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- **Worcester Business Journal - Chinese biotech opens U.S. subsidiaries in Natick - 13/9/2016**
  VCANBIO USA will focus on cell and immunotherapies.
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- **China Bio - BeiGene Approved to Start China Trial of PD-1 Drug - 12/9/2016**
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SCMP - HK-listed biotechnology technology shares set to reap windfall from hunt for 'Zika' cure - 11/9/2016

Companies engaged in vaccine development, research, MAB, and liquid biopsy set to gain as they develop products to tackle deadly disease.

For the complete story see:
http://www.scmp.com/business/companies/article/2018424/hk-listed-biotechnology-technology-shares-set-reap-windfall-hunt

Benzinga - Mindray Introduces Optimizer™ Suite for A7 Anesthesia Workstation - 11/9/2016

Mindray continues to innovate anesthesia technologies to meet the demands in the operating room environment.

For the complete story see:
http://www.benzinga.com/pressreleases/16/09/p8444263/mindray-introduces-optimizer-suite-for-a7-anesthesia-workstation

Media Releases

SciClone Pharmaceuticals, Inc (NASDAQ: SCLN) - Soligenix and SciClone Establish Regional Licensing Agreement for SGX942, a Novel Product Candidate for Oral Mucositis – 12/9/2016

Agreement Includes Greater China and Other East Asia Markets

PRINCETON, N.J. and FOSTER CITY, Calif., Sept. 12, 2016 /PRNewswire/ - Soligenix, Inc. (OTCQB: SNGX), a late-stage biopharmaceutical company focused on developing and commercializing products to treat rare diseases where there is an unmet medical need, and SciClone Pharmaceuticals, Inc. (NASDAQ: SCLN), a US-based China-focused specialty pharmaceutical company, announced today that the companies have entered into an exclusive license agreement granting rights to SciClone to develop, promote, market, distribute and sell SGX942 (dusquetide), a novel, first-in-class therapy being developed for the treatment of oral mucositis in patients with head and neck cancer. The licensing agreement includes the People's Republic of China, including Hong Kong and Macau, as well as Taiwan, South Korea and Vietnam (the "Territory"). This exclusive agreement builds on an existing collaboration between the two companies, in which SciClone provided its complete oral mucositis clinical and regulatory data library to Soligenix in exchange for certain, previously undisclosed, commercialization rights to SGX942 in the Greater China market.

Under the terms of the agreement, SciClone will make a $3 million upfront equity investment in Soligenix for 3,529,412 shares of Soligenix common stock. In addition, SciClone will be responsible for all aspects of development, product registration and commercialization in the Territory, having access to data generated by Soligenix. In exchange for exclusive rights, SciClone will pay to Soligenix royalties on net sales, and Soligenix will supply commercial drug product to SciClone on a cost-plus basis, while maintaining worldwide manufacturing rights.

Friedhelm Blobel, PhD, President and Chief Executive Officer of SciClone, commented, "We believe that SGX942 can be an excellent fit within our growing oncology portfolio, and expands our strategy to in-license programs that can potentially utilize accelerated development and regulatory pathways in China. SciClone has a well established commercial presence in China, and key to driving our long-term growth is the expansion of our pipeline with innovative product candidates. We believe that oral mucositis represents an unmet medical need and is a frequent complication of anticancer treatment, including chemotherapy and radiation therapy. We appreciate the strong performance of the Soligenix clinical team in advancing this potentially important therapeutic, and are looking forward to developing SGX942 for potentially multiple Asia markets."

"We are very pleased to expand on our partnership with SciClone," stated Christopher J. Schaber, PhD, President and Chief Executive Officer of Soligenix. "SciClone has a significant commercial presence and expertise in China, and their clinical and regulatory contribution to the dusquetide oral mucositis program has the potential to bring high quality development and potential commercialization of SGX942 in the Territory. In the US, our multi-center, double-blind, placebo-controlled, Phase 2 clinical study in oral mucositis in head and neck cancer patients is currently ongoing with completion of long-term follow-up expected by the end of 2016."

This exclusive license agreement builds on an existing collaboration, wherein SciClone provided its significant oral mucositis clinical and regulatory data library, thus increasing the probability of success for the Soligenix SGX942 Phase 2 exploratory clinical study. By analyzing data available from the placebo subjects in the SciClone trials, Soligenix acquired essential insight into disease progression, along with quantitative understanding of its incidence and severity in the head and neck cancer patient population. This information assisted with the design of the SGX942 Phase 2 clinical trial, in which positive preliminary results were announced in December 2015.

About SGX942 (dusquetide)

SGX942 is an innate defense regulator (IDR), which contains a new class of short, synthetic peptide, having the chemical name dusquetide. It has a novel mechanism of action in that it modulates the body's reaction to both injury

and infection towards an anti-inflammatory and an anti-infective response. IDRs have no direct antibiotic activity but, by modulating the host's innate immune system responses, increase survival after infections with a broad range of bacterial Gram-negative and Gram-positive pathogens. It also accelerates resolution of tissue damage following exposure to a variety of agents including bacterial pathogens, trauma and chemo- and/or radiation therapy. Preclinical efficacy and safety has been demonstrated in numerous animal disease models including mucositis, colitis, melioidosis and other bacterial infections. Some of these preclinical findings have been published in an article entitled "A novel approach for emerging and antibiotic resistant infections: Innate defense regulators as an agnostic therapy" and are available at the following link: http://dx.doi.org/10.1016/j.jbiotec.2016.03.032.

SGX942 has demonstrated safety in a Phase 1 clinical study in 84 healthy human volunteers. Recently, SGX942 has demonstrated preliminary efficacy and safety in an exploratory Phase 2 clinical study in 111 patients with oral mucositis due to chemoradiation (CRT) therapy for head and neck cancer. Consistent with preclinical findings, SGX942 at a dose of 1.5 mg/kg demonstrated positive improvements in decreasing the duration of severe oral mucositis by 50% overall compared to the placebo group, from 18 days to 9 days (p=0.099). In patients receiving the most aggressive concomitant chemotherapy, the reduction in the duration of severe oral mucositis was even more significant at 67% when treated with SGX942 1.5 mg/kg, from 30 days to 10 days (p=0.04). The p-values meet the prospectively defined statistical threshold of $p < 0.1$ in the study protocol. Additional observations included an improved tumor response to CRT therapy at the one month follow up visit (47% in placebo versus 63% in SGX942 at 1.5 mg/kg), as well as decreases in infection rate.

Dusquetide and related analogs have a strong intellectual property position, including composition of matter. Dusquetide was developed pursuant to discoveries made by Professors B. Brett Finlay, PhD and Robert Hancock, PhD of the University of British Columbia, Canada.

SGX942 has received fast track designation from the US Food and Drug Administration (FDA) for the treatment of oral mucositis as a result of radiation and/or chemotherapy treatment in head and neck cancer patients. Fast track is a designation that the FDA reserves for a drug intended to treat a serious or life-threatening condition and one that demonstrates the potential to address an unmet medical need for the condition. Fast track designation is designed to facilitate the development and expedite the review of new drugs. For instance, should events warrant, Soligenix will be eligible to submit a new drug application (NDA) for SGX942 on a rolling basis, permitting the FDA to review sections of the NDA prior to receiving the complete submission. Additionally, NDAs for fast track development programs ordinarily will be eligible for priority review, which imparts an abbreviated review time of approximately six months.

About Oral Mucositis

Mucositis is the clinical term for damage done to the mucosa by anticancer therapies. It can occur in any mucosal region, but is most commonly associated with the mouth, followed by the small intestine. It is estimated, based upon review of historic published studies and reports and an interpolation of data on the incidence of mucositis, that mucositis affects approximately 500,000 people in the US per year and occurs in 40% of patients receiving chemotherapy. Mucositis can be severely debilitating and can lead to infection, sepsis, the need for parenteral nutrition and narcotic analgesia. The gastrointestinal damage causes severe diarrhea. These symptoms can limit the doses and duration of cancer treatment, leading to sub-optimal treatment outcomes.

The mechanisms of mucositis have been extensively studied and have been recently linked to the interaction of chemotherapy and/or radiation therapy with the innate defense system. Bacterial infection of the ulcerative lesions is now regarded as a secondary consequence of dysregulated local inflammation triggered by therapy-induced cell death, rather than as the primary cause of the lesions.

It is estimated, based upon review of historic published studies and reports and an interpolation of data on the incidence of oral mucositis, that oral mucositis in head and neck cancer is a subpopulation of approximately 90,000 patients in the US, with a comparable number in Europe. Oral mucositis almost always occurs in patients with head

and neck cancer treated with chemoradiation therapy and is severe, causing inability to eat and/or drink, in > 80% of patients. It is common (40-100% incidence) in patients undergoing high dose chemotherapy and hematopoietic cell transplantation, where the incidence and severity of oral mucositis depends greatly on the nature of the conditioning regimen used for myeloablation.

Oral mucositis in head and neck cancer remains an area of unmet medical need where there are currently no approved drug therapies.

http://investor.sciclone.com/releasedetail.cfm?ReleaseID=988641

WuXi PharmaTech (NYSE: WX) - WuXi AppTec Lab Testing Division and AutoGenomicsForm Strategic Partnership to Introduce Advanced Molecular Diagnostic Technology to China – 9/9/2016

Sep 09, 2016

Carlsbad California, Shanghai, September 9, 2016- WuXi AppTec (WuXi), a leading open-access R&D capability and technology platform company serving the global pharmaceutical, biotechnology and medical device industries, today announced that its Laboratory Testing Division (LTD) has entered into an exclusive distributor agreement with AutoGenomics, a US-based molecular diagnostic BioFilmChip® microarray platform company with a current menu of 65 tests.

Under the agreement, LTD will manufacture, register and distribute AutoGenomics' INFINITI® molecular diagnostic systems and related reagent and consumable productsin China.WuXi will license the assembly and manufacturing of the INFINITI® Systems in China.The two companies will also collaborate to develop and commercialize new testing solutions that are specifically designed for China's healthcare market. Chinese patients, doctors and pharmaceutical companies will have more convenient access to world-leading high precision, high sensitivity and highly efficient clinical diagnostic tests.

"We believe our partnership with WuXi AppTec, with its extensive operations in China and its scientific and research and development strengths, will broaden the market for our INFINITI®platform and related genetic tests in China and lead to new and broader healthcare management solutions specifically designed for the healthcare markets in China," said Fareed Kureshy, President and CEO of AutoGenomics.

"It is a milestone event for LTD to introduce AutoGenomics' instruments and diagnostic products to the China market, and an important step forward for WuXi's in vitro diagnostic business," said Dr. Jason Liu, SVP and COO of WuXi LTD. "WuXi has a comprehensive technology platform, extensive global network, and deep understanding of the China healthcare market. We will continue to expand our collaboration and introduce more advanced technologies to China into the future."

The collaboration will also facilitate WuXi's mission to help China's national precision medicine initiative.

"WuXi AppTec is committed to China's healthcare advancement and national precision medicine plan through active collaboration with doctors, scientists, companies and policy makers," added Dr. Ge Li, Chairman and CEO of WuXi AppTec. "We will continue to help advance precision medicine and personalized treatment by introducing more cutting edge technologies, accelerating science from research bench to hospital beds, and ultimately benefiting the general public."

http://www.wuxiapptec.com/press/detail/328/18.html

China Shineway Pharmaceutical Group Limited (HKSE: 2877) - China Shineway Announces Interim Results for the Six Months Ended 30 June 2016 – 26/8/2016

Turnover Amounted to RMB931.6 Million

Proposed Interim Dividend of RMB11 Cents per Share

(Hong Kong, 26 August 2016) - China Shineway Pharmaceutical Group Limited, the largest Chinese medicine injections, soft capsules and granules manufacturer, and collectively with its subsidiaries ("China Shineway" or the "Company" and together with its subsidiaries, the "Group", stock code: 2877.HK) today announced its interim results for the six months ended 30 June 2016. During the period under review, the Group recorded a turnover of approximately RMB931.6 million (2015: RMB1,109.3 million), representing a decrease of 16.0% as compared to the corresponding period of last year. The Group's profit for the period ended 30 June 2016 is RMB276.5 million, representing a decrease of 28.3% as compared to the corresponding period of last year (2015: 385.6 million). The decrease in profit was mainly attributable to: (1) the decreases of average selling price and sales volume of the Group's pharmaceutical products as compared with those of the corresponding period in 2015, (2) amortization expense of intangible assets arising from the acquisitions during restructuring of new business areas of the Group caused the overall administrative expenses to increase slightly as compared to the same period of last year and (3) the Group has strengthened the development of new products leading to an increase in research and development costs for the period. Basic earnings per share were RMB33 cents (2015: RMB47 cents). As at 30 June 2016, bank deposits of the Group, amounting to RMB2,952.0 million (31 December 2015: RMB2,826.2 million).

The Board of Directors proposed to declare an interim dividend of RMB11 cents per share for the six months ended 30 June 2016 (2015: RMB11 cents), which will be paid on 28 October 2016, to the shareholders whose names appear on the Company's register of members on 14 October 2016.

Mr. Li Zhenjiang, Chairman of the Group said, "For the first half of 2016, the decreases of average selling price and sales volume of the Group's pharmaceutical products led to the substantial decrease of profit. Yet, the Group has been proactively engaged in developing new products and expanding source of income. Following the improvement of regulations of medical industry in the PRC, the Group has faith in maintaining its leading position in the market." For the first six months of 2016, the Group sold RMB543.3 million of injection products, representing a decline of 12.7% from the same period of last year.

For the first six months of 2016, injection products accounted for 58.3% of the Group's total turnover as compared to 56.1% for the same period of last year. The sales of injection products recorded a decrease which was mainly attributable to the decline in sales of Qing Kai Ling Injection, Shen Mai Injection and Shu Xie Ning Injection.

For the first six months of 2016, the Group recorded RMB173.1 million on sales of soft capsule products, declined by 31.8% from the same period of last year. This was mainly due to the sales decrease of Wu Fu Xin Nao Qing Soft Capsule, Huo Xiang Zheng Qi Soft Capsule and Qing Kai Ling Soft Capsule. Soft capsule products accounted for 18.6% of the Group's turnover for the first six months of 2016, as compared to 22.9% for the same period of last year. The Group's production capacity for soft capsule products is presently at 3.5 billion capsules per annum. The Group believes that it is currently the largest Chinese medicine soft capsule manufacturer in the PRC in terms of sales volume and production capacity.

Sales of granule products in the first six months of 2016 had decreased by 15.4% as compared to the same period of last year, amounting RMB163.7 million. This was mainly resulted from the sales decrease of Pediatric Qing Fei Hua Tan Granule, Pediatric Hua Tan Zhi Ke Granule and Huamoyan Granule. Granule products accounted for 17.6% of the Group's turnover for the first six months of 2016 as compared to 17.4% of the same period of last year. The Group's production capacity of granule products is currently at 3.4 billion bags per annum. The Group believes that it is the largest Chinese medicine granule products manufacturer in the PRC in terms of sales volume and production capacity.

Sales of other products in the first six months of 2016 had increased by 29.1% as compared to the same period of last year, amounted to RMB51.5 million. The increase was mainly attributable to the increase in sales of Chinese Medicine Prescription Granule and tablets products as compared to the same period last year.

Core products of the Group are: Qing Kai Ling Injection, Shen Mai Injection, Shu Xie Ning Injection, Wu Fu Xin Nao Qing Soft Capsule, Huo Xiang Zheng Qi Soft Capsule and Pediatric Qing Fei Hua Tan Granule.

The new product Dan Deng Tong Nao Hard Capsule and Soft Capsule, is used for treatment of stroke caused by congestion, and appropriate for treatment and recovery of ischemic infarction, which is listed in the National Catalogues of Medicine Insurance and Occupational Injury Insurance, and is regarded as a rapid growth product in future by the group. Another new one, Yiqi Tongluo Granule is for treatment of qi deficiency and blood stasis during the main and collateral channels (mild to moderate cerebral infarction) recovery period of stroke, developed after years by China PLA General Hospital and the Company and examined in a systematic clinical pesticide effect study and standardized clinical trial with a definite and safe treatment effect. The Group treats it as a large-potential medicine to be developed in future.

The Group continues to strengthen the protection of its intellectual property rights. As at the date of the Interim Results announcement, the Group has obtained 53 patents for our inventions, and 46 invention patent applications are pending approval. As at 30 June 2016, the Group had 4 products listed as State Protected Chinese Medicines, including Lianshen Tonglin Tablet, Jianzhi Tongluo Soft Capsule, Qi Huang Tong Mi Soft Capsule and Shujin Tongluo Granule.

Mr. Li Zhenjiang concluded, “In recent years, medical industry grew steadily, following the extension of medical reform, the coverage of medical insurance expanded significantly, the medicine quality standard system and management were improved constantly, and the relevant policies issued by the State Council accelerated the development of health service industry, along with the extension of the new version of Essential Drug List and the supplemental Essential Drug catalogues of provinces, all these indicated a prosperous future of the Chinese medical industry development. While, the medical industry also faces uncertainties in many aspects including medical insurance payment system reform, drug price reduction and medical tenders, all of which will be the main policy factors unchangeably affect the industry growth and profit margin in the future. Therefore, the medical industry development will be full of opportunities and challenges. The Group will positively cope with policy changes, strengthens the academic education and terminal network construction, improves the control of terminals; accelerates the construction of talents team, improves the professional capacity of employees, creates a positive organizational atmosphere, stimulates the innovation energy of employees; promotes outstanding performance, enhances the operation and management ability. The Group will try to realise a maximization in the efficiency of marketing value chain to ensure the achievement of strategic target of our Group.”

http://www.shineway.com.hk/attachment/20160826200806174800727 8_en.pdf

Latest Research

Neuroprotective Role of MicroRNA-22 in a 6-Hydroxydopamine-Induced Cell Model of Parkinson's Disease via Regulation of Its Target Gene TRPM7

Chao Ping Yang, Zhen Hua Zhang, Li Hua Zhang, Han Chen Rui

Abstract

Parkinson's disease (PD), the second most prevalent neurodegenerative disorder with only symptomatic treatment available, is characterized by a progressive loss of dopaminergic neurons in the midbrain. Ample evidence indicated that microRNAs (miRs) could regulate post-transcriptional gene expression and neuronal disease. In the present study, we have evaluated the effects and mechanism of miR-22 in PC12 pheochromocytoma cells treated with 6-hydroxydopamine (6-OHDA) to mimic PD. RT-PCR results showed that the expression of miR-22 is downregulated in 6-OHDA-treated PC12 cells, and the overexpression of miR-22 significantly promoted the survival and proliferation of 6-OHDA-induced PC12 cells, whereas miR-22 inhibitor reversed these effects. In addition, PC12 cells were treated with miR-22 mimics or inhibitor following 6-OHDA administration, which medicated ROS production and upregulation or downregulation of caspase-3 activity, respectively. A luciferase reporter assay revealed that transient receptor potential melastatin 7 (TRPM7) is a direct target gene of miR-22, and miR-22 overexpression markedly downregulated the level of TRPM7. Strikingly, further analysis showed that miR-22 mediated 6-OHDA-induced PC12 cell survival and proliferation by targeting TRPM7. Taken together, the present study showed that miR-22 overexpression exhibited neuroprotective and reversal effects on the 6-OHDA-induced PC12 cell growth and apoptosis by targeting TRPM7.

http://link.springer.com/article/10.1007/s12031-016-0828-2

The Industry

Biotechnology in China

Introduction Biotechnology will be among the emerging science and technology (S&T) fields that will have the most significant global impact in the decades to come. Experts forecast that better drugs, devices and treatments for diseases, advancements in stem cell and genetically modified organisms (GMO) technology, and exciting developments in genome sequencing for personalized medicine will materialize in the next 20 to 30 years. Developing economies are emerging as important players in these fields in part because of advances in information and communication technologies (ICTs), sustained economic growth and strong government support. Governments are increasing their investments in research and development (R&D), providing support for the next generation of life scientists, enabling institutionalized knowledge transfer from academia to industry and encouraging the expansion of the private sector's role in all aspects of development. Moreover, scientists from developed and developing countries are increasing collaborations to tackle global problems, creating deeply-intertwined international networks to create, share and acquire knowledge produced at the frontiers of various S&T areas.

