生命科技集團有限公司
LifeTec Group Limited
(A company listed on the Stock Exchange of Hong Kong)

To: Business Editor
[For immediate release]

LifeTec Group Limited
Announces 2002 Final Results

Improving Fundamentals and Prospects
and
Transition To A Mature Biotech Firm

- **Gross Profit rose over 244% from last fiscal year from HK$7m to HK$24m**
- **Biopharmaceutical turnover nearly triple to HK$31m from previous year's HK$11m**
- **Loss per share for the year significantly lowered to 1.5 cents per share from 4.9 cents of last fiscal year, representing an improvement of 69%**
- **Significant progress has been made in the development of new products and opening new markets**

[April 24, 2003, Hong Kong] **LifeTec Group Limited** ("LifeTec" or the "Group", HKEx Stock code : 1180) today announced its audited consolidated annual results for the year ended December 31, 2002. The Group reported a turnover of HK$31,009,000 for the year as compared to HK$22,318,000 for the previous year. Of the turnover of HK$31,009,000 for the year, HK$30,979,000 (approximately 99%) was derived from its biopharmaceutical division, representing a triple growth. Gross profit margin for the year rose from 31% to 77% whereas operating loss for the year lowered from HK$42,236,000 to HK$14,599,000, representing an improvement of 65%. The Group's loss for the year significantly reduced from HK$57,258,000 or 4.9 cents per share in the previous year to HK$23,318,000 or 1.5 cents per share for the year. This represents an improvement of 59% in absolute terms and a 69% improvement in terms of loss per share compared to that of the previous year. The Directors did not recommend the payment of a final dividend for the year.

LifeTec has made significant effort in raising sales of Wei Jia in the past year. A number of seminars and symposiums have been held during the year to further promote Wei Jia to liver specialists. The Group has decided to recruit a direct sales team to support the

existing national sales network in servicing the large number of clinics in the country. Currently, over 500 infectious disease hospitals have already adopted Wei Jia in treating hepatitis patients. GMP certification was granted to the newly established production plant, which had increased production capacity 10 folds from 2 million to 20 million vials per annum. Clinical trials on Wei Jia's application on pediatric hepatitis were successfully completed by Beijing 302 Hospital of the People's Liberation Army during the year. The results affirmed Wei Jia's efficacy for pediatric hepatitis with no major side effects. The research of the recombinant DNA version of Wei Jia in China progressed satisfactorily. The research effort was further boosted by a recent 50% paired grant of HK$1.7 million from Hong Kong Innovation Technology Fund for the joint research project on DNA version of Wei Jia with local universities. City University of Hong Kong leads the project while a prominent professor of The University of Hong Kong participates as a co-investigator. During the fiscal year, the Group has acquired two innovative revolutionary drug projects: recombinant human Augmenter for Liver Regeneration (rhALR), a recombinant DNA liver drug, and Pazufloxacin (Pazu), a new generation antibiotic. Both drugs possess very promising market potential and together form a new driving force for LifeTec.

LifeTec has taken action in the increase of Wei Jia's retail price. Such application has been approved at the provincial level and is expected to pass the central government level in the near future. The Group is well geared to bring Wei Jia overseas. Arrangements for launching Wei Jia in the Vietnam market are being finalized and discussions for licensing Wei Jia to prominent distributors in South Korea are also making good progress. In addition, the restructuring of an agency dependent distribution network to a proprietary directed system would improve the penetration of Wei Jia and any new products launched in China.

LifeTec's Chairman and Managing Director, Mr. Jay Chun, commented, "All our staff have made significant efforts in contributing to the great improvement in overall results. I believe our new GMP certified production facilities can give strong assurance to our customers of the quality of Wei Jia. We will continue to improve the penetration of Wei Jia in China while exploring other markets in Asia and overseas. We will conduct clinical trials for new applications of Wei Jia to broaden sales on an on-going basis. With new drug projects in our product pipeline and joint research effort with various leading biotech research institutions, I am confident that LifeTec will make the transition into a more mature biopharmaceutical company and to bring fruitful returns for our investors in a foreseeable future."

- Ends -

Company Background

LifeTec is a Hong Kong listed company (stock code 1180) engaged in the development, manufacture and sale of innovative biopharmaceutical products based on original technology. LifeTec holds the administrative protection for the new generation hepatitis drug Wei Jia.

LifeTec's nationwide distribution network has over 70 sales offices covering all regions in China. Since the commercial launch of Wei Jia in mid 2001, the number of hospitals adopting Wei Jia has been soaring. Currently Wei Jia is adopted by over 500 hospitals and the number of user hospitals is expected to grow to 1,000 by end of 2003.

The new GMP compliant production line in Weihai, Shandong Province has commenced production in Aug 2002. The production line has an annual production capacity of 20 million vials of Wei Jia per annum.

In addition to liver drugs, LifeTec has acquired two new drug projects in Dec 2002, namely the augmenter for liver regeneration ("ALR") and new generation antiseptic Pazufloxacin. ALR is the revolutionary gene therapy for liver disease including liver cancer and cirrhosis. The Gene Therapy Research Center of the Institute of Infectious Diseases of The Peoples' Liberation Army is the technical partner in the ALR project.

Issued by OCCASIONS Corporate & Financial Communications Limited for and on behalf of **LifeTec Group Limited.** For further information, please contact:

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