



**ESSEX BIO-TECHNOLOGY LIMITED**  
**億勝生物科技有限公司**

**Press Release**

**A STERLING INCREASE OF 93.9% IN TURNOVER TO HK\$69.5  
MILLION IN THE FIRST HALF**

**NET PROFIT BOOSTED TO HK\$6 MILLION**

Hong Kong, 13 August 2007 — ESSEX BIO-TECHNOLOGY LIMITED (“Essex” or the “Group”—Stock Code: 8151) today announced that the Group reported approximately HK\$69.5 million in turnover for the period ended 30 June 2007, an increase of 93.9% over the corresponding previous period.

Sales of flagship biopharmaceutical products increased significantly by 47.5% to approximately HK\$29.7 million as compared to approximately HK\$20 million of the same period in the last financial year.

Overall gross profit for the period ended 30 June 2007 increased to approximately HK\$29.1 million when compared to approximately HK\$21.5 million recorded in the same period of the last financial year. The increase is attributable to the significant increase in sale of the Group’s flagship pharmaceutical products and agricultural fertilizers as well as the high gross profit margin of 88.6% maintained by the flagship pharmaceutical products in the period under review.

Distribution and selling expenses increased to approximately HK\$18.4 million for period ended 30 June 2007 when compared to approximately HK\$12.9 million recorded in the same period of the last financial year. The increase was mainly attributable to higher expenses incurred in sales, marketing and promotional activities in the period under review.

Administration expenses increased to approximately HK\$6.5 million in the period ended 30 June 2007 when compared to approximately HK\$6 million recorded in the corresponding previous period. The increase was the result of costs incurred by the newly acquired subsidiary in Yantai.

The Group had cash and cash equivalents of approximately HK\$30.6 million as at 30 June 2007 (31 December 2006: HK\$23.1 million).

As at 30 June 2007, short-term secured bank loans amounted to approximately HK\$8.2 million are secured by a charge over the Group’s leasehold land and buildings. Other unsecured borrowings amounted to approximately HK\$6 million.

Essex Chairman Patrick Ngiam said: “The significant increase in both the turnover and net profit is attributed to increasing market acceptance of the Group’s core products. The sustainable positive growth and results in successive quarters is a testament to the Group having effective business strategy and is competitively managed.

Barring any unforeseen circumstances, the management is optimistic of continued positive results in the second half of 2007.”

***About Essex Bio-Technology Limited:***

Essex Bio-Technology Limited (“Essex”) was listed on the Growth Enterprise Market (GEM) of The Stock Exchange of Hong Kong Limited on 27 June 2001, under stock code (8151).

Essex specializes in biopharmaceutical drug development based on recombinant DNA technology. It was principally engaged in the manufacture and sale of biopharmaceutical products for the treatment and healing of surface wounds and eye wounds and the research and development of biopharmaceutical products for the treatment of duodenal ulcers and nervous system damages and diseases, as well as other ophthalmic pharmaceutical projects.

In November 2005, Essex has expanded into another bio-technology related industry to further strengthen on the Group’s core business. The Group has strategically acquired a 51% equity stake in 煙台開發區寶源生物實業有限公司 (Baoyuan Bio-Agri Technology (Yantai) Ltd.) (“Yantai Baoyuan”). Yantai Baoyuan was incorporated in Shandong, the PRC on 5 January 2004 and commenced its business in June 2004. It is principally engaged in the research, development and production of organic and chemical formulated agricultural fertilisers, in solid and liquid forms, for the agriculture industry in the PRC.

***For more information, please contact:***

**Essex Bio-Technology Limited**

Email : [essex@essexbio.com](mailto:essex@essexbio.com)

Tel : (852) 2587-7838

**Summary of key information:**

|   | For the period ended 30 June |            |
|---|------------------------------|------------|
|   | 2007                         | 2006       |
|   | HK\$'m                       | HK\$'m     |
| Turnover  | 69.5                         | 35.8       |
| Gross profit  |                              |            |
| - in HK\$'m   | 29.1                         | 21.5       |
| - in %  | 41.9%                        | 60.1%      |
| Net Profit attributable to<br>equity holders of the Company | 6.0                          | 2.7        |
| Earnings per share  |                              |            |
| - basic   | HK1.07cent                   | HK0.48cent |
| - diluted   | N/A                          | HK0.48cent |
| Dividend  | Nil                          | Nil        |
| Cash and cash equivalents                                   | 30.6                         | 23.1       |
| Bank and other borrowings                                   | 14.3                         | 5          |

- End -