聯康生物科技集團有限公司*

Uni-Bio Science Group Limited

(incorporated in the Cayman Islands with limited liability)

(stock code: 690)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31 MARCH 2013

The board (the "Board") of directors (the "Directors") of Uni-Bio Science Group Limited (the "Company", together with its subsidiaries, the "Group") is pleased to announce the preliminary consolidated results of the Group for the financial year ended 31 March 2013 together with the comparative figures for the previous year, as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2013

	Notes	**2013** *HK$'000*	2012 *HK$'000*
Turnover	*4*	**83,333**	57,026
Cost of sales		**(17,043)**	(18,688)
Gross profit		**66,290**	38,338
Change in fair value of investment properties		**1,120**	3,041
Other income	*4*	**5,580**	5,056
Selling and distribution expenses		**(41,708)**	(27,141)
General and administrative expenses		**(92,182)**	(93,390)
Loss on disposal of property, plant and equipment		**(28)**	(19,235)
Property, plant and equipment written off		**(162)**	(3,255)
Loss from operations		**(61,090)**	(96,586)
Finance costs	*5*	**(7,670)**	(5,184)
Share of results of associates		**497**	(638)
Loss before taxation	*6*	**(68,263)**	(102,408)
Income tax expense	*7*	**(1,045)**	(456)
Loss for the year		**(69,308)**	(102,864)

	Note	**2013**	2012
		HK$'000	*HK$'000*
Exchange differences arising on translation of financial statements of foreign operations and total other comprehensive income for the year		**1,514**	22,362
Total comprehensive expenses for the year		**(67,794)**	(80,502)
Loss per share			
Basic and diluted (HK' cents per share)	*8*	**(5.31)**	(7.88)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2013

	Notes	2013 HK$'000	2012 HK$'000
Non-current assets			
Property, plant and equipment		**160,390**	163,653
Investment properties		**24,632**	23,558
Prepaid lease payments		**16,436**	17,553
Goodwill		**259,416**	259,416
Intangible assets		**315,417**	292,973
Interests in associates		**6,861**	10,375
Deposit paid for the acquisition of intangible assets		**–**	51,998
Deposit paid for the acquisition of property, plant and equipment		**22,448**	18,628
		805,600	838,154
Current assets			
Inventories		**4,924**	7,807
Trade and other receivables	*11*	**48,194**	27,082
Prepaid lease payments		**1,087**	1,089
Amounts due from associates		**–**	290
Bank balances and cash		**14,134**	22,273
		68,339	58,541
Current liabilities			
Trade and other payables	*12*	**24,473**	20,919
Amounts due to associates		**7,359**	8,001
Amounts due to directors		**8,706**	9,464
Borrowings		**32,012**	36,137
Income tax payable		**2,638**	2,462
		75,188	76,983
Net current liabilities		**(6,849)**	(18,442)
Total assets less current liabilities		**798,751**	819,712

	Notes	2013 HK$'000	2012 HK$'000
Non-current liabilities			
Borrowings		**97,801**	51,133
Deferred tax liabilities		**1,442**	1,277
		99,243	52,410
Net assets		**699,508**	767,302
Capital and reserves			
Share capital		**13,048**	13,048
Reserves		**686,460**	754,254
Total equity		**699,508**	767,302

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2013

	Share capital	Share premium	Capital reserve	Statutory reserve	Share-based payments reserve	Distributable reserv	Exchange reserve	Accumulated losses	Total equity
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 April 2011	13,048	250,889	(267)	6,289	48,147	1,291,798	145,772	(907,872)	847,804
Share option lapsed during the year	–	–	–	–	(6,610)	–	–	6,610	–
Total comprehensive income (expense) for the year	–	–	–	–	–	–	22,362	(102,864)	(80,502)
At 31 March 2012	13,048	250,889	(267)	6,289	41,537	1,291,798	168,134	(1,004,126)	767,302
Total comprehensive income (expense) for the year	–	–	–	–	–	–	1,514	(69,308)	(67,794)
At 31 March 2013	**13,048**	**250,889**	**(267)**	**6,289**	**41,537**	**1,291,798**	**169,648**	**(1,073,434)**	**699,508**

EXTRACT FROM INDEPENDENT AUDITOR'S REPORT

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2013, and of the Group's loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

EMPHASIS OF MATTER

Without qualifying our opinion, we draw attention to Note 2 to the consolidated financial statements which indicates that the Group incurred a loss attributable to owners of the Company of approximately HK$69,308,000 for the year ended 31 March 2013 and, as of that date, its current liabilities exceeded its current assets by approximately HK$6,849,000. These conditions, along with other matters as set forth in Note 2 to the consolidated financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern.

NOTES:

1. GENERAL INFORMATION

Uni-Bio Science Group Limited (the "Company") is an exempted company incorporated with limited liability in the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and have been suspended for trading since 9 March 2010. Automatic Result Limited, a company incorporated in the British Virgin Islands with limited liability, is the single largest shareholder of the Company. The Company's registered office is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business in Hong Kong is at 13/F., Public Bank Building, 120 Des Voeux Road Central, Central, Hong Kong.

The principal activity of the Company is investment holding and its subsidiaries (collectively referred to as the "Group") are principally engaged in bioscience related business (with focus on the research, development and commercialisation of biopharmaceuticals through recombinant DNA and other technologies), and the manufacture, sale and trading of pharmaceutical products.

The consolidated financial statements are presented in Hong Kong dollars, which is different from the functional currency of the Group, being Renminbi ("RMB"). As the Company is a public company with the shares listed on the Hong Kong Stock Exchange with most of its investors located in Hong Kong, the directors consider that Hong Kong dollars is preferable in presenting the operating results and financial position of the Group.

2. BASIS OF PREPARATION

a) Going concern basis

The Group incurred a loss for the year attributable to equity shareholders of the Company of approximately HK$69,308,000 and its current liabilities exceeded its current assets by HK$6,849,000 as at 31 March 2013. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern.