Within the context of these encouraging developments, China is charting a trajectory in the next few decades that casts itself as a major global biotechnology player. This field is one of the government's seven strategic S&T areas identified to provide solutions to some of China's pressing societal problems, underpin long-term economic growth and serve as a pathway for building indigenous innovation ("zizhu chuangxin") capability. China's rise in biotechnology seems predictable, but the path is fraught with serious challenges. In this paper, I will provide a brief summary of China's biotechnology development focusing primarily on the pivotal role of the government, and then discuss some of its major challenges that, if left unresolved, could retard China's quest to become a global biotechnology leader.

Understanding the Trajectory

China's interest and significant contributions in biotechnology began decades earlier primarily as part of its S&T efforts to catch up with the West. 1 A glance at some of the country's life science/biotech accomplishments during this time reveals that these initiatives focused on discoveries and innovations with high societal relevance. In the early 1960s, Chinese life scientists successfully synthesized the "world's first" bovine insulin believed to be a major accomplishment that could have earned China a Nobel Prize. 2 Sustained government R&D support in the subsequent decades led to another milestone at the end of the 1990s when – alongside the U.S., Germany, the United Kingdom, France and Japan – China became part of the international research effort to map the human genes known as the Human Genome Project. Although its contribution amounted to just one percent of the total sequencing of the human genome, China was the only developing country participating in this consortium. In late 2003, it became the first country to approve a drug license for a recombinant gene therapy to treat head and neck cancers. 3 Today, it is one of the leaders in research on genetically modified (GM) food. The government's recent approval of a strain of genetically engineered rice and corn puts the country in position to be first in the world to produce these GM grains on a commercial scale. In China's 12th Five-Year Plan (2011–2015), the R&D focus will be on the growth of the biotechnology industry in such areas as the development of new chemical drugs, biomedical engineering and the modernization of traditional Chinese medicines.

Governance Structure

China's current drive to become a global leader in biotechnology is a microcosm of its effort to meet the growing economic demands of its population as well as to become a major power in science and technology, i.e., to "enter the ranks of innovative countries by 2020" and become a global scientific power by mid-century. 4 These strategic objectives underpin the central government's major and transformative role in China's national innovation system. As one of seven strategic priorities for scientific and technological development identified in China's 12th FiveYear Plan

(2011–2015), biotechnology provides a clear illustration of the dominant role of the government in the development of national S&T capabilities.

At the heart of China's bid to become a leader in global biotechnology is the central government, whose role is reflected in a governance structure that is highly centralized and bureaucratized. At the apex of the organizational structure is the Chinese Communist Party (CCP) Central Committee (figure 1, p. 101). The CCP Central Committee exerts influence and power through a Science, Technology and Education (STE) "Lead Group" that is organized within the State Council, which is composed of all heads of ministries directly involved in China's S&T policy process. The Lead Group is usually chaired by a vice-premier who is also a concurrent member either of the Politburo or the Standing Committee of the CCP Central Committee – China's de facto governing body. However, since the integration of S&T into the national development strategy in the mid-1990s, China's premier has chaired the STE Lead Group. This group is responsible for:

-the study and review of the nation's strategy and key policies for the development of science, technology, and education;

-the identification of major tasks and programs related to science, technology and education;

-leadership appointments; and

-the coordination of important issues of science and education involving agencies under the State Council and regional institutions.

The Lead Group manages over the nine government ministries that hold S&T portfolios and carry out political functions. The Ministry of Science and Technology (MOST) and the Chinese Academy of Sciences (CAS) are the prominent players in biotechnology development. MOST is by far the most powerful among the nine organizations. It is the overarching government agency overseeing the nation's S&T affairs, exercising a wide range of functions as follows:

-formulation of S&T development policies, plans, programs;

-creation of the legal framework for S&T;

-institution of reforms in government research institutes;

-management of the S&T budget and resources;

-administration of high technology programs;

-management of China's national science parks;

-establishment of programs to improve the public's scientific literacy; and -examination of S&T's societal impacts.

The Chinese Academy of Sciences (CAS) manages around 100 research institutes and laboratories, owns at least 400 spin-off companies from its institutes, and employs some 60,000 research staff – considered the best and brightest of China's S&T and engineering community. It is the premier organization leading China's innovation drive in both the civilian and defense S&T sectors, and its R&D programs are credited with producing approximately 20 percent of China's peer-reviewed scientific papers in the last ten years and around 25 percent of China's citations in scientific journals.

Policy Evolution

China has been investing heavily in biotechnology in 1986 with the State High-Tech R&D Program (also known as "863"), China's first national S&T program that focused on hightechnology development. The program's R&D agenda emphasized immediate outcomes and quick results over fundamental R&D. MOST awarded biotechnology the largest amount of the 863 funds. Priority areas included bioengineering technology, gene manipulation technology, bioinformatics and modern agriculture technology. This initiative was followed by the National Basic Research and Development Program ("973") in 1997. Unlike its predecessor, this program gave policy attention to the basic and mission-oriented basic R&D priorities of China to enable it to occupy an important seat (yixi zhidi) in international R&D communities. The 973 program supported projects that meet at least one of the following three criteria: first, provide solutions to major problems associated with China's social, economic, and scientific and technological development; second, have high relevance to major basic research problems with interdisciplinary and comprehensive significance; and third, exploit China's advantages and special characteristics, i.e., its natural, geographic and human resources.

In the last 10 years or so, these programs have evolved to conform to the latest policy guidance – the Medium and Long-Term Plan (MLP) for the Development of Science and Technology (2006−2020). The MLP provides a roadmap of how the country – through the enhancement of indigenous innovation (zizhu chuangxin) capabilities – can become an innovation-oriented nation by 2020 and a world leader in S&T by 2050. It identifies biotechnology as one of the eight areas of "frontier technologies" where China is expected to make a significant global contribution in the next forty years (table 1). Mega-engineering programs in biotechnology include GMO R&D, drug innovation and R&D for the prevention and control of HIV/AIDS and other major diseases. Of the original four mega-science programs, two are in the life sciences and biotechnology field: protein science, and developmental and reproductive biology.

In the wake of the global financial crisis that started in 2007, the State Council promulgated the "Policies for Expediting the Development of Biotech Industry" (2009) requiring government ministries and regional governments to formulate concrete implementation policies for biotechnology. The government identified biotechnology as a new, post-crisis engine for economic growth with a focus in five areas: biomedicine, agricultural biotechnology, energy biotechnology, biotech manufacturing and environmental biotechnology. Currently, the government is preparing to release a plan for the rejuvenation of the (NDRC)-led biomedicine industry that will focus R&D efforts in the areas of gene medicine, protein medicine, monoclonal antibody medicine, therapeutic vaccines and small molecule chemical drugs. A new element to this initiative is NRDC's calls for unprecedented interagency collaboration with MOST, the Ministry of Health, and the State Food and Drug Administration (SFDA). It is hoped that this institutional innovation will pave the way for more coordination across ministries holding biotechnology portfolios.

Funding

The government continues to invest heavily in biotechnology. It committed over $238M in life sciences and biotechnology from 1996 to 2000, and significantly increased this amount to $795M from 2001 to 2005. In the Twelfth Five-Year Plan period (2011–2015), biotechnology is set to receive $1.7 Trillion in government funding, and at least $1.5B for new drug development alone. Development priorities will include biopharmacy, bioengineering, bioagriculture and biomanufacturing.

In terms of biotechnology industrial output value targets, data show that China is well on its way to achieving its Twelfth Five-Year Plan target of $253.6B by 2015, with a current industrial output value in the areas of gene engineering drugs, vaccines and diagnostic test kits already reaching $159B. By 2020, the goal is to reach an industrial output value of around $318B – $477B, to include the development of new biotechnology industries such as biomedicine and GM plants. Life sciences and biotechnology now account for about 20% ($27B) of the total investments in R&D ($135B). In terms of human resources, China currently has approximately 30,000 scientists employed in around 200 publicly-funded labs in biotechnology, and an estimated 50,000 workers in some 500 biotechnology companies. 15 From 2011 to 2015, biotechnology is expected to create one million jobs, improve life

expectancies by one year, reduce infant mortality rate to 12 percent, and reduce carbon emissions of the most common pollutants by 10 percent.

Government-Sponsored Science and Industrial Development

Beyond providing the strategic direction and the primary funding source, government support for biotechnology is manifest in other ways. First, it identifies specific sites for biotech industrial development. NDRC granted approval for the establishment of nine national biotechnology bases in Beijing, Shanghai, Guangzhou, Changsha, Chongqing, Qingdao, Chengdu, Kunming and Wuhan, following the construction of three such bases in Shijiazhuang, Shenzhen and Changchun. Selection of these cities were based on the presence of infrastructure suitable for biotechnology development, a relatively perfect market environment, and the existence of a cluster of related industries that facilitates the integration of large biotechnology groups and the development of small and mediumsized enterprises. In addition, NDRC also approved the creation of ten national biotechnology industrialization bases in Xi'an, Tianjin, Taizhou, Tonghua, Dezhou, Zhengzhou, Nanning, Harbin, Hangzhou and Nanchang. In these cases, the government seeks to promote new clustered areas for biotechnology development, create an industry with regional characteristics and redistribute economic and social resources to other areas of China.

Second, the government is also investing a total of $1.8B in biotechnology science parks. The development of these parks is orchestrated with its policy to recruit overseas Chinese-born scientists and professionals who are offered generous incentive packages to return to China to establish and lead life science-related business entities in these parks. For instance, the Suzhou Industrial Park launched a "Pioneering Talent Grant" in 2007 that carries a $158,500 award as start-up capital. This was followed up by an additional investment of up to $792,500 through the China–Singapore Suzhou Industrial Park Ventures Co. Ltd, supplemented by provisions of free laboratory space and housing subsidies for key talents. The bioBay, as the Suzhou Biotech Science Park is now known, is considered one of the best biotech parks in China.

Third, the government's interests in biotechnology industry are represented in the commercial sector by two types of enterprises. The first are the state-owned enterprises (SOEs). Amidst the backdrop of a favorable policy environment, SOEs are typically monopolies, receive generous government support, are well equipped and have relatively advanced technological capabilities. The second group includes top-tier state-owned research and higher education institutions that have life-science schools or departments. These institutions have institutionalized a "commercial identity," creating their own spin-off biotech firms and arranging tie-ups with local and foreign companies. In recent years, the Chinese government significantly increased R&D budgets in these institutions, especially among the elite universities and institutes under the Chinese Academy of Sciences. Since 1994, it has established at least 15 national biomedical research key laboratories.

Finally, the government provides strong support to the growth of the private sector involved in the biotechnology industry through a combination of reforms and tax and legal incentives. The focus of support consists of two groups. The first are small private enterprises, often set up by returnees and to a lesser extent by former employees of public research institutes. This category also includes a small number of China-based outsourcing service providers – mainly contract research organizations (CROs). CROs provide an array of services including product development, formulation and manufacturing clinical trial management, data management, biostatistics and medical writing services for new drug applications and regulatory affairs support. Given the breadth of their functions, CROs can potentially be the main players in the development of China's pharmaceutical industry and will be critical in creating increased opportunities for international collaboration. The second group – and a more recent actor in China's biotechnology R&D landscape – consists of the multinational pharmaceutical giants, e.g., Pfizer (Beijing), GlaxoSmithKline (GSK, Shanghai), Novartis (Beijing), AstraZeneca (Shanghai), and Roche (Shanghai). Aside from conducting their own R&D in China, these companies are developing collaborations with Chinese universities, research institutes and biotechnology enterprises, as well as establishing joint ventures with domestic companies.

Looking Ahead

A confluence of conditions is paving the way for China to make great strides in biotechnology: high economic growth, strong government and elite support that recognizes the strategic role of S&T in the country's rise to power and development, immense demographic, health and agricultural challenges that call for wide-scale and urgent S&T solutions, and the gradual improvement of the quality of its scientific labor force due to the increasing international exchanges and the growing number of returning S&T talent eager to become stakeholders in China's innovation drive. However, China still faces significant difficulties, and the achievement of its goal to become a global leader in biotechnology will largely be a question of the timing and extent to which it can overcome these challenges.

First are the institutional challenges rooted in the governance structure of China's national innovation system. The issue is whether a bureaucracy-centered S&T policy- and decision-making process provides the optimal arrangement for China's quest to become a global S&T leader. While the highly-centralized and bureaucratized set-up allows for extending biotechnology development across various government ministries, turf battles and bureaucratic rivalries have inhibited policy coherence and coordination. In some cases, organizational goals and funding priorities overlap, resulting in wasted resources and duplication of efforts. There have also been concerns of weak accountability with reference to new spending initiatives and monitoring expenditures. In the last decade, government-sponsored S&T institutions and programs have come under fire from some government officials, technocrats, and especially from members of the Chinese S&T community for undermining efforts to strengthen China's innovative capability. The laundry list of criticisms include a corrupt and politicized process involving some national science projects, favoritism in the awarding of grant money, weak accountability for research results, intellectual property rights violations, and inflexible management structures that are not conducive for innovative R&D work. A more recent institutional development – the growing role of local (provincial and municipal) governments in R&D – is yet to be examined in terms of their impact on the centralized S&T policymaking process and their role in the creation of innovative environments and domestic markets.

The second challenge is the need for the biotechnology industry to parlay what has so far been an effective 'scientific and applied research catch-up' system to one that creates a culture of innovation in order to develop and commercialize indigenous products that are internationally competitive. In-house R&D activities among domestic enterprises have not kept pace due to weak research capabilities, low R&D spending, heavy reliance on foreign S&T for its innovation activities and weak academic–industrial enterprise R&D linkages. Chinese firms focus on short-term gains, e.g., from sales of generic products, rather than on the longer-term benefits accruing from innovative research. Most Chinese pharmaceutical companies that invest in R&D only aim to improve upon existing processes and modify existing formulations of drugs. Moreover, government-supported venture capital firms that experts view as critical in promoting indigenous innovation still have minimal presence in industrial biotechnology, much less private biotechnology startup companies. According to China's State Intellectual Property Office (SIPO), foreign entities filed 51 percent of the biotech patent applications and received 62 percent of the patents granted. 23 Data (table 2) also show that imports far exceed exports in the life sciences and biotechnology sector. This profile of industrial biotechnology for the most part describes the state of China's high-technology sector, and in an effort to bolster China's industrial innovation, the government – articulated through its 2006 MLP and 11th Five-Year Plan (2006–2010) – called for the development of an innovation system that strengthened the 'lab-to-market' process. 24 This is a decided shift in government S&T/industrial policy, so the challenges will lie in the implementation phase.

The third challenge covers international aspects of China's biotechnology development. Growing numbers of multinational biotechnology and pharmaceutical companies have set up their R&D operations in the country to take advantage of the availability of a large, but as yet relatively underutilized, S&T labor force and undoubtedly transforming the landscape of China's industrial biotechnology. But the joint ventures and partnerships face a steep learning curve. On the one hand, the legal framework that governs international business collaborations still need further reform, and international partners need to educate themselves on the evolving Chinese legal system. China's biotechnology has no overall national industry association, presenting a challenge to new entrants looking for both industry information and partnerships. On the other, home-grown enterprise managements have little experience with the various aspects of the 'discovery and development' value chain. Intellectual property rights (IPR), tax, ownership

and other issues often come to the fore when due diligence is conducted by their foreign counterparts. Domestic biotech enterprises that are truly international in orientation remain in the minority, so one key issue facing China will be how and to what extent the industry can be 'internationalized' and be able to stand up to global business standards.

The speed with which China will achieve its goal becoming a global S&T powerhouse will significantly hinge on its ability to defend IPRs, a vital component of the innovation system. 25 While it is making great strides in IPR reform, 26 the government is yet to create a basic and complete legal framework for IPR protection. For instance, such a framework needs to include initiatives to educate the Chinese public on the importance of intellectual property protection. For the most part, people are still unwilling to support legally copyrighted products, emboldened by the fact that the existing legal system is not effective to serve as a deterrent to commit IPR-related violations. The IPR concerns of international companies entering the China market, e.g., protection of technology that companies bring to the country, lack of legal enforcement, opacity of domestic laws, etc. also expose weaknesses of the current legal regime. Addressing these issues as soon as possible will allow China to bolster its innovation efforts, especially as more of its companies and citizens will b ecome patent holders and key players in Chinese innovation, a trend that will most likely drive the future discourse of IPR protection in China.

As one of seven strategic S&T areas identified in the government's 12th Five-Year Plan (2011– 2015), biotechnology is considered a major platform for strengthening China's innovation system and primed to be a leading purveyor of high-value S&T in the future. The challenges it faces are not unique but rather typify those faced by other leading edge S&T areas in China. Because of its central role in shaping the trajectory of China's S&T development, the government is no doubt the driving force behind China's efforts to address these challenges. Competitive and strong national innovation systems however, may not necessarily require a central role for the state. It bears watching how China's government will transform itself as the drive for indigenous innovation gains momentum.

http://apcss.org/wp-content/uploads/2012/12/Cong-Cao.pdf

Leading Companies

Amoytop Biotech

Amoytop Biotech was founded in 1994, specializing in development and research on genetic engineering technology and working on the industrialization of biological pharmacy. It is a high-tech enterprise that combines R&D, manufacture, marketing and sales.

Since 1997, through cooperating with NICPBP (National Institute for the Control of Pharmaceutical and Biological Products of China), Amoytop Biotech has developed a series of national standards of recombinant protein drugs, such as rhGM-CSF, rhG-CSF, rhIL-11, rhIFN α-2a, rhIFN α-2b, and has become the main provider of national standards of recombinant protein drugs for NICPBP.

