



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

**Press Release**

**GROUP TURNOVER AND PROFIT RECORDED GROWTH OF  
49.3% & 37.1% RESPECTIVELY**

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Hong Kong, 18 March 2015 — ESSEX BIO-TECHNOLOGY LIMITED (“Essex” or the “Group” — Stock code: 1061) today announced that the Group achieved a turnover of approximately HK\$518.3 million (2013: HK\$347.0 million), representing a growth rate of 49.3%.

The Group’s gross profit has grown in tandem with the expanded sales. The gross profit for the year ended 31 December 2014 was approximately HK\$411.3 million (2013: HK\$310.9 million), an increase of 32.3%.

The profit attributable to owners of the Company was approximately HK\$75.3 million as compared to approximately HK\$54.9 million for the previous year, representing an increase of 37.1%.

The distribution and selling expenses were approximately HK\$271.4 million as compared to approximately HK\$212.0 million for the previous year, representing an increase of 28.0%. This increase in the distribution and selling expenses was mainly attributable to the expansion of sales and marketing function, organization of seminars for product training and awareness.

The administrative expenses for the year under review were approximately HK\$42.4 million compared to approximately HK\$25.6 million for the previous year, representing an increase of 65.7%. The increase of administrative expenses is mainly due to the provision of approximately HK\$12.6 million equity settled share-based payments for the options granted in October 2013 and the expansion of production capacities and operations.

The Group had cash and cash equivalents of approximately HK\$62.0 million as at 31 December 2014 (2013: HK\$54.5 million).

The bank borrowings as at 31 December 2014 were RMB40 million (equivalent to approximately HK\$50.5 million). They are secured by certain assets of the Group, repayable within one year and bear interest at prevailing interest rate.

**Cooperative Relationship with Pfizer**

The Group entered into an import and service agreement with Pfizer International Trading (Shanghai) Limited (“Pfizer”) on 17 February 2014. Pursuant to the import and service agreement, the Group is appointed and authorized by Pfizer as its exclusive importer, distributor and promoter for Xalatan® eye drops and Xalacom® eye drops (collectively the “Pfizer Eye Drops”) in the Mainland China (excluding Taiwan, Hong Kong and Macau) (“China”). The Pfizer Eye Drops are medicines to lower raised pressure within the eye.

The establishment of the business relationship with Pfizer enables the sharing of our existing channels of distribution with Pfizer, at the same time enhancing the Group's brand image and product spectrum in the ophthalmology arena in China.

### **Business Reviews and Prospects**

During the year under review, the Group's emphasis continued primarily on manufacturing and selling of its flagship biopharmaceutical products for the treatment and healing of surface wounds and eye wounds.

For the year ended 31 December 2014, the Group achieved a revenue of approximately HK\$518.3 million (2013: HK\$347.0 million), representing a growth rate of 49.3%. The revenue was primarily contributed from our flagship products, the Beifushu and Beifuji series and Pfizer Eye Drops.

The Group's sustained growth performance year-on-year is a testament to the clinical acceptance of its products that are well executed by its robust distribution network for sales and marketing activities in China.

In 2014, despite increasing sales from the Beifuji series and the Pfizer Eye Drops, the revenue contributed from the ophthalmic biopharmaceutical products, the Beifushu series, still represented about 50% of Group's total revenue. With the leading position of Beifushu, which coupled with the Pfizer Eye Drops, the Group expects further growth from the ophthalmic products division in the coming years.

The Group's second engine of growth comes from its surface wound healing and treatment biopharmaceutical product, namely the Beifuji series and Beifuxin series. In this regard, since 2013, the Group has expanded its surgical division, which had a total of approximately 280 dedicated sales and marketing staff at the end of 2014. It is in our development plan that more staff will be recruited in 2015 for this division to further expand the business.

Mr. Patrick Ngiam, the chairman of the Group said, "Surgical arena in China offers an extremely large potential market and it is our plan to advance the market expansion for our Beifuji and Beifuxin series to capture this opportunity."

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

Essex specializes in biopharmaceutical drug development based on recombinant DNA technology. It is principally engaged in the manufacture and sale of biopharmaceutical products for the treatment and healing of surface wounds and eye wounds. The Group also engaged in the research and development of bFGF products for new indications, as well as other ophthalmic pharmaceutical projects.

*For more information, please contact:*

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## Summary of key information

	For the year ended 31 December	
	2014 HK\$'m	2013 HK\$'m
Turnover	518.3	347.0
Gross profit	411.3	310.9
Profit attributable to owners of the Company	75.3	54.9
Earnings per share – basic	HK13.52 cents	HK9.86 cents
– diluted	HK13.47 cents	HK9.86 cents
Dividend – HK\$0.022 per share (2013: HK\$0.018 per share)	12.2	10.0
	As at 31 December 2014 HK\$'m	As at 31 December 2013 HK\$'m
Cash and cash equivalents	62.0	54.5
Bank borrowings	50.5	50.8

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