China Bio-Med Regeneration Technology Limited
中國生物醫學再生科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8158)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 30 APRIL 2010

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET ("GEM") OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

This announcement, for which the directors of China Bio-Med Regeneration Technology Limited 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 (the "GEM Listing Rules") for the purpose of giving information with regard to China Bio-Med Regeneration Technology Limited. The directors of China Bio-Med Regeneration Technology Limited, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

FINAL RESULTS

The board of directors (the "Board") of China Bio-Med Regeneration Technology Limited (the "Company") announces the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 30 April 2010, together with the comparative figures in 2009, as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 April 2010

	Notes	**2010** ***HK$'000***	2009 *HK$'000* (Re-presented)
Continuing operations:			
Revenue	*3*	**30**	5,076
Cost of services provided		**(24)**	(5,000)
Gross profit		**6**	76
(Loss)/Gain on financial assets at fair value through profit or loss		**(20,433)**	13,063
Other income		**940**	388
Administrative and operating expenses		**(50,976)**	(37,693)
Operating loss		**(70,463)**	(24,166)
Finance costs	*5*	**(10,782)**	(6,633)
(Loss)/Gain on disposals of interests in associates		**(32)**	45,650
Share of results of associates		**–**	1,701
(Loss)/Profit before income tax	*6*	**(81,277)**	16,552
Income tax credit/(expense)	*8*	**3,958**	(1,067)
(Loss)/Profit after income tax from continuing operations		**(77,319)**	15,485
Discontinued operations:			
Loss for the year from discontinued operations		**(2,046)**	(1,914)
(Loss)/Profit for the year		**(79,365)**	13,571
Other comprehensive income			
Exchange (loss)/gain on translation of financial statements of foreign operations		**(51)**	482
Release of translation reserve upon disposals of subsidiaries		**235**	–
Release of share of associates' reserve upon disposals of associates		**–**	(694)
Other comprehensive income for the year		**184**	(212)
Total comprehensive income for the year		**(79,181)**	13,359

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME *(Continued)*
For the year ended 30 April 2010

	Notes	2010 HK$'000	2009 HK$'000 (Re-presented)
(Loss)/Profit for the year attributable to:			
Owners of the Company		**(64,569)**	21,092
Minority interest		**(14,796)**	(7,521)
		(79,365)	13,571
Total comprehensive income attributable to:			
Owners of the Company		**(64,390)**	20,854
Minority interest		**(14,791)**	(7,495)
		(79,181)	13,359
(Loss)/Earnings per share for (loss)/profit attributable to owners of the Company	*10*		
– basic (HK cents)			
From continuing and discontinued operations		**(1.891)**	0.967
From continuing operations		**(1.831)**	1.054
– diluted (HK cents)			
From continuing and discontinued operations		**N/A**	0.591
From continuing operations		**N/A**	0.635

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 April 2010

	Notes	**2010** **HK$'000**	2009 *HK$'000*
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		**37,139**	12,571
Land use rights and operating lease prepayments		**4,962**	8,645
Interests in associates		**–**	–
Available-for-sale financial assets		**–**	1,285
Rental deposits		**–**	2,295
Goodwill	*11*	**141,310**	141,310
Other intangible assets	*12*	**206,482**	221,674
		389,893	387,780
Current assets			
Inventories		**348**	495
Trade receivables	*13*	**23**	6,602
Deposits, prepayments and other receivables		**11,742**	10,389
Financial assets at fair value through profit or loss		**–**	79,441
Amounts due from associates		**–**	258
Cash and cash equivalents		**162,499**	15,113
		174,612	112,298
Current liabilities			
Trade payables	*14*	**643**	1,324
Accrued charges and other payables		**62,373**	50,260
Amounts due to minority shareholders of subsidiaries		**19,280**	15,623
Bank loan (secured) – due within one year		**–**	152
Convertible bonds		**43,060**	–
Taxation payable		**–**	2,091
		125,356	69,450
Net current assets		**49,256**	42,848
Total assets less current liabilities		**439,149**	430,628

CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)*
As at 30 April 2010

	Notes	**2010** **HK$'000**	2009 HK$'000
Non-current liabilities			
Bank loan (secured) – due over one year		**–**	3,282
Convertible bonds		**–**	104,896
Deferred taxation		**25,093**	27,051
		25,093	135,229
Net assets		**414,056**	295,399
EQUITY			
Equity attributable to owners of the Company			
Share capital		**54,769**	24,809
Reserves		**292,413**	188,925
		347,182	213,734
Minority interest		**66,874**	81,665
Total equity		**414,056**	295,399