Based on the professional R&D ability and advanced technology platform, Amoytop Biotech has already successfully marketed three recombinant protein drugs, started the clinical studies for five recombinant protein drugs, and completed the pre-clinical studies for five innovative patented drugs whose clinical studies have been started. Amoytop Biotech, as a leading enterprise on exporting recombinant protein drugs in China, has passed GMP inspection from several countries health authorities, including Pakistan, Brazil, and Russia, etc.

In the future, Amoytop Biotech will continue to focus its work on genetically engineered products, and strive to become a world-class professional enterprise supplying the therapeutic biotechnological products.

http://www.amoytop.com

Beijing Tri-Prime Genetic Engineering Co., Ltd.

As one of the first biotech companies in China, Beijing Tri-Prime Genetic Engineering Co., Ltd. was established in 1992. Today, it is a fully integrated biopharmaceutical enterprise with about 200 employees. Tri-Prime's significant milestones include:
Pioneered development of biopharmaceutical products and processes from laboratory to commercial scales;

Navigated the Chinese regulatory and legal systems to obtain approval;
Out-licensed nine biologics to a range of biotech companies to jump start the industry, which consists 50% of total biologic sales in today's Chinese market;
Set-up the first Chinese GMP standards for biopharmaceutical product manufacturing;
Standardized the Chinese interferon market by applying modern marketing strategies and techniques;

Successfully steering the ever-changing Chinese distribution system, then competing and winning a fierce price war in a biogeneric market whereby Tri-Prime climbed to the top in market shares in the interferon maker by 2005Q1.

http://www.triprime.com

Beijing Peking University WBL Biotech Co., Ltd. (WPU)

Beijing Peking University WBL Biotech Co., Ltd. (WPU), a high-tech pharmaceutical joint venture invested by Luye Pharmaceutical Co., Ltd of Shandong and Peking University, was founded in Beijing Zhongguancun Science Park in 1994. Awarded as the National High-tech Enterprise, WPU mainly engages in research, development, manufacture and market of natural medicine and modern Chinese medicine.

Xuezhikang Capsule, a world advanced blood lipids regulator, is WPU's leading product. It is the product of combined efforts of modern biotechnology and traditional Chinese medicine, and also an excellent high-tech research result

from Peking University. Since gone into production in 1995, Xuezhikang Capsule has gained many honors: in 1996, it's been selected by "Chinese Medical Association" as the recommended lipid-regulating drug; in 1999, it's been included in "National Catalog of Basic Drugs of China", in the same year, listed in protected brands of traditional Chinese medicine; in 2000, it's been selected in "National Medical Insurance Coverage"; in 2001, it received national innovation patent certificate; in 2002, it's been used as the investigational drugs for the "Study of type II diabetes and its complications early warning and intervention" in "The 10th Five Years Key Programs for Science and Technology Development of China", and in the same year, Xuezhikang Capsule has been selected into national high technology industry development project plan 2002 by National Development and Reform Commission.

In June 2004, "China coronary secondary prevention study (CCSPS)" of "The 10th Five Years" Key Programs for Science and Technology Development of China, was checked and accepted by national Ministry of Health. The result of this study which lasting 8 years shows that Xuezhikang can decrease overall death risk by 33%, safe and effective to use for longterm. This study has been recognized as a pioneer of the native evidence-based medical research, playing an important influence to our native prevention and treatment work for coronary disease, and a milestone for the treatment of coronary disease by modern Chinese medicine. In June 2005, Xuezhikang was listed into National Torch Program. In August 2009, as one and only blood lipids regulation Chinese medicine, Xuezhikang was selected into the 2009 and 2012 "National Catalog of Basic Drugs of China". In the same year, Xuezhikang was identified as "Beijing self-dependent innovation product". And in 2010, Xuezhikang was selected into "The 11th Five Years" National Key Programs for new drug development-"Further development for Xuezhikang".

During the decades, WPU was developing fast and has established more than 20 branches countrywide to make a powerful sales net covering the whole country. Since Xuezhikang Capsule lanched into the market in 1996, it's brought 15 years' profits and entered into thousands of native hospitals and pharmacies. More 10 millions of patients which have hyperlipoidemia, coronary disease, diabetes, and fatty liver had taken before or are taking Xuezhikang Capsule at present. Moreover, Xuezhikang Capsule has been listed in over 20 provinces' free medical service drugs lists or national medical insurance coverage drugs lists. Xuezhikang Capsule has become the first brand name of native blood lipids regulating medicines. Many honors have been given to WPU: enterprise of Beijing "G20" Project, enterprise of Zhongguancun Science Park "Ten Hundred Thousand" project, 20th anniversary outstanding contribution award in Zhongguancun Science Park, enterprise of TCM modernizing demonstration project sponsored by National Development and Reform Commission, model enterprise of patent work in Beijing, first hundred enterprises of innovation demonstrations in Zhongguancun Science Park, key enterprise of Zhongguancun State Intellectual Property Model Park, top 50 tax paying enterprise in Haidian district, A class credit tax paying enterprise in Beijing, trustworthy enterprise of Beijing, etc.

WPU also developed overseas market actively. Since 1996, Xuezhikang Capsule has been exported to Europe, the US, Middle East, Japan, Korea, Singapore, Hong Kong, Taiwan and Malaysia and so on. The company has been listed in the one hundred countrywide key companies "promoting trade through science and technology" by national Ministry of Commerce and Ministry of Science and Technology. Xuezhikang has become the key export product of the country. In 2000, Xuezhikang product series obtained the US patent certificate and the certificate for exporter of Chinese Proprietary Medicine (CPM) issued by Ministry of Health of Singapore. In 2002, Xuezhikang obtained the patent certificate of Hong Kong. In June 2005, Xuezhikang took the lead in getting the new drug approval in Taiwan. In 2006, WPU started the IND file work for Xuezhikang as a new drug in the US. In August 2008, Xuezhikang finished the IND file and permitted to do the phase II study. 2010, WPU started the phase II study in the US and at the beginning of 2011, "Xuezhikang Capsule international multi-center clinical trial study" was approved to be "The 12th Five Years" national key program of new drug innovation and production. In the end of December 2012, "Xuezhikang Capsule international multi-center clinical trial study" was finished. The study results showed that Xuezhikang made outstanding effects on blood lipids regulating with well safety both to Chinese and American people who suffer from hyperlipidemia. The study results of phase II study has made a substantial basis to the future phase III study. To enhance the company competitive power, WPU invited high-qualified talents to organize a high quality research group under the idea of self-dependent innovation to research and develop new product actively. The company has researched and made a new type of natural antidepressant drug which has already conducted phase III study in China and applying the approval of production at present. The company has several products under researching

which forming a powerful follow-up products list to sustain a stable growing in the future. Since 2003, WPU became the post-doctoral workstation of national Ministry of Human Resources and Social Security. In 2009, WPU joined in the union of new drug producing, learning and researching of Beijing. The persistent new product developing ability has made the company extending continually these years. Now, WPU has become a model among the modern Chinese medicine pharmaceutical enterprises and will step to be a world-class company by continuously efforts.

Since founded in 1994, WPU led a totally new road for innovation. It's made Xuezhikang from the experimenting result in Peking University's lab to be a famous Chinese blood lipids lowering drug brand name with over a hundred million sales amount. The company has set an example for the industrialization of science research results. WPU will firmly lead on the road of Chinese medicine modernization and globalization. And with continually developing and courageously innovating, WPU will grasp the good opportunity of China entering into WTO and develop rapidly to be a world famous modern Chinese medicine pharmaceutical company in the future.
Chinese medicine modernization

The idea of Chinese medicine modernization was exactly brought out on the inaugural meeting of WPU natural medicine research center in 1996. WPU's strategy programming defines its vision as to be the leadership of Chinese medicine modernization, and WPU is keeping trying to fulfill this ideal always.

WPU's leading product-Xuezhikang Capsule is a successful example of Chinese medicine modernization. We find "Red Yeast Rice" which has the effects of blood lipids lowering by "promoting blood circulation and removing blood stasis" from the TCM treasure-house, the book of "Ben Cao Gang Mu", and make it to be a modern Chinese medicine by modern biological method which can be totally comparable with the advanced western drugs.

(http://www.wpu.com.cn/en/about/)

China National Biotec Group (HKSE: CNBG)

China National Biotec Group (CNBG) is a subsidiary of China National Pharmaceutical Group Corporation (SINOPHARM). As the first manufacturer of vaccines and blood products in China and with 6 Biological Products Institutes in house, CNBG has been devoted to the research, development, production and supply of biological products since 1919. CNBG has been involved in eradiating smallpox, eliminating polio, reducing the incidence of various serious infectious diseases, supplied billions of doses of vaccines and therapeutic biological services in China.

CNBG has many unique inventions and is currently operating in more than one hundred SFDA cGMP accredited manufacturing lines with the capability of manufacturing over 200 types of biological products for disease prevention, therapeutic and diagnostic use, including all the vaccines for the Chinese EPI program. As the largest biotech company in China, CNBG has successfully integrated R&D, manufacturing, the marketing & post-marketing activities for biological.

Highlights from 2010
Main operating revenue: RMB 5 billion (≈ USD 735 million)
Total Assets: RMB 10 billion (≈ USD 1.5 billion, excluding land value)
Employees: nearly 10 thousand, among which more than 4 thousand are scientists and technicians

(http://en.cnbg.com.cn/html/about/show_1.html)

Chindex International, Inc. (NASDAQ: CHDX)

Chindex International, Inc. Reports Financial Results for Second Quarter and First Half of 2014

BETHESDA, Md., Aug. 11, 2014 /PRNewswire/ -- Chindex International, Inc. (NASDAQ: CHDX), an American healthcare company providing premium quality healthcare services in China through the operations of United Family Healthcare ("UFH"), a network of private primary care hospitals and affiliated ambulatory clinics, today announced financial results for the second quarter ended June 30, 2014.

Second Quarter 2014 Financial Highlights

Revenue from healthcare services increased 21% to $55.5 million from $46.0 million in the prior year period.

Adjusted EBITDA increased 42% to $10.3 million from $7.3 million in the prior year period.

Income from operations decreased 3% to $1.8 million from $1.9 million in the prior year period.

Net loss was $693,000, or $(0.04) per diluted share, compared to net loss of $122,000, or $(0.01) per diluted share, in the prior year period.

Merger transaction expenses were $2.0 million.

Roberta Lipson, President and CEO of Chindex, commented, "The second quarter was characterized by continued expansion of our network of hospitals and clinics, and broadening of our scope of services. The United Family Healthcare Financial Street Clinic opened in May 2014, representing our first facility in western Beijing. Along with our Haidian hospital, which is currently under construction, this is part of our focused effort to reach more patients in Beijing's finance and technology centers."

"Our results this quarter reflect substantial development expenses from these expansion activities as well as expenses related to our pending merger. We are continuing our efforts to strategically expand our network and service scope to bring international-standard, premium healthcare services to more people in China," concluded Ms. Lipson.

Business Updates

As previously announced, the Company has entered into an amended and restated merger agreement (the "Amended Agreement") with a buyer consortium (the "Buyer Consortium") comprised of an affiliate of TPG, an affiliate of Shanghai Fosun Pharmaceutical (Group) Co., Ltd., Ms. Lipson and a merger subsidiary. Pursuant to the Amended Agreement, at the effective time of the merger, the Company will become privately owned and unaffiliated stockholders will be entitled to receive merger consideration of $24.00 per share. As previously announced, the merger is not subject to a financing condition and, assuming the satisfaction of conditions specified in the Amended Agreement, the Company expects the merger to close in the second half of 2014.

Second Quarter 2014 Financial Results

Second quarter 2014 revenue from healthcare services increased 21% to $55.5 million from $46.0 million in the prior year period. These results reflect growth of inpatient and outpatient volume across the United Family Healthcare network as well as increased contributions from the Company's new facilities in Beijing. Overall, outpatient services contributed 57% of revenue while inpatient services contributed 43%, compared with 58% and 42%, respectively, in the prior year period. By service line, surgical services contributed 22.5%; OB/GYN contributed 13.4%; pediatrics contributed 8.2%; ancillary services, including laboratory, radiology and pharmacy, contributed 27.7%; internal

medicine contributed 3.4%; emergency room contributed 2.9%; dental contributed 2.8%; family medicine 2.2% and other clinical service lines contributed 16.9% of revenue.

Operating expenses in the second quarter 2014 increased 22% to $53.6 million from $44.1 million in the prior year period. The increase was primarily driven by salaries, wages and benefits expenses, which increased 15% over the second quarter 2013 from $26.8 million to $30.8 million, and merger transaction expenses of $2.0 million, which include fees for legal and other professional services related to the Company's pending merger. The increase in salaries, wages and benefits reflects both an increase in headcount to support revenue growth and development activities for new facilities and services and a new government mandate on increased social benefits. Development, pre- and post-opening and start-up expenses were $3 million, the same as in the prior year period. These expenses were driven by development projects, including expansion of the outpatient clinics at Beijing United Family Hospital and construction of new hospitals in Beijing and Qingdao.

Adjusted EBITDA in the second quarter of 2014 increased 42% to $10.3 million, compared to $7.3 million in the prior year period. The Adjusted EBITDA results show continued growth of the Company's core primary care business as well as growth from recently-expanded surgical services.

Income from operations was $1.8 million, compared to $1.9 million in the prior year period.

The Company recorded a $2.2 million provision for taxes in the second quarter of 2014, compared to the tax provision of $1.7 million in the prior year period. As in past quarters, the current period provision continued to be impacted by a higher tax rate due to losses in development and start-up entities for which the Company cannot currently recognize tax benefits.

Net loss for the quarter ended June 30, 2014 was $693,000, or $(0.04) per diluted share, compared to net loss of $122,000, or $(0.01) per diluted share, in the prior year period. The Company's minority interest in CML represented a loss of $174,000 during the recent period compared to a loss of $387,000 in the prior year period. For the second quarter of 2014, weighted average diluted shares outstanding were 17.8million.

As of June 30, 2014, the Company had $39.3 million in unrestricted cash and cash equivalents.

First Half 2013 Financial Results

During the first half of 2014, revenue from healthcare services increased 20% to $105.3 million from $87.5 million in the prior year period, reflecting growth of inpatient and outpatient volume across the United Family Healthcare network as well as increased contributions from the Company's new facilities in Beijing. Outpatient services contributed 58% of revenue and inpatient services contributed 42% of revenue in the first half of 2014, which represents the same distribution as in the first half of 2013. By service line, surgical services contributed 20.6%, OB/GYN contributed 13.8%, pediatrics contributed 9.0%, ancillary services contributed 28.0%, internal medicine contributed 3.3%, emergency room contributed 2.9%, dental contributed 3.0%, family medicine 2.2% and other services contributed 17.2% of revenue.

Operating expenses for the first half of 2014 increased 26% to $105.0 million from $83.1 million in the prior year period. Development, pre-opening and start up expenses increased to $7.0 million from $5.4million in the prior year. Income from operations for the first half of 2014 was $374,000, compared to $4.5 million in the prior year period. This decrease largely reflects the $5.3 million in merger transaction expenses incurred in the first half of 2014 as compared to $192,000 in merger transaction expenses in the prior year period. Adjusted EBITDA was approximately $19.4million compared to $14.7 million in the prior year period. The Adjusted EBITDA results show continued growth of the Company's core primary care business as well as growth from recently-expanded surgical services.

Provision for taxes was $3.8 million, compared to $3.6 million in the prior year period. Net loss was $4.2 million, or $(0.24) per diluted share, compared to net loss of $184,000, or $(0.01) per diluted share, in the first half of 2013. For the first half of 2014 ended June 30, 2014, weighted average diluted shares outstanding were 17.8million.

Chindex Medical Limited

For Chindex Medical Limited (CML), a joint venture between Shanghai Fosun Pharmaceutical (Group) Co., Ltd. and Chindex International, Chindex recognized its 30% interest in CML's net loss using the equity method of accounting since the acquisition of Alma Lasers, Inc. on May 27, 2013.

In the second quarter of 2014, Chindex recognized a loss of $174,000 for its equity interest in CML. For the first half of 2014, the Company recognized a loss of $524,000 million for its equity interest in CML.

The operating results of CML in the first half of 2014 continued to be negatively impacted by the overall slowdown in the capital medical equipment markets in China as a result of restructuring at the Ministry of Finance, uncertainty surrounding proposed reforms and the disruption to normal hospital purchasing activity due to the government campaign to improve compliance in the public hospitals' purchasing activities.

Non-GAAP Measures

The Company presents Adjusted EBITDA to better illustrate ongoing operational results. Adjusted EBITDA is defined as income (loss) before interest expense, interest and other income, income taxes, depreciation and amortization, and also excludes development, pre-opening and start-up expenses related to new and pending hospitals and clinics and equity in earnings (loss) of unconsolidated affiliate and nonrecurring transaction costs. The Company anticipates recurring development, pre-opening and start-up expense and notes that such expense is a basic element of the long term growth plan. Management believes that providing an Adjusted EBITDA analysis to investors is a helpful metric to better illustrate the Company's operations, including development plans, and changes in presentation from historical periods. The Company uses Adjusted EBITDA for business planning and other purposes. Other companies may calculate Adjusted EBITDA differently, and therefore Chindex's Adjusted EBITDA may not be comparable to similarly titled measures of other companies. Adjusted EBITDA is not a measure of financial performance under U.S. generally accepted accounting principles (GAAP), and should not be considered in isolation or as an alternative to net income (loss), cash flows from operating activities and other measures determined in accordance with GAAP. Items excluded from Adjusted EBITDA are significant and necessary components to the operations of the Company's business, and, therefore, Adjusted EBITDA should only be used as a supplemental measure of operating performance.

About Chindex International, Inc.