As noted in Note 14 to the consolidated financial statement, the Company completed the placing of 260,000,000 ordinary shares and raised net proceeds of approximately HK$38,000,000 after the end of the reporting period which will help to recline the pressures on the working capital of the Company.

The consolidated financial statements have been prepared on a going concern basis, the validity of which depends upon the financial supports from the substantial shareholders to cover the Group's operating costs and meet its financial commitments. The substantial shareholders have confirmed their intention and ability to provide continuing financial support to the Group so as to enable it to meets its liabilities as and when they fall due and to carry on its business for the foreseeable future.

In light of the measures described above, the directors are confident that the Group will have sufficient working capital to meet its financial obligations as and when they fall due. Accordingly, the directors are of opinion that it is appropriate to prepare these financial statements on a going concern basis. These financial statements do not include any adjustments relating to the carrying amount and reclassification of assets and liabilities that might be necessary should the Group be unable to continue as a going concern.

b) Statement of compliance

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the investment properties which are stated at their fair value as explained in the accounting policies set out below.

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for investment properties, that are measured at fair values, as explained in the accounting policies set out below. Historical cost is generally based on the fair value of the consideration given in exchange for goods.

3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

In the current year, the Group has applied the following new and revised HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Amendments to Hong Kong Accounting Standard ("HKAS") 12	Deferred Tax: Recovery of Underlying Asset;
Amendments to HKFRS 7	Financial Instruments: Disclosures – Transfers of Financial Assets; and
Amendments to HKAS 1	As part of the Annual Improvements to HKFRSs 2009-2011 Cycle issued in 2012.

The application of the amendments to HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Amendments to HKAS 12 Deferred Tax: Recovery of Underlying Assets

The Group has applied for the first time the amendments to HKAS 12 Deferred Tax: Recovery of Underlying Assets in the current year. Under the amendments, investment properties that are measured using the fair value model in accordance with HKAS 40 Investment Property are presumed to be recovered entirely through sale for the purposes of measuring deferred taxes, unless the presumption is rebutted in certain circumstances.

The Group measures its investment properties using the fair value model. As a result of the application of the amendments to HKAS 12, the directors of the Company reviewed the Group's investment property portfolios and concluded that the Group's investment properties located in the PRC are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, and that the presumption set out in the amendments to HKAS 12 is rebutted. Accordingly, there will be no effect of changes in accounting policies on deferred tax liabilities on changes in fair value of investment properties located in the PRC.

New and revised HKFRSs issued but not yet effective

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

Amendments to HKFRSs	Annual Improvements to HKFRSs 2009 – 2011 Cycle, except for the amendments HKAS 1[1]
Amendments to HKFRS 1	Government Loans[1]
Amendments to HKFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities[1]
Amendments to HKFRS 9 and HKFRS 7	Mandatory Effective Date of HKFRS 9 and Transition Disclosures[3]
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance[1]
Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment Entities[2]
HKFRS 9	Financial Instruments[3]
HKFRS 10	Consolidated Financial Statements[1]
HKFRS 11	Joint Arrangements[1]
HKFRS 12	Disclosure of Interests in Other Entities[1]
HKFRS 13	Fair Value Measurement[1]
HKAS 19 (as revised in 2011)	Employee Benefits[1]
HKAS 27 (as revised in 2011)	Separate Financial Statements[1]
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures[1]
Amendments to HKAS 1	Presentation of Items of Other Comprehensive Income[4]
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities[2]
HK(IFRIC)-Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine[1]

[1] Effective for annual periods beginning on or after 1 January 2013.

[2] Effective for annual periods beginning on or after 1 January 2014.

[3] Effective for annual periods beginning on or after 1 January 2015.

[4] Effective for annual periods beginning on or after 1 July 2012.

Amendments to HKAS 32 Offsetting Financial Assets and Financial Liabilities and amendments to HKFRS 7 Disclosures – Offsetting Financial Assets and Financial Liabilities

The amendments to HKAS 32 clarify existing application issues relating to the offset of financial assets and financial liabilities requirements. Specifically, the amendments clarify the meaning of “currently has a legally enforceable right of set-off” and “simultaneous realisation and settlement”.

The amendments to HKFRS 7 require entities to disclose information about rights of offset and related arrangements (such as collateral posting requirements) for financial instruments under an enforceable master netting agreement or similar arrangement.

The amendments to HKFRS 7 are effective for annual periods beginning on or after 1 January 2013 and interim periods within those annual periods. The disclosures should also be provided retrospectively for all comparative periods. However, the amendments to HKAS 32 are not effective until annual periods beginning on or after 1 January 2014, with retrospective application required.

The directors anticipate that the application of these amendments to HKAS 32 and HKFRS 7 may result in more disclosures being made with regard to offsetting financial assets and financial liabilities in the future.

HKFRS 9 Financial Instruments

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 amended in 2010 includes the requirements for the classification and measurement of financial liabilities and for derecognition.

Key requirements of HKFRS 9 are described as follows:

- All recognised financial assets that are within the scope of HKAS 39 "Financial Instruments: Recognition and Measurement" are subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

HKFRS 9 is effective for annual periods beginning on or after 1 January 2015, with earlier application permitted.

The directors anticipate that the adoption of HKFRS 9 in the future may have significant impact on amounts reported in respect of the Group's financial assets. Regarding the Group's financial assets, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

New and revised standards on consolidation, joint arrangements, associates and disclosures

In June 2011, a package of five standards on consolidation, joint arrangements, associates and disclosures was issued, including HKFRS 10, HKFRS 11, HKFRS 12, HKAS 27 (as revised in 2011) and HKAS 28 (as revised in 2011).

Key requirements of these five standards are described below.

