中生北控生物科技股份有限公司
BIOSINO BIO-TECHNOLOGY AND SCIENCE INCORPORATION*

(Registered in the People's Republic of China with limited liability)

(Stock Code: 8247)

INTERIM RESULTS ANNOUNCEMENT FOR THE THREE MONTHS AND SIX MONTHS ENDED 30 JUNE 2007

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This announcement, for which the directors (the "Directors") of Biosino Bio-Technology and Science Incorporation (the "Company") collectively and individually accept full responsibilities, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (the "GEM Listing Rules") of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

* *For identification purposes only*

UNAUDITED CONSOLIDATED INTERIM RESULTS

The Board of Directors (the "Board") of the Company announced the unaudited consolidated results of the Group for the three months and six months ended 30 June 2007 and the unaudited condensed consolidated balance sheet of the Group as at 30 June 2007, together with the comparative figures in 2006, as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

For the three months and six months ended 30 June 2007

		Three months ended 30 June		Six months ended 30 June	
		2007	2006	**2007**	2006
		Unaudited	Unaudited	**Unaudited**	Unaudited
	Notes	***RMB'000***	*RMB'000*	***RMB'000***	*RMB'000*
REVENUE	*2, 3*	**47,188**	38,171	**83,652**	68,170
Cost of sales		**(16,472)**	(12,664)	**(29,318)**	(22,525)
Gross profit		**30,716**	25,507	**54,334**	45,645
Other income		**2,033**	373	**3,688**	444
Selling and distribution expenses		**(11,322)**	(10,703)	**(18,582)**	(17,821)
Administrative expenses		**(11,227)**	(6,803)	**(19,776)**	(12,322)
Research and development costs		**(2,029)**	(2,223)	**(5,018)**	(4,029)
Other operating expenses		**(161)**	–	**(556)**	–
PROFIT FROM OPERATING ACTIVITIES	*4*	**8,010**	6,151	**14,090**	11,917
Finance costs	*5*	**(1,390)**	(496)	**(2,732)**	(1,044)
PROFIT BEFORE TAX		**6,620**	5,655	**11,358**	10,873
Tax	*6*	**(1,830)**	(977)	**(3,294)**	(1,624)
PROFIT FOR THE PERIOD		**4,790**	4,678	**8,064**	9,249
Attributable to:					
Shareholders of the Company		**4,180**	4,364	**7,182**	8,682
Minority interests		**610**	314	**882**	567
		4,790	4,678	**8,064**	9,249
EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY	*7*				
– Basic (RMB)		**0.042**	0.044	**0.072**	0.098
– Diluted		**N/A**	N/A	**N/A**	N/A

CONDENSED CONSOLIDATED BALANCE SHEET

As at 30 June 2007

	Notes	30 June 2007 Unaudited RMB'000	31 December 2006 Audited RMB'000
ASSETS			
Non-current assets:			
Property, plant and equipment		**110,129**	111,266
Prepaid land premiums		**6,881**	6,957
Goodwill		**471**	309
Know-how		**2,219**	2,238
Trade and bills receivables	*9*	**1,830**	1,530
Total non-current assets		**121,530**	122,300
Current assets:			
Prepaid land premiums		**146**	146
Inventories		**21,492**	21,199
Trade and bills receivables	*9*	**37,079**	27,963
Prepayments, deposits and other receivables		**13,672**	10,581
Financial assets at fair value through profit or loss		**195**	–
Pledged bank balance		**3**	3
Cash and cash equivalents		**149,247**	154,580
Total current assets		**221,834**	214,472
TOTAL ASSETS		**343,364**	336,772

