於每股基本盈利／(虧損)。

10. 物業、廠房及設備及土地使用權之變動

截至二零一五年六月三十日止六個月期間，本集團添置物業、廠房及設備約人民幣50,435,000元、在建工程約人民幣3,500,000元及轉撥在建工程約人民幣8,100,000元至物業、廠房及設備(截至二零一四年六月三十日止六個月期間：添置物業、廠房及設備約人民幣530,000元、在建工程成本變動引致的調整約人民幣374,000元及轉撥在建工程約人民幣804,978,000元至物業、廠房及設備)。



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10. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND LAND USE RIGHTS (CONTINUED)

During the six-month period ended 30 June 2015, the Group has disposed property, plant and equipment and land use rights with carrying amounts of approximately RMB36,453,000 and RMB5,074,000 respectively (six-month period ended 30 June 2014: Nil), resulting in a gain on disposal of approximately RMB34,962,000 (six-month period ended 30 June 2014: Nil).

10. 物業、廠房及設備及土地使用權之變動(續)

截至二零一五年六月三十日止六個月期間，本集團出售賬面值分別約為人民幣36,453,000元及人民幣5,074,000元的物業、廠房及設備及土地使用權(二零一四年六月三十日止六個月期間：無)，以致出售收益約人民幣34,962,000元(二零一四年六月三十日止六個月期間：無)。

11. TRADE AND OTHER RECEIVABLES

11. 貿易應收款項及其他應收款項

		30 June 六月三十日 2015 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 十二月三十一日 2014 RMB'000 人民幣千元 (Audited) (經審核)
Trade receivables	貿易應收款項	101,827	138,103
Loan and receivables	貸款及應收款項	101,827	138,103
Deposits	按金	456	314
		102,283	138,417

11. TRADE AND OTHER RECEIVABLES (CONTINUED)

The Group normally grants credit terms of 60 days (2014: 60 days) to its customers. The ageing analysis of trade receivables, presented based on the invoice date, is as follows:

Age	賬齡
0 to 30 days	0至30日
31 to 60 days	31至60日

Management closely monitors the credit quality of trade receivables and considers the trade receivables that are neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default. The Group does not hold any collateral over these balances.

There is no trade and other receivables that are past due or impaired as at 30 June 2015 and 31 December 2014.

11. 貿易應收款項及其他應收款項(續)

本集團一般向其客戶授予60天(二零一四年:60天)信貸期。按發票日期呈列的貿易應收款項的賬齡分析如下:

30 June 六月三十日 2015 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 十二月三十一日 2014 RMB'000 人民幣千元 (Audited) (經審核)
52,836	70,774
48,991	67,329
101,827	138,103

管理層緊密監察貿易應收款項的信貨質素，並認為並無逾期亦無減值的貿易應收款項與近期無拖欠歷史的多名客戶有關。本集團並未就該等結餘持有任何抵押品。

於二零一五年六月三十日及於二零一四年十二月三十一日，本集團並無貿易應收款項及其他應收款項逾期或減值。



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12. CASH AND CASH EQUIVALENTS

Cash and cash equivalents of the Group comprise cash at bank and on hand. During the period, the bank deposits of the Group carried interest at rates ranging from Nil to 0.35% (2014: Nil to 0.35%) per annum.

12. 現金及現金等價物

本集團之現金及現金等價物包括銀行及手頭現金。期內，本集團銀行存款按年利率零至0.35%（二零一四年：零至0.35%）計息。

13. TRADE AND OTHER PAYABLES

13. 貿易應付款項及其他應付款項

		30 June 六月三十日 2015 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 十二月三十一日 2014 RMB'000 人民幣千元 (Audited) (經審核)
Trade payables	貿易應付款項		
– a related company *	– 一間關連公司*	490	943
– others	– 其他	55,579	61,112
		56,069	62,055
Amount due to a related party #	應付一名關連人士款項#	286	408
Payroll and welfare payables	應付的薪金及福利	1,483	8,901
Payable for acquisition of property, plant and equipment	收購物業、廠房及設備應付款項	3,650	6,339
Accrued charges	應計費用	4,247	6,974
Other payables	其他應付款項	422	1,352
Financial liabilities measured at amortised cost	按攤銷成本計算之金融負債	66,157	86,029
Other PRC tax payables	其他應付中國稅項	8,654	11,398
		74,811	97,427



13. TRADE AND OTHER PAYABLES (CONTINUED)

- * The related company is 福州宏宇包裝工業有限公司 (Fuzhou Hongyu Packing Co., Limited) ("Fuzhou Hongyu"), a company controlled by Mr. Lin Ou Wen, who is a director, the chief executive officer and a shareholder of the Company. The balance is unsecured, interest-free and repayable on demand.
- # The related party is Mr. Lin Qing Xiang, who is a brother of Mr. Lin Ou Wen and Mr. Lin Qing Ping. Mr. Lin Ou Wen is the chief executive officer, a director and shareholder of the Company, and Mr. Lin Qing Ping is a director and shareholder of the Company. The balance is unsecured, interest-free and repayable on demand.

The ageing analysis of trade payables based on invoice date is as follows:

Age	賬齡
0 to 30 days	0 至 30 日
31 to 60 days	31 至 60 日

13. 貿易應付款項及其他應付款項 (續)

- * 關連公司為福州宏宇包裝工業有限公司(「福州宏宇」)，乃由林歐文先生控制的公司，而林歐文先生為本公司的董事、行政總裁及股東。相關淨額無抵押、免息及須按要求償還。
- # 該關連人士為林慶祥先生(林歐文先生及林慶平先生的胞兄/弟)。林歐文先生為本公司行政總裁、董事及股東，而林慶平先生為本公司董事及股東。相關淨額無抵押、免息及須按要求償還。

以發票日期為基礎的貿易應付款項的賬齡分析如下：

30 June 六月三十日 2015 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 十二月三十一日 2014 RMB'000 人民幣千元 (Audited) (經審核)
19,660	44,532
36,409	17,523
56,069	62,055



14. SECURED BANK LOANS

The analysis of the carrying amount of secured bank loans is as follows:

Secured bank loans

有抵押銀行貸款

At 30 June 2015 and 31 December 2014, interest-bearing bank loans are due for repayment within 1 year and carried at amortised cost. The amounts due are based on the scheduled repayment date as stipulated in the respective loan agreement.

At 30 June 2015 and 31 December 2014, land use rights with a net book value of approximately RMB37,342,000 (31 December 2014: RMB37,787,000) and property, plant and equipment with a net book value of approximately RMB56,065,000 (31 December 2014: RMB Nil) were pledged to a bank as collateral against the bank loans. The bank loans carry interest at fixed rates of 6.4% and 6.6% respectively (31 December 2014: 6.9%) per annum and are repayable within 1 year. The security will be released upon full settlement of the loans.

14. 有抵押銀行貸款

有抵押銀行貸款的賬面值分析如下：

30 June 六月三十日	31 December 十二月三十一日
2015	2014
RMB'000	RMB'000
人民幣千元	人民幣千元
(Unaudited)	(Audited)
(未經審核)	(經審核)
35,000	15,000

於二零一五年六月三十日及二零一四年十二月三十一日，計息銀行貸款須於一年內償還並按攤銷成本入賬。應付款項按相關貸款協議訂明的計劃償還日期償還。

於二零一五年六月三十日及二零一四年十二月三十一日，賬面值淨額約為人民幣37,342,000元(二零一四年十二月三十一日：人民幣37,787,000元)的土地使用權及賬面淨值約為人民幣56,065,000元(二零一四年十二月三十一日：零)的物業、廠房及設備已抵押予銀行作為銀行貸款的抵押。銀行貸款按固定年利率分別為6.4%及6.6%(二零一四年十二月三十一日：6.9%)計息及須於一年內償還。於全數償還貸款後，抵押將獲解除。



15. SHARE CAPITAL

15. 股本

		Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Ordinary shares of HK\$0.01 each	每股面值 0.01 港元的普通股		
Authorised:	法定：		
At 1 January 2014, 31 December 2014, 1 January 2015 and 30 June 2015	於二零一四年一月一日、 二零一四年十二月三十一日、 二零一五年一月一日及 二零一五年六月三十日	3,200,000,000	32,000
Issued and fully paid:	已發行及繳足：		
At 1 January 2014, 31 December 2014, 1 January 2015 and 30 June 2015	於二零一四年一月一日、 二零一四年十二月三十一日、 二零一五年一月一日及 二零一五年六月三十日	1,709,772,500	17,098
		30 June 六月三十日 2015 RMB'000 人民幣千元 (Unaudited) (未經審核)	31 December 十二月三十一日 2014 RMB'000 人民幣千元 (Audited) (經審核)
Shown in the condensed consolidated statement of financial position as at 30 June 2015 and 31 December 2014	於二零一五年六月三十日及 二零一四年 十二月三十一日的 簡明綜合財政狀況表 顯示	17,098	17,098



Notes to the Unaudited Interim Financial Statements

未經審核中期財務報表附註

For the six-month period ended 30 June 2015 截至二零一五年六月三十日止六個月期間

16. CAPITAL COMMITMENTS

16. 資本承擔

	30 June 六月三十日	31 December 十二月三十一日
	2015	2014
	RMB'000	RMB'000
	人民幣千元	人民幣千元
	(Unaudited)	(Audited)
	(未經審核)	(經審核)
Capital expenditure contracted for but not provided for in the financial statements in respect of:		
已訂約但未於財務報表撥備的資本開支		
– acquisition of intangible assets	8,100	8,100
– acquisition of property, plant and equipment	–	3,500
	8,100	11,600