HKFRS 10 replaces the parts of HKAS 27 "Consolidated and Separate Financial Statements" that deal with consolidated financial statements. HK(SIC) – Int 12 "Consolidation – Special Purpose Entities" will be withdrawn upon the effective date of HKFRS 10. Under HKFRS 10, there is only one basis for consolidation, that is, control. In addition, HKFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvements with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's returns. Extensive guidance has been added in HKFRS 10 to deal with complex scenarios.

HKFRS 11 replaces HKAS 31 "Interests in Joint Ventures". HKFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. HK(SIC) – Int 13 "Jointly Controlled Entities – Non-monetary Contributions by Venturers" will be withdrawn upon the effective date of HKFRS 11. Under HKFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangements. In contrast, under HKAS 31, there are three types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations. In addition, joint ventures under HKFRS 11 are required to be accounted for using the equity method of accounting, whereas jointly controlled entities under HKAS 31 can be accounted for using the equity method of accounting or proportionate consolidation.

HKFRS 12 is a disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in HKFRS 12 are more extensive than those in the current standards.

In July 2012, the amendments to HKFRS 10, HKFRS 11 and HKFRS 12 were issued to clarify certain transitional guidance on the application of these five HKFRSs for the first time.

These five standards, together with the amendments relating to the transitional guidance, are effective for annual periods beginning on or after 1 January 2013 with earlier application permitted provided that all of these standards are applied at the same time.

The directors anticipate the that application of these five standards may have significant impact on amounts reported in the consolidated financial statements. However, the directors of the Company have not yet performed a detailed analysis of the impact of the application of these standards and hence have not yet quantified the extent of the impact.

Amendments to HKFRS 10, HKFRS 12 and HKAS 27 Investment Entities

The amendments to HKFRS 10 introduce an exception to consolidating subsidiaries for an investment entity, except where the subsidiaries provide services that relate to the investment entity's investment activities. Under the amendments to HKFRS 10, an investment entity is required to measure its interests in subsidiaries at fair value through profit or loss.

To qualify as an investment entity, certain criteria have to be met. Specifically, an entity is required to:

- obtain funds from one or more investors for the purpose of providing them with professional investment management services;

- commit to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and

- measure and evaluate performance of substantially all of its investments on a fair value basis.

Consequential amendments to HKFRS 12 and HKAS 27 have been made to introduce new disclosure requirements for investment entities.

The amendments to HKFRS 10, HKFRS 12 and HKAS 27 are effective for annual periods beginning on or after 1 January 2014, with early application permitted. The directors anticipate that the application of the amendments will have no effect on the Group as the Company is not an investment entity.

HKFRS 13 Fair Value Measurement

HKFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The standard defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The scope of HKFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in HKFRS 13 are more extensive than those in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only under HKFRS 7 Financial Instruments: Disclosures will be extended by HKFRS 13 to cover all assets and liabilities within its scope.

HKFRS 13 is effective for annual periods beginning on or after 1 January 2013, with earlier application permitted.

The directors anticipate that the application of the new standard may affect certain amounts reported in the consolidated financial statements and result in more extensive disclosures in the consolidated financial statements.

Amendments to HKAS 1 Presentation of Items of Other Comprehensive Income

The amendments to HKAS 1 "Presentation of Items of Other Comprehensive Income" introduce new terminology for the statement of comprehensive income and income statement. Under the amendments to HKAS 1, a 'statement of comprehensive income' is renamed as a 'statement of profit or loss and other comprehensive income' and an 'income statement' is renamed as a 'statement of profit or loss'. The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to HKAS 1 require items of other comprehensive income to be grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis – the amendments do not change the option to present items of other comprehensive income either before tax or net of tax.

The amendments to HKAS 1 are effective for annual periods beginning on or after 1 July 2012. The presentation of items of other comprehensive income will be modified accordingly when the amendments are applied in future accounting periods.

The directors of the Company anticipate that application of the other new or revised HKFRSs will have no material impact on the consolidated financial statements.

4. TURNOVER AND OTHER INCOME

The Group is principally engaged in bioscience related business (with focus on the research, development and commercialisation of biopharmaceuticals through recombinant DNA and other technologies).

Turnover represents the gross invoiced value of goods sold, net of value added tax, sales returns and discounts, to outside customers.

An analysis of the Group's revenue for the year is as follows:

	2013	2012
	HK$'000	HK$'000
Turnover		
Sales of pharmaceutical products	**83,333**	57,026
Other income		
Interest income	**155**	205
Rental income	**1,903**	1,625
Government grants for research and development project	**5**	8
Reversal of impairment on trade and other receivable	**3,399**	1,638
Amounts waived by creditors	**–**	1,210
Sundry income	**118**	370
	5,580	5,056
Total revenues	**88,913**	62,082

5. FINANCE COSTS

	2013	2012
	HK$'000	*HK$'000*
Interest expenses on bank borrowings wholly repayable within five years	**2,676**	3,325
Interest expenses on other borrowings wholly repayable within five years	**4,994**	1,859
	7,670	5,184

6. INCOME TAX EXPENSE

	2013	2012
	HK$'000	*HK$'000*
PRC Enterprise Income Tax ("EIT")		
– Current year	**877**	–
Deferred taxation		
– Current year	**168**	456
	1,045	456

No provision for Hong Kong profits tax has been made since the entities operating in Hong Kong had no assessable profit for the two years ended 31 March 2013.

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

Pursuant to the relevant laws and regulations in the PRC, one of the Group's PRC subsidiary, Shenzhen Watsin Genetech Pharmaceutical Co., Limited, was approved as a "high-new technology enterprises" and become eligible to enjoy a preferential enterprise income tax rate of 15% for the two years ended 31 March 2013.

