

## Innovation is the key driver

24 June 2015 | Analysis | By BioSpectrum Bureau

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#### Singapore:

##### **CHINA NATIONAL ACCORD MEDICINES, China**

Chairman: Mr Yan Zhigang

Revenue: \$3746.3mn

Business: Engaged in wholesale and retail and research, development and production of pharmaceuticals

China was in a phase of transformation in 2014 as a new regulatory structure began shaping up, throwing a challenge to the industry to cope with. To continue growing with the shifting trends, China National Accord focused on exploring new avenues and driving innovation in to the business model. During the period from January to June, 2014, the company realized sales revenue of \$1.8 billion, marking year on year increase of 14.88 percent. Distribution segment contributed \$1.7 billion, representing an increase of 15.92 percent and \$146 million was contributed by innovative business and breakthrough realized in pharmacy trust.

The company ticked 82 percent hike in sales of basic drugs and 22 percent from medical equipment and formalized its B2B sales service by developing a base of 380 clients. Catching up with the rising trend of e-commerce, China National Accord invested in online commerce for launching its new products in the market and further enhanced its distribution system.

The company also achieved milestones in research and development by launching 12 new products and filed application of eight clinic licenses. Projects under research totaled to 127 out of which 58 are under process. The company entered into a strategic cooperation with Sinopharm Yigong General Institute progressing on research of raw materials technology. In the first half of the year, China National Accord, realized net profit attributable to shareholders of \$56.3 million, representing an increase of 33.90 percent. Its pharmaceutical segment achieved \$21 million net profit attributable to shareholder marking a growth of 14.48 percent.