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**FAR EAST PHARMACEUTICAL TECHNOLOGY COMPANY LIMITED
(Provisional Liquidators Appointed)**

遠東生物制藥科技有限公司

(已委任臨時清盤人)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code : 399)

**ANNOUNCEMENT OF ANNUAL RESULTS
FOR THE YEAR ENDED 30 JUNE 2006**

The board (the "Board") of directors (the "Directors") of Far East Pharmaceutical Technology Company Limited (Provisional Liquidators Appointed) (the "Company") is pleased to announce the consolidated results of the Company and its subsidiaries (the "Group") for the year ended 30 June 2006 (the "Year") together with the comparative figures for the previous corresponding year as follows:

CONSOLIDATED INCOME STATEMENT

	<u>Notes</u>	<u>2006</u> HK\$'000	<u>2005</u> HK\$'000
Turnover	4	32,028	29,061
Cost of sales		<u>(27,821)</u>	<u>(25,618)</u>
Gross profit		4,207	3,443
Other income	5	9	818
Selling expenses		(4,269)	(3,018)
Administrative expenses		<u>(2,964)</u>	<u>(6,392)</u>
Loss from operations		(3,017)	(5,149)
Finance cost	7	<u>(49,936)</u>	<u>(35,848)</u>
Loss before tax		(52,953)	(40,997)
Income tax expense	8	-	-
Loss for the year	9	<u>(52,953)</u>	<u>(40,997)</u>
Attributable to equity holders of the Company		<u>(52,953)</u>	<u>(40,997)</u>
Loss per share	10		
Basic (HK cents per share)		<u>(2.43)</u>	<u>(1.88)</u>
Diluted (HK cents per share)		<u>N/A</u>	<u>N/A</u>

CONSOLIDATED BALANCE SHEET

	<u>Notes</u>	<u>2006</u> HK\$'000	<u>2005</u> HK\$'000
Non-current assets			
Property, plant and equipment		25,681	26,144
Prepaid lease payments		9,272	9,207
		<u>34,953</u>	<u>35,351</u>
Current assets			
Inventories		4,193	3,923
Prepayments, deposits and other receivables		1,277	2,248
Trade receivables	11	4,828	3,796
Prepaid lease payments		206	200
Bank and cash balances		2,386	2,859
		<u>12,890</u>	<u>13,026</u>
Current liabilities			
Bank loans		555,510	507,449
Trade payables	12	15,377	11,076
Accruals and other payables		130,048	130,504
		<u>700,935</u>	<u>649,029</u>
Net current liabilities			
		<u>(688,045)</u>	<u>(636,003)</u>
Total assets less current liabilities			
		<u>(653,092)</u>	<u>(600,652)</u>
Non-current liabilities			
Deferred taxation		1,427	1,271
NET LIABILITIES			
		<u>(654,519)</u>	<u>(601,923)</u>
Capital and reserves			
Share capital		54,394	54,394
Reserves		(708,913)	(656,317)
TOTAL EQUITY			
		<u>(654,519)</u>	<u>(601,923)</u>

Notes:

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business is 35th Floor, One Pacific Place, 88 Queensway, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and have been suspended for trading since 17 June 2004.

The Company is an investment holding company. The activities of its subsidiaries are principally engaged in the manufacturing and distribution of pharmaceutical products.

2. BASIS OF PREPARATION

Going concern

The Group incurred a loss attributable to equity holders of the Company of approximately HK\$52,953,000 for the year ended 30 June 2006 (2005: approximately HK\$40,997,000) and as at 30 June 2006 the Group had net current liabilities of approximately HK\$688,045,000 (2005: approximately HK\$636,003,000) and net liabilities of approximately HK\$654,519,000 (2005: approximately HK\$601,923,000) respectively. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Group has been experiencing financial difficulties since about 2004. On 15 September 2004, Standard Chartered Bank (Hong Kong) Limited ("SCBHK") petitioned for the winding-up of the Company as the Company failed to repay a syndicated bank loan. Upon the application of SCBHK, on 22 September 2004 Messrs. Lai Kar Yan Derek and Darach E. Haughey, both of Deloitte Touche Tohmatsu, were appointed as joint and several provisional liquidators (the "Provisional Liquidators") of the Company by the High Court of the Hong Kong Special Administrative Region so as to preserve the assets of the Company and to consider and review all restructuring proposals to maximize the recovery of the creditors and shareholders of the Company.