7. LOSS FOR THE YEAR

Loss for the year is arrived at after charging:

	2013	2012
	HK$'000	*HK$'000*
Staff costs (including directors' emoluments)		
Salaries, wages and other benefits	**15,308**	13,802
Retirement benefit scheme contribution	**1,301**	757
	16,609	14,559
Less: Staff costs included in research and development costs	**(60)**	(343)
Total staff cost	**16,549**	14,216
Amortisation of intangible assets	**30,481**	28,958
Amortisation of prepaid lease payments	**1,092**	1,074
Auditor's remuneration	**1,000**	900
Bad debts directly written-off	**–**	575
Cost of inventories recognised as an expense	**15,595**	18,133
Impairment loss on trade receivables	**–**	1,097
Depreciation	**30,846**	34,531
Less: Depreciation included in research and development costs	**(372)**	(405)
	30,474	34,126
Operating lease rentals in respect of offices	**1,172**	66
Research and development costs	**4,195**	4,649
Less: Capitalisation on intangible assets	**(2,320)**	(2,085)
	1,875	2,564

8. LOSS PER SHARE

The calculation of basic and diluted loss per share attributable to owners of the Company is based on the following data:

	2013	2012
	HK$'000	*HK$'000*
Loss		
Loss for the year attributable to owners of the Company for the purpose of basic and diluted loss per share	**(69,308)**	(102,864)

	2013	2012
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for basic loss per share calculation	**1,304,846**	1,304,846

The computation of diluted loss per share for the year ended 31 March 2013 does not assume the exercise of the Company's outstanding share options as the exercise price of those options was higher than the average market price of the Company's shares.

Diluted loss per share was the same as the basic loss per share for the year ended 31 March 2012 as the effect of the conversion of the Company's share options shares was anti-dilutive.

9. SEGMENT INFORMATION

Information reported to the board of directors of the Company, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on the types of goods sold or services delivered or provided.

Specifically, the Company's reportable segments under HKFRS 8 are as follows:

Third party pharmaceutical products – Distribution of third party pharmaceutical products.

In-house chemical pharmaceutical products – Manufacture and sale of in-house chemical pharmaceutical products.

In-house biological pharmaceutical products – Manufacture and sale of in-house biological pharmaceutical products.

a) **Segment revenues and result**
For the year ended

	Third party pharmaceutical products		**In-house chemical pharmaceutical products**		**In-house biological pharmaceutical products**		**Total**	
	2013	2012	**2013**	2012	**2013**	2012	**2013**	2012
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment revenue:								
Sales to external customers	**–**	7,443	**29,435**	21,429	**53,898**	28,154	**83,333**	57,026
Inter-segment sales	**–**	–	**–**	–	**–**	513	**–**	513
Total	**–**	7,443	**29,435**	21,429	**53,898**	28,667	**83,333**	57,539
Segment results	**(8,528)**	(12,050)	**(9,501)**	(29,637)	**(32,729)**	(44,216)	**(50,758)**	(85,903)
Unallocated income and unallocated expenses							**(10,332)**	(10,683)
Finance costs							**(7,670)**	(5,184)
Share of results of associates							**497**	(638)
Loss before taxation							**(68,263)**	(102,408)

Segment results represents the results of each segment without allocation of interest income, central administration costs, directors' remuneration, share of results of associates and finance costs. This is the measure reported to the chief operating decision maker of the Group for the purposes of resource allocation and performance assessment.

Inter-segment sales are charged with reference to market prices.

b) **Segment assets and liabilities**
For the year ended

	Third party pharmaceutical products		In-house chemical pharmaceutical products		In-house biological pharmaceutical products		Total	
	2013	2012	**2013**	2012	**2013**	2012	**2013**	2012
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment assets								
Segment assets	**36,742**	51,513	**97,984**	91,736	**693,514**	672,401	**828,241**	815,650
Unallocated assets							**45,698**	81,045
Total assets							**873,939**	896,695
Segment liabilities								
Segment liabilities	**937**	5,932	**5,077**	2,424	**8,336**	21,120	**14,350**	29,476
Unallocated liabilities							**160,081**	99,917
Total liabilities							**174,431**	129,393

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than investment properties, interests in associates, amounts due from associates and bank balances and cash. Assets used jointly by reportable segments are allocated on the basis of the revenues earned by individual reportable segments; and

- all liabilities are allocated to operating segments other than amounts due to associates, amounts due to directors, borrowings, income tax payable and deferred tax liabilities. Liabilities for which reportable segments are jointly liable are allocated in proportion to segment assets.

c) **Other segment information**
At 31 March

	Third party pharmaceutical products		In-house chemical pharmaceutical products		In-house biological pharmaceutical products		Total	
	2013	2012	**2013**	2012	**2013**	2012	**2013**	2012
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Additions to non-current assets (Note)	**–**	–	**26,047**	13,241	**55,171**	2,488	**81,218**	15,729
Amortisation of intangible assets	**–**	–	**3,340**	2,269	**27,141**	26,690	**30,481**	28,958
Amortisation of prepaid lease payments	**–**	–	**315**	310	**777**	764	**1,092**	1,074
Depreciation for property, plant and equipment	**10,395**	10,324	**8,611**	8,197	**11,807**	15,977	**30,813**	34,498
Finance costs	**1,757**	1,936	**11**	8	**901**	1,379	**2,669**	3,323
Impairment loss on trade receivables	**–**	1,097	**–**	–	**–**	–	**–**	1,097
Impairment loss on deposit paid for acquisition of intangible assets	**–**	–	**1,761**	–	**–**	–	**–**	–
Reversal of impairment loss on deposit paid for acquisition of property, plant and equipment	**–**	–	**(5,362)**	–	**–**	–	**–**	–
Reversal of impairment loss on trade receivables	**1,862**	–	**–**	–	**1,537**	1,638	**3,399**	1,638

Note: Non-current assets included property, plant and equipment and intangible assets.