17. MATERIAL RELATED PARTY TRANSACTIONS

17. 重大關連人士交易

- a) In addition to the transactions and balances disclosed elsewhere in these financial statements, the Group entered into the following significant related party transactions, and had balances due to related parties in trade and other payables as at the end of the reporting period:
- a) 除於該等財務報表其他地方披露之交易及結餘外，本集團訂立下列重大關連人士交易，且於報告期末貿易應付款項及其他應付款項中應付關連人士結餘如下：



17. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

17. 重大關連人士交易(續)

a) (continued)

a) (續)

Name of related party	Relationship with related party	Nature of transaction	Transactions for the six-month period ended 30 June (unaudited)		Balance as at 30 June 2015 (unaudited)		Balance as at 31 December 2014 (audited)	
			2015	2014	Trade payables	Other payables	Trade payables	Other payables
關連人士名稱	與關連人士的關係	交易性質	二零一五年	二零一四年	應付款項	應付款項	應付款項	應付款項
			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
Fuzhou Hongyu	A company controlled by Mr. Lin Ou Wen #	Purchase of packaging materials	2,881	1,912	490	-	943	-
福州宏宇	由林歐文先生#控制的公司	購買包裝物料						
Mr. Lin Qing Xiang	Brother of Mr. Lin Ou Wen # and Mr. Lin Qing Ping*	Property rentals paid	286	204	-	286	-	408
林慶祥先生	林歐文先生#及林慶平先生*的胞兄/弟	已付物業租金						

Mr. Lin Ou Wen is the chief executive officer, director and shareholder of the Company.

* 林歐文先生為本公司行政總裁、董事及股東。

* Mr. Lin Qing Ping is the director and shareholder of the Company.

* 林慶平先生為本公司董事及股東。



Notes to the Unaudited Interim Financial Statements

未經審核中期財務報表附註

For the six-month period ended 30 June 2015 截至二零一五年六月三十日止六個月期間

17. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

b) The details of remuneration of key management personnel represent amounts paid to the directors of the Company during the six-month period which are set out as follows:

17. 重大關連人士交易(續)

b) 有關主要管理人員薪酬詳情(即本公司於六個月期間向董事支付的金額)如下:

	30 June	30 June
	六月三十日	六月三十日
	2015	2014
	RMB'000	RMB'000
	人民幣千元	人民幣千元
	(Unaudited)	(Unaudited)
	(未經審核)	(未經審核)
Salaries and other short-term employee benefits	1,463	1,455
薪金及其他短期僱員福利		
Post-employment benefits	74	73
離職後福利		
	1,537	1,528



BUSINESS REVIEW

Looking back at the first half of 2015, the slowdown in growth in 2014 continued in the Chinese pharmaceutical industry. On one hand, some provincial level biddings increased the pressure for reduction in price. On the other hand, the costs of raw materials, packaging materials and labor remained high. Pharmaceutical enterprises encountered tough challenges. The Group maintained and reinforced its existing strategy for drug business and market in the first half of 2015, strengthened the strategy of lower profit margin but higher turnover and focused on the penetration of rural market. The new factory located in Fujian Haixi Industrial and Trading Development Zone was still in the adaptation period. It is expected to realize its planned capacity in two to three years.

As disclosed in the positive profit alert announcement dated 24 June 2015 by the Company, the Company completed the disposal of land use rights and property, plant and equipment held by Fuzhou Sanai Pharmaceutical Co., Ltd. ("Fuzhou Sanai"), a wholly-owned subsidiary of the Company, in the first half of the year. The net gain on disposal after review was approximately RMB35.0 million.

業務回顧

回顧二零一五上半年，中國醫藥行業延續二零一四年增長放緩的態勢。一方面，部分省級招標引致藥價下行壓力增加，另一方面，原材料、包裝原料、以及勞動力的高成本情況持續，藥企面臨嚴峻挑戰。本集團於二零一五上半年持續鞏固現有藥品業務和市場的策略，並加強薄利多銷，注重農村市場的滲透。位於海西工貿開發區的新廠房仍然處於磨合階段，預計於未來兩至三年內達致計劃產能。

正如本公司於二零一五年六月二十四日的正面盈利預告公告中披露，公司已於上半年完成出售由全資附屬公司福州三愛藥業有限公司（「福州三愛」）所擁有的土地使用權及物業、廠房及設備，審閱後出售淨收益約人民幣35,000,000元。



BUSINESS REVIEW (CONTINUED)

For the six months ended 30 June 2015, the turnover of the Group increased by approximately 5.0% to approximately RMB244.6 million (30 June 2014: approximately RMB232.9 million), compared with the same period last year. It is mainly due to the relatively good performance of the sales of low price drugs. The overall gross profit was approximately RMB63.8 million, representing an increase of approximately 26.1% compared to same period last year. The gross profit margin was approximately 26.1%. The major reasons for the increase in gross profit are a one-off impairment of approximately RMB44.8 million of property, plant and equipment in the second half of the previous year and the disposal of some land use rights and property, plant and equipment, which reduced the net non-current assets such as property, plant and equipment and depreciation expenses in the cost of sales for the period decreased substantially by approximately RMB10.8 million.

During the period under review, the Group recorded a profit of approximately RMB35.1 million (30 June 2014: loss of approximately RMB3.1 million), benefiting from the net gain from disposal of land use rights and property, plant and equipment.

業務回顧(續)

截至二零一五年六月三十日止六個月，本集團營業額較去年同期上升約5.0%至約人民幣244,600,000元(二零一四年六月三十日：約人民幣232,900,000元)，主要受惠於期內廉價藥物銷售情況較為理想。而整體毛利約人民幣63,800,000元，較去年同期上升約26.1%，毛利率約為26.1%。毛利改善的主要原因在於物業、廠房及設備於去年下半年約人民幣44,800,000元之一次性減值後及出售部份土地使用權及物業、廠房及設備，令物業、廠房及設備等非流動資產淨值減少，令本期間銷售成本中折舊支出大幅下跌約人民幣10,800,000元。

於回顧期內，受惠於出售土地使用權及物業、廠房及設備淨收益，本集團錄得溢利約為人民幣35,100,000元(二零一四年六月三十日：虧損約人民幣3,100,000元)。



DEVELOPMENT OF MAJOR PRODUCTS

主要產品發展

Perilla Oil Capsule

Perilla Oil Capsule is one of the key products of the Group. It is effective in lowering cholesterol, reducing low-density lipoprotein and increasing high-density lipoprotein. It has clear effect for hyperlipidemia and has mild side effect. For the six months ended 30 June 2015, the turnover amounted to approximately RMB20.3 million, accounting for 8.3% of the Group's turnover and representing a slight drop of approximately 3.8% compared to the same period last year. The sales remained stable (30 June 2014: approximately RMB21.1 million, accounting for 9.1% of the Group's total turnover). Since 2009 it has been listed in provincial medical insurance directories, with Fujian's being the first. Perilla Oil Capsule was gradually listed in the medical insurance directory of Shanxi, Inner Mongolia and Xinjiang. The Group will continue seeking to have Perilla Oil Capsule listed in the national medical insurance directory. The sales is expected to further increase after its listing in the national medical insurance directory.

蘇子油軟膠囊

本集團的重點產品蘇子油軟膠囊，有助降低膽固醇，減少低密度脂蛋白並增加高密度脂蛋白，于治療高血脂方面效果明確且副作用輕微。至二零一五年六月三十日止六個月期間，營業額達到約人民幣20,300,000元，佔集團營業額約8.3%，比去年同期微跌約3.8%，銷售額仍能保持穩定。(二零一四年六月三十日：約人民幣21,100,000元，佔整體營業額約9.1%)。蘇子油軟膠囊於二零零九年第一次進入省醫保目錄，以福建為首，陸續進入了山西、內蒙、以及新疆的醫保目錄。本集團將繼續推動蘇子油軟膠囊進入全國醫保目錄，預期進入醫保目錄後銷量可進一步提升。

500ml Compound Amino Acid Injectable

The turnover amounted to approximately RMB13.0 million, representing an increase of approximately 25.0% compared to the same period last year and accounting for 5.3% of the total sales revenue of the Group (30 June 2014: approximately RMB10.4 million, accounting for approximately 4.5% of total turnover).

五百毫升複方氨基酸注射液

營業額約人民幣13,000,000元，比去年同期上升約25.0%，佔集團總體銷售約5.3%。(二零一四年六月三十日：約人民幣10,400,000元，佔整體營業額約4.5%)。



DEVELOPMENT OF MAJOR PRODUCTS (CONTINUED)

N(2)-L Alanyl-L Glutamine Injectable

In the first half of 2015, the turnover of N(2)-L Alanyl-L Glutamine Injectable amounted to approximately RMB14.9 million, representing a decrease of approximately 55.0% compared to the same period last year and accounting for approximately 6.1% of the total revenue of the Group (30 June 2014: approximately RMB33.1 million, accounting for approximately 14.2% of the total revenue). Due to very keen market competition, the share of turnover of this product has decreased.

2ml Compound Chinese Angelica Injectable

Among the key products of the Group, 2ml Compound Chinese Angelica Injectable had a better growth in the first half of the year. Its turnover amounted to approximately RMB11.1 million, representing a significant increase of approximately 226.5% compared to the same period last year and accounting for approximately 4.5% of the Group's total revenue. The growth is mainly attributable to the upward adjustment of the price by approximately 19.5% in the first half of 2015 (30 June 2014: approximately RMB3.4 million, accounting for approximately 1.5% of total revenue).

