



吉林省輝南長龍生化藥業股份有限公司
Jilin Province Huinan Changlong Bio-pharmacy Company Limited

(a joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 8049)

(於中華人民共和國註冊成立之股份有限公司)

(股份代號：8049)

ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2013

全年業績公佈
截至二零一三年十二月三十一日止年度

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The announcement, for which the directors of Jilin Province Huinan Changlong Bio-pharmacy Company Limited (the “Directors”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (the “GEM Listing Rules”) for the purpose of giving information with regard to Jilin Province Huinan Changlong Bio-pharmacy Company Limited and its subsidiary (“the Group”). The directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in the announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in the announcement misleading; and (3) all opinions expressed in the announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)之特色

創業板的定位，乃為相比起其他在聯交所上市的公司帶有較高投資風險的公司提供一個上市的市場。有意投資的人士應了解投資於該等公司的潛在風險，並應經過審慎周詳的考慮後方作出投資決定。創業板的較高風險及其他特色表示創業板較適合專業及其他老練投資者。

由於創業板上市公司新興的性質使然，在創業板買賣的證券可能會較於主板買賣之證券承受較大的市場波動風險，同時無法保證在創業板買賣的證券會有高流通量的市場。

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本公佈乃遵照創業板上市規則(「創業板上市規則」)提供有關吉林省輝南長龍生化藥業股份有限公司及其附屬公司(「本集團」)之資料，吉林省輝南長龍生化藥業股份有限公司各董事(「董事」)對本公佈共同及個別承擔全部責任。董事在作出一切合理查詢後確認，就彼等所知及確信：(1)本公佈所載資料在各主要方面均為準確及完整及無誤導成分；(2)並無遺漏任何其他事實，致令本公佈之內容有所誤導；及(3)本公佈所表達之意見乃經審慎周詳考慮後始行作出，並以公平合理之基準與假設為基礎。

CHAIRMAN'S STATEMENT

As the Chairman and on behalf of the Board of Directors (the "Board"), I am pleased to report the activities of Jilin Province Huinan Changlong Bio-pharmacy Company Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2013.

During the year under review, the Group has spent significant efforts on further promoting its core products, namely Hai Kun Shen Xi capsule (海昆腎喜膠囊) and Compound Huonaoshu capsule (復方活腦舒膠囊). As a result, the total turnover of the Group for the year ended 31 December 2013 was RMB457,746,000, representing a sharp increase of 30% as compared with RMB353,247,000 for the previous year. Profit for the year attributable to owners of the Company increased to RMB79,274,000 from RMB58,754,000 last year. For the year ended 31 December 2013, basic earnings per share increased to RMB14.15 cents from RMB10.49 cents last year.

The notable achievements in 2013 were the results of the persistent effort of all levels of the staff in the past year. In fact, the Board of Directors has already expressed its optimistic view for 2013's profitability in the 2012 annual report. As such, the Board would like to share its view on the Company's competitive edges with shareholders as such edges would allow the Company to achieve further success in the coming years.

Firstly, we made efforts in the sales and marketing of our dominant products, namely Hai Kun Shen Xi capsule (海昆腎喜膠囊) and Compound Huonaoshu capsule (復方活腦舒膠囊). Against the backdrop that the State had increased investment in public health care, regional sales of our dominant products which were included into the provincial catalogues further increased. This helped us to scale new heights in our results with the accelerated development of the untapped markets.

Besides, we proactively organised and participated in annual activities held under the Academic Institute of Nephrology (腎病學術年會) at the state level, while grasping opportunities in participating the annual activities held under the Academic Institute of Nephrology (腎病學術年會) and seminars on pharmaceutical products at prefecture-level. As the participants of the activities held by Academic Institute of Nephrology at prefecture-level are the physicians from provincial, municipal and county, we could engage in direct dialogue with front line staff through these events, and this would help us in achieving good results in research and development as well as the understanding to the market conditions.

主席報告

本人謹代表董事會(「董事會」)欣然提呈吉林省輝南長龍生化藥業股份有限公司(「本公司」)及其附屬公司(合稱「本集團」)截至二零一三年十二月三十一日止年度之業務活動。

於回顧年度內，本集團致力提升對其核心產品的推廣，包括海昆腎喜膠囊和復方活腦舒膠囊。因此，截至二零一三年十二月三十一日止年度本集團總營業額為人民幣457,746,000元，較去年人民幣353,247,000元大幅上升30%。本年度本公司股權持有人應佔溢利由去年人民幣58,754,000元上升至約人民幣79,274,000元。截至二零一三年十二月三十一日止年度每股基本盈利由去年人民幣10.49分增加至人民幣14.15分。

二零一三年有突出之業績全賴過去一年全體員工上下一心不斷努力的成果。事實上，董事會於二零一二年年報內已就二零一三年度之盈利能力發表了樂觀的看法。因此，董事會欣然與各股東分享本公司具有以下競爭力的優勢，該等優勢將為本公司以後之年度再創新的輝煌。

首先，我們抓緊了主導產品海昆腎喜膠囊和復方活腦舒膠囊的銷售工作，在國家加大公費醫療投入的大背景下，主導產品列入省級目錄的地區銷售業績進一步攀升，同時亦加快開發空白市場，使銷售業績再上一個台階。

另一方面，我們積極組織和參與國家級腎病學術年會活動，抓好區域的省地級腎病學術年會活動和用藥科室的產品學術講座活動。省、地級腎病學術年會面對的都是省、市、縣的臨床醫生，通過這類活動可直接與前線人員直接交流，在研發及瞭解市場情況方面取得了很好的效果。

Further, our new production line for injecting drug obtained the Good Manufacturing Practice Certificate during the year. We have made effort in business solicitation for our three workshops in producing minor products and in the tender of basic drug, for promoting diversified development of the Company while exerting efforts in exploring and developing more dominant products.

Lastly, the Company passed the review of “national high-tech enterprise” in July 2012 and is entitled to the preferential Enterprise Tax rate of 15% during the year.

Looking ahead, we will take the launch of our new plant as an opportunity to enhance our work on management in every segment and we will endeavor to realize rapid growth with our strong capability and our development concept of “technological innovation and serving the public”.

On behalf of the Board, I would like to express my heartfelt thanks to all levels of staff and the management for their efforts and contributions in 2013 and my deep gratitude to our clients, business partners and owners for their utmost support.

By order of the Board
Zhang Hong
Chairman

Jilin Province, the PRC
27 March 2014

再者，我們本年內新針劑生產線通過了GMP認證，同時積極抓好固體三車間小品種招商和基本藥物投標工作，促進企業多元化發展，努力挖掘和培育更多主導產品。

最後，公司於2012年7月份通過了「國家高新企業」複審，本年度繼續享受15%的所得稅優惠稅率政策。

展望未來，我們將以新廠房區啟用為契機，促進各項管理工作提升，讓我們以真正的實力和自強不息的信念來體現「科技創新，厚德濟世」的發展理念，全力打造一個快速騰飛的新長龍

本人謹代表董事會對各級員工及管理層在二零一三年之努力工作和付出表示衷心感謝，對客戶，並業務夥伴及本公司股權持有人之鼎力支持致以深切謝意。

承董事會命
張弘
主席

中國吉林省
二零一四年三月二十七日

ANNUAL RESULTS (AUDITED)

The Board of Directors (the "Board") of the Company are pleased to announce that the audited consolidated results of the Group for the year ended 31 December 2013, together with the comparative figures for the year ended 31 December 2012, as follow:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2013
(Expressed in Renminbi)

年度業績(經審核)

本公司董事會(「董事會」)欣然公佈本集團截至二零一三年十二月三十一日止年度經審核綜合業績，連同截止二零一二年十二月三十一日止年度之比較數字如下：

綜合損益及其他全面收益表

截至二零一三年十二月三十一日止年度

		Notes 附註	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Turnover	營業額	3	457,746	353,247
Cost of sales	銷售成本		(84,689)	(63,593)
Gross profit	毛利		373,057	289,654
Other income	其他收入	5	14,768	9,924
Other gains	其他收益	6	109	53
Distribution and selling costs	分銷及銷售開支		(255,319)	(203,658)
Administrative expenses	行政開支		(37,347)	(26,808)
Profit from operations	經營溢利		95,268	69,165
Finance costs	融資成本	7	(659)	(296)
Profit before income tax	稅前溢利	8	94,609	68,869
Income tax expense	所得稅支出	9	(15,335)	(10,115)
Profit for the year	本年度溢利		79,274	58,754
Other comprehensive income	其他全面收益		-	-
Total comprehensive income for the year	本年度全面收益總額		79,274	58,754
Profit attributable to:	以下應佔溢利：			
Owners of the Company	本公司擁有人		79,274	58,754
Total comprehensive income attributable to:	以下應佔全面收益總額：			
Owners of the Company	本公司擁有人		79,274	58,754
Earnings per share	每股盈利			
- Basic (RMB cents)	- 基本(人民幣分)	10	14.15	10.49
Dividends	股息	13	-	7,003

CONSOLIDATED BALANCE SHEET

As at 31 December 2013
(Expressed in Renminbi)

綜合資產負債表

於二零一三年十二月三十一日
(以人民幣呈示)