Geographical segments

For the two years ended 31 March 2013, all of the Group's revenue were derived from the PRC. Information about the Group's sales to external customers presented based on the locations of customers and distributors, and information about the Group's assets presented based on the geographical location of the assets are summarised below.

	Sales to external customers		Total assets	
	2013	2012	**2013**	2012
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**–**	–	**260,920**	340,461
PRC	**83,333**	57,026	**613,019**	556,234
	83,333	57,026	**873,939**	896,695

Information about major customers

For the two years ended 31 March 2013, no single customer contributed over 10% of the total revenue of the Group.

10. DIVIDEND

No dividend was paid, declared or proposed during the year ended 31 March 2013 (2012: Nil), nor has any dividend been proposed since the end of the reporting period.

11. TRADE AND OTHER RECEIVABLES

	2013	2012
	HK$'000	*HK$'000*
Trade receivable	**23,795**	24,030
Less: Impairment loss recognised	**(3,394)**	(6,789)
	20,401	17,241
Other receivables and prepayments	**28,568**	10,616
Less: Impairment loss recognised	**(775)**	(775)
	27,793	9,841
	48,194	27,082

i) The Group allows an average credit period of 120 days to its customers. In addition, for certain customers with long-established relationship and good past repayment histories, a longer credit period may be granted.

ii) An aged analysis of trade receivables, net of impairment loss recognised, presented based on transaction date is as follows:

	2013	2012
	HK$'000	*HK$'000*
Within 30 days	**5,803**	4,142
31 – 60 days	**4,934**	4,644
61 – 90 days	**4,314**	4,055
Over 90 days	**5,350**	4,400
	20,401	17,241

iii) Aging analysis of trade receivables which were past due but not impaired are as follows:

			Past due but not impaired	
	Total	Neither past due nor impaired	Not more than one month past due	Over one month past due
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
At 31 March 2013	**20,041**	**16,893**	**2,503**	**1,005**
At 31 March 2012	17,241	13,898	1,218	2,125

Trade receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

Included in the Group's trade receivables are debtors with aggregate carrying amount of approximately HK$3,508,000 (2012: HK$3,343,000) which were past due at the reporting date for which the Group has not provided for impairment loss as there has not been a significant change in credit quality and the amounts are still considered fully recoverable. The Group does not hold any collateral over these balances.

12. TRADE AND OTHER PAYABLES

	2013	2012
	HK$'000	*HK$'000*
Trade payables	**1,015**	5,897
Accrued charges and other payables	**23,458**	15,022
	24,473	20,919

i) The average credit period on purchases of goods is 120 days (2012: 120 days). The Group has in place financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

ii) An aged analysis of the trade payables at the end of the reporting period based on transaction date is as follows:

	2013	2012
	HK$'000	*HK$'000*
Within 30 days	**315**	886
31–60 days	**99**	357
61–90 days	**266**	289
Over 90 days	**335**	4,365
	1,015	5,897

13. COMPARATIVE INFORMATION

The comparative figures of the consolidated statement of financial position at 31 March 2012 were restated due to the reclassification of deposit paid for the acquisition of intangible assets of approximately HK$51,998,000 and deposit paid for acquisition of property, plant and equipment of approximately HK$18,628,000 from other receivables which by nature should be non-current.

14. EVENTS AFTER THE REPORTING PERIOD

On 8 May 2013, the Company completed the placement of 260,000,000 ordinary shares at a placing price of HK$0.15 per share. The net proceeds from the placement of approximately HK$38,000,000 will be used as general working capital of the Group.

MANAGEMENT DISCUSSION AND ANALYSIS

During the year under review, the Company (together with its subsidiaries, the "Group") recorded a consolidated turnover of approximately HK$83,333,000 representing an increase of 46% compared with approximately HK$57,026,000 recorded in the last financial year. The gross profit was approximately HK$66,290,000 representing an increase of 73% as compared with approximately HK$38,338,000 recorded in the last financial year. The Group recorded a net loss of approximately HK$69,308,000 for the year ended 31 March 2013 compared to a net loss of approximately HK$102,864,000 in the last financial year.

Business Review and Prospect

During the year under review, the healthcare reform in the People's Republic of China (the "PRC") has continued and the PRC healthcare industry continues to grow. However, the Group continued to face challenges of surging material and operating costs, and increasing competition. In order to tackle the prolonged turmoil noted in the financial market which has adversely affected the economy, we have adopted a more prudent business and financial management policy to ensure that we maintain adequate working capital to finance our operations. The Group also decided to suspend the development of its chemical pharmaceutical products in pipeline and concentrate its resources in developing its pipeline of innovative biological pharmaceutical products which are more promising.

During the year, impairment loss on trade receivables of HK$nil; impairment loss on goodwill of HK$Nil; impairment loss on intangible assets of HK$Nil; impairment loss on property, plant and equipment of HK$Nil and valuation gain on investment properties of HK$nil were recognized as a result of re-assessment of the Group's assets portfolio for the current financial year.

The Group has continuously strengthened its management team which has been committed to rationalizing and re-engineering its work flow and processes to reduce costs and increase efficiency. The government of the PRC continued to support a series of policies, in particular, loosening of credit restrictions and stimulation of domestic consumption to drive up the GDP growth. These policies helped to ease certain negative impact, such as increased costs and market competition, on our operations. In the long run, the Group is optimistic that the business opportunities in the pharmaceutical and healthcare industry in the PRC will remain buoyant given the increasing income and health awareness of the mainland population.

In-house biological pharmaceutical products

The sales of rhEGF products achieved a turnover of HK$53,898,000 and a segment loss of HK$32,729,000 for the year ended 31 March 2013. The turnover and segment loss of last year were HK$28,154,000 and HK$44,216,000 respectively. The reported figure for segment results of in-house biological pharmaceutical products was affected by the research and development expenditure of HK$4,195,000 (2012: HK$4,649,000). During 2013, an amount of HK$2,320,000 (2012: HK$2,085,000) development costs were capitalized as intangible assets to reflect the development breakthrough in three out of four of the Group's self-developed projects. The Group expects that these projects will bring the Group into a profitable position in the near future.

