

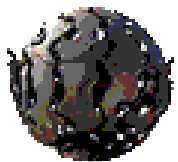


FARMING & CO-OP FARMING

GREAT CONCORD INVEST, LTD & THE KONRAD GROUP OF COMPANIES

IN COMBINATION WITH

BEIHAI KONRAD CONSULTING COMPANY LIMITED



Beihai Guangxi, P.R. China



FARMING & CO-OP FARMING

Consumption of food products among the Konrad Group of Companies is quite high as we are consisting of hospitals, resorts, hotels, universities, schools, nursing & retirement homes. At the same time, we like to ensure that only the highest quality food products are being consumed by our customers, patients and staff. Therefore, utilizing the latest technologies for growing healthy organic livestock, poultry, herbs, spices and produce; Great Concord and Fort Group Investments will both have our own farms and form a co-op within the Peoples Republic of China with many other local farmers.



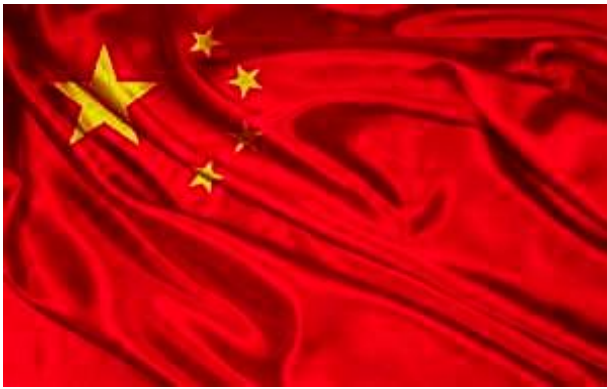
CO-OP FARMING

The co-op will focus on all sides of farming including supply, production and marketing while ensuring quality and yield is kept at the highest level possible while at the same time optimizing profit for both the farmers and The Konrad Group of Companies (A Win/Win Solution).

OBJECTIVE

The objective of the co-op is to optimize quality and yield and by that profits for the farmers while ensuring purity and safety for the consumers.





LOCATION



Working closely with Beihai city government, Guangxi provincial government and the Peoples Republic of China Central Government, the co-op will first start with local farmers near Beihai then spread out across China from there. Among the 670 species of fruits growing in China, 110 take their roots in Guangxi. As the tropical or sub-tropical fruits account for 80% of the total growing there, Guangxi is regarded as a leading province in China to produce and export the delicacies. The region is well known for high-quality shaddock, banana, pineapple and orange. Guangxi Province average annual production is around 60 million tons of sugarcane, 24 million tons of vegetables, and 6 to 7 million tons of fruit ranking it first among the Chinese provinces in agriculture production.



FARMING CO-OP

CO-OP QUARTERLY MEETINGS

We will employ top experts in organic farming and hold quarterly meetings for the farmers to openly discuss their worries and receive the experts advice. The quarterly meetings will also be for deciding minimum market pricing (done every half year) and give the farmers a chance to socialize with others in the same field.

SUPPLY SIDE

For the supply side of the co-op, The Konrad Group of Companies will help sourcing the highest quality organic feed (for livestock), seeds, fuel, and fertilizer at reasonable price levels for the farmers to profit from. Only the highest (German Approved) organic feed, seeds and fertilizers will be used.

MACHINERY POOL

A family farm may be too small to justify the purchase of expensive farm machinery, which may be only used irregularly, for instance only during harvest; we will help local farmers get together to form a machinery pool that purchases the necessary equipment for all the members to use when needed.

FARMING CO-OP

CREDIT & FINANCING

For farmers who rely of finance to maintain their crops, Fort Group Investments (A Konrad Group Company) will help secure financing of supplies on a buy-back credit discount program.

PRODUCTION PERIOD HELP

During production period, our experts will continuously be readily available to supply advice to farmers to help maximize the farmers output while maintaining high quality.

TRANSPORTATION & MARKETING HELP

A small farm does not always have the means of transportation necessary for delivering its produce to the market, or else the small volume of its production may put it in an unfavorable negotiating position with respect to intermediaries and wholesalers; our cooperative will act as an integrator, collecting the output from members, sometimes undertaking manufacturing, and delivering it in large aggregated quantities either to the Konrad Group of Companies or downstream through various marketing channels.