Chindex is an American healthcare company providing premium quality healthcare services in China through the operations of United Family Healthcare, a network of private primary care hospitals and affiliated ambulatory clinics. United Family Healthcare currently operates in Beijing, Shanghai, Tianjin and Guangzhou with a future facility under construction in Qingdao. The Company also provides medical capital equipment and products through Chindex Medical Ltd., a joint venture company with manufacturing and distribution businesses serving both domestic China and export markets. With more than thirty years of experience, the Company's strategy is to continue its growth as a leading integrated health care provider in the Greater China region.

http://ir.chindex.com/releasedetail.cfm?ReleaseID=865483

China Shineway Pharmaceutical Group Limited (HKSE: 2877)

China Shineway Announces Interim Results for the Six Months Ended 30 June 2016

Turnover Amounted to RMB931.6 Million

Proposed Interim Dividend of RMB11 Cents per Share

(Hong Kong, 26 August 2016) - China Shineway Pharmaceutical Group Limited, the largest Chinese medicine injections, soft capsules and granules manufacturer, and collectively with its subsidiaries ("China Shineway" or the "Company" and together with its subsidiaries, the "Group", stock code: 2877.HK) today announced its interim results for the six months ended 30 June 2016. During the period under review, the Group recorded a turnover of approximately RMB931.6 million (2015: RMB1,109.3 million), representing a decrease of 16.0% as compared to the corresponding period of last year. The Group's profit for the period ended 30 June 2016 is RMB276.5 million, representing a decrease of 28.3% as compared to the corresponding period of last year (2015: 385.6 million). The decrease in profit was mainly attributable to: (1) the decreases of average selling price and sales volume of the Group's pharmaceutical products as compared with those of the corresponding period in 2015, (2) amortization expense of intangible assets arising from the acquisitions during restructuring of new business areas of the Group caused the overall administrative expenses to increase slightly as compared to the same period of last year and (3) the Group has strengthened the development of new products leading to an increase in research and development costs for the period. Basic earnings per share were RMB33 cents (2015: RMB47 cents). As at 30 June 2016, bank deposits of the Group, amounting to RMB2,952.0 million (31 December 2015: RMB2,826.2 million).

The Board of Directors proposed to declare an interim dividend of RMB11 cents per share for the six months ended 30 June 2016 (2015: RMB11 cents), which will be paid on 28 October 2016, to the shareholders whose names appear on the Company's register of members on 14 October 2016.

Mr. Li Zhenjiang, Chairman of the Group said, "For the first half of 2016, the decreases of average selling price and sales volume of the Group's pharmaceutical products led to the substantial decrease of profit. Yet, the Group has been proactively engaged in developing new products and expanding source of income. Following the improvement of regulations of medical industry in the PRC, the Group has faith in maintaining its leading position in the market." For the first six months of 2016, the Group sold RMB543.3 million of injection products, representing a decline of 12.7% from the same period of last year.

For the first six months of 2016, injection products accounted for 58.3% of the Group's total turnover as compared to 56.1% for the same period of last year. The sales of injection products recorded a decrease which was mainly attributable to the decline in sales of Qing Kai Ling Injection, Shen Mai Injection and Shu Xie Ning Injection.

For the first six months of 2016, the Group recorded RMB173.1 million on sales of soft capsule products, declined by 31.8% from the same period of last year. This was mainly due to the sales decrease of Wu Fu Xin Nao Qing Soft Capsule, Huo Xiang Zheng Qi Soft Capsule and Qing Kai Ling Soft Capsule. Soft capsule products accounted for 18.6% of the Group's turnover for the first six months of 2016, as compared to 22.9% for the same period of last year. The Group's production capacity for soft capsule products is presently at 3.5 billion capsules per annum. The Group believes that it is currently the largest Chinese medicine soft capsule manufacturer in the PRC in terms of sales volume and production capacity.

Sales of granule products in the first six months of 2016 had decreased by 15.4% as compared to the same period of last year, amounting RMB163.7 million. This was mainly resulted from the sales decrease of Pediatric Qing Fei Hua Tan Granule, Pediatric Hua Tan Zhi Ke Granule and Huamoyan Granule. Granule products accounted for 17.6% of the Group's turnover for the first six months of 2016 as compared to 17.4% of the same period of last year. The Group's production capacity of granule products is currently at 3.4 billion bags per annum. The Group believes that it is the largest Chinese medicine granule products manufacturer in the PRC in terms of sales volume and production capacity.

Sales of other products in the first six months of 2016 had increased by 29.1% as compared to the same period of last year, amounted to RMB51.5 million. The increase was mainly attributable to the increase in sales of Chinese Medicine Prescription Granule and tablets products as compared to the same period last year.

Core products of the Group are: Qing Kai Ling Injection, Shen Mai Injection, Shu Xie Ning Injection, Wu Fu Xin Nao Qing Soft Capsule, Huo Xiang Zheng Qi Soft Capsule and Pediatric Qing Fei Hua Tan Granule.

The new product Dan Deng Tong Nao Hard Capsule and Soft Capsule, is used for treatment of stroke caused by congestion, and appropriate for treatment and recovery of ischemic infarction, which is listed in the National Catalogues of Medicine Insurance and Occupational Injury Insurance, and is regarded as a rapid growth product in future by the group. Another new one, Yiqi Tongluo Granule is for treatment of qi deficiency and blood stasis during the main and collateral channels (mild to moderate cerebral infarction) recovery period of stroke, developed after years by China PLA General Hospital and the Company and examined in a systematic clinical pesticide effect study and standardized clinical trial with a definite and safe treatment effect. The Group treats it as a large-potential medicine to be developed in future.

The Group continues to strengthen the protection of its intellectual property rights. As at the date of the Interim Results announcement, the Group has obtained 53 patents for our inventions, and 46 invention patent applications are pending approval. As at 30 June 2016, the Group had 4 products listed as State Protected Chinese Medicines, including Lianshen Tonglin Tablet, Jianzhi Tongluo Soft Capsule, Qi Huang Tong Mi Soft Capsule and Shujin Tongluo Granule.

Mr. Li Zhenjiang concluded, “In recent years, medical industry grew steadily, following the extension of medical reform, the coverage of medical insurance expanded significantly, the medicine quality standard system and management were improved constantly, and the relevant policies issued by the State Council accelerated the development of health service industry, along with the extension of the new version of Essential Drug List and the supplemental Essential Drug catalogues of provinces, all these indicated a prosperous future of the Chinese medical industry development. While, the medical industry also faces uncertainties in many aspects including medical insurance payment system reform, drug price reduction and medical tenders, all of which will be the main policy factors unchangeably affect the industry growth and profit margin in the future. Therefore, the medical industry development will be full of opportunities and challenges. The Group will positively cope with policy changes, strengthens the academic education and terminal network construction, improves the control of terminals; accelerates the construction of talents team, improves the professional capacity of employees, creates a positive organizational atmosphere, stimulates the innovation energy of employees; promotes outstanding performance, enhances the operation and management ability. The Group will try to realise a maximization in the efficiency of marketing value chain to ensure the achievement of strategic target of our Group.”

About China Shineway Pharmaceutical Group Limited (Stock Code: 2877)

China Shineway Pharmaceutical Group Limited is one of the largest modern Chinese medicines manufacturers in the PRC. The Group is listed on the Main Board of Hong Kong Stock Exchange and is also a Hang Seng Composite Index constituent. After the "Shineway" trademark was named as China Famous Trademark in 2002, our "Wu Fu" trademark and “Shen Miao” trademark were subsequently identified as China Famous Trademarks. We became the first one in Hebei Province having three China Famous Trademarks. In addition, our "Bei Si" and “ Zhikeping” trademark were also awarded as Hebei Province Famous Trademark.

http://www.shineway.com.hk/attachment/20160826200806174800727 8_en.pdf

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Livzon Mabpharm (NSDQ: EPRS)

Livzon Mabpharm, Inc. provides biotechnology services and offers biologics research and development services. It develops, manufactures, and sells antibody-based drugs. The company was founded in 2010 and is based in Zhuhai City, China. Livzon Mabpharm, Inc. operates as a subsidiary of Livzon Pharmaceutical Group Inc.

http://investing.businessweek.com/research/stocks/private/snapshot.asp?privcapId=141110208

Mindray Medical International Limited (NYSE: MR)

Mindray Announces Third Quarter 2015 Financial Results
SHENZHEN, China, Nov. 13, 2015 /PRNewswire/ -- Mindray Medical International Limited (NYSE: MR), a leading developer, manufacturer and marketer of medical devices worldwide, announced today its selected unaudited financial results for the third quarter ended September 30, 2015.
Highlights for Third Quarter 2015
Net revenues reached $327.6 million, up 0.9% from $324.6 million a year ago.
China net revenues were $152.6 million, representing 46.6% of the company's total net revenues.
International net revenues totaled $175.0 million, up 3.6% from the same period a year ago.
Reagent net revenues grew more than 18% year-over-year. Reagents contributed 51.0% to the IVD segment, up from 44.2% in the same period last year.
In this quarter, the company generated around $16.0 million foreign exchange gain from RMB's depreciation against US dollars.

SUMMARY - Third quarter 2015

(in $ millions, except per-share data)	Three Months Ended September 30		
	2015	2014	% chg
Net Revenues	327.6	324.6	0.9%
Net Revenues Generated in China	152.6	155.7	-2.0%
Net Revenues Generated in International Markets	175.0	168.9	3.6%
Gross Profit	178.8	182.8	-2.2%
Non-GAAP Gross Profit	180.7	185.1	-2.4%
Operating Income	58.7	43.4	35.3%
Non-GAAP Operating Income	69.3	54.4	27.3%
EBITDA	74.1	57.5	28.9%
Net Income[1]	50.9	46.0	10.5%
Non-GAAP Net Income[1]	60.4	56.2	7.5%
Non-GAAP Net Income[2] (ex FX gain from RMB's depreciation against US dollars)	46.1	56.2	-17.9%
Non-GAAP Net Income (ex tax benefit)[3]	60.4	54.7	10.4%
Diluted EPS	0.43	0.39	10.1%
Non-GAAP Diluted EPS	0.51	0.47	7.1%
Non-GAAP Diluted EPS (ex FX gain from RMB's depreciation against US dollars)	0.39	0.47	-18.2%
Non-GAAP Diluted EPS (ex tax benefit)	0.51	0.46	10.0%

Net Revenues

Mindray reported net revenues of $327.6 million for the third quarter of 2015, a 0.9% increase from the third quarter of 2014.

- Net revenues generated in China decreased 2.0%year-over-year to $152.6 million.
- Net revenues generated in the international markets increased 3.6% year-over-year to $175.0 million.

Performance by Segment

Patient Monitoring & Life Support Products: Net revenues in this segment decreased 2.7% year-over-year to $114.8 million, contributing 35.1% to total net revenues in the third quarter of 2015.

In-Vitro Diagnostic Products: Net revenues in this segment increased 2.9% year-over-year to $95.2 million, contributing 29.1% to total net revenues in the third quarter of 2015. Reagents sales represented 51.0% of net revenues in this segment.

Medical Imaging Systems: Net revenues in this segment increased 3.8% year-over-year to $85.6 million, contributing 26.1% to total net revenues in the third quarter of 2015.

Others: Net revenues in this segment increased 1.0% year-over-year to $31.9 million, contributing 9.7% to total net revenues in the third quarter of 2015.Other net revenues mainly include sales from the orthopedics business, service revenues from extended warranties, sales of accessories and repair service revenues for post-warranty period.

Gross Margin

Third quarter 2015 gross profit was $178.8million, a 2.2% decrease from the third quarter of 2014. Gross margin was 54.6% in the third quarter of 2015 compared to 56.3% in the third quarter of 2014 and 54.7% in the second quarter of 2015. Third quarter 2015 non-GAAP gross profit was $180.7million, a 2.4% decrease from the third quarter of 2014. Non-GAAP gross margin was 55.1% in the third quarter of 2015 compared to 57.0% in the third quarter of 2014 and 55.2% in the second quarter of 2015.

Operating Expenses

Selling expenses for the third quarter of 2015 were $62.5 million, or 19.1% of total net revenues, compared to 20.3% in the third quarter of 2014 and 19.0% in the second quarter of 2015. Non-GAAP selling expenses for the third quarter of 2015 were $59.7 million, or 18.2% of total net revenues, compared to 18.9% in the third quarter of 2014 and18.1%in the second quarter of 2015.

General and administrative expenses for the third quarter of 2015 were $20.4million, or 6.2% of total net revenues, compared to 12.1% in the third quarter of 2014 and 10.1% in the second quarter of 2015. Non-GAAP general and administrative expenses for the third quarter of 2015 were $15.8 million, or 4.8% of total net revenues, compared to 11.1% in the third quarter of 2014 and 9.1% in the second quarter of 2015. The change is largely due to the foreign exchange gain of $16.0 million from RMB's depreciation against US dollars.

Research and development expenses for the third quarter of 2015 were $37.1 million, or 11.3% of total net revenues, compared to 10.6% in the third quarter of 2014 and 10.8% in the second quarter of 2015. Non-GAAP research and development expenses for the third quarter of 2015 were $35.9 million, or 11.0% of total net revenues, compared to 10.2% in the third quarter of 2014 and 10.4% in the second quarter of 2015.

Total share-based compensation expenses, which were allocated to cost of revenues and related operating expenses, were $3.6 million in the third quarter of 2015, compared to $4.9 million in the third quarter of 2014 and$3.7 million in the second quarter of 2015.

Operating income for the third quarter of 2015 was $58.7 million, a 35.3% increase from the third quarter of 2014. Operating margin was 17.9% in the third quarter of 2015, compared to 13.4% in the third quarter of 2014 and 14.8% in the second quarter of 2015. Non-GAAP operating income for the third quarter of 2015 was $69.3 million, a 27.3%

increase from the third quarter of 2014. Non-GAAP operating margin was 21.1% in the third quarter of 2015compared to 16.8% in the third quarter of 2014 and 17.6% in the second quarter of 2015.

Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA")

Third quarter 2015 EBITDA increased 28.9% year-over-year to $74.1 million.

Net Income

Third quarter 2015 net income increased 10.5% year-over-year to $50.9 million. Net margin was 15.5% in the third quarter of 2015 compared to 14.2% in the third quarter of 2014 and 12.2% in the second quarter of 2015. Third quarter 2015 non-GAAP net income increased 7.5% year-over-year to $60.4 million. Non-GAAP net margin was 18.4% in the third quarter of 2015, compared to 17.3%in the third quarter of 2014 and 14.7% in the second quarter of 2015. Third quarter 2015 interest income was $7.6 million, compared to $9.5 million a year ago and $3.0 million in the previous quarter. Third quarter 2015 income tax expense was $14.8 million, representing an effective tax rate of 22.1%.

Third quarter 2015 non-GAAP net income (excluding the tax benefits in relation to our nationwide key software enterprise status) increased 10.4% year-over-year to $60.4 million. Non-GAAP net margin (excluding the tax benefits in relation to our nationwide key software enterprise status) was 18.4% in the third quarter of 2015, compared to 16.9% in the third quarter of 2014 and 14.7% in the second quarter of 2015.

Third quarter 2015 basic and diluted earnings per share were both $0.43, compared to $0.39 for both in the third quarter of 2014. Third quarter 2015 basic and diluted non-GAAP earnings per share were both $0.51, compared to$0.48 and $0.47 respectively, in the third quarter of 2014. Shares used in the computation of diluted earnings per share for the third quarter 2015were 118.7 million.

Other Select Data

Accounts receivable turnover days were 51 days in the third quarter of 2015, improved from 55 days in the third quarter of 2014 and the same compared to the second quarter of 2015. Inventory turnover days were 108 days in the third quarter of 2015, compared to 106 days in the third quarter of 2014 and 101 days in the second quarter of 2015. Accounts payable turnover days were 63 days in the third quarter of 2015, compared to 67 days in the third quarter of 2014 and 57 days in the second quarter of 2015. Mindray calculates the above working capital turnover days using the average of the beginning and ending net balances of the quarter.

As of September 30, 2015, the company had $958.0 million in cash and cash equivalents as well as short-term and restricted investments (excluding $7.1 million investment being held on escrow account in connection with acquisition), compared to $1,057.9 million as of June 30, 2015. Net cash generated by operating activities and net cash outflow for capital expenditures for the third quarter of 2015 were $108.8 million and $27.2 millionrespectively.

As of September 30, 2015, the company had around 8,400 employees.

Going Private Transaction

On November 4, 2015, the company entered into a definitive Agreement and Plan of Merger with respect to the previously announced "going private" transaction. The agreed purchase price per ADS is US$28.0.

The transaction is subject to various closing conditions, including shareholder approval. The company will prepare and file with the U.S. Securities and Exchange Commission (the "SEC") a Schedule 13E-3 transaction statement, which will include a proxy statement of the company. The Schedule 13E-3 will include a description of the Agreement and Plan of Merger and contain other important information about the transaction, the company, and the other participants in the transaction.

In the interim, investors are encouraged to review the related Form 6-K filed with the SEC at www.sec.gov onNovember 4, 2015 that contains certain information and attachments with respect to the going private transaction and its participants.

In light of these events the company does not intend to host a conference call to discuss the financial information contained in this press release.

Use of Non-GAAP Financial Measures

Mindray provides gross profit, selling expenses, general and administrative expenses, research and development expenses, operating income, net income and earnings per share on a non-GAAP basis that excludes share-based compensation expense, acquired intangible assets amortization expense, dispute related legal fees and going private related expenses, all net of related tax impact, as well as EBITDA to enable investors to better assess the company's operating performance for the third quarter of 2015 and its comparative periods. The non-GAAP measures described by the company are reconciled to the corresponding GAAP measure in the exhibit below titled "Reconciliations of non-GAAP results of operations measures to the nearest comparable GAAP measures".

The company has reported operation results for the third quarter of 2015 and its comparative periods on a non-GAAP basis. Each of the terms as used by the company is defined as follows:

- Non-GAAP gross profit represents gross profit reported in accordance with GAAP, adjusted for the effects of share-based compensation and amortization of acquired intangible assets.

- Non-GAAP operating income represents operating income reported in accordance with GAAP, adjusted for the effects of share-based compensation, amortization of acquired intangible assets, dispute related legal fees and going private related expenses.

- Non-GAAP selling expenses represent selling expenses reported in accordance with GAAP, adjusted for the effects of share-based compensation and amortization of acquired intangible assets.

- Non-GAAP general and administrative expenses represent general and administrative expenses reported in accordance with GAAP, adjusted for the effects of share-based compensation, dispute related legal fees and going private related expenses.

- Non-GAAP research and development expenses represent research and development expenses reported in accordance with GAAP, adjusted for the effects of share-based compensation.

- Non-GAAP net income represents net income reported in accordance with GAAP, adjusted for the effects of share-based compensation, amortization of acquired intangible assets, dispute related legal fees and going private related expenses, all net of related tax impact.

- Non-GAAP earnings per share represents non-GAAP net income divided by the number of shares used in computing basic and diluted earnings per share in accordance with GAAP, and excludes the impact of the declared dividends for the basic calculation.

- EBITDA represents net income reported in accordance with GAAP, adjusted for the effect of interest income and expenses, provision of income taxes, depreciation and amortization.

The company computes its non-GAAP financial measures using the same consistent method from quarter to quarter. The company notes that these measures may not be calculated on the same basis of similar measures used by other companies. Readers are cautioned not to view non-GAAP results on a stand-alone basis or as a substitute for results under GAAP, or as being comparable to results reported or forecasted by other companies, and should refer to the

reconciliation of GAAP results with non-GAAP results for the three and nine months endedSeptember 30, 2014 and 2015, respectively, in the attached financial information.