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 April 2010

	Attributable to owners of the Company									Minority interest	Total
	Share capital	Share premium*	Translation reserve*	Special reserve*	Share option reserve*	Other reserve*	Convertible bonds equity reserve*	(Accumulated losses)/ Retained profits*	Total		
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 May 2008	19,009	47,283	544	(200)	1,827	694	–	(16,553)	52,604	216	52,820
Acquisition of subsidiaries	–	–	–	–	–	–	–	–	–	89,027	89,027
Disposals of subsidiaries	–	–	–	–	–	–	–	–	–	(83)	(83)
Issue of convertible bonds	–	–	–	–	–	–	43,910	–	43,910	–	43,910
Shares issued at premium	3,800	93,100	–	–	–	–	–	–	96,900	–	96,900
Shares issue expenses	–	(2,534)	–	–	–	–	–	–	(2,534)	–	(2,534)
Exercise of share options	2,000	1,827	–	–	(1,827)	–	–	–	2,000	–	2,000
Transactions with owners	5,800	92,393	–	–	(1,827)	–	43,910	–	140,276	88,944	229,220
Profit for the year	–	–	–	–	–	–	–	21,092	21,092	(7,521)	13,571
Other comprehensive income											
Exchange gain on translation of financial statements of foreign operations	–	–	456	–	–	–	–	–	456	26	482
Reclassification adjustment relating to release of share of associates' reserve upon disposals of associates	–	–	–	–	–	(694)	–	–	(694)	–	(694)
Total comprehensive income for the year	–	–	456	–	–	(694)	–	21,092	20,854	(7,495)	13,359
At 30 April 2009 and 1 May 2009	24,809	139,676	1,000	(200)	–	–	43,910	4,539	213,734	81,665	295,399
Shares issued at premium	4,960	124,000	–	–	–	–	–	–	128,960	–	128,960
Shares issue expenses	–	(1,000)	–	–	–	–	–	–	(1,000)	–	(1,000)
Conversion of convertible bonds	25,000	72,322	–	–	–	–	(27,444)	–	69,878	–	69,878
Transactions with owners	29,960	195,322	–	–	–	–	(27,444)	–	197,838	–	197,838
Loss for the year	–	–	–	–	–	–	–	(64,569)	(64,569)	(14,796)	(79,365)
Other comprehensive income											
Exchange loss on translation of financial statements of foreign operations	–	–	(56)	–	–	–	–	–	(56)	5	(51)
Reclassification adjustment relating to release of translation reserve upon disposals of subsidiaries	–	–	235	–	–	–	–	–	235	–	235
Total comprehensive income for the year	–	–	179	–	–	–	–	(64,569)	(64,390)	(14,791)	(79,181)
At 30 April 2010	**54,769**	**334,998**	**1,179**	**(200)**	**–**	**–**	**16,466**	**(60,030)**	**347,182**	**66,874**	**414,056**

* The aggregate amount of these balances of HK$292,413,000 (2009: HK$188,925,000) in surplus is included as reserves in the consolidated statement of financial position.

The special reserve represents the difference between the nominal value of the shares of the acquired subsidiaries and the nominal value of the Company's shares issued for their acquisition at the time of the Group's reorganisation in 2001.

Other reserve represents the share of net reserves of an associate.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 April 2010

1. GENERAL INFORMATION

China Bio-Med Regeneration Technology Limited (the "Company") was incorporated as an exempted company with limited liability in the Cayman Islands under the Companies Law (Revision 2001) of Cayman Islands on 20 April 2001. The address of its registered office is P.O. Box 309, Ugland House, South Church Street, George Town, Grand Cayman, KY1-1104, Cayman Islands and its principal place of business is Suites 3101-5, 31st Floor, Dah Sing Financial Centre, 108 Gloucester Road, Wanchai, Hong Kong. The Company's shares are listed on the GEM of the Stock Exchange.

The Company is an investment holding company. The principal activities of its subsidiaries are the provision of corporate services and tissue engineering.

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The financial statements also include the applicable disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on GEM of the Stock Exchange ("GEM Listing Rules").

2. ADOPTION OF NEW OR AMENDED HKFRSs

In the current year, the Group has applied for the first time the following new standards, amendments and interpretations (the "new HKFRSs") issued by the HKICPA, which are relevant to and effective for the Group's financial statements for the annual period beginning on 1 May 2009:

HKAS 1 (Revised 2007)	Presentation of financial statements
HKAS 23 (Revised 2007)	Borrowing costs
HKAS 27 (Amendments)	Cost of an investment in a subsidiary, jointly controlled entity or an associate
HKFRS 2 (Amendments)	Share-based payment – vesting conditions and cancellations
HKFRS 8	Operating segments
Various	Annual improvements to HKFRSs 2008

Other than as noted below, the adoption of the new HKFRSs had no material impact on how the results and financial positions for the current and prior periods have been prepared and presented.

HKAS 1 (Revised 2007) Presentation of financial statements

The adoption of HKAS 1 (Revised 2007) makes certain changes to the format and titles of the primary financial statements and to the presentation of some items within these statements. It also gives rise to additional disclosures.

The measurement and recognition of the Group's assets, liabilities, income and expenses is unchanged. However, some items that were recognised directly in equity are now recognised in other comprehensive income. HKAS 1 affects the presentation of owners' changes in equity and introduces a 'Statement of comprehensive income'. Comparatives have been restated to conform with the revised standard. The Group has applied changes to its accounting polices on presentation of financial statements and segment reporting retrospectively. However, the changes to the comparatives have not affected the consolidated or company statement of financial position at 1 May 2008 and accordingly this statement is not presented.

2. ADOPTION OF NEW OR AMENDED HKFRSs *(Continued)*

HKAS 23 (Revised 2007) Borrowing costs

In respect of borrowing costs relating to qualifying assets for which the commencement date for capitalisation is on or after 1 January 2009, the Group capitalises borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. The Group previously recognised all borrowing costs as an expense immediately. This change in accounting policy was due to the adoption of HKAS 23 Borrowing costs (Revised 2007). The change in accounting policy had no material impact on the Group's financial statements.

HKAS 27 (Amendments) Cost of an investment in a subsidiary, jointly controlled entity or an associate

The amendment requires the investor to recognise dividends from a subsidiary, jointly controlled entity or associate in profit or loss irrespective the distributions are out of the investee's pre-acquisition or post-acquisition reserves. In prior years, the Company recognised dividends out of pre-acquisition reserves as a recovery of its investment in the subsidiaries, jointly controlled entity or associates (i.e. a reduction of the cost of investment). Only dividends out of post-acquisition reserves were recognised as income in profit or loss.

Under the new accounting policy, if the dividend distribution is excessive, the investment would be tested for impairment according to the Company's accounting policy on impairment of non-financial assets.

The new accounting policy has been applied prospectively as required by these amendments to HKAS 27 and therefore no comparatives have been restated.

HKFRS 8 Operating segments

The adoption of HKFRS 8 has not affected the identified and reportable operating segments for the Group. However, reported segment information is now based on internal management reporting information that is regularly reviewed by the chief operating decision maker. In the previous annual financial statements, segments were identified by reference to the dominant source and nature of the Group's risks and returns. Comparatives have been restated on a basis consistent with the new standard.