	Notes	**30 June 2007 Unaudited** *RMB'000*	31 December 2006 Audited *RMB'000*
EQUITY AND LIABILITIES			
Equity attributable to shareholders of the Company:			
Issued capital	*10*	**100,018**	100,018
Reserves		**68,014**	60,832
Proposed final dividend		**–**	10,002
		168,032	170,852
Minority interests		**20,328**	18,872
TOTAL EQUITY		**188,360**	189,724
Non-current liabilities:			
Government grants		**12,820**	12,820
Bank borrowings		**80,000**	80,000
Total non-current liabilities		**92,820**	92,820
Current liabilities:			
Trade and bills payables	*11*	**6,665**	2,355
Other payables and accruals		**40,125**	35,866
Taxes payable		**5,394**	6,007
Bank borrowings		**10,000**	10,000
Total current liabilities		**62,184**	54,228
TOTAL LIABILITIES		**155,004**	147,048
TOTAL EQUITY AND LIABILITIES		**343,364**	336,772

Notes:

1. BASIS OF PREPARATION

The unaudited condensed consolidated accounts for the three months and six months ended 30 June 2007 have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which also include Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and accounting principles generally accepted in Hong Kong. The accounting policies and basis of preparation used in the preparation of the unaudited condensed consolidated accounts are consistent with those used in the Company's audited financial statements for the year ended 31 December 2006.

2. SEGMENT INFORMATION

Segment information is presented by way of two segment formats: (i) on a primary segment reporting basis, by business segment; and (ii) on a secondary segment reporting basis, by geographical segment.

The Group's operating businesses are structured and managed separately according to the nature of their operations and the products they provide. Each of the Group's business segments represents a strategic business unit that offers products which are subject to risks and returns that are different from those of the other business segments. Particulars of the business segments are summarised as follows:

(i) the in-vitro diagnostic reagent products segment manufactures, sells and distributes a variety of mono/double diagnostic reagent products; and

(ii) the pharmaceutical product segment manufactures, sells and distributes a pharmaceutical product.

(a) ***Business segments***

The following tables present revenue and results for the Group's business segments for each of the six months ended 30 June 2007 and 2006.

Six months ended 30 June 2007

	In-virto diagnostic reagent products	**Pharma-ceutical product**	**Eliminations**	**Total**
	Unaudited	**Unaudited**	**Unaudited**	**Unaudited**
	RMB'000	***RMB'000***	***RMB'000***	***RMB'000***
Segment revenue:				
Sales to external customers	**54,026**	**29,626**	**–**	**83,652**
Other income	**2,996**	**–**	**–**	**2,996**
Total	**57,022**	**29,626**	**–**	**86,648**
Segment results	**9,281**	**4,117**		**13,398**
Interest income				**692**
Profit from operating activities				**14,090**
Finance costs				**(2,732)**
Profit before tax				**11,358**
Tax				**(3,294)**
Profit for the period				**8,064**

Six months ended 30 June 2006

	In-virto diagnostic reagent products Unaudited *RMB'000*	Pharma-ceutical product Unaudited *RMB'000*	Eliminations Unaudited *RMB'000*	Total Unaudited *RMB'000*
Segment revenue:				
Sales to external customers	43,652	24,518	–	68,170
Other income	24	–	–	24
Total	43,676	24,518	–	68,194
Segment results	8,821	2,676		11,497
Interest income				420
Profit from operating activities				11,917
Finance costs				(1,044)
Profit before tax				10,873
Tax				(1,624)
Profit for the period				9,249

(b) Geographical segments

No geographical segmental analysis is presented as all of the Group's operations were located in Mainland China for each of the six months ended 30 June 2007 and 2006.

3. REVENUE

Revenue, which is also the Group's turnover, represents the net invoiced value of goods sold, net of value added tax and government surcharges, and after allowances for the goods returned and trade discounts.

