



中生北控生物科技股份有限公司
BIOSINO BIO-TECHNOLOGY AND SCIENCE INCORPORATION*
(Incorporated in the People's Republic of China with limited liability) (Stock Code : 8247)

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Progressive **Expansion**
Solid **Improvement**



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

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. 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.

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This report, 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 report 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 report misleading; and (3) all opinions expressed in this report have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

THE FIRST QUARTERLY RESULTS FOR THE THREE MONTHS ENDED 31 MARCH 2009

The Board of Directors (the "Board") of the Company announced the unaudited consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the three months ended 31 March 2009, together with the comparative figures for the same period in 2008, as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

		Three months ended	
		31 March	
		2009	2008
	<i>Notes</i>	Unaudited	Unaudited
		RMB'000	RMB'000
REVENUE	3	43,956	44,409
Cost of sales		(13,944)	(15,263)
Gross profit		30,012	29,146
Other income		3,192	494
Selling and distribution expenses		(10,680)	(11,969)
Administrative expenses		(11,411)	(9,722)
Research and development costs		(3,983)	(3,398)
PROFIT FROM OPERATING ACTIVITIES		7,130	4,551
Finance costs		(698)	(147)
Share of loss of jointly-controlled entities		(115)	(239)
PROFIT BEFORE TAX		6,317	4,165
Tax	4	(1,083)	(1,434)
PROFIT FOR THE PERIOD		5,234	2,731
Attributable to:			
Shareholders of the Company		4,777	2,733
Minority interests		457	(2)
		5,234	2,731
EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY	5		
– Basic (RMB)		0.05	0.03
– Diluted		N/A	N/A

Notes:

1. CORPORATE INFORMATION

Biosino Bio-Technology and Science Incorporation (the "Company") is a limited liability company established in the People's Republic of China (the "PRC"). The registered office of the Company is located at No. 27, Chaoqian Road, Science and Technology Industrial Park, Changping District, Beijing, the PRC.

During the period, the Group principally engaged in the manufacture, sale and distribution of in-vitro diagnostic reagent products and pharmaceutical products.

2. BASIS OF PREPARATION

The unaudited condensed consolidated income statement has been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. The accounting policies and basis of preparation used in the preparation of the unaudited condensed consolidated income statement are consistent with those used in the Company's audited financial statements for the year ended 31 December 2008.

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 is as follows:

	Three months ended	
	31 March	
	2009	2008
	Unaudited	Unaudited
	RMB'000	RMB'000
Sale of in-vitro diagnostic reagent products	29,184	29,050
Sale of pharmaceutical products	14,772	15,359
	43,956	44,409

Notes: (Continued)

4. TAX

No provision for Hong Kong profits tax has been made as the Company and its subsidiaries have not generated any assessable profits in Hong Kong during the period (2008: Nil). Taxes on profits assessable in the PRC, where the Group operates, have been calculated at the rates of tax prevailing in the PRC, based on existing legislation, interpretations and practices in respect thereof. According to the relevant PRC income tax law, the Company and certain of its subsidiaries, being registered as new and high technology enterprises in Beijing, are entitled to a concessionary income tax rates of 15% or 7.5%, where appropriate.

	Three months ended	
	31 March	
	2009	2008
	Unaudited	Unaudited
	RMB'000	RMB'000
Current – PRC	1,083	1,434

5. EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY

The calculation of the basic earnings per share amount is based on the unaudited profit attributable to shareholders of the Company for the period and the weighted average of 100,017,528 (2008: 100,017,528) ordinary shares in issue during the period.

No diluted earnings per share amounts have been presented as no diluting events existed during the period (2008: Nil).