Annual improvements to HKFRSs 2008

In October 2008, the HKICPA issued its first *Annual improvements to HKFRSs* which set out amendments to a number of HKFRSs. There are separate transitional provisions for each standard. These amendments did not have any impact of the current period results and financial position.

At the date of authorisation of these financial statements, certain new and amended HKFRSs have been published but are not yet effective, and have not been adopted early by the Group.

The directors anticipate that all of the pronouncements will be adopted in the Group's accounting policy for the first period beginning after the effective date of the pronouncement. Information on new and amended HKFRSs that are expected to have impact on the Group's accounting policies is provided below. Certain other new and amended HKFRSs have been issued but are not expected to have a material impact of the Group's financial statements.

HKFRS 3 Business combinations (Revised 2008)

The standard is applicable in reporting periods beginning on or after 1 July 2009 and will be applied prospectively. The new standard still requires the use of the purchase method (now renamed the acquisition method) but introduces material changes to the recognition and measurement of consideration transferred and the acquiree's identifiable assets and liabilities, and the measurement of non-controlling interests (previously known as minority interest) in the acquiree. The new standard is expected to have a significant effect on business combinations occurring in the reporting period beginning on or after 1 July 2009.

2. ADOPTION OF NEW OR AMENDED HKFRSs *(Continued)*

HKFRS 9 Financial instruments

The standard is effective for accounting periods beginning on or after 1 January 2013 and addresses the classification and measurement of financial assets. The new standard reduces the number of measurement categories of financial assets and all financial assets will be measured at either amortised cost or fair value based on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. Fair value gains and losses will be recognised in profit or loss except for those on certain equity investments which will be presented in other comprehensive income. The directors are currently assessing the possible impact of the new standard on the Group's results and financial position in the first year of application.

HKFRS 27 Consolidated and separate financial statements (Revised 2008)

The revised standard is effective for accounting periods beginning on or after 1 July 2009 and introduces changes to the accounting requirements for the loss of control of a subsidiary and for changes in the Group's interest in subsidiaries. Total comprehensive income must be attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. The directors do not expect the standard to have a material effect on the Group's financial statements.

Annual improvements 2009

The HKICPA has issued *Improvements to Hong Kong Financial Reporting Standards 2009*. Most of the amendments become effective for annual periods beginning on or after 1 January 2010. The Group expects the amendment to HKAS 17 Leases to be relevant to the Group's accounting policies. Prior to the amendment, HKAS 17 generally required a lease of land to be classified as an operating lease. The amendment requires a lease of land to be classified as an operating or finance lease in accordance with the general principles in HKAS 17. The Group will need to reassess the classification of its unexpired leases of land at 1 January 2010 on the basis of information existing at the inception of those leases in accordance with the transitional provisions for the amendment. The amendment will apply retrospectively except where the necessary information is not available. In that situation, the leases will be assessed on the date when the amendment is adopted. The directors are currently assessing the possible impact of the amendment on the Group's results and financial position in the first year of application.

3. REVENUE AND TURNOVER

	Continuing operations		**Discontinued operations**		**Consolidated**	
	2010	2009	**2010**	2009	**2010**	2009
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Corporate services	**–**	–	**11,009**	19,372	**11,009**	19,372
Funds and wealth management services	**–**	–	**–**	19,695	**–**	19,695
Trading of electronic parts	**–**	5,076	**–**	–	**–**	5,076
Sale of tissue engineering products	**30**	–	**–**	–	**30**	–
	30	5,076	**11,009**	39,067	**11,039**	44,143

4. SEGMENT INFORMATION

The executive directors have identified the Group's tissue engineering as operating segment.

The operating segment is monitored and strategic decisions are made on the basis of adjusted segment operating results.

	Tissue engineering	
	2010	2009
	HK$'000	*HK$'000*
Revenue		
– From external customers	**30**	–
Reportable segment revenue	**30**	–
Reportable segment loss (continuing operations)	**(31,513)**	(16,189)
Amortisation of land use rights and operating lease prepayments	**127**	–
Amortisation of other intangible assets	**15,336**	7,537
Depreciation	**178**	175
Provision of inventories	**–**	678
Interest income	**18**	8
Write-off of property, plant and equipment	**–**	3
Reportable segment assets	**413,266**	386,315
Additions to non-current segment assets during the year	**30,147**	241,143
Reportable segment liabilities	**80,524**	61,347

4. SEGMENT INFORMATION *(Continued)*

The totals presented for the Group's operating segment reconcile to the Group's key financial figures as presented in the financial statements as follows:

	2010	2009
	HK$'000	*HK$'000*
Reportable segment revenue (Continuing operations)	**30**	–
Corporate services (Discontinued operations)	**11,009**	19,372
Funds and wealth management services (Discontinued operations)	**–**	19,695
Other	**–**	5,076
Group revenue	**11,039**	44,143
Reportable segment loss	**(31,513)**	(16,189)
Gain on disposals of subsidiaries	**743**	58
(Loss)/Gain on financial assets at fair value through profit or loss	**(20,433)**	13,063
(Loss)/Gain on disposals of interests in associates	**(32)**	45,650
Share of results of associates	**–**	1,701
Unallocated corporate income	**109**	3,160
Unallocated corporate expenses	**(19,369)**	(24,258)
Finance costs	**(10,782)**	(6,633)
(Loss)/Profit before income tax and discontinued operations	**(81,277)**	16,552
Reportable segment assets	**413,266**	399,965
Interests in associates	**–**	–
Other corporate assets	**151,239**	100,113
Group assets	**564,505**	500,078
Reportable segment liabilities	**80,524**	65,702
Bank loan	**–**	3,434
Convertible bonds	**43,060**	104,896
Deferred taxation	**25,093**	27,051
Other corporate liabilities	**1,772**	3,596
Group liabilities	**150,449**	204,679

4. SEGMENT INFORMATION *(Continued)*

The Group's revenue from external customers and its non-current assets are divided into the following geographical areas:

	Revenue from external customers		Non-current assets*	
	2010	2009	**2010**	2009
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**9,976**	40,044	**164,410**	290,718
The PRC (domicile)	**1,063**	4,099	**225,483**	93,482
	11,039	44,143	**389,893**	384,200

* Excluding available-for-sale financial assets and rental deposits.

