

Directors' Report

The directors have pleasure in presenting their annual report and the audited consolidated financial statements of the Company for the year ended 31st March 2006.

Change of Company Name

Pursuant to a special resolution passed at the special general meeting of the Company held on 19th April 2006 and approval by the Registrars of Companies in Bermuda and Hong Kong, the name of the Company was changed from Wanji Pharmaceutical Holdings Limited 萬基藥業控股有限公司 to Nubrand Group Holdings Limited 滙保集團控股有限公司 with effect on 19th April 2006.

Principal Activities

The Company acts as an investment holding company. Its subsidiaries are principally engaged in the sale of medical equipment and the sale of health and beauty products. The Group was also previously involved in the sale of medicinal and winery products (see note 33 to the financial statements), which operations were discontinued during the year.

Results and Appropriations

The results of the Group for the year are set out in the consolidated income statement on page 33.

The Company had no distributable reserve at 31st March 2006.

Reserves

Details of the movements in the reserves of the Group during the year are set out in the consolidated statement of changes in equity on page 36 of the annual report.

Financial Summary

A summary of the results, assets and liabilities of the Group for the past five financial years, as extracted from the audited financial statements, is set out on page 92.

Investment Properties

Details of movements in the investment properties of the Group during the year are set out in note 16 to the financial statements.

Property, Plant and Equipment

Details of movements during the year in the property, plant and equipment of the Group are set out in note 17 to the financial statements.

Properties Held by the Group

Details of the properties held by the Group at 31st March 2006 are set out on page 93.

Share Capital

Details of movements during the year in the share capital are set out in note 31 to the financial statements.

Convertible Note

Details of movements in the convertible note of the Company during the year are set out in note 28 to the financial statements.

Distributable Reserves of the Company

There are no distributable reserves of the Company at 31st March 2006, calculated under the Companies Act 1981 of Bermuda (as amended). The Company's share premium account, in the amount of HK\$36,169,000 at 31st March 2006 (2005: HK\$31,904,000), may be distributed in the form of fully paid bonus shares.

Major Customers and Suppliers

The aggregate purchases attributable to the Group's largest supplier and five largest suppliers taken together accounted for 24% and 68% respectively of the Group's total purchases for the year.

The aggregate sale attributable to the Group's largest customer and five largest customers taken together accounted for 29% and 55% respectively of the Group's total turnover for the year.

None of the directors, their associates or any shareholders (which to the knowledge of the directors own more than 5% of the Company's share capital) had any interest in the five largest suppliers or customers.

Directors

The directors of the Company during the year and up to the date of this report were:

Executive directors

Mr. KWOK Wing Leung, Andy	(appointed on 5th September 2005)
Mr. TSE Michael Nam	(appointed on 21st June 2006)
Mr. WANG Ling	(retired on 30th September 2005)
Mr. YEN Shiao Hua, Sheridan	(retired on 30th September 2005)

Non-executive directors

Mr. LUK Chung Po	(redesignated from executive director to non-executive director on 30th September 2005)
Mr. YEUNG Ting Lap, Derek Emory	(appointed on 30th September 2005)

Independent non-executive directors

Ms. CHIU Kam Hing, Kathy	(appointed on 21st June 2006)
Mr. HO Man Kin, Tony	(appointed on 31st March 2006)
Mr. LI Kar Fai, Peter	(appointed on 31st March 2006)
Mr. MA She Shing, Albert	(appointed on 5th September 2005)
Ms. SHUM Ching Yee, Jennifer	(appointed on 30th September 2005 and resigned on 31st March 2006)
Mr. WANG Jing Chen	(appointed on 5th September 2005 and resigned on 31st March 2006)
Mr. LI Ka Fai, David	(retired on 30th September 2005)
Mr. TANG Shun Lam	(resigned on 30th September 2005)
Mr. YUNG Ha Kuk, Victor	(retired on 30th September 2005)

In accordance with Clauses 101 and 110 of the Company's Bye-Laws, Ms. Chiu Kam Hing, Kathy, Mr. Ho Man Kin, Tony, Mr. Li Kar Fai, Peter, Mr. Tse Michael Nam and Mr. Yeung Ting Lap Derek Emory shall hold office until the forthcoming annual general meeting and will retire and, being eligible, will offer themselves for re-election. Mr. Luk Chung Po and Mr. Ma She Shing, Albert will retire by rotation in accordance with Bye-law 110 of the Company's Bye-laws and, will not offer themselves for re-election at the forthcoming annual general meeting of the Company.

A service contract was entered into between the Company and Mr. Yen and Mr. Yen received a remuneration of HK\$145,834 per month for the period up to August 2005. Mr. Yen resigned as an Executive Director of the Company on 30th September 2005.