The Company had been placed into the third stage of the delisting procedures on 17 October 2005. Best Champion Holdings Limited (the "Investor") subsequently decided to pursue a restructuring of the Company.

After various discussions involving representatives of the Provisional Liquidators, the Investor and their respective advisors, the terms of a restructuring proposal were formulated. The restructuring proposal involves, inter alia, (i) capital restructuring; (ii) debt restructuring; (iii) subscription; and (iv) group reorganization.

On 29 March 2006, a proposal for the resumption of trading in the Company's shares was submitted on behalf of the Company to the Stock Exchange by Asian Capital (Corporate Finance) Limited which had been appointed as the financial advisor to the Company.

The financial statements have been prepared on a going concern basis on the basis that the proposed restructuring of the Company will be successfully completed, and that, following the financial restructuring, the Group will continue to meet in full its financial obligations as they fall due in the foreseeable future.

Having reviewed and considered the operations and the affairs of the Group and the Company, the magnitude of the claims against the Company and the third stage of delisting procedures, the Directors concluded that the proposed restructuring represents the best means available for the Company to be returned to solvency and to continue with the development and enhancement of its business. The directors are therefore of the opinion that it is appropriate to prepare the financial statements on a going concern basis.

In the opinion of the Directors, the financial statements for the year ended 30 June 2006 prepared on the going concern basis present fairly the results, state of affairs and cash flows of the Group.

Should the Group be unable to achieve a successful restructuring and to continue its business as a going concern, adjustments would have to be made to the financial statements to adjust the value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively.

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position.

4. TURNOVER

The Group's turnover which represents sales of pharmaceutical products to customers is as follows:

	<u>2006</u>	<u>2005</u>
	HK\$'000	HK\$'000
Sales of pharmaceutical products	32,028	29,061

5. OTHER INCOME

	<u>2006</u>	<u>2005</u>
	HK\$'000	HK\$'000
Interest income	9	24
Waive of trade payables to a supplier	-	406
Waive of land tax payable to the government of the PRC	-	377
Sundry income	-	11
	<u>9</u>	<u>818</u>

6. SEGMENT INFORMATION

Primary reporting format - business segments

The Group is principally engaged in the manufacturing and distribution of pharmaceutical products. An analysis of the Group's financial performance and position by business segments, namely 'Manufacturing and distribution' and 'Corporate and others' is as follows:

	Manufacturing and distribution		Corporate and others		Total	
	2006	2005	2006	2005	2006	2005
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<u>Years ended 30 June 2006 and 2005</u>						
Turnover	32,028	29,061	-	-	32,028	29,061
Segment results	(2,655)	(1,792)	(371)	(4,175)	(3,026)	(5,967)
Other income					9	818
Loss from operations					(3,017)	(5,149)
Finance cost					(49,936)	(35,848)
Loss before tax					(52,953)	(40,997)
<u>At 30 June 2006 and 2005</u>						
Segment assets	47,690	48,318	153	59	47,843	48,377
Segment liabilities	51,519	48,249	-	-	51,519	48,249
Unallocated liabilities					650,843	602,051
Total liabilities					702,362	650,300
<u>Other segment information:</u>						
Capital expenditure	992	2,850	-	-	992	2,850
Depreciation	2,699	2,557	-	-	2,699	2,557
Surplus on revaluation of building recognised directly in equity	355	345	-	-	355	345

Secondary reporting format - geographical segments

Over 90% of the Group's revenue and assets are derived from customers and operations based in the PRC and accordingly, no further analysis of the Group's geographical segments is disclosed.

7. FINANCE COST

	2006	2005
	HK\$'000	HK\$'000
Interest on bank loans and syndicated borrowings	49,936	35,848

8. INCOME TAX EXPENSE

No provision for Hong Kong Profits Tax has been made for the year ended 30 June 2006 (2005: Nil) as the Group did not generate any assessable profits arising in Hong Kong during the year.