			2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
	Notes 附註			
ASSETS AND LIABILITIES		資產及負債		
Non-current assets		非流動資產		
Bearer biological assets		不記名生物資產	4,890	2,850
Property, plant and equipment		物業、廠房及設備	99,483	107,462
Prepaid land lease payments		預付土地租金	17,335	17,789
Construction in progress		在建工程	145,834	66,777
Intangible assets		無形資產	11,229	15,855
			278,771	210,733
Current assets		流動資產		
Inventories		存貨	25,581	35,342
Trade receivables		應收貿易賬款	121,184	106,209
Other receivables, deposits and prepayments		其他應收款項、訂金及 預付款項	87,184	54,209
Loans receivables		應收貸款	36,590	39,732
Prepaid land lease payments		預付土地租金	454	453
Available-for-sale financial assets		可供出售財務資產	30,000	-
Cash and cash equivalents		現金及現金等值物	70,359	89,374
			371,352	325,319
Current liabilities		流動負債		
Trade payables		應付貿易賬款	10,830	7,953
Other payables, deposits received and accruals		其他應付款項、已收 訂金及應計費用	123,929	83,589
Deferred income		遞延收入	1,886	313
Income tax payable		應付所得稅	3,935	9,933
Other tax payables		其他應付稅項	8,326	11,095
Bank borrowings		銀行借貸	-	6,000
Loans from government authority		政府機關貸款	682	666
Dividend payable		應付股息	1,873	2,337
			151,461	121,886
Net current assets		流動資產淨值	219,891	203,433
Total assets less current liabilities		總資產減流動負債	498,662	414,166

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
	<i>Notes</i> 附註		
Non-current liabilities	非流動負債		
Loans from government authority	政府機關貸款	4,148	4,784
Bank borrowings	銀行借貸	4,000	–
Deferred income	遞延收入	16,644	15,063
Deferred tax liabilities	遞延稅項負債	338	61
		25,130	19,908
Net assets	資產淨值	473,532	394,258
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY	本公司擁有人應佔 權益		
Share capital	股本	56,025	56,025
Reserves	儲備	417,507	338,233
Total equity	權益總額	473,532	394,258

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2013
(Expressed in Renminbi)

綜合權益變動表

截至二零一三年十二月三十一日止年度
(以人民幣呈示)

		Share capital 股本 RMB'000 人民幣千元	Share premium 股份溢價 RMB'000 人民幣千元	Exchange reserve 匯兌儲備 RMB'000 人民幣千元	Statutory surplus reserve 法定盈餘儲備 RMB'000 人民幣千元	Retained profits 保留溢利 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Balance at 1 January 2012	於二零一二年一月一日 之結餘	56,025	51,098	-	33,242	202,142	342,507
Comprehensive income	全面收益						
Profit for the year	本年度溢利	-	-	-	-	58,754	58,754
Other comprehensive income	其他全面收益	-	-	-	-	-	-
Total comprehensive income	全面收益總額	-	-	-	-	58,754	58,754
Transactions with owners	股東之交易						
Appropriation to statutory surplus reserve	撥款至法定盈餘 儲備	-	-	-	-	-	-
Special dividends	特別股息	-	-	-	-	(7,003)	(7,003)
At 31 December 2012	於二零一二年 十二月三十一日	56,025	51,098	-	33,242	253,893	394,258
Balance at 1 January 2013	於二零一三年一月一日 之結餘	56,025	51,098	-	33,242	253,893	394,258
Comprehensive income	全面收益						
Profit for the year	本年度溢利	-	-	-	-	79,274	79,274
Other comprehensive income	其他全面收益	-	-	-	-	-	-
Total comprehensive income	全面收益總額	-	-	-	-	79,274	79,274
Transactions with owners	股東之交易						
Appropriation to statutory surplus reserve	撥款至法定盈餘 儲備	-	-	-	-	-	-
At 31 December 2013	於二零一三年 十二月三十一日	56,025	51,098	-	33,242	333,167	473,532

1. GENERAL INFORMATION

The Company was established as a state-owned enterprise in the People's Republic of China (the "PRC") in 1989. On 29 December 1995, under the relevant provisions of the Company Law of the PRC, the Company was re-organised from a state-owned enterprise to a limited liability company. On 16 August 1996, with the approval of the Economic Restructuring Commission of Jilin Province, the Company was further converted into a joint stock limited company. On 20 April 1999, the Company made a bonus issue from capitalisation of retained profits in the proportion of one bonus share for every two existing shares.

The Company's H shares are listed on the Growth Enterprise Market ("GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 24 May 2001.

The Company is principally engaged in the manufacture and distribution of biochemical medicines in the PRC under the brand names of Changlong and Shendi.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") which includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretation issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong, requirements of the Hong Kong Companies Ordinance and applicable disclosure provisions of the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited (the "GEM Listing Rules").

1. 一般資料

本公司於一九八九年在中華人民共和國(「中國」)成立為一間國有企業。一九九五年十二月二十九日，根據中國公司法有關條文，本公司由一間國有企業重組為一間有限責任公司。其後於一九九六年八月十六日，經吉林省經濟改革委員會的批准，本公司再改組為一間股份有限公司。於一九九九年四月二十日，本公司按每兩股現有股份派發一股紅股的比例，將保留溢利撥充資本以發行紅股。

本公司H股於二零零一年五月二十四日在香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)上市。

本公司主要以長龍及神迪品牌在中國從事製造及分銷生化藥物。

2. 重大會計政策概要

編製該等綜合財務報表所採納之會計政策載於下文。除另有指明外，該等政策乃貫徹應用於所呈報之年度。

(a) 遵例聲明

本綜合財務報表乃按照香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)而編製，此統稱包括所有適用之個別香港財務報告準則、香港會計準則(「香港會計準則」)及其詮釋)及香港普遍採納的會計原則、香港公司條例之規定及香港聯合交易所有限公司創業板證券上市規則(「創業板上市規則」)適用的披露條文。

(b) Basis of preparation

The consolidated financial statements have been prepared under the historical cost convention, as modified by certain biological assets and available-for-sale financial assets measured at fair value.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

(c) Changes in accounting policy and disclosures

In the current year, the Group has applied the following new and revised Standards, Amendments and Interpretations ("new and revised HKFRSs") issued by the HKICPA that are effective for accounting periods beginning on or after 1 January 2013.

HKAS 1 (Amendments)	Presentation of Financial Statements - Presentation of Items of Other Comprehensive Income
HKAS 19 (2011)	Employee Benefits
HKAS 27 (2011)	Separate Financial Statements
HKAS 28 (2011)	Investments in Associates and Joint Ventures
HKFRS 1 (Amendments)	Government Loans
HKFRS 7 (Amendments)	Disclosures - Offsetting Financial Assets and Financial Liabilities
HKFRS 10	Consolidated Financial Statements
HKFRS 11	Joint Arrangements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 13	Fair Value Measurement
HKFRS 10, HKFRS 11 and HKFRS 12 (Amendments)	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interest in Other Entities: Transition Guidance
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2009-2011 Cycle
HK (IFRIC) - Int 20	Stripping Costs in the Production Phase of a Surface Mine

Except as described below, the application of the new and revised HKFRSs in the current year has had no material effect on the amounts reported in these consolidated financial statements and/or disclosures set out in these consolidated financial statements.

(b) 編製基準

本綜合財務報表已按歷史成本法慣例編製，並以公平值計量之若干生物資產和可供出售財務資產作出修訂。

根據香港財務報告準則編製財務報表須運用若干關鍵會計估計，而管理層於應用本集團會計政策亦須作出判斷。

(c) 會計政策及披露之變更

於本年度，本集團已應用以下由香港會計師公會（「香港會計師公會」）頒佈並對二零一三年一月一日或其後開始的會計期間生效的新訂及經修訂準則、修訂及詮釋（「新訂及經修訂香港財務報告準則」）。

香港會計準則第1號(修訂本) 其他全面收益項目的呈報的修訂

香港會計準則第19號(2011)	僱員福利
香港會計準則第27號(2011)	單獨財務報表
香港會計準則第28號(2011)	於聯營及合營企業的投資
香港財務報告準則第1號 (修訂本)	政府貸款
香港財務報告準則第7號 (修訂本)	披露—金融資產與金融負債的抵 銷
香港財務報告準則第10號	綜合財務報表
香港財務報告準則第11號	合營安排
香港財務報告準則第12號	在其他實體中權益的披露
香港財務報告準則第13號	公平值計量
香港財務報告準則第10號、 第11號及第12號 (修訂本)	綜合財務報表、合營安排及在其 他實體中權益的 披露：過渡指引
香港財務報告準則(修訂本)	二零零九年至二零一一年 週期之年度改進
香港(國際財務報告詮釋 委員會)—詮釋第20號	露天礦場於生產階段之 剝採成本

除下文所述外，於本年度採用該等新訂及經修訂香港財務報告準則對該等綜合財務報表呈報的數額及／或該等綜合財務報表載列的披露事項並無重大影響。

HKFRSs (Amendments) – Annual Improvements 2009-2011 Cycle

HKAS 1 has been amended to clarify that an opening balance sheet is required only when a retrospective application of an accounting policy, a retrospective restatement or reclassification has a material effect on the information presented in the opening position. Further, this opening balance sheet does not have to be accompanied by comparative information in the related notes. This is consistent with the Group's existing accounting policy.