An analysis of the Group's revenue for the three months and six months ended 30 June 2007 is as follows:

	Three months ended 30 June		**Six months ended 30 June**	
	2007	2006	**2007**	2006
	Unaudited	Unaudited	**Unaudited**	Unaudited
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
Sale of in-vitro diagnostic reagent products	**30,774**	24,622	**54,026**	43,652
Sale of a pharmaceutical product	**16,414**	13,549	**29,626**	24,518
	47,188	38,171	**83,652**	68,170

4. PROFIT FROM OPERATING ACTIVITIES

Profit from operating activities was arrived at after charging:

	Three months ended 30 June		**Six months ended 30 June**	
	2007	2006	**2007**	2006
	Unaudited	Unaudited	**Unaudited**	Unaudited
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
Depreciation	**2,551**	1,888	**4,973**	3,319
Amortisation of know-how	**108**	107	**214**	185
Amortisation of prepaid land premiums	**39**	37	**77**	73

5. FINANCE COSTS

	Three months ended 30 June		**Six months ended 30 June**	
	2007	2006	**2007**	2006
	Unaudited	Unaudited	**Unaudited**	Unaudited
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
Interest on bank loans	**1,390**	496	**2,732**	1,044

6. TAX

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the six months ended 30 June 2007 (2006: Nil). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretations and practices in respect thereof. According to the relevant PRC income tax law, the Company and its subsidiaries, being registered as new and high technology enterprises in Beijing, are entitled to concessionary income tax rates of 15% and 7.5% in their respective subsidiaries, which have been applied for both periods.

	Three months ended 30 June		**Six months ended 30 June**	
	2007	2006	**2007**	2006
	Unaudited	Unaudited	**Unaudited**	Unaudited
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
Group:				
Current – Mainland China	**1,830**	977	**3,294**	1,624

7. EARNINGS PER SHARE

The calculation of basic earnings per share for the three months ended 30 June 2007 is based on the unaudited profit attributable to shareholders of the Company for the period and the weighted average of 100,017,528 (2006: 100,017,528) registered shares in issue during the period.

The calculation of basic earnings per share for the six months ended 30 June 2007 is based on the unaudited profit attributable to shareholders of the Company for the period and the weighted average of 100,017,528 (2006: 88,693,025) registered shares in issue during the period.

No diluted earnings per share have been presented as no diluting event existed during the three months and six months ended 30 June 2007 (2006: Nil).

8. INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2007 (2006: Nil).

9. TRADE AND BILLS RECEIVABLES

The credit period of the Group to its customers is generally for a period ranging from 60 days to 90 days. The Group closely monitors overdue balances, and impairment is made when it is considered that amounts due may not be recovered. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

An aged analysis of the trade and bills receivables of the Group as at the balance sheet date based on invoice date, are as follows:

	30 June 2007 Unaudited *RMB'000*	31 December 2006 Audited *RMB'000*
Within 3 months	**30,883**	22,778
4 to 6 months	**4,062**	2,361
7 to 12 months	**2,296**	1,749
1 to 2 years	**2,378**	3,084
Over 2 years	**2,023**	1,674
	41,642	31,646
Less: Provision for doubtful receivables	**(2,733)**	(2,153)
	38,909	29,493
Less: Portion classified as current assets	**(37,079)**	(27,963)
Non-current portion	**1,830**	1,530

Included in the trade and bills receivables of the Group as at 30 June 2007 was an aggregate amount of RMB1,830,000 (as at 31 December 2006: RMB1,530,000) due from certain established customers of the Group for several instalment sales contracts entered into with payment terms ranging from two to four years. The balances are unsecured and interest-free.

The carrying amounts of the trade and bills receivables approximate to their fair values.

10. SHARE CAPITAL

	30 June 2007 Unaudited *RMB'000*	31 December 2006 Audited *RMB'000*
Registered, issued and fully paid:		
67,017,528 Domestic shares of RMB1.00 each	**67,018**	67,018
33,000,000 H shares of RMB1.00 each	**33,000**	33,000
	100,018	100,018

11. TRADE AND BILLS PAYABLES

An aged analysis of trade and bills payables of the Group as at the balance sheet date, based on the invoice date, is as follows:

	30 June 2007 Unaudited *RMB'000*	31 December 2006 Audited *RMB'000*
Outstanding balances aged:		
Within 3 months	**6,098**	1,744
4 to 6 months	**118**	322
7 to 12 months	**324**	73
1 to 2 years	**54**	114
Over 2 years	**71**	102
	6,665	2,355

The trade payables are non-interest-bearing and are normally settled on credit terms ranging from 30 days to 90 days.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review for the First Half of 2007

For the first half of the year, an important project of "Bio-medical Key Reagent"(《生物醫學關鍵試劑》), the first project supporting the development of in-vitro diagnostic reagent of the 863 Program under the Eleventh Five-Year Plan of the State, has come into its full implementation. The Group, as the leader of in-vitro diagnostic reagent production in China, undertakes and leads the implementation of such project. Moreover, the State Food and Drug Administration of the PRC ("SFDA") officially issued and implemented the "Management Method of In Vitro Diagnostic Reagents Registration (Interim)"(《體外診斷試劑註冊管理辦法(試行)》) during the first half of the year, and some relevant ancillary regulations including "Detailed Rules for the Implementation of the Production of In Vitro Diagnostic Reagents (Interim)"(《體外診斷試劑生產實施細則(試行)》), "Guiding Principles for the Preparation of Manuals for In Vitro Diagnostic Reagents"(《體外診斷試劑說明書編寫指導原則》) were issued afterward. Such regulation is the State's first regulation specific to in-vitro diagnostic reagents, the issuance and implementation of which not only provides the Company with new concepts, new policies and new demands, but also presents new opportunities and targets for the Company. As a leading enterprise in the in-vitro diagnostic reagent industry, the Group has already prepared itself to meet the new standards. The implementation of these new regulations will enhance the industry's orderly development to reach high standards and requirements, and will also facilitate the growth of the Group. Since this year, the State has put additional resources in public hospital services and insurance for the low-income group. This has already driven the market growth of the in-vitro diagnostic industry and created higher demands for the Group's products.

For the first half of the year, the Group took full advantage of the opportunities brought by the development of China and devoted more resources to product research and development as well as infrastructure construction. We also adopted an active approach in expanding the product mix and target market, thereby facilitating the trend of healthy and rapid growth of our businesses.

Financial Review for the First Half of 2007

The revenue for the six months ended 30 June 2007 was approximately RMB83.65 million, representing a remarkable increase of 22.7% as compared with approximately RMB68.17 million for the corresponding period last year. The revenue of approximately RMB54.03 million of in-vitro diagnostic reagent products accounted for 64.6% of the Group's total revenues, representing a 23.8% increase as compared with RMB43.65 million over the corresponding period last year. For pharmaceutical products, the revenue of RMB29.62 million of Lumbrokinase capsules accounted for 35.4% of the Group's total revenue, representing an increase of 20.8% as compared with RMB24.52 million over the corresponding period last year.

For the six months ended 30 June 2007, profit from operating activities amounted to RMB14.09 million, representing an increase of 18.3% as compared with the corresponding period last year. With an aim to promote business expansion and further consolidate its leading position in the market, the Group continued its effort in the research and development of new diagnostic reagent products and pharmaceutical products, and thereby recorded higher research and development expenses. On the other hand, the surge in operating expenses as compared with the corresponding period last year was mainly attributable to the consolidation of operational expenses of four subsidiaries which were established or acquired by the Group since the end of the first quarter last year, offsetting part of the increase in profit generated from the out-performed growth in sales.

Profit attributable to shareholders for the six months ended 30 June 2007 was RMB7.18 million, representing a decrease of approximately 17.3% as compared with the corresponding period last year. Such decrease was mainly attributable to the increase in interest expenses as a result of the increase in the Group's bank borrowings for research and development and business expansion, together with the higher income tax expense due to the adjustment in the fixed deductible amount on salary expenses by State Administration of Taxation.