The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the non-current assets is based on the physical location of the asset. The Company is an investment holding company where the Group has majority of its operation and workforce in the PRC, and therefore, the PRC is considered as the Group's country of domicile for the purpose of the disclosures as required by HKFRS 8 "Operating Segments"

5. FINANCE COSTS

	Continuing operations		Discontinued operations		Consolidated	
	2010	2009	**2010**	2009	**2010**	2009
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Interest on bank loans, other payables and amounts due to minority shareholders of subsidiaries:						
Wholly repayable within five years	**2,740**	1,880	**–**	–	**2,740**	1,880
Not wholly repayable within five years	**–**	–	**51**	110	**51**	110
Imputed interest on convertible bonds	**8,042**	4,753	**–**	–	**8,042**	4,753
	10,782	6,633	**51**	110	**10,833**	6,743

6. (LOSS)/PROFIT BEFORE INCOME TAX

	Continuing operations		Discontinued operations		Consolidated	
	2010	2009	**2010**	2009	**2010**	2009
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
(Loss)/Profit before income tax has been arrived at after charging/(crediting):						
Auditors' remuneration						
Audit services	**498**	405	**–**	–	**498**	405
Other services	**100**	450	**–**	–	**100**	450
Amortisation of land use rights and operating lease prepayments	**127**	–	**40**	81	**167**	81
Amortisation of other intangible assets	**15,336**	7,357	**–**	–	**15,336**	7,357
Depreciation	**2,804**	1,531	**178**	582	**2,982**	2,113
Exchange difference, net	**71**	19	**(83)**	(510)	**(12)**	(491)
Impairment of receivables *(note 13)*	**–**	–	**–**	97	**–**	97
Write off of property, plant and equipment	**–**	3	**–**	16	**–**	19
(Gain)/Loss on disposals of property, plant and equipment	**(92)**	–	**7**	–	**(85)**	–
Operating lease rentals in respect of office premises	**4,486**	4,806	**545**	1,772	**5,031**	6,578
Provision for inventories	**–**	678	**–**	–	**–**	678
Research and development costs	**7,484**	3,075	**–**	155	**7,484**	3,230
Employee benefit expense (including directors' emoluments) *(note 7)*	**12,516**	9,370	**2,970**	14,981	**15,486**	24,351
Dividend income from equity investments	**(2)**	–	**(27)**	(70)	**(29)**	(70)
Impairment of receivables written back *(note 13)*	**–**	–	**(69)**	(57)	**(69)**	(57)
Loss/(Gain) on disposals of subsidiaries	**(743)**	(58)	**2,697**	(2,909)	**1,954**	(2,967)
Loss on disposals of available for sale financial assets	**108**	–	**–**	–	**108**	–
Interest income	**(35)**	(457)	**(3)**	(116)	**(38)**	(573)

7. EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS)

	Continuing operations		Discontinued operations		Consolidated	
	2010	2009	**2010**	2009	**2010**	2009
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Wages and salaries	**11,644**	8,895	**2,647**	13,804	**14,291**	22,699
Pension costs – defined contribution plans	**308**	202	**242**	789	**550**	991
Other staff benefits	**564**	273	**81**	388	**645**	661
	12,516	9,370	**2,970**	14,981	**15,486**	24,351

8. INCOME TAX (CREDIT)/EXPENSE

No Hong Kong Profits Tax has been provided as the Group has no assessable profits for the year. For the year ended 30 April 2009, Hong Kong Profits Tax had been provided at the rate of 16.5% on the estimated assessable profits. No taxation on overseas profits has been provided in the financial statements as the overseas subsidiaries did not generate any assessable profits for the year (2009: Nil).

	Continuing operations		**Discontinued operations**		**Consolidated**	
	2010	2009	**2010**	2009	**2010**	2009
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong Profits Tax						
Current year	**–**	2,000	**–**	–	**–**	2,000
Over provision in prior years	**(2,000)**	–	**–**	(2)	**(2,000)**	(2)
	(2,000)	2,000	**–**	(2)	**(2,000)**	1,998
Deferred taxation	**(1,958)**	(933)	**–**	–	**(1,958)**	(933)
	(3,958)	1,067	**–**	(2)	**(3,958)**	1,065

Reconciliation between income tax (credit)/expense and accounting (loss)/profit at applicable tax rates:

	2010	2009
	HK$'000	*HK$'000*
(Loss)/Profit before income tax		
Continuing operations	**(81,277)**	16,552
Discontinued operations	**(2,046)**	(1,916)
	(83,323)	14,636
Tax at Hong Kong profits tax rate of 16.5% (2009: 16.5%)	**(13,748)**	2,415
Effect of different tax rates of subsidiaries operating in the PRC	**402**	542
Tax effect of expenses not deductible for tax purpose	**8,587**	12,867
Tax effect of income not taxable for tax purpose	**(596)**	(15,866)
Tax effect of prior year unrecognised tax losses utilised	**(431)**	(18)
Tax effect of current year tax losses not recognised	**3,505**	1,071
Tax effect of temporary difference not recognised	**323**	56
Over provision in prior years	**(2,000)**	(2)
Income tax (credit)/expense	**(3,958)**	1,065

9. DIVIDENDS

The directors do not recommend the payment of a dividend for the year (2009: Nil).

