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**LIFETEC PLACES 200 MILLION SHARES AT HK\$0.235 PER SHARE
TO RAISE HK\$47 MILLION**

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TO ACTIVELY PROMOTE AND MARKET WEI JIA

Hong Kong, December 17, 2001 --- LifeTec Group Limited (“LifeTec” or the “Group”) (Stock Code: 1180) today announced a share placement which involves 200 million shares. The placement price is fixed at HK\$0.235 per share representing a discount of 9.6% to the closing price of HK\$0.26 per share as quoted on The Stock Exchange of Hong Kong Limited on December 14, 2001 and a discount of 7.5% to the average closing price of HK\$0.254 per share for the last ten trading days.

The total funding raised from the placement is approximately HK\$47 million bringing in a net amount of approximately HK\$45.7 million for the Group. Of the total amount raised, approximately HK\$27 million will be applied for the promotion and marketing of Wei Jia, the newly SDA licensed Category I drug for treating sever hepatitis. The remaining balance of HK\$18.7 million will be used as the working capital of the Group.

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The 200 million new shares issued in this placing exercise represent approximately 16.44% and 14.12% of the existing issued share capital and the enlarged share capital respectively. The placement has been fully subscribed and resumption of trading is expected tomorrow (December 18, 2001). Kingston Securities Limited has been appointed as the placing agent for the fund raising exercise.

Mr. Jay Chun, Managing Director of LifeTec Group Limited, said, "Apart from raising funds, the placing exercise will broaden our shareholder base and capital base. The placement is mainly offered to institutional investors who are expected to be long-term investors and who will help to instill stability and growth in the Group's share price in the future.

Mr. Chun concluded, "We are also very happy to see the generous support of institutional investors. The overwhelming response to the subscription of our shares demonstrates their confidence in the Group and their approval of the Group's future development direction,"

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