Prospect and Outlook

Looking forward, the Group is confident about the prospect of development of the in-vitro diagnostic reagent industry and of the Group. By actively carrying out the State's 863 Program and establishing a technological innovation system for China's medical test and in-vitro diagnostic reagent industry, we will give full support to the State's policy of "establishing a technological innovation system with enterprises as the subject, market trend as the guide and the construction of a system embracing manufactures, studies and researches". On the other hand, we will also make greater efforts in the research and development of new products, as well as enhance our self-innovation capability by setting up a reference system and an industry standard system, with an aim to increase our share in the China market and export our products.

Besides, in view of the long-term growth, the Group will step up its efforts in expanding product mix and enhancing market network. By maintaining a team with talented staff and establishing an industrial system with high productivity and competitiveness, the Group can sustain its development and become a pioneer in China's protein industry with international influence, which in turn maximizing our shareholders' interest.

Purchase, Sale or Redemption of the Company's Listed Securities

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the period.

Compliance Adviser's Interest

As updated and notified by the Company's compliance adviser, Partners Capital International Limited (the "Compliance Adviser"), none of the Compliance Adviser, or its directors, employees or associates (as defined under the GEM Listing Rules) had any interest in the share capital of the Company as at 30 June 2007 pursuant to Rule 6.36 of the GEM Listing Rules.

Pursuant to an agreement dated 27 February 2006 entered into between the Company and the Compliance Adviser, the Compliance Adviser will receive a fee for acting as the Company's compliance adviser for the period from 27 February 2006 and end on the date on which the Company complies with Rule 18.03 of the GEM Listing Rules in respect of its financial results for the second full financial year ending 31 December 2008 or until the agreement is terminated in accordance with the terms and conditions set out therein.

Corporate Governance and Compliance with the Code on Corporate Governance Practices

The Company always puts strong emphasis on the superiority, steadiness and rationality of corporate governance. The Company has complied with all the code provisions in the Code on Corporate Governance Practice (the "Code") by establishing a formal and transparent procedures to protect and maximise the interests of shareholders during the period under review, except for the deviation that Mr. Wu Lebin assumes the role of both the chairman of the Board and the president of the Company. The Board is of the view that it is in the best interests of the Group to have Mr. Wu, who have vast and solid experience in the medical industry to perform the dual role so that the Board can have the benefits of a chairman who is knowledgeable about the business of the Group and is most capable to guide and brief the Board in a timely manner on pertinent issues.

Audit Committee

The Company has established an audit committee on 10 February 2006 with written terms of reference in compliance with the requirements as set out in Rules 5.28 and 5.29 of the GEM Listing Rules. The audit committee's primary duties are the review and supervision of the Company's financial reporting procedures and internal control system. The Group's unaudited condensed consolidated accounts for the six months ended 30 June 2007 have been reviewed by the audit committee with the three independent non-executive directors of the Company, namely Dr. Cheng Jing (appointed on 9 January 2007), Dr. Hua Sheng and Mr. Chan Yiu Kwong.

By order of the Board
Biosino Bio-Technology and Science Incorporation
Mr. Wu Lebin
Chairman

Beijing, the PRC, 8 August 2007

As at the date of this announcement, the Board comprises:

Chairman and Executive Director
Mr. Wu Lebin (吳樂斌先生)

Vice Chairman and Non-executive Directors
Mr. Zhang Yong (張勇先生) and Dr. Gao Guang Xia (高光俠博士)

Executive Directors
Dr. Wang Lin (王琳博士) and Mr. Hou Quanmin (侯全民先生)

Non-executive Directors
Ms. Li Chang (李暢女士), Mr. Rong Yang (榮洋先生), Mr. Wang Fu Gen (王福根先生) and Ms. Yu Xiaomin (郁小民女士)

Independent non-executive Directors
Dr. Cheng Jing (程京博士), Dr. Hua Sheng (華生博士) and Mr. Chan Yiu Kwong (陳耀光先生)

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the "Latest Company Announcements" page of the GEM website for at least seven days from the day of its posting.