

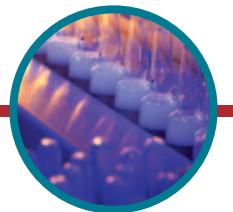
Sihuan Pharmaceutical Holdings Group Ltd.  
四環醫藥控股集團有限公司



中期報告 2012  
INTERIM REPORT 2012



(incorporated in Bermuda with limited liability)  
(於百慕達註冊成立之有限公司)  
Stock Code 股份代號：0460





## 公司簡介

### Corporate Profile

四環醫藥控股集團有限公司(「四環醫藥」)成立於二零零一年，過去取得了理想發展，鞏固在中國醫藥行業持續的領先地位，為擁有領先營銷、生產、研究與開發(「研發」)能力的製藥公司，四環醫藥自二零零七年成為中國處方藥市場最大的心腦血管製藥公司。二零一零年十月二十八日，我們在香港聯合交易所有限公司主板上市，成功募集資金將為本集團的迅速擴張注入更多活力。

二零一二年，四環醫藥已邁進第十二年。除了進一步拓展在心腦血管處方藥市場的份額之外，以收益計更位列中國第九大製藥企業。我們目前銷售產品涵蓋中國五大醫療領域：心臟血管系統、中樞神經系統、新陳代謝、腫瘤及抗感染。四環醫藥的主要藥品，例如克林澳、安捷利、川青、曲奧、GM1及歐迪美等，獲廣泛用於治療各種心腦血管疾病。

Founded in 2001, Sihuan Pharmaceutical Holdings Group Ltd. (“Sihuan Pharmaceutical”) achieved sound development in the past years and made significant progress on solidifying our position in the Chinese pharmaceutical industry as a consistent leader. Further we have strong capabilities in sales and marketing, production and research and development (“R&D”). Sihuan Pharmaceutical has been the largest cardio-cerebral vascular (“CCV”) franchise in China’s prescription since 2007. We were successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited on 28 October 2010. The success of the fund-raising has injected further vitality into our rapid expansion.

Sihuan Pharmaceutical marked our twelfth year in operation in 2012. We further expanded our market share in the CCV prescription drug market and have also grown into the ninth biggest pharmaceutical company in the country’s prescription drugs market terms of revenue by hospital purchase. We currently sell a series of products encompassing the top five medical therapeutic areas in China: cardiovascular system, anti-infective, metabolism, oncology and central nervous system (“CNS”). Our major products such as Kelinao, Anjieli, Chuanqing, Qu’Ao, GM1 and Oudimei are widely used in the treatment of various cardio-cerebral vascular diseases.



## 目錄 Contents

2	公司資料 Corporate Information
4	主席報告 Chairman's Statement
8	管理層討論及分析 Management Discussion and Analysis
30	其他資料 Other Information
40	中期綜合資產負債表 Interim Consolidated Balance Sheet
42	中期綜合全面收益表 Interim Consolidated Statement of Comprehensive Income
44	中期綜合權益變動表 Interim Consolidated Statement of Changes in Equity
46	中期簡明綜合現金流量表 Interim Condensed Consolidated Statement of Cash Flows
47	中期綜合財務資料附註 Notes to the Interim Consolidated Financial Information

# 公司資料

## Corporate Information

### 董事會

#### 執行董事

車馮升醫生 (主席及行政總裁)  
郭維城醫生 (副主席)  
孟憲慧先生

#### 非執行董事

張炯龍醫生  
孫弘先生  
黃翊先生

#### 獨立非執行董事

辛定華先生  
白慧良先生  
徐康森先生

#### 聯席公司秘書

馬秀絹小姐  
蔡耀忠先生

#### 授權代表

蔡耀忠先生  
馬秀絹小姐

#### 審核委員會

辛定華先生 (主席)  
白慧良先生  
徐康森先生  
張炯龍醫生

### BOARD OF DIRECTORS

#### EXECUTIVE DIRECTORS

Dr. Che Fengsheng (*Chairman and Chief Executive Officer*)  
Dr. Guo Weicheng (*Deputy Chairman*)  
Mr. Meng Xianhui

#### NON-EXECUTIVE DIRECTORS

Dr. Zhang Jionglong  
Mr. Homer Sun  
Mr. Eddy Huang

#### INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Patrick Sun  
Mr. Bai Huiliang  
Mr. Xu Kangsen

#### JOINT COMPANY SECRETARIES

Ms. Ma Sau Kuen Gloria  
Mr. Choi Yiau Chong

#### AUTHORISED REPRESENTATIVES

Mr. Choi Yiau Chong  
Ms. Ma Sau Kuen Gloria

#### AUDIT COMMITTEE

Mr. Patrick Sun (*Chairman*)  
Mr. Bai Huiliang  
Mr. Xu Kangsen  
Dr. Zhang Jionglong

**薪酬委員會**

白慧良先生(主席)  
車馮升醫生  
辛定華先生  
徐康森先生

**提名委員會**

徐康森先生(主席)  
郭維城醫生  
辛定華先生  
白慧良先生

**獨立核數師**

羅兵咸永道會計師事務所  
香港  
中環  
太子大廈 22 樓

**REMUNERATION COMMITTEE**

Mr. Bai Huiliang (*Chairman*)  
Dr. Che Fengsheng  
Mr. Patrick Sun  
Mr. Xu Kangsen

**NOMINATION COMMITTEE**

Mr. Xu Kangsen (*Chairman*)  
Dr. Guo Weicheng  
Mr. Patrick Sun  
Mr. Bai Huiliang

**INDEPENDENT AUDITOR**

PricewaterhouseCoopers  
22/F., Prince's Building  
Central  
Hong Kong

# 主席報告

## Chairman's Statement

四環醫藥控股集團有限公司(「四環醫藥」或「本公司」)自二零零一年成立以來，經過十年的快速增長後，已鞏固其作為中國最大心腦血管處方藥品公司的領導地位，以收益計也為中國處方藥市場最大國內製藥公司之一。

儘管二零一一年醫療改革帶來影響仍然令中國醫藥行業充滿挑戰，加上本年度上半年本公司對內部營運作出調整，我們繼續專注於增強業務能力，為未來持續增長奠定基礎。

於本年度上半年，四環醫藥作出策略性營運調整，以支持其長遠發展。期內，我們繼續致力令高利潤的產品組合更趨多元化以，並對銷售網絡進行了調整，也擴大了營銷隊伍，進一步提升了本公司的整體營運效率。因此，我們的收益增加40.3%至人民幣1,389.3百萬元，而權益持有人應佔純利則增加21.2%至人民幣461.4百萬元。

### 創造擁有高利潤、高潛力產品的多元化產品組合

產品組合多元化是我們於本年度上半年的增長主要原因。我們提高了成熟產品在現有市場的滲透率，抓住全國醫療保險覆蓋範圍擴大帶來的市場需求增長，同時也專注於新潛力產品的市場開發，令我們的產品組合更為優化，包括新潛力產品在內的十個主要產品在本年度上半年銷售增長率超過50%，可見我們已建立高度多元化的收益來源，以支持未來增長。

After delivering a decade of rapid growth since its inception in 2001, Sihuan Pharmaceutical Holdings Group Ltd. ("Sihuan Pharmaceutical" or the "Company") has consolidated its leading position as the largest CCV franchise in China, and has become one of the largest domestic pharmaceutical companies in terms of revenue in China's prescription drug market.

Despite various lingering challenges from healthcare reforms to the Chinese pharmaceutical industry in 2011 and adjustments in the Company's internal operations during the first half of the year, we have remained focused on strengthening our business capabilities and laying the groundwork to fuel future growth.

In the first half of this year, Sihuan Pharmaceutical further strengthened the business and enhanced its operational efficiency by further diversifying our high-margin product portfolio, aligning our distribution network and expanding our sales and marketing force. In addition, we achieved a satisfactory growth with our revenue rising 40.3% to RMB1,389.3 million and net profit attributable to equity owners growing 21.2% to RMB461.4 million.

### CREATING A DIVERSIFIED PRODUCT PORTFOLIO WITH HIGH-MARGIN, HIGH POTENTIAL PRODUCTS

Our growth during the first half of the year is mainly attributable to the positive performance of our more diversified product portfolio. We furthered penetration of our established products into existing markets, leveraging higher market demand arising from wider medical insurance coverage. In addition, we also stepped up expansion into new markets for our newer, promising products which we believe have long term growth potential. We are satisfied with the significant growth of our product portfolio overall, with ten of our products, including several promising products, achieving over 50% growth in sales in the first half of the year. This highly-diversified revenue stream will help sustain our growth in the future.

於二零一二年上半年內，銷量基數已較大的克林澳及安捷利的銷售受到解除醫療保險報銷限制進度放緩，以及記賬方法改變的影響。歐迪美則因期內各省招標延後，加上我們進行了銷售網絡的調整，令該產品增長受到影響。我們相信該些產品銷售放緩屬暫時性現象，因為上述影響僅涉及招標滯後及公司內部及銷售網絡調整等因素，並不關乎產品的市場潛力。隨著暫時性負面因素逐漸消褪，我們預期受影響產品的銷售額於本年度下半年會穩步回升。另外，我們將在下半年加大市場學術推廣，擴大營銷團隊，為未來增長注入動力。

### 繼續增強研發、生產及銷售與營銷能力

於回顧期內，我們的研發獲得良好進展。我們的首仿藥注射用鹽酸羅沙替丁醋酸酯於五月通過了國家食品藥品監督管理局（「藥監局」）的實地檢驗，預期於短期內將獲得生產批准，並計劃於本年度下半年推出市場。另外兩項藥IV類獨家新藥甲磺酸桂哌齊特及I類創新藥左旋鹽酸苯環壬酯正進行不同階段的臨床試驗。另一項仿製藥鹽酸納美芬則正待藥監局進行實地檢驗。此外，我們於二零一二年至今獲授八個新專利，增強了我們獲得未來增長的能力。

我們的原料藥廠廊坊四環高博製藥有限公司於二零一一年通過新訂的良好生產規範（「新GMP」）標準，並通過了由多家知名跨國製藥公司對其生產及質量管理系統進行的現場審核，而我們正尋求與該等公司的合作機會。此外，我們位於北京、吉林和遼寧的生產基地正進行升級以符合新GMP標準。

此外，我們致力將新收購生產設施的成本效益最大化，令成品率及產能顯著提升，並成功降低了生產成本。

Sales of Kelinao and Anjieli were impacted by the slower-than-expected progress in the lifting of medical reimbursement restrictions in the first half of 2012. As for Oudimei, delays in drug provincial tendering and the alignment of our distribution network affected its growth. Nevertheless, we believe that the impact is temporary and is not related to the potential or quality of our products. In the second half of the year, outstanding provincial drug tenders are expected to complete and the mentioned negative factors are expected to fade. Further, sales of these products are expected to gradually improve during the second half of the year. At the same time, we plan to enhance efforts in academic promotions and expand our sales and marketing team. Taken together, this will improve the Company's overall performance in the balance of the year and going forward.

### CONTINUING TO STRENGTHEN CAPABILITIES IN R&D, PRODUCTION AND SALES AND MARKETING

We have made sound progress in our R&D during the review period. Our first-to-market generic Roxatidine injection（注射用鹽酸羅沙替丁醋酸酯）passed on-site inspections by the State Food and Drug Administration（“SFDA”）in May. We expect it to receive approval for production in the near future, and we plan to launch the product in the second half of this year. Two other drugs, the exclusive Category IV New Drug Cinepazide Mesilate（甲磺酸桂哌齊特）and Category I Innovative Drug L-Phencynonate Hydrochloride（左旋鹽酸苯環壬酯），are in various stages of the clinical trial process. Another generic drug, Nalmefene Hydrochloride（鹽酸納美芬），is pending on-site inspection by the SFDA. Furthermore, we were granted eight new patents in 2012 so far, which strengthened our capabilities for future growth.

Our active pharmaceutical ingredient（“API”）manufacturing plant, Langfang Sihuan Gaobo Pharmaceutical Co., Ltd., which passed the new Good Manufacturing Practice（“GMP”）standards in 2011, has also passed on-site audits of its production and quality management systems by a number of well-known multinational pharmaceutical companies. Of note, these are businesses with which we are now exploring opportunities to collaborate. In addition, we have commenced upgrades of our production bases in Beijing, Jilin and Liaoning to comply with GMP standards.

Moreover, we have proven our ability to effectively enhance efficiencies in our newly acquired facilities. This success is reflected in lower costs as well as improved production yield and capacity in these acquired and integrated businesses.

# 主席報告

## Chairman's Statement

### 專注實現穩定及持續增長

儘管醫療改革措施繼續帶來影響，根據中國國家統計局的數據，中國醫藥行業的收益及溢利於二零一二年首五個月同比增長20.2%及17.1%，為中國增長最快速的行業之一。醫療保險覆蓋範圍擴大及醫療賠償比率的提高、城市化及老齡化的加速，均帶動醫藥產品需求持續上升。我們將繼續專注於我們的增長策略，堅持產品組合的優化及多元化，並在此基礎上加大業務發展。更具體而言，我們旨在：

*優化產品組合增強我們營銷策略。*我們將堅持成熟及新潛力產品兼顧的營銷策略，同時加大該兩類產品的市場推廣力度，繼續優化我們的產品組合。我們將致力以穩定價格水平取得成熟產品的招標，並擴大新潛力產品的市場覆蓋範圍。另外，我們會繼續加大市場學術推廣，擴充營銷隊伍，繼續提升我們的品牌聲譽度。

*增強研發實力。*我們將繼續推進首仿藥及創新藥的研發，並將開拓更多與國內外醫藥公司的合作機會，以擴大新研發項目的來源、縮短產品的開發週期、進一步增強技術平台並提高我們的總體研發能力。

*通過建立策略性合作關係、產品協同開發及創新交易尋找增長機遇。*我們正積極物色與海外醫藥公司的合作機會，包括項目收購、經營權收購及建立合資企業等方式，以取得新資源及高質量產品。

### FOCUSING ON DELIVERING STABLE AND SUSTAINED GROWTH GOING FORWARD

The Chinese pharmaceutical industry revenue and profit grew by 20.2% and 17.1%, respectively, year-on-year in the first five months of 2012 according to National Bureau of Statistics of China, and the industry continued to be one of the fastest-growing sectors in the country. Demand for pharmaceutical products continued to rise, driven by expanded medical insurance coverage, a rising medical reimbursement ratio, and the accelerated pace of urbanization and the aging of the population. We expect to stay focused on our growth strategy to optimize, diversify and expand our business, and to build on significant progress made in these areas. More specifically, we aim to:

*Optimize our product portfolio and enhance our sales and marketing strategies.* We will adhere to our two-pronged sales and marketing strategy to boost established and promising products, and will continue to optimize our product portfolio. We aim to secure tenders of our established products at stable price levels and expand market coverage of our promising products. Moreover, we plan to marketing efforts by expanding our sales force and stepping up academic promotion to further our brand recognition.

*Strengthen our R&D capabilities.* We will focus on the R&D of first-to-market generic drugs and innovative drugs and will seek to explore collaborative opportunities domestic and overseas pharmaceutical companies to maximize the sources of new R&D projects, shorten the product development cycle, further enhance technology platforms and strength our overall R&D capabilities.

*Exploit growth opportunities through strategic partnerships, product collaboration and innovative transactions.* In order to increase product resources, we are actively seeking opportunities for cooperation with overseas pharmaceutical companies to achieve sustainable growth. These opportunities include product collaboration, project and distribution rights acquisitions and joint ventures.



# 主席報告

## Chairman's Statement

最後，本人謹此對四環醫藥的全體成員於上半年的努力及貢獻致以衷心謝意。儘管環境充滿挑戰，二零一二年的策略性內部整合及調整為未來奠定了穩固基礎，將可推動下半年的穩步恢復，以及迎接二零一三年以後的嶄新的發展階段。憑藉我們更強大的營銷能力、優化的產品組合及經驗豐富的專業管理團隊，我們將繼續著重鞏固業務基礎，實現可持續發展。

車馮升醫生  
主席及行政總裁

二零一二年八月三十日

Finally, I would like to express my gratitude to all members of Sihuan Pharmaceutical for their hard work and dedication in the course of the first half of the year. Although the environment has been challenging, the strategic internal integration and adjustments in 2012 constitute vital groundwork for improvement in the second half and our future development in 2013 onwards. With our enhanced sales and marketing capabilities, optimized product offerings and an experienced and professional management team, we will maintain our focus on strengthening the foundation on which we will build sustained growth over the long-term.

Dr. Che Fengsheng  
*Chairman and Chief Executive Officer*

30 August 2012

# 管理層討論及分析

## Management Discussion and Analysis

### (I) 業務回顧

根據中國醫藥工業信息中心的數據，於二零一二年上半年，中國醫藥行業的收益及利潤分別同比增長19.1%及17.7%，並持續為國內增長最快的產業之一。醫療保險範圍擴大及醫療賠付額比率不斷提高，帶動對醫藥產品市場需求持續上升。然而，中國醫藥行業仍然充滿挑戰和不明朗因素。始於二零一一年的若干醫療改革措施(如對若干治療領域的藥物價格進行調整等)的影響仍然持續。二零一二年年在試點醫院施行的各種新措施，如控制醫療保險預算總額，醫藥分開以及藥物零加成政策等，亦於截至二零一二年六月三十日止六個月(「期內」)對中國醫藥行業帶來挑戰。

面對複雜及相對具挑戰性的經營環境，四環醫藥繼續錄得良好增長。四環醫藥控股集團有限公司(「四環醫藥」或「本公司」)及其附屬公司(統稱「本集團」)的期內收益增長40.3%至人民幣1,389.3百萬元，本公司權益擁有人應佔溢利增長21.2%至人民幣461.4百萬元。憑藉更多元優化的產品組合，加上心腦血管產品銷售的強勁增長，四環醫藥於期內進一步鞏固了在中國心腦血管產品處方藥市場的領先地位。

#### (i) 心腦血管產品

二零一二年上半年，心腦血管產品的銷售額增加46.1%至人民幣1,277.4百萬元，主要由進一步多元化的產品組合擴大了收益基礎所致。心腦血管產品業務佔總收益的91.9%，仍為本集團期內的最大收益來源。

根據艾美仕市場研究公司(「艾美仕」)的數據，本集團在銷往醫院的心腦血管產品藥物市場的份額於二零一二年六月底為7.5%(按含中藥處方藥的新統計分法)，領先於第二位2.7%。

### (I) BUSINESS REVIEW

During the first half of 2012, the revenue and profit of the Chinese pharmaceutical industry grew by 19.1% and 17.7% year-on-year according to China National Pharmaceutical Industry Information Centre, and it continued to be one of the fastest growing industries in the country. Demand for pharmaceutical products continued to rise, driven by increased medical insurance coverage and a rising medical reimbursement ratio. However, China's pharmaceutical industry remained challenging and still faced uncertainties. The effects of various healthcare reform measures such as price adjustments for drugs in certain therapeutic areas, which started in 2011, continued to linger. New measures implemented in pilot hospitals in 2012 such as the control of total medical insurance budgets, the separation of the prescription and dispensing of drugs and a zero mark-up policy for drugs also posed challenges to the Chinese pharmaceutical industry for the six months ended 30 June 2012 (the "Period").

Facing a complex and relatively challenging operating environment, Sihuan Pharmaceutical continued to achieve satisfactory growth. The revenue of Sihuan Pharmaceutical Holdings Group Ltd. ("Sihuan Pharmaceutical" or the "Company") and its subsidiaries (collectively the "Group") increased by 40.3% to RMB1,389.3 million for the Period. Net profit attributable to owners of the Company also grew by 21.2% to RMB461.4 million. Capitalizing on its more diverse and optimized product portfolio, together with robust growth in sales of cardio-cerebral vascular ("CCV") products, Sihuan Pharmaceutical further strengthened its leading position in China's CCV prescription drug market in the Period.

#### (i) CCV products

In the first half of 2012, sales of CCV products increased by 46.1% to RMB1,277.4 million, mainly driven by the broadened revenue base from a further diversified product portfolio. The CCV business, which accounted for 91.9% of total revenue, remained to be the Group's largest revenue contributor during the Period.

According to IMS Health Incorporated ("IMS"), the market share of the Group's CCV drugs for hospital purchase was 7.5% (IMS new statistics include traditional Chinese medicine ("TCM") prescription drugs) at the end of June 2012, 2.7% ahead of the second-largest player in the Chinese CCV prescription drug market.