主要產品發展(續)

諾賽肽注射液

諾賽肽注射液於二零一五年上半年營業額達到約人民幣14,900,000元，較去年同期下降約55.0%，佔集團總營業額約6.1%（二零一四年六月三十日：約人民幣33,100,000元，佔整體營業額約14.2%）。由於市場競爭十分激烈，本產品佔集團的營業額比例有所下降。

二毫升複方當歸注射液

二毫升複方當歸注射液為集團主要產品當中，上半年增長較佳的產品。營業額達到約人民幣11,100,000元，比去年同期大幅上升約226.5%，佔集團總體銷售約4.5%，增長主要由價格於二零一五年上半年上調約19.5%帶動。（二零一四年六月三十日：約人民幣3,400,000元，佔整體營業額約1.5%）。



DEVELOPMENT OF MAJOR PRODUCTS (CONTINUED)

2ml Chaihu Zhusheye

Chaihu Zhusheye was introduced to the market in the second half of 2013. Its sales has been rising steadily. In the first half of the year, the Group was dedicated in raising its production volume to capitalise on the growth in sales in order to raise the total revenue. In the first half of 2015, its sales revenue reached RMB8.0 million, representing a significant increase of approximately 95.1% compared to the same period last year and accounting for 3.3% of the total revenue (30 June 2014: approximately RMB4.1 million, accounting for approximately 1.8% of the total revenue).

Other products

Another product of the Group, Xiangdan Injectable, is used for treating cardiovascular and cerebrovascular diseases. Its price is competitive among similar drugs, causing its rural coverage to rise rapidly. The product has excellent results for cardiovascular and cerebrovascular diseases. It won a considerable share in the rural market with the advantage of low price. During the period, turnover of 10-ml Xiangdan Injectable was approximately RMB11.0 million, accounting for approximately 4.5% of the total turnover. The share has a notable increase due to the increase in its rural coverage (30 June 2014: approximately RMB5.7 million, accounting for approximately 2.4% of the total turnover).

主要產品發展(續)

二毫升柴胡注射液

柴胡注射液於二零一三年下半年推出，銷量穩步增長，過去上半年，本集團致力於提及其產量，以把握其銷量增長，提高整體營業額。二零一五上半年營業額達到約人民幣8,000,000元，比二零一四年同期大幅上升約95.1%，佔整體營業額約3.3%（二零一四年六月三十日：約人民幣4,100,000元，佔整體營業額約1.8%）。

其他產品

本集團另一產品香丹注射液用於治療腦血管疾病，價格於同類藥品之中較有競爭力，因此其農村覆蓋率迅速提升。用於心腦血管疾病的療效優秀，以價格相宜的優勢佔領農村市場份額。期內十毫升之產品錄得營業額約人民幣11,000,000元，佔整體營業額約4.5%，佔比因農村覆蓋率增加而顯著提升。（二零一四年六月三十日：約人民幣5,700,000元，佔總營業額約2.4%）。



DEVELOPMENT OF MAJOR PRODUCTS (CONTINUED)

Development of new medicines

In the first half of 2015, the Company controlled Research and Development (“R&D”) expenditure for new drugs cautiously and promoted the R&D of new drugs steadily according to the market conditions and industry environment. The research of new medical treatment results of Perilla Oil Capsule, clinical study of fatty liver and anti-hepatitis compound drug liver & gall bladder tablets continued to progress steadily according to the set timetable. Currently, there are many new drug projects awaiting approval in China and the approval progress is slow. The prospect of R&D of the entire industry is uncertain. Following the development direction of the industry, the Company will suspend new investment in R&D until the prospect of approval becomes clear. It will also pay close attention to the approval status and make further decision on investment upon new circumstances arise.

Another new product of the Company, Pazufloxacin Mesilate Injectable, was still undergoing approval procedures during the period under review.

Sales agency for drugs

Fujian Sanai Pharmaceutical Trading Co., Limited was the agency of seven types of drugs mainly sold in the five provinces and cities of Fujian, Zhejiang, Jiangsu, Liaoning and Beijing during the period. Sales revenue amounted to approximately RMB6.2 million during the period, accounting for approximately 2.5% of the Group’s total turnover (30 June 2014: approximately RMB6.1 million, accounting for approximately 2.6% of the Group’s total turnover).

主要產品發展(續)

新藥研發

二零一五年上半年，公司根據市場狀況及行業環境，謹慎控制新藥研發開支，穩步推進新藥專案。蘇子油軟膠囊新療效研究、脂肪肝臨床研究、以及抗肝炎複方肝膽片繼續按照原定時間表穩步進展。目前中國等待審批新藥專案積壓較多，審批進度緩慢，整體行業新研發前景不明朗。公司配合行業方向，在審批前景明朗化前，將暫停於研發上投入新資金。本公司會密切關注審批動向，當有新的情況出現，本公司會進行進一步投資決定。

公司另一新產品甲磺酸帕珠沙星注射液，於回顧期內仍然處於審批過程中。

藥品代理銷售

福建省三愛醫藥貿易有限公司於期內代理了七種藥品，主要在福建、浙江、江蘇、遼寧和北京五個省市進行銷售。期內實現銷售收入約人民幣6,200,000元，佔本集團整體營業額約2.5%（二零一四年六月三十日：約人民幣6,100,000元，佔整體營業額約2.6%）。



SALES NETWORK AND MARKETING

The Group's sales network covers 21 key provinces, cities, autonomous regions and municipalities around the country, mainly covering the more affluent coastal cities and provinces of the eastern region and the northeastern region of China. As at 30 June 2015, the number of distributors for the Group amounted to 57, with 2 less distributors compared with 2014. The Group will continue to aggressively explore the rural market with potential in demand. In the first half of the year, sales from the market in rural areas amounted to approximately 14.0% of our total turnover, or approximately RMB34.3 million (30 June 2014: approximately RMB22.4 million, accounting for approximately 9.6% of the Group's total turnover), representing a significant increase of approximately 53.1% compared to the same period in 2014. It was mainly because the production output of ordinary medicines of the new plant zone increased, and the Group could better penetrate the rural market with medical insurance. In the future, it will strive for exploring the rural market, raising the sales volume of ordinary medicines.

In the first half of 2015, the Group further reduced its investment in advertising resources substantially. Advertising expenditure was reduced to approximately RMB9.3 million (30 June 2014: approximately RMB20.8 million) and invested in other areas with more apparent benefits. The Group will continue to participate in academic and new medicine promotion seminars, as well as medicine fairs to introduce the advantages of various medicines.

銷售網路及市場推廣

本集團的銷售網路遍佈全國的21個重點省、市、自治區及直轄市，主要覆蓋國內東部沿海富裕城市及東北部地區，截至二零一五年六月三十日，藥物經銷商有57個，與二零一四年比較少了2個經銷商。本集團未來將繼續積極開拓具需求增長潛力的農村市場。上半年農村的營業額佔集團總體約14.0%，達約人民幣34,300,000元（二零一四年六月三十日：約人民幣22,400,000元，佔整體營業額約9.6%），比二零一四年同期大幅上升約53.1%。主要受惠於新廠區普藥產能加大，更能滲透注重醫保的農村市場。未來亦會致力於開拓農村市場，提升普藥銷量。

於二零一五年上半年，本集團進一步大幅縮減廣告資源投放，縮減廣告開支至約人民幣9,300,000元（二零一四年六月三十日：約人民幣20,800,000元）並投放到其他效益更顯著的地方。本集團仍然會持續參與新藥推介會、學術專場推介會和藥交會等，來推廣各種藥品的優勢。



OUTLOOK AND FUTURE DEVELOPMENT

As the economy and health awareness develop together with a continuously aging population, the medical care market in China will continue to expand. Since 2015, the central government has actively promoted medical reform. Policies related to promoting civilian organized medical institution, reinforcing basic drug system and regulating drug circulation were introduced frequently. Of which, Opinions on Improving the Secured Supply of Frequently Used Low Price Drugs proposed that improving the price management approach of low price drugs would motivate enterprises to produce low price drugs and improve the quality of drugs at the same time. Under favorable influence of the drive of demand and the benefits from policies, the demand for pharmaceutical products will continue to increase.

On the other hand, entry barrier of the industry is constantly set higher with increasingly stringent regulations, which will accelerate the integration of the pharmaceutical industry. Pharmaceutical enterprises with comprehensive operational strength will have more opportunities. With excellent marketing capability and quality product resources, the Group will benefit from the integration of the industry. And by implementing a prudent development strategy, it will also continue to expand the rural and urban markets and grasp the opportunities in grass-roots level of medical services, such as new rural co-operative medical service.