In-house chemical pharmaceutical products

This division achieved a turnover of HK$29,435,000 with segment loss of HK$9,501,000 for the year ended 31 March 2013. The turnover and segment loss in 2012 were HK$21,429,000 and HK$29,637,000 respectively. The increase was mainly due to an increase in demand for the drug and decrease in production cost as a result of tightening cost control by the management.

Research Platforms

The Group has developed several pharmaceutical R&D technology platforms, which include E.coli expression system, Pichia Yeast expression system, Mammalian cell expression system, E.coli constitutive secretion system, Gene therapy drug development system, Gene targeting system and Chemical medicines development system.

E.coli, Pichia Yeast and Mammalian cell expression system

The Group has established gene cloning, genetic engineering expression, fermentation, purification and examination technology systems. These systems exhibit the characteristics of high efficiency, high flux and high stability. With a series of B. Braun's bioreactors from 2L–50L, the Group may carry on the pilot scale protein preparation. Each time of fermentation may produce up to ten thousand lyophilized injection products. At the same time, mainly by making use of the AKTA liquid chromatography separation system, the Group has established the high flux two steps standard operating procedure for protein purification. With this standard method, the protein purity after purification is up to 98 percent, which is higher than the official standard in the PRC.

E.coli constitutive secretion system

The Group is in the process of developing a revolutionary E.coli expression system, whereby the fermentation process could be self promulgated without using the standard promoters. This process, if successful, is expected to improve tremendously the yield that can normally be produced under the traditional fermentation process. Since most of the fermentation process uses E.coli expression system, this new platform could provide significant value for the Group.

Gene therapy drug development system

Adenovirus becomes one of the most important gene carrier systems because of so many important characteristics such as its clear structure and function. The Group has established an entire set of recombinant adenovirus technology, such as recombinant virus construction, transfection, monoclonal preparation, as well as highly effective cell packing. At present, the Group's independently developed adenovirus product is at the stage of animal experimentation.

Gene targeting system

Gene targeting system has already produced more than five hundred different mouse models of human disorders, including cardiovascular and neuro-degenerative diseases, diabetes and cancer. Gene targeting has now been used by many research groups. Three scientists with great contribution in this area were the winners of 2007 Nobel Laureates. The Group has already reconstructed a gene-targeted Bacillus licheniformis producing EGF by this technique. The Group can use genetargeted Bacillus licheniformis cells as vehicles to introduce genetic material into the human body, and the gene- targeted Bacillus licheniformis carrying various health genes could be established directly from this gene-targeting technique in the near future.

Chemical medicines development system

This system is capable of designing, synthesizing and analyzing various small molecular chemical drugs and can prepare various new pharmaceutical delivery systems such as orally disintegrating tablets, soft capsules, ophthalmic gel, lyophilized powders and small dripping solutions. There are additional systems in which the Group has invested which improved the R&D capabilities and reduce the cost of production of the chemical medications.

Product Development

Focusing on research and development of pharmaceutical products in the PRC, the Group has a number of new patent protected Class I & II prescription drugs in the pipeline. The Class I prescription new drugs include Recombinant Exendin-4 (rExendin-4), Recombinant Human Erythropoietin-Fc (rhEPO-Fc), cyclic Thymopentin (cTP-5). The Class II prescription new drugs include Recombinant Human Parathyroid Hormone (1-34) (rhPTH 1-34) and Recombinant Human Interleukin 11 (rhIL-11).

rExendin-4

With the rapid increase in population with diabetes, it is expected that the expenditure on diabetes treatment in the PRC will increase significantly in the years ahead. The demand for diabetes drugs are one of the fastest growing segments in the pharmaceutical market, increased by approximately 40% when compared to in 2004 and accounting for approximately 20% of all prescription drugs in the global markets. In the PRC, the size of pharmaceutical market is estimated to be about US$23-50 billion.

rExendin-4 is a non-insulin antidiabetic treatment candidate that stimulates the incretin pathway (a distinct mechanism of action) which is drawing attention in the medical community and has received the approval from State Food and Drug Administration in the PRC ("SFDA") for clinical trials. Phase I clinical trials started in July 2006 and completed in 2007, Phase II clinical trials were also completed by the end of 2008. Phase III clinical trials commenced in June 2009. The self- developed bio-logical product is near to completion and the Board expects that upon formal approval by State Food and Drug Administration ("SFDA") and after marketing of the product, there will be a drastic jump on the Company's performance in the very near future.

On 6 July 2009, the Company announced that it has initiated pre-clinical trial on application of rExendin-4 on treatment of Type I diabetes. On 8 July 2009, the Company announced that the rExendin-4 project has been approved after evaluation by authoritative experts in the PRC during the first batch topic presentation for the "New Key Drug Formulation" of the State's Major Science and Technology Project under the "Eleventh Five-Year Plan", topic numbered 2008ZX09101-036; and has secured the "Specialty Contract of the State's Major Science and Technology Project" with the Ministry of Science and Technology of the PRC. Among the 15 Class 1 new drug finalists of the first batch of genetic engineering drugs nationwide, the rExendin-4 project developed by the Group is the only project to receive grants in the Guangdong Province. Classified as Class I prescription new drug with nominal side effects, rExendin 4 stimulates the body's ability to produce insulin in response to elevated levels of blood glucose, inhibits the release of glucagon following meals and slows down the rate at which glucose is being absorbed into the bloodstream. This new generation drug will be an effective treatment for Type 2 diabetes and is the only class of diabetic drugs that causes weight loss, the first of its kind to be in the PRC. Furthermore, the Group is in the process of investigating the long acting version ("LExendin-4").