Tax charge on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

9. LOSS FOR THE YEAR

The Group's loss for the year is stated after charging the following:

	<u>2006</u>	<u>2005</u>
	HK\$'000	HK\$'000
Depreciation	2,699	2,557
Directors' emoluments	360	498
Operating lease charges of land and buildings	202	200
Auditor's remuneration (Note a)	-	-
Cost of inventories sold	27,821	25,618
Staff costs including directors' emoluments Salaries, bonus and allowances	1,208	1,377
	<u>27,290</u>	<u>29,250</u>

a) Auditor's remunerations for the two years ended 30 June 2005 and 2006 are borne by the Investor.

10. LOSS PER SHARE

Basic loss per share

The calculation of basic loss per share attributable to equity holders of the Company is based on the loss for the year attributable to equity holders of the Company of approximately HK\$52,953,000 (2005: approximately HK\$40,997,000) and the weighted average number of ordinary shares of 2,175,742,000 (2005: 2,175,742,000) in issue during the year.

Diluted loss per share

No diluted loss per share are presented as the Company did not have any dilutive potential ordinary sharing during the two years ended 30 June 2006.

11. TRADE RECEIVABLES

The Group's trading terms with customers are mainly on credit. The credit terms generally range from 30 to 90 days. Each customer has a maximum credit limit. For new customers, payment in advance is normally required. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management.

The aging analysis of trade receivables, based on the invoice date, and net of allowance, is as follows:

	<u>2006</u>	<u>2005</u>
	HK\$'000	HK\$'000
30 days or less	1,479	1,438
31 days to 60 days	995	313
61 days to 180 days	1,585	1,817
Over 180 days	769	228
	<u>4,828</u>	<u>3,796</u>

As at 30 June 2006, an allowance was made for estimated irrecoverable trade receivables of approximately HK\$9,046,000 (2005: approximately HK\$9,046,000).

12. TRADE PAYABLES

The aging analysis of trade payables, based on the date of receipt of goods, is as follows:

	<u>2006</u>	<u>2005</u>
	HK\$'000	HK\$'000
30 days or less	1,666	1,652
31 days to 60 days	1,947	828
61 days to 180 days	3,502	1,144
Over 180 days	8,262	7,452
	<u>15,377</u>	<u>11,076</u>

13. CONTINGENT LIABILITIES

As at 30 June 2006, the Group has contingent liabilities of about HKD94 million in respect of unpaid service fees. The Directors consider these claims are not well substantiated. It is expected that the indebtedness of the Group will be compromised and discharged in full through the scheme of arrangement to be sanctioned by the Court.

Save as disclosed above, the Directors were not aware of any significant contingent liabilities of the Group as at the balance sheet date.

14. EVENTS AFTER THE BALANCE SHEET DATE

Winding Up Petition

At the resumed hearing of the winding up petition on 26 November 2007, the Honourable Madam Justice Kwan ordered that the Petition be further adjourned to 13 May 2008.

Restructuring and Relisting

Stock Exchange's decision on resumption of trading

On 10 October 2007, the Stock Exchange issued a letter to Asian Capital (Corporate Finance) Limited, the financial advisor of the Company and advised that the Listing Appeals Committee concurred with the decisions of the Listing Committee and the Listing (Review) Committee that the Company had not submitted a valid resumption proposal as required. Nevertheless, having considered all submissions (both written and oral) presented by the review parties for the purpose of the reconvened Review Hearing on 19 September 2007, it had decided to allow the Company to proceed with the Resumption Proposal (as supplemented by subsequent submissions), subject to prior compliance with various conditions to the satisfaction of the Listing Division of the Stock Exchange within six months from the date of the letter, i.e. on or before 9 April 2008.

Since then, the representatives of the Provisional Liquidators of the Company, the Investor and their respective advisors have been endeavoured to achieve full compliance of the conditions set out by the Stock Exchange.

In view of the fact that there are various long public holidays during the six-month period, the conditions could not be fully complied with on or before 9 April 2008. In the circumstances, the Company is now seeking from the Stock Exchange an extension for complying with the conditions.