10. (LOSS)/EARNINGS PER SHARE

The calculation of the basic and diluted (loss)/earnings per share attributable to owners of the Company are based on the following data:

(a) From continuing and discontinued operations

	2010	2009
	HK$'000	*HK$'000*
(Loss)/Profit for the year attributable to owners of the Company for the purpose of basic (loss)/earnings per share	**(64,569)**	21,092
Effect of dilutive potential ordinary shares:		
Imputed interest on convertible bonds	**N/A**	4,753
Profit for the year attributable to owners of the Company for the purpose of diluted earnings per share	**N/A**	25,845

	2010	2009
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purpose of basic (loss)/earnings per share	**3,414,239**	2,181,921
Effect of dilutive potential ordinary shares:		
Share options issued by the Company	**N/A**	171,467
Convertible bonds	**N/A**	2,016,438
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**N/A**	4,369,826

No diluted loss per share attributable to owners of the Company was presented for the year ended 30 April 2010 as the potential ordinary shares had anti-dilutive effect.

(b) From continuing operations

The calculation of the basic and diluted (loss)/earnings per share from continuing operations attributable to owners of the Company is based on the following data and the denominators detailed in (a) above:

	2010	2009
	HK$'000	*HK$'000*
(Loss)/Profit for the year attributable to owners of the Company for the purpose of basic (loss)/earnings per share	**(64,569)**	21,092
Less: Loss for the year attributable to owners of the Company from discontinued operations	**(2,046)**	(1,914)
(Loss)/Profit for the year attributable to owners of the Company for the purpose of basic (loss)/earnings per share from continuing operations	**(62,523)**	23,006
Effect of dilutive potential ordinary shares:		
Imputed interest on convertible bonds	**N/A**	4,753
Profit for the purpose of diluted earnings per share attributable to owners of the Company from continuing operations	**N/A**	27,759

No diluted loss per share from continuing operations attributable to owners of the Company was presented for the year ended 30 April 2010 as the potential ordinary shares had anti-dilutive effect.

10. (LOSS)/EARNINGS PER SHARE *(Continued)*

(c) From discontinued operations

Basic loss per share attributable to owners of the Company from the discontinued operations was HK0.060 cents per share (2009: HK0.088 cents per share), based on the loss for the year ended 30 April 2010 attributable to owners of the Company from discontinued operations of HK$2,046,000 (2009: HK$1,914,000) and the denominators detailed in (a) above.

No diluted loss per share from discontinued operations attributable to owners of the Company was presented for the year ended 30 April 2009 and 2010 as the potential ordinary shares had anti-dilutive effect.

11. GOODWILL

The main changes in the carrying amounts of goodwill resulting from the acquisition of FD(H) Investments Limited and its subsidiaries during the year ended 30 April 2009. The net carrying amount of goodwill can be analysed as follows:

	2010	2009
	HK$'000	*HK$'000*
At beginning of the year		
Gross carrying amount	**141,310**	–
Accumulated impairment	**–**	–
Net carrying amount	**141,310**	–
Net carrying amount at beginning of the year	**141,310**	–
Acquisition of subsidiaries	**–**	141,310
Net carrying amount at end of the year	**141,310**	141,310
At end of the year		
Gross carrying amount	**141,310**	141,310
Accumulated impairment	**–**	–
Net carrying amount	**141,310**	141,310

12. OTHER INTANGIBLE ASSETS

	Trademark *HK$'000*	Patent *HK$'000*	Total *HK$'000*
Year ended 30 April 2009			
Acquisition of subsidiaries	79,983	148,253	228,236
Exchange differences	–	795	795
Amortisation	(2,665)	(4,692)	(7,357)
Closing net book amount	77,318	144,356	221,674
At 30 April 2009			
Cost	79,983	149,050	229,033
Accumulated amortisation	(2,665)	(4,694)	(7,359)
Net book amount	77,318	144,356	221,674
Year ended 30 April 2010			
Opening net book amount	77,318	144,356	221,674
Exchange differences	–	144	144
Amortisation	(5,333)	(10,003)	(15,336)
Closing net book amount	71,985	134,497	206,482
At 30 April 2010			
Cost	79,983	149,209	229,192
Accumulated amortisation	(7,998)	(14,712)	(22,710)
Net book amount	**71,985**	**134,497**	**206,482**

13. TRADE RECEIVABLES

	2010	2009
	HK$'000	*HK$'000*
Trade receivables	**23**	6,671
Less: Impairment of receivables	**–**	(69)
Trade receivables – net	**23**	6,602

Ageing analysis of trade receivables, as at 30 April 2010, based on sales invoice date and net of provisions, is as follows:

	2010	2009
	HK$'000	*HK$'000*
0 – 60 days	**–**	6,400
61 – 90 days	**23**	154
Over 90 days	**–**	48
	23	6,602

The Group allows an average credit period of 60 days to its customers.

The carrying value of trade receivables is considered as reasonable approximation of their fair value. Impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtors and default or delinquency in payments are considered indicators that the trade receivable is impaired. All of the Group's trade receivables have been reviewed for indicators of impairment. The impaired trade receivables are mostly due from customers of the Group that encounter financial difficulties and full provision for impairment was made.

The movements in allowance for impairment of trade receivables are as follows:

	2010	2009
	HK$'000	*HK$'000*
At beginning of the year	**69**	101
Allowance made	**–**	97
Written off	**–**	(44)
Written back	**(69)**	(57)
Disposals of subsidiaries	**–**	(28)
At end of the year	**–**	69

The Group did not hold any collateral as security or other credit enhancements over the impaired trade receivables, whether determined on an individual or collective basis.

13. TRADE RECEIVABLES *(Continued)*

In addition, some of the unimpaired trade receivables are past due as at the reporting date. Ageing analysis of trade receivables not impaired is as follows:

	2010	2009
	HK$'000	*HK$'000*
Neither past due nor impaired	**23**	591
1 – 60 days past due	**–**	5,809
61 – 90 days past due	**–**	154
Over 90 days past due but less than one year	**–**	48
	–	6,011
	23	6,602

Trade receivables that were neither past due nor impaired related to a large number of diversified customers for whom there was no recent history of default.