On 4 May 2009, the Company announced that study shows that the LExendin-4 has the biological activity of natural Exendin-4. If the subsequent studies prove to be successful, LExendin-4 will be a new generation of Exendin-4 that can be used for the treatment of Type II diabetes, and potentially, of Type I diabetes as well.

rhEPO-Fc

This medication candidate can be used for treatment of anemia associated with renal diseases, cancer related therapies or surgical blood loss. EPO is currently commercialized by several pharmaceutical companies for a worldwide market that exceeds USD12 billion, and the EPO market is growing at an average annual rate of 21%. The pre-clinical trial of rhEPO-Fc has been completed.

As announced on 21 January 2011, the rhEPO-Fc has obtained approval to conduct Phase I Human Clinical trial on its applications in the People's Republic of China (the "PRC").

On 8 July 2009, the Company announced that the rhEPO-Fc project has joined the second batch topic presentation for the "New Key Drug Formulation" of the State's Major Science and Technology Project under the "Eleventh Five-Year Plan", topic numbered 2009ZX09102-229. The master budget of this project has been submitted to the Ministry of Science and Technology.

cTP-5

rTP-5 has been converted to cTP-5 as a class I chemical drug candidate for the treatment of chronic hepatitis B. It is well known that hepatitis is an epidemic in the PRC, especially hepatitis B. The global statistics of patients that have chronic infections with hepatitis B is around 400 million. The chronically infected population in the PRC is about 130 million (30% of the global infected population). cTP-5 is a chemical medical preparation for treating chronic hepatitis B and the research progress is currently at the final stages of pre-clinical trials. After stages of research and experiments, the Group is able to synthesize cTP-5 at a much lower cost than that of rTP-5 with similar effectiveness. Since most biopharmaceuticals products are bigger in size, the cost in production is much higher using the chemical method. However cTP-5 is only 5 amino acids in length, whereas most biopharmaceuticals are from 30 to 150 amino acids in length.

LFA3-Fc

LFA3-Fc is a Class I biopharmaceutical candidate for the treatment of psoriasis. The current treatment for psoriasis is suppression — orientated, but LFA3-Fc offers a potential cure for psoriasis. This is currently in the early stages of pre-clinical trials.

rhIL-11

rhIL-11 is currently under Phase 3 clinical trials approved by the SFDA for the treatment of chemotherapy-induced thrombocytopenia. rhIL-11 is a Class II prescription new drug candidate that stimulates human body to make platelets, which is a type of blood cell. It is suitable for patients who have received certain types of chemotherapy and is used to help prevent the number of platelets circulating in the blood from dropping to dangerously low level which can cause the patient to have difficulties in blood clotting. rhIL-11 may reduce the need for platelet transfusions after chemotherapy. A study shows that after applying the drug to non-myelosuppressed cancer patients, platelet counts increased significantly. Upon cessation of the treatment, platelet counts continued to increase for up to 7 days then returned to baseline within 14 days. Besides treating chemotherapyinduced thrombocytopenia, rhIL-11 is also shown to have a variety of non-haematological actions such as stimulation of osteoclast development, inhibition of proliferation of adipocytes, protection of the gastrointestinal mucosa, induction of acute phase response proteins and rheumatoid arthritis.

rhPTH 1-34

rhPTH 1-34 (a Class II prescription new drug) has its Phase II clinical trial completed by the end of 2008. Phase III clinical trial commenced in April 2009. rhPTH 1-34 is a type of bone-active agent that primarily works by stimulating new bone formation on quiescent bone surface that is not simultaneously undergoing remodeling. It increases bone mass to a greater degree instead of just filling in the bone remodeling space.

The Company is pleased to inform the shareholders that the Class II prescription new drugs Recombinant Human Parathyroid Hormone (1-34) (rhPTH 1-34) has completed it clinical trial process. Trial production had been made and test applied in some hospitals in early 2013. The Board expects that the final approval by the SFDA would be obtained by middle of 2014.

Osteoporosis is a worldwide epidemic. In 2005, the affected population in the PRC with osteoporosis is approximately 90 million (almost 8% of the country's population). The severe prevalence of this disease is partly due to the dietary habit (lack of calcium). rhPTH 1-34 has the potential to restore bone mass, bringing it back towards normal, and may reduce the risk of osteoporotic fracture more than the currently available antiresorptive agents.

According to the preliminary information gathered, a group which is treated daily with rhPTH 1-34 is expected to reduce the risk of new vertebral fractures by about 65% and the risk of non-vertebral fractures by about 35% as compared with another group treated with placebo.

Strategic Alliance

The Group has also formed a strategic alliance with DaAn Gene Co., Ltd of Sun Yat-sen University ("DaAn") to cooperate on individualized diagnostic reagents and new drugs. DaAn is a public company listed on the Shenzhen Stock Exchange, PRC. specialising in the field of biotechnologies, especially in the development and application of gene diagnostic technologies and related products. DaAn was one of the first companies in the PRC to develop in 2003 the FQ-PCR kit for early detection of SARS-coronavirus (SARS-CoV) upon the platform of FQ-PCR.

The Directors expect that the formation of the strategic alliance with DaAn will bring positive effect to the Group's bio-science related business.

Liquidity and Financial Resources

The Company did not issue any shares during the year.

At 31 March 2013, the Group's bank deposits, bank balances and cash amounted to HK$14,134,000 and bank and other borrowings amounted to HK$129,813,000. At 31 March 2013, the Group has total assets of approximately HK$873,939,000, current assets of the Group at 31 March 2013 amounted to approximately HK$68,339,000 while current liabilities were HK$75,188,000. The gearing ratio, calculated by dividing the total debts over its total assets, was 19.5%.

The Group's major interest and operations are in the PRC. The Group also contracts with suppliers for goods and services that are denominated in Renminbi ("RMB"). The Group does not hedge its foreign currency risks as the rate of exchange between Hong Kong dollar and RMB is controlled within a narrow range.