## 管理層討論及分析

### Management Discussion and Analysis

主要心腦血管產品的銷售額：

Sales of key CCV products:

產品 Product	截至二零一二年 六月三十日 止六個月 For the six months ended 30 June 2012 (人民幣千元) (RMB'000)	估心腦血管 產品銷售比例 Contribution to Sales of CCV Products	產品特性 Product Characteristics
克林澳 (馬來酸桂哌齊特 注射液)(80毫克) Kelinao (Cinapazide maleate injection) (80 mg)	440,921	34.5%	改善缺血組織供血和保護缺血組織。廣泛應用於心腦血管及外周血管疾病。 For improving ischemic tissue blood supply and protecting ischemic tissue. Widely used in the treatment of cardiovascular and cerebrovascular and peripheral vascular diseases.
歐迪美 (腦肌注射液) Oudimei (Cerebroside-kinin injection)	286,118	22.4%	能夠促進心、腦組織的新陳代謝，參與腦組織神經元的再生過程，改善腦代謝功能；臨床上用於治療心肌和腦部疾病引起的功能障礙。 For promoting metabolism of the heart, brain tissues, and neurons of the brain tissue regeneration process, improving cerebral metabolic functions; clinically used for the treatment of dysfunction caused by cardiac and brain diseases.
GM1 (單唾液酸四己糖 神經節脂鈉注射液) GM1 (Monosialotetra- hexosylganglioside sodium injection)	96,061	7.5%	神經組織細胞的保護和修復劑；用於顛腦損傷、腦血管意外、帕金森氏症。 For neural tissue cells protection and repairing agents; for treatment of traumatic brain injuries, cerebral vascular accidents and Parkinson's disease.
源之久 (曲克蘆丁腦蛋白 水解物注射液) Yuanzhijiu (Troloxerutin and cerebroprotein hydrolysate injection)	91,506	7.2%	用於治療心、腦血管疾病。 For the treatment of cardiocerebral vascular diseases.

# 管理層討論及分析

## Management Discussion and Analysis

產品 Product	截至二零一二年 六月三十日 止六個月 For the six months ended 30 June 2012 (人民幣千元) (RMB'000)	佔心腦血管 產品銷售比例 Contribution to Sales of CCV Products	產品特性 Product Characteristics
澳連康 (乙醯穀醯胺及紅花 提取物複方制剂/ 穀紅注射液) Aoliankang (Compound of aceglutamide and safflower extract/ Guhong injection)	72,124	5.6%	用於治療腦血管疾病如腦供血不足、腦栓塞及腦出血恢復期；肝病、神經外科手術等引起的意識功能下；智力減退、記憶力障礙等。 For the treatment of cerebrovascular problems such as cerebral insufficiency, cerebral embolism and cerebral hemorrhage recovery period; dysfunction caused by the awareness of liver disease, neurological surgery; mental deterioration, and memory impairment.
安捷利 (馬來酸桂哌齊特注射液) (320毫克) Anjeli (Cinepazide maleate injection) (320 mg)	66,254	5.2%	改善缺血組織供血和保護缺血組織。廣泛應用於心腦血管及外周血管疾病。 For improving ischemic tissue blood supply and protecting ischemic tissue. Widely used in the treatment of cardiovascular and cerebrovascular and peripheral vascular diseases.
益脈寧 (前列地爾脂微球注射劑) Yimaining (Alprostadil lipid emulsion injection)	60,465	4.7%	靶向性改善微循環，保護臟器和組織細胞。廣泛應用於治療慢性動脈硬化性閉塞症，不穩定心絞痛、心肌梗塞、冠脈搭橋手術後、腦梗塞，脊髓缺血性損傷、糖尿病周圍神經病變、糖尿病、腎病等。 Used for targeting microcirculation and protecting organs and tissue cells. Widely used to treat chronic arteriosclerosis obliterans, unstable angina, myocardial infarction, coronary artery bypass surgery, cerebral infarction, ischemic spinal cord injury, diabetes, peripheral neuropathy, diabetes and kidney disease.
川青 (注射用鹽酸川芎嗪) Chuanqing (Ligustrazine hydrochloride for injection)	42,810	3.4%	廣泛用於缺血性心腦血管疾病，冠心病、腦栓塞、脈管炎、血管性癱瘓等。 Widely used to treat ischemic cerebrovascular disease, coronary heart disease, cerebral embolism, vasculitis and vascular dementia.

## 管理層討論及分析

### Management Discussion and Analysis

產品 Product	截至二零一二年 六月三十日 止六個月 For the six months ended 30 June 2012 (人民幣千元) (RMB'000)	估心腦血管 產品銷售比例 Contribution to Sales of CCV Products	產品特性 Product Characteristics
曲奧 (腦蛋白水解物) Qu' Ao (Cerebroprotein hydrolysate)	40,829	3.2%	<p>具有促進神經細胞代謝與分化、促進腦內蛋白質合成等作用。廣泛用於腦血管疾病引起的腦神經細胞功能障礙、顛腦損傷、老年性癡呆等。</p> <p>For promoting neural cell metabolism and differentiation and synthesis of brain protein. Widely used to treat brain cell dysfunction caused by cerebrovascular disease, traumatic brain injuries and Alzheimer's disease.</p>
清通 (依達拉奉注射液) Qingtong (Edaravone injection)	29,051	2.3%	<p>氧自由基清除劑，廣泛用於治療心腦血管疾病、糖尿病周圍血管病變。</p> <p>An oxygen free radical scavenger widely used to treat cardiovascular and cerebrovascular diseases, as well as peripheral vascular disease (PDA) for people with diabetes.</p>
丹參川芎嗪注射液 (丹參川芎嗪鹽酸注射液) Danshen Chuanxiongqin Injection (Salviae miltiorrhizae and ligustrazine hydrochloride injection)	22,208	1.7%	<p>抗血小板聚集，血管舒張和改善微循環，可用於治療閉塞性心腦血管疾病，如腦功能障礙、腦血栓形成、腦梗塞；及缺血性心腦血管疾病，如心絞痛、心肌梗塞等。</p> <p>Featuring anti-platelet aggregation, vasodilation and improving microcirculation, it can be used to treat occlusive cerebrovascular diseases such as brain dysfunction, cerebral thrombosis, cerebral infarction; and ischemic cardiovascular diseases such as angina pectoris, myocardial infarction, etc.</p>
也多佳 (複方三維B(II)注射液) Yeduojia (Compound trivitamin B for injection (II))	19,585	1.5%	<p>目前唯一的一種複方維他命B配方的靜脈注射液；用於周圍神經損傷、多個神經炎、三叉神經痛、坐骨神經痛、輻射疾病、抗腫瘤誘導嘔吐、惡性貧血、營養性貧血。</p> <p>Currently the only intravenous administration of a vitamin B compound formulation; used for peripheral nerve injuries, multiple neuritis, trigeminal neuralgia, sciatica, radiation sickness, antineoplastic-induced vomiting, pernicious anemia, nutritional anemia.</p>

## 管理層討論及分析

### Management Discussion and Analysis

為使產品組合進一步多元化，本集團加大力度增強成熟產品在現有市場的滲透，並為新潛力產品積極開拓市場。因此，期內清通、GM1、曲奧及川青的銷售額分別增長72.2%、63.0%、38.4%及11.0%至人民幣29.1百萬元、人民幣96.1百萬元、人民幣40.8百萬元及人民幣42.8百萬元。此外，期內本集團的多種新潛力產品(包括澳連康、源之久、益脈寧及也多佳)的銷售額亦分別大幅增長272.6%、238.8%、157.7%及76.6%至人民幣72.1百萬元、人民幣91.5百萬元、人民幣60.5百萬元及人民幣19.6百萬元。儘管上半年丹參川芎嗪(該產品於二零一一年第四季度推出)僅於少數省份招標，但期內該產品錄得人民幣22.2百萬元的銷售額。

期內，克林澳的銷量同比持平，而安捷利的銷售量較去年同期錄得下降，此乃由於各省醫保報銷限制的解除較預期慢。克林澳銷售額增加主要由調整營銷策略，即由本集團負責分銷商的市場推廣活動費用；本集團亦因此相應提升了售價以反映增加的成本，也導致本集團的市場推廣開支較同期大幅增加。安捷利銷量的減少主要由於本集團集中推廣克林澳(由於在市場上的歷史更長而品牌認可度較高，較受醫生歡迎)的策略性調整所致。於下半年，本集團將尋求在更多省份解除醫保報銷限制，同時，本集團亦將在最近解除醫保報銷限制的省份增加營銷推廣活動。

期內，中國大多數省份藥品招標的滯後阻礙了歐迪美進入更多省份市場。自二零一二年起，本集團開始進行其分銷網絡的調整，以提升營運效率及營銷能力。憑藉更優化的分銷網絡，隨著下半年更多省份開展招標，本集團有信心可加強在現有市場的滲透以及擴展至更多新市場，實現歐迪美的可持續增長。

Aiming to further diversify its product portfolio, the Group stepped up its efforts to further the penetration of its established products in existing markets and expand presence of promising products in new markets. As a result, sales of Qingtong, GM1, Qu'AO and Chuanqing for the Period grew by 72.2%, 63.0%, 38.4% and 11.0% to RMB29.1 million, RMB96.1 million, RMB40.8 million and RMB42.8 million, respectively. Moreover, sales of the Group's various promising products for the Period, including Aoliankang, Yuanzhijiu, Yimaining and Yeduoja, also significantly increased by 272.6%, 238.8%, 157.7% and 76.6% to RMB72.1 million, RMB91.5 million, RMB60.5 million and RMB19.6 million, respectively. Danshen Chuanxiongqin, which was launched in the fourth quarter of 2011, recorded sales of RMB22.2 million during the Period, though only a few drug tenders were recorded in the first half of the year.

During the Period, the sales volume of Kelinao was flat while that of Anjeli recorded a decline as compared to the corresponding period last year. This was due to the slower-than-expected lifting of reimbursement restrictions at the provincial level. The increase in sales amounts of Kelinao was mainly attributable to the increase in selling price as a result of an adjustment of the Group's marketing strategy, whereby the Group is responsible for the marketing expenses for the distributors, and will increase the corresponding selling price to reflect the cost increased. Accordingly, the marketing expense of the Group also increased significantly compared with corresponding period. The decline in sales volume of Anjeli was mainly due to the strategic adjustment of the Group's marketing strategy to concentrate on promoting Kelinao, which enjoys higher brand recognition given its longer history in the market and its relatively higher popularity among physicians. In the second half of the year, the Group will seek the lifting of reimbursement restrictions in more provinces; meanwhile, the Group will also step up marketing promotions in provinces where those restrictions were recently removed.

During the Period, delays in drug tendering in a majority of Chinese provinces hindered the expansion of Oudimei into other provinces. Starting from 2012, the Group began to conduct an alignment of its distribution network in order to enhance operational efficiency and sales and marketing capabilities. With a strengthened distribution network, the Group is confident of achieving sustainable growth in the sales of Oudimei through both further penetration into current markets as well as expansion to new markets when the outstanding provincial drug tenders are conducted in the remainder of the year.

## 管理層討論及分析 Management Discussion and Analysis

(ii) 非心腦血管產品(「非心腦血管產品」)

主要非心腦血管產品的銷售額：

(ii) Non-cardio-cerebral vascular products (“Non-CCV products”)

Sales of key Non-CCV products:

產品 Product	截至二零一二年 六月三十日 止六個月 For the six months ended 30 June 2012 (人民幣千元) (RMB'000)	佔非心腦血管 產品銷售比例 Contribution to Sales of Non-CCV Products	產品特性 Product Characteristics
中樞神經系統藥物 Central nervous system drug(s) 仁澳 (奧卡西平) Ren' Ao (Oxcarbazepine)	6,597	6.4%	新一代抗癲癇藥。廣譜高效，安全性高，替代卡馬西平。 New generation of antiepileptic drug with a broad spectrum that is highly effective and safe. It can be used as an alternative to carbamazepine.
呼吸系統藥物 Respiratory system drug(s) 必澳 (鹽酸氨溴索) Bi' Ao (Ambroxol hydrochloride)	27,401	26.5%	臨床一線祛痰、化痰藥物。用於急性、慢性呼吸道疾病的祛痰治療，亦是手術後避免肺部感染的常規用藥。 Clinical first-line expectorant phlegm drugs. Used for the expectorant treatment of acute chronic respiratory diseases. It is also a regular medication taken to prevent lung infections after surgery.
卓澳(鹽酸氨溴索) Zhuo' Ao (Ambroxol hydrochloride)	6,450	6.2%	
新陳代謝藥物 Metabolism drug(s) 洛安命 (氨基酸注射液) Luoanming (Amino acid injection)	21,868	21.2%	用於低蛋白血症、蛋白攝入不足或吸收不良、蛋白質合成障礙。 Used for hypoalbuminemia, inadequate protein intake or malabsorption, and protein synthesis obstacles.
抗感染藥物 Anti-infective drug(s) 頗佳 (磺苄西林鈉) Poja (Sulbenicillin sodium)	17,387	16.8%	廣譜青黴素類抗生素。具有抗菌譜廣、抗菌活性強、耐藥性低、安全性高及耐受性好等特點。 Broad-spectrum penicillin with a broad antagonistic spectrum, strong antibacterial activity, low-levels of drug resistance, and which is safe and well-tolerated.

## 管理層討論及分析

### Management Discussion and Analysis

期內，非心腦血管產品的銷售額下降7.5%至人民幣103.4百萬元，佔總收益的7.4%，主要由於抗感染藥物因臨床使用受到更嚴格限制而銷售額下降所致。頗佳於期內的銷售額下降23.8%至人民幣17.4百萬元。有鑑於此，本集團加大力度推廣其他藥物，令其中樞神經系統、呼吸系統及代謝類藥物的銷售額錄得強勁增長。其主要中樞神經系統產品仁澳（主要用於治療癲癇）的銷售額於二零一二年上半年翻倍至人民幣6.6百萬元。本集團的呼吸系統藥物卓澳及必澳（鹽酸氨溴索注射液）分別增長61.8%及35.8%，銷售額合共約為人民幣33.9百萬元。氨基酸注射液（新陳代謝藥物）的銷售額增加58.4%至人民幣21.9百萬元。

#### (iii) 銷售及市場推廣

二零一二年上半年，本集團繼續強化其獨特的銷售及市場推廣模式及龐大的銷售網絡，並進一步擴大其產品組合。除重點進行新潛力產品的市場開發外，本集團亦重視成熟產品在全國醫保覆蓋範圍擴大情況下進一步增長，成功令十種主要產品的銷售額較二零一一年同期錄得50%以上增長，足證其產品組合比過去更平衡優化，藉此減少對個別產品的依賴，為未來增長奠定堅實基礎。

During the Period, the sales of non-CCV products, which accounted for 7.4% of total revenue, reduced by 7.5% to RMB103.4 million, mainly due to the decreased sales of anti-infective drugs which face stricter restrictions on their clinical use. Sales of Pojia, for instance, declined by 23.8% to RMB17.4 million during the Period. In view of this, the Group stepped up its efforts in the promotion of other drugs, which resulted in robust sales growth of its central nervous system, respiratory and metabolism drugs. Sales of its key central nervous system product, Ren' Ao, which is used primarily in the treatment of epilepsy, doubled to RMB6.6 million in the first half of 2012. The Group's respiratory system drugs, including Zhuo' Ao and Bi' Ao (Ambroxol Hydrochloride injection), grew by 61.8% and 35.8% respectively, accounting for sales of approximately RMB33.9 million in aggregate. Sales of the Amino Acid Injection, a metabolism drug, increased by 58.4% to RMB21.9 million.

#### (iii) Sales and Marketing

In the first half of 2012, the Group continued to strengthen its unique sales and marketing model and extensive network with a heavy emphasis on further diversifying its product portfolio. In addition to focusing on the market development of its promising products, the Group also strived for further growth of its established products on the back of wider medical insurance coverage across the country. The Group successfully grew the sales of 10 major products by more than 50% over the same period in 2011, which demonstrated its efforts and capacity in achieving a more balanced and optimized portfolio. This has reduced the Group's reliance on individual products and laid a solid foundation for future growth.



# 管理層討論及分析

## Management Discussion and Analysis

除調整分銷網絡外，本集團已於期內擴充其營銷隊伍，新增逾100名銷售人員。於二零一二年六月底，本集團經營逾60間銷售辦事處，銷售隊伍逾560名員工。此外，本集團增加其於營銷的投入，以加強在現有市場的滲透，並拓展新市場。本集團組織更多學術推廣活動，與學者及醫療專家建立更緊密關係及進一步提升四環醫藥在市場上的品牌聲譽。期內，本集團組織8場全國性醫療會議、12場省級醫療會議及1,394場醫院的部門研討會。

為持續發展其內部銷售及市場推廣團隊，期內本集團舉行更多培訓環節，藉以增強內部員工的培訓。此外，本集團亦為分銷商舉行更多培訓環節，以增強彼等對其產品(尤其是新潛力產品)的認識，從而促進市場拓展及滲透。

#### (iv) 研究及開發(「研發」)

本集團在研發持續投入，以鞏固其行業龍頭地位。期內本集團的左旋鹽酸苯環壬酯(I類創新藥)完成二期臨床試驗，並即將進行三期臨床試驗。甲磺酸桂哌齊特(獨家IV類新藥)二期臨床試驗進展順利，也接近完成。本集團首仿新藥注射用鹽酸羅沙替丁醋酸酯於二零一二年五月通過國家食品藥品監督管理局(「藥監局」)進行的藥品註冊現場檢查，預期在近期內取得生產批文，本集團計劃於下半年推出該產品。另一種仿製藥鹽酸納美芬正待藥監局進行藥品註冊現場檢查。

Besides the alignment of distribution network, the Group has expanded its sales and marketing team with the recruitment of more than 100 sales staff during the Period. As at the end of June 2012, the Group operated more than 60 sales offices with a sales team of more than 560 staff. In addition, the Group increased its investment in sales and marketing to further penetrate existing markets and to expand into new markets. The Group organized more academic promotion activities with an aim to build closer ties with academics and medical specialists and to further enhance Sihuan Pharmaceutical's brand reputation in the market. During the Period, the Group organized 8 national medical conferences, 12 provincial medical conferences and 1,394 departmental seminars at hospitals.

In order to continuously develop its in-house sales and marketing team, the Group enhanced internal staff training during the Period by holding more training sessions. In addition, the Group also organized more training sessions for its distributors in order to enhance their understanding of its products, especially the promising products, so as to facilitate market development and penetration.

#### (iv) Research and Development (“R&D”)

The Group continued to put considerable effort into R&D aiming to strengthen its industry-leading position. The Group's L-Phencylonate Hydrochloride (左旋鹽酸苯環壬酯), a Category I innovative drug, completed phase II of clinical trials during the Period, and will soon commence phase III of clinical trials. Cinepazide Mesilate (甲磺酸桂哌齊特), an exclusive Category IV new drug, has also successfully commenced phase II of clinical trials. The Group's first-to-market generic drug, Roxatidine Acetate Hydrochloride for Injection (注射用鹽酸羅沙替丁醋酸酯), passed an on-site inspection for drug registration conducted by the Chinese State Food and Drug Administration (“SFDA”) in May 2012. With approval for production expected in the near future, the Group plans to launch the product in the second half of the year. Another generic drug, Nalmefene Hydrochloride (鹽酸納美芬), is pending an on-site inspection by the SFDA.

## 管理層討論及分析

### Management Discussion and Analysis

其他在研的首仿藥項目包括：左乙拉西坦注射液及拉克醯胺(均為抗癲癇藥物)、及阿瑞吡坦(用於預防精神抑鬱症及手術後和化療引致的噁心及嘔吐)，數個創新藥物的研發項目亦如期推進。

於二零一二年六月三十日，本集團已就四項主要藥物的創新申請獎項，其中兩項為創新藥，兩項為首仿藥，期內本集團亦新獲授八項專利權。

#### (v) 生產及質量管理

本集團繼續致力改善其生產系統的質量控制。期內，本集團努力提高其產品質量，並提升其新收購企業生產系統的成本效率，例如，益脈寧成品率較二零一一年同期提高10%，而生產成本亦有所降低。本集團亦將其產量倍翻，以配合強勁的市場需求。此外，本集團在研究提升歐迪美及源之久的質量標準方面取得突破，並且成品率也顯著提高。

為符合新訂良好生產規範(「GMP」)標準，本集團已開始進行其在北京、吉林和遼寧生產基地的升級，預期在二零一三年底前完成。

本集團的原料藥廠廊坊四環高博製藥有限公司於二零一一年通過新GMP標準認證並開始生產原料藥，包括馬來酸桂哌齊特、納絡酮鹽酸及奧卡西平。期內，本集團新增7種原料藥投產，令投產的原料藥總數增至超過10種。期內，原料藥的總產量超過15噸。

R&D projects of other first-to-market generic drugs in the pipeline include: Levetiracetam injection (左乙拉西坦注射液) and Lacosamide (拉克醯胺), both of which are anti-epilepsy drugs; and Aprepitant (阿瑞吡坦), which is used for the prevention of mental depression as well as postoperative and chemotherapy-induced nausea and vomiting. R&D projects of several innovative drugs are also progressing as planned.

As at 30 June 2012, the Group has applied for 4 major drug awards for their innovations, 2 for innovative drugs and 2 for first-to-market generic drugs. It has also been granted 8 new patent rights.

