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LifeTec Obtains SDA Final Approval for Commercial Production of "Wei Jia"

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New Hope for Severe Hepatitis Patients

Hong Kong, 17 January 2001 ---- LifeTec Group Limited (Stock code : 1180) today announced that the final approval for commercial production of "Wei Jia" was granted by the PRC State Drug Administration (SDA) on 12 January 2001. With completion of all clinical trials and the receipt of the SDA approval certificate, the Group's subsidary, Sinogen, would now commence commercial production and sale of the new drug in the PRC. SDA is the PRC equivalent of the FDA in the United States.

The Group will commence commercial production of "Wei Jia" immediately by using the existing production facilities which has a yearly capacity of up to 2 million units. The Group is currently working on the construction of expanded production facilities for meeting anticipated surge in demand following the commercial roll out of "Wei Jia". The new production facilities are expected to commence operation in the third quarter of this year and would provide additional capacity of up to 100 million units per annum. The selling price of "Wei Jia" is expected to around RMB 20 per unit.

Currently, an estimated 120 million people are suffering from hepatitis B in the PRC. This is a huge market for "Wei Jai". To capture a predominant share of this market, the Group is actively co-ordinating its internal marketing efforts and negotiating cooperative arrangements at the same time to facilitate the marketing, distribution and sales of "Wei Jia" in the country. LifeTec is also exploring other Asian markets which are also key growth areas for "Wei Jia".

"Wei Jia" is one of the seventeen "Category I" drugs approved by the SDA since 1949. It is a Hepatocyte Growth Promoting Factor (PHGF) Injection that could stimulate liver cell growth through replication and regeneration. It also has the effect of repairing damaged liver cells. According to clinical trials conducted in the past seven years, the drug has unrivalled curing effect for chronic and acute severe hepatitis and could retard the growth of liver cancer and cirrhosis. The drug has proven to be of low toxicity and has minor side-effects.

Mr. Jay Chun, Managing Director of LifeTec Group Limited, said, "We are delighted to have obtained the final SDA approval for commercial production of "Wei Jia" after long years of research and clinical trials. It provides a valuable endorsement for the new drug. Since "Wei Jia" has wide application and a huge market in the PRC and the rest of Asia, we are confident that it will have significant contributions to the Group's short term and long term earnings."

Mr. Patrick Yeung, Chief Operating Officer of LifeTec, concluded, "We are encouraged by our progress so far and are excited about the new hope which "Wei Jia" could bring to countless number of people suffering from severe hepatitis, liver cancer and cirrhosis."

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