



ESSEX BIO-TECHNOLOGY LIMITED

億勝生物科技有限公司

**GROUP TURNOVER AND PROFIT RECORDED GROWTH OF
26.2% to HK\$654M & 39.4% to HK\$104.9 RESPECTIVELY**

Hong Kong, 18 March 2016 — ESSEX BIO-TECHNOLOGY LIMITED (“Essex” or the “Group”—Stock code: 1061) today announced that the Group achieved a turnover of approximately HK\$654 million (2014: HK\$518.3 million), representing a growth rate of 26.2%.

The revenue growth was largely contributed from sales of flagship biopharmaceutical products, the Beifushu series, Beifuji series and Pfizer products. Sales of Beifushu series and Beifuji series products increased by approximately 8% and 38% respectively, compared to 2014. Pfizer products and its services revenue increased by 56% compared to 2014.

The Group has a range of surgical products, which includes the Beifuji series (Beifuji Spray, Beifujilyophilized powder and Beifuxin gel), products of Carisolv® and Yi Xue An Granules. These surgical products can be used in different fields, including burns, dermatology, gynaecology and obstetrics, plastic surgery, stomatology and diabetic ulcer. In 2015, the revenue of surgical products and its service has reached HK\$270.2 million, with year-on-year growth of 40%. In addition, the group has a range of ophthalmic biopharmaceutical drugs, including Beifushu series (Beifushu eye drops and Beifushu eye gel), Pfizer products (Xalatan eye drops and Xalacom eye drops) and Wholewin products (Levofloxacin Hydrochloride Eye Drops). In 2015, the revenue of ophthalmic products and its service has reached HK\$383.4 million, with year-on-year growth of 18%.

The Group’s gross profit has grown in tandem with the expanded sales. The gross profit for FY2015 was approximately HK\$529.6 million (2014: HK\$411.3 million), representing an increase of approximately 28.8%.

For FY2015, the profit attributable to owners of the Company was approximately HK\$104.9 million as compared to approximately HK\$75.3 million for the previous year, representing an increase of approximately 39.4%.

For FY2015, the distribution & selling expenses were approximately HK\$352.1 million as compared to approximately HK\$271.4 million for the previous year, representing an increase of approximately 29.8%. The increase in the distribution and selling expenses was mainly attributable to higher costs incurred for the expansion of

sales and marketing function, and high initial costs incurred in sales and marketing for launching of new third party products. Distribution and selling expenses accounted mainly for remuneration and travelling expenses of sales personnel, advertisements, transportation and delivery, and organization of seminars and conferences for product training and awareness, etc.

For FY2015, administrative expenses were approximately HK\$51.2 million as compared to approximately HK\$42.4 million for the previous year, representing an increase of approximately 20.7%. The increase of administrative expenses was mainly due to the expansion of production capacities and operations and the increase in research and development expenses.

For FY2015, The Group had cash and cash equivalents of approximately HK\$64.6 million (2014: HK\$62.0 million), The bank borrowings as at 31 December 2015 were HK\$51.0 million (2014: HK\$50.5 million), among which 60.8% are repayable within one year and 39.2% are repayable in more than one year but within five years.

The Company is a leading enterprise in the field of biopharmaceutical products for wounds healing and treatment. The Group has a range of ophthalmic biopharmaceutical drugs, the Beifushu series, for the treatment of various types of eye diseases, including dry eyes, keratitis, corneal abrasion, corneal surgery such as refractive surgery and cataract surgery etc. In addition, the Group's medicine for general surgery, the Beifuji series, is for use in a variety of surface wound healing and treatment, including burns, ulcers, wounds and cosmetic plastic surgery.

Following the restructuring and expansion of the RSOs to 39 offices, the Group expects continuing organic growth from its flagship biopharmaceutical products, the Beifushu and Beifuji series in the financial year of 2016 ("FY2016"). Its growth in FY2016 is expected to be boosted by new products such as products of Carisolv®, Yi Xue An Granules*(伊血安颗粒)and Iodized Lecithin Capsules* (适丽顺)。

In addition to staying focused on executing its plans to create wider therapeutic reach for its existing products for sustaining growth, the Group will continue to execute its Enrichment Programme in FY2016 to selectively source and secure products that will enhance growth and competitiveness.

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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.

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Summary of key information**For the yearended
31 December**

	2015	2014
	HK\$'m	HK\$'m
Turnover	654.0	518.3
Gross profit	529.6	411.3
Net Profit	104.9	75.3
Cash and cash equivalents	64.6	62.0
Bank borrowings	51.0	50.5
Earnings per share – basic :	HK18.75 cents	HK 13.52 cents
– diluted:	HK 18.51 cents	HK13.47cents
Dividend	HK 2.5 cents	HK 2.2 cents

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