前景展望及未來發展

隨著經濟發展，健康意識提高，人口老化持續，中國醫療市場不斷擴大。今年以來，中央積極推動醫療改革，關於推動社會辦醫、鞏固基本藥物制度、及規範藥品流通等政策頻頻出臺，其中《關於做好常用低價藥品供應保障工作意見》，提出改進低價藥品價格管理方式，有利於提高企業生產低價藥品的積極性，同時提高藥品品質。在需求帶動及政策紅利的雙重利好下，社會對醫藥產品的需求與日俱增。

另一方面，行業門檻不斷提升、監管措施越趨嚴格，將加速醫藥行業整合，具備綜合營運實力的製藥企業，將迎來更多發展機遇。憑藉卓越的市場行銷能力及優質的產品資源，本集團將受惠於行業整合，並透過推進穩健的發展策略，繼續拓展農村及城市社區市場，把握新型農村合作醫療等基層醫療服務的發展機遇。



OUTLOOK AND FUTURE DEVELOPMENT (CONTINUED)

Fully utilize capital reserve. Acquire quality pharmaceutical projects

In response to measures to adjust urban planning and industrial development by the Chinese authorities, the Group disposed land and property owned by Fuzhou Sanai in the first half of 2015. The disposal contributed a net gain of approximately RMB35.0 million to the Group, which further increased the capital reserve of the Group. Meanwhile, the Group is considering to utilize its abundant capital reserve and actively identify quality pharmaceutical projects for acquisition to improve the profitability of the Group and increase profit, which will facilitate the long-term development of the Group.

Utilize advantage in policy. Continue to enhance operation of new plant

The Group's new factory in Fujian Haixi Industrial and Trading Development Zone (the "New Factory") began production in February 2014, and smoothly entered the adaptation period to produce under the new Good Manufacturing Practice ("GMP") certification. Since enterprises failing to meet new GMP requirements will be suspended, the New Factory with new GMP certification will be the foundation for maintaining the leading position in the industry. In addition, the New Factory is expected to take-over the previous production capacity of Fuzhou Sanai in September 2015. The Group will equip the New Factory with more comprehensive facilities to improve production efficiency so as to reach full capacity as soon as possible, realizing the advantage of the New Factory under new conditions.

前景展望及未來發展 (續)

充分利用現金資金儲備 收購優質醫藥行業相關項目

本集團因應中國有關當局調整城市規劃及工業發展的措施，於二零一五年上半年出售福州三愛所擁有的土地及物業。出售事項讓本集團獲得淨收益約人民幣35,000,000元，此舉能有助本集團更進一步提升資金儲備。同時本集團正考慮在未來利用充裕資金儲備的優勢，積極物色收購優質的醫藥相關項目，以提升集團的盈利能力及增加利潤，相信有助集團長遠發展。

利用政策優勢 持續提升新廠房營運

本集團於福建省海西工貿區的新廠房（「新廠房」）於二零一四年二月投產後，順利進入磨合期，並在新版Good Manufacturing Practice（「GMP」）認證下生產。由於未能通過新版GMP認證的生產企業必須停止生產，新GMP認證的新廠房將成為保持行業優勢地位的基礎。另外，新廠房預料於二零一五年九月接收原福州三愛的產能，集團將在新廠房配備更齊備的設施改善生產效益，以儘快達致全面產能，體現新廠房在新形勢下的優勢。



OUTLOOK AND FUTURE DEVELOPMENT (CONTINUED)

According to the Implementation Plan for the New Round of Centralized Procurement of Drugs for Medical Institutions in Fujian Province (2015 Amendment, Draft for Consultation) issued by the Drug Bidding Group of Fujian Province on 20 July 2015, it is required that, among other things, the designated production and procurement of common foundation infusion will be conducted pursuant to the Implementation Plan of “Standard Pricing, Designated Production, Online Procurement and Direct Settlement” of Foundation Infusion for Medical Institutions in Fujian Province.

Currently, only three pharmaceutical companies in Fujian Province have the production capability for glass bottle, plastic bottle and soft bag, one of which is Fuzhou Sanai Pharmaceutical Co., Ltd., a wholly-owned subsidiary of the Group. The Group plans to actively lobby for this policy, taking advantage of edges in policy and capacity to accelerate the production and sales of common foundation infusion products.

Penetrate rural market. Enhance supply at health clinics

As the medical insurance system covering the entire population which includes new rural co-operative medical service is established and the levels of protection and reimbursement continue to rise, potential demand for medical care which includes rural residents will be further released. The Group will take the advantage of this opportunity to follow the latest conditions of the national medical reform and new rural co-operatives closely and enhance the supply at health clinics and the penetration of county-level pharmaceutical companies into the urban and rural markets.

前景展望及未來發展 (續)

剛於2015年7月20日福建省藥品招標小組發佈《福建省醫療機構新一輪藥品集中採購實施方案(2015年修訂版徵求意見稿)》，其中規定，除其他事項外，常用基礎輸液的定點生產及採購將按《福建省醫療機構基礎輸液「統一價格、定點生產、掛網採購、直接結算」工作實施方案》進行。

目前福建省僅有三家藥廠同時具備玻璃瓶、塑瓶、軟袋生產能力，本集團其下全資附屬公司福州三愛藥業有限公司是為中之一家。集團計劃積極爭取此項政策，利用政策優勢和產能優勢，加快發展常用基礎輸液產品的產銷工作。

深入農村市場 加強衛生院供應

隨著包括新型農村合作醫療在內的全民覆蓋的醫保體系的建立，以及保障和報銷水平的不斷提高，將進一步釋放包括農村居民的潛在醫療需求。本集團將把握這個時機，緊跟國家醫改及新農合的最新形勢，加強衛生院供應以及縣級醫藥公司對社區及農村市場的滲透。



OUTLOOK AND FUTURE DEVELOPMENT (CONTINUED)

Penetrate rural market. Enhance supply at health clinics (continued)

In conclusion, opportunities and challenges co-exist in the Chinese pharmaceutical industry. The Group will consider the situations and promote existing products and strive for the listing of new products in the medical insurance directory in accordance with market needs. Meanwhile, it will raise its profit through strict internal control and highly efficient management in order to create better returns for partners of the Group and shareholders of the Company.

FINANCIAL REVIEW

1. Revenue (“Turnover”)

During the period under review, the Group adopted the sales strategies of “small profit, quick return” and focusing on rural markets in order to keep consolidating the development of existing medicine business and markets. The Group recorded an overall turnover of approximately RMB244.6 million (30 June 2014: approximately RMB232.9 million), representing a slight increase of approximately 5.0% over the same period of last year.

前景展望及未來發展 (續)

深入農村市場 加強衛生院供應 (續)

總括而言，中國醫藥行業機遇與挑戰並存，本集團將審時度勢，應因市場需要，推廣現有產品及爭取新產品進入醫保目錄，同時透過嚴謹的內控和高效的管理，提高盈利，為本集團的合作夥伴和本公司股東創造更可觀的回報。

財務回顧

1. 收益 (「營業額」)

於回顧期內，本集團為持續鞏固現有藥品業務和市場的發展，透過加強薄利多銷及注重農村市場的銷售策略。整體營業額錄得約人民幣244,600,000元(二零一四年六月三十日：約人民幣232,900,000元)，較去年同期輕微上升約5.0%。



FINANCIAL REVIEW (CONTINUED)

1. Revenue (“Turnover”) (continued)

Turnover for the first half of the year was still dominated by Western medicines, with a turnover of approximately RMB123.5 million, or approximately 50.5% of the overall turnover, representing a slight decrease of approximately 1.8% over the same period of last year (30 June 2014: approximately RMB125.8 million, representing approximately 54.0% of the overall turnover). Turnover of the Modern Chinese medicines amounted to approximately RMB114.9 million, representing approximately 47.0% of the overall turnover, representing an increase of approximately 13.8% over the same period of last year (30 June 2014: approximately RMB101.0 million, representing approximately 43.4% of the overall turnover). The difference in proportion of the turnover of Western medicines and Modern Chinese medicines further decreased as compared with same period of last year. The pharmaceutical trading revenue recorded a turnover of approximately RMB6.2 million, representing approximately 2.5% of overall turnover (30 June 2014 approximately RMB6.1 million, representing approximately 2.6% of the overall turnover), representing a slight increase of approximately 1.6% over the same period of the previous year.

財務回顧(續)

1. 收益(「營業額」)(續)

上半年之營業額仍然由西藥產品帶動，西藥產品錄得營業額約人民幣123,500,000元，佔整體營業額約50.5%，較去年同期輕微下跌約1.8%（二零一四年六月三十日：約人民幣125,800,000元，佔整體營業額約54.0%）。中成藥產品之營業額約人民幣114,900,000元，佔整體營業額約47.0%，較去年同期上升約13.8%（二零一四年六月三十日：約人民幣101,000,000元，佔整體營業額約43.4%）。西藥產品與中成藥產品營業額之相差之比例與去年同期比較進一步減少。而醫藥貿易業務之營業額錄得約人民幣6,200,000元，佔整體營業額約2.5%（二零一四年六月三十日：約人民幣6,100,000元，佔整體營業額約2.6%），較去年同期營業額輕微上升約1.6%。



FINANCIAL REVIEW (CONTINUED)

財務回顧(續)

1. Revenue (“Turnover”) (continued)

Although our key product, Perilla Oil Capsule, has obtained approval from authorities in Fujian, Shanxi, Inner Mongolia and Xinjiang for listing in the medical insurance directories and it is still in the monitoring period, it is yet to be listed in the national medical insurance directory and hence, its sales was affected to some extent. During the period under review, the sales of this product amounted to approximately RMB20.3 million, representing approximately 8.3% of the overall turnover, a slight decrease of approximately 3.8% over the same period of last year (30 June 2014: approximately RMB21.1 million, representing approximately 9.1% of the overall turnover). The percentage is slightly below the same compared with the same period of last year.

