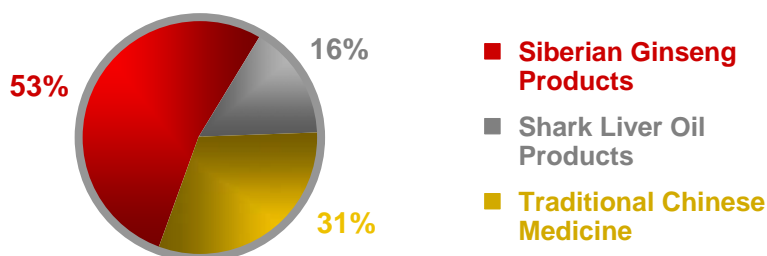


**RENHUANG**  
**PHARMACEUTICALS**  
**(OTC BB: RHGP)**
[www.renhuang.com](http://www.renhuang.com)
**Company Profile**

Renhuang Pharmaceuticals, located in Harbin, Heilongjiang Province in Northeast China, is a leading integrated developer, manufacturer and distributor of a broad line of high-quality, innovative nutraceutical, natural medicinal and bio-pharmaceutical products. The Company provides three major product lines including the Acanthopanax-based natural medicinal products, SharkVital Health Care products (a natural marine biological product) and Traditional Chinese Medicines. Renhuang's key product line is Acanthopanax-based products, an effective natural medicine in treating depression and melancholy. By controlling an estimated 70% of China's natural resource of Acanthopanax (also known as Siberian Ginseng), the Company possesses a unique competitive edge and therefore occupies a dominant market position in Acanthopanax-based natural anti-depressant. The Company distributes its products through a multi-layer sales network of over 2000 sales agents. Its products are not only sold nationwide but also exported to Russia and Southeast Asia.

Renhuang has established a multi-channel research and development infrastructure composed of in-house researchers, a government designated post-doctoral working center, and collaboration with well known institutions and scientists. The Company has achieved a significant progress in research & development of standard extraction, separation of effective components, and medication with specificity. Several of these products have already been submitted for approval by the State Food and Drug Administration ("SFDA"). In manufacturing, the Company strictly follows the international GMP certified quality processes and system by utilizing cutting-edge technologies, the state-of-the-art equipment, and the proprietary innovative and award winning processes.

**Revenue Breakdown by Segment (Based on 3Q 07 Revenues)**

**Investment Highlights**

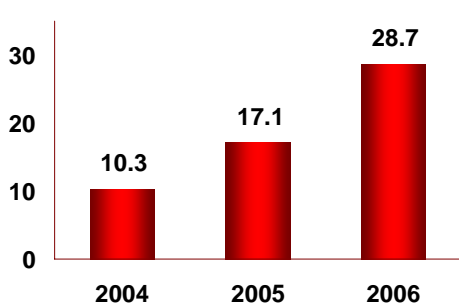
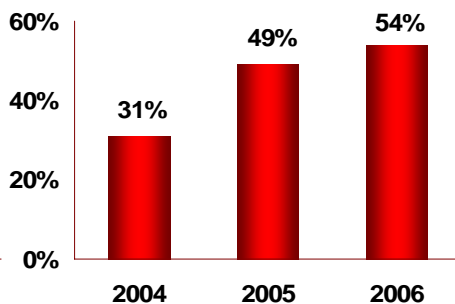
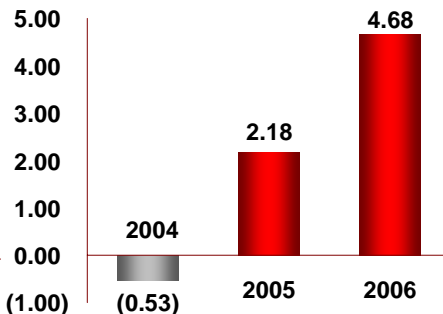
- Leading Chinese pharmaceutical company providing high quality nutraceutical, natural medicinal, and bio-pharmaceutical products
- Vertically integrated manufacturer
- High growth in sales and income driven by rapid growth of consumption demand in China
- High value-added product portfolio
- Dominant market player in Acanthopanax based products by controlling estimated 70% of China's natural supply
- Market leader in traditional over-the-counter medical products
- International GMP certified manufacturing facilities
- Multi-channel R&D infrastructure
- Large multi-layer distribution network
- Advanced information management system for internal control

**2007 Quarterly Results**
**Fiscal Year Ends Oct. 31**

USD in thousands	1Q07	2Q07	3Q07
<b>Revenue (\$)</b>	10,568	6,965	5,071
<b>Gross Income (\$)</b>	5,995	3,845	2,579
<b>Gross Profit Margin</b>	57%	55%	51%
<b>Net Income (\$)</b>	5,495	2,663	2,014
<b>Net Profit Margin</b>	52%	38%	40%

