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MINGYUAN MEDICARE DEVELOPMENT COMPANY LIMITED

銘源醫療發展有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 0233)

ANNOUNCEMENT

This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules. The Board is pleased to announce that its proprietary rapid screening testing kit for tuberculosis developed by Healthdigit, a wholly owned subsidiary of the Company, has recently been granted a medical device license by the SFDA.

This announcement is made by Mingyuan Medicare Development Company Limited (the “Company”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The Board of Directors (the “Board”) of the Company is pleased to announce that its proprietary Diagnostic Kit for Multiple Antibodies to Mycobacterium Tuberculosis based on Dot Immunogold Filtration Assay (“TBS1 Testing Kit”) developed successfully by SHMY Healthdigit Biochips Company Limited (“Healthdigit”), a wholly owned subsidiary of the Company, has recently been granted a medical device license by the State Food and Drug Administration (“SFDA”).

The TBS1 Testing Kit is able to detect multiple tuberculosis (“TB”) specific antibodies in human blood serum rapidly and efficiently without special laboratory settings and is capable of conducting tuberculosis screening for the mass population thereby providing an effective platform for the detection and prevention of the disease.

In August 2007, Healthdigit signed a long-term strategic partnership agreement with Tuberculosis Research Laboratory of Second Affiliated Hospital of the PLA General Hospital in Beijing (the “TB Laboratory”) for the collaboration in scientific research and commercialization of technologies developed by the TB Laboratory. As part of a joint effort to contribute to the detection and prevention of TB, the TBS1 Testing Kit is the first product successfully developed by Healthdigit jointly with the TB Laboratory. Healthdigit plans to further develop products relating to the prevention, detection and treatment of the infectious disease of tuberculosis.

Being still a deadly airborne infectious disease, TB has been present in humans since antiquity and has returned in a big way despite being considered as a disease of the past. TB is an infectious bacterial disease caused by mycobacterium tuberculosis, which most commonly affects the lungs and is taking one human life every 15 seconds. TB bacteria can be transmitted from person to person via droplets from the throat and lungs of people with the active respiratory disease. More recently, the increase in drug resistant TB viruses has also put pressure on the development of new drugs and the launch of the testing kits for the better prevention and control of the disease.

According to the World Health Organization, one third of the world's total population and every one second a new person are infected with the TB mycobacterium. One in every 10 of those people will become sick with active TB in his or her lifetime. Statistically, each year there are approximately 9.4 million new cases and 1.8 million deaths in the world. Being the number one cause of death from infectious disease in adults, TB is a major public health problem in China and it is believed that there are over 1.3 million new cases and 200,000 deaths each year. China has the world's second largest tuberculosis epidemic. On 1 April 2009, the Ministry of Health in China and Bill & Melinda Gates Foundation announced a five-year joint effort with committed budget of US\$33 million to improve detection and treatment of TB in China.

Complimentary to existing time consuming laboratory diagnostic method, the Company believes that with the availability of an affordable and the rapid screening capability of TBS1 Testing Kit will contribute greatly to the awareness of the infectious diseases of TB and to the prevention of the diseases globally, particularly in the developing countries including China. The Company plans to work closely with the relevant TB action groups in China for the distribution of its TBS1 Testing Kits.

Founded in China since 1998, the Company is a leading biomedical company for commercializing new diagnostics technologies for early detection of diseases including cancers and is a leading supplier of biomedical and medical solution in China. The Company sold over 3.1 million C-12 Protein Chips in 2009 and since the first launch of its proprietary C-12 Protein Chip Test in 2002, the Company has become a leading supplier of protein chips and, as at the end of 2009, the Company has cumulatively sold more than 12 million C-12 Protein Chips to hospitals in China and abroad including Malaysia, Thailand and Indonesia.

On behalf of the Board
Chien Hoe Yong, Henry
CEO and Executive Director

Hong Kong, 26 July 2010

As at the date of this announcement, the executive directors of the Company are Mr. Yao Yuan (Chairman), Mr. Chien Hoe Yong, Henry (CEO), Mr. Iu Chung, Mr. Hu Jun, and Mr. Yu Ti Jun; the non-executive directors are Mr. Yang Zhen Hua and Mr. Ma Yong Wei; the independent non-executive directors are Dr. Lam Lee G., Mr. Hu Jin Hua and Mr. Lee Sze Ho, Henry.

* *For identification purposes only*