During the period under review, the highest sales volume was again achieved by Western medicine, N(2)-L Alanyl-L Glutamine Injectable, with a turnover of approximately RMB14.9 million, representing approximately 6.1% of the overall turnover (30 June 2014: approximately RMB33.1 million, representing approximately 14.2% of the overall turnover). Due to fierce market competition, the proportion of this product in the overall turnover of the Group decreased by 55.0% as compared with the same period of last year. Turnover of the five top selling medicines amounted to approximately RMB74.7 million, representing approximately 30.5% of the overall turnover (30 June 2014: approximately RMB91.6 million, representing approximately 39.3% of the overall turnover).

1. 收益(「營業額」)(續)

本集團旗下重點產品蘇子油軟膠囊雖然已分別獲福建、山西、內蒙古及新疆省批准進入省醫保目錄及仍處於監測保護期內。然而，由於仍未獲批准進入國家醫保目錄，銷售情況受到一定影響。於回顧期內，該產品錄得銷售約人民幣20,300,000元，佔整體營業額約8.3%，較去年同期輕微下跌約3.8%（二零一四年六月三十日：約人民幣21,100,000元，佔整體營業額約9.1%），百分比與去年同期輕微減少。

於回顧期內，本集團最高銷售額之產品仍然為西藥產品諾賽肽注射液，其營業額約為人民幣14,900,000元，佔整體營業額約6.1%（二零一四年六月三十日：約人民幣33,100,000元，佔整體營業額約14.2%）。由於市場競爭十分激烈，本產品佔集團的營業額比例較去年同期下降約55.0%。而五大最高銷售產品之營業額約人民幣74,700,000元，佔整體營業額約30.5%（二零一四年六月三十日：約人民幣91,600,000元，佔整體營業額約39.3%）。



FINANCIAL REVIEW (CONTINUED)

財務回顧(續)

2. Gross Profit and Gross Profit Margin

During the period under review, gross profit of the Group increased to approximately RMB63.8 million, representing an increase of approximately 26.1% over the same period of last year (30 June 2014: approximately RMB50.6 million). Gross profit margin increased substantially by approximately 4.4 percentage points to approximately 26.1% (30 June 2014: approximately 21.7%). The main reasons for the increase were in two aspects as follows:

- 1) Substantial decrease in depreciation expenses in cost of sales: During the period under review, the disposal of parts of the land use rights and property, plant and equipment by the Group and the one-off impairment of approximately RMB44.8 million contributed to a decrease in the net non-current assets such as property, plant and equipment. Hence, a substantial decrease of approximately RMB10.8 million was recorded in the depreciation expenses in cost of sales during the period; and
- 2) Turnover: The price of some drugs, such as 2ml Compound Chinese Angelica Injectable, can be raised, improving the overall gross profit rate.

2. 毛利及毛利率

於回顧期內，本集團毛利較去年同期上升約26.1%至約人民幣63,800,000元(二零一四年六月三十日：約人民幣50,600,000元)，而毛利率較去年同期大幅上升約4.4百分點，至約26.1%(二零一四年六月三十日：約21.7%)。毛利率上升之主要原因為以下兩方面：

- 1) 銷售成本內之折舊支出大幅減少：於回顧期內，本集團出售部份土地使用權及物業、廠房及設備及於去年下半年約人民幣44,800,000元之一次性減值，令物業、廠房及設備等非流動資產淨值減少，因此本期間銷售成本中折舊支出大幅減少約人民幣10,800,000元；及
- 2) 銷售方面：部份藥品如二毫升複方當歸注射液可上調銷售價格。令整體毛利率有所改善。



FINANCIAL REVIEW (CONTINUED)

財務回顧(續)

2. Gross Profit and Gross Profit Margin (continued)

Besides depreciation expenses, the proportion of other cost of sales, including raw materials, packaging materials, energy and fuel costs, and direct labor cost remained essentially the same compared with the same period of last year, except that the related amounts increased with the rise in sales.

2. 毛利及毛利率(續)

除折舊支出，其他銷售成本比例包括原材料、包裝物料、能源及燃料成本、直接勞動及其他較去年同期除因銷售上升而令相關銷售成本金額上升外，其所佔銷售成本比例比較均沒有重大變化。

3. Profit for the Period

During the period under review, benefiting from improvement in gross profit and a net gain from disposal of parts of the Group's land use rights and property, plant and equipment of approximately RMB35.0 million, the Group recorded a profit of approximately RMB35.1 million (30 June 2014: loss of approximately RMB 3.1 million), representing an increase of approximately 1,232.3% compared to the same period of 2014.

3. 期內溢利

於回顧期內，受惠毛利改善及出售集團部份土地使用權及物業、廠房及設備淨收益約人民幣35,000,000元，集團錄得溢利約人民幣35,100,000元(二零一四年六月三十日：虧損約人民幣3,100,000元)。較二零一四年同期大幅上升約1,232.3%。



FINANCIAL REVIEW (CONTINUED)

3. Profit for the Period (continued)

The distribution costs decreased by approximately 32.2%, or by approximately RMB22.1 million (30 June 2014: approximately RMB32.6 million). During the period under review, the relevant advertising and marketing expenses of our three wholly-owned subsidiaries in the PRC totalled approximately RMB9.3 million, representing a decrease of approximately 55.3% (30 June 2014: approximately RMB20.8 million). Since last year, the Group further reduced its investment in advertising resources substantially and invested it in other areas with more apparent benefits. The Group will continue to participate in academic and new medicine promotion seminars, as well as medicine fairs to introduce the advantages of various medicines.

During the period under review, administrative and other operating expenses amounted to approximately RMB23.4 million (30 June 2014: approximately RMB21.1 million), representing an increase of approximately 10.9% compared to the same period of last year.

財務回顧(續)

3. 期內溢利(續)

分銷成本下調約32.2%約人民幣22,100,000元(二零一四年六月三十日:約人民幣32,600,000元)。於回顧期內,本集團國內三所全資附屬公司相關廣告宣傳及推廣費用支出合共約人民幣9,300,000元,較去年同期下跌約55.3%(二零一四年六月三十日:約人民幣20,800,000元)。集團從去年起進一步大幅縮減廣告資源投放,並投放到其他效益更顯著的地方。本集團仍然會持續參與新藥推介會、學術專場推介會和藥交會等,來推廣各種藥品的優勢。

於回顧期內,行政及其他營運費用跟去年同期比較上升約10.9%至約人民幣23,400,000元(二零一四年六月三十日:約人民幣21,100,000元)。



FINANCIAL REVIEW (CONTINUED)

3. Profit for the Period (continued)

Finally, tax expenses of the Group were approximately RMB18.7 million (30 June 2014: approximately RMB298,000) in total and the effective tax rate was approximately 34.8% (30 June 2014: approximately 10.6%). It included withholding deferred income tax for the provision of undistributed profits for the three wholly-owned subsidiaries in the PRC and the deferred tax expense amounted to approximately RMB0.7 million (30 June 2014: deferred tax credit of approximately RMB2.3 million).

4. Liquidity, Financial Resources and Capital Structure

As at 30 June 2015, the Group had cash and cash equivalents of approximately RMB551.7 million (31 December 2014: approximately RMB480.5 million). As at 30 June 2015, the Group's secured bank loans which are secured by property, plant and equipment and land use rights, amounted to approximately RMB35.0 million (31 December 2014: approximately RMB15.0 million). The loans were denominated in Renminbi, carried interest at fixed rates of 6.4% and 6.6% respectively (31 December 2014: 6.9%) per annum and repayable within 1 year. The Group continued to maintain a stable financial position with low gearing ratio and healthy cash flows. The Group generated a net cash inflow from operating activities of approximately RMB28.9 million (for the period ended 30 June 2014: approximately RMB11.7 million). During the period under review, the Group did not use any financial instruments for hedging purpose.

財務回顧(續)

3. 期內溢利(續)

最後，本集團稅項支出共約人民幣18,700,000元(二零一四年六月三十日：約人民幣298,000元)，實際稅率約34.8%(二零一四年六月三十日：約10.6%)。其中包括需要為國內三間全資附屬公司就未分配利潤撥備預提遞延所得稅，該遞延所得稅支出約人民幣700,000元(二零一四年六月三十日：遞延所得稅抵免約人民幣2,300,000元)。

4. 流動資金、財政資源及資本結構

於二零一五年六月三十日，本集團之現金及現金等價物約人民幣551,700,000元(二零一四年十二月三十一日：約人民幣480,500,000元)。於二零一五年六月三十日，本集團有抵押銀行貸款約人民幣35,000,000元(二零一四年十二月三十一日：約人民幣15,000,000元)由物業、廠房及設備及土地使用權抵押。該貸款以人民幣計值、按固定年利率分別為6.4%及6.6%(二零一四年十二月三十一日：6.9%)計息及須於一年內償還。本集團繼續維持穩健之財務狀況，同時保持低資產負債比率及穩健之現金流。本集團之經營活動產生現金流入淨額約人民幣28,900,000元(截至二零一四年六月三十日止期間：約人民幣11,700,000元)。於回顧期內，本集團並無運用任何金融工具作對沖用途。



FINANCIAL REVIEW (CONTINUED)

財務回顧(續)

4. Liquidity, Financial Resources and Capital Structure (continued)

The Group reviewed the capital structure by using a gearing ratio. The gearing ratio represents the total debt, which includes trade and other payables, and secured bank loans of the Group divided by total equity of the Group. The debt-to-equity ratio of the Group was approximately 7.4% as at 30 June 2015 (31 December 2014: approximately 7.7%).