The adoption of this standards have no material impact on the Group's financial statements.

Amendments to HKAS 1 “Presentation of Items of Other Comprehensive Income”

The amendments to HKAS 1 “Presentation of Items of Other Comprehensive Income” (“HKAS 1”) introduce new terminology for the statement of comprehensive income and income statement. Under the amendments to HKAS 1, a ‘statement of comprehensive income’ is renamed as a ‘statement of profit or loss and other comprehensive income’. In addition, the amendments to HKAS 1 require additional disclosures to be made in the other comprehensive income section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis. The Group has applied the new terminology to rename ‘statement of comprehensive income’ as ‘statement of profit or loss and other comprehensive income’ and made additional disclosures in the other comprehensive income section such that items of other comprehensive income may be reclassified subsequently to profit or loss is disclosed.

香港財務報告準則(經修訂) – 二零零九年至二零一一年週期之年度改進

香港會計準則第1號已作修訂，以澄清只有當追溯應用會計政策、追溯重列或重新分類對期初狀況中呈列之資料產生重大影響時，才需要呈列期初資產負債表。此外，毋須在相關附註中載列此期初資產負債表所附帶之比較資料。此與本集團現行的會計政策一致。

採納此項準則對本集團之財務報表並無重大影響。

香港會計準則第1號(修訂本)「呈列其他全面收益項目」

香港會計準則第1號(修訂本)「呈列其他全面收益項目」(「香港會計準則第1號」)為全面收益表及收益表引入新名稱。根據香港會計準則第1號(修訂本)，「全面收益表」更名為「損益及其他全面收益表」。此外，香港會計準則第1號(修訂本)要求在其他全面收益一節內披露額外資料，將其他全面收益項目分為兩類：(a)其後不會重新分類至損益的項目；及(b)其後可能會於符合特定條件時重新分類至損益的項目。其他全面收益項目的所得稅須按相同基準分配。本集團已應用該名稱，將「全面收益表」更名為「損益及其他全面收益表」，並在其他全面收益一節內作出額外披露。致使其後可重新分類至損益之其他全面收益項目得以披露。

HKFRS 10 – Consolidated Financial Statements

HKFRS 10 introduces a single control model for consolidation of all investee entities. An investor has control when it has power over the investee (whether or not that power is used in practice), exposure or rights to variable returns from the investee and the ability to use the power over the investee to affect those returns. HKFRS 10 contains extensive guidance on the assessment of control. For example, the standard introduces the concept of “de facto” control where an investor can control an investee while holding less than 50% of the investee’s voting rights in circumstances where its voting interest is of sufficiently dominant size relative to the size and dispersion of those of other individual shareholders to give it power over the investee. Potential voting rights are considered in the analysis of control only when these are substantive, i.e. the holder has the practical ability to exercise them.

The standard explicitly requires an assessment of whether an investor with decision making rights is acting as principal or agent and also whether other parties with decision making rights are acting as agents of the investor. An agent is engaged to act on behalf of and for the benefit of another party and therefore does not control the investee when it exercises its decision making authority. The accounting requirements in HKAS 27 (2008) on other consolidation related matters are carried forward unchanged. The Group has changed its accounting policy in determining whether it has control of an investee and therefore is required to consolidate that interest.

The adoption of this standard has no material impact on the Group’s financial statements.

香港財務報告準則第10號 – 綜合財務報表

香港財務報告準則第10號就綜合計算所有接受投資實體引入單一控股模式。當投資者有權控制接受投資方(不論實際上有否行使該權力)、對來自接受投資方之浮動回報享有之承擔或權利，以及能夠運用對接受投資方之權力以影響該等回報時，投資者即擁有控制權。香港財務報告準則第10號載有評估控制權之詳細指引。例如，該準則引入「實際」控制權之概念，倘相對其他個人股東之表決權益之數量及分散情況，投資者之表決權益數量足以佔優，使其獲得對接受投資方之權力，則持有接受投資方表決權少於50%之投資者仍可控制接受投資方。潛在表決權僅在實質存在(即持有人有實際能力可行使)時，在分析控制權時加以考慮。

該準則明確要求評估具有決策權之投資者是以委託人或代理人身份行事，以及具有決策權之其他各方是否以投資者之代理人身份行事。代理人獲委聘以代表另一方及為另一方之利益行事，故在其行使其決策權限時並不控制接受投資方。香港會計準則第27號(二零零八年)有關其他綜合計算相關事項之會計規定貫徹不變。本集團已更改其釐定是否控制接受投資實體之會計政策，因此須將有關權益綜合入賬。

採納此項準則對本集團之財務報表並無重大影響。

HKFRS 12 – Disclosure of Interests in Other Entities

HKFRS 12 integrates and makes consistent the disclosures requirements about interests in subsidiaries, associates and joint arrangements. It also introduces new disclosure requirements, including those related to unconsolidated structured entities. The general objective of the standard is to enable users of financial statements to evaluate the nature and risks of a reporting entity's interests in other entities and the effects of those interests on the reporting entity's financial statements.

As the new standard affects only disclosure, there is no effect on the Group's financial position and performance.

HKFRS 13 – Fair Value Measurement

HKFRS 13 provides a single source of guidance on how to measure fair value when it is required or permitted by other standards. The standard applies to both financial and non-financial items measured at fair value and introduces a fair value measurement hierarchy. The definitions of the three levels in this measurement hierarchy are generally consistent with HKFRS 7 "Financial Instruments: Disclosures". HKFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price). The standard removes the requirement to use bid and ask prices for financial assets and liabilities quoted in an active market. Rather the price within the bid-ask spread that is most representative of fair value in the circumstances should be used. It also contains extensive disclosure requirements to allow users of the financial statements to assess the methods and inputs used in measuring fair values and the effects of fair value measurements on the financial statements. HKFRS 13 is applied prospectively.

HKFRS 13 did not materially affect any fair value measurements of the Group's assets and liabilities and therefore has no effect on the Group's financial position and performance. The standard requires additional disclosures about fair value measurements.

香港財務報告準則第12號 – 披露於其他實體之權益

香港財務報告準則第12號將有關附屬公司、聯營公司及合營安排權益之披露規定整合及使之一致。其亦引入了新的披露規定，包括有關非綜合結構實體之規定。該準則之一般目標是讓財務報表使用者可評估報告實體於其他實體之權益的性質及風險，以及該等權益對報告實體財務報表之影響。

由於此項新準則僅影響披露，因此對本集團之財務狀況及表現並無影響。

香港財務報告準則第13號 – 公平值計量

香港財務報告準則第13號提供有關如何在其他準則要求或准許時計量公平值之單一指引來源。該準則適用於按公平值計量之財務項目及非財務項目，並引入公平值計量層級。此計量層級中三個層次之定義大致與香港財務報告準則第7號「財務工具：披露」一致。香港財務報告準則第13號將公平值界定為在市場參與者於計量日期進行之有序交易中出售資產所收取或轉移負債所支付之價格（即平倉價）。該準則取消以買入價及賣出價釐定於交投活躍市場掛牌之財務資產及負債之規定，而採用買賣差價中在該等情況最能代表公平值之價格。該準則亦載有廣泛之披露規定，讓財務報表使用者可評估計量公平值所採用之方法及輸入數據以及公平值計量對財務報表之影響。香港財務報告準則第13號已根據未來適用法應用。

香港財務報告準則第13號對本集團資產及負債之公平值計量並無重大影響，因此對本集團財務狀況及表現並無影響。該準則規定就公平值計量作出額外披露。

New standards, amendments to standards and interpretations

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective.

HKAS 19 (2011) Amendment	Defined Benefit Plans: Employee Contributions ⁽²⁾
HKAS 32 (Amendments)	Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities ⁽¹⁾
HKAS 36 (Amendments)	Disclosures - Recoverable Amount Disclosures for Non-Financial Assets ⁽¹⁾
HKAS 39 (Amendments)	Novation of Derivatives and Continuation of Hedge Accounting ⁽¹⁾
HKFRS 9 HKFRS 10, HKFRS 12 and HKAS 27 (Amendments)	Financial Instruments ⁽⁴⁾ Investment Entities ⁽¹⁾
HKFRS 14 HK(IFRIC) - Int 21	Regulatory Deferral Accounts ⁽³⁾ Levies ⁽¹⁾
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2010-2012 Cycle ⁽²⁾
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2011-2013 Cycle ⁽²⁾

1. Effective for annual periods beginning on or after 1 January 2014.
2. Effective for annual periods beginning on or after 1 July 2014.
3. Effective for annual periods beginning on or after 1 January 2016.
4. To be determined.

The Group did not early adopt any of these new or revised HKASs and HKFRSs, amendments and interpretation to existing HKASs and HKFRSs. Management is currently assessing the financial impact of these revisions to the Group's financial position and performance.

