

[Press Release]



Clinical Trials Prove Wei Jia's Efficacy On Pediatric Hepatitis

LifeTec Continues To Unlock Wei Jia's Potential

[23 October, 2002] - Hong Kong - LifeTec Group Limited ("LifeTec" or the "Group", stock code: 1180), is pleased to announce that the clinical trials for Wei Jia's application on pediatric hepatitis have been successfully completed. The results affirm that Wei Jia is an efficacious drug against pediatric hepatitis, with no major side effects. The new findings open additional sales opportunities for Wei Jia.

There are approximately 2 million chronic hepatitis patients between 1 - 14 years old in China every year. Very few drugs suitable for the treatment of pediatric hepatitis exist in the market as most hepatitis drugs have strong side effects on children. The clinical results provide Wei Jia with a strong competitive edge in the pediatric sector. Assuming that Wei Jia can capture 10% of the pediatric market, this would translate into potential annual sales of over HK\$100 million to LifeTec (i.e. 200,000 pediatric patients, each requiring a standard dosage of 30 vials for the treatment).

The clinical trials were conducted by The Beijing 302 Hospital and the Children's Hospital, Medical Center of Fudan University between November 2001 and August 2002. Wei Jia was applied to 150 pediatric hepatitis patients aged under 16. A control group with another 160 pediatric hepatitis patients (also aged under 16) was also used for the trials. Wei Jia's efficacy was substantiated by the higher effective rates as well as short recovery period for the active patient group:

% Of Patients With Biological Indicators To Return To Normal Level

	Wei Jia Group	Control Group
ALT	80%	60%
SB	91%	80%

No. Of Days Taken For The Patients' Biological Indicators To Return To Normal Level

	Wei Jia Group	Control Group
ALT	24 days	41 days
SB	28 days	36 days

Source: Wei Jia's Pediatric Clinical Trials Report

Note:

ALT – Alanine aminotransferase, an enzyme that is found primarily in the liver. It is released into the bloodstream as the result of liver damage.

SB – Serum bilirubin, A pigment produced when the liver processes waste products. A high bilirubin level causes yellowing of the skin.

The clinical trial results for Wei Jia's application to pediatric hepatitis was announced in the National Joint Academic Conference For Pediatric Infectious Diseases And Immunologic Diseases this week. The Conference was conducted over a four-day period in Haikou, Hainan Province, China. The Chinese Medical Association was the organizer of the Conference, while the Hainan Medical Association and the Hainan People's Hospital were the coordinators of the event. Over 300 doctors and medical experts attended this major event in China's medical sector as the latest research findings and medical breakthroughs were announced in the Conference. The Conference served as a very important platform for Wei Jia to publicize the latest clinical findings to the leading pediatric specialists in China. The event gave Wei Jia a strong boost for its adoption in pediatric hepatitis treatment.

LifeTec's marketing team will begin the promotion of Wei Jia to the pediatric divisions of major hospitals as well as the childrens' hospitals in China. The team will also promote the new use of the drug through key medical journals as well as other medical professional seminars.

Mr. Jay Chun, Chairman and Managing Director of the Group, commented ' To continue to unlock the potential of Wei Jia, Life Tec is conducting clinical trials for Wei Jia's application to cirrhosis and alcoholic hepatitis. These clinical trials are expected to be completed within the next 12-18 months. The upcoming new applications are expected to add momentum to the growth of Wei Jia's sales and ultimately, to bring fruitful returns to the Group and its shareholders.'

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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. The Company, through its subsidiary Weihai Sinogen Pharmaceutical Co. Ltd., holds the patent for the new generation hepatitis drug, Wei Jia. Wei Jia is a Category I prescription drug approved by the State Drug Administration in China. As a Hepatocyte Growth Factor (pHGF), Wei Jia stimulates liver cell growth and has remarkable treatment effect on severe hepatitis. It is a highly efficacious drug with minor side effects.

With 120 million hepatitis B carriers, China is the world's largest market for hepatitis drugs. Equipped with an annual production capacity of 20 million vials of Wei Jia per annum, LifeTec aims to capture substantial share in the promising China market. The Company has a nationwide distribution network with over 70 sales representatives covering all regions in the country. Since the commercial launch of Wei Jia in mid-2001, the product has gained a strong market reception. Currently over 400 hospitals in China have adopted Wei Jia.

LifeTec has well-equipped laboratory facilities in Shanghai and Weihai. LifeTec's scientific advisory board consists of top hepatitis experts and renowned scientists. The board provides valuable advice in the Company's product development and biotech project acquisition. LifeTec also closely collaborates with leading medical research institutions in China and overseas countries. The Company targets to form strategic alliances with prominent pharmaceutical enterprises in joint product development and global marketing of Wei Jia.

Going forward, the application of Wei Jia will be extended to cirrhosis and alcohol hepatitis. LifeTec is also developing a recombinant DNA version of Wei Jia that will be more efficacious and flexible in delivery. In addition to liver drugs, LifeTec has also been exploring opportunities in three other segments like diabetes drugs, pediatric drugs and anti-cancer drugs. LifeTec's corporate motto "Biotechnology – from life and for life" signifies the management's dedication to apply biotechnology for the well-being of mankind.

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