FARMING CO-OP

INSPECTIONS

Random inspection on co-op farmers and their farms will help ensure quality is maintained. Further inspection of material will be conducted at the time of purchase / sale.

PRICE LEVEL DETERMINATIONS

The Konrad Group of Companies will offer each co-op member to be involved in the purchase or buyback program. Minimum Prices will be determined every six months at the quarterly meetings (every other meeting).

If the market for the crop is up, the farmers will receive the latest market price

If the market for the crop is down below the minimum price set at the last pricing meeting, the farmers involved in the co-op will receive the minimum agreed price.

INFORMATION EXCHANGE

A website will be published for advertisement of the co-op and the farmers. The website will also be used to inform the public and farmers the benefits of being involved in our co-op. There will be included a section for farmers to log into and discuss on a messaging board the concerns or questions they may have openly with our experts.

For information purposes, we will supply by mail to the farmers a monthly news letter written by the experts to keep everyone informed of the latest technologies and news.

FARMING CO-OP

METHODOLOGY (CHANGING TRADITION)

There are many farmers who are not used to organic farming or do not have any education for doing so. The steps in the process that we adopted are as follows for attracting farmers to change from traditional ways to organic farming:

- I. Contact the local government (Agricultural Technology Extension Station or Science and Technology Bureau)
- II. Select pilot site and discuss the objectives of the project with farmers
- III. Identify farmer's needs for particular technology components
- IV. Provide technological options for farmers to evaluate and select testing
- V. Set up demonstrations and help farmers conduct field trials
- VI. Provide technical support and training
- VII. Organize farmer field days to evaluate and select new technologies
- VIII. Provide the material that are necessary for farmers to adopt the new technologies (Local Government Requirements)



FARMING & PRODUCTION OF HERBS



**FOR CHINESE TRADITIONAL MEDICINE
(TCM)**

FARMING

The main focus of Fort Group Investment Ltd. and the Konrad Group of Companies based in Hong Kong, China is on traditional Chinese medicine and combining it with the latest western technologies and medicines. For this, Fort Group has formed a joint venture with Huaxia Xinglin (Beijing) Culture Co. Ltd.(PRC) named Fort Group (China) Investment Consulting Ltd (PRC). A major stepping stone in the evolution of the company is the farming and production of Chinese medicinal herbs and spices.

The Konrad Group of Companies will focus mainly on production of herbs that are used in Traditional Chinese Medicine. Many of these herbs will be distributed and used within the Konrad Group of Companies (Hospitals, Pharmacies and Nursing Homes). Others will be marketed through various distribution channels.





HISTORY



The use of plants as medicines predates written human history. Many of the herbs and spices used by humans to season food also yield useful medicinal compounds. The use of herbs and spices in cuisine developed in part as a response to the threat of food-borne pathogens. A large amount of archaeological evidence exists which indicates that humans were using medicinal plants during the Paleolithic period, approximately 60,000 years ago. (Furthermore, other non-human primates are also known to ingest medicinal plants to treat illness)

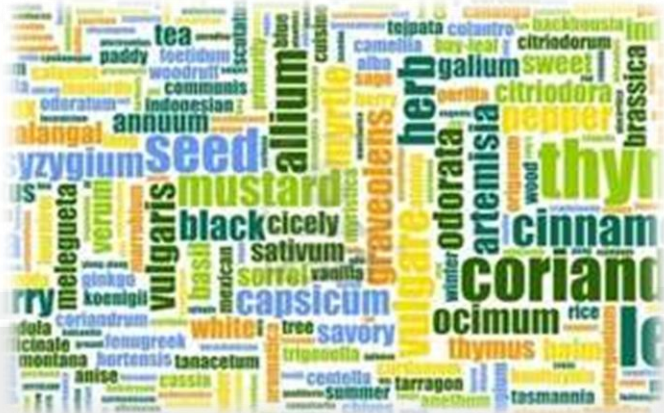
The Chinese emperor Shen Nung (of the Han Dynasty) is said to have written the first Chinese herbal, the *Pen Tsao*. The *Pen Tsao* lists 365 medicinal plants and their uses - including Ephedra (the shrub that introduced the drug ephedrine to modern medicine), hemp, and chaulmoogra (one of the first effective treatments for leprosy). Succeeding generations augmented on the *Shennong Bencao Jing*, as in the Yaoxing Lun (*Treatise on the Nature of Medicinal Herbs*), a 7th century Tang Dynasty treatise on herbal medicine. (Reference: www.wikipedia.com)

