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BIO-DYNAMIC GROUP LIMITED

生物動力集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 039)

CLARIFICATION ANNOUNCEMENT

Reference is made to the announcement of BIO-DYNAMIC GROUP LIMITED (the “Company”) dated 24 August 2010 in relation to the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2010 (the “Announcement”). The board of directors of the Company (the “Board”) wishes to provide further information by adding the following notes to page 10 of the Announcement:

“11. TRADE RECEIVABLES

Other than the cash and credit card sales, the Group allows a credit period which is generally one month, extending up to three months for major customers. Each customer has a maximum credit limit.

None of the trade receivables is either past due or impaired. The age of the trade receivables as at the end of the reporting period is within three months.

12. TRADE PAYABLES

An aged analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2010 (Unaudited) HK\$'000	31 December 2009 (Audited) (Restated) HK\$'000
Within 1 month	57,879	1,422
1 to 2 months	6,873	5,808
2 to 3 months	1,173	9
Over 3 months	2,683	1,698
	<hr/> 68,608	<hr/> 8,937

The trade payables are non-interest-bearing and are normally settled on 30-day terms. The carrying amounts of these balances approximate to their fair values.”

Save as disclosed above, all other contents of the Announcement remain unchanged.

By Order of the Board
BIO-DYNAMIC GROUP LIMITED
Peter Lo
Chairman

Hong Kong, 30 August 2010

As at the date hereof, the executive directors are Mr. Peter Lo, Mr. Li Wentao, Mr. David Lee Sun, Mr. Zhao Difei, Mr. Li Jian Quan and Mr. Lu Gui Pin; the non-executive director is Mr. Derek Emory Ting-Lap Yeung; and the independent non-executive directors are Dr. Leung Kwan-Kwok, Mr. Sam Zuchowski and Dr. Loke Yu alias Loke Hoi Lam.