Trade receivables that were past due but not impaired related to a large number of diversified customer that had a good track record of credit with the Group. Based on past credit history, management believe that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered to be fully recoverable. The Group did not hold any collateral in respect of trade receivables past due but not impaired.

14. TRADE PAYABLES

As at 30 April 2010, ageing analysis of trade payables based on invoice date is as follows:

	2010	2009
	HK$'000	*HK$'000*
0 – 30 days	**41**	85
31 – 60 days	**55**	59
Over 60 days but less than 1 year	**547**	1,180
	643	1,324

General credit terms granted by suppliers are 30 days to 60 days.

MANAGEMENT DISCUSSION AND ANALYSIS

For the year ended 30 April 2010, the revenue of the Group was approximately HK$11,039,000, representing a decrease of 75%, compared to that of the last year (2009: approximately HK$44,143,000). The decrease in revenue was mainly due to the business segment of Funds and Wealth Management Services and Corporate Services had been disposed in August 2008 and October 2009 respectively. The Group has recorded a loss attributable to the owners of the Company approximately HK$64,569,000 (2009: profit of approximately HK$21,092,000), which is mainly due to loss on financial assets at fair value through profit or loss and increase in amortisation of intangible assets.

OPERATIONS REVIEW

Corporate Services

During the year under review, the corporate services segment recorded approximately 43.2% decrease in revenue to approximately HK$11,009,000 (2009: approximately HK$19,372,000).

On 8 June 2009 and 19 June 2009, the Group had entered into a sale and purchase agreement (the "Agreement") and a supplemental agreement to the Agreement respectively with Hop Asia Holdings Limited, a company wholly owned by Mr. Lo Wah Wai, a former director of the Company, at a finally adjusted consideration of approximately HK$10,758,000 in relation to the disposal of (1) its entire equity interests in its subsidiaries, BMI Corporate Services Limited ("BMICS"), IBC Corporate Services Limited ("IBCCS"), BMI Professional Translation Services Limited ("BMIPTS"), BMI Technologies Limited ("BMIT"), BMI Finance Limited ("BMIF"), BMI Nominees Limited ("BMIN"), BMI Strategic Marketing Limited ("BMISM"), and BMI Consultants Limited (which possesses the 100% equity interest in BMI Corporate Advisory (Shanghai) Limited and BMI Consultants (Shenzhen) Limited) ("BMIC Group"); (2) its 80% equity interest in BM Union Communications Limited ("BMUC"); (3) 25% equity interest in BMI Overseas Investment Limited; and (4) its 14.42% equity interest in Union Services and Registrars Inc. (the "Disposal"). The Disposal has been approved by the independent shareholders of the Company at its extraordinary general meeting held on 7 September 2009. On 30 October 2009, all the conditions precedent set out in the Sale and Purchase Agreement and the Supplemental Agreement had been fulfilled and the Disposals of Target Companies have taken effect simultaneously on the same day. In this respect, BMICS, IBCCS, BMIPTS, BMIT, BMIF, BMIN, BMISM, BMUC and BMIC Group will not continue to be subsidiaries of the Company and the Group will not have any interest in these companies.

Tissue Engineering Skin

FD (H) Investments Ltd., a wholly owned subsidiary of the Group, holds 51% shareholding and all the businesses of 陝西艾爾膚組織工程有限公司(Shaanxi Aierfu Activtissue Engineering Company Limited) (hereinafter referred to as "Shaanxi Aierfu Activtissue")

Shaanxi Aierfu Activtissue is interested in 51% shareholding of three of its subsidiaries, namely 陝西艾美雅生物科技有限公司 (Shaanxi Aimeiya Bio-Technology Company Limited*), 陝西艾博生生物工程有限公司 (Shaanxi AiBosin Bio-Engineering Company Limited*) and 陝西艾尼爾角膜工程有限公司 (Shaanxi AiNear Cornea Engineering Company

Limited*) respectively. Its business includes medical engineering, biological engineering and tissue engineering that specialized in the research and development of medical regeneration engineering, of which the research and development of tissue engineering products is designated as one of the pivotal projects of "863 High-Tech Program" launched by the Ministry of Science & Technology of China.

The Tissue Engineering Skin "安體膚" (the "ActivSkin") is the major product of Shaanxi Aierfu Activtissue, as well as the achievement of the collaboration between Shaanxi Aierfu Activtissue and the Fourth Military Medical University. This product has been granted the Registration Certificate for Medical Device issued by the State Food and Drug Administration of the PRC on 13 November 2007, and it is allowed for production and sale. Currently, ActivSkin has successfully applied for 5 patented innovations. The research and development of ActivSkin has received full support, both technically and financially, from the state and provincial government. In order to widen the medical indication for ActivSkin, the small-batch production of ActivSkin is mainly used for clinical development. Especially for the clinical of diabetic ulcers, Shaanxi Aierfu Activtissue has signed contracts for clinical trial with 中國人民解放軍空軍總醫院 and other four hospitals, and more than 20 clinical trials have been completed up to now. At present, it is still in the process of clinical trials and it is expected that the clinical stage of diabetic ulcers treatment to be completed by the first half-year of 2011.

Another major product of Shaanxi Aierfu Activtissue is "脫細胞眼角膜" ("Acellular Cornea") under the research and development of 陝西艾尼爾角膜工程有限公司 (Shaanxi AiNear Cornea Engineering Company Limited*). Corneal grafting is the most efficient treatment for restoring the sight of the blind due to corneal degeneration. However, donation for cornea is largely insufficient for the huge market demand. The successful development in Shaanxi AiNear's tissue engineering in cornea will definitely meet the demand of cornea on the society, making a breakthrough in traditional ophthalmology treatments and creating both economic benefits and social efficiency. Acellular Cornea has been granted the Manufacturing License for Medical Device issued by Shaanxi Food and Drug Administration on March 2010, and it is allowed to be manufactured for the purpose of clinical trial. At the same time, it has applied for 2 patented innovations. Acellular Cornea has stepped into the stage of clinical trial and has signed contracts for clinical trial with Beijing Tongren Hospital (北京同仁醫院) and other four hospitals. It is expected that all clinical trials will be completed by December 2011.