Notes: (Continued)

6. RESERVES

The movements of reserves attributable to shareholders of the Company for the three months ended 31 March 2009 and 2008 are as follows:

	Issued capital Unaudited RMB'000	Capital reserves# Unaudited RMB'000	Statutory reserves Unaudited RMB'000	Retained profits Unaudited RMB'000	Proposed final dividend Unaudited RMB'000	Total Unaudited RMB'000
At 1 January 2008	100,018	30,557	22,531	17,919	10,002	181,027
Profit for the period and total income and expense for the period	-	-	-	2,733	-	2,733
At 31 March 2008	100,018	30,557	22,531	20,652	10,002	183,760
At 1 January 2009	100,018	31,126	27,991	25,843	10,002	194,980
Profit for the period and total income and expense for the period	-	-	-	4,777	-	4,777
At 31 March 2009	100,018	31,126	27,991	30,620	10,002	199,757

The capital reserves of the Group include non-distributable reserves of the Company and its subsidiaries created in accordance with accounting and financial regulations of the PRC.

7. INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the three months ended 31 March 2009 (2008: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW FOR THE THREE MONTHS ENDED 31 MARCH 2009

The Group's revenue for the three months ended 31 March 2009 amounted to RMB43.96 million, representing a decrease of 1.02% as compared with RMB44.41 million for the corresponding period last year.

During the period, revenue of approximately RMB29.18 million was generated from the sales of in-vitro diagnostic reagents which accounted for 66.38% of the Group's total revenue which is almost the same as compared with RMB29.05 million for the corresponding period last year. For pharmaceutical products, the revenue from Lumbrokinase capsules amounted to RMB14.78 million which accounted for 33.62% of the Group's total revenue, representing a decrease of 3.78% as compared with RMB15.36 million for the corresponding period last year.

Profit attributable to the shareholders of the Company for the three months ended 31 March 2009 was RMB4.78 million, representing an increase of 75.09% as compared with RMB2.73 million for the corresponding period last year. The increase of profit was mainly due to the increase in fair value gain on investment securities.

PROSPECT AND FUTURE OUTLOOK

Given the establishment of new medical insurance system and the introduction of related policies in the PRC, we expect the Group to be well-positioned to benefit from the continuous growth of the entire medical and pharmaceutical sector in the PRC.

In 2009, we are going to focus on the research and development of new products such as immune diagnostic reagents, testing products and auxiliary apparatus in order to develop the diagnostic system. Also, we are going to make new attempts and contribute new efforts for the development of pharmaceutical products business.

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

PROSPECT AND FUTURE OUTLOOK (CONTINUED)

In line with our long-term development, the Group will take diagnostic reagent products and pharmaceutical products business as our principal operation by highly concerning the development of the sector for protein pharmaceuticals as well as reserving and integrating resources and identifying new growth pole.

OTHER INFORMATION

DIRECTORS' AND SUPERVISORS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 31 March 2009, the interests of the directors or supervisors in the shares and underlying shares of the Company or any associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as required pursuant to Rules 5.46 to 5.68 of the GEM Listing Rules, to be notified to the Company and to the Stock Exchange, were as follows:

Long position in shares of the Company:

Name	Number of the Company's domestic shares held	Percentage of the Company's domestic shares	Percentage of the Company's total registered share capital
Mr. Wu Lebin <i>(note)</i>	1,000,000	1.49%	1.00%
Mr. Hou Quanmin <i>(note)</i>	150,000	0.22%	0.15%
Dr. Wang Lin <i>(note)</i>	100,000	0.15%	0.10%

OTHER INFORMATION (Continued)

DIRECTORS' AND SUPERVISORS' INTERESTS IN SHARES AND UNDERLYING SHARES (CONTINUED)

Note: The directors are the registered holders and beneficial owners of the respective domestic shares.

Save as disclosed above, as at 31 March 2009, none of the directors or supervisors had registered an interest or short position in the shares and underlying shares of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.68 of the GEM Listing Rules.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES

At 31 March 2009, as far as is known to any directors and supervisors of the Company, the following interests of 5% or more of the issued capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

OTHER INFORMATION (Continued)

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES (CONTINUED)

Long positions in shares of the Company:

Name	Capacity and nature of interest	Number of the Company's shares held		Percentage of the Company's respective type of shares	Percentage of the Company's total registered capital
		Domestic Shares	H Shares		
The Institute of Biophysics of Chinese Academy of Sciences	Directly beneficially owned	31,308,576	–	46.7%	31.3%
Beijing Enterprises Holdings High-Tech Development Co., Ltd. ("BEHT")	Directly beneficially owned	24,506,143	–	36.6%	24.5%
Beijing Enterprises Holdings Limited ("BEHL") (note)	Through a controlled corporation	24,506,143	–	36.6%	24.5%
Beijing Enterprises Group (BVI) Company Limited ("BE(BVI)") (note)	Through controlled corporations	24,506,143	–	36.6%	24.5%
北京控股集團有限責任公司 (Beijing Enterprises Group Company Limited) ("BEGC") (note)	Through controlled corporations	24,506,143	–	36.6%	24.5%
K.C. Wong Education Foundation	Directly beneficially owned	–	3,800,000	11.52%	3.8%
Chung Shek Enterprises Company Limited	Through controlled corporations	–	3,800,000	11.52%	3.8%
Pheim Asset Management (Asia) Pte Ltd	Through controlled corporations	–	3,050,000	9.24%	3.05%
Deutsche Bank Aktiengesellschaft	Through controlled corporations	–	1,840,000	5.58%	1.84%

OTHER INFORMATION (Continued)

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES (CONTINUED)

Note: These domestic shares are registered in the name of BEHT. BEHL, BE(BVI) and BEGC are the immediate holding company, an intermediate holding company and the ultimate holding company of BEHT, respectively. Accordingly, each of them is deemed to be interested in the domestic shares of the Company owned by BEHT.

Save as disclosed above, as far as is known to any directors or supervisors of the Company, as at 31 March 2009, no person, other than the directors or supervisors of the Company, whose interests are set out in the section "Directors' and supervisors' interests in shares and underlying shares" above, had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to Section 336 of the SFO.

DIRECTORS' AND SUPERVISORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

None of the directors or supervisors or their respective associates (as defined under the GEM Listing Rules) was granted by the Company or its subsidiaries any rights or options to acquire any shares in or debentures of the Company or had exercised any such rights as at 31 March 2009.

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

During the period and up to the date of this announcement, none of the directors are considered to have interests in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group other than those businesses where the directors have been appointed or were appointed as directors to represent the interests of the Company and/or the Group, pursuant to the GEM Listing Rules.

OTHER INFORMATION (Continued)

PURCHASE, REDEMPTION OR SALE 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, Guangdong Securities 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 or any member of the Group (including options or rights to subscribe for such securities) as at 31 March 2009 pursuant to Rule 6A.32 of the GEM Listing Rules.

Pursuant to an agreement dated 24 June 2008 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 28 June 2008 to 31 March 2009 or until the agreement is terminated in accordance with the terms and conditions set out therein. The agreement entered into between the Company and the Compliance Adviser has been expired on 31 March 2009.

AUDIT COMMITTEE

The Company has established an audit committee 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 income statement for the period have been reviewed by the audit committee with the three independent non-executive directors of the Company, namely Dr. Rao Yi, Dr. Hu Canwu Kevin and Mr. Chan Yiu Kwong.

OTHER INFORMATION (Continued)

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company always puts strong emphasis on the superiority, steadiness and rationality of corporate governance. 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 Company has complied with all the code provisions in the Code on Corporate Governance Practices as set out in Appendix 15 of the GEM Listing Rules (the "Code") for the period ended 31 March 2009 by establishing a formal and transparent procedures to protect and maximise the interests of shareholders during the year under review. The Board is of the view that it is in the best interests of the Group to have Mr. Wu, who has 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.

By order of the Board

Biosino Bio-Technology and Science Incorporation

Mr. Wu Lebin

Chairman

Beijing, the PRC, 12 May 2009

OTHER INFORMATION (Continued)

As at the date of this report, 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

Mr. Rong Yang (榮洋先生), Mr. Wang Fu Gen (王福根先生), Ms. Yu Xiaomin (郁小民女士) and Ms. Qin Xuemin (秦學民女士)

Independent non-executive Directors

Dr. Rao Yi (饒毅博士), Dr. Hu Canwu Kevin (胡燦武博士) and Mr. Chan Yiu Kwong (陳耀光先生)