新訂準則、準則修訂及詮釋

本集團並無提前應用下列已頒佈但尚未生效的新訂及經修訂的香港財務報告準則。

香港會計準則第19號 (2011)(修訂本)	界定福利計劃：員工供款 ⁽²⁾
香港會計準則第32號 (修訂本)	金融資產與金融負債的抵銷 ⁽¹⁾
香港會計準則第36號 (修訂本)	非金融資產可收回金額的披露 ⁽¹⁾
香港會計準則第39號 (修訂本)	衍生工具之更替及對沖會計法之延續 ⁽¹⁾
香港財務報告準則第9號 香港財務報告準則 第10號、第12號及 香港會計準則第27號 (修訂本)	金融工具 ⁽⁴⁾ 投資實體 ⁽¹⁾
香港財務報告準則第14號 香港(國際財務報告詮釋 委員會)-詮釋第21號	監管遞延帳戶 ⁽³⁾ 徵費 ⁽¹⁾
香港財務報告準則 (修訂本)	二零一零年至二零一二年週期之 年度改進 ⁽²⁾
香港財務報告準則 (修訂本)	二零一一年至二零一三年週期之 年度改進 ⁽²⁾

1. 於二零一四年一月一日或其後開始的年度期間生效。
2. 於二零一四年七月一日或其後開始的年度期間生效。
3. 於二零一六年一月一日或其後開始的年度期間生效。
4. 有待確定。

本集團並無提早採納任何此等新訂或經修訂香港會計準則及香港財務報告準則、對現有香港會計準則及香港財務報告準則之修訂及詮釋。管理層目前正在評估該等修訂對本集團財務狀況及表現之影響。

3. TURNOVER

The principal activities of the Group are manufacture and distribution of biochemical medicines. Revenue represents the invoiced value of merchandise sold less allowances for returns, discounts, value-added tax and other sales related taxes.

3. 營業額

本集團之主要業務是製造及分銷生化藥物。收入指銷售商品的發票值，並已減去有關退貨、折扣、增值稅及其他銷售相關稅項的金額。

	2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Sales of medicine	457,746	353,247

4. SEGMENT INFORMATION

Segment information

Information reported to the Executive Directors of the Company, being the chief operating decision-makers ("CODM"), for the purpose of resource allocation and assessment of segment performance focuses on type of goods delivered.

The executive directors have identified that, the Group has only one reportable operating segment, which is the manufacture and distribution of biochemical medicines in the PRC. Since this is the only reportable operating segment of the Group, no further operating segment analysis thereof is presented.

Geographical information

In addition, the Group's revenue, expenses, results, assets and liabilities and capital expenditures are predominantly attributable to a single geographical region, which is the PRC. Therefore, no analysis by geographical regions is presented.

Information about major customers

There is no revenue from customers for the years ended 31 December 2013 and 2012 contributed over 10% of the total operating revenue of the Group.

4. 分類資料

分部資料

集團向執行董事，即主要經營決策人，就資源分配及評核分類表現而呈報之分類資料，乃按營運單位所提供的銷售作為分析基準。

執行董事已識別本集團僅有一個可呈報經營分部，而該唯一分部為於中國製造和分銷生化藥物。因此，本集團的經營活動屬於單一報告分部。

地區資料

此外，本集團的收入、開支、業績、資產及負債以及資本開支絕大部份來自單一地區，即中國。因此，並無呈報地區分析。

有關主要客戶之資料

截至二零一三年及二零一二年十二月三十一日止年度，並無來自客戶之收益佔本集團總營運收益超過10%。

5. OTHER INCOME

5. 其他收入

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Recovery of bad debts previously written off	收回已撇銷壞賬	351	221
Bank interest income	銀行利息收入	497	393
Government subsidies (Note)	政府補貼(附註)	5,760	2,014
Recognition of deferred income	確認遞延收入	1,886	104
Interest income on loans receivables	應收貸款利息收入	2,899	3,417
Yield gain on available-for-sale financial assets	可供出售財務資產回報收益	261	99
Reversal of provision of trade receivables	應收貿易賬款減值回撥	-	2,380
Reversal of provision of other receivables	其他應收款減值回撥	1,629	990
Reversal of provision of deposit and prepayment	訂金及預付款項減值回撥	989	-
Others	其他	496	306
		14,768	9,924

Note: During the year ended 31 December 2013 and 2012, the Group received subsidies from various local municipal government bodies in the PRC, which aimed at the general financing of the business and technology development of the Group.

附註：於截至二零一三年及二零一二年十二月三十一日止年度，本集團獲得中國不同地方政府機關的資助，旨在為本集團的業務及技術發展提供一般性資金。

6. OTHER GAINS

6. 其他收益

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Gain on disposal of property, plant and equipment	出售物業、廠房及設備盈利	109	53
		109	53

7. FINANCE COSTS

7. 融資成本

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Interest expenses on loans from government authority	政府機關貸款之利息費用	179	214
Interest expenses on short-term bank borrowings, unsecured	無抵押，短期銀行借貸之利息	360	82
Interest expenses on long-term bank borrowings, wholly repayable within five years, unsecured	無抵押，於五年內償還長期銀行借貸之利息	120	-
		659	296

8. PROFIT BEFORE INCOME TAX

8. 稅前溢利

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Profit before income tax for the year is arrived at after charging/(crediting):-	本年稅前溢利 已扣除/(計入) 下列各項：-		
Cost of inventories sold (excluding additional provision for, and write off of obsolete and slow-moving inventories)	已出售存貨成本(不包括增加撥備及撇銷廢棄及滯銷存貨)	77,933	58,780
Provision for obsolete and slow-moving inventories	廢棄及滯銷存貨撥備	2,699	103
Write off of obsolete and slow-moving inventories	撇銷廢棄及滯銷存貨	-	7,376
Impairment loss on loans receivables	應收貸款之減值虧損	2,513	304
Impairment loss on trade receivables	應收貿易賬款之減值虧損	678	-
Impairment loss on deposit and prepayment	訂金及預付款項之減值虧損	-	320
Impairment loss on property, plant and equipment	物業、廠房及設備減值虧損	1,457	-
Auditor's remuneration:-	核數師酬金：-		
Provision for the year	年內撥備	268	265
Over-provision in prior years	過往年度超額撥備	-	(43)
Amortisation of intangible assets (included in cost of sales)	無形資產攤銷 (列入銷售成本)	4,626	2,859
Research and development cost	研發費用	3,685	1,070
Amortisation of prepaid land lease payments (included in cost of sales)	預付土地租金攤銷 (列入銷售成本)	453	235
Depreciation of property, plant and equipment	物業、廠房及設備折舊	8,601	6,443
Employee benefits expenses (excluding directors' and supervisors' remuneration):	員工福利費用 (不包括董事及監事酬金)：		
Salaries and allowances	薪金及津貼	122,234	90,242
Pension scheme contributions	退休金計劃供款	1,120	1,048
Gain on disposal of property, plant and equipment	出售物業、廠房及設備盈利	(109)	(53)
Write off of property, plant and equipment	撇銷物業、廠房及設備	-	892

9. INCOME TAX EXPENSE

(a) Income tax represents:

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
PRC enterprise income tax	中國企業所得稅		
– Current year	– 本年度	15,058	10,538
Deferred taxation	遞延稅項	277	(423)
		15,335	10,115

The PRC enterprise income tax is provided according to the relevant laws and regulations in the PRC.

On 16 March 2007, the National People's Congress approved the PRC Enterprise Income Tax Law, which became effective from 1 January 2008. In accordance with the new tax law, a unified enterprise income tax rate of 25% is applied to both domestic-invested enterprises and foreign-invested enterprises.

On 12 March 2012, the Company was accredited as a "National New and High-tech Enterprise" by the Jilin Provincial Science and Technology Bureau (吉林省科學技術廳) and is entitled to a reduced PRC Enterprise Income tax rate of 15% for the three consecutive years commenced since year 2012.

中國企業所得稅乃根據中國有關法律及法規撥備。

於二零零七年三月十六日，全國人大會議批准中國企業所得稅法，由二零零八年一月一日起生效。根據新稅法，所有內資及外資企業按統一稅率25%繳納企業所得稅。

本公司於二零一二年三月十二日獲吉林省科學技術廳譽為國家高新企業。本公司於二零一二年起計連續三年可按減免中國企業所得稅率至15%繳納稅項。

(b) Reconciliation between tax expense and accounting profit at applicable tax rate:

(b) 稅項支出與會計溢利按適用稅率對賬如下：

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Profit before income tax	稅前溢利	94,609	68,869
National tax calculated at PRC enterprise income tax rate of 15% (2012: 15%)	按中國企業所得稅率15% (二零一二年：15%) 計算的國稅	14,191	10,330
Tax effect of non-deductible expenses	不可扣稅開支的稅務影響	867	208
Deferred tax on temporary differences in prior year	過往年度暫時差額之遞延稅項	277	(423)
Income tax expense	所得稅支出	15,335	10,115

10. EARNINGS PER SHARE

The calculation of basic earnings per share for the year ended 31 December 2013 is based on the profit attributable to owners of the Group for the year of RMB79,274,000 (2012: RMB58,754,000) and 560,250,000 shares in issue during the year (2012: 560,250,000 shares).

Diluted earnings per share is not presented as there were no dilutive potential ordinary shares in existence during the years ended 31 December 2013 and 2012.