Debt restructuring

The Company has made an application to the High Court of Hong Kong for a sanction to a Scheme of Arrangement (with modifications) under section 166 of the Hong Kong Companies Ordinance between the Company and all its creditors with non-preferential claims against the Company, which was duly approved at the Scheme Meeting ordered by the Court and held on 22 February 2008. The hearing of the application by the High Court is scheduled on 8 April 2008.

Capital restructuring

The Company will convene an extraordinary general meeting of the members to seek the shareholders' approval on the proposed capital restructuring. The Company has also made an application to the court in the Cayman Islands for a restructuring in its capital. The hearing date of this petition is fixed on 20 June 2008.

QUALIFIED INDEPENDENT AUDITOR'S REPORT

The Directors would like to draw your attention to the fact that the independent auditor's report on the financial statements of the Group for the year ended 30 June 2006 has been qualified. The relevant parts of the auditor's report that dealt with the qualification are quoted as follows:

Basis for disclaimer of opinion

1. Opening Balances and Corresponding Figures

Our audit opinion on the financial statements of the Group for the year ended 30 June 2005 (the "2005 Financial Statements"), which form the basis for the corresponding figures presented in the current year's consolidated financial statements, was disclaimed because of the significance of the possible effect of the limitations on the scope of our audit and the material uncertainty in relation to going concern, details of which are set out in our audit report dated 8 April 2008. Accordingly, we were then unable to form an opinion as to whether the 2005 Financial Statements gave a true and fair view of the state of affairs of the Group as at 30 June 2005 and of the Group's results and cash flows for the year then ended.

2. Trade Receivables

No direct confirmation and other sufficient evidence have been received by us up to the date of this report in respect of the trade receivables of 上海德勝科技集團(安慶)制藥有限公司 ("安慶") totaling approximately HK\$4,064,000 as at 30 June 2006.

3. Trade Payables

No sufficient direct confirmation and other sufficient evidence have been received by us up to the date of this report in respect of the trade payables of 安慶 totaling approximately HK\$14,258,000 as at 30 June 2006.

Any adjustments to the figures as described from points 1 to 3 above might have a significant consequential effect on the Group's results and cash flows for the two years ended 30 June 2005 and 2006 and the financial positions of the Group as at 30 June 2005 and 2006 and the related disclosures thereof in the financial statements.

Material uncertainty relating to the going concern basis

In forming our opinion, we have considered the adequacy of the disclosures made in note 2 to the financial statements which explains that the proposal for the resumption of trading in the Company's shares and the restructuring of the Group (the "Resumption Proposal") was submitted to The Stock Exchange of Hong Kong Limited ("the Stock Exchange") on 29 March 2006. The Resumption Proposal involves capital restructuring, debt restructuring, subscription of shares and group restructuring, resulting in a reduction of the Company's indebtedness.

The Resumption Proposal is, however, dependent upon the scheme of arrangement for the restructuring of the Company's indebtedness being accepted by the majority of each class of the Company's creditors and the re-listing of the Company's shares on the Stock Exchange. The Resumption Proposal is also conditional upon the relevant approvals being obtained from the shareholders, the High Court of Hong Kong, the Grand Court of the Cayman Islands and the Hong Kong regulatory authorities including the Stock Exchange and the Securities and Futures Commission.

The financial statements have been prepared on a going concern basis on the assumption that the Resumption Proposal will be successfully completed and that, following the Resumption Proposal, the Group will continue to meet in full its financial obligations as they fall due in the foreseeable future. The financial statements do not include any adjustments that would result from a failure to complete the Resumption Proposal. However, in view of the extent of the material uncertainty relating to the completion of the Resumption Proposal, we disclaim our opinion in respect of the material uncertainty relating to the going concern basis.