As of 10/08/2007

Shares Outstanding:	35mm	Hi:	\$5.40
Last Price:	\$2.10	Low:	\$1.15
Market Cap:	\$73.5mm		

**Revenues (\$ Million)**

**Gross Profit Margin**

**Net Income (\$ Million)**


## Research & Development

- Multi-channel in-house research and development system
- 50 engineers & researchers
- Collaborations with well-known institutions and scientists
- Government designated post-doctoral research center
- Chinese government grant for key projects

## Manufacturing Facilities

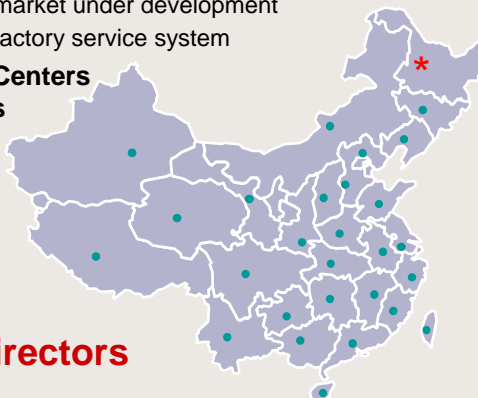
- Good Manufacturing Practice (GMP) certified from State Food & Drug Administration (SFDA)
- Cutting-edge technology
- State of the art equipment
- Proprietary innovative and award winning processes

## Distribution Network

- Multi-layer distribution network
- Over 2000 sales people and agents
- 70 sales centers across 24 districts nationwide
- Product sales to Russia and south-east Asia
- North America market under development
- Customer satisfactory service system

### • Distribution Centers

### \* Headquarters



## Board of Directors

**Mr. Shaoming Li:** CEO and Chairman of the Board. Founded Renhuang Pharmaceuticals in 1996. Extensive experience in pharmaceutical and healthcare industry. A well-known entrepreneur in China with outstanding leadership and management skills. Obtained an EMBA degree from Tsinghua University and a Bachelor degree in Economics from China Central University of Finance & Economics.

**Mr. Magnus Moliteus:** Independent Director. Former CEO and President of Pharmacia, Inc. from 1977-1999. Played a critical role in successfully transforming Pharmacia AB, the parent company of Pharmacia, Inc., into the first Swedish company to publicly list its shares in the U.S. on NASDAQ and to subsequently create substantial value for its shareholders. Currently serves as a board member for several international companies.

**Mr. Andy Wu:** Independent Director and Chairman of the Audit Committee. Currently a Tax Manager for PWC Beijing Office. Extensive accounting and auditing experience working for Deloitte and KPMG. Obtained a Doctorate degree in Finance and Taxation from Xiamen University.

**Mr. Fanrong Meng:** Director. Currently CEO of Harbin Venture Capital Ltd. More than 15 years of investment and investment banking experience in China. Participated in a number of investment banking transactions with private and publicly listed companies. Obtained a master degree in Finance from Xiamen University.

## Core Products

### Acanthopanax (Siberian Ginseng) Products

- A common plant in Helongjiang province but not in abundance elsewhere in China
- The leading brand natural medicine treating depression
- One of the most popular herbs in the world
- Expansion of medicinal applications on-going supported by scientific research
- Demonstrated health benefits including
  - Enhances overall health and spirit
  - Relieves symptoms of depression and melancholy
  - Improves memory
  - Combats fatigue, relieves stress
  - Helps sleep
  - Increases endurance
  - Reinforces immune system
  - Counter balances spleen and kidney functional dysregulation



### SharkVital Health Care Products

- A natural marine biological medicine containing extracts from shark liver oil or Squalene, a low density compound stored in the liver of sharks
- Award winning medicine and the only medicine approved in China for use in treating sub-health condition caused by oxygen deficit
- Improve oxygen levels in human blood
- Demonstrated health benefits including
  - Improves kidney and liver function
  - Reduces cholesterol levels
  - Alleviates occurrence of heart disease
  - Increases leukocyte in blood
  - Combats fatigue and strengthens overall health



### Ginseng Ointment

- A formulation containing various medically beneficial components extracted from Ginseng, herbals and parts of animals
- The number one choice of bio-pharmaceuticals that enhances kidney functions
- Demonstrated health benefits including
  - Enhances blood circulation
  - Improves metabolism
  - Enhance hematopoietic system
  - Maintains endocrine balance
  - Reinforces kidney function
  - Strengthens immune system



### Traditional Chinese Medicine (OTC)

- Provides low risk and stable cash flow for the Company
- Little or no side effects compared to western medicines
- Deep market penetration and high market share
- Four market-leading products (STAR Products)
  - Tianma Pills (treats headaches)
  - Tornado Pills (treats headaches)
  - Shengmai Granules (maintain female inner system balance)
  - Banlangen Granules (treats influenza)