5. Exposure to Fluctuation in Exchange Rates

During the period under review, the Group conducted its business transactions principally in Renminbi. The Group has not experienced any material difficulties or negative impacts on its operations as a result of fluctuations in currency exchange rates. Although the Group has certain bank balances denominated in Hong Kong dollars, the Group adopts a conservative financial policy and most of its bank deposits are in Renminbi and Hong Kong dollars. As at 30 June 2015, the Group did not have any bank liabilities, foreign exchange contracts, interest or currency swaps or other financial derivatives for hedging purpose. Therefore, the Group was not exposed to any material interest and exchange risks.

4. 流動資金、財政資源及資本結構(續)

本集團運用資產負債比率檢討資本架構。資產負債比率指本集團之總負債(包括貿易應付款項及其他應付款項及有抵押銀行貸款)除本集團之總權益。本集團於二零一五年六月三十日之債項與股權比率為約7.4%(二零一四年十二月三十一日:約7.7%)。

5. 匯率波動風險

於回顧期間,本集團之業務交易主要以人民幣進行。本集團從未因貨幣匯率波動而遭遇重大困難或承受負面影響。儘管本集團有若干港元銀行結餘,但本集團實行審慎的理財政策,大部分銀行存款為人民幣及港元。於二零一五年六月三十日,本集團沒有任何銀行負債、外匯期貨合約、外匯利息或外匯掉期或其他用作對沖的金融衍生工具。因此,本集團並無任何重大利率及匯兌風險。



FINANCIAL REVIEW (CONTINUED)

財務回顧(續)

6. Significant Acquisitions and Disposal of Investments

During the period under review, the Group did not have any significant acquisition and disposal of investment except for disposal of land use rights and property, plant and equipment from one of the wholly-owned subsidiaries to an independent third party with an aggregate consideration and net gain on disposal of approximately RMB76.0 million and RMB35.0 million respectively. Further details of the disposal were disclosed in the announcement of the Company dated 2 February 2015.

6. 重要收購及出售投資

於回顧期間，本集團並無任何重要收購及出售投資，除其中一間全資附屬公司向獨立第三方出售土地使用權及物業、廠房及設備外(總代價及出售之淨收益分別為人民幣76,000,000元及人民幣35,000,000元)外。有關出售之進一詳情披露於本公司日期二零一五年二月二日之公佈內。

7. The Number and Remuneration of Employees

As at 30 June 2015, the Group employed approximately 442 employees (31 December 2014: 445 employees) with staff cost of approximately RMB21.9 million (30 June 2014: approximately RMB20.1 million). The Group determines staff remuneration in accordance with prevailing market salary scales, individual qualifications and performance. Remuneration packages including performance bonuses and entitlements to share options are reviewed on regular basis.

7. 僱員數目及薪酬

於二零一五年六月三十日，本集團聘用僱員約為442名(二零一四年十二月三十一日：445名僱員)，員工成本約為人民幣21,900,000元(二零一四年六月三十日：人民幣20,100,000元)。本集團按現行市場薪酬水平、個人資歷及表現釐定員工薪酬。薪酬待遇包括表現花紅及獲發購股權之權利，並作定期檢討。



FINANCIAL REVIEW (CONTINUED)

8. Charge on Group Assets

As at 30 June 2015, the Group charges on Group assets including land use rights and property, plant and equipment amounted to approximately RMB93.4 million (31 December 2014: RMB37.8 million) in favour of secured bank loans of RMB35.0 million (31 December 2014: 15.0 million).

9. Contingent Liabilities

As at 30 June 2015, the Group did not have any contingent liabilities (31 December 2014: Nil).

10. Capital Expenditure

During the period under review, capital expenditure of the Group for property, plant and equipment for the construction and development of existing factory located at Fujian Province for its own use in ordinary and usual course of business amounted to approximately RMB50.4 million (30 June 2014: approximately RMB530,000).

11. Capital Commitments

As at 30 June 2015, the Group had capital expenditure contracted but not provided for in the financial statements amounted to approximately RMB8.1 million (31 December 2014: approximately RMB11.6 million).

財務回顧(續)

8. 本集團資產抵押

於二零一五年六月三十日，本集團將約人民幣93,400,000元(二零一四年十二月三十一日：人民幣37,800,000元)集團資產包括土地使用權及物業、廠房及設備作為本集團有抵押銀行貸款人民幣35,000,000元(二零一四年十二月三十一日：人民幣15,000,000元)之抵押。

9. 或然負債

於二零一五年六月三十日，本集團並無任何或然負債(二零一四年十二月三十一日：無)。

10. 資本開支

於回顧期間，本集團有關物業、廠房及設備於日常及一般業務過程中就建設及開發位於福建省自用的現有工廠的資本開支約為人民幣50,400,000元(二零一四年六月三十日：約人民幣530,000元)。

11. 資本承擔

於二零一五年六月三十日，本集團有已訂約但尚未於財務報表中撥備的資本開支約人民幣8,100,000元(二零一四年十二月三十一日：約人民幣11,600,000元)。



INTERIM DIVIDEND

The Board does not recommend payment of any interim dividend for the six months ended 30 June 2015 (30 June 2014: Nil). Accordingly, no closure of the register of members of the Company is proposed.

SHARE OPTION SCHEME

The Company's share option scheme was adopted on 8 January 2007 by the way of passing resolutions by all the shareholders of the Company. For the six months ended 30 June 2015, no share option had been granted or exercised under the share option scheme.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2015, the interests or short positions of the Directors and Chief Executive in the shares, underlying shares or debentures of the Company or any of its associated corporations as recorded in the register maintained by the Company pursuant to section 352 of the Securities and Futures Ordinance ("SFO"), or as otherwise notified to the Company and the Stock Exchange, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") were as follows:

中期股息

董事會並不建議就截至二零一五年六月三十日止六個月派發任何中期股息(二零一四年六月三十日：無)。因此，本公司並無建議暫停辦理股份登記手續。

購股權計劃

本公司的購股權計劃於二零零七年一月八日以本公司所有股東通過決議案方式採納。截至二零一五年六月三十日止六個月，並無根據購股權計劃授出或行使任何購股權。

董事及最高行政人員於本公司及其相聯法團股份、相關股份及債權證的權益及淡倉

於二零一五年六月三十日，各董事及最高行政人員在本公司或其任何相聯法團的股份、相關股份或債權證中，擁有根據證券及期貨條例(「證券及期貨條例」)第352條須列入本公司所存置登記冊內之權益或淡倉，或根據香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十所載上市發行人董事進行證券交易的標準守則(「標準守則」)規定須知會本公司及聯交所之權益或淡倉如下：



DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS (CONTINUED)

董事及最高行政人員於本公司及其相聯法團股份、相關股份及債權證的權益及淡倉(續)

Name of Directors 董事姓名	Company/name of associated corporation 公司／相聯法團名稱	Capacity 身份	Number of shares (Note 1) 股份數目 (附註 1)	Approximate percentage of interest 概約股權百分比
Mr. Lin Ou Wen 林歐文先生	The Company 本公司	Interest of controlled corporation (Note 2) 受控法團權益(附註 2)	447,202,900 (L) 447,202,900 (S)	26.16% 26.16%
		Interest of spouse (Note 3) 配偶權益(附註 3)	42,687,627 (L) 42,687,627 (S)	2.5% 2.5%
Mr. Lin Qing Ping 林慶平先生	The Company 本公司	Interest of controlled corporation (Note 4) 受控法團權益(附註 4)	280,352,000 (L) 280,352,000 (S)	16.4% 16.4%



DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS (CONTINUED)

董事及最高行政人員於本公司及其相聯法團股份、相關股份及債權證的權益及淡倉 (續)

Note:

附註：

1. The letter "L" and "S" denotes long position and short position in the shares respectively.
2. These shares are registered in the name of Thousand Space Holdings Limited, which is wholly owned by Mr. Lin Ou Wen, our executive Director and Chairman, who is deemed to be interested in all the shares in which Thousand Space Holdings Limited is interested by virtue of the SFO.
3. 136,951,000 shares are registered in the name of Orient Day Management Limited, which is owned as to 23.38%, 45.45% and 31.17% by Mr. Lin Qing Mei, Mr. Liu Dao Hua and Ms. Xue Mei respectively. Mr. Lin Ou Wen, our executive Director and Chairman, is deemed to be interested in all the shares in which Ms. Xue Mei, his spouse, is interested by virtue of the SFO.
4. These shares are registered in the name of Bright Elite Management Limited, which is wholly owned by Mr. Lin Qing Ping, our executive Director, who is deemed to be interested in all the shares in which Bright Elite Management Limited is interested by virtue of the SFO.

1. 「L」及「S」分別指於股份中之好倉及淡倉。
2. 該等股份以 Thousand Space Holdings Limited (由本公司執行董事兼主席林歐文先生全資擁有) 之名義登記。根據證券及期貨條例，林歐文先生被視為於 Thousand Space Holdings Limited 擁有權益之全部股份中擁有權益。
3. 136,951,000股股份以 Orient Day Management Limited 之名義登記。Orient Day Management Limited 由林慶美先生、劉道花先生及薛玫女士分別擁有 23.38%、45.45% 及 31.17%。根據證券及期貨條例，本公司執行董事兼主席林歐文先生被視為於其配偶薛玫女士擁有權益的全部股份中擁有權益。
4. 該等股份以 Bright Elite Management Limited (由本公司執行董事林慶平先生全資擁有) 之名義登記。根據證券及期貨條例，林慶平先生被視為於 Bright Elite Management Limited 擁有權益之全部股份中擁有權益。

Save as disclosed above, none of the Directors or Chief Executive of the Company are aware of any other Director or Chief Executive of the Company who has any interests or short positions in any shares and underlying shares in, and debentures of the Company or any associated corporation as at 30 June 2015.

