

China Nuokang Bio-Pharmaceutical reveals Q1 2012 results

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Singapore: China Nuokang Bio-Pharmaceutical, a leading China-based biopharmaceutical company focused on the R&D, manufacture, marketing and sales of hospital-based medical products, revealed their unaudited financial results for the first quarter (Q1) of 2012.

The revenue for the Q1 2012 was RMB60.3 million (\$9.6 million) as compared to RMB64.5 million in the previous year. Baquing revenue was RMB57.5 million (\$9.1 million) when compared with RMB60.8 million in the prior year period. Gross profit was RMB52.1 million (\$8.3 million), compared to RMB56.3 million in the last year. Gross margin was 86.5 percent when compared with 87.2 percent in the prior year period. Operating income of the company, which was RMB17.9 million in the last year, increased to RMB747,000 (\$119,000) this year.

The Company continued to make progress with market education and sales channel development for Kaitong and Alpha

Lipoic Acid Capsule. For Kaitong, the company recently won bids for two additional provinces, bringing the total to 10 provinces and four military zones. For Dianatal, the firm is awaiting final-stage Chinese SFDA review of testing results. China Nuokang Bio-Pharmaceutical expects SFDA approval by the end of 2012.

Mr Baizhong Xue, chairman and CEO, China Nuokang Bio-Pharmaceutical, said that "Our direct sales, although weak compared to the prior year period, recovered noticeably from the fourth quarter of 2011. This is especially significant in light of the first quarter historically being our seasonally weaker period as it coincides with the Chinese New Year. We are encouraged by these positive signs and continue to believe in the potential of our product portfolio."

"We continue to focus on strengthening our business through several measures. First, we continue to adjust our sales strategy for Baquting to better adapt to an increasingly competitive landscape. Next, we are diversifying our product portfolio by investing in market education and clinical trials for new products to generate greater recognition for their efficacy and safety. Lastly, we will maintain a strong balance sheet and operating cash flows. Looking ahead, we anticipate gradual recovery in revenue and profit," the chairman said.