IN ALL THERE ARE OVER 35,000 DIFFERENT PLANT SPECIES USED FOR MEDICINAL PURPOSES

Focusing mainly on Traditional Chinese Medicinal Herbs, The Konrad Group of Companies will employ top expert herbalist from around the world to decide the best products to farm, determine the best way of farming in the area and further conclude the best way of production and marketing of each product. During the production process of the Traditional Chinese Medicine, only the best parts of the herb or product will be used ensuring only the highest quality for the customers.

Some products will be farmed traditionally in the open air while others will be grown within a greenhouse. Herbs that need to meet the highest quality of standards will be farmed in a temperature controlled environment using the latest soil-free technologies (Example: soil-free root grass).

Mandatory vigorous testing using the latest technology in testing equipment will be performed on each product to ensure quality control.



**EXAMPLE LIST
OF PRODUCTS
TO BE
HARVESTED**



Akebia quinata (木通)	Arisaema cum bile (胆南星)	Aresnix trixide (砒霜)
Arenolite (砒石)	Aspongopus (九香虫)	Astagalus (黄耆)
Asterisus pseudosciaenae (鱼脑石)	Atcyloides (白术)	Benzoinum (安息香)
Bombyx batryticatus (僵蚕)	Bulbus fritillariae cirrhosae (川贝母)	Bulbus fritillariae hupehensis (湖北贝母)
Bulbus fritillariae pallidiflorae (伊贝母)	Bulbus fritillariae thunbergii (浙贝母)	Bulbus fritillariae ussuriensis (平贝母)
Bulbus lycoridis radiatae (石蒜)	Buplerum (柴胡)	Cacumen securinegae suffruticosae (叶底珠)
Cacumen tamaricis (西河柳)	Calamina (炉甘石)	Calculus bovis (牛黄)
Calculus equi (马宝)	Calomelas (轻粉)	Calyx seu fructus physalis (锦灯笼)
Caulis ampelopsis brevipedunculata (山葡萄)	Caulis aristolochiae manshuriensis (关木通)	Caulis bambusae in taeniam (竹茹)
Caulis clematidis armandii (川木通)	Caulis entadae (过江龙)	Caulis erycibes (丁公藤)
Caulis et folium piperis hancei (山蒟)	Caulis et folium schefflerae arboricolae (七叶莲)	Caulis euphorbiae antiquori (火殃勒)
Caulis fibraureae (黄藤)	Caulis gneti (买麻藤)	Caulis hederiae sinensis (常春藤)
Caulis impatientis (透骨草)	Caulis Ionicerae (忍冬藤)	Caulis mahoniae (功劳木)
Caulis perillae (紫苏梗)	Caulis piperis kadsurae (海风藤)	Caulis polygoni multiflori (首乌藤)
Caulis sargentodoxae (大血藤)	Caulis sinomenii (青风藤)	Caulis spatholobi (鸡血藤)
Caulis tinosporae (宽根藤)	Caulis trachelospermi (络石藤)	Cera chinensis (虫白蜡)
Chenpi (Sun-Dried tangerine (Mandarin) peel) (陳皮)	Cinnabaris (朱砂)	Cinnamon (桂枝, 肉桂)
Clematis (威灵仙)	Colla corii asini (阿胶)	Concha arcae (瓦楞子)
Concha haliotidis (石决明)	Concha margaritifera usta (珍珠母)	Concha mauritiae arabicae (紫贝齿)
Concha meretricis seu cyclinae (蛤壳)	Concretio silicea bambusae (天竺黄)	Coptis chinensis (黄连)
Cordyceps sinensis (冬虫夏草)	Corium erinacei seu hemiechianus (刺猬皮)	Cornu bubali (水牛角)
Cornu cervi (鹿角)	Cornu cervi degelatinatum (鹿角霜)	Cornu cervi pantotrichum (鹿茸)
Cornu saigae tataricae (羚羊角)	Cortex acanthopanax (五加皮)	Cortex ailanthi (椿皮)
Cortex albiziae (合欢皮)	Cortex cinchonae (金鸡纳皮)	Cortex dictamni (白鲜皮)
Curcuma (郁金)	Dalbergia odorifera (降香)	Dang Gui (当归)
Ephedra (麻黄)	Ginger (姜, 薑) - Several Different Species	Ginseng (人參) - Different Varieties
Hirudo medicinalis (水蛭)	Indian stringbush (了哥王)	Licorice (甘草) - Different Species
Mushrooms - Different Species	Myrrh (没药)	Olibanum (乳香)
Peony (白芍, 赤芍)	Persicaria (桃仁)	Polygonum (虎杖)
Rehmannia (地黄)	Rhubarb (大黄)	Salvia (丹参)
Sparganium (三棱)	Wolfberry (枸杞子)	Zedoary (Curcuma zedoaria) (莪朮)