About Mindray

We are a leading developer, manufacturer and marketer of medical devices worldwide. We maintain our global headquarters in Shenzhen, China, U.S. headquarters in Mahwah, New Jersey and multiple sales offices in major international markets. From our main manufacturing and engineering base in China, we supply through our worldwide distribution network a broad range of products across three primary business segments, namely patient monitoring and life support, in-vitro diagnostics, and medical imaging systems.

http://ir.mindray.com/phoenix.zhtml?c=203167&p=irol-newsArticle&ID=2112438

ChemPartner (NYSE: SHP)

We are proud to introduce to you ChemPartner, an evolution from the pure chemistry service provider that originated 12 years ago, into the full-service LifeScience CRO with deep and extensive pharmaceutical research understanding at all levels.

As more and more Pharma and Biotech companies look for alliance partners to increasingly provide intellectual contributions and exceptional technical expertise, ChemPartner is uniquely positioned to not only be your LifeScience CRO, but to be your true pharmaceutical alliance partner. With a team of over 2000 experienced scientists, hundreds of western-trained pharmaceutical industry leaders, and experienced Pharmaceutical Executive Leadership at the helm, ChemPartner is aligned and dedicated to technically and strategically accomplishing the research initiatives of Pharma and Biotech companies from around the world.

As a LifeScience CRO, ChemPartner will always provide high-quality, cost-effective pharmaceutical research support as it has during the past decade. But as a world-class organization with exceptional scientists and experienced leaders, ChemPartner understands what it takes to be your pharmaceutical discovery and development partner of choice.

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ChemPartner is a leading contract research organization (CRO) providing a broad range of high-quality, integrated services across both drug discovery and drug development to help pharmaceutical and biotechnology companies discover and develop novel drug candidates efficiently. The Company today has a team of nearly 2000 skilled scientists in 1 million square feet of state-of-the-art research facilities and office space, including 71,500 sq.ft. (6,645 m2) animal facilities (AAALAC Full Accreditation) and 350,000 sq.ft. (32,600 m2) pharmaceutical development facilities including cGMP quality Kilo Labs and Pilot plant. Company today provides services to Over 400 customers worldwide from three locations, Zhangjiang, Fengxian, and Chengdu.

http://www.shangpharma.com/a/ABOUT_US/

Sinovac Biotech Ltd. (NASDAQ: SVA)

Sinovac Reports Unaudited Second Quarter 2016 Financial Results

BEIJING, China, August 23, 2016 /PRNewswire/ - Sinovac Biotech Ltd. (NASDAQ: SVA), a leading provider of biopharmaceutical products in China, announced today its unaudited second quarter ended June 30, 2016.

Mr. Weidong Yin, Chairman, President and CEO of the Sinovac, commented, “As forecasted on our first quarter earnings call, we experienced a continued decline to our financial results in the second quarter due to the incident involving the improper distribution and sale of vaccines in Shandong province. This impacted nationwide sales of private-pay market vaccines as vaccine companies halted vaccine delivery to wait for the interpretation of new regulation by the Chinese government.”

“In mid-June, the China Food and Drug Administration (“CFDA”) and China’s Ministry of Health jointly issued an interpretation of the new requirement and execution plan during the transition period before the infrastructure is set up to fully comply with the new regulation. This allowed vaccine sales and delivery in the private-pay market to resume following the joint government announcement. Since then, we have experienced a rebound in sales activity. When the private pay vaccine market was reactivated, our sales and marketing team launched marketing activities for promoting our newly approved EV71 vaccines. There have been vaccination kick-off ceremonies, commercial launch activities at the provincial level, as well as educational seminars and marketing activities, as planned. By now, we have delivered our EV71 vaccine to sixteen provinces and three municipalities and we expect these numbers to keep increasing.”

Mr. Yin also commended, "During the second quarter, we also made progress on our pipeline programs with the continuation of clinical trials of our varicella vaccine and completed preparation for the trials of our sIPV vaccine. We expect that sales in our fiscal second half of the year will be much stronger than the first half and look forward to updating our investors on our latest progress and achievements in the months ahead.”

Second Quarter 2016 Business Highlights

Marketing and Sales

EV71 - Sinovac’s EV71 was approved for commercialization early this year. After private pay market vaccine sales resumed, sales and marketing of EV71 vaccine was initiated immediately and Sinovac’s

Public Tender market: Sinovac won the tender of supplying Healive to Beijing over the course of 2016 to 2018. The total value of the tender is RMB 32 million (.8 million). Sinovac was selected to be the sole supplier of Healive to Shanghai for 2016 and the value of the contract is RMB 3.2 million ({value}.5 million).

Research and Development

Varicella – The vaccine candidate was approved to commence human clinical trials in 2015. The phase I clinical trial was initiated in May 2016 in Henan Province. The phase I trial is designed as a single-center, randomized, double-blinded, and placebo controlled study. 270 subjects were enrolled. The preliminary results show the vaccine has a good safety profile. We expect to initiate the phase III trial in September 2016.

sIPV - The clinical trial license was received in December 2015.Sinovac has obtained the clinical site approval and ethics committee approval for conducting the trial. Preparation for the trial is now complete and we expect to conduct clinical trial phase I in the beginning of September 2016.

Unaudited Financial Results for Second Quarter 2016

(In {value}0 except percentage data)	2016Q2	% of Sales	2015Q2	% of Sales
Hepatitis A – Healive	877	63.7%	8,462	45.8%
Hepatitis A&B – Bilive	(1,359)	(98.7)%	9,216	49.8%
Hepatitis vaccines subtotal	(482)	(35.0)%	17,678	95.6%
Influenza vaccine	248	18.0%	526	2.8%
Enterovirus 71	1,562	113.4%	-	-
Mumps vaccine	49	3.6%	287	1.6%
Regular sales	1,377	100.0%	18,491	100.0%
H5N1	-	-	-	-
Total sales	1,377	100.0%	18,491	100.0%
Cost of sales	3,737	271.4%	3,283	17.8%
Gross profit	(2,360)	(171.4)%	15,208	82.2%

Quarterly sales from continuing operations were .4 million compared to .5 million in the prior year period. The sales decrease was due to lower sales to Centers for Disease Control and Prevention (“CDCs”) and no sales to distributors combined with an increase in sales returns as a result of the vaccine incident in Shandong province.

Gross loss from continuing operations was .4 million, compared to gross profit of .2 million in the prior year period. Selling, general and administrative expenses in the second quarter of 2016 were .3 million, compared to .0 million in the same period of 2015. Generally, the Company’s selling, general and administrative expenses declined with the lower level of sales activity, but there were other significant factors that offset this trend, including a cost of 6 thousand relating to the proposed privatization of Sinovac; and a recorded expense of 6 thousand resulting from the depreciation of the RMB against the United States dollar.

R&D expenses in the second quarter of 2016 were .8 million, compared to .2 million in the same period of 2015. The increase was mainly due to higher R&D expenses on the MMR vaccine project in the second quarter of 2016.

Loss from continuing operations was .6 million compared to an income of .7 million in the prior year period. The second quarter of 2015 includes a loss from discontinued operations of 4 thousand whereas no such income or loss was received in the second quarter of 2016.

Net loss attributable to common shareholders was .6 million, or ({value}.17) per basic and diluted share, compared to net income attributable to common shareholders of .3 million, or {value}.04 per basic and diluted share in the prior year period.

Non-GAAP EBITDA was negative .0 million in the second quarter of 2016, compared to .3 million in the prior year period. Non-GAAP net loss from continuing operations in the second quarter of 2016 was .7 million, compared to net income of .9 million in the prior year period. Non-GAAP diluted net loss per share from continuing operations in the second quarter of 2016 was {value}.15, compared to net income of {value}.05 per share in the prior year period. Reconciliations of non-GAAP measures to the nearest comparable GAAP measures are included at the end of this earnings announcement.

Unaudited Financial Results for First Half of 2016

(In {value}0 except percentage data)	2016H1	% of Sales	2015H1	% of Sales
Hepatitis A – Healive	4,524	36.7%	11,385	41.1%
Hepatitis A&B – Bilive	(1,143)	(9.3)%	14,271	51.5%
Hepatitis vaccines subtotal	3,381	27.4%	25,656	92.6%
Influenza vaccine	710	5.8%	1,112	4.0%
Enterovirus 71	1,562	12.7%	-	-
Mumps vaccine	286	2.3%	930	3.4%
Regular sales	5,939	48.2%	27,698	100.0%
H5N1	6,392	51.8%	-	-
Total sales	12,331	100.0%	27,698	100.0%
Cost of sales	8,363	67.8%	5,591	20.2%
Gross profit	3,968	32.2%	22,107	79.8%

Sales from continuing operations were $12.3 million in the first half of 2016, a decrease of 55.5% from $27.7 million in the prior yearperiod. Excluding H5N1 revenue, sales from continuing operations were $5.9 million in the first half of 2016, a decrease of 78.6% from 7.7 million in the prior year period.The sales decrease was due to lower sales to customers and additional sales return provision provided as a result of the vaccine incident in Shandong province.
Gross profit from continuing operations was .0 million, a decrease of 82.1% from .1 million in the prior year period. Gross margin was 32.2%, compared to 79.8% in the prior year period. Excluding H5N1, the first half year gross margin was 3.7%, compared to 80.4% in the prior year period. The decrease was mainly due to higher inventory provision provided for hepatitis A&B and mumps vaccines, higher idle capacity costs charged to cost of sales, and a negative gross profit for the hepatitis A&B vaccine due to higher sales returns provision provided in the first half of 2016.

Selling, general and administrative expenses in the first half of 2016 were $14.5 million, compared to $15.8million in the same period of 2015. The Company's selling, general and administrative expenses declined with the lower level of sales activity, but there were other significant factors that offset this trend including a cost of 6 thousand relating to the proposed privatization of Sinovac and a recorded expense of 3 thousand resulting from the depreciation of the RMB against the United States dollar.

R&D expenses in the first half of 2016 were .9million, compared to $4.4 million in the same period of 2015.

Net loss from continuing operations was 4.2 million, compared to a net income of $1.0 million in the prior year period.Net income from discontinued operations was .3 million, compared to a net loss of $436 thousand in the prior year period.

Net loss attributable to common shareholders was $8.3 million or ({value}.14) per basic and diluted share in the first half of 2016, compared to net income attributable to common shareholders of $20 thousand, or {value}.00 per basic and diluted share, in the first half year of 2015.

Non-GAAP EBITDA was negative $11.9 million loss in the first half of 2016, compared to .0 million in the prior year period. Non-GAAP net loss from continuing operationsin the first half of 2016 was .1 million, compared to a net income of .3 million in the prior year period. Non-GAAP diluted net loss per share from continuing operations in the first half of 2016 was {value}.17, compared to net income of {value}.01 per share in the prior year period. Reconciliations of Non-GAAP measures to the nearest comparable GAAP measures are included at the end of this earnings announcement.

As of June 30, 2016, cash and cash equivalents totaled .2 million, compared to .8 million as of December 31, 2015. In the first half of 2016, net cash used in operating activities was .6 million. Net cash used in investing activities was .7 million, which was for the purchase of equipment. Net cash provided by financing activities was .7 million, including loan proceeds of .7 million and loan repayment of .8 million. As of June 30, 2016, the Company had .8 million of bank loans due within one year. The Company expects that its current cash position will be able to support its operations for the next 12 months. The Company will seek new commercial bank loans to finance the commercialization of its pipeline products and for other operational purposes when appropriate.

About Sinovac

Sinovac Biotech Ltd. is a China-based biopharmaceutical company that focuses on the research, development, manufacturing, and commercialization of vaccines that protect against human infectious diseases. Sinovac's product portfolio includes vaccines against hepatitis A and B, seasonal influenza, H5N1 pandemic influenza (avian flu), H1N1 influenza (swine flu), mumps and canine rabies. In 2009, Sinovac was the first company worldwide to receive approval for its H1N1 influenza vaccine, which it has supplied to the Chinese Government's vaccination campaign and stockpiling program. The Company is also the only supplier of the H5N1 pandemic influenza vaccine to the government stockpiling program. Sinovac has filed a new drug application with the China Food & Drug Administration for its proprietary enterovirus 71 vaccine, having been proven effective in preventing hand, foot and mouth disease in infants and children during its phase III clinical trial. The Company is currently developing a number of new products including a Sabin-strain inactivated polio vaccine, pneumococcal polysaccharides vaccine, pneumococcal conjugate vaccine and varicella vaccine. Sinovac primarily sells its vaccines in China, while also exploring growth opportunities in international markets. The Company has exported select vaccines to Mexico, Mongolia, Nepal, and the Philippines, and was recently granted a license to commercialize its hepatitis A vaccine in Chile

http://www.sinovac.com/?optionid=754&auto_id=825

SciClone Pharmaceuticals, Inc (NASDAQ: SCLN)

SciClone Reports Second Quarter 2016 Financial Results ZADAXIN® Leads Continued Growth of Core Business in 2016

FOSTER CITY, Calif., Aug. 9, 2016 /PRNewswire/ - SciClone Pharmaceuticals, Inc. (NASDAQ: SCLN) today reported financial results for the quarter ended June 30, 2016.

Revenues: In the second quarter of 2016, SciClone reported revenues of $39.0 million, compared to $37.9 million for the same period in 2015.

GAAP Diluted EPS: In the second quarter of 2016, SciClone reported GAAP diluted net earnings per share of $0.12, compared to GAAP diluted net loss per share of $0.08 for the same period in 2015.

Non-GAAP Diluted EPS: In the second quarter of 2016, SciClone reported non-GAAP diluted net earnings per share of $0.20, compared to $0.26 for the same period in 2015.

Revenues in the second quarter of 2016 were $39.0 million, a $1.1 million or 3% increase, compared to $37.9 million for the same period in 2015. ZADAXIN® revenues were $36.5 million in the second quarter of 2016, a $1.0 million or 3% increase, compared to $35.5 million for the same period in 2015. Promotion services revenues were $1.1 million for the second quarter of 2016, a $0.4 million or 51% increase, compared to $0.7 million in the same period in 2015. For the six months ended June 30, 2016, revenues were $75.5 million, compared to $71.5 million for the same period last year.

On a GAAP basis, SciClone reported net income in the second quarter of 2016 of $6.3 million, or $0.13 and $0.12 per share on a basic and diluted basis, respectively, compared to a net loss of $4.0 million, or $0.08 per share on both a basic and diluted basis for the same period in 2015. SciClone's net income for the six months ended June 30, 2016 was $14.2 million, compared with net income of $4.9 million for the same period in the prior year, or $0.29 and $0.27 per share on a basic and diluted basis, respectively, for the six months ended June 30, 2016, compared with $0.10 and $0.09 per share on a basic and diluted basis, respectively, for the same period in 2015.

SciClone's non-GAAP net income in the second quarter of 2016 was $10.7 million, or $0.21 and $0.20 per share on a basic and diluted basis, respectively, compared with non-GAAP net income of $13.5 million, or $0.27 and $0.26 per share on a basic and diluted basis, respectively, for the same period last year. SciClone's non-GAAP net income for the six months ended June 30, 2016 was $20.4 million, compared with non-GAAP net income of $23.3 million for the same period in the prior year, or $0.41 and $0.39 per share on a basic and diluted basis, respectively, for the six months ended June 30, 2016, compared with non-GAAP net income of $0.47 and $0.44 on a basic and diluted basis, respectively, for the same period in 2015.

Friedhelm Blobel, PhD, SciClone's Chief Executive Officer commented: "We are pleased with our performance in the second quarter and year to date, which is in line with our expectations and reflects the value and continued growth potential of our core business, led by ZADAXIN. In 2016, we expect our growth to continue at a rate that reflects both the challenges and opportunities in the evolving China pharmaceuticals market, including provincial pressures on drug pricing which, though slower to be implemented than anticipated, are likely to affect the whole sector over time. We have confidence in our ability to implement innovative commercial strategies designed to address and offset these challenges, and to continue to grow our business. In addition, we continue to believe that the overall reform movement in China represents opportunities for SciClone to grow our marketed product portfolio and to advance our development pipeline of high quality, differentiated medicines.

As previously announced, our Board is no longer continuing active discussions with potential acquirers, which were undertaken as part of our strategic review process, and we plan to remain an independent publicly traded company at this time as we continue to execute on our strategic growth plan for our core commercial business. We are confident that the outcome of this process to date is in the best interests of our stockholders and other stakeholders. Given our company's meaningful growth potential, we believe that we can best take advantages of the opportunities, and meet the challenges, of the China pharma market by continuing to execute on our strategies to grow our business."

For the second quarter of 2016, sales and marketing (S&M) expenses were $14.4 million, compared with $13.3 million for the same period in 2015. The increase in S&M for the second quarter of 2016, compared to the same period in 2015, primarily related to increases in sales and marketing efforts for ZADAXIN. For the six months ended June 30, 2016, S&M expenses were $26.8 million, compared with $24.7 million, for the same period last year.

For the second quarter of 2016, research and development (R&D) expenses were $4.8 million, compared with $6.6 million of R&D expenses for the same period of 2015. For the second quarter of 2016 and 2015, we recorded $2.0 million and $5.5 million, respectively, related to in-license arrangements with certain licensees and $2.8 million and $1.1 million, respectively, related to R&D expenses for clinical and preclinical R&D activities with certain licensees.

For the six months ended June 30, 2016, R&D expenses were $6.2 million, compared with $7.7 million, for the same period last year.

For the second quarter of 2016, general and administrative (G&A) expenses were $8.1 million, compared with $6.4 million for the same period in 2015. G&A was higher for the second quarter of 2016, compared to the same period of 2015, related to higher professional costs primarily in connection with the Company's strategic review. In addition, during the second quarter of 2015, the Company recorded a $0.4 million credit to bad debt expense for collection of accounts receivable from a particular customer that had been fully reserved prior to 2015, that did not recur in the corresponding 2016 period. For the six months ended June 30, 2016, G&A expenses were $15.6 million, compared with $13.5 million, for the same period last year.

For the second quarter of 2016, SciClone's income tax benefit was $0.4 million, compared with an income tax benefit of $0.5 million for the same period in 2015. For the six months ended June 30, 2016, tax provision expense was $1.6 million, compared with $24,000, for the same period last year.

As of June 30, 2016, cash and cash equivalents totaled $117.6 million, compared to $101.4 million as of December 31, 2015, excluding the $12.8 million of restricted cash held in escrow as of December 31, 2015 for the SEC settlement which was released and paid in February 2016.

SciClone has presented non-GAAP information above as the Company believes this non-GAAP information is useful for investors, taken in conjunction with SciClone's GAAP financial statements, because management uses such information internally for its operating, budgeting and financial planning purposes. Non-GAAP information is not prepared under a comprehensive set of accounting rules and should only be used to supplement an understanding of SciClone's operating results as reported under GAAP. The non-GAAP calculations and reconciliation are provided in the accompanying table titled "Reconciliation of GAAP to Non-GAAP Net Income" except that for the non-GAAP EPS referenced in "Outlook for 2016" below, the Company is unable to provide a quantitative reconciliation of its forward-looking estimate of non-GAAP EPS to a forward-looking estimate of GAAP EPS because certain information needed to make a reasonable forward-looking estimate of GAAP EPS for the full fiscal year 2016 is difficult to predict and estimate and is often dependent on future events which may be uncertain or outside of the Company's control, for example, milestone payments.