The following table illustrates the sensitivity analysis of the Group's loss after tax for the year and equity in regards to a 5% (2012: 5%) depreciation in the group entities' functional currencies against RMB. These percentages are the rates used when reporting foreign currency risk internally to key management personnel and represents management's best assessment of the possible change in foreign exchange rates.

The sensitivity analysis of the Group's exposure to foreign currency risk at the end of the reporting period was determined based on the assumed percentage changes in foreign currency exchange rates taking place at the beginning of the financial year and held constant throughout the year.

	2013	2012
	RMB	RMB
	HK$'000	*HK$'000*
Loss for the year and accumulated losses	**4,885**	2,299

A 5% appreciation in the group entities' functional currencies against RMB would have the same magnitude on the Group's loss for the year and equity but of opposite effect.

These are the same method and assumption used in preparing the sensitivity analysis included in the financial statements of the year ended 31 March 2013.

Exposures to foreign exchange rates vary during the year depending on the volume of transactions in RMB. Nevertheless, the analysis above is considered to be representative of the Group's exposure to foreign currency risk.

Pledge of Assets and Contingent Liabilities

At 31 March 2013, leasehold land and land use rights, leasehold building in the PRC and investment properties with an aggregate carrying value of HK$44,730,000 had been pledged to the Group's bankers for banking facilities granted to the Group.

At 31 March 2013, the Group did not have any material contingent liabilities.

Employment and Remuneration Policy

At 31 March 2013, the Group employed approximately 420 staff, including approximately 50 staff in the PRC R&D centres, approximately 200 staff in total in the PRC sales offices, approximately 160 staff in the PRC production sites and approximately 10 staff in Hong Kong. The Group adopts a competitive remuneration package for its employees. Promotion and salary increments are assessed based on performance. Share options may also be granted to staff with reference to the individual's performance.

CORPORATE GOVERNANCE

The Company is committed to the establishment of good corporate governance practices and procedures.

AUDIT COMMITTEE

The audit committee of the Company ("Audit Committee") was established in 2001. The current members of the Audit Committee are Mr. TSAO Hoi Ho (Chairman), Mr. LOU Iok Kuong, Mr. LEUNG Ka Chun, Mr. NG Pak Kin and Mr. LEUNG Wai Chung, Vincent. Other than Mr. LEUNG Ka Chun who had been redesigned as Executive Director of the Company on 1 December 2012, all of the rest of the audit committee members being independent non-executive Directors. Mr. LOU Iok Kuong, and Mr. LEUNG Ka Chun were appointed on 25 June 2010. While Mr. NG Pak Kin and Mr. LEUNG Wai Chung, Vincent were appointed 1 December 2012.

Mr. TSAO Hoi Ho was appointed on 7 May 2010 and has the appropriate professional qualifications and accounting and related financial management expertise as required under Rule 3.21 of the Listing Rules for the purpose of such appointment.

The written terms of reference which describe the authority and duties of the Audit Committee were adopted in 2001 and subsequently amended in 2005 to conform to the provisions of the CG Code.

The meetings of the Audit Committee are held not less than twice a year to review and discuss the interim and annual financial statements respectively. Additional meeting may also be held by the Audit Committee from time to time to discuss special projects or other issues which it considers necessary. The external auditors of the Group may request a meeting of the Audit Committee to be convened if they consider that it is necessary.

The main duties of the Audit Committee are as follows:

– To consider the appointment of the external auditors, the audit fee, and any question of resignation or dismissal

– To discuss with the external auditors the nature and scope of the audit

– To review and monitor the external auditors' independence and objectivity and the effectiveness of the audit process in accordance with applicable standard

- To develop and implement policy on the engagement of an external auditors to supply non-audit services

- To review the Group's interim and annual financial statements before submission to the Board

- To discuss problems and reservations arising from the interim and final audits and any matters that the external auditors may wish to discuss

- To review the external auditors' management letter and the management's response

- To review the Group's statement on internal control system prior to endorsement by the Board

- To consider the major findings of any internal investigation and the management's response

- To consider other topics, as defined by the Board

The Audit Committee held two meetings during the year under review. The attendance record of the Audit Committee meetings for the year under review is as follows:

Members of the Audit Committee	**Meeting(s) Attended/Held**
NG Pak Kin *(appointed1.12.2012)*	2/4
LEUNG Wai Chung, Vincent *(appointed 1.12.2012)*	2/4
LOU Iok Kuong	4/4
LEUNG Ka Chun	4/4
TSAO Hoi Ho *(Chairman)*	4/4

Throughout the year under review, the Audit Committee discharged its responsibilities by reviewing and discussing the financial results and internal control system of the Group.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors as at the latest practicable date prior to the issue of this report, the Company has maintained sufficient public float as required under the Listing Rules as at the date of this report.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

The Group had no material acquisition or disposal of any subsidiaries and associated companies for the year ended 31 March 2013.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SHARES

During the year ended 31 March 2013, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed shares.

PUBLICATION OF ANNUAL REPORT

The annual report of the Company for the year ended 31 March 2013 will be dispatched to the shareholders and, for information only, holders of warrants and holders of share options of the Company and published on the website of the Stock Exchange at www.hkex.com.hk and the designated website of the Company at http://www.uni-bioscience.com/in due course.

By order of the board of directors of
Uni-Bio Science Group Limited
Tong Kit Shing
Chairman

Hong Kong, 28 June 2013

As at the date of this announcement, the executive directors of the Company are Mr. TONG Kit Shing (Chairman), Mr. LIU Guoyao; and Mr. LEUNG Ka Chun; the independent non-executive directors of the Company are Mr. TSAO Hoi Ho, Terry, Mr. LOU Iok Kuong and Mr. NG Pak Kin and Mr. LEUNG Wai Chung, Vincent.