#### (v) Production and Quality Management

The Group continued its efforts to improve quality control at its production facilities. During the Period, the Group strived to enhance its product quality standards and to maximize cost efficiency of the production systems at its newly acquired facilities. For instance, the production yield of Yimaining has improved by 10% for the Period as compared to the same period of 2011 with a lowered production costs. The Group also doubled its production volume in order to meet the robust market demand. In addition, the Group achieved a breakthrough in studies to raise the quality standard of Oudimei and Yuanzhijiu, and improved their production yield significantly.

In compliance with the new Good Manufacturing Practice (“GMP”) standard, the Group has commenced the upgrade of its production base in Beijing, Jilin and Liaoning. The upgrade is estimated to be completed by the end of 2013.

The Group’s active pharmaceutical ingredient (“API”) plant Langfang Sihuan Gaobo Pharmaceutical Co., Ltd passed the new GMP standard certification in 2011 and began the production of APIs, including Cinpezide Maleate, Naloxone Hydrochloride and Oxcarbazepine. During the Period, the Group began the production of 7 more APIs at the plant, bringing the total number of APIs in production to more than 10. The aggregate production of these APIs exceeded 15 tonnes during the Period.

# 管理層討論及分析

## Management Discussion and Analysis

此外，四環高博廠房的生產及質量管理系統已通過由印度、加拿大、西班牙數個知名跨國醫藥企業的現場審核，本集團正開拓與該等卓越企業的合作機會。

### (II) 未來展望

#### (i) 行業前景

二零一一年底，中國的醫療保險覆蓋範圍已超過95%。隨著醫療保險人均補貼標準提升，和醫療賠付最高金額及賠付比率的增加，醫藥市場的規模正迅速增長。其他利好因素如城市化加速及人口老化將進一步推動市場長遠增長。本集團相信，醫藥行業將繼續為二零一二年及以後中國增長最快的行業之一。

此外，中國政府於「十二·五」規劃表明加大對醫藥行業創新的支持，並將推動醫藥行業的整合及優化。相關政策為在研發、生產、及營銷方面實力雄厚的全面綜合性製藥公司提供增長空間，四環醫藥將把握機會持續發展。

然而，各種醫療改革措施(包括醫藥分開、若干其他治療領域的藥品降價及對醫院醫療保險預算總額的控制等)帶來的政策因素，將繼續為業界帶來壓力。各省藥物招標及採購的不定期性以及愈加嚴格的招標程序，亦將為行業帶來挑戰。儘管如此，從近期省級藥物招標可見，政府把質量確認為主要評估因素藉此改善藥物招標系統。

In addition, the production and quality management system of the plant of Sihuan Gaobo has passed individual on-site audits carried out by a number of well-known multi-national pharmaceutical enterprises from India, Canada and Spain. With the passing of these audits, the Group is exploring collaborative opportunities with these distinguished enterprises.

### (II) FUTURE PROSPECTS

#### (i) Industry Outlook

As of the end of 2011, medical insurance coverage in China had already exceeded 95%. The size of the pharmaceutical market has been growing rapidly, driven by the rising per capita subsidy standard for medical insurance, maximum reimbursements for medical treatment and reimbursement ratio. Other favourable factors such as the accelerated pace of urbanization and the aging population will further fuel robust market growth over the long-term. The Group believes that the pharmaceutical industry will continue to be one of the fastest growing industries in China in 2012 and beyond.

In addition, the burgeoning Chinese government support for innovation, as stipulated in the country's 12th Five-year Plan, accelerates consolidation and optimization in the pharmaceutical industry. The relevant policies provide room for fully-integrated pharmaceutical companies that have strong capabilities in R&D, production, and marketing to develop further. Sihuan Pharmaceutical will leverage these opportunities for its ongoing development.

Nevertheless, the policy headwinds brought by various medical reform measures, including the separation of dispensing and prescribing drugs, price reductions of drugs in some other therapeutic areas, and control of total medical insurance budgets at the individual hospital level will continue to exert pressure on the industry. Government drug tendering and procurements in irregular time bases and increasingly stringent tender procedures will also pose challenges to the industry. Nonetheless, it has been indicated in recent drug tenders that the government is adjusting the drug tendering system by recognizing quality as a key evaluation factor.

# 管理層討論及分析

## Management Discussion and Analysis

### (ii) 增長策略

憑藉領先的市場地位、出色的營銷策略、以獨家專利產品為主的產品組合、對營運環境的適應能力、以及對創新藥物發展的重視，四環醫藥勢已作好準備進入另一發展階段。本集團的清晰及重點增長策略概述如下：

#### *優化產品組合及加強營銷策略*

本集團將透過堅持其雙管齊下的銷售及市場推廣策略以提高其成熟產品及新潛力產品的銷售，繼續優化其產品組合。本集團計劃加強現有市場的滲透，同時把握下半年多個省份開展招標的機會拓展新市場。舉措包括：

- (a) 維持包括克林澳、安捷利、川青、曲奧、卓澳、必澳、清通、GM1等成熟產品的穩定增長，為未來發展奠定堅實基礎。本集團將利用醫療保險覆蓋範圍擴大而產生的需求增長，在一二級城市增加覆蓋的同時，打入三四級城市以刺激銷售增長。本集團亦將尋求在更多省份解除對克林澳及安捷利的醫保報銷限制。在近期取消醫保報銷限制的省份，本集團計劃加大市場推廣力度以加快復甦。

### (ii) Growth Strategies

Sihuan Pharmaceutical is well-positioned for its next stage of development. The Group will leverage its leading market position, proven sales and marketing strategies, and ability to adapt to the evolving operating environment. This will be further supported by an optimized portfolio dominated by exclusive and proprietary products, and an emphasis on innovation in drug development. The Group's clear and focused growth strategies are outlined below:

#### *Optimize product portfolio and enhance sales and marketing strategies*

The Group will continue to optimize its product portfolio by adhering to its two-pronged sales and marketing strategy to boost sales of its established and promising products. The Group plans to deepen penetration in current markets and expand into new ones as outstanding provincial tenders are expected to be held in the second half of the year. Initiatives include:

- (a) Maintain steady growth of established products, including Kelinao, Anjieli, Chuanqing, Qu' Ao, Zhuo' Ao, Bi' Ao, Qingtong, GM1, to lay a solid foundation for development. Tapping into the increasing demand arising from broader medical insurance coverage, the Group will expand market coverage in first- and second-tier cities while making inroads into third- and fourth-tier cities to fuel sales growth. The Group will also seek the removal of medical reimbursement coverage restrictions for Kelinao and Anjieli in more provinces. In provinces where reimbursement restrictions were recently removed, the Group plans to step up marketing promotions to speed up the pace of recovery.

## 管理層討論及分析 Management Discussion and Analysis

- (b) 加大其快速增長的新潛力產品的市場拓展，帶動強勁增長。該等產品包括益脈寧、源之久、也多佳、歐迪美、仁澳、澳連康及丹參川芎嗪注射液以及新產品，包括最近推出的中藥產品燈盞花素葡萄糖注射液，以及計劃於二零一二年下半年推出的注射用鹽酸羅沙替丁。本集團將增加學術推廣活動、研討會及會議的數量及質量，以確立品牌知名度及提高後續臨床使用，以維持高於行業的增長率實現可持續增長。
- (c) 以穩定價格水平取得成熟產品的招標，並擴大新潛力產品的市場覆蓋範圍。期內本集團已就此整合及擴大招標部門。
- (d) 透過擴大營銷隊伍以加大市場推廣力度，並組織更多學術推廣活動以進一步提升四環醫藥的品牌知名度。至二零一二年年底，預期產品經理及銷售經理的總人數分別約為100人及700人。

### 增強研發能力

本集團計劃加強對在研主要產品項目的投入，尤其是首仿藥，以縮短將其產品商業化所需時間。

同時，本集團將尋求與國內外醫藥公司的合作開發機會，以擴大其新研發項目的來源，縮短產品開發週期，增強其總體研發能力及進一步鞏固技術平台。

- (b) Scale up market expansion of its fast-growing promising products to drive the Group's robust growth. These products include Yimaining, Yuanzhijiu, Yeduojia, Oudimei, Ren'Ao, Aoliankang, and Danshen Chuanxiongqin Injections, as well as its newer products including Scutellarin Glucose Injections, a recently launched TCM product, and Roxatidine Hydrochloride Injection, which is scheduled for launch in the second half of 2012. The Group will increase the number and quality of academic promotion events, seminars and conferences, to establish brand awareness and boost subsequent clinical usage to maintain a growth rate that outpaces the industry.
- (c) Secure tenders for established products at stable price levels and expanding market coverage of promising products. To this end, the Group has consolidated and expanded its tendering departments during the Period.
- (d) Increase marketing efforts by expanding the sales and marketing team and organizing more academic promotion activities to further strengthen Sihuan Pharmaceutical's brand recognition. By the end of 2012, the total number of product managers and sales managers is expected to reach approximately 100 and 700 staff, respectively.

### Strengthen R&D capabilities

The Group plans to make further investments in the key projects in R&D pipeline, particularly for first-to-market generic drugs, with an aim to shorten the time needed to commercialize its products.

Meanwhile, the Group will seek to explore collaborative opportunities with domestic and overseas pharmaceutical companies to maximize the sources of new R&D projects, strengthen its overall R&D capabilities, shorten the product development cycle, and further enhance technology platforms.

# 管理層討論及分析

## Management Discussion and Analysis

*透過建立策略性合作關係、產品協同開發及創新交易尋找增長機遇*

作為其業務及產品開發的一個重要部分，本集團將繼續物色與海外醫藥公司的項目收購、經銷權收購及合資企業等策略性產品合作機會，以取得新資源或高質量產品，實現可持續增長。

### (iii) 展望

預計二零一二年對本集團是迄今最具挑戰性的一年，亦為承前啟後的關鍵時期。為了應對日趨激烈的市場競爭及宏觀政策帶來的挑戰，本集團必須完成其內部管理系統的調整為未來發展奠定堅實基礎。

然而，本集團憑藉經驗深信下半年業績將會有所改善。主要由於其市場領先地位及穩固的市場基礎，其具有龐大市場潛力的多元化產品組合；在上半年完成對分銷網絡的調整後，以及隨著暫時性的不利因素減褪，預計克林澳及歐迪美的銷售將逐步恢復增長。此外，隨著餘下省份招標在下半年開展，勢將推動本集團新潛力產品的市場拓展。本集團深信其將維持可持續增長並將達致二零一二年的內部經營目標。

*Exploit growth opportunities through strategic partnerships, product collaboration and innovative transactions*

As a vital part of its business and product development, the Group will continue to identify strategic product collaboration opportunities with overseas pharmaceutical companies such as project acquisitions, distribution rights acquisitions and joint ventures to obtain new resources or high quality products to achieve sustainable growth.

### (iii) Outlook

2012 is expected to be the most challenging year thus far for the Group, and a critical period of transition and adaptation. The Group must complete the adjustment of its internal management system to cope with challenges presented by the intensifying market competition as well as macro policies so as to lay a solid foundation for the future.

Nonetheless, the Group is confident it will experience improvements in the second half of the year. This is mainly due to its consolidated market leading position and concrete foundation in the market, its highly-diversified product portfolio with ample market potential, the completion of the alignment of its distribution network in the first half of the year and the expected improvement in sales of Kelinao and Oudimei given the negative factors will fade for the remainder of the year. Moreover, the outstanding provincial drug tenders, which are expected to be completed in the second half of the year, are set to contribute to the market expansion of the Group's promising products. The Group is confident that it will maintain sustainable growth and will meet its internal operating target for 2012.

# 管理層討論及分析

## Management Discussion and Analysis

### 財務回顧

#### 收益

期內，本集團繼續增強心腦血管藥物業務，同時提高其他治療領域的產品銷量。本集團的收益由二零一一年首六個月的人民幣990.6百萬元增加40.3%至期內的人民幣1,389.3百萬元。收益增加乃主要由於心腦血管藥物銷售額增加所致。

心腦血管藥物於期內的銷售額約為人民幣1,277.4百萬元，較二零一一年同期增長約46.1%。心腦血管產品業務約佔本集團收益總額的91.9%。增加的主要原因是由於本集團實施雙管齊下的銷售及市場推廣策略以提高其成熟產品及新潛力產品的銷售，導致進一步多元化的產品組合擴大收益基礎所致。因此，其成熟產品(如清通、GM1、曲奧及川青)於期內的銷售分別增長72.2%、63.0%、38.4%及11.0%至人民幣29.1百萬元、人民幣96.1百萬元、人民幣40.8百萬元及人民幣42.8百萬元。期內本集團多個新潛力產品(包括澳連康、源之久、益脈寧及也多佳)的銷售亦分別大幅增加272.6%、238.8%、157.7%及76.6%至人民幣72.1百萬元、人民幣91.5百萬元、人民幣60.5百萬元及人民幣19.6百萬元。克林澳、安捷利及歐迪美的銷售受到暫時性的負面因素所影響，如省份解除醫保報銷限制的進展較預期慢及多個省份藥物招標滯後。期內克林澳、安捷利及歐迪美的銷售額分別為人民幣440.9百萬元、人民幣66.3百萬元及人民幣286.1百萬元。隨著下半年不利因素日漸消失及加大銷售及市場推廣力度，該等產品的銷售預期將逐步恢復增長。

### FINANCIAL REVIEW

#### Revenue

During the Period, the Group continued to strengthen its CCV drug business while promoting sales of its products of other therapeutic areas. The Group's revenue increased by 40.3% from RMB990.6 million in the first six months of 2011 to RMB1,389.3 million in the Period. The increase was mainly attributable to the sales growth of CCV drugs.

Sales of CCV drugs for the Period amounted to approximately RMB1,277.4 million, representing approximately 46.1% of growth over the same period of 2011. The CCV business accounted for approximately 91.9% of the Group's total revenue. The increase was primarily due to the broadened revenue base from a further diversified product portfolio, as a result of the Group's two-pronged sales and marketing strategy to boost both its established and promising products. As a result, sales of its established products such as Qingtong, GM1, Qu' Ao and Chuanqing for the Period, grew by 72.2%, 63.0%, 38.4% and 11.0% to RMB29.1 million, RMB96.1 million, RMB40.8 million and RMB42.8 million, respectively. Sales of the Group's various promising products for the Period, including Aolankang, Yuanzhijiu, Yimaining and Yeduoja, also significantly increased by 272.6%, 238.8%, 157.7% and 76.6% to RMB72.1 million, RMB91.5 million, RMB60.5 million and RMB19.6 million, respectively. Sales of Kelinao, Anjieli and Oudimei were affected by temporary negative factors, such as slower-than-expected lifting reimbursement restrictions and delays in provincial drug tendering. Sales of Kelinao, Anjieli and Oudimei for the Period were RMB440.9 million, RMB66.3 million and RMB286.1 million respectively. Sales of these products are expected to rebound with fading negative factors and enhanced sales and marketing efforts planned for the remainder of the year.

# 管理層討論及分析

## Management Discussion and Analysis

期內非心腦血管藥物的銷售減少7.5%至約人民幣103.4百萬元，主要由於抗感染藥物因面對更嚴格的臨床使用限制而令銷售有所減少。因此，來自抗感染藥物的收益減少38.1%至人民幣32.4百萬元，約佔本集團銷售總額的2.3%。有鑑於此，本集團致力加大其推廣其他藥物（如中樞神經系統、呼吸系統及新陳代謝藥物）的力度。其他藥物的銷售額較去年同期增長約19.6%至人民幣71.0百萬元，約佔本集團收益總額的5.1%。卓澳及必澳（鹽酸氨溴索注射液）的銷售分別增加61.8%及35.8%，佔總銷售額約人民幣33.9百萬元。氨基酸注射液的銷售亦上升58.4%至人民幣21.9百萬元。

### 銷售成本

本集團期內銷售成本約為人民幣317.9百萬元。約佔收益總額的22.9%。

### 毛利

毛利由二零一一年同期的人民幣774.7百萬元增加38.3%至期內人民幣1,071.4百萬元。整體毛利率由二零一一年首六個月的78.2%略微下降至二零一二年首六個月的77.1%。主要原因是利潤率較低產品銷售增加導致平均毛利率有變動。

### 其他收益淨額

其他收益淨額由二零一一年同期的人民幣44.1百萬元增加至期內人民幣175.0百萬元。此乃主要由於本集團收取的政府補助增加所致。

### 分銷成本

期內分銷成本較去年同期增加99.6%至人民幣587.6百萬元。此增加乃由於將本集團產品的市場推廣策略轉換為符合一般行業慣例（即反映第三方服務提供商的市場推廣成本）。

Sales of non-CCV drugs for the Period dropped by 7.5% to approximately RMB103.4 million, mainly due to the decreased sales of anti-infective drugs which face stricter restrictions on their clinical use. As a result, revenue derived from anti-infective drugs decreased by 38.1% to RMB32.4 million, accounting for approximately 2.3% of the Group's total sales. In view of that, the Group stepped up its efforts in the promotion of other drugs, such as central nervous system, respiratory and metabolism drugs. Sales of other drugs grew by approximately 19.6% to RMB71.0 million compared to the same period of last year, accounting for approximately 5.1% of the Group's total revenue. Sales of Zhuo'ao and Bi'ao (Ambroxol Hydrochloride injection), grew by 61.8% and 35.8% respectively, accounting for aggregate sales of approximately RMB33.9 million. Sales of the Amino Acid Injection also climbed by 58.4% to RMB21.9 million.

### Cost of sales

The Group's cost of sales for the Period amounted to approximately RMB317.9 million, accounted for approximately 22.9% of the total revenue.

### Gross profit

Gross profit increased by 38.3% from RMB774.7 million in the same period of 2011 to RMB1,071.4 million for the Period. Overall gross profit margin slightly decreased to 77.1% in the first six months of 2012 from 78.2% in the first six months of 2011, which was mainly due to that the average gross profit margins fluctuated as a result of increased sales of products with lower margins.

### Other gains - net

Other net gains increased from RMB44.1 million in the same period of 2011 to RMB175.0 million for the Period. This was mainly due to an increase in government grants received by the Group.

### Distribution costs

Distribution costs increased by 99.6% to RMB587.6 million as compared to the same period of last year. The increase resulted from a change in the Group's marketing strategy for its products in compliance with common industry practices which is reflective of marketing costs from third party service providers.



# 管理層討論及分析

## Management Discussion and Analysis

### 行政開支

行政開支由二零一一年同期的人民幣78.2百萬元增加60.4%至期內人民幣125.4百萬元。增加乃主要由於本集團經營發展壯大(尤其是建設方面)有關的行政費用增加。更具體地說明,期內開發新廠房建設工程連同增聘的相關員工以及本集團亦增設公司辦事處職位支援業務擴充。

### 財務收入淨額

財務收入由二零一一年同期的人民幣45.9百萬元上升至期內人民幣62.5百萬元。主要是由於本集團收取的利息收入增加所致。

### 除所得稅前溢利

由於上述因素,本集團的除所得稅前溢利由二零一一年同期的人民幣492.2百萬元增加21.1%至期內人民幣595.9百萬元。

### 所得稅開支

本集團的所得稅開支由二零一一年同期的人民幣117.4百萬元增加2.8%至期內人民幣120.6百萬元。

### 期內溢利

由於上述因素,本集團的純利由二零一一年同期的人民幣374.8百萬元增加26.8%至期內人民幣475.2百萬元。

### 本公司擁有人應佔溢利

本公司擁有人應佔溢利由二零一一年同期的人民幣380.7百萬元增加21.2%至期內人民幣461.4百萬元。

### 非控股權益

二零一一年同期的非控股權益虧損為人民幣5.9百萬元,而期內則錄得盈利人民幣13.8百萬元,主要由於期內非全資附屬公司賺取的溢利所致。

### Administrative expenses

Administrative expenses increased by 60.4% from RMB78.2 million in the same period of 2011 to RMB125.4 million for the Period. The increase was primarily due to an increase in administrative expenses related to the operational expansion of the Group, especially construction. More specifically, during the Period there was new plant construction that came with associated staff and the Group also added positions in the corporate office to support the expanded operation.

### Net finance income

Finance income increased from RMB45.9 million in the same period of 2011 to RMB62.5 million for the Period. The increase was mainly due to increases in interest income received by the Group.

### Profit before income tax

Based on the above factors, the Group's profit before income tax increased by 21.1% from RMB492.2 million in the same period of 2011 to RMB595.9 million for the Period.

### Income tax expenses

The Group's income tax expense increased by 2.8% from RMB117.4 million in the same period of 2011 to RMB120.6 million for the Period.

### Profit for the Period

Based on the above factors, the Group's net profit increased by 26.8% from RMB374.8 million in the same period of 2011 to RMB475.2 million for the Period.

### Profit attributable to owners of the Company

Profit attributable to owners of the Company increased by 21.2% from RMB380.7 million in the same period of 2011 to RMB461.4 million for the Period.