11. TRADE RECEIVABLES

Trade receivables	應收貿易賬款
Less: Provision for impairment	減：減值撥備

Trade receivables – net	應收貿易賬款 —淨額
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- (i) The Group's policy is to allow an average credit period of 180 days to its trade customers.
- (ii) The movements in the provision for impairment for doubtful debts during the year, including both specific and collective loss components, are as follows:

At 1 January	於一月一日
Additional provision	增加撥備
Reversal	回撥
At 31 December	於十二月三十一日

Provision for doubtful debts had been made for the estimated irrecoverable amounts arising from the sale of goods. The provision was determined by the directors with reference to past default experience.

10. 每股盈利

截至二零一三年十二月三十一日止年度，每股基本盈利乃根據年內本集團擁有人應佔溢利人民幣79,274,000元(二零一二年：人民幣58,754,000元)及年內已發行股份560,250,000股(二零一二年：560,250,000股)計算。

由於截至二零一三年及二零一二年十二月三十一日止兩個年度並無潛在攤薄普通股，故並無呈列每股攤薄盈利。

11. 應收貿易賬款

The Group 本集團	
2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元

129,834	114,181
(8,650)	(7,972)

121,184	106,209
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- (i) 本集團政策為給予貿易客戶平均180日之信貸期。
- (ii) 年內呆賬減值撥備的變動(包括特定及集體虧損部分)如下：

The Group 本集團	
2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元

7,972	10,352
678	-
-	(2,380)

8,650	7,972
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呆賬撥備乃就出售貨物之估計不可收回金額作出。董事已參考過往拖欠經驗釐定有關撥備金額。

- (iii) The ageing analysis of trade receivables, based on the invoice date and net of provision for impairment of trade receivables, is as follows:

		The Group 本集團	
		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Current	即期	38,299	34,303
31-90 days	31-90日	39,767	24,978
91-180 days	91-180日	22,023	20,640
More than 180 days	超過180日	21,095	26,288
		121,184	106,209

- (iii) 根據發票日期及扣除應收貿易賬款減值撥備，應收貿易賬款的賬齡分析如下：

- (iv) The ageing analysis of trade receivables that are neither individually nor collectively considered to be impaired is as follows:

		The Group 本集團	
		2013	2012
		二零一三年	二零一二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Neither past due nor impaired	並無逾期或減值	100,089	79,921
Less than 1 month past due	逾期少於一個月	5,233	5,666
1 to 3 months past due	逾期一至三個月	4,706	6,940
Over 3 months past due	逾期超過三個月	4,430	6,142
		114,458	98,669

- (iv) 並無個別或集體視作減值的應收貿易賬款賬齡分析如下：

Trade receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

概無逾期或減值的應收貿易賬款與眾多並無近期欠款記錄之客戶有關。

Trade receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

逾期但無減值的應收貿易賬款與多名獨立客戶有關，該等客戶對本集團的信貸記錄良好。根據過往經驗，管理層認為，該等結餘毋須減值，原因為信貸質素並無重大變動，且結餘仍被視作可全數收回。本集團並無就該等結餘持有抵押品。

- (v) The Directors consider the carrying amount of trade receivables approximates their fair value.

- (v) 董事認為，應收貿易賬款之賬面值與其公平值相若。

12. TRADE PAYABLES

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

		The Group and the Company 本集團及本公司	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Current	即期	3,015	2,971
31-90 days	31-90日	1,797	679
Over 90 days	超過90日	6,018	4,303
		10,830	7,953

The average credit period from the Group's and the Company's trade creditors is 90 to 180 days.

Trade payables principally comprise amounts outstanding for trade purchases. The directors consider the carrying amount of trade payables approximates their fair value.

13. DIVIDENDS

No final dividend has been proposed or paid by the Company in respect of the year ended 31 December 2013 (2012: Nil).

Special dividend: Nil (2012:
HK\$0.0138 per ordinary share)

特別股息：無(二零一二年：
每股普通股1.38港仙)

		-	7,003
		-	7,003

On 14 August 2012, the Board declared the payment of a special dividend equivalent to approximately RMB1.25 cents per ordinary share totalling approximately RMB7,003,000. The declared special dividend is calculated based on the total number of shares in issue as at 17 October 2012. The payment of the declared special dividend was approved by the shareholders at the Company's Extraordinary General Meeting.

The aggregate amounts of the dividends declared during 2012 have been disclosed in the consolidated statement of profit or loss and other comprehensive income in accordance with the Hong Kong Companies Ordinance.

12. 應付貿易賬款

以下為基於發票日期的應付貿易賬款的賬齡分析：

		The Group and the Company 本集團及本公司	
		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Current	即期	3,015	2,971
31-90 days	31-90日	1,797	679
Over 90 days	超過90日	6,018	4,303
		10,830	7,953

本集團及本公司貿易債權人之平均信貸期為90日至180日。

應付貿易賬款主要包括未償還購貨金額。董事認為應付貿易賬款之賬面值與其公平值相若。

13. 股息

本公司並不建議或派付截至二零一三年十二月三十一日止年度之任何末期股息(二零一二年：無)。

		2013 二零一三年 RMB'000 人民幣千元	2012 二零一二年 RMB'000 人民幣千元
Special dividend: Nil (2012: HK\$0.0138 per ordinary share)	特別股息：無(二零一二年： 每股普通股1.38港仙)	-	7,003
		-	7,003

於二零一二年八月十四日，董事會宣佈派付特別股息相等於約每股普通股人民幣1.25分，共計約人民幣7,003,000元。宣派特別股息乃按照於二零一二年十月十七日已發行股份總數計算。派付特別股息之建議已於本公司股東特別大會上經股東批准。

二零一二年宣派的股息總數已根據香港公司條例於綜合損益及其他全面收益表中披露。

MANAGEMENT DISCUSSION AND ANALYSIS BUSINESS REVIEW

For the year ended 31 December 2013, the Group's turnover increased to RMB457,746,000 from approximately RMB353,247,000 while the profit for the year attributable to owners of the Company increased to RMB79,274,000 from RMB58,754,000. For the year ended 31 December 2013, basic earnings per share increased to RMB14.15 cents from RMB10.49 cents last year.

For the year ended 31 December 2013, the manufacturing and sales of Hai Kun Shen Xi capsule (海昆腎喜膠囊) continued to be the Group's core source of revenue. The medicine of Hai Kun Shen Xi capsule has penetrated into the market, the sales of which rose by 33% as compared with 2012. The sales of Compound Huonaoshu capsule (復方活腦舒膠囊) reached RMB59,582,000 for the year ended 31 December 2013, which became the second best seller of the Group in 2013. Other products such as Edaravone injection (依達拉奉注射液), Xue Shuan Xin Mai Ning capsule (血栓心脈寧膠囊), Dong Gui Long Hui tablet (當歸龍薈丸), Qian Lie Gui Huang tablet (前列桂黃片) also contributed sales amount of RMB52,225,000 in 2013, details of which were further elaborated under the Section "Financial Review".

OPERATION REVIEW

Good Manufacturing Practice (GMP)

During the year ended 31 December 2013, the Company has already obtained GMP certificates for the following:

1. Tablets (片劑) – valid until 8 August 2015
2. Capsules (硬膠囊劑) – valid until 8 August 2015
3. Sterile Bulk (Cefalotin sodium, Cefpiramide) (無菌原料藥(頭孢噻吩鈉、頭孢匹胺)) – valid until 8 August 2015
4. Pills (Water Pills), Membrane (丸劑(水丸)、膜劑) – valid until 8 August 2015
5. Powder for injection (Cephalosporins) (頭孢菌素類粉針劑) – valid until 29 December 2018
6. Lyophilized powder for injection (凍乾粉針劑) – valid until 29 December 2018
7. Small volume Parenteral Solution (小容量注射劑) – valid until 29 December 2018
8. Sterile Bulk (Yan Suan Tou Bao Jia Tong) (無菌原料藥(鹽酸頭孢甲肟), Bulk (Edaravone) (原料藥)(依達拉奉) – valid until 17 October 2018
9. Bulk drug (Fucoidan, Extractum for fructus gardeniae) 原料藥(褐藻多糖酸酯、梔子提取物) – valid unit 31 December 2015

管理層討論及分析 業務回顧

截至二零一三年十二月三十一日止年度，本集團營業額由約人民幣353,247,000元增加至人民幣457,746,000元。本年度本公司股權持有人應佔溢利由人民幣58,754,000元增加至人民幣79,274,000元。截至二零一三年十二月三十一日止年度，每股基本盈利由去年之人民幣10.49分上漲至人民幣14.15分。

截至二零一三年十二月三十一日止年度，「海昆腎喜膠囊」的生產及銷售繼續為本集團的核心收入來源。海昆腎喜膠囊已滲入市場，銷售額較二零一二年增加33%。截至二零一三年十二月三十一日止年度，「復方活腦舒膠囊」的銷售達到人民幣59,582,000元，成為本集團二零一三年度第二大暢銷產品。其他產品如「依達拉奉注射液」、「血栓心脈寧膠囊」、「當歸龍薈丸」及「前列桂黃片」於二零一三年貢獻逾人民幣52,225,000元之銷售營業額，詳情於「財務回顧」一節中闡述。

營運回顧

「優良製造標準」認證(GMP)

截至二零一三年十二月三十一日止年度，本公司已於下列劑型獲得GMP認證：

1. 片劑—有效至二零一五年八月八日
2. 硬膠囊劑—有效至二零一五年八月八日
3. 無菌原料藥(頭孢噻吩鈉、頭孢匹胺)—有效至二零一五年八月八日
4. 丸劑(水丸)、膜劑—有效至二零一五年八月八日
5. 頭孢菌素類粉針劑—有效至二零一八年十二月二十九日
6. 凍乾粉針劑—有效至二零一八年十二月二十九日
7. 小容量注射劑—有效至二零一八年十二月二十九日
8. 無菌原料藥(鹽酸頭孢甲肟)，原料藥(依達拉奉)—有效至二零一八年十月十七日
9. 原料藥(褐藻多糖酸酯、梔子提取物)—有效至二零一五年十二月三十一日

RESEARCH AND DEVELOPMENT

The Research and Development (R&D) department is essential for the future success of a pharmaceutical company. In the past, our R&D department had successfully developed the medicine, Compound Huonaoshu capsule, which had generated huge profit to the Company and finally led to the listing of the Company in Hong Kong. In the year of 2003, our R&D department completed the development of Hai Kun Shen Xi capsule, which has now become the first largest contributor of revenue and its revenue jumped by 33% as compared with last year.

