

*To the shareholders,*

Dear Sir or Madam,

I am delighted to report to you that the Group recorded significant increases in turnover and total assets in 2006. Our pharmaceutical business in Tianjin, as we expected, performed very well and made a great contribution to the revenue and results of the Group within the year under review. At the same time, GenePro, our pharmaceutical and health care business unit in Hong Kong also achieved an encouraging growth in services income in spite of keen competition.

Having a mission to enhance our shareholders' value, my colleagues and I will focus on developing our existing core business and grasping business opportunities in the huge China pharmaceutical market. Some business plans have already been carried out in the first half of 2007. We expect that the Group could make excellent progress and improve overall profitability in this year.

As our resumption proposal has not been accepted, trading of our shares remains suspended. We are now seeking professional advice on next step to strive for resumption of trading of our shares.

I also take this opportunity to thank our customers, shareholders, staff and professional advisers for their continuous support to the Group.

Yours sincerely,

**Wu Kwai Yung**

*Chairman*

Hong Kong, 25 April 2007