### Non-controlling interests

Losses of non-controlling interests in the same period of 2011 amounted to RMB5.9 million, while it recorded an earning of RMB13.8 million for the Period, which was mainly due to the profit earned from non-wholly owned subsidiaries during the Period.

# 管理層討論及分析

## Management Discussion and Analysis

### 流動資金及財務資源

於二零一二年六月三十日，本集團現金及現金等價物為人民幣1,930.7百萬元(二零一一年十二月三十一日：人民幣3,153.2百萬元)。

本集團一般將多餘現金存入計息銀行賬戶及活期賬戶。本集團可能將額外的現金用作短期投資，以獲取較豐厚的回報。因此，本集團成員公司與若干中國有銀行機構及中國以外聲譽顯著的國際金融機構訂立協議，將額外的現金進行投資。於期內，根據有關協議，本集團成員公司投資本金總額為人民幣1,040.0百萬元。本集團按該等協議進行的投資為短期投資，主要為向若干國有銀行及中國以外聲譽顯著的國際金融機構購買的財務計劃產品。對於上述財務計劃產品，發行該等財務計劃產品的銀行可酌情決定將本集團資金投資國債、貼現的銀行承兌匯票及商業承兌匯票以及銀行存款等財務工具。投資本金人民幣1,040.0百萬元加上約人民幣2.7百萬元利息合共約人民幣1,042.7百萬元於本集團截至二零一二年六月三十日綜合資產負債表確認為可供出售金融資產。於本公告日期，已出售／償還投資本金總額為人民幣160.0百萬元。

除下文所披露者外，本集團並無其他負債及銀行貸款，因此資產負債比率(淨負債除以本集團權益擁有人應佔權益加淨負債總和)小於1%。

### Liquidity and financial resources

As at 30 June 2012, the Group's cash and cash equivalents amounted to RMB1,930.7 million (31 December 2011: RMB3,153.2 million).

The Group generally deposits its excess cash in interest-bearing bank accounts and current accounts. The Group may use extra cash as short-term investments in order to obtain better returns. Therefore, the members of the Group entered into agreements with certain PRC state-owned banking institutions and reputable international financial institutions outside of PRC to invest the extra cash. According to such agreements, during the Period, the total investment principals of the members of the Group amounted to RMB1,040.0 million. The investments made by the Group according to these agreements were categorized as short-term investments, which mainly consist of purchase of financial planning products from certain state-owned banks and reputable international financial institutions outside of PRC. In terms of the above financial planning products, the issuing banks of such financial planning products can invest the Group's funds into financial instruments such as treasury bonds, discounted bank acceptances, commercial acceptance bills and bank deposits. The investment principals of RMB1,040.0 million plus interests of approximately RMB2.7 million amounted to approximately RMB1,042.7 million, which recognized as available-for-sale financial assets in the consolidated balance sheet as at 30 June 2012 of the Group. As at the date of this announcement, sold/repaid total investment principals amounted to RMB160.0 million.

Save as disclosed below, the Group did not have other liabilities and bank loans, as a result of which, its gearing ratio (net debt to equity attributable to owners of the Group plus net debt) is less than 1%.

# 管理層討論及分析

## Management Discussion and Analysis

二零一二年六月三十日，本集團擁有充足現金。董事認為本集團並無重大資本風險。

The Group has sufficient cash as at 30 June 2012. The Directors are of the opinion that the Group does not have significant capital risk.

		二零一二年 六月三十日 As at 30 June 2012 人民幣千元 RMB'000 未經審核 Unaudited	二零一一年 十二月三十一日 As at 31 December 2011 人民幣千元 RMB'000 經審核 Audited
現金及現金等價物	Cash and cash equivalents	1,930,651	3,153,154
減：借貸(附註9)	Less: Borrowings (Note 9)	(503,412)	(5,880)
		1,427,239	3,147,274

### 貿易及其他應收賬款

本集團的貿易應收賬款包括其分銷商應支付其產品的信貸銷售款。本集團的其他應收賬款包括預付供應商款項、按金及其他應收賬款。於二零一二年六月三十日本集團的貿易及其他應收賬款為人民幣1,204.2百萬元，比二零一一年十二月三十一日貿易及其他應收賬款金額人民幣718.8百萬元增加了人民幣485.4百萬元。主要因銷售增加而使信貸銷售款增加、同時銷售的增加也使其他應收賬款增加。

### Trade and other receivables

The Group's trade receivables consist of the credit sales of its products to be paid by its distributors. Other receivables consist of prepayments to suppliers, deposits and other receivables. The Group's trade and other receivables increased by RMB485.4 million from RMB718.8 million as at 31 December 2011 to RMB1,204.2 million as at 30 June 2012. The increase in trade and other receivables was mainly due to the increases in credit sales, and other receivables, along with the increase in sales.

## 管理層討論及分析

### Management Discussion and Analysis

於二零一二年六月三十日，本集團擁有貿易應收賬款人民幣693.7百萬元，較二零一一年十二月三十一日的人民幣387.9百萬元增加78.8%。按於(a)二零一二年六月三十日及(b)二零一一年十二月三十一日兩個期間應收賬款的賬齡計算的日後結算明細載列如下：

As at 30 June 2012, the Group has trade receivables of RMB693.7 million, representing an increase of 78.8% from RMB387.9 million as at 31 December 2011. The breakdown of the subsequent settlement based on the ageing of the receivables for the two periods as at (a) 30 June 2012 and (b) 31 December 2011 is set out below:

		二零一二年 六月三十日 30 June 2012 人民幣千元 RMB'000	日後結算 Subsequent settlement* 人民幣千元 RMB'000	二零一一年 十二月三十一日 31 December 2011 人民幣千元 RMB'000	日後結算 Subsequent settlement* 人民幣千元 RMB'000
於三個月內	Within 3 months	676,129	151,635	339,096	328,360
三至六個月	3 to 6 months	12,367	1,631	9,293	9,293
六至十二個月	6 to 12 months	4,829	4,829	39,248	39,156
超過十二個月	More than 12 months	348	–	256	–
		693,673	158,095	387,893	376,809

\* 於本中期報告付印前的最後實際可行日期。

\* As at the latest practicable date prior to the printing of this interim report.

#### 存貨

於二零一二年六月三十日，本集團的存貨金額為人民幣69.3百萬元(二零一一年十二月三十一日存貨金額為人民幣57.7百萬元)。二零一二年首六個月製成品存貨周轉期為18.2日(二零一一年十二月三十一日：17.6日)。於二零一一年本集團並無存貨減值。

#### Inventory

The Group's inventory as at 30 June 2012 amounted to RMB69.3 million (inventory as at 31 December 2011: RMB57.7 million). In the first six months of 2012, the inventory turnover days of its finished products was 18.2 days (31 December 2011: 17.6 days). The Group had no inventory impairments in 2011.

#### 物業、廠房及設備

本集團的物業、廠房及設備包括樓宇、生產及電子設備、汽車及在建工程。於二零一二年六月三十日，本集團的物業、廠房及設備的賬面淨值為人民幣490.7百萬元較去年增加了人民幣71.4百萬元，上升約17.0%。主要是現有及新投建的生產廠進行擴建或建設以及購置設備。

#### Property, plant and equipment

The Group's property, plant and equipment consist of buildings, production and electronic equipment, motor vehicles and construction in progress. As at 30 June 2012, the net book value of the Group's property, plant and equipment amounted to RMB490.7 million, representing an increase of RMB71.4 million, or approximately 17.0%, as compared with the previous year. The increase was mainly attributable to the expanding or construction of existing and new production facilities, and the purchase of equipment.

# 管理層討論及分析

## Management Discussion and Analysis

### 無形資產

本集團的無形資產主要包括商譽、客戶關係、專利權、遞延開發成本及進行中產品開發。本集團的商譽產生自收購附屬公司。遞延開發成本及進行中產品開發主要指向外部研究機構收購若干藥品研發項目與其自行開發的研發項目。於二零一二年六月三十日，無形資產淨值為人民幣2,677.8百萬元(二零一一年十二月三十一日：人民幣3,080.1百萬元)。

### 貿易及其他應付賬款

本集團的貿易及其他應付賬款主要包括貿易應付賬款、來自客戶的墊款、其他應付賬款、應計開支及應付董事款項。於二零一二年六月三十日，貿易及其他應付賬款金額為人民幣777.5百萬元，較二零一一年十二月三十一日貿易及其他應付賬款金額減少了人民幣762.8百萬元。主要是上半年支付收購附屬公司應支付的收購餘款。

於二零一二年六月三十日，本集團擁有貿易應付賬款人民幣49.0百萬元，較二零一一年十二月三十一日的人民幣29.2百萬元增加67.8%。貿易應付賬款的增加乃主要由於本集團的供應商並無就彼等於二零一二年六月三十日交付予本集團的貨品提供任何發單。於二零一二年六月三十日的所有貿易應付賬款已於截至本中報日期償付。

### 或然負債

本集團於截至二零一二年六月三十日並沒有任何或然債務(二零一一年十二月三十一日：無)。

### 資產負債表外安排

除所披露的或然負債外，本集團並無訂立任何資產負債表外安排或承擔以為任何第三方的付款責任提供擔保。本集團並無在為我們提供融資或流動資金、或引致市場風險或提供信貸支持、或從事向本集團提供租賃或對沖或研發服務的任何非綜合實體擁有任何可變權益。

### Intangible assets

The Group's intangible assets mainly consist of goodwill, customer relationships, patents, deferred development costs and product development in progress. The Group's goodwill improved from the acquisitions of our subsidiaries. The deferred development costs and product development in progress mainly represent the acquisitions of certain pharmaceutical R&D projects from external research institutions and its own-developed R&D projects. As at 30 June 2012, net intangible assets amounted to RMB2,677.8 million (31 December 2011: RMB3,080.1 million).

### Trade and other payables

The Group's trade and other payables primarily consist of trade payables, advances from customers, other payables, accrued expenses and amounts due to Directors. As at 30 June 2012, trade and other payables amounted to RMB777.5 million, representing a decrease of RMB762.8 million as compared with 31 December 2011. The decrease was mainly due to the remaining payment of remaining balance for the acquisitions of subsidiaries made in the first half of this year.

As at 30 June 2012, the Group has trade payables of RMB49.0 million, representing an increase of 67.8% from RMB29.2 million as at 31 December 2011. The increase in trade payables is mainly because the Group's suppliers have not provided the invoices for the goods that they have delivered to the Group as at 30 June 2012. All trade payables as at 30 June 2012 have been settled as of the date hereof.

### Contingent liabilities

The Group had no material contingent liabilities as of 30 June 2012 (31 December 2011: nil).

### Off-balance sheet arrangements

Apart from the contingent liabilities, the Group has not entered into any off-balance sheet arrangements or commitments to provide guarantees for any payment liabilities of any third parties. The Group did not have any variable interests in any unconsolidated entities that provide financing or liquidity, create market risk or offer credit support to us or that engage in the provision of leasing, hedging or research and development services to the Group.

# 管理層討論及分析

## Management Discussion and Analysis

### 信貸風險

信貸風險指交易對手方違反其合約責任而導致我們財務損失的風險。本集團並無重大信貸風險集中情況。信貸風險主要來自現金及現金等價物以及貿易及其他應收賬款。現金等價物、短期銀行存款以及貿易及其他應收賬款的賬面值乃本集團所面臨有關其金融資產的最大信貸風險。

就現金及現金等價物而言，本集團透過將其銀行存款存放在並無重大信貸風險的中國大型國家控制銀行來管理中國的現金信貸風險。本集團透過將其銀行存款存放在高信貸質量的金融機構來管理中國以外的現金信貸風險。

就貿易及其他應收賬款而言，本集團已制定政策確保在與客戶訂立相關銷售訂單協議後收取若干現金墊款。本集團通過考慮交易對手方的財務狀況、信貸歷史及其他因素評估其信貸質量。本集團亦進行若干監控程序以確保採取適當跟進行動收回逾期債務。本集團定期進行賬齡分析，評估信貸風險及根據歷史數據及現金收回歷史估計面臨類似信貸風險的貿易應收賬款組別的可收回性。

本集團亦進行若干監控程序以確保採取適當跟進行動收回逾期債務。本集團定期進行賬齡分析，評估信貸風險及根據歷史數據及現金收回歷史估計面臨類似信貸風險的貿易應收賬款組別的可收回性。

並無其他金融資產面臨重大信貸風險。

### Credit risk

Credit risk refers to the risk of a counterparty defaulting on its contractual obligations resulting in a financial loss for us. The Group has no significant concentrations of credit risk and has not experienced any material credit risks. Credit risk arises mainly from cash and cash equivalents, and trade and other receivables. The carrying amounts of cash equivalents, short-term bank deposits, and trade and other receivables represent the Group's maximum exposure to credit risk in relation to its financial assets.

With respect to cash and cash equivalents, the Group manages the credit risk of cash in the PRC by placing its bank deposits in large PRC state-owned banks without significant credit risks. The Group manages the credit risk of cash outside the PRC by placing its bank deposits in financial institutions that have high credit quality.

With respect to trade and other receivables, the Group has policies in place to ensure certain cash advances are paid by customers upon the agreement of the related sales orders. The Group will usually grant credit period only to those customers who have provided cash advances to the Group. The Group assesses the credit quality of the counterparties by taking into account their financial positions, credit histories and other factors. The Group enters into sales contracts with its customers before transactions are taken place. In the event that a customer breaches its sales contract with the Group, the Group will immediately terminate all transactions with such customer and will initiate legal actions against such customer. If the customer still fails to settle its overdue debts, the Group will apply the cash advances paid by the customer to set off its overdue debts.

The Group also undertakes certain monitoring procedures to ensure that proper follow-up action is taken to recover overdue debts. The Group regularly performs ageing analysis, assess credit risks and estimate the recoverability of groups of trade receivables bearing similar credit risks based on historical data and cash collection history.

No other financial assets bear a significant exposure to credit risk.

# 管理層討論及分析

## Management Discussion and Analysis

### 外匯風險

本集團的所有收益均源自中國的業務，而其功能貨幣為人民幣。本集團的金融工具均以人民幣計值。本集團並無以外幣計值的重大現金及現金等價物，故並無面臨重大貨幣風險。然而，將人民幣兌換成外幣以進行股息派付須遵守中國政府頒布的外匯管制規則及法規。

於二零一二年六月三十日，本集團少於1%的現金及現金等價物以外幣計值，而餘下現金及現金等價物則以人民幣計值。

### 資本開支

本集團的資本開支主要包括購買物業、廠房及設備、土地使用權、無形資產。於二零一二年首六個月，我們的資本開支為人民幣205.7百萬元，其中物業、廠房及設備的開支為人民幣97.6百萬元，購買及自研無形資產增加人民幣6.2百萬元，土地使用權的開支為人民幣101.9百萬元。

### 資產抵押

於二零一二年六月三十日，本集團概無抵押資產。

### 人力資源及僱員酬金

人力資源是本集團在競爭中得以成功的不可或缺資產。本集團為全體僱員提供具競爭力的薪酬待遇，包括給予合資格僱員的薪金及花紅，以及為合資格管理層人員及僱員設立以僱員股份獎勵計劃為形式的長期獎勵計劃。本集團定期檢討自身人力資源及薪酬政策，以鼓勵僱員致力提升本集團價值及促進本集團的長期增長。於二零一二年六月三十日，本集團僱用員工2,065人。本集團於期內的薪金總額及相關成本為人民幣56.7百萬元(二零一一年上半年：人民幣37.2百萬元)。

### Foreign exchange risk

All of the Group's revenues are generated from its businesses in the PRC, and RMB is its functional currency. The Group's financial instruments are denominated in RMB. The Group is not subject to material currency risk as the Group has no major cash and cash equivalents denominated in foreign currency. Nevertheless, dividend payment of foreign currency converted from RMB is subject to foreign exchange rules and regulations promulgated by the PRC government.

As at 30 June 2012, less than 1% of the Group's cash and cash equivalents were denominated in foreign currency, respectively, and the remaining cash and cash equivalents were denominated in RMB.

### Capital expenditure

The Group's capital expenditure primarily consists of the purchase of property, plant and equipment, land use rights and intangible assets. In the first six months of 2012, its capital expenditures was amounted to RMB205.7 million, of which RMB97.6 million was spent on property, plant and equipment, purchasing and self-developed intangible assets increased by RMB6.2 million, and the remaining RMB101.9 million was spent on land use rights.

### Pledge of assets

As at 30 June 2012, none of the Group's assets was pledged.

### Human Resources and Remuneration of Employees

Human resources are indispensable assets to the success of the Group in a competitive environment. The Group provides competitive remuneration package to all employees, including salaries and bonuses to qualified employees, as well as a long-term incentive scheme in the form of an employee share award scheme for eligible management personnel and employees. The Group reviews its own human resources and remuneration policy regularly, to encourage them to work towards enhancing the value of the Group and promoting the long-term growth of the Group. As at 30 June 2012, the Group had 2,065 employees. For the Period, total salary and related costs of the Group were RMB56.7 million (first half of 2011: RMB37.2 million).

## 其他資料 Other Information

### 董事及最高行政人員於本公司或其任何相聯法團的股份、相關股份及債券中之權益及淡倉

於二零一二年六月三十日，本公司各董事及最高行政人員於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債券中擁有記錄在本公司根據證券及期貨條例第352條規定須存置之登記冊，或根據上市發行人董事進行證券交易之標準守則(「標準守則」)知會本公司及香港聯合交易所有限公司(「聯交所」)之權益及淡倉如下：

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

As at 30 June 2012 each of the Directors and chief executive of the Company had the following interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"):

(i) 董事於本公司普通股份中的權益及淡倉

(i) Directors' interests and short positions in ordinary shares of the Company

董事姓名 Name of Director	權益性質／股份數目 Nature of Interest/ Number of Shares	股份總數 Total Number of Shares	股權概約佔本公司 已發行股份百分比 Approximate Percentage of Shareholding in the Issued Shares of the Company
車馮升醫生(附註1) Dr. Che Fengsheng (Note 1)	受控法團權益 2,969,131,019 股(好倉)	3,002,881,019 (好倉)	58.03%
	Interest in a controlled corporation 2,969,131,019 shares (Long Position)	(Long Position) 14,150,000	0.27%
	信託財產授予人(附註2) 33,750,000 股(好倉)	(好倉) (Short Position)	
	14,150,000 股(淡倉)		
	Settlor of a trust (Note 2) 33,750,000 shares (Long Position) 14,150,000 shares (Short Position)		
郭維城醫生(附註3) Dr. Guo Weicheng (Note 3)	實益擁有人 2,542,000 股(好倉)	122,201,000 (好倉)	2.36%
	Beneficial owner 2,542,000 shares (Long Position)	(Long Position)	
	信託財產授予人 119,659,000 股(好倉)		
	Settlor of a trust 119,659,000 shares (Long Position)		



## 其他資料 Other Information

董事姓名 Name of Director	權益性質／股份數目 Nature of Interest/ Number of Shares	股份總數 Total Number of Shares	股權概約佔本公司 已發行股份百分比 Approximate Percentage of Shareholding in the Issued Shares of the Company
孟憲慧先生(附註3) Mr. Meng Xianhui (Note 3)	受控法團權益(附註4) Interest in a controlled corporation (Note 4)	56,590,000 (好倉) (Long Position)	1.09%
張炯龍醫生(附註3) Dr. Zhang Jionglong (Note 3)	受控法團權益(附註5) Interest in a controlled corporation (Note 5)	99,220,000 (好倉) (Long Position)	1.92%

附註：

Notes:

- |  |   |
|--|---|
| (1) 根據證券及期貨條例第317及318條，車馮升醫生被視為於460,702,857股股份中擁有權益。   | (1) Under sections 317 and 318 of the SFO, Dr. Che Fengsheng is deemed to be interested in 460,702,857 Shares.  |
| (2) 車馮升醫生為Plenty Gold Enterprises Limited(「Plenty Gold」)的51%已發行股本的實益擁有人，以及Sihuan Management (PTC) Limited(「受託人公司」)作為受託人的信託的財產授予人之一，並被視為於Plenty Gold在本公司持有的2,747,297,019股股份擁有權益。由於Plenty Gold為受託人公司的唯一股東及車馮升醫生為受託人公司持有的信託資產(即本公司股份)的財產授予人之一，彼亦被視為於33,750,000股股份中擁有權益，以及於受託人公司持有的14,150,000股股份中擁有淡倉。車馮升醫生為Network Victory Limited的全部已發行股本的實益擁有人並被視為於Network Victory Limited持有的221,834,000股股份中擁有權益。 | (2) Dr. Che Fengsheng is the beneficial owner of 51% of the issued share capital of Plenty Gold Enterprises Limited (“Plenty Gold”) as well as one of the settlors of the trust for which Sihuan Management (PTC) Limited (“Trustee Co”) is a trustee, and is deemed to be interested in the 2,747,297,019 Shares held by Plenty Gold in the Company. Since Plenty Gold is the sole shareholder of Trustee Co and that Dr. Che Fengsheng is one of the settlors of the trust assets (being Shares in the Company) held by Trustee Co, he is also deemed to be interested in the 33,750,000 Shares as well as to have a short positions in 14,150,000 Shares held by Trustee Co. Dr. Che Fengsheng is the beneficial owner of the entire issued share capital of Network Victory Limited and is deemed to be interested in the 221,834,000 Shares held by Network Victory Limited. |
| (3) 根據證券及期貨條例第317及318條，郭維城醫生、孟憲慧先生及張炯龍醫生各自被視為於3,463,583,876股股份中擁有權益。   | (3) Under sections 317 and 318 of the SFO, each of Dr. Guo Weicheng, Mr. Meng Xianhui and Dr. Zhang Jionglong is deemed to be interested in 3,463,583,876 Shares.   |
| (4) 孟憲慧先生為Smart Top Overseas Limited全部已發行股本的實益擁有人並被視為於Smart Top Overseas Limited持有的56,590,000股股份中擁有權益。   | (4) Mr. Meng Xianhui is the beneficial owner of the entire issued share capital of Smart Top Overseas Limited and is deemed to be interested in the 56,590,000 Shares held by Smart Top Overseas Limited.   |
| (5) 張炯龍醫生為Keen Mate Limited全部已發行股本的實益擁有人並被視為於Keen Mate Limited持有的99,220,000股股份中擁有權益。   | (5) Dr. Zhang Jionglong is the beneficial owner of the entire issued share capital of Keen Mate Limited and is deemed to be interested in the 99,220,000 Shares held by Keen Mate Limited.  |

## 其他資料 Other Information

### (ii) 董事於相聯法團股份中的權益 (好倉)

### (ii) Directors' interest in the shares of associated corporations (Long position)

相聯法團名稱 Name of Associated Corporation	董事姓名 Name of Director	權益性質 Nature of Interest	股份數目 Number of Shares	股權概約佔 已發行 股本百分比 Approximate Percentage of Shareholding in the Issued Shares
Plenty Gold	車馮升醫生 Dr. Che Fengsheng	實益權益 Beneficial interest	3,825,000	51%
Plenty Gold	郭維城醫生 Dr. Guo Weicheng	實益權益 Beneficial interest	1,875,000	25%
Plenty Gold	孟憲慧先生 Mr. Meng Xianhui	實益權益 Beneficial interest	825,000	11%
Plenty Gold	張炯龍醫生 Dr. Zhang Jionglong	實益權益 Beneficial interest	760,714	10.14%

除上文所披露者外，於二零一二年六月三十日，本公司各董事、最高行政人員或彼等之有聯繫者概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股本及債券中擁有記錄在本公司根據證券及期貨條例第352條須存置之登記冊之權益或淡倉，或根據標準守則須知會本公司及聯交所之權益或淡倉。

Save as disclosed above, as at 30 June 2012, none of the Directors, chief executive and their associates had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations, within the meaning of Part XV of the SFO, which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

### 董事購買股份或債券之權利

截至二零一二年六月三十日止六個月，本公司並無授予任何董事、最高行政人員或其配偶或未成年子女任何透過購買本公司股份或債券而獲取實益之權利；以上人士於本報告期間內亦無行使所述權利。本公司、其控股公司或其任何附屬公司亦無參與任何安排，令各董事於任何其他法人團體獲得此等權利。

### DIRECTORS' RIGHT TO ACQUIRE SHARES OR DEBENTURES

During the six months ended 30 June 2012, the Company did not grant any rights to any Directors, chief executive or their respective spouse or children under 18 to acquire beneficial interests by means of the acquisition of shares in, or debentures of, the Company, and none of the above persons have exercised the said rights during the reporting period. The Company, its holding company or any of its subsidiaries were not a party to any arrangements to enable the Directors to acquire such rights in any other body corporate.

### 主要股東於本公司股份及相關股份中之權益及淡倉

於二零一二年六月三十日，根據證券及期貨條例第336條須存置本公司之登記冊記錄，以下股東(不包括本公司之董事或最高行政人員)於本公司已發行股本及相關股份中擁有5%或以上權益(包括淡倉)：

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

As at 30 June 2012, the following shareholders, other than the Directors or chief executive of the Company, which were recorded in the register required to be kept by the Company under Section 336 of the SFO, had interests in 5% or more (including short positions) in the issued share capital and underlying shares of the Company:

股東名稱 Name of Shareholder	權益性質／股份數目 Nature of Interest/ Number of Shares	股份總數(附註5) Total Number of Shares (Note 5)	股權概約百分比 Approximate Percentage of Shareholding
Plenty Gold (附註1) (Note 1)	實益擁有人	2,781,047,019 (L)	53.74%
	2,747,297,019 股 (L)	14,150,000 (S)	0.27%
	Beneficial owner		
	2,747,297,019 shares (L)		
	信託財產授予人		
	33,750,000 股 (L)		
黃振華先生(附註2) Mr. Huang Zhenhua (Note 2)	14,150,000 股 (S)		
	Settlor of a trust		
	33,750,000 shares (L)		
	14,150,000 shares (S)		
受控法團權益 46,702,981 股 (L)(附註3) Interest in a controlled corporation 46,702,981 shares (L) (Note 3)		46,702,981 (L)	0.90%
MSPEA Pharma Holdings B.V. (附註4)(Note 4)	實益擁有人	375,000,000 (L)	7.25%
	375,000,000 股 (L)		
	Beneficial owner		
	375,000,000 shares (L)		

## 其他資料 Other Information

股東名稱 Name of Shareholder	權益性質／股份數目 Nature of Interest/ Number of Shares	股份總數(附註 5) Total Number of Shares (Note 5)	股權概約百分比 Approximate Percentage of Shareholding
Morgan Stanley Private Equity Asia III Holdings (Cayman) Ltd (附註 4) (Note 4)	受控法團權益 375,000,000 股(L) Interest in a controlled corporation 375,000,000 shares (L)	375,000,000 (L)	7.25%
Morgan Stanley Private Equity Asia III, Inc. (附註 4) (Note 4)	受控法團權益 375,000,000 股(L) Interest in a controlled corporation 375,000,000 shares (L)	375,000,000 (L)	7.25%
Morgan Stanley Private Equity Asia III, L.L.C (附註 4) (Note 4)	受控法團權益 375,000,000 股(L) Interest in a controlled corporation 375,000,000 shares (L)	375,000,000 (L)	7.25%
Morgan Stanley Private Equity Asia III, L.P. (附註 4) (Note 4)	受控法團權益 375,000,000 股(L) Interest in a controlled corporation 375,000,000 shares (L)	375,000,000 (L)	7.25%
MSPEA III Holdings Cooperatief U.A. (附註 4) (Note 4)	受控法團權益 375,000,000 股(L) Interest in a controlled corporation 375,000,000 shares (L)	375,000,000 (L)	7.25%

附註：

Notes:

- |   |  |
|---|--|
| <p>(1) Plenty Gold 直接持有本公司 2,747,297,019 股股份。其亦為持有本公司 33,750,000 股股份及 14,150,000 股股份淡倉的受託人公司的唯一股東。Plenty Gold 被視為於 33,750,000 股股份中擁有權益，以及於受託人公司持有的 14,150,000 股股份中持有淡倉。</p> | <p>(1) Plenty Gold directly holds 2,747,297,019 shares in the Company. It is also the sole shareholder of the Trustee Co which holds 33,750,000 shares as well as a short position in 14,150,000 shares in the Company. Plenty Gold is deemed to be interested in the 33,750,000 shares as well as to have a short position in 14,150,000 shares held by the Trustee Co.</p> |
| <p>(2) 根據證券及期貨條例第 317 及 318 條，黃振華先生被視為於 3,459,584,000 股股份中擁有權益。</p>   | <p>(2) Under sections 317 and 318 of the SFO, Mr. Huang Zhenhua is deemed to be interested in 3,459,584,000 Shares.</p>  |
| <p>(3) 黃振華先生為 Taurus TC Holdings Limited 全部已發行股本的實益擁有人並被視為於 Taurus TC Holdings Limited 持有的 46,702,981 股股份中擁有權益。</p>   | <p>(3) Mr. Huang Zhenhua is the beneficial owner of the entire issued share capital of Taurus TC Holdings Limited and is deemed to be interested in the 46,702,981 Shares held by Taurus TC Holdings Limited.</p>  |

- (4) MSPEA Pharma Holdings B.V. (「MSPEA Pharma BV」) 為根據荷蘭法律成立的私人有限公司，由 MSPEA III Holdings Cooperatief U.A. (「MSPEA III Coop」) 全資擁有。MSPEA III Coop 為根據荷蘭法律成立的聯合體，由 Morgan Stanley Private Equity Asia III Holdings (Cayman) Limited (「MSPEA III Cayman」) 全資擁有。MSPEA III Cayman 為於開曼群島註冊成立的獲豁免有限公司，由 Morgan Stanley Private Equity Asia III, L.P. (「MSPEA III」) (由摩根士丹利私募公司管理的基金) 控制。MSPEA III 的普通合夥人為 Morgan Stanley Private Equity Asia III, L.L.C. (「MSPEA III GP」)，而 MSPEA III GP 的管理成員為 Morgan Stanley Private Equity Asia III, Inc. (「MSPEA III Inc.」) (於美國證券交易委員會註冊的投資顧問)。MSPEA III Coop、MSPEA III Cayman、MSPEA III、MSPEA III GP 及 MSPEA III Inc. 各自被視為於 MSPEA Pharma BV 持有的股份中擁有權益。
- (5) 「L」字母代表股東於該等股份的好倉及「S」字母代表股東於該等股份中的淡倉。
- (4) MSPEA Pharma Holdings B.V. (“MSPEA Pharma BV”) is a private limited liability company established under Dutch law which is wholly-owned by MSPEA III Holdings Cooperatief U.A. (“MSPEA III Coop”). MSPEA III Coop is a cooperative established under Dutch law and is wholly-owned by Morgan Stanley Private Equity Asia III Holdings (Cayman) Limited (“MSPEA III Cayman”). MSPEA III Cayman is an exempted company incorporated in the Cayman Islands with limited liability and is controlled by Morgan Stanley Private Equity Asia III, L.P. (“MSPEA III”), a fund managed by the private equity arm of Morgan Stanley. The general partner of MSPEA III is Morgan Stanley Private Equity Asia III, L.L.C. (“MSPEA III GP”), the managing member of which is Morgan Stanley Private Equity Asia III, Inc. (“MSPEA III Inc.”), an investment advisor registered with the U.S. Securities and Exchange Commission. Each of MSPEA III Coop, MSPEA III Cayman, MSPEA III, MSPEA III GP and MSPEA III Inc. is deemed to be interested in the shares held by MSPEA Pharma BV.
- (5) The letter “L” denotes the shareholder’s long position in such shares and the letter “S” denotes the shareholder’s short position in such shares.

除上文所披露者外，於二零一二年六月三十日，根據證券及期貨條例第336條須存置本公司之登記冊記錄，概無其他人士(除本公司董事或最高行政人員外)於本公司股份或相關股份中擁有根據證券及期貨條例第336條記錄之權益或淡倉。

Save as disclosed above, according to the records in the register required to be kept by the Company under Section 336 of the SFO, no other parties (other than the Directors or chief executive of the Company) had an interest or a short position in the shares or underlying shares of the Company recorded under Section 336 of the SFO as at 30 June 2012.

## 其他資料

### Other Information

#### 僱員股份獎勵計劃

為激勵本集團管理層而設的獎勵計劃(「僱員股份獎勵計劃」)已獲本公司若干股東(即 Plenty Gold、車馮升醫生及郭維城醫生)於二零一零年十月二十五日採納。受託人公司(一家在英屬處女群島成立並由 Plenty Gold 全資擁有的私人信託公司)已獲委任為受託人，以持有僱員股份獎勵計劃的預留股份，而受託人公司於接獲本公司薪酬委員會指示後便會向經挑選的本集團管理層人員及僱員(不包括董事)授予權利以收購受託人公司持有的股份(「獎勵」)，價格由本公司薪酬委員會釐定。Plenty Gold、車馮升醫生及郭維城醫生(作為信託財產授予人)已預留及撥出合共 33,750,000 股股份(或已發行股份總數約 0.65%)，由受託人公司以僱員股份獎勵計劃受託人的身份持有。僱員股份獎勵計劃涉及授出由受託人公司持有的現有股份，並不會根據僱員股份獎勵計劃發行任何新股份。

於二零一二年三月二十日，24 名本集團僱員已獲授予獎勵，賦予彼等權利以向受託人公司按行使價每股 3.19 港元收購總數 14,150,000 股股份。待若干歸屬條件及若干績效目標(如有)達成後，該等獎勵自獎勵授出當日起計五年期內可行使。

#### 購買、贖回或出售本公司上市證券

截至二零一二年六月三十日止六個月，本公司及其附屬公司概無購買、出售或贖回本公司之任何上市證券。

#### EMPLOYEE SHARE AWARD SCHEME

An award scheme for the purpose of incentivising the management of the Group (the “Employee Share Award Scheme”) has been adopted by certain shareholders of the Company (namely, Plenty Gold, Dr. Che Fengsheng and Dr. Guo Weicheng) on 25 October 2010. Trustee Co (a private trust company established in the British Virgin Islands and wholly-owned by Plenty Gold) has been appointed as the trustee to hold the reserved shares under the Employee Share Award Scheme, and the Trustee Co will, upon receiving instructions from the remuneration committee of the Company, award to selected management personnel and employees of the Group (excluding Directors) the rights to acquire the shares held by the Trustee Co (“Awards”) at a price to be determined by the remuneration committee of the Company. Plenty Gold, Dr. Che Fengsheng and Dr. Guo Weicheng, as settlors of a trust, has reserved and set aside a total of 33,750,000 shares (or approximately 0.65% of the total number of issued shares), which are being held by the Trustee Co as trustee for the Employee Share Award Scheme. The Employee Share Award Scheme involves granting of existing shares held by the Trustee Co and no new shares will be issued pursuant to the Employee Share Award Scheme.

On 20 March 2012, 24 employees of the Group were granted Awards entitling them to acquire an aggregate of 14,150,000 shares from the Trustee Co at an exercise price of HK\$3.19 per shares. Subject to certain vesting conditions and the satisfaction of certain performance targets (if any), such Awards shall be exercisable over a period of five years commencing from the date on which the Awards are granted.

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

The Company or any of its subsidiaries did not purchase, sell or redeem any listed securities of the Company during the six months ended 30 June 2012.

### 股息

本公司董事會（「董事會」）決議向二零一二年九月二十七日名列本公司股東名冊之股東宣派中期股息每股人民幣3.1分（二零一一年：人民幣1.9分）。

### 企業管治守則

本公司於整個期內已遵守香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四所載企業管治守則（「守則」）的所有適用守則條文，惟偏離守則第A.2.1條守則條文，即主席與行政總裁的角色並未區分。車馮升醫生同時擔任本公司主席兼行政總裁職務。董事會認為車馮升醫生作為本公司的創辦人之一擁有豐富的醫藥行業知識，加上其獨到的策略性遠見，故具備適當資歷領導本公司並制訂有效策略以迅速因應市場變化及新挑戰作出反應。其持續擔任上述兩項職務將有利於本公司的穩定健康發展。然而，董事會將於需要時作出檢討及作出適當改變，以提升企業管治水平。

### 上市發行人董事進行證券交易之標準守則（「標準守則」）

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之標準守則（「標準守則」）。經本公司作出特定查詢後，所有董事均確認彼等於截至二零一二年六月三十日止六個月一直遵守標準守則所載標準。

### DIVIDENDS

The board of directors of the Company (the “Board”) has resolved to declare an interim dividend of RMB3.1 cents per share (2011: RMB1.9 cents) to shareholders of the Company whose names appear on the register of members of the Company on 27 September 2012.

### CORPORATE GOVERNANCE CODE

The Company has complied with all the applicable code provisions of the Corporate Governance Code (the “Code”), as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) throughout the Period save and except from the deviation from code provision A.2.1 of the Code, namely, the roles of the chairman and chief executive officer have not been separated. Dr. Che Fengsheng held the roles of both Chairman and chief executive officer of the Company. The Board considers that Dr. Che Fengsheng, as one of the main founders of the Company and possessing extensive medical and pharmaceutical industry knowledge together with unique strategic perspective is suitably qualified to lead the Company and formulate effective strategies to react promptly to market changes and new challenges. His continual service in both roles would be beneficial to the stable and healthy development of the Company. However, the Board will review and make appropriate changes when necessary in order to enhance the level of corporate governance.

### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS (THE “MODEL CODE”)

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) set out in Appendix 10 of the Listing Rules. All Directors have confirmed, following specific enquiry by the Company, that they have complied with the required standard set out in the Model Code throughout the six months ended 30 June 2012.

## 其他資料 Other Information

### 審核委員會

審核委員會已與本公司外聘核數師羅兵咸永道會計師事務所共同審閱本公司所採納的會計原則及慣例以及截至二零一二年六月三十日止六個月本集團未經審核綜合業績。審核委員會包括一名非執行董事(張炯龍醫生)及三名獨立非執行董事(辛定華先生、白慧良先生及徐康森先生)，並由持有會計專業資格的辛定華先生擔任主席。審核委員會主席擁有相應財務專業資格及經驗。

### 全球發售所得款項用途

於二零一二年十月，本公司透過國際配售及公開發售以價格4.60港元配發1,437,500,000股普通股。除下文所披露者外，上述國際配售及公開發售所得款項淨額約6,365.7百萬港元(約等於人民幣5,407.6百萬元)已根據本公司於二零一零年十月十五日的招股章程所披露用途動用。

本公司宣佈於二零一零年十一月二十五日收購的Dupromise Holdings Limited全部股權、於二零一一年一月二十日收購長春翔通藥業有限公司的80%股權及於二零一一年六月二十二日收購Smart Baskets Investments Limited的全部股權。上述收購的代價根據相關協議條款須分期支付。本公司將指定用作購買產品、提升銷售與分銷工作及增加營運資金的國際配售及公開發售所得款項分別約人民幣736.6百萬元、人民幣492.4百萬元及人民幣500.5百萬元用途改變，以支付該等收購的代價。此外，為配合招股章程所披露本公司擴充及提升產能及實力的策略，本公司將指定用作撥付我們於北京及廊坊興建新生產設施的資金及營運資金的國際配售及公開發售所得款項分別約人民幣260.0百萬元及人民幣40.3百萬元用途改變，有關款項用作撥付於吉林省及遼寧省興建生產設施所需的資本開支。

### AUDIT COMMITTEE

The Audit Committee has met with the external auditors of the Company, Messrs. PricewaterhouseCoopers, to review the accounting principles and practices adopted by the Company and the unaudited consolidated results for the six months ended 30 June 2012 of the Group. The Audit Committee consists of one non-executive Director (Dr. Zhang Jionglong) and three independent non-executive Directors (Mr. Patrick Sun, Mr. Bai Huiliang and Mr. Xu Kangsen), and is chaired by Mr. Patrick Sun who has a professional qualification in accountancy. The chairman of the Audit Committee has the appropriate professional qualification and experience in financial matters.

### USE OF PROCEEDS FROM THE GLOBAL OFFERING

In October 2010, the Company allotted 1,437,500,000 ordinary shares at a price of HK\$4.60 through international placing and public offer. Save as disclosed below, the net proceeds raised from such international placing and public offer, being approximately HK\$6,365.7 million (equivalent to approximately RMB5,407.6 million), are used in accordance with the purposes disclosed in the prospectus of the Company dated 15 October 2010.

The Company announced the acquisition of the entire equity interest in Dupromise Holdings Limited on 25 November 2010, the acquisition of 80% equity interest in Changchun Xiangtong Pharmaceutical Co., Ltd. on 20 January 2011 and the acquisition of the entire equity interest in Smart Baskets Investments Limited on 22 June 2011. Considerations for such acquisitions are payable in installments in accordance with the terms of the respective agreements. The Company changed the use of an amount of approximately RMB736.6 million, RMB492.4 million and RMB500.5 million of the proceeds from the international placing and public offer designated for acquisition of products, enhancement of sales and distribution efforts and working capital, respectively, to settle the consideration for such acquisitions. In addition, in line with the Company's strategies to expand and enhance its production capacity and capability as disclosed in the prospectus, the Company changed the use of an amount of approximately RMB260.0 million and RMB40.3 million of the proceeds from the international placing and public offer designated for funding the construction of our new production facilities construction in Beijing & Langfang and working capital, respectively, to fund the capital expenditures required for the construction of production facilities in Jilin province and Liaoning province.