PRODUCTION FACILITIES

During the year, the addition of the construction in progress included acquisition of a plot of land of approximately 50,000 sq.m., which will be the third phase of our new production line developments, while the lands acquired in the year 2012 represented the first and second development phase.

The first and second development phase represented an area of approximately 12,000 sq.m., which houses six production lines and two workshops for producing five medicaments under two Good Manufacturing Practice Certificates; and an area of approximately 20,000 sq.m., which houses six production lines and three workshops for producing six medicaments under two Good Manufacturing Practice Certificates, respectively. The first development phase has been completed and in use since 2012, while the second phase has been completed during the year and have commenced operation in February 2014. The third phase is currently under construction. We believe the developments will further enhance our group production capacity.

FINANCIAL REVIEW

For the year ended 31 December 2013, the Group's recorded a revenue amounted to approximately RMB457,746,000 (2012: RMB353,247,000), a growth of approximately 30% as compared with the figure of the previous year. The audited profit for the year attributable to owners of the Company was approximately RMB79,274,000, representing an increase of 35% as compared with RMB58,754,000 of the previous year. The basic earnings per share amounted to RMB14.15 cents (2012: RMB10.49 cents), representing an increase of RMB3.66 cents over the previous year.

The obvious growth in turnover was mainly attributable to the increase in the revenue from our core revenue generator, namely Hai Kun Shen Xi capsule (海昆腎喜膠囊). The medicine of Hai Kun Shen Xi capsule had penetrated into the market, with the sales of which in 2013 rising by 33% as compared with 2012.

研究及開發

製藥公司之研發部對公司日後成功與否起重要之作用。以往，我們的研發部成功開發復方活腦舒膠囊，為本公司帶來龐大溢利，並最後促使本公司於香港上市。於二零零三年，我們的研發部完成開發海昆腎喜膠囊，現已成為我們第一大收入來源，來自該藥品的收入比上年增加33%。

生產設施

於本年度內新增的在建工程中包括新購置土地約5萬平方米，為本集團進行第三期生產線的發展；而於2012年新購置土地則為本集團第一期和第二期生產線的發展。

第一期和第二期生產線的發展分別為約1.2萬平方米的廠房，配置六條生產線和兩個車間，已獲得兩個GMP認證並可生產五個劑型；及約2萬平方米的廠房配置六條生產線和三個車間，已獲得兩個GMP認證並可生產六個劑型。第一期已完成並於二零一二年內投入生產，而第二期則於本年度內完成並於二零一四年二月開始運作，而第三期仍在建造中。我們相信本集團的生產能力將進一步提升。

財務回顧

截至二零一三年十二月三十一日止年度，本集團錄得收入較去年增長約30%，至約人民幣457,746,000元(二零一二年：人民幣353,247,000元)。本年度本公司股權持有人應佔經審核溢利較去年人民幣58,754,000元增長35%，達到約人民幣79,274,000元。每股基本盈利較去年增長人民幣3.66分至人民幣14.15分(二零一二年：人民幣10.49分)。

營業額大幅增加主要由於本集團核心收入來源的收入增加，即海昆腎喜膠囊。海昆腎喜膠囊已滲入市場，於二零一三年銷售額較二零一二年增加33%。

For the year ended 31 December 2013, the sales of Compound Huonaoshu capsule amounted to approximately RMB59,582,000.

The Board of Directors is pleased with the financial performance in 2013. It is believed that the remarkable growth in profitability is attributed to the following reasons.

Firstly, with its explicit therapeutic effects as well as pragmatic and innovative academic promotion, our dominant products, namely Hai Kun Shen Xi capsule (海昆腎喜膠囊), has become increasingly notable among similar products in the PRC in terms of its competitive strength and its market kept expanding. This together with the fact that our production line for injecting drugs has obtained the Good Manufacturing Practice Certificate, has the bolstered growth and development of enterprises.

Secondly, we made eminent progress in terms of strengthening the market control, unifying the price products supplied, regulating sales practices, insisting on the principles of mainly focusing on the clinical market of hospitals and extending its investment in the market development of hospitals and clinics and in academic promotion.

Thirdly, in addition to proactively organise and participate in annual activities held under the Academic Institute of Nephrology (腎病學術年會) at the state level, we also took part in the annual activities held under the Academic Institute of Nephrology (腎病學術年會) and seminars on pharmaceutical products at prefecture-level, as the participants of the activities held by Academic Institute of Nephrology at prefecture-level are the physicians from provincial, municipal and county. We were well-positioned to further expand grassroots medical market and reward patients' feedback.

Fourthly, we continued to recruit temporary sales staff. We have nurtured the sense of taking consideration of the whole environment and the sense of responsibilities of every sales in charge of regional market and sales manager at provincial level. Meanwhile, we have also focused our work for preparing our products to be listed in local medical insurance of products, supplemental catalogue of new rural cooperative medical system as well as for the product tender and filing the price of products. Through our concerted effort, we will shorten the time for development of our sales market and hence making our market coverage wider.

The gross profit margin for the year ended 31 December 2013 was approximately 81.5%, representing a 0.5% decrease as compared with that of 82% for the year ended 31 December 2012.

For the year ended 31 December 2013, the Group recorded other income and gains of approximately RMB14,877,000, contrasting to a figure of RMB9,977,000 for the year ended 31 December 2012.

復方活腦舒膠囊於截至二零一三年十二月三十一日止年度的銷售額約為人民幣59,582,000元。

董事會對二零一三年的財務業績表示滿意，董事會相信盈利能力的顯著增長乃歸功於以下原因。

首先，主導品種「海昆腎喜膠囊」因產品療效確切和學術推廣工作務實創新，在國內同類產品中競爭優勢日益突出，市場開發面不斷擴展。針劑生產線通過新版GMP認證，都拉動企業持續發展。

二是進一步加強市場管控，統一供貨價格，規範銷售行為，堅持以醫院臨床市場為主體的原則，加大醫院市場開發力度及學術推廣投入，效果顯著。

三是積極組織和參與國家級腎病學術年會活動同時，重點抓好區域的省地級腎病學術年會活動和用藥科室的產品學術講座活動，省、地級腎病學術年會面對的都是省、市、縣的臨床醫生，能夠有的放矢，更好地拓展基層醫療市場，回饋患者的評價。

四是繼續執行臨時銷售人員的招聘計劃。各區域市場負責人和省級銷售經理亦加強大局意識，增強責任心，重點抓好產品進入地方醫保、新農合補充目錄、產品招投標和物價備案等基礎工作，從上而下團結一致，促使開發銷售市場的時間加快，版圖更遼闊。

截至二零一三年十二月三十一日止年度，邊際毛利約為81.5%，較截至二零一二年十二月三十一日止年度之82%減少0.5%。

截至二零一三年十二月三十一日止年度，本集團錄得其他收入及收益約人民幣14,877,000元，而截至二零一二年十二月三十一日止年度則約為人民幣9,977,000元。

Distribution and selling costs rose to approximately RMB255,319,000 for the year ended 31 December 2013 from approximately RMB203,658,000 in last year. These expenses accounted for 56% of turnover in 2013, which represented a 2% decrease from 58% as compared with the corresponding period of last year. The increase in distribution and selling costs of approximately RMB51,661,000 was mainly due to the growth in staff remuneration as a result of the recruitment of temporary sales persons.

For the year ended 31 December 2013, administrative expenses increased to approximately RMB37,347,000 from approximately RMB26,808,000 last year.

LIQUIDITY AND FINANCIAL RESOURCES

The Group has maintained a sound financial position during this year. As at 31 December 2013, cash and bank balances of the Group amounted to RMB70,359,000 (2012: RMB89,374,000) with total borrowings of RMB8,830,000 (2012: RMB11,450,000) which were interest bearing at commercial rates and unsecured. As at 31 December 2013, the Group had total assets of RMB650,123,000 (2012: RMB536,052,000) which were financed by current liabilities of RMB151,461,000 (2012: RMB121,886,000), long term borrowings of RMB8,148,000 (2012: RMB4,784,000), deferred tax liabilities of RMB338,000 (2012: RMB61,000) and shareholders' equity of RMB473,532,000 (2012: RMB394,258,000).

