



Lee's Pharmaceutical Holdings Limited
李氏大藥廠控股有限公司

Powder Pharmaceuticals Incorporated Enters into Agreement with Health-Chem Diagnostics, LLC obtaining Exclusive Manufacturing and Marketing Rights for TD Glucose in PRC, Hong Kong and other Asian Countries

[4 March 2011 - Hong Kong] **Lee's Pharmaceutical Holdings Limited** ("Lee's Pharmaceutical" or the "Group", Stock Code: 950), an integrated research-driven and market-oriented pharmaceutical group in China, today announced that the Group's affiliated company, Powder Pharmaceuticals Incorporated ("Powder"), has entered into an assignment agreement with Health-Chem Diagnostics, LLC ("HCD") for manufacturing and marketing the product TD Glucose, which consists of a Glucose Meter and Glucose Patch, in PRC (including Hong and Macau), Taiwan, Vietnam, Thailand, Malaysia and Singapore.

HCD manufactures point-of-care medical diagnostic products for use at home, in physician offices, and other healthcare locations and markets them worldwide through multiple distribution channels under its own Health-Chem Diagnostics brand as well as OEM (original equipment manufacture) and private label programs. Many of HCD's diagnostic products incorporate its patented and proprietary membrane-based technology platform. HCD presently holds 7 U.S. patents with foreign equivalence, and has 2 U.S and 12 foreign patent applications pending.

Powder Pharmaceuticals Incorporated is an affiliated company of the Group and the Group owns 15.85% of its issued capital.

The TD Glucose is completely non-invasive, non-toxic and safe. A skin patch provides diabetics with a painless, bloodless, easy to use and rapid method to monitor their glucose levels. After the patch has been placed on the forearm for about five minutes, a small electronic meter is held up to the patch and produces an instant glucose reading. The single-use patch is then removed and easily disposed of. The TD Glucose combines proprietary and patented transdermal technology with Health Chem membrane-based diagnostic technology. The alliance of these technologies permits dermal glucose to be drawn and transported into the patch where it causes an

end-point chemical reaction and color change in the membrane. Special optics in a patented electronic meter detects the color change and provides a glucose reading.

Benefits of the TD Glucose:

- Painless
- Bloodless
- Cost Effective
- Easy to Use
- Rapid Results
- Greater Accuracy than Present Home Diabetic Invasive Test Methods

“We are excited to be HCD’s partner for marketing and manufacturing TD Glucose which results in strengthening Powder’s pipeline,” said Dr. Benjamin Li, CEO of the Group and Chairman of Powder. “We expect that TD Glucose will be approved by EU in the near future. Once approved, TD Glucose will revolutionize the plasma glucose level monitoring in diabetic patients, bringing significant benefit to patients. The market potential to TD Glucose will be enormous. ”

Information about Lee’s Pharmaceutical Holdings Limited

Lee’s Pharmaceutical Holdings Limited, a biopharmaceutical company, was successfully listed on the Main Board of the Stock Exchange of Hong Kong Limited in 2010, with over 16 years operation in China’s pharmaceutical industry. It is fully integrated with solid infrastructures in drug development, clinical development, regulatory, manufacturing and sales and marketing in China with global perspective and it currently markets nine products in China. The Group focuses on many different areas such as cardiovascular diseases, dermatology, oncology, gynecology and others with more than 30 products under different development stages stemming from both internal R&D as well as from the recent acquisition of licensing and distribution rights from various US and European companies.

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