截至二零一二年六月三十日止六個月，本公司全球發售所籌集約人民幣3,901.2百萬元按下列用途及概約金額動用：

- 約人民幣128.0百萬元用作產品開發及研究；
- 約人民幣30.0百萬元用作發展我們現有產品；
- 約人民幣72.8百萬元用作購買產品；
- 約人民幣91.9百萬元用作撥付我們於北京及廊坊興建兩項新生產設施的資金；
- 約人民幣228.3百萬元用作撥付於吉林省及遼寧省興建生產設施的資金；
- 約人民幣3,301.8百萬元用作合併及收購；及
- 約人民幣48.4百萬元用作提升我們的銷售與分銷工作。

於二零一二年六月三十日，本公司國際配售及公開發售所籌集資金約人民幣1,506.4百萬元尚未動用，有關金額已存入本公司特別銀行戶口。

### 董事及董事資料變動

於二零一二年六月一日，郭維城醫生重新獲委任為本公司執行董事、張炯龍醫生重新獲委任為本公司非執行董事及白慧良先生重新獲委任為本公司獨立非執行董事，任期須根據本公司細則輪值告退。

於本中期報告日期，董事會成員包括(1)執行董事：車馮升醫生(主席及行政總裁)、郭維城醫生及孟憲慧先生；(2)非執行董事：張炯龍醫生、孫弘先生及黃翊先生；及(3)獨立非執行董事：辛定華先生、白慧良先生及徐康森先生。

承董事會命  
主席及行政總裁  
車馮升醫生

二零一二年八月三十日

During the six months ended 30 June 2012, approximately RMB3,901.2million raised from the global offering of the Company was used for the purposes and approximately in the amounts set out below:

- approximately RMB128.0 million was used for our product development and research;
- approximately RMB30.0 million was used for the development of our existing products;
- approximately RMB72.8million was used for acquisition of products;
- approximately RMB91.9million was used for funding the construction of our two new production facilities located in Beijing and Langfang;
- approximately RMB228.3million was used for funding the construction of production facilities in Jilin province and Liaoning province;
- approximately RMB3,301.8 million was used for mergers and acquisitions; and
- approximately RMB48.4 million was used for enhancement of our sales and distribution efforts.

Approximately RMB1,506.4 million raised from the international placing and public offer of the Company remained unused as at 30 June 2012, which is deposited in the special bank account of the Company.

### CHANGES OF DIRECTORS AND DIRECTOR'S INFORMATION

Dr. Guo Weicheng was reappointed as the executive Director, Dr. Zhang Jionglong as the non-executive Director and Mr. Bai Huiliang as the independent non-executive Director of the Company on 1 June 2012, with their terms subject to the rotation requirements of the bye-laws of the Company.

As at the date of this interim report, members of the Board include (1) executive Directors: Dr. Che Fengsheng (Chairman and Chief Executive Officer), Dr. Guo Weicheng and Mr. Meng Xianhui; (2) non-executive Directors: Dr. Zhang Jionglong, Mr. Homer Sun and Mr. Eddy Huang; and (3) independent non-executive Directors: Mr. Patrick Sun, Mr. Bai Huiliang and Mr. Xu Kangsen.

By Order of the Board  
Dr. Che Fengsheng  
Chairman and Chief Executive Officer

30 August 2012

# 中期綜合資產負債表

## Interim Consolidated Balance Sheet

			於二零一二年 六月三十日 30 June 2012 人民幣千元 RMB'000 未經審核 Unaudited	於二零一一年 十二月 三十一日 31 December 2011 人民幣千元 RMB'000 經審核 Audited
		附註 Note		
<b>資產</b>	<b>Assets</b>			
<b>非流動資產</b>	<b>Non-current assets</b>			
物業、廠房及設備	Property, plant and equipment	7	490,668	419,258
投資物業	Investment properties	7	15,017	6,834
無形資產	Intangible assets	7	2,677,815	3,080,147
土地使用權	Land use rights	8	94,912	88,912
持有至到期金融資產	Held-to-maturity financial assets		—	17,917
遞延所得稅資產	Deferred income tax assets	9	353,653	69,483
其他非流動資產	Other non-current assets	10	191,921	97,668
			3,823,986	3,780,219
<b>流動資產</b>	<b>Current assets</b>			
存貨	Inventories		69,281	57,653
貿易及其他應收賬款	Trade and other receivables	11	1,204,193	718,795
可供出售金融資產	Available-for-sale financial assets		1,042,745	780,135
持有至到期的金融資產	Held-to-maturity financial assets		—	18,318
現金及現金等價物	Cash and cash equivalents		1,930,651	3,153,154
			4,246,870	4,728,055
持作出售之待處置組資產	Assets of disposal group classified as held for sale	12	722,893	345,824
			4,969,763	5,073,879
<b>總資產</b>	<b>Total assets</b>		<b>8,793,749</b>	<b>8,854,098</b>
<b>權益</b>	<b>Equity</b>			
本公司權益擁有人應佔權益	Equity attributable to owners of the Company			
股本	Share capital	13	44,419	44,419
股份溢價	Share premium	13	5,573,951	5,573,951
其他儲備	Other reserves		158,966	153,485
保留盈利	Retained earnings			
— 擬派股息	— Proposed dividends		160,426	501,978
— 其他	— Others		972,720	671,701
			6,910,482	6,945,534
非控股權益	Non-controlling interests		66,521	48,409
<b>總權益</b>	<b>Total equity</b>		<b>6,977,003</b>	<b>6,993,943</b>

# 中期綜合資產負債表

## Interim Consolidated Balance Sheet

		附註 Note	於二零一二年 六月三十日 30 June 2012 人民幣千元 RMB'000 未經審核 Unaudited	於二零一一年 十二月 三十一日 31 December 2011 人民幣千元 RMB'000 經審核 Audited
負債	<b>Liabilities</b>			
非流動負債	<b>Non-current liabilities</b>			
遞延所得稅負債	Deferred income tax liabilities	9	123,611	113,133
借貸	Borrowings	16	5,880	5,880
			129,491	119,013
流動負債	<b>Current liabilities</b>			
貿易及其他應付賬款	Trade and other payables	15	777,493	1,540,292
即期所得稅負債	Current income tax liabilities		311,489	109,039
借貸	Borrowings	16	497,532	—
			1,586,514	1,649,331
持作出售之待處置組負債	Liabilities of disposal group classified as held for sale	12	100,741	91,811
			1,687,255	1,741,142
總負債	<b>Total liabilities</b>		1,816,746	1,860,155
權益及負債總額	<b>Total equity and liabilities</b>		8,793,749	8,854,098
流動資產淨值	<b>Net current assets</b>		3,282,508	3,332,737
總資產減流動負債	<b>Total assets less current liabilities</b>		7,106,494	7,112,956

第47至72頁的附註為此等中期簡明綜合財務資料的組成部分。

The notes on pages 47 to 72 are an integral part of these interim condensed consolidated financial information.

代表本公司董事會

On behalf of the board of directors of the Company

董事

董事

Director

Director

# 中期綜合全面收益表

## Interim Consolidated Statement of Comprehensive Income

		截至六月三十日止六個月		
		Six months ended 30 June		
		二零一二年	二零一一年	
		2012	2011	
		人民幣千元	人民幣千元	
		RMB'000	RMB'000	
		未經審核	未經審核	
		Unaudited	Unaudited	
		附註		
		Note		
收益	Revenue	6	1,389,297	990,568
銷售成本	Cost of sales		(317,878)	(215,838)
<b>毛利</b>	<b>Gross profit</b>		<b>1,071,419</b>	<b>774,730</b>
其他收益－淨額	Other gains – net	17	174,996	44,141
分銷成本	Distribution costs		(587,593)	(294,371)
行政開支	Administrative expenses		(125,397)	(78,174)
<b>經營溢利</b>	<b>Operating profit</b>	<b>17</b>	<b>533,425</b>	<b>446,326</b>
財務收入	Finance income		64,088	47,082
財務成本	Finance costs		(1,624)	(1,194)
財務收入－淨額	Finance income – net		62,464	45,888
除所得稅前溢利	Profit before income tax		595,889	492,214
所得稅開支	Income tax expense	18	(120,642)	(117,389)
<b>期內溢利</b>	<b>Profit for the period</b>		<b>475,247</b>	<b>374,825</b>
以下應佔溢利：	Profit attributable to:			
本公司權益擁有人	Owners of the Company		461,445	380,685
非控股權益	Non-controlling interests		13,802	(5,860)
			475,247	374,825

# 中期綜合全面收益表

## Interim Consolidated Statement of Comprehensive Income

		截至六月三十日止六個月 Six months ended 30 June	
		二零一二年 2012 人民幣千元 RMB'000 未經審核 Unaudited	二零一一年 2011 人民幣千元 RMB'000 未經審核 Unaudited
附註 Note			
	本公司權益擁有人應佔每股盈利	Earnings per share attributable to owners of the Company	
	— 每股基本及攤薄盈利(人民幣分)	- Basic and diluted earnings per share (RMB cents)	
19		8.917	7.339
	其他全面收入：	Other comprehensive income:	
	可供出售金融資產價值變動	Change in value of available-for-sale financial assets	
		1,110	—
	期內全面收入總額	Total comprehensive income for the period	
	以下應佔全面收入總額：	Total comprehensive income attributable to:	
	本公司權益擁有人	462,555	380,685
	非控股權益	13,802	(5,860)
		476,357	374,825
	股息	Dividends	
20		160,426	501,977

第47至72頁的附註為此等中期簡明綜合財務資料的組成部分。

The notes on pages 47 to 72 are an integral part of these interim condensed consolidated financial information.

# 中期綜合權益變動表

## Interim Consolidated Statement of Changes in Equity

		本公司權益擁有人應佔						
		Attributable to owners of the Company					非控股權益 Non-controlling interests	總權益 Total equity
		股本 Share capital	股份溢價 Share premium	其他儲備 Other reserves	保留盈利 Retained earnings	總計 Total		
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	
未經審核 於二零一二年 一月一日結餘	Unaudited Balance as at 1 January 2012	44,419	5,573,951	153,485	1,173,679	6,945,534	48,409	6,993,943
全面收入	Comprehensive income							
期內溢利	Profit for the period	—	—	—	461,445	461,445	13,802	475,247
其他全面收入	Other comprehensive income							
可供出售金融資產	Available-for-sale financial assets	—	—	1,110	—	1,110	—	1,110
其他全面收入總額， 經扣除稅項	Total other comprehensive income, net of tax	—	—	1,110	—	1,110	—	1,110
截至二零一二年 六月三十日止期間 全面收入總額	Total comprehensive income for the period ended 30 June 2012	—	—	1,110	461,445	462,555	13,802	476,357
與擁有人進行交易	Transactions with owners							
非控股權益出資	Contribution from non-controlling interests	—	—	—	—	—	4,310	4,310
已付二零一一年股息	Dividend relating to 2011 paid	—	—	—	(501,978)	(501,978)	—	(501,978)
僱員購股權計劃： — 僱員服務價值	Employees share option scheme: — value of employee services	—	—	4,371	—	4,371	—	4,371
於二零一二年 六月三十日結餘	Balance as at 30 June 2012	44,419	5,573,951	158,966	1,133,146	6,910,482	66,521	6,977,003

# 中期綜合權益變動表

## Interim Consolidated Statement of Changes in Equity

		本公司權益擁有人應佔						
		Attributable to owners of the Company						
		股本	股份溢價	其他儲備	保留盈利	總計	非控股權益	總權益
		Share capital	Share premium	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity
		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
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
未經審核	Unaudited							
於二零一一年	Balance as at							
一月一日結餘	1 January 2011	44,526	5,608,947	111,876	891,582	6,656,931	2,598	6,659,529
全面收入	Comprehensive income							
期內溢利/(虧損)	Profit for the period	—	—	—	380,685	380,685	(5,860)	374,825
截至二零一一年	Total comprehensive							
六月三十日止期間	income for the period							
全面收入總額	ended 30 June 2011	—	—	—	380,685	380,685	(5,860)	374,825
與擁有人進行交易	Transactions with owners							
收購附屬公司	Acquisition of a subsidiary	—	—	—	—	—	20,866	20,866
出售附屬公司	Disposal of a subsidiary	—	—	(1,000)	1,000	—	—	—
於二零一一年	Balance as at 30 June 2011							
六月三十日結餘		44,526	5,608,947	110,876	1,273,267	7,037,616	17,604	7,055,220

第47至72頁的附註為此等中期簡明綜合財務資料的組成部分。

The notes on pages 47 to 72 are an integral part of these interim condensed consolidated financial information.

## 中期簡明綜合現金流量表

### Interim Condensed Consolidated Statement of Cash Flows

		截至六月三十日止六個月 Six months ended 30 June	
		二零一二年 2012 人民幣千元 RMB'000 未經審核 Unaudited	二零一一年 2011 人民幣千元 RMB'000 未經審核 Unaudited
經營活動產生的現金淨額	Net cash generated from operating activities	297,314	222,605
投資活動所用現金淨額	Net cash used in investing activities	(1,520,008)	(1,089,940)
籌資活動產生/(所用)現金淨額	Net cash generated from/(used in) financing activities	191	(17,079)
現金及現金等價物減少淨額	Net decrease in cash and cash equivalents	(1,222,503)	(884,414)
期初現金及現金等價物	Cash and cash equivalents at beginning of period	3,153,154	5,851,379
期末現金及現金等價物	Cash and cash equivalents at end of period	1,930,651	4,966,965

第47至72頁的附註為此等中期簡明綜合財務資料的組成部分。

The notes on pages 47 to 72 are an integral part of these interim condensed consolidated financial information.



# 中期綜合財務資料附註

## Notes to the Interim Consolidated Financial Information

截至二零一二年六月三十日止六個月  
For the six months end 30 June 2012

### 1. 一般資料

四環醫藥控股集團有限公司(「本公司」)根據百慕達公司法於百慕達註冊成立為獲豁免公司。

本公司為投資控股公司。本公司及其附屬公司(統稱「本集團」)的主要業務包括於中華人民共和國(「中國」)製造及銷售醫藥產品。

本公司的最終控股公司為Plenty Gold Enterprises Limited(「Plenty Gold」)，該公司根據英屬處女群島法律註冊成立為有限責任公司。

本公司註冊辦事處地址為Clarendon House, 2 Church Street, P.O. Box HM 1022, Hamilton HM DX, Bermuda。本集團主要營業地點地址為中國海南省海口市濱海大道85號天邑國際大廈26-27樓(郵編：570105)。

本公司於二零一零年十月二十八日的股份主要在香港聯合交易所有限公司上市。

除另有說明外，本中期簡明綜合財務資料以人民幣(「人民幣」)千元為呈列單位。本簡明中期綜合財務資料二零一二年八月三十日經批准刊發。

本簡明中期綜合財務資料未經審核。

### 2. 編製基準

本截至二零一二年六月三十日止六個月的簡明中期綜合財務資料乃根據國際會計準則(「國際會計準則」)第34號「中期財務報告」編製，應與按照國際財務報告準則(「國際財務報告準則」)編製截至二零一一年十二月三十一日止年度的年度財務報表一併閱讀。

### 1. GENERAL INFORMATION

Sihuan Pharmaceutical Holdings Group Ltd. (the “Company”) is incorporated in Bermuda under the Bermuda Companies Act as an exempted company.

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (together, the “Group”) are manufacturing and sale of pharmaceutical products in the People’s Republic of China (the “PRC”).

The ultimate holding company of the Company is Plenty Gold Enterprises Limited (“Plenty Gold”), a limited liability company incorporated under the laws of the British Virgin Islands.

The address of the Company’s registered office is Clarendon House, 2 Church Street, P.O. Box HM 1022, Hamilton HM DX, Bermuda. The address of the principal place of business of the Group is 26th & 27th Floor, Sky City International Building, No.85, Binhai Avenue, Haikou, Hainan, 570105, PRC.

The Company has its primary listing on The Stock Exchange of Hong Kong Limited on 28 October 2010.

This interim condensed consolidated financial information is presented in Renminbi (“RMB”) thousand Yuan, unless otherwise stated. This condensed interim consolidated financial information was approved for issue on 30 August 2012.

This condensed interim consolidated financial information has not been audited.

### 2. BASIS OF PREPARATION

This condensed interim consolidated financial information for the six months ended 30 June 2012 has been prepared in accordance with International Accounting Standard (“IAS”) 34, ‘Interim financial reporting’. The condensed interim consolidated financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2011, which have been prepared in accordance with International Financial Reporting Standards (“IFRS”).

# 中期綜合財務資料附註

## Notes to the Interim Consolidated Financial Information

截至二零一二年六月三十日止六個月

For the six months end 30 June 2012

### 3. 會計政策

#### (a) 本集團採用的新訂及經修訂準則

以下的新準則及對準則的修訂於二零一二年一月一日開始的財政年度首次強制採用。

- 國際會計準則第12號(修訂本)「所得稅－收回相關資產」將於二零一二年一月一日或之後開始的年度期間生效。國際會計準則第12號當前要求實體計量與資產相關的遞延稅項，視乎實體是否預期透過使用或銷售收回資產賬面值而定。當採用國際會計準則第40號「投資物業」的公平值模式計量資產時，難以客觀評估是否透過使用或銷售收回賬面值。因此，本修訂本為現有按公平值計算投資物業所產生資產或負債遞延稅項的原則提供了例外情況。由於此修訂本，國際會計準則委員會詮釋常務委員會(「詮釋常務委員會」)詮釋第21號「所得稅－收回經重估的不可折舊資產」不再適用於按公平值列賬的投資物業。本修訂本亦獲納入過往載於詮釋常務委員會詮釋第21號(已撤銷)的國際會計準則第12號餘下指引。會計政策的變動不會對本集團產生重大影響。

### 3. ACCOUNTING POLICIES

#### (a) New and amended standards adopted by the Group

The following new standard and amendment to standard are mandatory for the first time for the financial year beginning 1 January 2012.

- Amendment to IAS 12 'Deferred tax: Recovery of underlying assets' is effective for annual periods beginning on or after 1 January 2012. IAS 12 currently requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. It can be difficult and subjective to assess whether recovery will be through use or through sale when the asset is measured using the fair value model in IAS 40, 'Investment property'. This amendment therefore introduces an exception to the existing principle for the measurement of deferred tax assets or liabilities arising on investment property measured at fair value. As a result of the amendments, Standing Interpretations Committee of the International Accounting Standards Board ("SIC") 21, 'Income taxes – recovery of revalued non-depreciable assets', will no longer apply to investment properties carried at fair value. The amendments also incorporate into IAS 12 the remaining guidance previously contained in SIC 21, which is withdrawn. The change in accounting policy does not have material impact on the Group.

# 中期綜合財務資料附註

## Notes to the Interim Consolidated Financial Information

截至二零一二年六月三十日止六個月  
For the six months end 30 June 2012

### 3. 會計政策(續)

#### (b) 於二零一二年生效但與本集團無關的現有準則的修訂及詮釋

- 國際財務報告準則第7號(修訂本)「披露—金融資產的轉讓」將於二零一一年七月一日或之後開始的年度期間生效。此修訂將加強轉讓交易報告的透明度，並有助於使用者了解金融資產轉讓的風險以及此等風險對實體財務狀況的影響，尤其是涉及金融資產證券化的風險。
- 國際財務報告準則第1號(修訂本)「嚴重惡性通貨膨脹及為首次採納者刪除固定日期」將於二零一一年七月一日或之後開始的年度期間生效。該等修訂包括對國際財務報告準則第1號「首次採納國際財務報告準則」的兩處改動。第一處改動乃將「過渡至國際財務報告準則」的日期定為二零零四年一月一日，因而首次採納國際財務報告準則的實體毋須重新申報於「過渡至國際財務報告準則」日期前的已取消確認交易。進行第二次修訂乃對實體因功能貨幣處於惡性通貨膨脹而未能遵守國際財務報告準則期間後該如何繼續根據國際財務報告準則呈列財務報表的事宜提供指引。

### 3. ACCOUNTING POLICIES (Continued)

#### (b) Amendments and interpretations to existing standards effective in 2012 but not relevant to the Group

- Amendment to IFRS 7 'Disclosures-Transfer of financial assets' is effective for the annual periods beginning on or after 1 July 2011. This amendment will promote transparency in the reporting of transfer transactions and improve users' understanding of the risk exposures relating to transfers of financial assets and the effect of those risks on an entity's financial position, particularly those involving securitisation of financial assets.
- Amendment to IFRS 1 'Severe hyperinflation and removal of fixed dates for first-time adopters' is effective for the annual periods beginning on or after 1 July 2011. These amendments include two changes to IFRS 1, 'First-time adoption of IFRS'. The first replaces references to a fixed date of 1 January 2004 with 'the date of transition to IFRSs', thus eliminating the need for entities adopting IFRSs for the first time to restate derecognition transactions that occurred before the date of transition to IFRSs. The second amendment provides guidance on how an entity should resume presenting financial statements in accordance with IFRSs after a period when the entity was unable to comply with IFRSs because its functional currency was subject to severe hyperinflation.

