

Chairman's Statement

To the Shareholders

On behalf of the Board of Directors of TechCap Holdings Limited ("the Company"), I am pleased to present the results of the Company and its subsidiaries ("the Group") for the year ended 31st March, 2002.

During the fiscal year of 2002, the Group underwent a successful financial restructuring process and as a results, the group's profit for the year amounted to HK\$110.6 million. The business conditions for the operation of manufacturing, sourcing and distribution of electronic parts have remained to be competitive and the Group will continue to improve the operation despite the difficult economic environment.

As stipulated in the restructuring during the fiscal year, the Group has transformed its principal business into investment holding in knowledge-based economy. The Company currently focuses on identifying and investing in the highest value and soundest intellectual property assets, particularly those relating to cutting edge biotechnology, life science, information technology and their cross applications in medicine, agriculture and other industries. The Company aims at positioning itself as a channel and platform for exchanging cutting edge, revolutionary technology and long-term capital source across the Pacific through downstream market penetration in order to capture the tremendous opportunities that may arise from its investments. The Company anticipates that it will be able to create and effective cross border business network through alliances with sound, innovative corporations for building its global presence and franchise.

In line with such strategy, during the fall of 2001 the Group has made a substantial strategic investment in Hamilton Apex Technology Ventures, L.P. ("Hamilton"), which is a U.S. technology venture fund focusing on cutting edge biotech; life science; information technology and their cross applications based in San Diego – one of the leading worldwide technology centers. Hamilton enjoys significant deal flows and top-level US institutional connections and receives a 2:1 matching funding from the US government.

Furthermore, the Group believes that tremendous opportunities will arise from recent advances and growth potential in biotech and life science in particular. Therefore, it is the Group's intention to put more resources in these area and in this respect, the Group has recently entered into a conditional sale and purchase agreement and a memorandum of understanding with Global Med International Holdings Limited, which is the major shareholder of Global Med Technologies Limited ("Global Med"), a U.S. based medical technology company, which is specialized in electronic and medical softwares for the health care industry with its main products approved by FDA. Med Technologies' division, Wyndgate Technologies, is engaged in the business of designing, developing, marketing and supporting blood bank management information systems and is a leading supplier of such systems to blood centers and hospitals in US and worldwide.

With the above objectives in mind, the Company is looking forward to taking a fruitful journey ahead of us, filled with challenges and opportunities. I would like to thank you for your continued support and invite you to join us in creating values for all shareholders of the Company as we all have a common vision and goal to succeed while having complementary strengths.

Sincerely
Dr. Li Zhong Yuan
Chairman