Outlook for 2016

SciClone projects its 2016 revenue to be in the range of $158 million to $163 million and expects that non-GAAP earnings per share on a fully diluted basis to be in the range of $0.70 to $0.74 for the year.

About SciClone

SciClone Pharmaceuticals is a revenue-generating, specialty pharmaceutical company with a substantial commercial business in China and a product portfolio spanning major therapeutic markets including oncology, infectious diseases and cardiovascular disorders. SciClone's proprietary lead product, ZADAXIN® (thymalfasin), is approved in over 30 countries and may be used for the treatment of hepatitis B (HBV), hepatitis C (HCV), and certain cancers, and as a vaccine adjuvant, according to the local regulatory approvals. Through its promotion business with pharmaceutical partners, SciClone markets multiple branded products in China which are therapeutically differentiated. The Company has successfully in-licensed products with the potential to become future market leaders and to drive the Company's long-term growth. SciClone is a publicly-held corporation based in Foster City, California, and trades on the NASDAQ Global Select Market under the symbol SCLN.

http://investor.sciclone.com/releasedetail.cfm?ReleaseID=983751

Shenzhen SiBiono Gene-Tech Co. Ltd (SSGTCZ)

Shenzhen SiBiono Gene-Tech Co. Ltd as a pioneer in gene therapy treatment has been engaged in enhancing human health and improving the quality of life for cancer patients, as its enterprise mission. The company was founded in Mar/1998 at Shenzhen High Tech Industrial Park. Its independent innovated and developed product Recombinant Human p53 Adenovirus Injection (Gendicine) was certificated by State Food and Drug Administration in 16th/Oct/2003 and was allowed to put into production in 20th/Jan/2004, approved by GMP in 11th/Mar/2004. Therefore, Gendicine has became the world's first approved gene therapy drug that brings gene therapy as a new treatment method into clinical practice, impels worldwide gene therapy development into a new stage and has made great contribution to the human health care.

The company has strong research and development capacity, undertakes many national biological high-tech projects, which include National 973 and 863 Scientific Development Programs, National Major Scientific Research Projects, National Innovation Fund Projects, National Industrial Technology R&D Programs and Regional High-tech Industrial Development Plans, etc. So far, SiBiono has applied seven patents of its independent innovations which refer to the innovation, manufacturing process, genetically engineered cell assembling, clinical application and other relative important intellectual properties of the product Recombinant Human p53 Adenovirus Injection (Gendicine), which patent chain has been formed systematically.

http://en.sibiono.com/channel/15046644

Shanghai ChemPartner

Founded in 2003, Shanghai ChemPartner Co. Ltd. (ChemPartner) has become one of the leading contract research organizations (CROs) providing chemistry, biology, pharmacology, DMPK, process R&D, pre-formulation, and analytical development services to global pharmaceutical and biotech companies.

ChemPartner currently has a staff of over 1200 scientists, 15% of who hold Ph.D. degrees. Our key scientific leadership team has gained experience in top research and development organizations in the U.S., Canada, Japan, Europe, and top R&D organizations in China.

ChemParner has successfully delivered for over 120 clients' worldwide, winning increasing recognition and reputation in global drug R&D and bio-pharma landscape.

http://www.chempartner.cn/index.php?id=41

Skystar Bio-Pharmaceutical Company (NASDAQ: SKBI)

Skystar Bio-Pharmaceutical Reports Third Quarter Fiscal Year 2014 Financial Results

Revenue of $18.4 Million; Net Income $4.9 Million; $0.57 Fully Diluted EPS; Conference Call to Be Held Today Friday, November 14, 2014 at 5:30 PM ET

XI'AN, CHINA--(Marketwired - Nov 14, 2014) - Skystar Bio-Pharmaceutical Company (NASDAQ: SKBI) ("Skystar" or the "Company"), a China-based manufacturer and distributor of veterinary medicine, vaccines, micro-organisms and feed additives, today reported unaudited third quarter fiscal year 2014 earnings, for the period ended September 30, 2014.

Third Quarter 2014 Highlights vs the Comparable Year Ago Period

Revenues roughly totaled $18.4 million up 14.8%

Micro-organism products roughly totaled $7.1 million, up 42.9%

Veterinary medicine roughly totaled $10.3 million, an increase of 5.1%

Feed additives totaled $1.0 increasing 56.7%

Veterinary vaccines totaled $1,114, a decrease of 99.8%

Gross margin of 47.7% for the third quarter of fiscal 2014 as compared to 51.4%

Net income of $4.9 million or $0.57 per fully diluted share, compared with net income of $3.7 million or $0.49 per fully diluted share in the year ago period

Fiscal 2014 guidance reiterated at $46 million to $50 million

Nine Months 2014 Financial Highlights vs the Comparable Year Ago Period

First nine months 2014 revenue totaled $39.4 million up 20.0% from $32.9 million

Gross margin of 45.5% for the first nine months of fiscal 2014 as compared to 51%

Net income of $8.7 million or $1.08 per fully diluted share, compared with net income of $8.2 million or $1.08 per fully diluted share

Management Comments

Mr. Weibing Lu, Skystar Bio-Pharmaceutical's Chairman and Chief Executive Officer, commented, "Skystar continues to deliver strong quarterly performance while proceeding with operational changes that strengthen the Company's position in the long term. Currently, Skystar is in mid-transition to large scale manufacturing of the Company's animal vaccine and medicine products at one of Skystar's modern GMP production facilities. The transition to modern manufacturing is happening in lock step with production permit application and licensing with China's Ministry of Agriculture as a procedural requirement for GMP certified manufacturers. Skystar's long term goals are to improve key performance metrics including top line growth, blended gross margins and historical bottom line profitability. Skystar believes it is uniquely positioned to participate in the industrialization, standardization and modernization of China's evolving animal husbandry space.

"Skystar's successful efforts to GMP certify its animal vaccine and medicine facilities based in Huxian and Jingzhou under the Ministry of Agriculture's (MOA) stricter regulatory oversight of food and drug manufacturers paves way for a new wave of the Company's growth. This step change was part of China's movement to better regulate food and drug manufacturers by enforcing higher safety and manufacturing standards as outlined in China's 2011-2015 'Twelfth Five Year Plan.' As one of the leading operators in China's animal biopharmaceutical manufacturing space, we believe the stricter regulations have improved Skystar's positioning over the coming quarters as more products are added to the manufacturing line. Skystar also moves forward with its business strategy continuing to onboard more distribution agents and direct customers, increasing revenues generated throughout Skystar's extensive sales network across the 29 farming provinces in China.

"Operationally, we continue making adjustments in order to maximize sales, taking advantage of current production capabilities with each subsequent product launch. We also continue to shift resources, redirecting sales and marketing efforts and creating awareness and demand for both existing products and new products while adjusting marketing strategy such as the bundling of products to customers.

"In terms of Skystar's production facilities, as of this reporting period we have stopped producing our vaccine line by hand and have moved vaccine production to our new and modern GMP vaccine facility in Huxian. We consider the upgraded Huxian vaccine facility to be officially launched now that we are in receipt of three vaccine production permits from the MOA. As of current there are also 5 vaccine production permits in application with the MOA. Additionally, we have already been granted 100 permits to manufacture individual veterinary medications whose production has transitioned to our large scale process automated manufacturing facility. Additionally, Skystar has an additional 56 veterinary medication production permits under review with the MOA.

"Skystar's Kunshan probiotics production facility continues to make good progress in its build out and we are pleased to announce the purchase and installation of equipment there. Equipping the Kunshan probiotics facility is expected to be completed in 2015. Meanwhile, Skystar's probiotics and animal feed production lines at the Company's Sanqiao plant continue to deliver solid output and sales, helping to boost revenues at the group level.

"As we move into the last reporting quarter of fiscal 2014, it is imperative that we continue our operational strategy, such as the shifting of resources towards the sale, marketing and distribution of our high growth, high margin veterinary medications line which is now being manufactured in large scale process automated batches. In line with our operating protocols, as production from Skystar's vaccine line scales up we will review and adjust our sales and marketing strategies to ensure the successful re-launch of one of our most promising product lines.

"The operational changes that are happening now will continue to transform Skystar, allowing us to maintain a leading position in China's animal bio-pharmaceutical space. Skystar to date, continues to be historically profitable, raising the bar with solid quarterly revenue growth and expect to continue this growth trajectory in the upcoming quarters," concluded Mr. Lu.

Financial Summary

For the three months ended September 30, 2014, we had revenues of $18.4 million as compared to revenues of $16.0 million for the three months ended September 30, 2013, an increase of $2.4 million or 14.8%. We generated revenue from sales of four product lines: veterinary medications, micro-organism, feed additives and vaccines. Third Quarter Fiscal 2014 revenue breakdown by product line is as follows:

Veterinary medications: $10.3 million

Micro-organism: $7.1 million

Feed Additives: $1.0 million

Vaccines: $1,114

Cost of revenue, which consists of raw materials, direct labor, and manufacturing overhead for our four product lines, was $9.6 million for the three months ended September 30, 2014, as compared to $7.8 million for the three months ended in the year ago period, an increase of 23.3% or $1.8 million.

Gross profit, was $8.8 million for the three months ended September 30, 2014, a 6.7% year over year increase as compared to $8.2 million for the three months ended September 30, 2013. Gross margin for the period decreased to 48% due to increase sale of Skystar's less profitable veterinary medications products.

Operating Expenses, research and development costs totaled $378,487 for the three months ended September 30, 2014 as compared to $324,353 for the year ago period; this 17% increase in R&D expense was primarily due to expenditures of $325,440 on existing R&D projects during the third quarter of 2014 to develop two veterinary medications.

Selling expenses totaled $1.1 million for the three months ended September 30, 2014 as compared to $1.3 for the three months ended September 30, 2013, a decrease of $0.2 million or 14.6%, mainly due to a decrease in sales commissions and shipping and handling as we made efforts to control these expenses.

General and administrative expenses totaled $1.9 million for the three months ended September 30, 2014 as compared to $1.9 million for the three months ended September 30, 2013, an increase of $0.02 million or 1.0%, mainly due to an additional allowance on doubtful accounts during the quarter.

Operating income for the period was $5.4 million, up $0.7 million or 14% year-on-year. Operating margin was 29.4% roughly the same in the year ago period.

Net income for the quarter was $4.9 million or $0.57 per fully diluted share. This compares to net income of $3.7 million or $0.49 per fully diluted share for the year ago period.

As of September 30, 2014, we had unrestricted cash of $14.6 million. Our total current assets were $120.9 million, and our total current liabilities were $48.3 million, which resulted in a net working capital of $72.6 million.

Fiscal 2014 Guidance: We currently reiterate our fiscal 2014 guidance to be in the range of $46 million to $50 million for the full year.

About Skystar Bio-Pharmaceutical Company
Skystar is a China-based developer and distributor of veterinary healthcare and medical care products. Skystar has four product lines (veterinary medicines, micro-organisms, vaccines and feed additives) and over 284 products. Skystar has formed strategic sales distribution networks covering 29 provinces throughout China.

http://www.irdirect.net/pr/release/id/1000289

Simcere Pharmaceutical Group (NYSE: SCR)

Simcere Pharmaceutical Group Reports Preliminary Unaudited Third Quarter 2013 Results

NANJING, China, Nov. 14, 2013 /PRNewswire/ -- Simcere Pharmaceutical Group ("Simcere" or the "Company") (NYSE: SCR), a leading pharmaceutical company specializing in the development, manufacturing, and marketing of branded generic and proprietary pharmaceuticals in China, today reported preliminary unaudited financial results for the quarter ended September 30, 2013.

Highlights

Revenue from continuing operations for the third quarter of 2013 was RMB421.3 million (US$68.8 million), a decrease of 16.5% compared to RMB504.7 million for the same period in 2012. Revenue from continuing operations for the first nine months of 2013 was RMB1,408.2 million (US$230.1 million), a decrease of 3.8% from RMB1,463.8 million for the same period in 2012.

Gross margin from continuing operations for the third quarter of 2013 decreased to 76.0% compared to 84.2% for the same period in 2012. For the first nine months of 2013, gross margin decreased to 79.9% compared to 83.9% for the same period in 2012.

Operating loss from continuing operations was RMB125.5 million (US$20.5 million) for the third quarter of 2013, compared to operating income from continuing operations of RMB26.5 million for the same period in 2012. The operating loss was primarily due to the impairment charge for goodwill and intangible assets along with the inventory write-down for the vaccine reporting unit in the third quarter of 2013.Operating loss from continuing operations was

RMB73.2 million (US$12.0 million) for the first nine months of 2013, compared to operating income from continuing operations of RMB98.4 million for the same period in 2012.

Net income attributable to Simcere from continuing operations for the third quarter of 2013 was RMB167.0 million (US$27.3 million), an increase of 944.2% from RMB16.0 million for the same period in 2012, primarily due to the gain arising from the sale of equity interest in Kanda Biotech Holding Limited ("Kanda"), partially offset by the impairment charge of goodwill and intangible assets and inventory write-down. Net income attributable to Simcere from continuing operations for the first nine months of 2013 was RMB197.9 million (US$32.3 million), an increase of 220.3% from RMB61.8 million for the same period in 2012.

Net income attributable to Simcere was RMB384.1 million (US$62.8 million) for the third quarter of 2013, a significant increase from RMB22.2 million for the same period in 2012, primarily due to the gain arising from the sale of equity interest in Kanda and Jilin Boda Pharmaceutical Co., Ltd. ("Boda"), partially offset by the impairment charge for goodwill and intangible assets and inventory write-down. Net income attributable to Simcere was RMB436.8 million (US$71.4 million) for the first nine months of 2013, an increase of 461.7% from RMB77.8 million for the same period in 2012.

In July 2013, the Company sold its approximately 99.99% equity interest in Boda to Zhuhai Rongding Equity Investment Partnership L.P. for a total cash consideration of RMB400.0 million (US$65.4 million). Boda was the manufacturer of Yidasheng. In accordance with U.S. GAAP, Boda's operating results and the gain from the disposal are presented as discontinued operations. The preliminary unaudited condensed consolidated statements of income have been retrospectively modified to distinguish between continuing operations and discontinued operations.

In July 2013, the Company sold all its equity interest in Kanda which holds Shanghai Celgen Bio-Pharmaceutical Co., Ltd. ("Celgen") and other assets to Devont Asset Management Limited for a total cash consideration of RMB302.0 million (US$49.3 million). The company realized RMB233.8 million (US$38.2 million) gain from the sale, which has been reflected in earnings (losses) from continuing operations before income taxes of the consolidated statement of income.

Management of the Company performed impairment testing for the goodwill and intangible assets of the vaccines reporting unit as of September 30, 2013 as triggered by the expectation that the Company may not realize production and sales of influenza vaccines in 2013 as previously planned. Based on the revised expectation, management reassessed the present operating status and future expectation of the Company in the vaccine industry and revised its sales forecast, leading to an impairment loss of RMB106.4 million (US$17.4 million) for goodwill and RMB19.0 million (US$3.1 million) for the intangible assets. The impairment loss has been reflected in income (losses) from operations of the consolidated statement of income. In the meantime, RMB 26.1 million (US$ 4.3 million) of inventory write-down has been provided in the third quarter of 2013.

Mr. Hongquan Liu, Executive Director and Chief Executive Officer of Simcere Pharmaceutical Group said: "In the third quarter, we completed the sale of our equity interest in Boda and Kanda, which is consistent with our future business strategy, enabling us to focus more effectively on our core business. While third quarter sales declined due to the impact of price policy and issues related to EDL tendering, we were pleased to see that our cost control measures are proving effectual."

2013 Third Quarter Financial Results

Revenue from continuing operations for the third quarter of 2013 was RMB421.3 million (US$68.8 million), a decrease of 16.5% compared to RMB504.7 million for the same period in 2012. Revenue from continuing operations for the first nine months of 2013 was RMB1,408.2 million (US$230.1 million), a decrease of 3.8% from RMB1,463.8 million for the same period in 2012.

The tables below set forth the Company's top 10 products, excluding Yidasheng which was manufactured by Boda, a subsidiary disposed of by the Company, by revenue for the three months ended September 30, 2013 and the nine months ended September 30, 2013:

		Three months ended September 30, 2013			Three months ended September 30, 2012		
Products	**Therapeutic Area**	**RMB**	**USD**	**% of total revenue**	**RMB**	**% of total revenue**	**Change**
Bicun	Neuroscience	115,324	18,844	27.4%	160,37	31.8%	(28.2%)
Endu	Oncology	75,854	12,394	18.0%	70,519	14.0%	7.6%
Yintaiqing	Inflammation	42,944	7,017	10.2%	52,123	10.3%	(17.6%)
Sinofuan	Oncology	34,836	5,692	8.3%	40,667	8.1%	(14.3%)
Biqi	Gastroenterology	24,820	4,056	5.9%	17,900	3.5%	38.7%
Jiebaishu	Oncology	21,187	3,462	5.0%	19,047	3.8%	11.2%
Zailin	Infectious Disease	15,017	2,454	3.6%	53,999	10.7%	(72.2%)
Faneng	Anti-Osteoporosis	13,033	2,130	3.1%	11,564	2.3%	12.7%
Anxin	Infectious Disease	12,191	1,992	2.9%	15,385	3.0%	(20.8%)
Iremod	Inflammation	11,966	1,955	2.8%	7,170	1.4%	66.9%
Others		54,129	8,844	12.8%	55,804	11.1%	(3.0%)
Total		421,301	68,840	100.0%	504,715	100.0%	(16.5%)

		Nine months ended September 30, 2013			Nine months ended September 30, 2012		
Products	**Therapeutic Area**	**RMB**	**USD**	**% of total revenue**	**RMB**	**% of total revenue**	**Change**
Bicun	Neuroscience	365,893	59,786	26.0%	448,552	30.6%	(18.4%)
Endu	Oncology	244,404	39,935	17.4%	193,647	13.2%	26.2%
Yintaiqing	Inflammation	136,517	22,307	9.7%	129,198	8.8%	5.7%
Zailin	Infectious Disease	120,312	19,659	8.5%	175,661	12.0%	(31.5%)
Sinofuan	Oncology	113,266	18,508	8.0%	121,640	8.3%	(6.9%)
Biqi	Gastroenterology	76,413	12,486	5.4%	66,620	4.6%	14.7%
Jiebaishu	Oncology	57,257	9,356	4.1%	53,781	3.7%	6.5%
Anxin	Infectious Disease	41,325	6,752	2.9%	45,674	3.1%	(9.5%)
Faneng	Anti-Osteoporosis	39,026	6,377	2.8%	29,210	2.0%	33.6%
Anqi	Antibacterial	29,098	4,755	2.1%	40,422	2.8%	(28.0%)
Others		184,736	30,185	13.1%	159,363	10.9%	15.9%
Total		1,408,247	230,106	100.0%	1,463,768	100.0%	(3.8%)

Gross margin from continuing operations for the third quarter of 2013 decreased to 76.0% compared to 84.2% for the same period in 2012. The decrease was mainly due to the inventory write-down for the influenza vaccine reporting unit and the drop in sales of products with higher gross margins as a percentage of total sales. Gross margin excluding the impact of inventory write-down was 82.2% in the third quarter of 2013. For the first nine months of 2013, gross margin decreased to 79.9% compared to 83.9% for the same period in 2012.