Selective Acellular Porcine Skin innovated under the research and development of 陝西艾博生生物工程有限公司 (Shaanxi AiBosin Bio-Engineering Company Limited*), another subsidiary of Aierfu Activtissue, mainly applies on large-area burn and ulcer. This product has been granted the Manufacturing License for Medical Device issued by Shaanxi Food and Drug Administration on January 2010, and it has also applied for 3 patented innovations.

Investment In Securities and Financial Instrument

After the disposal of Asia First Consultants Limited and BMI Finance Limited, the Group did not place any investment in financial instrument and concentrate on the Tissue Engineering business. As at 30 April 2010, the Group has no investment in listed or unlisted financial instrument.

* *For identification only*

PROSPECT

In recent years, the awareness of bio-medical engineering and tissue engineering spread all over the world. At present, the research in tissue engineering has almost covered every aspects of microbiology and has become a key project under the support of national science research funds in many countries. As a result, products in tissue engineering will be widely applicable and practical in the future. During the year, the work report issued by the State Council also put "bio-medical tissue engineering projects" into priority. The Group will focus on and proactively expand the business of tissue engineering, striving to realize industrialization. At the same time, the Group will keep an eye on potential investment opportunity of other tissue engineering, maximizing the returns for shareholders.

Construction work of the new plant of 陝西艾爾膚組織工程有限公司 (Shaanxi Aierfu Activtissue Engineering Company Limited), the major subsidiary of the Group, has been in progress. Given that some of the equipments were pioneered, the trial production of the new plant will commence by the end of 2010 when the debugging of all equipments done. Patent application of the new production line will be made to relevant authority of the State to protect the intellectual property of the Company.

In view of the promising prospect of Shaanxi Aierfu Activtissue, the Group plans to contribute a capital of RMB 87.50 million to increase its holding of equity interest from 51% to 87.68%. The capital injection will be used for the expansion of industrialization, research and development of new products, as well as the daily operation of Shaanxi Aierfu Activtissue. It is expected that the Group could manage Shaanxi Aierfu Activtissue and speed up the progress of its industrialization through increasing its equity interest in Shaanxi Aierfu Activtissue, so as to derive substantial revenue in return.

To take up the new challenges ahead, the Group is well-prepared and committed to strive for better financial performance.

GROUP CAPITAL RESOURCES AND LIQUIDITY

Shareholders' Funds

The Group's total shareholders' funds is approximately HK$414,056,000 which was increased compared to approximately HK$295,399,000 in the previous year.

Liquidity and Financial Resources

As at 30 April 2010, the Group had net current assets of approximately HK$49,256,000 (2009: approximately HK$42,848,000). The current assets mainly comprised inventories of approximately HK$348,000 (2009: approximately HK$495,000), trade receivables of approximately HK$23,000 (2009: approximately HK$6,602,000), deposits, prepayments and other receivables of approximately HK$11,742,000 (2009: approximately HK$10,389,000), financial assets at fair value through profit or loss of Nil (2009: approximately HK$79,441,000), amounts due from associates of Nil (2009: approximately HK$258,000) and cash and cash equivalents of approximately HK$162,499,000 (2009: approximately HK$15,113,000). The Company intends to finance the Group's future operations, capital expenditure and other capital requirements with the bank balances available. The current liabilities mainly comprised trade payable of approximately HK$643,000 (2009: approximately HK$1,324,000), accrued charges and other payables of approximately HK$62,373,000 (2009: approximately HK$50,260,000), amounts due to minority shareholders of subsidiaries of approximately HK$19,280,000 (2009: approximately HK$15,623,000), bank loan due within one year of Nil (2009: approximately HK$152,000), convertible bonds of approximately HK$43,060,000 (2009: Nil) and taxable payable of Nil (2009: approximately HK$2,091,000).

Capital Structure

On 9 November 2009, the Company and the Placing Agent has entered into the placing agreement, pursuant to which the Company has conditionally agreed to place, through the placing agent on a best effort basis 496,000,000 Placing Shares at a price of HK$0.26 per placing share to the placees and completed on 26 November 2009.

On 20 November 2009, a total of HK$24,000,000 principal amount of the zero coupon convertible bonds to be converted into a total of 800,000,000 ordinary shares of the Company at a price of HK$0.03 per share by All Favour Holdings Limited ("All Favour"). The shares allotted to All Favour on 30 November 2009.

On 18 January 2010, a total of HK$33,000,000 principal amount of the zero coupon convertible bonds to be converted into a total of 1,100,000,000 ordinary shares of the Company at a price of HK$0.03 per share by All Favour. The shares allotted to All Favour on 20 January 2010.

On 9 March 2010, a total of HK$18,000,000 principal amount of the zero coupon convertible bonds to be converted into a total of 600,000,000 ordinary shares of the Company at a price of HK$0.03 per share by All Favour Holdings Limited. The shares allotted to All Favour on 11 March 2010.

As a result, the number of issued shares of the Company is 5,476,880,000 as at 30 April 2010.

Working Capital and Gearing Ratio

As at 30 April 2010, the Group had current assets of approximately HK$174,612,000 (2009: approximately HK$112,298,000), while its current liabilities stood at approximately HK$125,356,000 (2009: approximately HK$69,450,000). Other than the bank loan of Nil (2009: approximately HK$3,434,000) and convertible bonds of approximately HK$43,060,000 (2009: HK$104,896,000), the Group did not have any outstanding indebtedness as at 30 April 2010, and its shareholders' funds amounted to approximately HK$414,056,000 (2009: approximately HK$295,399,000). In this respect, the Group had a net cash position, its working capital ratio (current assets to current liabilities) was 1.39 (2009: 1.62); and its gearing ratio (net debt to shareholders' funds) was 0.104 (2009: 0.367).