None of the directors being proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures

At 31st March 2006, the directors, chief executives and their associates had the following interests or short positions in shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of the Securities and Futures Ordinance ("SFO")) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") contained in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") were as follows:

Interests in the Company

Name of director	Capacity	Number of ordinary shares held	Approximate percentage of Company's issued share capital
Mr. KWOK Wing Leung, Andy	Interest of a controlled corporation (Note)	386,533,775	53.81
Mr. HO Man Kin, Tony	Personal	300,000	0.04

Note: These shares are held by Billion Pacific Ventures Limited, a company incorporated in the British Virgin Islands whose entire issued share capital is held by Mr. Kwok Wing Leung, Andy. Mr. Kwok Wing Leung, Andy is the sole director of Billion Pacific Ventures Limited.

Save as disclosed above, none of the directors, chief executives and their associates has any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of the Part XV of SFO) as at 31st March 2006 as required to be in the register maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Share Option Scheme

A share option scheme (the "Scheme") was adopted by the Company pursuant to a resolution passed on 26th August 2003. Under the Scheme, the directors of the Company may invite any director (including non-executive director and independent non-executive director) or employee of the Company or any of its subsidiaries or associated companies to take up options to subscribe for share of HK\$0.01 each (which was adjusted to HK\$0.1 per share following the consolidation of the Company's shares on 20th December 2004) in the capital of the Company.

Upon acceptance of the option, a nominal consideration of HK\$1.00 will be paid by each grantee for each lot of share option granted within 21 days from the date of making offer of option. The Scheme options are exercisable within ten years after date of grant.

During the year ended 31st March 2006, share options lapsed upon the resignation of the option holders.

The following table discloses movements in the Company's share options granted to the director:

	Number of share options			Date of grant	Exercisable period	Exercise price per share HK\$
	At 1st April 2005	Lapsed during the year	At 31st March 2006			
Director (resigned during the year)	21,769,300	(21,769,300)	–	8th March 2005	8th March 2005 to 7th March 2015	0.196

Save as disclosed above, none of the directors or their spouses or children under the age of 18 had any right to subscribe for the securities of the Company, or had exercised any such right during the period.

Directors' Rights to Acquire Shares or Debt Securities

Other than the share option scheme disclosed above, at no time during the year was the Company, its holding company or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of, the Company or any other body corporate.

Substantial Shareholders

Other than as disclosed in the section "Directors' and chief executives' interest and short positions in shares, underlying shares and debentures", as at 31st March 2006, no other person (other than directors or chief executives of the Company) had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

Directors' Interest in Competing Business

During the year and up to the date of this annual report, no directors of the Company are considered to have an interest in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group, pursuant to Rule 8.10 of the Listing Rules, other than those businesses of which the directors of the Company were appointed as directors to represent the interests of the Company.

Directors' Interests in Contracts

Except for the advances from the current and former ultimate holding companies described in notes 25 and 26 to the financial statements, no contracts of significance to which the Company, its holding company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, existed at the end of the year or at any time during the year.

Purchase, Sale or Redemption of the Company's Listed Securities

At no time during the year, did the Company nor any of its subsidiaries purchase, sell or redeem any of the Company's listed securities.

Management Contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

Sufficiency of Public Float

Based on information that is publicly available to the Company and within the knowledge of the directors, the directors confirm that the Company has maintained the amount of public float as required under the Listing Rules during the year.

Pre-emptive Rights

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

Compliance with Code of Best Practice

The Company has complied throughout the year ended 31st March 2006 with the Code of Best Practice, as set out in Appendix 14 to the Listing Rules.

The Company has adopted the Model Code (Appendix 10 to the Listing Rules) as its own code of conduct regarding securities transactions by directors. The Company, having made specific enquiry with all directors, confirms that all directors have complied with the Model Code throughout the year.

Independent Non-executive Directors' Confirmation of Independence

The Company has received, from each of the independent non-executive directors, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive directors are independent.

Emolument Policy

The emolument policy regarding the employees of the Group is set up by the Remuneration Committee and is based on their merit, qualifications and competence.

The emoluments of the directors of the Company are decided by the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics.

The Company has adopted a share option scheme as an incentive to directors and eligible employees, details of the scheme is set out in note 32 to the financial statements.

Post Balance Sheet Events

Details of significant post balance sheet events of the Group are set out in note 39 to the financial statements.

Auditors

During the year, Messrs. PricewaterhouseCoopers, who acted as auditors of the Company for the past three years, retired at the annual general meeting held in September 2005 and Messrs. Deloitte Touche Tohmatsu were appointed as auditors of the Company.

A resolution will be submitted to the annual general meeting of the Company to re-appoint Messrs. Deloitte Touche Tohmatsu as auditors of the Company.

On behalf of the Board

Mr. KWOK Wing Leung, Andy

Chairman

Hong Kong, 20th July 2006