



**Uni-Bio Science Group Ltd.**  
聯康生物科技集團有限公司\*

## Uni-Bio Science Group Announces 2015 Interim Results

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### Differentiated Product Portfolio and Successful Strategic Initiatives Boosts Efficiency and Sales Growth

#### Highlights:

- Sales grew 18.3% compared with the corresponding six-month period, well-exceeding the industry average of 8.6%
- Gross margin improved to 83.4% versus 82.1% in the corresponding six-month period
- Loss from core business reduced by 29.5% to HK\$29.6M versus HK\$42.0M in the corresponding six-month period
- Healthy balance sheet with HK\$133.5M of cash and cash equivalents, and low gearing ratio of 5.0%
- New drug application for Uni-PTH successfully filed with the CFDA
- Uni-E4 met primary efficacy and safety endpoints in Phase III trial
- Uni-bio's strong corporate governance and innovation of products recognized via two awards
- Solid progress on execution of growth strategies
- Business outlook remains strong despite strong headwinds from changing industry landscape

(Hong Kong, 14 August 2015) **Uni-Bio Science Group Limited** ("Uni-Bio Science" or the "Group;" HKEx code: 690) has announced its interim results for the six months ended 30 June 2015. Following the bolstering of the sales and marketing teams and the Medical Function last year, the Group realized solid growth with the enhanced operations during the period under review. In addition, the Group has also achieved major clinical advances while remaining proactive in its approach to further improve profitability.

For the six months ended 30 June 2015, the Group's consolidated turnover increased 18.3% to approximately HK\$58.3 million, a highly favorable performance compared to China's average hospital drug sales growth of approximately 8.6% (May 2015 MAT), according to IMS. Gross profit grew strongly by 20.3% to approximately HK\$48.6 million, outperforming the median of 11 close industry peers according to Thomson Reuters. Gross margin improved further by 1.3 percentage point to 83.4%.

Total loss from core business narrowed significantly to HK\$29.6 million from HK\$42.0 million in the last corresponding period, mainly due to the strong sales growth of the Group's core products and the reduction of general and administrative expenses. The Group still showed a loss from core business mostly due to depreciation on fixed assets and amortization of intangible assets, totaling HK\$18.9 million. The majority of these expenses relate to the Group's heavy investment in plant and machinery to comply with the new cGMP standards, and development in advance of the commercialization of its

pipeline products Uni-PTH and Uni-E4. Net loss was HK\$29.5 million. The Group has nonetheless maintained a healthy financial position with bank deposits, bank balances and cash amounting to HK\$133.5 million as at 30 June 2015.

**Mr. KOH Phee Wah, CEO of the China Operations** said, *“Uni-Bio Science has a very sound portfolio. One of our key priorities is to build on this strong platform, increase our sales reach and raise our visibility. To this end, I am happy to say our efforts are bearing fruit, and our first half company results have shown us to outperform the industry. We are also pleased that our team is navigating well through these challenging times. Within the China Operations, we continue to keep focus and discipline. Our ambition is to continuously build on our foundation, team and performance, in order to further strengthen our industry competitiveness and ensure operational excellence.”*

The Group improved its financial and operational performance during the period as a result of the implementation of a number of strategic initiatives. With the completion of the realignment of the Group’s sales team into North and South regions last year, the Group’s Sales Directors and leaders have benefitted from the ability to focus on smaller geographical areas and to better leverage their local expertise and knowledge. The opening of the Tianjin and Shanghai markets for Pinapu®, and the Group’s success in the Guangdong tender are examples of the achievements resulting from this realignment. These new markets are generating strong growth for a number of our products, including our EGF products in new therapeutic areas.

Consequently, the sales performances of the Group’s products were enhanced. During the period, sales of the Group’s proprietary biological pharmaceutical products GeneTime® (EGF spray indicated for wound healing) and GeneSoft® (EGF-derivative eye drop indicated for corneal damage and postoperative healing) reached HK\$39.1 million, an increase of 11.1% compared with HK\$35.2 million recorded in the last corresponding period. On the other hand, sales of the Group’s proprietary chemical pharmaceutical product Pinapu® (voriconazole tablets to treat severe fungal infections) reached HK\$19.2 million in the period, representing 36.4% growth versus the corresponding period sales of HK\$14.0 million last year.

Further to the Group’s commitment to research and development, significant progress for Uni-PTH and Uni-E4 was achieved in the period under review. Uni-PTH has been officially accepted by the China food and Drug Administration for review and Uni-E4 has met the primary efficacy and safety endpoints in a Phase III study. In recognition of these achievements, the Group was granted the “Pharmaceuticals Award” for Best Innovation in the industry at the inaugural Hong Kong Business Listed Companies Awards, a strong testimony to the Group’s approach to innovation.

Looking ahead, the macro factors of the healthcare industry remain strong, most notably the increased health awareness amongst the public, China’s aging population and an increase in healthcare access. The Group is optimistic that these factors will continue to create attractive business opportunities in the pharmaceutical and healthcare industry in China.

**Mr. Kingsley LEUNG, Executive Director of Uni-Bio Science**, said, *“In addition to fiscal changes, 2014/15 marked a period of significant revision to the regulation of the pharmaceutical industry in China. The raft of policies negatively impacts the pricing of many drug products and resulted in the sluggish growth of the industry in the first half of the year. Nonetheless, we were able to greatly outperform the industry as a result of our commitment to creating novel and differentiated treatments. Policy makers want to reward players who would invest in R&D and will allow preferential pricing for new products. To capitalize on this opportunity, we will continue with our sales and marketing, market access and business development initiatives in full force so that Uni-Bio Science can achieve sustainable long-term growth in this very lucrative market.”*

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**About Uni-Bio Science Group Limited (SEHK: 0690)**

Uni-Bio Science Group Limited is principally engaged in the research and development, manufacture and distribution of pharmaceutical products. The research and development center located in Dongguan, PRC is fully equipped with a complete system for the development of genetically engineered products with a pilot plant test base which is in line with CFDA requirements. The Group also has two GMP manufacturing bases in Beijing and Shenzhen. Both operations in Beijing and Shenzhen produce and distribute their own pharmaceutical products. The Group is focused on the development of novel treatments addressing the therapeutic areas of diabetes, ophthalmology and dermatology

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