# 中期綜合財務資料附註

## Notes to the Interim Consolidated Financial Information

截至二零一二年六月三十日止六個月

For the six months end 30 June 2012

### 4. 估計

編製中期財務資料需要管理層作出判斷、估計及假設，有關判斷、估計及假設會影響會計政策的應用及資產與負債、收入與開支的呈報金額。實際結果可能有別於該等估計。

編製該等簡明中期綜合財務資料時，管理層在應用本集團的會計政策過程中作出重大判斷。除下一段所述的判斷外，估計不確定性的主要來源與截至二零一一年十二月三十一日止年度的綜合財務資料所採用者相同。

於二零一二年三月二十日，本集團授出購股權予其若干僱員。董事使用二項式估值模式來釐定已授出購股權的總公平值，並作為歸屬期開支。董事於應用二項式估值模式時須對參數(例如無風險利率、股息率及預期波幅等)作出重大判斷。詳情請參閱附註14。

### 4. ESTIMATES

The preparation of interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed interim consolidated financial information, the significant judgments made by management in applying the Group's accounting policies. Except for the judgment as mentioned in the following paragraph, the key sources of estimation uncertainty were the same as those that applied to the consolidated financial information for the year ended 31 December 2011.

On 20 March 2012, the Group has granted share options to certain of its employees. The directors have used the Binomial Model to determine the total fair value of the options granted, which is to be expensed over the vesting period. Significant judgment on parameters, such as risk free rate, dividend yield and expected volatility, is required to be made by the directors in applying the Binomial Model. Please refer to Note 14 for details.

# 中期綜合財務資料附註

## Notes to the Interim Consolidated Financial Information

截至二零一二年六月三十日止六個月  
For the six months end 30 June 2012

### 5. 財務風險管理

#### 5.1 財務風險因素

本集團的業務活動承受多種財務風險：市場風險(包括貨幣風險、公平值利率風險、現金流量利率風險及價格風險)、信貸風險及流動資金風險。

中期簡明綜合財務資料並不包括所有財務風險管理資料及年度財務報表規定的披露資料，應與本集團二零一一年十二月三十一日之年度財務報表一併閱讀。

風險管理部門自年末以來或任何風險管理政策並無變動。

#### 5.2 流動資金風險

與年末相比，金融負債的合約未貼現現金流出並無重大變動。

#### 5.3 公平值估計

下表載列以估值法按公平值入賬之金融工具之分析。不同等級界定如下：

- 相同資產或負債於活躍市場之未經調整報價(第一級)。
- 資產或負債之可直接(即價格)或間接(即按價格計算者)觀察參數(不包括第一級所述報價)(第二級)。
- 資產或負債之並非基於可觀察市場數據(即不可觀察參數)之參數(第三級)。

### 5. FINANCIAL RISK MANAGEMENT

#### 5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The interim condensed consolidated financial information do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2011.

There have been no changes in the risk management department since year end or in any risk management policies.

#### 5.2 Liquidity risk

Compared to year end, there was no material change in the contractual undiscounted cash out flows for financial liabilities.

#### 5.3 Fair value estimation

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

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

# 中期綜合財務資料附註

## Notes to the Interim Consolidated Financial Information

截至二零一二年六月三十日止六個月

For the six months end 30 June 2012

### 5. 財務風險管理(續)

#### 5.3 公平值估計(續)

下表呈列本集團二零一二年六月三十日按公平值計量之資產及負債。

### 5. FINANCIAL RISK MANAGEMENT (Continued)

#### 5.3 Fair value estimation (Continued)

The following table presents the Group's assets and liabilities that are measured at fair value as at 30 June 2012.

		第二級 Level 2 於 As at	
		二零一二年 六月三十日 30 June 2012 人民幣千元 RMB'000 未經審核 Unaudited	二零一一年 十二月三十一日 31 December 2011 人民幣千元 RMB'000 經審核 Audited
可供出售金融資產	Available-for-sale financial assets	1,042,745	780,135

並非於活躍市場買賣的金融工具的公平值採用估值技術釐定，例如估計貼現現金流量。本集團運用判斷選擇多種方法，並基於各結算日的當時市況作出假設。

貿易及其他應收賬款、可供出售金融資產以及貿易及其他應付賬款的賬面值減去減值撥備後，與其公平值合理相若。就披露目的而言，金融資產及負債的公平值按以本集團就類似金融工具可得的現有市場利率貼現未來合約現金流量而估計。

於二零一二年六月三十日，本集團僅有可供出售金融資產（「可供出售金融資產」）按公平值計量。並無在活躍市場買賣的可供出售金融資產的公平值利用估值技術釐定。該等估值技術盡可能利用可觀察的市場數據，以盡量減少依賴實體個別估計。

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques, such as estimated discounted cash flows. The Group uses its judgment to select a variety of methods and makes assumptions that are based on market conditions existing at the balance sheet date.

The carrying value less impairment provision of trade and other receivables, available-for-sale financial assets and trade and other payables are a reasonable approximation of their fair values. The fair value of financial assets and liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

The Group only had available-for-sale financial assets ("AFS") that were measured at fair value as at 30 June 2012. The fair value of AFS are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates.

# 中期綜合財務資料附註

## Notes to the Interim Consolidated Financial Information

截至二零一二年六月三十日止六個月  
For the six months end 30 June 2012

### 6. 分部資料

主要經營決策者已被認定為本公司董事會。董事會審閱本集團的內部報告，以評估績效及分配資源。管理層基於該等報告釐定經營分部。

董事會從產品角度考慮業務。本集團僅經營一項業務分部，即在中國製造及銷售醫藥產品。

由於董事會檢討本集團的整體財務狀況，故並無披露分部資產／負債分部。

### 6. SEGMENT INFORMATION

The chief operating decision-maker has been identified as the board of directors of the Company. The board of directors reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The board of directors considers the business from product perspective. The Group is engaged in only one business segment, the manufacturing and sale of pharmaceutical products in the PRC.

As the board of directors reviews the financial position of the Group as a whole, no segment assets/liabilities were disclosed.

## 中期綜合財務資料附註

### Notes to the Interim Consolidated Financial Information

截至二零一二年六月三十日止六個月

For the six months end 30 June 2012

#### 7. 物業、廠房及設備以及無形資產

#### 7. PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES AND INTANGIBLE ASSETS

		物業、 廠房及 設備	投資物業	其他無形 資產	商譽
		Property, plant and equipment	Investment properties	Other intangible assets	Goodwill
		人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000	人民幣千元 RMB'000
		未經審核 Unaudited	未經審核 Unaudited	未經審核 Unaudited	未經審核 Unaudited
截至二零一二年 六月三十日止六個月	Six months ended 30 June 2012				
於二零一二年一月一日的 期初賬面淨值	Opening net book amount as at 1 January 2012	419,258	6,834	471,302	2,608,845
添置	Additions	97,604	—	6,180	—
轉撥至投資物業	Transfer to investment properties	(8,590)	—	—	—
轉撥自物業、廠房及設備	Transfer from property, plant and equipment	—	8,590	—	—
轉撥至持作出售的待 處置組(附註12)	Transfer to disposal group classified as held for sale (Note 12)	—	—	—	(381,910)
折舊及攤銷	Depreciation and amortisation	(17,604)	(407)	(26,602)	—
於二零一二年六月三十日 的期末賬面淨值	Closing net book amount as at 30 June 2012	490,668	15,017	450,880	2,226,935
截至二零一一年六月三十日 止六個月	Six months ended 30 June 2011				
於二零一一年一月一日的 期初賬面淨值	Opening net book amount as at 1 January 2011	253,153	—	137,536	15,933
收購附屬公司(附註a)	Acquisition of subsidiaries (Note a)	73,236	—	290,384	2,233,149
添置	Additions	26,236	—	80,417	—
出售	Disposals	(203)	—	—	(1,860)
折舊及攤銷	Depreciation and amortisation	(13,258)	—	(21,742)	—
減值	Impairment	—	—	—	(1,943)
於二零一一年六月三十日 的期末賬面淨值	Closing net book amount as at 30 June 2011	339,164	—	486,595	2,245,279



# 中期綜合財務資料附註

## Notes to the Interim Consolidated Financial Information

截至二零一二年六月三十日止六個月  
For the six months end 30 June 2012

### 7. 物業、廠房及設備以及無形資產 (續)

- (a) 物業、廠房及設備、其他無形資產及商譽增加乃由於截至二零一一年六月三十日止六個月收購多菲控股有限公司(「多菲」)、長春翔通藥業有限公司(「長春翔通」)及本溪恒康製藥有限公司(「本溪恒康」)所致。

### 7. PROPERTY, PLANT AND EQUIPMENT, INVESTMENT PROPERTIES AND INTANGIBLE ASSETS (Continued)

- (a) Increase of property, plant and equipment, other intangible assets and goodwill arose from acquisition of Dupromise Holdings Limited (“Dupromise”), Changchun Xiangtong Pharmaceutical Co., Ltd (“Changchun Xiangtong”) and Benxi Hengkang Pharmaceutical Co., Ltd (“Benxi Hengkang”) for the six months ended 30 June 2011.

## 中期綜合財務資料附註

## Notes to the Interim Consolidated Financial Information

截至二零一二年六月三十日止六個月

For the six months end 30 June 2012

### 8. 土地使用權

### 8. LAND USE RIGHTS

		人民幣千元 RMB'000 未經審核 Unaudited
於二零一二年一月一日	At 1 January 2012	
成本	Cost	97,651
累計攤銷	Accumulated amortisation	(8,739)
賬面淨值	Net book amount	88,912
截至二零一二年六月三十日止六個月	Six months ended 30 June 2012	
期初賬面淨值	Opening net book amount	88,912
添置	Additions	7,668
攤銷開支	Amortisation charge	(1,668)
期末賬面淨值	Closing net book amount	94,912
於二零一二年六月三十日	At 30 June 2012	
成本	Cost	105,319
累計攤銷	Accumulated amortisation	(10,407)
賬面淨值	Net book amount	94,912
於二零一一年一月一日	At 1 January 2011	
成本	Cost	22,320
累計攤銷	Accumulated amortisation	(4,606)
賬面淨值	Net book amount	17,714
截至二零一一年六月三十日止六個月	Six months ended 30 June 2011	
期初賬面淨值	Opening net book amount	17,714
收購附屬公司(附註a)	Acquisition of subsidiaries (Note a)	12,803
添置	Additions	7,798
攤銷開支	Amortisation charge	(908)
期末賬面淨值	Closing net book amount	37,407
於二零一一年六月三十日	At 30 June 2011	
成本	Cost	42,921
累計攤銷	Accumulated amortisation	(5,514)
賬面淨值	Net book amount	37,407

# 中期綜合財務資料附註

## Notes to the Interim Consolidated Financial Information

截至二零一二年六月三十日止六個月  
For the six months end 30 June 2012

### 8. 土地使用權 (續)

土地使用權指中國境內租期為 50 年的土地使用權。

- (a) 土地使用權增加乃由於截至二零一一年六月三十日止六個月收購多菲、長春翔通及本溪恆康所致。

### 9. 遞延所得稅

期內遞延所得稅資產及負債變動如下(未考慮同一稅務司法權區內的餘額抵銷)：

- 1) 遞延所得稅資產

於一月一日的期初結餘	Opening balance at 1 January	69,483	41,020
貸記損益	Credited to profit or loss	284,170	56,669
於六月三十日的期末結餘	Closing balance at 30 June	353,653	97,689

- 2) 遞延所得稅負責

於一月一日的期初結餘	Opening balance at 1 January	113,133	9,526
貸記損益	Charged to profit or loss	10,478	98,195
於六月三十日的期末結餘	Closing balance at 30 June	123,611	107,721

### 8. LAND USE RIGHTS (Continued)

The land use rights represent land use rights in the PRC with a lease period of 50 years.

- (a) Increase of land use rights arose from acquisition of Dupromise, Changchun Xiangtong and Benxi Hengkang for the six months ended 30 June 2011.

### 9. DEFERRED INCOME TAX

The movement in deferred income tax assets and liabilities during the period, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

- 1) Deferred income tax assets

截至六月三十日止六個月  
Six months ended 30 June

二零一二年 2012	二零一一年 2011
人民幣千元 RMB'000	人民幣千元 RMB'000
未經審核 Unaudited	未經審核 Unaudited

69,483	41,020
284,170	56,669
353,653	97,689

- 2) Deferred income tax liabilities

截至六月三十日止六個月  
Six months ended 30 June

二零一二年 2012	二零一一年 2011
人民幣千元 RMB'000	人民幣千元 RMB'000
未經審核 Unaudited	未經審核 Unaudited

113,133	9,526
10,478	98,195
123,611	107,721

## 中期綜合財務資料附註

### Notes to the Interim Consolidated Financial Information

截至二零一二年六月三十日止六個月

For the six months end 30 June 2012

#### 10. 其他非流動資產

於二零一二年六月三十日的款項指收購吉林四環製藥有限公司(「吉林四環」)、本溪恒康及通化天實醫藥有限公司(「通化天實」)的預付款項。

#### 10. OTHER NON-CURRENT ASSETS

The amount as at 30 June 2012 represented prepayment for purchase of land use rights of Jilin Sihuan Pharmaceutical Co., Ltd. (“Jilin Sihuan”), Benxi Hengkang and Tonghua Tianshi Pharmaceutical Co., Ltd. (“Tonghua Tianshi”).

#### 11. 貿易及其他應收賬款

#### 11. TRADE AND OTHER RECEIVABLES

		於	
		As at	
		二零一二年 六月三十日 30 June 2012	二零一一年 十二月 三十一日 31 December 2011
		人民幣千元 RMB'000	人民幣千元 RMB'000
		未經審核 Unaudited	經審核 Audited
貿易應收賬款－第三方	Trade receivables – third parties	693,673	387,893
減：貿易應收賬款減值撥備	Less: provision for impairment of trade receivables	—	—
貿易應收賬款淨值	Trade receivables – net	693,673	387,893
向供應商支付的預付款項	Prepayments to suppliers	72,182	73,694
按金及其他應收款項	Deposits and other receivables	296,088	114,958
部份出售一家附屬公司應收賬款	Amount receivable from partial disposal of a subsidiary	142,250	142,250
		1,204,193	718,795

貿易及其他應收賬款不包括減值資產，無固定還款期。除向第三方提供的貸款外，貿易及其他應收賬款並不計息。

Trade and other receivables do not contain impaired assets, have no fixed repayment term. Except for the loan to third parties, trade and other receivables bear no interest.

# 中期綜合財務資料附註

## Notes to the Interim Consolidated Financial Information

截至二零一二年六月三十日止六個月  
For the six months end 30 June 2012

### 11. 貿易及其他應收賬款(續)

本集團授予客戶的信貸期介乎一個月至一年。於二零一二年六月三十日，貿易應收賬款基於發票開具日的賬齡分析如下：

貿易應收賬款	Trade Receivables
3個月以內	Within 3 months
3至6個月	3 to 6 months
6至12個月	6 to 12 months
12個月以上	More than 12 months

### 11. TRADE AND OTHER RECEIVABLES (Continued)

The Group's credit terms granted to customers range from one month to one year. As at 30 June 2012, the aging analysis of the trade receivables based on invoice date was as follows:

於		As at	
二零一二年 六月三十日 30 June 2012	二零一一年 十二月 三十一日 31 December 2011	人民幣千元 RMB'000	人民幣千元 RMB'000
未經審核 Unaudited	經審核 Audited		
676,129	339,096		
12,367	9,293		
4,829	39,248		
348	256		
693,673	387,893		

### 12. 持作出售之待處置組

本集團於二零一一年七月與獨立第三方山東步長製藥有限公司(「山東步長」)訂立協議(「協議」)。根據協議，山東步長以現金代價人民幣637,500,000元有條件收購吉林四長製藥有限公司(「吉林四長」)50%的股權。股權轉讓將分兩部份完成，分別相當於吉林四長股權的19%及31%。完成50%的股份轉讓後，吉林四長將由本集團及山東步長共同控制。

於二零一二年六月三十日，吉林四長19%股權已轉讓及本集團擁有吉林四長81%的股權。吉林四長之資產及負債呈列為持作出售。於二零一二年六月三十日最終落實收購吉林四長的初始會計後，收購產生的商譽已相應轉撥至被分類為持作出售之待處置組項下之資產。

### 12. DISPOSAL GROUP HELD-FOR-SALE

The Group entered into an agreement in July 2011 with an independent third party, Shandong Buchang Pharmaceutical Co., Ltd. ("Shandong Buchang") (the "Agreement"). Pursuant to the Agreement, Shandong Buchang will conditionally purchase 50% equity interest in Jilin Sichang Pharmaceutical Co., Ltd. ("Jilin Sichang") for a cash consideration of RMB637,500,000. The transfer of equity interest will be completed by 2 steps, which represent 19% and 31% equity interest of Jilin Sichang respectively. After completion of the 50% share transfer, Jilin Sichang will be jointly controlled by the Group and Shandong Buchang.

As at 30 June 2012, 19% equity interest of Jilin Sichang has been transferred and the Group owned 81% equity interest in Jilin Sichang. The assets and liabilities of Jilin Sichang has been presented as held for sale. After the finalisation of initial accounting of acquisition of Jilin Sichang as at 30 June 2012, the goodwill arose from the acquisition was transferred to the assets of disposal group classified as held for sale accordingly.

## 中期綜合財務資料附註

## Notes to the Interim Consolidated Financial Information

截至二零一二年六月三十日止六個月

For the six months end 30 June 2012

### 13. 股本及股份溢價

### 13. SHARE CAPITAL AND SHARE PREMIUM

		股份數目 Number of shares (千股) (thousands)	股本 Share Capital 人民幣千元 RMB'000 未經審核 Unaudited	股份溢價 Share Premium 人民幣千元 RMB'000 未經審核 Unaudited	總計 Total 人民幣千元 RMB'000 未經審核 Unaudited
於二零一一年一月一日 及二零一一年 六月三十日	At 1 January 2011 and 30 June 2011	5,187,500	44,526	5,608,947	5,653,473
於二零一一年七月一日 至二零一一年十二月 三十一日間變動：	Movement during 1 July 2011 to 31 December 2011:				
購回及註銷股份 (a)	Repurchase and cancellation of shares (a)	(12,476)	(107)	(34,996)	(35,103)
於二零一二年一月一日 及二零一二年 六月三十日	At 1 January 2012 and 30 June 2012	5,175,024	44,419	5,573,951	5,618,370

(a) 於二零一一年七月，本公司以每股3.22港元至3.45港元的價格合共購回12,476,000股普通股，總代價為42,290,000港元(約人民幣35,103,000元)，包含相關交易費用151,000港元(約人民幣125,000元)。該等普通股的面值與上述代價的差額共人民幣34,996,000元自本公司股份溢價賬扣除。購回的股份於二零一一年七月註銷。

(a) In July 2011, the Company repurchased its ordinary shares totalling 12,476,000 shares at a range of HK\$3.22 to HK\$3.45 per share, with an aggregate consideration of HK\$42,290,000 (approximately RMB35,103,000), including the relevant transaction expense of HK\$151,000 (approximately RMB125,000). The difference between the par value of the ordinary shares and the aforesaid consideration, totally RMB34,996,000, is deducted against the share premium account of the Company. The repurchased shares were cancelled in July 2011 accordingly.

# 中期綜合財務資料附註

## Notes to the Interim Consolidated Financial Information

截至二零一二年六月三十日止六個月  
For the six months end 30 June 2012

### 14. 以股份為基礎的付款

#### (i) 購股權計劃

本公司股東採納購股權計劃(「計劃」)以發行合共不超過於二零一零年十月二十五日已發行股份總數的30%，即計劃項下的33,750,000股股份(受計劃的條款及上市規則相關條文的規限)。

計劃旨在獎勵已經或將對本集團作出貢獻的參與人士並鼓勵參與人士致力於提升本公司及其股份的價值，以符合本公司及其股東的整體利益。

一間在英屬處女群島成立的私人信託公司(「信託公司」)以及本公司若干股東(即Plenty Gold、車馮升醫生及郭維城醫生)已於本公司於二零一零年十月二十八日在香港聯合交易所有限公司首次上市前將本公司41,320,100股股份(「預留股份」)轉讓予信託公司。信託公司乃由Plenty Gold全資擁有，並由本公司若干股東控制。預留股份旨在作為管理層獎勵計劃的信託資產。

本公司根據適用於以股權結算的股份支付交易的規定，計量其僱員提供的服務，而相關的增幅則在權益確認為來自主要股東的貢獻。本公司將不會根據該計劃發行新股份，且概不會因該計劃而對每股盈利的計算方式造成攤薄影響。

### 14. SHARE-BASED PAYMENT

#### (i) Share option schemes

The shareholders of the Company adopts an employee share option scheme (the “Scheme”) for the issuance of in aggregate no more than 30% of the aggregate of shares in issue on 25 October 2010, representing 33,750,000 shares (subject to the terms of the Scheme and the relevant provisions under the Listing Rules) under the Scheme.

