



ESSEX BIO-TECHNOLOGY LIMITED
億勝 生物 科技 有 限 公 司

(Stock Code: 1061)

Group Profit Recorded Growth of 22.8% in 2017

Hong Kong, 15 March 2018 — ESSEX BIO-TECHNOLOGY LIMITED (“Essex” or the “Group”—Stock code: 1061) is pleased to announce that the Group has achieved yet another encouraging developments in the financial year ended 31 December 2017.

Amid major medical and pharmaceutical industry-related policy and regulatory changes introduced in 2017, the Group was able to overcome the challenges and deliver yet another year of good performance. For the year under review, the Group achieved a consolidated turnover of approximately HK\$899.6 million, representing an increase of 16.0% over previous year. Correspondingly, the Group’s consolidated profits for the year rose to approximately HK\$167.3 million for the year ended 31 December 2017 from approximately HK\$136.3 million last year, representing an increase of 22.8%.

The Group’s revenue was mainly derived from its flagship bio-pharmaceutical products, which represented 80.5% of the Group’s overall revenue, recorded an increase of 20.0% as compared to the previous year. The balance of 19.5% of the Group’s revenue was contributed by the sale of third party products.

Combining the Group’s flagship bio-pharmaceutical and third party products, the overall revenue contributions from the ophthalmology and surgical segments are represented as 48.7% and 51.3%, respectively.

Driven by the strong sales of Beifuji Series, which recorded a year-on-year growth of 27.8%, the sales of surgical segment have maintained a healthy growth of 24.0% over previous year. The overall ophthalmology products represented an increase of 8.6% over previous year, of which Beifushu series recorded a

steady growth of 10.5%.

In 2015, the Group initiated and implemented an enrichment programme (the “Enrichment Programme” for enhancing its research and development pipeline and expanding its product portfolio, with an objective of enabling the Group to scale further heights in the years to come. As at the date of this report, a total of approximately US\$27.8 million has been invested in a total of 7 entities.

Under the Enrichment Programme, during the year ended 31 December 2017 and up to the date of this report, the group has entered into a supplement agreement with Tibet Linzhi Parkson Pharmaceutical & Liaoning Wanxin Pharmaceutical to extend the term of agency agreement for Iodized Lecithin Capsules(适丽顺), for nearly another 9 years, expiring on 5 September 2031. As far as the overseas programme, the Group has entered into a research collaboration agreement with AC Immune to undertake the pre-clinical and clinical co-development of a novel biological therapeutic for the treatment of neurodegenerative diseases and neuroinflammation, while subscribed for the Preferred C shares of MeiraGTx, a clinical-stage biotech company developing novel gene therapy treatments, in early 2018.

As at 31 December 2017, the Group maintains 39 regional sales offices (the “RSOs”) and a total number of about 1,410 sales and marketing representatives. The Group’s pharmaceutical products have been used in over 5,400 hospitals in the PRC, which are mainly located in the major cities and provinces. The Group has expansion plan for its products to reach out to major county cities in the PRC in 2018.

During the year under review, a breakthrough has been achieved on Blow-Fill-Seal (“BFS”) platform, one of the Group’s key research and development platforms—the Group has obtained an approval from China Food and Drug Administration (the “CFDA”) for the commercialisation of the preservative-free single-dose Tobramycin Eye Drops, which is one of the 10 single-dose drug projects being developed/applied for CFDA approval.

To reward the Group’s shareholders for their years of valuable support, the board of Directors (“the Board”) is proposing a final dividend of HK\$ 0.025 per ordinary share to be approved at the upcoming annual general meeting.

Barring unforeseen circumstances, the Group is optimistic of achieving continued growth in 2018, in particular from its flagship bio-pharmaceutical products. Furthermore, the Group will continue to implement Enrichment Programme to seek further investment opportunities in the area of

Ophthalmology, Dermatology, Oncology and Neurology, while fostering closer development and business relationship with existing investees.

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About EssexBio

Essex Bio-Technology Limited is a bio-pharmaceutical company, started in early 90's, a pioneer in bio-pharmaceutical industry in China, that develops, manufactures and commercialises genetically engineered therapeutic rb-bFGF, a basic fibroblast growth factor, with established mechanism of action in cellular proliferation, differentiation and migration.

The Company currently has five commercialised bio-pharmaceutical products, formulated with rb-bFGF, in China, out of which 3 are approved by CFDA as Category I drugs. The products are being marketed & sold as Beifushu, Beifuji & Beifuxin, for treatment of ocular surface wounds and topical (skin) surface wounds respectively. Beifuji is the first in the world to have obtained approval from CFDA for commercialisation in 1998.

The Company focuses on two main therapeutics; Ophthalmology and Surgical arena of topical (skin) surface wounds, which primarily covers Dermatology, Stomatology and Obstetrics & Gynaecology, while selectively pursuing therapeutics in Neurology, Oncology and Orthopaedics. The Company maintains a pipeline of multi-project in R&D and on various stages of clinical programs, of which several projects involving growth factors and antibody and a handful of projects are on unit dose for Ophthalmic and Respiratory disease.

The Company's products and its 3rd party products are marketed and sold through more than 5,400 hospitals in China and are managed directly by its 39 regional sales offices with about 1,410 sales and marketing people. Its 3rd party products; notably are inclusive of Xalacom eye drops and Xalatan eye drops of Pfizer (for Ophthalmology), Iodized Lecithin Capsules (for Ophthalmology), Yi Xue An Granules (for Obstetrics & Gynaecology) and Carisolv Products (for Stomatology).

This press release is issued by Zhixin Investor Relations Consultant Limited on behalf of **Essex Bio-Technology Limited**.

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