Disclaimer of opinion: disclaimer on view given by financial statements

Because of the significance of the matters described in the basis for disclaimer of opinion paragraphs and the material uncertainty relating to the going concern basis as described above, we do not express an opinion on the consolidated financial statements as to whether they give a true and fair view of the state of affairs of the Group as at 30 June 2006 and of the Group's results and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards. In all other respects, in our opinion the consolidated financial statements have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group's turnover for the year ended 30 June 2006 amounted to approximately HK\$32,028,000, representing a 10% increase from the year ended 30 June 2005 (approximately HK\$29,061,000).

RESTRUCTURING

Following the appointment of the Provisional Liquidators, the Investor had been identified for the restructuring of the Group. A proposal for the resumption of the trading in the shares of the Company was submitted to the Stock Exchange in March 2006.

On 10 October 2007, the Stock Exchange issued a letter to Asian Capital (Corporate Finance) Limited, the financial advisor of the Company and advised that it had decided to allow the Company to proceed with the Resumption Proposal (as supplemented by subsequent submissions), subject to prior compliance with various

conditions to the satisfaction of the Listing Division of the Stock Exchange within six months from the date of the letter, i.e. on or before 9 April 2008.

The Provisional Liquidators, the Investor and their respective advisors are working towards to fulfill the conditions imposed by the Stock Exchange.

FUTURE PROSPECTS

The Provisional Liquidators and the Investor have endeavored to reactivate the operations of the Group.

Co-operative joint venture

In April 2007, a co-operative joint venture ("the CJV") was established in the People's Republic of China ("the PRC") for distributing pharmaceutical and healthcare products. Since then, the CJV has been utilizing the strong network of its PRC joint venture partner for distributing pharmaceutical and healthcare products in the PRC and achieved a good result. The turnover of the CJV was over HK\$148 million for the six months from July to December 2007.

In view of the aging population, the increasing awareness of health care and increasing income level in the PRC, it is expected that the CJV will enjoy a stable growth in the business.

Laolaishou

In order to further improve and enhance the business of the Group, the CJV has also been appointed by Jinan Laolaishou Biotech Company Limited (濟南老來壽生物科技有限公司) ("Laolaishou") as its exclusive distributor in the PRC (including Hong Kong).

Laolaishou is mainly engaged in the research, manufacturing, and distribution of the pharmaceutical products and health food products. Currently, Laolaishou owns eight pharmaceutical licenses, three health products, two manufacturing rights of patented health food products, namely老來壽膠囊 (Laolaishou Capsule) and 開元唐泰膠囊 (Kaiyuantangtai Capsule), and other patents in the application stage.

The CJV entered into an exclusive distribution agreement with Laolaishou on 20 August 2007. Under the agreement, upon the successful resumption of trading in shares of the Company, the CJV will become the sole agent having the exclusivity right for distributing the products of Laolaishou in the PRC. In addition, the CJV will also become the sole licensee for operating "Laolaishou Health Clubs" in the PRC.

The sales of Laolaishou products are expected to grow and expected to help improving the Group's profitability.

Furthermore, the CJV will utilize the funds raised by the Company to set up its own Laolaishou Health Clubs and dedicated shops in other selected locations in the PRC. The directors believe that the setting up of own retail shops of the CJV and the assimilation of the existing licensed shops into the CJV will substantially enhance the profit margin of the Group mainly due to the capture of the retail sales margin into the Group.

FOREIGN EXCHANGE EXPOSURE

The Group has certain exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in Hong Kong Dollars, United States Dollars and Renminbi. The Group currently does not have a foreign currency hedging policy in respect of foreign currency assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arises.

CAPITAL STRUCTURE

For the year ended 30 June 2006, there was no change in the capital structure and issued share capital of the Company.

LIQUIDITY, FINANCIAL RESOURCES AND FUNDING

Given that the Company has been appointed Provisional Liquidators, financial assistance from the Investor and cash inflow from operation are, at present, the major sources of funding for the Group.

ADDITIONAL INFORMATION REQUIRED BY THE LISTING RULES

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended 30 June 2006, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed shares during the year.

DIRECTORS' INTERESTS IN SHARES

At 30 June 2006, none of the directors nor their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations.

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2006, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the Securities and Futures Ordinance shows that, the following shareholders had notified the Company of relevant interests and short positions in the issued share capital of the Company.