GEARING RATIO

As at 31 December 2013, the Group had a net cash and cash equivalents of RMB70,359,000. As at 31 December 2012, the ratio of the total liabilities to the total assets of the Group was 27% (2012: 26%) which was calculated by dividing the Group's total liabilities of RMB176,591,000 (2012: RMB141,794,000) by the Group's total equity and liabilities of RMB650,123,000 (2012: RMB536,052,000). The Group's gearing ratio which derived from the total borrowings to total net assets was 1.9% (2012: 2.9%).

截至二零一三年十二月三十一日止年度，分銷及銷售開支由去年約人民幣203,658,000元增加至約人民幣255,319,000元。於二零一三年，該等開支佔營業額的百分比為56%，較去年同期之58%減少2%。分銷及銷售開支增加達約人民幣51,661,000元，主要由於錄用臨時銷售人員導致員工薪酬增加。

截至二零一三年十二月三十一日止年度，行政開支由去年約人民幣26,808,000元增加至約人民幣37,347,000元。

流動資金及財政來源

本集團於本年度維持穩健的財政狀況。於二零一三年十二月三十一日，本集團的現金及銀行結餘合共為人民幣70,359,000元（二零一二年：人民幣89,374,000元），總貸款為人民幣8,830,000元（二零一二年：人民幣11,450,000元）。該等貸款以商業利率計息，並無抵押。於二零一三年十二月三十一日，本集團的資產總值為人民幣650,123,000元（二零一二年：人民幣536,052,000元），資金來源為流動負債人民幣151,461,000元（二零一二年：人民幣121,886,000元）、長期貸款人民幣8,148,000元（二零一二年：人民幣4,784,000元）、遞延稅項負債人民幣338,000元（二零一二年：人民幣61,000元）及股東權益人民幣473,532,000元（二零一二年：人民幣394,258,000元）。

負債比率

於二零一三年十二月三十一日，本集團擁有現金及現金等值物人民幣70,359,000元。於二零一三年十二月三十一日，本集團負債總額相對於資產總值之比率為27%（二零一二年：26%），該負債比率按本集團總負債人民幣176,591,000元（二零一二年：人民幣141,794,000元）除本集團總權益與總負債人民幣650,123,000元（二零一二年：人民幣536,052,000元）計算得出。本集團的資產負債比率（以借款總額相對於資產總淨值之比率計算）為1.9%（二零一二年：2.9%）。

EMPLOYEES

The Group has a total of 559 full-time employees and has employed some temporary sales persons. For the year ended 31 December 2013, the total remuneration of employees, including directors' remuneration amounting to approximately RMB126,138,000 (2012: approximately RMB91,689,000).

Remuneration is determined by reference to market conditions and the performance, qualifications and experience of individual employee. Discretionary bonuses based on individual performance will be paid to employees as recognition of and reward for their contribution. Other benefits include contributions to retirement scheme and medical scheme.

SEGMENTAL INFORMATION

The Group has only one business segment which is the manufacture and distribution of biochemical medicines in the PRC. In 2013, turnover of the Group was generated entirely from sales in the PRC and all identifiable assets of the Group are located in the PRC. Accordingly, no business or geographical segmental analysis is prepared for the year.

CAPITAL STRUCTURE

The operations of the Group were financed mainly by shareholders' equity. The Group will continue to adopt its treasury policy of placing the Group's cash and cash equivalents in interest bearing deposits, and to fund operations with internal resources.

CHARGE OF ASSET

As at 31 December 2013 and 2012, the Group had no security over its assets.

FOREIGN EXCHANGE RISK

For the years ended 31 December 2013 and 2012, the Group mainly generated revenue and incurred costs in Renminbi. The directors consider the impact on foreign exchange exposure of the Group is minimal. Accordingly the Group did not employ any financial instruments for hedging purposes.

CONTINGENT LIABILITIES

As at 31 December 2013 and 2012, the Group had no material contingent liabilities.

PURCHASE, SALES OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

僱員

本集團共僱用正式員工559人，並聘用若干臨時銷售人員。截至二零一三年十二月三十一日止年度僱員薪金總額(包括董事酬金)約人民幣126,138,000元(二零一二年：約人民幣91,689,000元)。

薪酬乃參照市場條件以及個別僱員的表現、資歷及經驗而釐定。酌情花紅乃按個別僱員的表現支付予僱員，作為對他們的貢獻之認同及獎勵。其他福利包括退休計劃供款及醫療計劃。

分類資料

本集團只有一個業務分類，即於中國製造和分銷生化藥物。於二零一三年，本集團營業額全部來自中國之銷售，且本集團所有可識別資產均位於中國。因此，本年度並無編製業務或地區分類分析。

股本結構

本集團之營運主要由股權支付。本集團將繼續採納其財務政策，將本集團之現金及現金等值物存放於計息存款並以內部資源支付其營運所需資金。

資產抵押

於二零一三年及二零一二年十二月三十一日，本集團的資產並無抵押。

外匯風險

截至二零一三年及二零一二年十二月三十一日止年度，本集團之主要收益及成本乃以人民幣計算。董事認為，外匯風險對本集團之影響甚微。因此，本集團並無運用任何財務工具作對沖用途。

或然負債

於二零一三年及二零一二年十二月三十一日，本集團並無任何重大或然負債。

購買、出售或贖回上市證券

年內，本公司或其附屬公司概無購買、出售或贖回本公司任何上市證券。

DIRECTORS' AND SUPERVISORS' INTERESTS IN SHARES

At 31 December 2013, the interests and short positions of the Directors, supervisors and chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the minimum standards of dealing by directors as referred to in Rule 5.46 to 5.67 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (the "GEM Listing Rules") were as follows:

Long positions in shares

Director 董事	Type of Interests 權益類別	Capacity 身份	Number of Domestic Shares 內資股數目	Percentage of Domestic Shares 佔內資股百分比	Percentage of total registered Share Capital 佔總註冊股本的百分比
Zhang Hong 張弘	Personal 個人	Beneficial owner 實益擁有人	101,937,000	26.29	18.19
Zhang Xiao Guang 張曉光	Personal 個人	Beneficial owner 實益擁有人	42,315,000	10.91	7.55
Wu Guo Wen 吳國文	Personal 個人	Beneficial owner 實益擁有人	900,000	0.232	0.161
Chen Qi Ming 陳啟明	Personal 個人	Beneficial owner 實益擁有人	300,000	0.077	0.054
Shen Yu Xiang 沈玉祥	Personal 個人	Beneficial owner 實益擁有人	150,000	0.039	0.027

Save as disclosed above, as at 31 December 2013, none of the Directors, supervisors and chief executives of the Company has any interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the minimum standards of dealing by directors as referred to in Rule 5.46 to 5.67 of the GEM Listing Rules.

董事及監事於股份的權益

於二零一三年十二月三十一日，本公司董事、監事及主要行政人員於本公司及其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份及債券中擁有根據證券及期貨條例第352條，須列入該條所述登記冊的權益及淡倉，或根據聯交所創業板證券上市規則(「創業板上市規則」)第5.46條至5.67條所指董事買賣最低標準而須知會本公司及聯交所的權益及淡倉如下：

於股份的長倉

除上文所披露者外，於二零一三年十二月三十一日，本公司董事、監事及主要行政人員概無於本公司及其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券中擁有根據證券及期貨條例第352條，須列入該條所述登記冊的權益及淡倉，或根據創業板上市規則第5.46條至5.67條所指董事買賣最低標準而須知會本公司及聯交所的權益及淡倉。

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Saved as disclosed under the headings "Directors' and supervisors' interests in shares" above, at no time during the year were there any rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any director, supervisor and chief executive or their respective spouses or children under 18 years of age, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries a party to any arrangement to enable the directors, supervisors and chief executives to acquire such rights in any other body corporate.

董事購入股份的權利

除上文「董事及監事於股份的權益」一段所披露者外，各董事、監事及主要行政人員或彼等各自的配偶或十八歲以下子女概無獲授或行使任何透過購入本公司股份或債券而獲取利益之權利；而本公司、其控股公司或其任何附屬公司亦無訂立任何安排，讓董事、監事及主要行政人員可於任何其他法團購入該等權利。

INTERESTS DISCLOSEABLE UNDER THE SFO AND SUBSTANTIAL SHAREHOLDERS

As at 31 December 2013, the following persons (other than the Directors, supervisors and chief executives of the Company) had interests and short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.

根據證券及期貨條例須予披露的權益及主要股東

於二零一三年十二月三十一日，按照本公司根據證券及期貨條例第336條置存的股東名冊顯示，以下人士(本公司董事、監事及主要行政人員除外)於本公司股份及相關股份中持有權益及淡倉。

Long positions in Domestic shares

於內資股的長倉

Name of shareholder	Capacity/ Nature of Interest	Number of Domestic Shares	Percentage of Domestic Shares	Percentage of total registered Share Capital 佔總註冊股本 的百分比
股東名稱	身份／權益性質	內資股數目	佔內資股百分比	
Huinan County SAB (Note) 輝南縣財源投資有限責任公司(附註)	Beneficial owner 實益擁有人	81,975,000	21.14	14.63

Note: Apart from the equity interest in the Company, Huinan County SAB does not have any direct or indirect interest in the Company, including representatives in the Board of Directors.