SIGNIFICANT INVESTMENT

As at 30 April 2010, the Group has no financial assets at fair value through profit or loss (2009: approximately HK$79,441,000).

CAPITAL COMMITMENTS

Capital commitment of the Group as at 30 April 2010 is approximately HK$30,570,000 (2009: approximately HK$39,035,000). It is related to the purchase of property, plant and equipment contracted but not provided for net of deposit paid amount.

MATERIAL ACQUISITIONS/DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

On 23 June 2009, the Group, (the "Vendors"), announced that it had entered into conditional sale and purchase agreements dated 8 June 2009 and a supplemental agreement dated 19 June 2009 with Hop Asia Holdings Limited (the "Purchaser"), which is an investment holding company incorporated in the British Virgin Islands with limited liability and is legally and beneficially wholly-owned by Mr. Lo Wah Wai (collectively the "Sales and Purchase Agreements").

The Vendors entered into the Sales and Purchase Agreements with the Purchaser, pursuant to which the Vendors conditionally agreed to dispose and the Purchaser agreed to acquire the Sale Shares and the Sale Loan (as defined in the circular of the Company dated 20 August 2009) at a consideration of approximately HK$10,758,000 which shall be settled in cash. As all the conditions precedent set out in the Sale and Purchase Agreements had been fulfilled, this major disposal and connected transaction was completed on 30 October 2009.

Save as disclosed above, the Group had no material acquisitions/disposal of subsidiaries and associated corporation during the year under review.

SEGMENTAL INFORMATION

Segmental information of the Group is set out in note 4 to the financial statements.

EMPLOYEE INFORMATION AND REMUNERATION POLICIES

As at 30 April 2010, the Group had 135 (2009: 220) employees located in Hong Kong and Mainland China. As an equal opportunity employer, the Group's remuneration and bonus policies are determined with reference to the performance and experience of individual employees. The total amount of employee remuneration (including that of the directors and retirement benefits scheme contributions) of the Group for the year was approximately HK$15,486,000 (2009: approximately HK$24,351,000).

In addition, the Group may offer options to reward employees who exhibit that they have offered significant contributions to the Group.

CHARGES ON GROUP'S ASSETS

As at 30 April 2009, operating lease prepayments and building with respective carrying values of approximately HK$3,580,000 and approximately HK$1,639,000 respectively were pledged with banks in order to secure the Group's banking facilities. No assets of the Group were pledged as at 30 April 2010.

DETAILS OF FUTURE PLANS FOR MATERIAL INVESTMENT OR CAPITAL ASSETS

Progress on the construction work of the ActivSkin factory in Xian was unfortunately slowed as a result of disagreements with the 49% shareholders of Aieifu Tissue Engineering Limited about the technicalities of the terms and conditions of the necessary capital injection into Aierfu Tissue Engineering Limited. We are pleased to report that a scheme was finalized in early July 2010 and the factory should start production by the end of the year. This will help us to realize the potential market of tissue engineered skin products.

Save as disclosed above and in this section of "Management Discussion and Analysis", the directors do not have any future plans for material investment or capital assets.

FOREIGN EXCHANGE EXPOSURE

The Group mainly earns revenue and incurs cost in Hong Kong dollars and Renminbi. The Directors consider the impact of foreign exchange exposure of the Group is minimal.

CONTINGENT LIABILITIES

As at 30 April 2010, the Group did not have any contingent liabilities (2009: Nil).

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the year, neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

CORPORATE GOVERNANCE PRACTICE

The Company has complied with all the code provisions as set out in the Code on Corporate Governance Practices (the "CG Code") to the Appendix 15 of the GEM Listing Rules throughout the year ended 30 April 2010 except the code provisions E.1.2 of the CG Code as disclosed below. The details of our compliance may be found in corporate governance report contained in the Company's 2010 annual report.

Code provision E.1.2 specifies that the chairman of the board should attend the annual general meeting of the Company. Dr. Gao Gunter (Dr. Gao), the chairman of the Board has been heavily involved in the business operations of the Group. Despite his utmost intention to be present at the Company's 2009 annual general meeting held on 21 September 2009 (the "AGM"), Dr. Gao was unable to attend the AGM due to other urgent business commitments of the Group. Mr. Gao undertakes that he will try his best to attend the future general meetings of the Company whenever possible.

AUDIT COMMITTEE

The Company set up an audit committee on 4 July 2001 with written terms of reference for the purposes of reviewing and providing supervision over the financial reporting process and internal controls of the Group. The audit committee currently comprises of Mr. Lui Tin Nang, Mr. Cheung Siu Chung and Mr. Sze Chin Hung. The audit committee has reviewed and discussed with the management and the external auditors financial reporting matters including the annual results for the year ended 30 April 2010.

SECURITIES DEALING CODE

Having made specific enquiry of all directors, the Company has confirmed that the directors have fully complied with the required standards of dealings regarding securities transaction by the directors as set out on GEM Listing Rules throughout the year ended 30 April 2010.

APPRECIATION

On behalf of the Board, I wish to extend my appreciation to our valuable shareholders, clients, business partners and alliances for their ongoing support, and to every staff and management for their hard work and dedication throughout the year.

By order of the Board
Gao Gunter
Chairman

As at the date of this announcement, the executive directors of the Company are Mr. Tin Ka Pak, Mr. Dai Yumin, Mr. Luo Xian Ping, Dr. Gao Gunter and Mr. Yang Zheng Guo; the non-executive directors of the Company are Mr. Wong Sai Hung, Oscar, Mr. Xu Jifeng, Mr. Sze Cheung Pang and Mr. Ma Long; the independent non-executive directors of the Company are Mr. Lui Tin Nang, Mr. Cheung Siu Chung and Mr. Sze Chin Hung.

Hong Kong, 20 July 2010

This announcement will remain on the "Latest Company Announcements" page of the GEM website for at least 7 days from the date of this announcement and the Company's website at www.bmregeneration.com.