Research and development expenses from continuing operations for the third quarter of 2013 totaled RMB47.5 million (US$7.8 million) which represented a decrease of 26.5% from RMB64.7 million for the same period in 2012. The decrease occurred as the Company completed development of its influenza vaccine and began commercial

manufacturing. As a percentage of revenue from continuing operations, research and development expenses from continuing operations decreased to 11.3% for the third quarter of 2013 from 12.8% for the same period in 2012. For the first nine months of 2013, research and development expenses from continuing operations totaled RMB136.8 million (US$22.4 million), compared to RMB166.0 million for the same period in 2012.

Sales, marketing and distribution expenses from continuing operations for the third quarter of 2013 were RMB206.8 million (US$33.8 million), which represented a decrease of 31.1% from RMB300.2 million for the same period in 2012.The decrease was the result of a drop in travelling and conference expenses and promotional expenses. As a percentage of total revenue from continuing operations, sales, marketing and distribution expenses from continuing operations decreased to 49.1% for the third quarter of 2013 from 59.5% for the same period in 2012. For the first nine months of 2013, sales, marketing and distribution expenses from continuing operations were RMB743.1 million (US$121.4 million), which represented a decrease of 10.9% from RMB834.4 million for the same period in 2012.

General and administrative expenses from continuing operations were RMB66.1 million (US$10.8 million) for the third quarter of 2013, which represented an increase of 13.6% from RMB58.2 million for the same period in 2012. The increase was primarily due to legal and professional fees incurred during the Company's going-private process and the share-based compensation expenses as noted in the paragraph below. As a percentage of revenue from continuing operations, general and administrative expenses increased to 15.7% for the third quarter of 2013 from 11.5% for the same period in 2012. For the first nine months of 2013, general and administrative expenses from continuing operations were RMB192.7 million (US$31.5 million), which represented an increase of 13.0% from RMB170.4 million for the same period in 2012.

Share-based compensation expenses, which were allocated to research and development expenses, sales, marketing and distribution expenses, and general and administrative expenses, based on the nature of the work that the relevant employee was assigned to perform, totaled RMB8.9 million (US$1.5 million) for the third quarter of 2013. Share-based compensation expenses for the third quarter of 2012 were RMB3.9 million. For the first nine months of 2013, share-based compensation expenses totaled RMB27.1 million (US$4.4 million), which represented an increase of 159.1% from RMB10.5 million for the same period in 2012. The increase was primarily due to restricted shares granted to our management in the second half of 2012.

Operating loss from continuing operations was RMB125.5 million (US$20.5 million) for the third quarter of 2013, compared to operating income from continuing operations of RMB26.5 million for the same period in 2012. The unfavorable result was due to the impairment charge for the goodwill and intangible assets of the influenza vaccine reporting unit along with the inventory write-down for influenza vaccines in the third quarter of 2013. Operating loss from continuing operations was RMB73.2 million (US$12.0 million) for the first nine months of 2013, compared to operating income from continuing operations of RMB98.4 million for the same period in 2012.

Income tax benefit from continuing operations for the third quarter of 2013 was RMB5.8 million (US$0.9 million), compared to income tax expense of RMB3.2 million for the third quarter in 2012. The income tax benefit in the third quarter of 2013 was due to tax losses of the Company's PRC subsidiaries. For the first nine months of 2013, income tax benefit from continuing operations was RMB10.6 million (US$ 1.7million), compared to income tax expense of RMB 5.9 million for the same period in 2012. This was primarily due to the reversal of an unrecognized tax benefit and related accrued cumulative interest as a result of a lapse of the statute of limitations in accordance to the PRC Tax Administration and Collection Law in the second quarter.

Income from discontinued operations, net of tax, was RMB217.1 million (US$35.5 million) and RMB6.2 million for the third quarter of 2013 and 2012, respectively. The favorable result was mainly due to gain realized from the disposal of Boda. For the first nine months of 2013, income from discontinued operations, net of tax, was RMB238.9 million (US$39.0 million), a significant increase from RMB16.0 million for the same period in 2012.

Net income attributable to Simcere was RMB384.1 million (US$62.8 million) for the third quarter of 2013, which consists of net income attributable to Simcere from continuing operations of RMB167.0 million (US$27.3 million) and

net income attributable to Simcere from discontinued operations of RMB217.1 million (US$35.5 million). Net income attributable to Simcere from continuing operations for the third quarter of 2013 increased by 944.2% from RMB16.0 million for the same period in 2012, primarily due to gain arising from the sale of equity interest in Kanda Biotech, partially offset by the impairment charge of goodwill and intangible assets. For the first nine months of 2013, net income attributable to Simcere was RMB436.8 million (US$71.4 million) which consists of net income attributable to Simcere from continuing operations of RMB197.9 million (US$32.3 million) and net income attributable to Simcere from discontinued operations of RMB238.9 million (US$39.0 million). For the first nine months of 2012, net income attributable to Simcere was RMB77.8 million which consists of net income attributable to Simcere from continuing operations of RMB61.8 million and net income attributable to Simcere from discontinued operations of RMB16.0 million.

Basic and diluted earnings per American Depository Share ("ADS") from continuing operations for the third quarter of 2013 were RMB3.16 (US$0.52) and RMB3.11 (US$0.51), respectively. Basic and diluted earnings per ADS from continuing operations for the first nine months of 2013 were RMB3.76 (US$0.61) and RMB3.70 (US$0.60), respectively. Basic and diluted earnings per ADS from discontinued operations for the third quarter of 2013 were RMB4.12 (US$0.67) and RMB4.04 (US$0.66), respectively. Basic and diluted earnings per ADS from discontinued operations for the first nine months of 2013 were RMB4.54 (US$0.74) and RMB4.47 (US$0.73), respectively. One ADS represents two ordinary shares of the Company.

As of September 30, 2013, the Company had cash and restricted cash of RMB871.8 million (US$142.5 million), compared to RMB201.6 million as of December 31, 2012. The increase was primarily due to cash consideration received from the sale of equity interest in Kanda Biotech and Boda.

Financial Information

The preliminary unaudited condensed consolidated statements of income and balance sheets accompanying this press release have been prepared by management using U.S. GAAP. This preliminary financial information is not intended to fully comply with U.S. GAAP because it does not present all of the financial information and disclosures required by U.S. GAAP.
Safe Harbor Statement

This press release contains forward-looking statements. These statements constitute "forward-looking" statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as "anticipate," "believe," "estimate," "expect," "forecast," "intend," "may," "plan," "project," "predict," "should" and "will" and similar expressions. In particular, the quotations from management in this press release contain forward-looking statements. These forward looking statements are based upon management's current views and expectations with respect to future events and are not a guarantee of future performance. Furthermore, these statements are, by their nature, subject to a number of risks and uncertainties that could cause actual performance and results to differ materially from those discussed in the forward-looking statements as a result of a number of factors. Further information regarding these and other risks is included in Simcere's filings with the U.S. Securities and Exchange Commission at www.sec.gov Simcere does not undertake any obligation to update any forward-looking statement, except as required under applicable law.

Conference Call

Simcere Pharmaceutical Group will host a conference call to discuss the Company's results for the third quarter of 2013 on Thursday, November 14, at 8:00 a.m. Eastern Time (Thursday, November 14 at 9:00 p.m. Beijing/Hong Kong time). The management team will be on the call to discuss the results for the third quarter of 2013 and to answer questions.

To access the conference call, please dial:

International toll:	+65.6723.9381
United States toll-free:	+1.866.519.4004
United States toll:	+1.845.6750.437
China Domestic toll:	800.819.0121
China Domestic mobile toll:	400.620.8038
Hong Kong toll:	+852.2475.0994

Please ask to be connected to Q3 2013 Simcere Pharmaceutical Group Earnings Conference Call and provide the following pass code: 94745140.

Simcere will also broadcast a live audio webcast of the conference call. The broadcast will be available by visiting the "Investor Relations" section of the company's web site at www.simcere.com.

Following the earnings conference call, an archive of the call will be available by dialing:

United States toll-free:	+1.855.452.5696
United States toll:	+1.646.254.3697

The pass code for replay participants is 94745140. The telephone replay also will be archived on the "Investor Relations" section of the company's web site for seven days following the earnings announcement.

About Simcere Pharmaceutical Group

Simcere Pharmaceutical Group (NYSE: SCR, Simcere) is a leading pharmaceutical company specializing in the development, manufacturing, and marketing of branded and proprietary pharmaceuticals in China. Simcere concentrates its research and development efforts on the treatment of diseases with high incidence and/or mortality rates and for which there is a clear demand for more effective pharmacotherapy such as cancer, strokes, cardiovascular disease, infectious diseases and pain. For more information about Simcere Pharmaceutical Group, please visit www.simcere.com.

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SIMCERE PHARMACEUTICAL GROUP
PRELIMINARY UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS
(AMOUNTS EXPRESSED IN THOUSANDS)

	December 31, 2012 RMB	September 30, 2013 RMB	September 30, 2013 USD
Assets			
Current assets			
Cash and pledged bank deposits	201,556	871,832	142,456
Held-to-maturity securities	-	564,000	92,157
Assets held for sale	90,550	-	-
Bills receivable	679,630	367,130	59,989
Accounts receivable, net	413,481	475,229	77,652
Inventories	120,932	108,973	17,806
Other current assets	237,248	311,854	50,956
Total current assets	**1,743,397**	**2,699,018**	**441,016**
Property, plant and equipment, net	853,546	765,847	125,138
Land use rights	128,220	117,553	19,208
Goodwill and intangible assets, net	519,334	295,741	48,324
Investment in equity method investments	56,785	28,238	4,614
Other non-current assets	71,381	124,342	20,317
Total assets	**3,372,663**	**4,030,739**	**658,617**
Liabilities			
Current liabilities			
Short-term borrowings	675,779	720,520	117,732
Accounts payable	47,136	42,748	6,985
Bills payable	15,000	15,000	2,451
Other payables and accrued liabilities	471,603	560,870	91,645
Total current liabilities	**1,209,518**	**1,339,138**	**218,813**
Long-term borrowings	2,000	186,440	30,464
Deferred tax liabilities	56,120	35,315	5,771
Other liabilities	32,657	21,195	3,463
Total liabilities	**1,300,295**	**1,582,088**	**258,511**
Shareholders' equity			
Simcere shareholders' equity			
Ordinary shares at par	8,258	8,288	1,354
Additional paid-in capital	853,551	880,720	143,909
Accumulated other comprehensive loss	(104,147)	(104,347)	(17,050)
Retained earnings	1,254,464	1,691,240	276,346
Total equity attributable to Simcere	**2,012,126**	**2,475,901**	**404,559**
Non-controlling interest	60,242	(27,250)	(4,453)
Total shareholders' equity	**2,072,368**	**2,448,651**	**400,106**
Commitments and contingencies			
Total liabilities and shareholders' equity	**3,372,663**	**4,030,739**	**658,617**

http://phx.corporateir.net/phoenix.zhtml?c=210451&p=irolnewsArticle&ID=1876218&highlight

Winteam Pharmaceutical Group Limited (HKSE: 570)

Announcement of Annual Results for the Year Ended 31 December 2015 – 21/3/2016

Management Discussion and Analysis

Group Overview

The Group is a leading TCM manufacturer in China. Its products include TCM decoction pieces, concentrated TCM granules, TCM finished drugs and healthcare products. The Group has over 700 concentrated TCM granules products and over 500 finished drugs, including over 200 finished drugs being listed on National Drugs List for Basic Medical Insurance. The Group has over 100 finished drugs being listed on the EDL, 7 of which are exclusive products, namely Xianling Gubao Capsule/Tablet, Yu Ping Feng Granules, Bi Yan Kang Tablet, Jingshu Granules, Moisturising & Anti-Itching Capsule, Fengshi Gutong Capsule and Zaoren Anshen Capsule. The Group has accumulated extensive technical experience in extraction of Chinese medicinal herbs, preparation of traditional and modern Chinese medicine and sustained or controlled release preparation.

The Group has manufacturing facilities in Foshan of Guangdong Province, Guiyang of Guizhou Province, Jiangyin of Jiangsu Province, Xuancheng and Bozhou of Anhui Province, Jining and Linyi of Shandong Province, Longxi of Gansu Province, Mianyang of Sichuan Province and Xining of Qinghai Province. All production lines are certified with GMP as required by law. 68,000 tonnes of Chinese medicinal herbs can be preprocessed and extracted annually. The annual production capacity is 10.2 billion packs of granules, 5.65 billion tablets and 3.65 billion capsules.

Besides, the Group opened its first TCM healthcare complex in Foshan, Guangdong and will start rehabilitation hospital and geriatric hospital in the form of joint venture in the same region. During the year under review, sales of TCM finished drugs accounted for appropriately 66.6% of the Group's revenue, sales of concentrated TCM granules made up approximately 26.4% of the revenue and sales of chemical medicine accounted for approximately 7.0% of the revenue.

Industry Overview

The Opportunity of Development for Chinese Medicine Industry

Chinese medicine is an essential part of Chinese culture. It plays an indispensible role in the thriving of Chinese people over several thousand years. Chinese medicine has unique efficacy in rebalancing body functions of human being, prevention against illness and treatment of chronic diseases. As the aging population in China has created growing demand for elderly care, healthcare and medical care, it is high time to continue the development of Chinese medicine.

The Chinese government has always supported and nurtured the development and growth of TCM industry. On 8 May 2015, the General Office of State Council published "Development Plan of TCM Healthcare Service (2015-2020)" indicating seven key jobs: 1) to develop TCM service for preserving longevity by supporting TCM healthcare institutions; 2) to encourage investment on TCM healthcare service by all sources of funding; 3) to promote TCM rehabilitation service; 4) to support the development of TCM nursing home for the elders where medical treatment and care service are combined; 5) to nurture TCM culture and healthcare-related tourism; 6) to back up the R&D, manufacturing and utilization of TCM-related healthcare products; and 7) to promote TCM healthcare service trading in order to attract more TCM-related consumption in China and to facilitate TCM healthcare service overseas.

On 9 December 2015, Premier Li Keqiang chaired and convened an executive meeting of the State Council and approved Chinese Medicine Law (Draft). The draft proposed the policy of putting equal weight on TCM and western medicine and encouraging the combination of TCM and western medicine. It also requested government at different levels to provide corresponding protection policies by including eligible Chinese medical healthcare institutions in the designated institutions of urban medical insurance, employee medical insurance and New Rural Cooperative Medical Care System, and including eligible Chinese medical treatment, TCM decoction pieces, TCM finished drugs and TCM preparations of healthcare institution in the medical insurance reimbursement. On 14 February 2016, an executive meeting of the State Council was convened and measures of promoting Chinese medicine were launched again, including promoting the protection, inheritance and excavation of TCM and ethnic medicine, training TCM talents, improving the function of TCM for emergency treatment, prevention and treatment; facilitating the combination of TCM and western medicine, strengthening the prevention and treatment against complicated diseases and chronic diseases by TCM and new product development of TCM, improving the standard system of TCM; relaxing the entry

barrier of TCM service, improving TCM service network covering urban and rural area, ensuring equal right for private and public Chinese medical healthcare institutions in practice; developing TCM healthcare service, integrating TCM with elderly care and tourism; increasing investment and policy support in TCM and adding more TCM products to the EDL.

The Group is the TCM business platform of CNPGC. It focuses on Chinese medicine, with over 93% of its revenue generated from TCM products. After the acquisition of Tianjiang Pharmaceutical, the Group became one of the largest TCM manufacturers in China. In addition, the Group will enter into TCM healthcare service sector by establishing TCM healthcare complex and forming joint ventures of rehabilitation hospital and geriatric hospital. The support and nurturing to the industry from the government will create extra room for the Group's continuous efforts in TCM industry. The Group will benefit from the development of TCM healthcare product and service market, taking the role of consolidator and leader in the industry.

Rapid growth of the concentrated TCM granules market

Concentrated TCM granules is an important branch of TCM products and takes a significant role in the future development of TCM. Concentrated TCM granules carry forward the TCM theory of "treatment based on syndrome differentiation and modification based on symptoms", and ensure the quality of TCM drugs, aligning with the trend of Chinese medicine modernisation. Concentrated TCM granules were introduced in 1970s and currently have leading position in the Chinese medicine market in Japan, Korea, and Taiwan. In China, concentrated TCM granules are currently classified as products on trial with 6 production licenses held by 5 companies, of which Tianjiang Pharmaceutical is the forerunner in the segment, working on concentrated TCM granules for over 30 years. Since it is classified as a product on trial, the prescription of concentrated TCM granules is restricted to TCM hospitals which have made filing to local healthcare authorities. Compared to TCM decoction pieces or TCM finished drugs, the market size of concentrated TCM granules is rather insignificant.

In recent years, concentrated TCM granules have been more accepted by doctors and patients. The regulators are considering to approve concentrated TCM granules as formal drugs and to liberalise the segment, allowing more eligible companies to manufacture and sell concentrated TCM granules. Furthermore, regulatory authorities also plan to allow the prescription of the products in all TCM hospitals and TCM clinics, and to include concentrated TCM granules in the National Drugs List for Basic Medical Insurance. On 24 December 2015, China Food and Drug Administration ("CFDA") issued the "Regulations on the Administration of Concentrated TCM Granules (Draft for Comments)", inviting the industry's opinion on important aspects such as entry requirements for manufacturer, traceability of the source of medicinal herbs, quality standard of products, filing of production and technical procedures and the monitoring of product manufacturing and utilisation.

With reference to the history of the development of concentrated TCM granules in overseas markets, the Group believes that the concentrated TCM granules market in China will experience a rapid growth in the coming 5 to 10 years, upon the liberalisation of the segment and the implementation of the various ancillary policies. Concentrated TCM granules is going to enter into its golden age of development. The Group completed the acquisition of Tianjiang Pharmaceutical at the right time, taking the largest share in the concentrated TCM granules market in China and a decisive position in the segment. Despite the entry of new competitors, the Group will continue to take advantage of the leading position of Tianjiang Pharmaceutical in the segment, integrate industrial resources and make appropriate plans to prepare for the coming opportunities in the development of concentrated TCM granules.