附註：除卻佔本公司的股本權益外，輝南縣財源投資有限責任公司並無擁有本公司的任何直接或間接權益，包括在董事會內的代表。

Long positions in H shares

於H股的長倉

Name of shareholder	Capacity	Number of H Shares	Percentage of H Shares	Percentage of total registered Share Capital 佔總註冊股本 的百分比
股東名稱	身份	H股數目	佔H股百分比	
Chen Jingwei 陳京偉	Beneficial owner 實益擁有人	29,520,000	17.11	5.269
Shen Qianzhen 沈茜珍	Beneficial owner 實益擁有人	13,996,000	8.11	2.498

COMPETING INTEREST

None of the Directors, the management shareholders, the significant shareholders or the substantial shareholders (as defined in the GEM Listing Rules) of the Company had any interest in a business, which competes or may compete with the business of the Group.

PRE-EMPTIVE RIGHT

There are no provisions for pre-emptive rights under the article of association of the Company or the laws of the PRC, being the jurisdiction in which the Company was established, which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

CONNECTED TRANSACTIONS

During the year, the Group had no material related party transactions, which constituted connected transactions under the GEM Listing Rules.

COMPLIANCE WITH CORPORATE GOVERNANCE PRACTICES

The Company is committed to achieve high standards of corporate governance to safeguard the interest of its shareholders and enhance its corporate value. Throughout the year ended 31 December 2013 and up to the date of this annual report, the Company has complied with the Corporate Governance Code as set out in Appendix 15 of the GEM Listing Rules, subject to the deviations disclosed hereof.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Under the code provision A.2.1, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Zhang Hong assumes the role of both the chairman and the chief executive officer of the Company. The Board is of the view that this has not compromised accountability and independent decision making for the following reasons:

- the Audit Committee composes exclusively of Independent Non-executive Directors;
- the Independent Directors have free and direct access to the Company's external auditors and independent professional advice when considered necessary.

Mr. Zhang Hong, the chairman, is a substantial shareholder of the Company and has considerable industry experience. He is motivated to contribute to the growth and profitability of the Group. The Board is of the view that it is in the best interests of the Group to have an executive chairman so that the Board can have the benefit of a chairman who is knowledgeable about the business of the Group and is most capable to guide discussions and brief the Board in a timely manner on pertinent issues and developments to facilitate open dialogue between the Board and the management.

競爭權益

本公司各董事、管理層股東、高持股量股東或主要股東(定義見創業板上市規則)概無於對本集團業務構成或可能構成競爭的任何業務中擁有任何權益。

優先購股權

本公司之公司章程或中國法律(即本公司註冊成立之司法權區)並無有關優先購股權之規定,並無要求本公司須按比例向現有股東發售新股。

關連交易

於本年度內,本集團並無根據創業板上市規則構成關連交易之重大關連人士交易。

遵守企業管治常規

本公司致力於達致高標準的企業管治,以保障其股東權益及提升其企業價值。截至二零一三年十二月三十一日止整個年度及直至本年報刊發日期,本公司已遵守創業板上市規則附錄15所載企業管治守則所載的守則條文,惟以下披露之偏離者除外。

主席及行政總裁

根據守則條文A.2.1條規定,主席及行政總裁的角色應各自獨立,不應由同一人士所擔任。張弘先生現同時擔任本公司之主席及行政總裁。董事認為,此情況並未影響其問責及作出獨立決定,原因如下:

- 審核委員會僅由獨立非執行董事組成;
- 獨立董事可於認為有需要時隨時和直接尋求本公司外聘核數師意見及獨立專業意見。

主席張弘先生現為本公司主要股東且具備資深行業經驗。彼受推動為本集團之增長及盈利能力作出貢獻。董事會認為,擁有一位執行主席乃符合本集團之最佳利益,因為藉此董事會可受惠於獲得一位對本集團業務具深厚認識,並有能力於有關事宜及發展適時引導董事會作出討論和向董事會進行簡報,藉以促進董事會與管理層之間的公開交流。

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less than the required standard of dealings as set out in rules 5.48 to 5.67 of the GEM Listing Rules. The Company has also made specific enquiry of all Directors and the Company was not aware of any non-compliance with the required standard of dealings and its code of conduct regarding securities transactions by Directors throughout the year ended 31 December 2013.

BOARD OF DIRECTORS

The Directors of the Company during the year and up to the date of this announcement were:

Executive Directors

Mr. Zhang Hong (*Chairman*)
Mr. Zhang Xiao Guang
Mr. Tian Xin Guo
Mr. Chen Qi Ming
Mr. Wu Guo Wen
Mr. Zhao Bao Gang

Independent Non-Executive Directors

Mr. Shen Yu Xiang
Mr. Xue Chang Qing
Mr. Yan Li Jin

As at the date of this announcement, the Board comprised nine Directors, six of whom are Executive Directors, three of whom are INEDs of the Company.

AUDIT COMMITTEE

The Audit Committee was established in 2001 and currently comprises three members, Mr. Shen Yu Xiang, Mr. Xue Chang Qing and Mr. Yan Li Jin. All of them are INEDs. The chairman of the Audit Committee is Mr. Shen Yu Xiang. The Board considers that each Audit Committee has broad commercial experience and there is a suitable mix of expertise in business, legal, accounting and financial management in the Audit Committee.

董事進行證券交易的標準守則

本公司已就董事進行證券交易採納操守準則，條款不寬於創業板上市規則第5.48至5.67條所載董事進行證券交易的標準守則。本公司經向全體董事作出特定查詢後，於截至二零一三年十二月三十一日止年度全年，本公司並不知悉任何不遵守證券交易規定準則和有關董事進行證券交易操守準則之情況。

董事會

年內及截至本公佈日期，本公司董事有：

執行董事

張弘先生(主席)
張曉光先生
田新國先生
陳啟明先生
吳國文先生
趙寶剛先生

獨立非執行董事

沈玉祥先生
薛長清先生
鄒禮金先生

於本公佈日期，董事會由九名董事組成，其中六名為本公司之執行董事，三名為本公司之獨立非執行董事。

審核委員會

審核委員會成立於二零零一年，目前由沈玉祥先生、薛長清先生及鄒禮金先生三名成員組成。彼等均為獨立非執行董事。審核委員會主席為沈玉祥先生。董事會認為各審核委員會成員均具有廣泛的商業經驗，審核委員會內適當地融合了商業、法律、會計及財務管理等方面的專業知識。

None of the members of the Audit Committee has any personal financial interests, conflicts of interests arising from cross-directorships or day-to-day involvement in the running of the business. The Audit Committee oversees the financial reporting process and the adequacy and effectiveness of the Company's system of internal control. During the year, the Audit Committee carried out their own independent review of the interim and annual financial statements and financial reports and statements included in circulars of the Company published during the year. And with the assistance of the internal audit department, which reports directly to the committee, the Audit Committee completed its review of the adequacy and effectiveness of the Company's systems of internal control and reported its findings and recommendations to the Board.

AUDITORS

A resolution will be submitted to Annual General Meeting of the company to re-appoint the auditors, Reanda Lau & Au Yeung (HK) CPA Limited.

By order of the Board of
**Jilin Province Huinan Changlong Bio-pharmacy Company
Limited**
Zhang Hong
Chairman

Jilin Province, the PRC
27 March 2014

As at the date of this announcement, the Board comprises six executive directors, being Zhang Hong, Zhang Xiao Guang, Tian Xin Guo, Wu Guo Wen, Chen Qi Ming, Zhao Bao Gang and three independent non-executive directors, being Shen Yu Xiang, Xue Chang Qing and Yan Li Jin.

This announcement will remain on the "Latest Company Announcements" page on the GEM Website at www.hkgem.com for at least 7 days from the date of its posting.

審核委員會概無成員擁有任何個人權益、自跨董事身份產生利益衝突或參與日常本公司業務經營。審核委員會監督財務報告程序及本公司內部監控系統之充足性和有效性。年內，審核委員會曾獨立審閱年內刊發載於本公司通函之中期及年度財務報表及財務報告及報表。審核委員會亦於直接向委員報告之內部審核部門協助下，完成審核本公司內部監控系統之充足性和有效性，並向董事會報告其調查結果及建議。

核數師

本公司將於週年股東大會上提呈決議案以續聘利安達劉歐陽(香港)會計師事務所有限公司為本公司核數師。

承董事會命
吉林省輝南長龍生化藥業股份有限公司
主席
張弘

中國吉林
二零一四年三月二十七日

於本公佈日期，董事會成員包括六名執行董事，即張弘、張曉光、田新國、吳國文、陳啟明、趙寶剛；以及三名獨立非執行董事，即沈玉祥、薛長清及鄒禮金組成。

本公佈將由其刊載日期起計至少七天於創業板網站 www.hkgem.com「最新公司公告」一欄刊登。