The purpose of the Scheme is to reward participants who have contributed or will contribute to the Group and to encourage participants to work towards enhancing the value of the Company and its shares for the benefit of the Company and its shareholders as a whole.

A private trust company established in the British Virgin Islands (“Trustee Co”) and certain shareholders of the Company, namely Plenty Gold, Dr. Che Fengsheng and Dr. Guo Weicheng transferred 41,320,100 shares of the Company (“Reserve Shares”) to Trustee Co prior to the Company’s primary listing on The Stock Exchange of Hong Kong Limited on 28 October 2010. Trustee Co was fully owned by Plenty Gold and controlled by certain shareholders of the Company. The Reserve Shares are intended to be the trust assets for a management incentive scheme.

The Company measures the services received from its employees in accordance with the requirements applicable to equity-settled share-based payment transactions, with a corresponding increase recognised in equity as a contribution from the major shareholders. No new share will be issued by the Company under the Scheme and there is no dilution impact to earning per share calculation as a result of the Scheme.

## 中期綜合財務資料附註

### Notes to the Interim Consolidated Financial Information

截至二零一二年六月三十日止六個月

For the six months end 30 June 2012

#### 14. 以股份為基礎的付款(續)

##### (ii) 購股權變動

於二零一二年三月二十日，14,150,000份購股權已根據計劃按行使價3.19港元向本集團部份僱員授出。購股權將按以下日程表歸屬：

#### 14. SHARE-BASED PAYMENT (Continued)

##### (ii) Share option movement

On 20 March 2012, 14,150,000 share options were granted to certain employees of the Group at an exercise price of HK\$3.19 per share under the Scheme. The share options will be vested in accordance with the following schedule:

	歸屬日期 Vesting date	購股權 歸屬的數目 Number of options vested 千份 In thousands 未經審核 Unaudited
二零一二年三月二十日	20 March 2012	3,533
二零一三年三月二十日	20 March 2013	4,717
二零一四年三月二十日	20 March 2014	4,717
二零一五年三月二十日	20 March 2015	1,183
		14,150

截至二零一二年六月三十日止期間，概無購股權獲行使。

During the period ended 30 June 2012, no share options were exercised.



# 中期綜合財務資料附註

## Notes to the Interim Consolidated Financial Information

截至二零一二年六月三十日止六個月  
For the six months end 30 June 2012

### 14. 以股份為基礎的付款 (續)

#### (ii) 購股權變動 (續)

尚未行使的購股權數目變動及其有關的加權平均行使價如下：

		二零一二年 2012 未經審核 Unaudited		二零一一年 2011 未經審核 Unaudited	
		每股平均 行使價 港元 Average exercise price in HK\$ per share	購股權 (千份) Options (in thousands)	每股平均 行使價 港元 Average exercise price in HK\$ per share	購股權 (千份) Options (in thousands)
僱員	Employees				
於一月一日	At 1 January	—	—	—	—
授出	Granted	3.19	14,150	—	—
於六月三十日	At 30 June	3.19	14,150	—	—

#### (iii) 購股權的公平值

本公司董事已使用二項式模式釐定將於歸屬期內支銷的已授出的購股權的公平值。董事在應用二項式模式時要求對如無風險回報率、股息收益率及預期波幅等參數作出重要判斷，該等參數的概要如下：

### 14. SHARE-BASED PAYMENT (Continued)

#### (ii) Share option movement (Continued)

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

#### (iii) Fair value of share options

The directors of the Company have used the Binomial Model to determine the fair value of the options granted, which is to be expensed over the vesting period. Significant judgment on parameters, such as risk free rate, dividend yield and expected volatility, is required to be made by the directors in applying the Binomial Model, which are summarised as below.

		於二零一二年 六月三十日 At 30 June 2012 未經審核 Unaudited
於授出日期的收市價	Closing price at the grant date	HK\$3.13
無風險回報率	Risk free rate	0.74%
股息收益率	Dividend yield	1.14%
預期波幅 (a)	Expected volatility (a)	48.99%

# 中期綜合財務資料附註

## Notes to the Interim Consolidated Financial Information

截至二零一二年六月三十日止六個月

For the six months end 30 June 2012

### 14. 以股份為基礎的付款(續)

#### (iii) 購股權的公平值(續)

- (a) 按照預期股價回報的標準偏差計算的預期波幅，乃根據本公司股份平均每日買賣價格的波幅釐定。

期內，就向僱員授出的購股權而於全面收益表內確認總開支人民幣4,371,000元，並於權益內確認相應增幅作為主要股東的出資。

### 14. SHARE-BASED PAYMENT (Continued)

#### (iii) Fair value of share options (Continued)

- (a) The expected volatility, measured as the standard deviation of expected share price returns, is determined based on the average daily trading price volatility of the shares of the Company.

During the period, total expense amounting to RMB4,371,000 is recognised in the statement of comprehensive income for share options granted to employees with a corresponding increase recognised in equity as a contribution from major shareholder.

### 15. 貿易及其他應付賬款

### 15. TRADE AND OTHER PAYABLES

		於	
		As at	
		二零一二年 六月三十日 30 June 2012 人民幣千元 RMB'000 未經審核 Unaudited	二零一一年 十二月 三十一日 31 December 2011 人民幣千元 RMB'000 經審核 Audited
貿易應付賬款	Trade payables	48,986	29,223
來自客戶的墊款	Advances from customers	83,277	66,701
應付增值稅	Value added tax payables	35,011	30,253
應計的董事績效花紅	Accrued performance bonus to directors	23,200	21,993
收購附屬公司的應付款項	Amount payables due to the acquisition of subsidiaries	50,000	1,200,000
部份出售一家附屬公司的遞延收益	Deferred gain on partial disposal of a subsidiary	95,000	95,000
應付股利	Dividend payables	352	30
其他應付賬款	Other payables	441,667	97,092
		777,493	1,540,292

# 中期綜合財務資料附註

## Notes to the Interim Consolidated Financial Information

截至二零一二年六月三十日止六個月  
For the six months end 30 June 2012

### 15. 貿易及其他應付賬款 (續)

於二零一二年六月三十日，貿易應付賬款基於發票開具日的賬齡分析如下：

### 15. TRADE AND OTHER PAYABLES (Continued)

At 30 June 2012, the aging analysis of the trade payables based on invoice date were as follows:

		於 As at	
		二零一二年 六月三十日 30 June 2012 人民幣千元 RMB'000 未經審核 Unaudited	二零一一年 十二月 三十一日 31 December 2011 人民幣千元 RMB'000 經審核 Audited
貿易應付賬款	Trade payables		
6個月內	Within 6 months	41,889	25,574
6至12個月	6 to 12 months	2,232	1,252
12個月以上	More than 12 months	4,865	2,397
		48,986	29,223

### 16. 借貸

### 16. BORROWINGS

		於 As at	
		二零一二年 六月三十日 30 June 2012 人民幣千元 RMB'000 未經審核 Unaudited	二零一一年 十二月 三十一日 31 December 2011 人民幣千元 RMB'000 經審核 Audited
非流動	Non-current	5,880	5,880
流動	Current	497,532	—
		503,412	5,880

於二零一二年六月三十日及二零一一年十二月三十一日的非流動借款指廊坊四環高博製藥有限公司的非控股權益所提供借款。

Non-current borrowings as at 30 June 2012 and 31 December 2011 represent the borrowings from Langfang Sihuan Gaobo Pharmaceutical Co., Ltd's non-controlling interests.

## 中期綜合財務資料附註

### Notes to the Interim Consolidated Financial Information

截至二零一二年六月三十日止六個月

For the six months end 30 June 2012

#### 16. 借貸(續)

借貸變動的分析如下：

#### 16. BORROWINGS (Continued)

Movements in borrowings are analysed as follows:

		人民幣千元 RMB'000 未經審核 Unaudited
截至二零一二年六月三十日止六個月	Six months ended 30 June 2012	
於二零一二年一月一日的期初結餘	Opening amount as at 1 January 2012	5,880
銀行借貸	Bank borrowings	497,532
於二零一二年六月三十日的期末結餘	Closing amount as at 30 June 2012	503,412
截至二零一一年六月三十日止六個月	Six months ended 30 June 2011	
於二零一一年一月一日的期初結餘	Opening amount as at 1 January 2011	—
自非控股權益所得款項	Proceeds from non-controlling interests	5,880
於二零一一年六月三十日的期末結餘	Closing amount as at 30 June 2011	5,880

截至二零一二年六月三十日止六個月借貸的利息開支為人民幣1,291,000元(二零一一年六月三十日：人民幣203,000元)。本集團的加權平均年實際利率為1.91%(二零一一年：6.90%)，所有借款均無抵押。

Interest expense on borrowings for the six months ended 30 June 2012 is RMB1,291,000 (30 June 2011: RMB203,000). The weighted average annual effective interest rate is 1.91% (2011: 6.90%). All the borrowings are unsecured.

於二零一二年六月三十日，本集團尚未提取按浮動利率計息於一年內到期的借款人民幣32,349,000元(二零一一年：無)。

The Group has undrawn borrowing facilities of RMB32,349,000 bearing floating rate expiring within one year as at 30 June 2012 (2011: nil).

# 中期綜合財務資料附註

## Notes to the Interim Consolidated Financial Information

截至二零一二年六月三十日止六個月  
For the six months end 30 June 2012

### 16. 借貸(續)

本集團借款的賬面值以下列貨幣計值：

### 16. BORROWINGS (Continued)

The carrying amounts of the Group's borrowings are dominated in the following currencies:

		於 As at	
		二零一二年 六月三十日 30 June 2012 人民幣千元 RMB'000 未經審核 Unaudited	二零一一年 十二月 三十一日 31 December 2011 人民幣千元 RMB'000 經審核 Audited
人民幣	RMB	5,880	5,880
港元	HKD	497,532	—
		503,412	5,880

### 17. 經營溢利

以下為在財務資料內列為經營項目的金額分析。

### 17. OPERATING PROFIT

An analysis of the amounts presented as operating items in the financial information is given below.

		截至六月三十日止六個月 Six months ended 30 June	
		二零一二年 2012 人民幣千元 RMB'000 未經審核 Unaudited	二零一一年 2011 人民幣千元 RMB'000 未經審核 Unaudited
政府補助	Government grants	153,418	48,648
可供出售金融資產	Investment income from AFS	11,688	—
加工費收入	Processing fee income	2,043	725
其他	Other	7,847	(1,460)
出售一家附屬公司虧損	Loss on disposal of a subsidiary	—	(1,829)
就無形資產作出的減值	Impairment charge relating to intangible assets	—	(1,943)
其他收益 – 淨額	Other gains – net	174,996	44,141
營銷開支	Marketing expense	543,240	255,001
折舊及攤銷	Depreciation and amortisation	46,281	35,908

## 中期綜合財務資料附註

### Notes to the Interim Consolidated Financial Information

截至二零一二年六月三十日止六個月

For the six months end 30 June 2012

#### 18. 所得稅開支

(a) 百慕達利得稅

本公司於期內在該等司法權區毋須繳納任何稅項(二零一一年：無)。

(b) 香港利得稅

由於本公司於期內並無在香港產生應課稅溢利，故並無計提香港利得稅撥備(二零一一年：無)。

(c) 中國企業所得稅(「中國企業所得稅」)

中國企業所得稅乃按本公司現時旗下各公司於中國產生的應課稅收入計提撥備，並經就中國企業所得稅而言毋須課稅或不可扣減項目作出調整。

自二零零八年一月一日起，本公司的中國附屬公司已按全國人民代表大會於二零零七年三月十六日通過的《中華人民共和國企業所得稅法》(「新企業所得稅法」)釐定及繳納企業所得稅。根據新企業所得稅法及相關細則，適用於本公司在「海南經濟特區」及「深圳經濟特區」成立的公司的新企業所得稅稅率將由二零零八年至二零一二年五年期間逐步調至25%，二零一二年適用稅率為25%(二零一一年：24%)，而該等在其他地區成立的公司須按25%的稅率繳納所得稅。

本公司的附屬公司海南四環醫藥有限公司(「海南四環」)、北京四環醫藥有限公司(「北京四環」)及吉林四環符合高新技術企業資格。因此，海南四環、北京四環及吉林四環於二零一二年按15%的稅率計提企業所得稅。

#### 18. INCOME TAX EXPENSE

(a) Bermuda profits tax

The Group has not been subject to any taxation in this jurisdiction during the period (2011: nil).

(b) Hong Kong profits tax

No Hong Kong profits tax has been provided as the Group had no assessable profit arising in Hong Kong during the period (2011: nil).

(c) PRC corporate income tax (“PRC CIT”)

PRC CIT is provided on the assessable income of the companies now comprising the Group derived from the PRC, adjusted for those items, which are not assessable or deductible for the PRC CIT purposes.

With effect from 1 January 2008, the PRC subsidiaries of the Group have determined and paid the corporate income tax in accordance with the Corporate Income Tax Law of the PRC (“new CIT Law”), as approved by the National People’s Congress on 16 March 2007. According to the new CIT Law and the relevant regulations, the new corporate income tax rate applicable to the companies of the Group established in the “Hainan Special Economic Zone” and “Shenzhen Special Economic Zone” will be gradually changed to 25% over a five-year period from 2008 to 2012 and the applicable tax rate for 2012 is 25% (2011: 24%), while those established in other areas are subject to income tax rate at 25%.

The group’s subsidiaries, including Hainan Sihuan Pharmaceutical Co., Ltd. (“Hainan Sihuan”), Beijing Sihuan Pharmaceutical Co., Ltd. (“Beijing Sihuan”) and Jilin Sihuan were qualified as high-tech enterprises. Accordingly, Hainan Sihuan, Beijing Sihuan and Jilin Sihuan’s corporate income tax for 2012 were provided at the rate of 15%.

# 中期綜合財務資料附註

## Notes to the Interim Consolidated Financial Information

截至二零一二年六月三十日止六個月  
For the six months end 30 June 2012

### 18. 所得稅開支(續)

#### (d) 保留溢利的中國預扣稅

根據適用中國稅務法規，於中國成立的公司就自二零零八年一月一日後產生的溢利向外國投資者分派股息須繳納10%的預扣稅。倘外國投資者於香港註冊成立且滿足中國與香港訂立的雙重稅安排的條件或規定，則有關預扣稅率將由10%減至5%。

截至二零一二年六月三十日止六個月本集團的所得稅開支分析如下：

### 18. INCOME TAX EXPENSE (Continued)

#### (d) PRC withholding tax on retained profits

According to applicable PRC tax regulations, dividends distributed by a company established in the PRC to a foreign investor with respect to profits derived after 1 January 2008 are subject to a 10% withholding tax. If a foreign investor is incorporated in Hong Kong and meets the conditions or requirements under the double taxation arrangement entered into between the PRC and Hong Kong, the relevant withholding tax rate will be reduced to 5% from 10%.

The income tax expense of the Group for the six months ended 30 June 2012 is analysed as follows:

		截至六月三十日止六個月	
		Six months ended 30 June	
		二零一二年	二零一一年
		2012	2011
		人民幣千元	人民幣千元
		RMB'000	RMB'000
		未經審核	未經審核
		Unaudited	Unaudited
即期稅項	Current tax	394,334	75,863
遞延稅項	Deferred tax	(273,692)	41,526
所得稅開支	Income tax expense	120,642	117,389

所得稅開支基於管理層對預期整個財政年度加權平均年度所得稅率的估計而確認。

Income tax expense is recognised based on management's estimate of weighted average annual income tax rate expected for the full financial year.

## 中期綜合財務資料附註

### Notes to the Interim Consolidated Financial Information

截至二零一二年六月三十日止六個月

For the six months end 30 June 2012

#### 19. 每股盈利

##### (a) 基本

期內，每股基本盈利按本公司權益擁有人應佔溢利除以已發行普通股加權平均股數計算。

		截至六月三十日止六個月	
		Six months ended 30 June	
		二零一二年	二零一一年
		2012	2011
		未經審核	未經審核
		Unaudited	Unaudited
本公司權益擁有人應佔溢利 (人民幣千元)	Profit attributable to owners of the Company (RMB' 000)	461,445	380,685
就每股基本盈利而言的已發行 普通股加權平均股數(千股)	Weighted average number of ordinary shares in issue for basic earnings per share ('000)	5,175,024	5,187,500
每股基本盈利(每股人民幣分)	Basic earnings per share (RMB cents per share)	8.917	7.339

##### (b) 攤薄

期內，因並無存在潛在攤薄普通股，故並無每股盈利攤薄。每股攤薄盈利相等於每股基本盈利。

#### 19. EARNINGS PER SHARE

##### (a) Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

##### (b) Diluted

There is no dilution to earnings per share during the period because there were no potential dilutive ordinary shares existing during the period. The diluted earnings per share equal the basic earnings per share.

#### 20. 股息

截至二零一一年十二月三十一日止年度末期股息人民幣129,288,000元及特別股息人民幣372,364,000元已於二零一二年六月派付。

董事會於二零一二年八月三十日擬派中期股息每股人民幣3.1分(二零一一年：人民幣1.9分)，約於二零一二年十月十二日或前後支付予於二零一二年九月二十七日名列股東名冊的股東。中期股息人民幣160,426,000元尚未於中期財務資料確認為負債，但會確認為截至二零一二年十二月三十一日止年度的股東權益。

#### 20. DIVIDENDS

Final dividend of RMB129,288,000 and special dividend of RMB372,364,000 in respect of the year ended 31 December 2011 were paid in June 2012.

An interim dividend of RMB3.1 cents per share (2011: RMB1.9 cents) was proposed by the board on 30 August 2012. It is payable on or around 12 October 2012 to shareholders who are on the register of members on 27 September 2012. The interim dividend which amounted to RMB160,426,000 has not been recognised as a liability in this interim financial information. It will be recognised in shareholders' equity in the year ending 31 December 2012.



# 中期綜合財務資料附註

## Notes to the Interim Consolidated Financial Information

截至二零一二年六月三十日止六個月  
For the six months end 30 June 2012

### 21. 承擔

#### (a) 資本承擔

於報告期末已訂約但尚未產生的資本開支如下：

物業、廠房及設備  
無形資產－開發中產品

### 21. COMMITMENTS

#### (a) Capital commitments

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

		於 As at	
		二零一二年 六月三十日 30 June 2012 人民幣千元 RMB'000 未經審核 Unaudited	二零一一年 十二月 三十一日 31 December 2011 人民幣千元 RMB'000 經審核 Audited
物業、廠房及設備	Property, plant and equipment	311,643	13,785
無形資產－開發中產品	Intangible assets – product development in progress	34,095	21,118
		345,738	34,903

#### (b) 經營租賃承擔

本集團根據不可撤銷經營租賃協議租賃若干辦公室物業。租賃期限為一至五年，且大多數租賃協議可按市價於租賃期限屆滿時續約。

根據不可撤銷經營租賃應付的未來最低租金總額如下：

一年以內  
一年以上兩年以內  
兩年以上

#### (b) Operating lease commitments

The Group leases various office premises under non-cancellable operating lease agreements. The lease terms are between 1 and 5 years and the majority of lease agreements are renewable at the end of the lease period at market rate.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

		於 As at	
		二零一二年 六月三十日 30 June 2012 人民幣千元 RMB'000 未經審核 Unaudited	二零一一年 十二月 三十一日 31 December 2011 人民幣千元 RMB'000 經審核 Audited
一年以內	No later than 1 year	1,012	1,413
一年以上兩年以內	Later than 1 year and no later than 2 years	806	821
兩年以上	Later than 2 years	2,210	780
		4,028	3,014

## 中期綜合財務資料附註

### Notes to the Interim Consolidated Financial Information

截至二零一二年六月三十日止六個月

For the six months end 30 June 2012

#### 22. 關聯方交易

除附註15(應計董事績效花紅)、附註16(借貸)及下文披露的董事及高級管理層酬金所披露資料外,於截至二零一二年六月三十日止六個月及截至二零一一年十二月三十一日止年度,本集團並無其他重大關聯方交易。

##### (a) 董事及高級管理層酬金

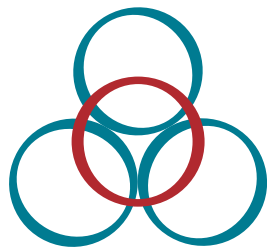
#### 22. RELATED-PARTY TRANSACTIONS

Except for the information as disclosed in Note 15 (accrued performance bonus to directors), Note 16 (borrowings) and directors' and senior management's emoluments disclosed as follow, the Group had no other material transactions with related parties for the six months ended 30 June 2012 and for the year ended 31 December 2011.

##### (a) Directors' and senior management's emoluments

		截至六月三十日止六個月	
		Six months ended 30 June	
		二零一二年	二零一一年
		2012	2011
		人民幣千元	人民幣千元
		RMB'000	RMB'000
		未經審核	未經審核
		Unaudited	Unaudited
袍金	Fees	362	372
薪金	Salary	1,050	1,050
績效花紅	Performance bonuses	22,980	8,625
		24,392	10,047





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