

**STAR BIO-TECH****星光生物科技****STAR BIO-TECH (HOLDINGS) LIMITED****星光生物科技（控股）有限公司****INTERIM REPORT****FOR THE SIX MONTHS ENDED 31ST DECEMBER, 2001****GROUP RESULTS**

The board of directors (the "Board") of Star Bio-Tech (Holdings) Limited (the "Company") announces the unaudited consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 31st December, 2001 together with the comparative figures for the six months ended 31st December, 2000. The Company's audit committee has reviewed the interim report for the six months ended 31st December, 2001.

CONDENSED CONSOLIDATED INCOME STATEMENT

	Notes	For the six months ended	
		31.12.2001 (unaudited) HK\$'000	31.12.2000 (unaudited) HK\$'000
Turnover	3	16,909	13,873
Cost of sales		(14,595)	(9,808)
Gross profit		2,314	4,065
Other revenue		2,942	852
Distribution costs		(2,083)	(1,446)
Write off of property, plant and equipment		(1,061)	—
Administrative expenses		(30,376)	(34,552)
Loss from operations		(28,264)	(31,081)
Finance costs		(1,687)	(1,935)
Loss on disposal of investments in securities		(530)	—
Unrealized loss on investments in securities		(51)	(1,410)
Gain on waiver of obligations under guarantee		—	3,464
Loss before taxation		(30,532)	(30,962)
Taxation	5	—	(182)
Loss after taxation		(30,532)	(31,144)
Minority interest		1,222	(272)
Net loss for the period		(29,310)	(31,416)
Loss per share			
- Basic and diluted	6	(5.99) cents	(9.34) cents