除上文所披露者外，於二零一五年六月三十日，就各董事或本公司最高行政人員所知，任何本公司其他董事或最高行政人員並無於本公司或任何相聯法團的任何股份及相關股份以及債權證中擁有任何權益或淡倉。



SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

主要股東於本公司之股份及相關股份的權益及淡倉

As at 30 June 2015, the interests and short positions of the following shareholders, other than a Director or Chief Executive of the Company, in the shares or underlying shares of the Company were recorded in the register required to be kept by the Company pursuant to section 336 of the SFO are as follows:

於二零一五年六月三十日，以下股東（本公司董事或最高行政人員除外）於本公司股份、相關股份須向本公司及聯交所披露或記錄於根據證券及期貨條例第336條存置於本公司股東名冊的權益及淡倉如下：

Name of Shareholder 股東名稱／姓名	Company/name of subsidiary 公司／附屬公司名稱	Capacity 身份	Number of shares (Note 1) 股份數目 (附註1)	Approximate percentage of shareholding 概約股權百分比
Bright Elite Management Limited	The Company 本公司	Beneficial owner (Note 2) 實益擁有人(附註2)	280,352,000 (L)	16.4%
			280,352,000 (S)	16.4%
Thousand Space Holdings Limited	The Company 本公司	Beneficial owner (Note 3) 實益擁有人(附註3)	447,202,900 (L)	26.16%
			447,202,900 (S)	26.16%
Ms. Xue Mei 薛玫女士	The Company 本公司	Interest of spouse (Note 4) 配偶權益(附註4)	447,202,900 (L)	26.16%
			447,202,900 (S)	26.16%
			Interest of controlled corporation (Note 4) 受控法團權益(附註4)	42,687,627 (L) 42,687,627 (S)
Orient Day Management Limited	The Company 本公司	Beneficial owner (Note 4) 實益擁有人(附註4)	136,951,000 (L)	8.01%
			136,951,000 (S)	8.01%
Mr. Liu Dao Hua 劉道花先生	The Company 本公司	Interest of controlled corporation (Note 4) 受控法團權益(附註4)	136,951,000 (L)	8.01%
			136,951,000 (S)	8.01%



SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY (CONTINUED)

主要股東於本公司之股份及相關股份的權益及淡倉(續)

Name of Shareholder 股東名稱/姓名	Company/name of subsidiary 公司/附屬公司名稱	Capacity 身份	Number of Shares (Note 1) 股份數目 (附註1)	percentage of shareholding 概約股權百分比
Pope Investments LLC	The Company 本公司	Beneficial owner (Note 5) 實益擁有人(附註5)	102,400,000 (L)	5.99%
Wells William P	The Company 本公司	Interest of controlled corporation (Note 5) 受控法團權益(附註5)	102,400,000 (L)	5.99%
Credit Suisse (Hong Kong) Limited	The Company 本公司	Beneficial owner (Notes 6 & 7) 實益擁有人(附註6及7)	133,545,000 (L) 66,772,500 (S)	7.81% 3.90%
Credit Suisse (International) Holding AG	The Company 本公司	Interest of controlled corporation (Notes 6 & 7) 受控法團權益(附註6及7)	133,545,000 (L) 66,772,500 (S)	7.81% 3.90%
Credit Suisse	The Company 本公司	Interest of controlled corporation (Notes 6 & 7) 受控法團權益(附註6及7)	133,545,000 (L) 66,772,500 (S)	7.81% 3.90%
Charming Flash Limited	The Company 本公司	Person having a security interest (Note 8) 擁有抵押權益的人(附註8)	864,505,900 (L)	50.56%
Easykmit International Holdings Limited	The Company 本公司	Interest of controlled corporation (Note 8) 受控法團權益(附註8)	864,505,900 (L)	50.56%



SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY (CONTINUED)

主要股東於本公司之股份及相關股份的權益及淡倉(續)

Notes:

附註:

- (1) The letters "L" and "S" denote long position and short position in the shares respectively.
 - (2) These shares are registered in the name of Bright Elite Management Limited, which is wholly owned by Mr. Lin Qing Ping, our executive Director. Mr. Lin Qing Ping is deemed to be interested in all the shares in which Bright Elite Management Limited is interested by virtue of the SFO, as disclosed under the paragraph headed "Directors' and Chief Executive's Interests and Short Positions in shares, underlying shares and debentures of the Company and its associated corporations" above.
 - (3) These shares are registered in the name of Thousand Space Holdings Limited, which is wholly owned by Mr. Lin Ou Wen, our executive Director and Chairman. Mr. Lin Ou Wen is deemed to be interested in all the shares in which Thousand Space Holdings Limited is interested by virtue of the SFO, as disclosed under the paragraph headed "Directors' and Chief Executive's Interests and Short Positions in shares, underlying shares and debentures of the Company and its associated corporations" above.
 - (4) These shares are registered in the name of Orient Day Management Limited, which is owned as to 23.38%, 45.45% and 31.17% by Mr. Lin Qing Mei, Mr. Liu Dao Hua and Ms. Xue Mei, spouse of Mr. Lin Ou Wen, respectively, therefore Mr. Liu Dao Hua is deemed to be interested in all the shares in which Orient Day Management Limited is interested by virtue of the SFO. Ms. Xue Mei is the spouse of Mr. Lin Ou Wen, therefore, she is deemed to be interested in all the shares in which Mr. Lin Ou Wen is deemed to be interested by virtue the SFO and vice versa.
- (1) (L)及(S)分別指於股份中之好倉及淡倉。
 - (2) 該等股份以由本公司執行董事林慶平先生全資擁有的Bright Elite Management Limited之名義登記。誠如上文「董事及最高行政人員於本公司及其相聯法團股份、相關股份及債權證的權益及淡倉」段落所披露，根據證券及期貨條例，林慶平先生被視為於Bright Elite Management Limited擁有權益之全部股份中擁有權益。
 - (3) 該等股份以本公司執行董事兼主席林歐文先生全資擁有的Thousand Space Holdings Limited之名義登記。誠如上文「董事及最高行政人員於本公司及其相聯法團股份、相關股份及債權證的權益及淡倉」段落所披露，根據證券及期貨條例，林歐文先生被視為於Thousand Space Holdings Limited擁有權益之全部股份中擁有權益。
 - (4) 該等股份以由林慶美先生、劉道花先生及林歐文先生的配偶薛玫女士分別擁有其23.38%、45.45%及31.17%之Orient Day Management Limited之名義登記。因此，根據證券及期貨條例，劉道花先生被視為於Orient Day Management Limited擁有權益的所有股份中擁有權益。薛玫女士為林歐文先生的配偶，因此，根據證券及期貨條例，她被視為在林歐文先生被視為擁有權益的所有股份中擁有權益，反之亦然。



SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY (CONTINUED)

主要股東於本公司之股份及相關股份的權益及淡倉(續)

Notes: (continued)

附註：(續)

- (5) In accordance with the individual substantial shareholder notice on disclosure of interests of Wells William P. and the corporate substantial shareholder notice on disclosure of interests of Pope Investments LLC, both filed on 7 February 2007, these shares are registered in the name of Pope Investments LLC, which is controlled by Pope Asset Management LLC, which is in turn controlled by Wells William P.. In accordance with the corporate substantial shareholder notice on disclosure of interests of Pope Asset Management LLC filed on 26 June 2013, Pope Asset Management LLC ceased to have a notifiable interest pursuant to the SFO since 26 June 2013.
- (6) These shares are registered in the name of Credit Suisse (Hong Kong) Limited, which is owned as to 94.75% by Credit Suisse (International) Holding AG, which is in turn wholly owned by Credit Suisse. Therefore, Credit Suisse (Hong Kong) Limited, Credit Suisse (International) Holding AG and Credit Suisse are deemed to be interested in all the shares in which Credit Suisse (Hong Kong) Limited is interested by virtue of the SFO.
- (7) These shares are registered in the name of Credit Suisse (Hong Kong) Limited, which is owned as to 94.75% by Credit Suisse (International) Holding AG, which is in turn wholly owned by Credit Suisse. Therefore, Credit Suisse (Hong Kong) Limited, Credit Suisse (International) Holding AG and Credit Suisse are deemed to hold or hold a short position of 66,772,500 shares as defined under Part XV of the SFO.
- (5) 根據Wells William P.於二零零七年二月七日提交有關披露權益的個人大股東通知及Pope Investments LLC於二零零七年二月七日提交有關披露權益的法團大股東通知，該等股份以Pope Asset Management, LLC控制之Pope Investments, LLC之名義登記，Pope Asset Management, LLC則由Wells William P.所控制。根據Pope Asset Management LLC於二零一三年六月二十六日提交有關披露權益的法團大股東通知，根據證券及期貨條例，Pope Asset Management LLC自二零一三年六月二十六日起不再擁有須具報權益。
- (6) 該等股份乃以Credit Suisse (Hong Kong) Limited之名義登記，而Credit Suisse (Hong Kong) Limited由Credit Suisse (International) Holding AG擁有94.75%權益，而Credit Suisse (International) Holding AG則由Credit Suisse全資擁有。因此，根據證券及期貨條例，Credit Suisse (Hong Kong) Limited、Credit Suisse (International) Holding AG及Credit Suisse被視為於Credit Suisse (Hong Kong) Limited持有權益之所有股份中擁有權益。
- (7) 該等股份乃以Credit Suisse (Hong Kong) Limited之名義登記，而Credit Suisse (Hong Kong) Limited由Credit Suisse (International) Holding AG擁有94.75%權益，而Credit Suisse (International) Holding AG則由Credit Suisse全資擁有。因此，根據證券及期貨條例第XV部定義，Credit Suisse (Hong Kong) Limited、Credit Suisse (International) Holding AG及Credit Suisse被視為持有或持有66,772,500股股份之淡倉。



SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY (CONTINUED)

Notes: (continued)

- (8) In accordance with the corporate substantial shareholder notices on disclosure of interests of Charming Flash Limited ("Charming") and Easyknit International Holdings Limited ("Easyknit") both filed on 16 June 2015, Charming is interested in 864,505,900 shares in the Company. Since Charming is wholly owned by Easyknit, Easyknit is deemed to be interested in all the shares in which Charming is interested by virtue of the SFO.