Reform of Pricing System of Drugs

On 7 May 2015, 7 government departments including National Development and Reform Commission ("NDRC") jointly issued the "Notice Regarding Reforms to the Pricing of Drugs", pursuant to which government pricing for most drugs will be lifted and drug procurement mechanism will be improved. Medical insurance will play a more important role in controlling reimbursement expenses and drug price shall come about mainly through market competition. In connection therewith, the medical insurance department will establish the procedures, basis and methods, together

with other relevant departments, in respect of the payment standard of those drugs covered by the medical healthcare insurance fund, so as to explore a reasonable mechanism for determining drug price. For patent drugs and exclusive drugs, price should be determined through the mechanism of open and transparent negotiation among multiple parties.

To suppress unreasonable price increase in drugs, in the "Notice Regarding Strengthening Focused Monitoring of Drug Price and Related Issues (Draft for Comments)" issued in July 2015, NDRC intended to monitor the price of 270 drugs which are substantially covered by medical insurance, including 141 patent and exclusive drugs, 60 drugs with large sales volume and high frequency of clinical use, and 69 drugs which draw attention of the public. Four of the main products of the Group, including Xianling Gubao Capsule,Yu Ping Feng Granules, Jingshu Granules and Moisturising & Anti-Itching Capsule, were in the monitoring list.

The reform of pricing system of drugs led to new opportunities and challenges for the Group. The Group has numerous drugs with long-lasting history, well-known brand and high popularity. However, due to increasing costs and the control of selling price, the Group is forced to supply such products in small volume or even suspend production. After the liberalisation of drug price, the Group will have the flexibility of pricing according to costs and market conditions to expand or resume the production of such drugs. Certain products, especially some OTC drugs, will benefit immensely. On the other hand, hospital prescription is the major sales channel for most of the main products of the Group and the process of bidding, price negotiation and payment by medical insurance fund is inevitable. As the government strengthens the control of medical insurance payment and drug expenses, such products will face more pressure on price reduction. However, the revenue of TCM finished drugs of the Group is mainly generated from 7 exclusive EDL products, which are widely accepted by doctors and patients and provide the sales team with certain bargaining power. Moreover, the Group has always been making efforts on maintaining the pricing system of its main products throughout the national market. The Group is confident in keeping relatively stable price of its major products in various provinces in China and the growth in sales volume of such products.

Approval and management of new drugs

On 22 July 2015, CFDA issued the "Notice Regarding Self-Review of Clinical Trial Data of Drugs, launching the review of clinical trial data of drugs pending approval for registration. As at January 2016, among the 1,622 applications included in the self-review, 1,184 were withdrawn or rejected. This is the most stringent review on clinical data by the regulator so far, which will have profound influence on the quality of clinical trials and in consequence, improve the quality and efficacy of new drugs. Meanwhile, the withdrawal or rejection of a large number of applications will have adverse impact on the launch of new drugs in the coming years.

Currently, the Group has over 10 new products at different stages of R&D, and will continue its dedication in R&D of new drugs to ensure all research data and clinical data are well-supported. However, as regulator becomes more cautious and stringent in approval of new drugs, new drug launch of the Group will be delayed. As the Group possesses production approval of over 500 drugs, this is sufficient to support the short to mid-term growth of its finished drug business.

Business Review

Sales of Products

During the year under review, the Group's revenue from continuing operations increased by 40.0% from approximately RMB2,650,454,000 in last year to approximately RMB3,709,406,000. Upon the completion of acquiring 87.3% equity interest of Tianjiang Pharmaceutical, the Group began to consolidate its financial statements in October 2015. In addition, as the Group completed the disposal of the majority part of its equity holding in Guizhou Zhongtai Biological Technology Company Limited and its subsidiaries ("Guizhou Zhongtai"), its revenue was not included in the continuing operations in the consolidated financial statements in the year under review, which is different from the

presentation of last year. The financial results of Guizhou Zhongtai was shown in the discontinued operation in the consolidated financial statements in the year under review.

Concentrated TCM Granules Business

Tianjiang Pharmaceutical, a subsidiary of the Group, produces more than 700 concentrated TCM granules products. It is the largest manufacturer of concentrated TCM granules in China. After the completion of acquiring 87.3% equity interest in Tianjiang Pharmaceutical, the Group started to consolidate its financial statements in October 2015. Tianjiang Pharmaceutical contributed sales approximately RMB978,892,000 for the year ended 31 December 2015.

Research and Development

In 2015, the Group obtained production approvals for Fexofenadine/Pseudophedrine Sustained-Release Capsule, a class 3.2 new chemical medicine, and Gong Yan Ping Capsule, a TCM finished drug. The Group also passed the on-site inspection by CFDA on Wuwei Huoxiang Tablet, a TCM new drug targeting mild depression. Pursuant to the guidelines of CFDA in the "Notice Regarding Self-Review of Clinical Trial Data of Drugs", the Group withdrew the registration application of Wuwei Huoxiang Tablet and intended to provide supplementary and updated data for the application. Currently, the Group has over 10 new products in different R&D stages, with the focus on drugs targeting diseases of the ageing population, such as neural degradation and cerebro-cardiovascular diseases.

During the year under review, the Group continued to push forward the project of "Yu Ping Feng Granules Re-evaluation" and substantially completed the pharmacological research on strengthening immunological effect in collaboration with Shanghai Institute of Pharmaceutical Industry ("SIPI"). Multi-centre clinical trials on using Yu Ping Feng Granules for the treatment against COPD, child repeated infection of upper respiratory tract and child asthma with high IgE and eosinophils increase and the study on molecular biology mechanism have achieved initial results. The Group also began further pharmacology and pharmacodynamics study on Jingshu Granules against cervical diseases and planned to initiate new clinical trials. In the future, the Group intend to conduct clinical trials and researches on multiple core TCM finished drugs in order to verify their medical theoretical foundation, ascertain applicable symptoms, strengthen academic promotion and facilitate product sales.

Progress of Investment Projects

Acquisition of Tianjiang Pharmaceutical

During the year under review, the Group entered into a series of agreement with various venders to conditionally acquire 87.3% equity interest of Tianjiang Pharmaceutical at the consideration of RMB8,736,223,527. In May 2015, the Company completed the placing of 1,752,098,682 new shares to raise approximately HKD8,200,000,000 (equivalent to approximately RMB6,566,686,000). In November 2015, the Company placed 197,749,762 new shares to two of the vendors, who are key management members of Tianjiang Pharmaceutical, to raise approximately HKD832,922,000 (equivalent to approximately RMB666,337,000). The balance of the consideration was paid by bank loans of approximately RMB1,000,000,000 and the Group's internal resources of RMB567,215,000. The transaction was completed in October 2015, and the consideration after fair value adjustment is approximately RMB8,758,337,000.

For details of the transaction, please refer to the circular of the Company dated 24 June 2015 and the announcements of the Company dated 13 July 2015, 29 September 2015, 14 October 2015 and 5 November 2015.

Disposal of Guizhou Zhongtai

In January 2015, the Group and China Biotechnology Co., Ltd. ("China Biotechnology Co") entered into an agreement to sell 31% equity interest in Guizhou Zhongtai to China Biotechnology Co for a consideration of RMB139,500,000.

The Group considered that the main business of Guizhou Zhongtai was R&D, production and sale of plasma-based biopharmaceutical products, which was not the core business of the Group. The disposal of Guizhou Zhongtai allows the Group to allocate more resources to focus on the development of TCM business. As the controlling shareholder of China Biotechnology Co is CNPGC, this transaction constitutes a connected transaction.

The disposal transaction was completed in November 2015. As agreed by both parties, the consideration was adjusted to RMB139,148,000. After completion of the transaction, the Group still holds 20% equity interest in Guizhou Zhongtai and such 20% equity interest will be sold to China Biotechnology Co at an appropriate price under certain conditions.

For the first ten months of the year under review, loss of Guizhou Zhongtai was approximately RMB11,444,000.

For details of the transaction, please refer to the announcement of the Company dated 27 January 2015.

Construction of Headquarters Building The Group is working with an independent third party to build its headquarter, R&D centre and ancillary facilities in Chan Cheng District, Foshan City. The allocation of the space of the building will be based on the amount of investment from the Group divided by cost per unit area. The construction work of this project has been commenced in the year under review. It is expected that the project will be completed in 2017 and put in use in 2018.

Manufacturing Facilities at Guiyang Economic & Technology Development Zone

During the year under review, the Group continued with the construction of the manufacturing base located at Guiyang Economic & Technology Development Zone, Guizhou Province (new factory of Sinopharm Group Tongjitang (Guizhou) Pharmaceutical Co., Ltd. The project is expected to be completed in 2016 and trial operation will be gradually started in 2017. The facilities will be in full compliance with new GMP requirements and will significantly enhance the production capacity to meet the need of business expansion of the Group.

Joint Venture Hospitals

In January 2016, the Group announced that it formed joint ventures with Foshan TCM Hospital and a subsidiary under Foshan State-Owned Assets Supervision and Administration Commission. The joint ventures are controlled by the Group and will invest RMB1,600,000,000 on establishing a rehabilitation hospital and a geriatric hospital equipped with 500 beds and 1,500 beds, respectively. Business registration of the joint ventures has been completed. The construction of the hospital project is expected to commence in mid-2016.

For details of the project, please refer to the announcement of the Company dated 13 January 2016.

http://file.irasia.com/listco/hk/chinatcm/annual/2015/res.pdf

WuXi PharmaTech (NYSE: WX)

WuXi PharmaTech Announces Third-Quarter 2015 Results

SHANGHAI, Nov. 3, 2015 /PRNewswire/ - Wuxi PharmaTech (Cayman) Inc. ("WuXi" or the "Company") (NYSE: WX) announces the following financial information for the third quarter ended September 30, 2015.

Third-Quarter 2015 Highlights

Net Revenues Increased 23.1% Year Over Year to $213.6 Million

GAAP Diluted Earnings Per ADS Declined 53.7% Year Over Year to $0.21

Non-GAAP Diluted Earnings Per ADS Attributable to WuXi Shareholders Decreased 41.8% Year Over Year to $0.31, Reflecting Exclusion of Share-Based Compensation of $0.09, Amortization of Acquired Intangible Assets of $0.02, and Deferred Tax Impact Related to Acquired Intangible Assets of ($.01)

Mark-to-Market Losses on Foreign-Exchange Forward Contracts of $7.3 Million and Realized Losses on Settled Foreign-Exchange Forward Contracts of $1.6 Million Resulted from RMB Depreciation Against the U.S. Dollar in the Quarter

Third-Quarter 2015 GAAP Results

Third-quarter 2015 net revenues increased 23.1% year over year to $213.6 million. Laboratory Services revenue grew 18.0%, driven by our comprehensive and integrated drug discovery and development services. Revenue growth of 19.6% in Small-Molecule Manufacturing Services resulted from strong demand in both research manufacturing and commercial manufacturing. Biologics Services revenue had strong growth of 66.1% year over year from both development and manufacturing. Revenue growth of 34.8% in New Businesses and Other related mainly to the significant revenue increase in clinical site management services in China, offset by slower than expected growth in the emerging new businesses such as genomics, China healthcare initiatives, and e-commerce.
Third-quarter 2015 GAAP gross profit increased 14.7% year over year to $75.9 million due to 23.1% revenue growth, partially offset by increased labor costs in China and investments in new businesses. Gross margin decreased year over year to 35.5% from 38.1%. Gross margin in Laboratory Services decreased year over year to 38.3% from 41.2% due to increased labor costs in China and investments in new businesses. Gross margin in Small-Molecule Manufacturing Services was unchanged at 34.9%. The increase in gross margin in Biologics Services year over year to 32.7% from 28.6% was due to efficiencies of scale. Gross margin in New Businesses and Other decreased year over year to (1.7%) from 28.3% mainly as a result of investments in genomics and bioinformatics.

Third-quarter 2015 GAAP operating income decreased 7.0% year over year to $25.8 million mainly due to investments in new businesses, including increased selling and marketing, general and administrative, and research and development expenses and transaction expenses related to the proposed privatization, partially offset by the 14.7% increase in gross profit. Operating margin declined to 12.1% from 16.0% due to these increased operating expenses.

Third-quarter 2015 GAAP net income decreased 49.8% year over year to $16.1 million mainly due to an unfavorable change of $9.4 million in mark-to-market gains and losses on foreign-exchange forward contracts (losses of $7.3 million in the third quarter of 2015 compared to gains of $2.1 million in the third quarter of 2014), an adverse change of $3.1 million in realized gains and losses on settled foreign-exchange forward contracts (losses of $1.6 million in the third quarter of 2015 compared to gains of $1.5 million in the third quarter of 2014), the 7.0% year-over-year decrease in operating income, larger equity-method investment losses from our joint ventures with PRA and MedImmune and other equity-method investments, and higher interest expense due to higher loan balances needed to support increased investment.

Third-quarter 2015 GAAP net income attributable to WuXi shareholders decreased 52.8% year over year to $15.1 million mainly due to the 49.8% year-over-year decrease in net income and net income attributable to non-controlling interests of $1.0 million in the third quarter of 2015.

Third-quarter 2015 GAAP diluted earnings per ADS attributable to WuXi shareholders decreased 53.7% year over year to $0.21 due to the 52.8% decrease in net income attributable to WuXi shareholders and a higher number of outstanding ADSs as a result of share issuances relating to the XenoBiotic Laboratories acquisition and vesting of restricted stock units. Third-quarter 2015 GAAP comprehensive income/loss attributable to WuXi shareholders was a $9.9 million loss versus income of $41.0 million in the third quarter of 2014 mainly due to the 52.8% decrease in net income and unfavorable changes in currency translation adjustments, unrealized gains and losses on available-for-sale securities, and cash flow hedges, net of tax.

Third-Quarter 2015 Non-GAAP Results

Non-GAAP financial results exclude the impact of share-based compensation expenses and the amortization of acquired intangible assets and the associated deferred tax impact.

Third-quarter 2015 non-GAAP gross profit increased 17.3% year over year to $79.6 million due to 23.1% revenue growth, partially offset by increased labor costs in China and investments in new businesses. Non-GAAP gross margin decreased year over year to 37.2% from 39.1% for the same reasons.

Third-quarter 2015 non-GAAP operating income was substantially unchanged at $33.9 million due to investments in new businesses, including increased selling and marketing, general and administrative, and research and development expenses and transaction expenses related to the proposed privatization, substantially offset by the 17.3% increase in non-GAAP gross profit. Non-GAAP operating margin decreased to 15.9% from 19.5% due to higher operating expenses.

Third-quarter 2015 non-GAAP net income decreased 38.0% year over year to $23.6 million mainly due to an unfavorable change of $9.4 million in mark-to-market gains and losses on foreign-exchange forward contracts (losses of $7.3 million in the third quarter of 2015 compared to gains of $2.1 million in the third quarter of 2014), an adverse change in realized gains and losses on settled foreign-exchange forward contracts (losses of $1.6 million in the third quarter of 2015 compared to gains of $1.5 million in the third quarter of 2014), larger equity-method investment losses from our joint ventures with PRA and MedImmune and other equity-method investments, and higher interest expense due to higher loan balances needed to support increased investment.

Third-quarter 2015 non-GAAP net income attributable to WuXi shareholders decreased 40.7% year over year to $22.6 million mainly due to the 38.0% year-over-year decrease in net income and net income attributable to noncontrolling interests of $1.0 million in the third quarter of 2015.

Third-quarter 2015 non-GAAP diluted earnings per ADS attributable to WuXi shareholders decreased 41.8% year over year to $0.31 due to the 40.7% decrease in net income attributable to WuXi shareholders and a higher number of outstanding ADSs as a result of share issuances relating to the XenoBiotic Laboratories acquisition and vesting of restricted stock units.

Third-Quarter 2015 Results Preliminary; Upcoming WuXi Extraordinary General Meeting

The third-quarter 2015 results contained in this press release are preliminary, unaudited and unreviewed and are being released ahead of the upcoming extraordinary general meeting (or "EGM") of the WuXi shareholders. The EGM is scheduled to be held on November 25, 2015 at 10:00 a.m. Shanghai time at the executive offices of the Company located at 288 Fute Zhong Road, China (Shanghai) Pilot Free Trade Zone, Shanghai, 200131, People's Republic of China and is being convened to consider and vote on, among other matters, the proposal to authorize and approve the previously announced agreement and plan of merger dated as of August 14, 2015 and amended on October 20, 2015, among the Company, New WuXi Life Science Limited and WuXi Merger Limited, and the transactions contemplated thereby (the "Merger Transactions"). The related transaction statement on Schedule 13E-3 and the proxy statement (the "Proxy Statement") attached as Exhibit (a)-(1) thereto were filed with the U.S. Securities and Exchange Commission (the "SEC") on October 20, 2015. Investors, shareholders and holders of American Depositary Shares of WuXi ("ADSs", each representing eight ordinary shares of WuXi) are urged to read carefully and in their entirety these materials and other materials filed with or furnished to the SEC when they become available, as they contain important information about the company, the proposed merger and related matters. The Proxy Statement was mailed to the Company's ADS holders on or about October 26, 2015 and to the Company's shareholders on or about November 2, 2015. The Special Committee of the Board, comprised of independent directors, that reviewed the transaction recommends that stockholders approve the transaction.

In light of the upcoming EGM and possible closing of the Merger Transactions shortly thereafter, WuXi does not intend to host a conference call to discuss the financial information contained in this press release, nor is the Company providing an update to its financial guidance.

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ACQUISDATA

Sector Coverage

- China Petroleum and Chemicals
- China Information Technology
- China Biotechnology
- China Banking
- China Automotive
- China Mining
- China Cement
- China Shipbuilding
- China Renewable Energy
- India Information Technology
- India Banking
- Australia Metal and Mining
- Australia Specialty Minerals
- Australia Biotechnology and Pharmaceuticals
- Australia Grains
- Australia Banking
- Australia Tourism
- Brazil Banking
- Brazil Metal and Mining
- Canada Mining
- Canada Grains
- Canada Media
- Canada Telecommunications
- Japan Shipbuilding
- Japan Pharmaceuticals
- Japan Automotive
- Japan Telecommunications
- Mexico Mining
- South Korea Metal and Mining
- South Korea Shipbuilding
- South Korea Automotive
- US Pharmaceuticals
- US Automotive
- US Mining
- US Petroleum and Gas
- US Armaments
- US Biotechnology
- US Textiles
- US Software and Information Technology
- US Grains
- US Telecommunications
- US Media
- US Renewable Energy
- Russia Armaments
- France Armaments
- France Pharmaceuticals
- UK Armaments
- UK Pharmaceuticals
- UK Petrochemicals
- UK Hedge Funds
- Germany Automotive
- Germany Shipbuilding
- Germany Pharmaceuticals
- South Africa Mining
- South Africa Petrochemicals
- Saudi Arabia Petrochemicals, Oil and Gas