Name of shareholder	Long/Short position	Capacity	Number of issued ordinary shares held	Note	Percentage of the issued share capital of the Company
Cai Chong Zhen	Long	Beneficiary of a trust	883,400,000	(1)	40.60%
		Beneficial owner	34,000,000		1.56%
Zhang Xiuqiong	Long	Interest of spouse	917,400,000	(2)	42.16%
Chen Ching Ken	Long	Founder of a discretionary trust	883,400,000	(1)	40.60%
Chen Lin Mei Mei	Long	Interest of spouse	883,400,000	(3)	40.60%
Great Wall Investment Group Limited	Long	Trustee	883,400,000	(1)	40.60%
Trident Corporate Services (B.V.I.) Limited (formerly known as Ansbacher (BVI) Limited)	Long	Trustee	883,400,000	(1)	40.60%
Celestial Securities Limited	Long	Other	186,200,000		8.56%

Notes:

1. These shares were held by Great Wall Investment Group Limited as the trustee of The Great Wall Unit Trust, a unit trust of which all of the units in issue are owned by Trident Corporate Services (B.V.I.) Limited in its capacity as the trustee of The C&C Trust, a discretionary family trust of which the objects include Mr. Cai Chong Zhen and his spouse and the family member of Mr. Chen Ching Ken.

Accordingly, Mr. Chen Ching Ken, as founder of The C&C Trust, and Mr. Cai Chong Zhen, as one of the discretionary objects of The C&C Trust, were deemed to be interested in the shares owned by Great Wall Investment Group Limited in its capacity as the trustee of The Great Wall Unit Trust under Part XV of the SFO.

2. Ms. Zhang Xiuqiong was deemed to be interested in the 917,400,000 shares of the Company through interests of her spouse, Mr. Cai Chong Zhen.
3. Ms. Chen Lin Mei Mei was deemed to be interested in the 883,400,000 shares of the Company through interests of her spouse, Mr. Chen Ching Ken.

Other than as disclosed above, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company as at 30 June 2006.

DIVIDEND

The directors do not recommend the payment of a dividend.

CORPORATE GOVERNANCE

Since the Company is under provisional liquidation, the Company has not complied with the Code of Best Practice as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange.

Appropriate personnel will be appointed to the board and arrangements will be made to comply with the Code before the resumption of the trading in shares of the Company.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules. Having made specific enquiry of all Directors, they have confirmed that they complied with the required standards as set out in the Model Code during the year ended 30 June 2006.

AUDIT COMMITTEE

The Company has not complied with Rule 3.21 of the Rules Governing the Listing Securities on the Stock Exchange. Throughout the year ended 30 June 2006, no audit committee has been established. Appropriate personnel will be appointed as members of audit committee before the resumption of the trading in shares of the Company.

Since the audit committee has yet to be established, the annual results have not been reviewed by the committee.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association, or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

SUFFICIENCY OF PUBLIC FLOAT

As at the date of this announcement, the trading in shares of the Company remains in suspension, the sufficiency of public float as required by the Listing Rules is not applicable.

REVIEW OF THE PRELIMINARY ANNOUNCEMENT BY AUDITOR

The figures in respect of the Group's consolidated balance sheet, consolidated income statement and the related notes thereto for the year ended 30 June 2006 as set out in the preliminary announcement have been agreed by the Group's auditor, ANDA Certified Public Accountants, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by ANDA Certified Public Accountants in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by ANDA Certified Public Accountants on the preliminary announcement.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual result announcement is published on the websites of the Company (<http://www.feptcl-399.info/>) and the Stock Exchange (www.hkex.com.hk). The annual report of the Company for 2004 containing all the information required by the Listing Rules will be dispatched to shareholders and made available on the above websites in due course.

By order of the Board
**Far East Pharmaceutical Technology
Company Limited**
(Provisional Liquidators Appointed)
Tai Kai Hing
Chairman

Hong Kong, 8 April 2008

As at the date of this announcement, the Board comprises one executive Director, namely Mr. Tai Kai Hing, two independent non-executive Directors, namely Mr. Chiu Koon Shou, Victor and Mr. Chung Wai Man.