Save for the disclosed above, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company which were recorded in the register required to be kept by the Company under 336 by the SFO as at 30 June 2015.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the listed securities of the Company during the six months ended 30 June 2015.

主要股東於本公司之股份及相關股份的權益及淡倉(續)

附註：(續)

- (8) 根據Charming Flash Limited (「Charming」)及Easyknit International Holdings Limited (「Easyknit」)於二零一五年六月十六日分別提交有關披露權益的法團大股東通知，Charming於本公司864,505,900股股份中擁有權益。由於Charming由Easyknit全資擁有，因此，根據證券及期貨條例，Easyknit被視為於Charming持有權益之所有股份中擁有權益。

除上文所披露者外，於二零一五年六月三十日，本公司並無獲知會任何其他記錄於根據證券及期貨條例第336節存置於本公司股東名冊的本公司已發行股本的相關權益或淡倉。

購買、出售或贖回本公司上市證券

截至二零一五年六月三十日止六個月，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的上市證券。



COMPLIANCE OF THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Company is committed to achieve a high standard of corporate governance practice, such that the interests of our shareholders, customers, employees as well as the long term development of the Company can be safeguarded.

The Company has complied with the Code Provisions as set out in the Corporate Governance Code (the “Code”) contained in Appendix 14 to the Listing Rules during the six months ended 30 June 2015 ensuring that are up to the requirements as being diligent, accountable and professional.

In the opinion of the Board, the Company has complied with the Code since listing of the shares of the Company on 1 February 2007 except for deviation from provision A.2.1 in respect of the roles of chairman and chief executive officer (“CEO”) of the Company. The Board considered that vesting the roles of Chairman and the CEO in the same person facilitates the execution of the Company’s business strategies and maximizes effectiveness of its operations. The Board shall nevertheless review the structure from time to time and shall consider the appropriate adjustment should suitable circumstance arise. There are three independent non-executive Directors in the Board, all of them possess adequate independence and therefore the Board considers the Company has achieved balance of and provided sufficient protection to its interests.

遵守企業管治常規守則

本公司承諾會達致高標準之企業管治常規，以使本公司股東、客戶、僱員以及本公司的長遠發展得到保障。

於截至二零一五年六月三十日止六個月期間，本公司已全面遵守上市規則附錄十四所載企業管治守則(「該守則」)所載守則條文，確保符合盡力、負責及專業之要求。

董事會認為，除本公司主席及行政總裁(「行政總裁」)的角色偏離條文第A.2.1條外，本公司自二零零七年二月一日本公司股份上市起一直遵守該守則。董事會認為，由同一人士擔任主席及行政總裁職位，有助本公司執行業務策略，盡量提升其業務運作的效率。儘管如此，董事會須不時檢討有關架構，並於適當情況下考慮適當調整。董事會有三名獨立非執行董事，彼等均擁有足夠的獨立性，故董事會認為本公司已就其權益取得平衡及提供足夠保障。



DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as the Company's own code for securities transactions by its Directors. In addition, the Company has made specific enquiries of all Directors and each Director confirms that during the six months ended 30 June 2015, they have fully complied with the required standards as set out in the Model Code.

At no time during the first six months of 2015 were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate granted to any Director or their respective spouses or minor children, or were any such rights exercised by them; nor was the Company or any of its subsidiaries a party to any arrangement to enable the Directors, their respective spouses or minor children to acquire such rights in any other body corporate.

The Company has complied with Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules and appointed three independent non-executive Directors including one with financial management expertise, details of their biographies were set out in the 2014 Annual Report of the Company.

董事進行證券交易

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易的標準守則（「標準守則」），作為本公司董事進行證券交易之守則。此外，本公司已向所有董事作出具體查詢，各董事確認於截至二零一五年六月三十日止六個月內，已全面遵守標準守則所規定標準。

於二零一五年首六個月的任何時間，概無向任何董事或彼等各自的配偶或未成年子女授出可藉購買本公司或任何其他法人團體的股份或債權證而獲取利益之權利，或彼等並無行使任何有關權利；或本公司或其任何附屬公司亦無參與任何安排，致使董事、彼等各自的配偶或未成年子女獲得任何其他法人團體之有關權利。

本公司已遵守上市規則第3.10(1)、3.10(2)及3.10A條之規定，委任三名獨立非執行董事，其中一名獨立非執行董事具有財務管理專長，彼等之履歷載於本公司二零一四年年報。



AUDIT COMMITTEE

The Company has established an audit committee in compliance with the Rule 3.21 of the Listing Rules. The audit committee, comprises three independent non-executive Directors, has reviewed the accounting principles and practices adopted by the Company as well as auditing, internal control and financial reporting matters. The financial statements of the Company for the six months ended 30 June 2015 have been reviewed and approved by the audit committee, who is of the opinion that such statements comply with the applicable accounting standards, Listing Rules and legal requirements, and that adequate disclosures have been made. On 26 August 2015, a meeting of the audit committee was held and the unaudited interim results for the six months ended 30 June 2015 were reviewed and were recommended to the Board for further approval at such meeting.

審核委員會

為遵守上市規則第3.21條，本公司已成立審核委員會。審核委員會由三名獨立非執行董事組成，已審閱本公司採納之會計原則及常規，以及審核、內部監控及財務申報等事宜。審核委員會已審閱並批准本公司截至二零一五年六月三十日止六個月之財務報表，彼等認為該等報表符合適用會計準則、上市規則及法律要求，並已作出充分披露。於二零一五年八月二十六日，本公司召開審核委員會會議並於會上審閱截至二零一五年六月三十日止六個月期間未經審核中期業績及向董事會作出推薦建議以待進一步批准。



REMUNERATION COMMITTEE

The remuneration committee, comprises three independent non-executive Directors and one executive Director, is responsible for reviewing and determining the appropriate remuneration policies of the Directors and senior management and making recommendations to the Board from time to time.

NOMINATION COMMITTEE

The nomination committee, comprises three independent non-executive Directors and two executive Directors, is responsible for determining the criteria for identifying candidates suitably qualified, reviewing nominations for the appointment of Directors to the Board and making recommendations to the Board regarding any proposed changes.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

The 2015 interim report will be dispatched to Shareholders as well as made available on our Company's website at www.wuyi-pharma.com and the Stock Exchange's website www.hkexnews.hk.

薪酬委員會

薪酬委員會由三名獨立非執行董事及一名執行董事組成，負責審閱及釐定董事及高級管理層之適當薪酬政策，及不時向董事會提供推薦建議。

提名委員會

提名委員會由三名獨立非執行董事及兩名執行董事組成，負責釐定物色具適合資格之候選人之基準、審閱董事會之董事委任提名及就任何建議之變動向董事會作出推薦建議。

刊登中期業績公佈及中期報告

二零一五年中期報告將寄發予各位股東及刊登於本公司網站www.wuyi-pharma.com及聯交所網站www.hkexnews.hk。



ACKNOWLEDGEMENT

I would like to offer the Board's sincere gratitude to the management team and all other employees for their hard work and dedication. Their excellence and commitment are of vital importance in enhancing the Company's sustainability.

Finally, I would like to take this opportunity to thank our shareholders and all other stakeholders for their continuous support and confidence in us.

On behalf of the Board

LIN OU WEN

Chairman and Chief Executive Officer

Hong Kong, 31 August 2015

致謝

本人謹代表董事會，對管理層團隊及所有其他僱員的努力及熱誠，致以真誠的謝意。彼等的卓越表現及承擔對提高本公司的持續發展起著關鍵作用。

最後，本人藉此機會感謝各股東及其他利益相關者一直以來的鼎力支持及信任。

代表董事會

主席兼行政總裁

林歐文

香港，二零一五年八月三十一日



As at the date of this report, the Board comprises 3 executive Directors, namely Mr. Lin Ou Wen (Chairman), Mr. Lin Qing Ping and Mr. Xu Chao Hui, 3 non-executive Directors, namely Mr. Tang Bin, Mr. John Yang Wang and Mr. Wen Cyrus Jun-Ming, and 3 independent non-executive Directors, namely Mr. Liu Jun, Mr. Lam Yat Cheong and Mr. Du Jian.

於本報告日期，董事會的董事包括3名執行董事，分別是林歐文先生(主席)、林慶平先生及許朝暉先生，3名非執行董事，分別是唐彬先生、王陽先生及聞俊銘先生以及3名獨立非執行董事，分別是劉軍先生、林日昌先生及杜建先生。



武夷药业
Wuyi Pharmaceutical

Wuyi International Pharmaceutical Company Limited

武夷國際藥業有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號 : 1889