HARVESTING THE HERBS

Some herbs are harvested much like vegetables. This is especially true of leaf crops that are harvested by hand like lettuce. Root crops can be hand dug or machine harvested with a potato or other root digger. Cleaning herb crops also may be similar to vegetable crops because customers want clean, dust- and soil-free produce. Though some herb crops can be sold fresh, most are sold dry and priced based on dry weight. This changes how things are done at harvest and in the packing shed or processing area. Many herbs, especially root crops, are perennial rather than annual crops like carrots and potatoes. This means that roots may be longer, more twisted and harder to harvest than carrots or tubers like potatoes. Mechanical diggers may need to be modified to handle these situations.

QUALITY

Quality is extremely important. Our expert herbalist will ensure the quality of the herbs from start to finish. Important aspects of quality include:

Color and texture

Taste and smell

Overall cleanliness and packaging

The occasional bad batch will never be used or sold and turned into mulch or fertilizer.



PROCESSING

Herbs should be processed before using or making into various forms. Because most Chinese herbs are used unprepared, besides general handling, quite a few should be specifically processed to meet demands for their clinical use. Preparation, a traditional Chinese pharmaceutical technology, was formed in a long history of practice with its complete theoretical system and strict technique.

Our team of experts will determine the best process and high tech equipment needed for each herb. Because different parts of each herb are used in different Traditional Chinese Medicines, different processing techniques may be used on the same herb.



THE MARKET



WHO USES TRADITIONAL CHINESE MEDICINE?

In some Asian and African countries, 80% of the population depend on traditional medicine for primary health care.

In many developed countries, 70% to 80% of the population has used some form of alternative or complementary medicine (e.g. acupuncture).

Herbal treatments are the most popular form of traditional medicine, and are highly lucrative in the international marketplace. Annual revenues in Western Europe reached US\$ 5 billion in 2003-2004. In China sales of products totaled US\$ 14 billion in 2005. Herbal medicine revenue in Brazil was US\$ 160 million in 2007. It's estimated that till 2015, domestic Chinese Herbal Medicine processing industry will reach 80 billion Yuan (12.6 Billion USD) of industrial production value.

KEY FACTS

- ❖ In some Asian and African countries, 80% of the population depend on traditional medicine for primary health care.
- ❖ Herbal medicines are the most lucrative form of traditional medicine, generating billions of dollars in revenue.
- ❖ Traditional medicine can treat various infectious and chronic conditions: new antimalarial drugs were developed from the discovery and isolation of artemisinin from *Artemisia annua* L., a plant used in China for almost 2000 years.
- ❖ Counterfeit, poor quality, or adulterated herbal products in international markets are serious patient safety threats.
- ❖ A key problem of Chinese Traditional medicine is that the ingredient analysis is not taking place in the proper manner. There are in most cases even not the right equipments like gas chromatograph's or other high tech instruments available to analyze substance with less than mg content (down to nanogram) which require complete different analysis methods.
- ❖ More than 100 countries have regulations for herbal medicines.



FACILITIES

All facilities built for supporting the growth, harvesting and production will be built using environmentally friendly construction materials and will be built to be self sustainable and eco friendly.



APPRENTICESHIPS

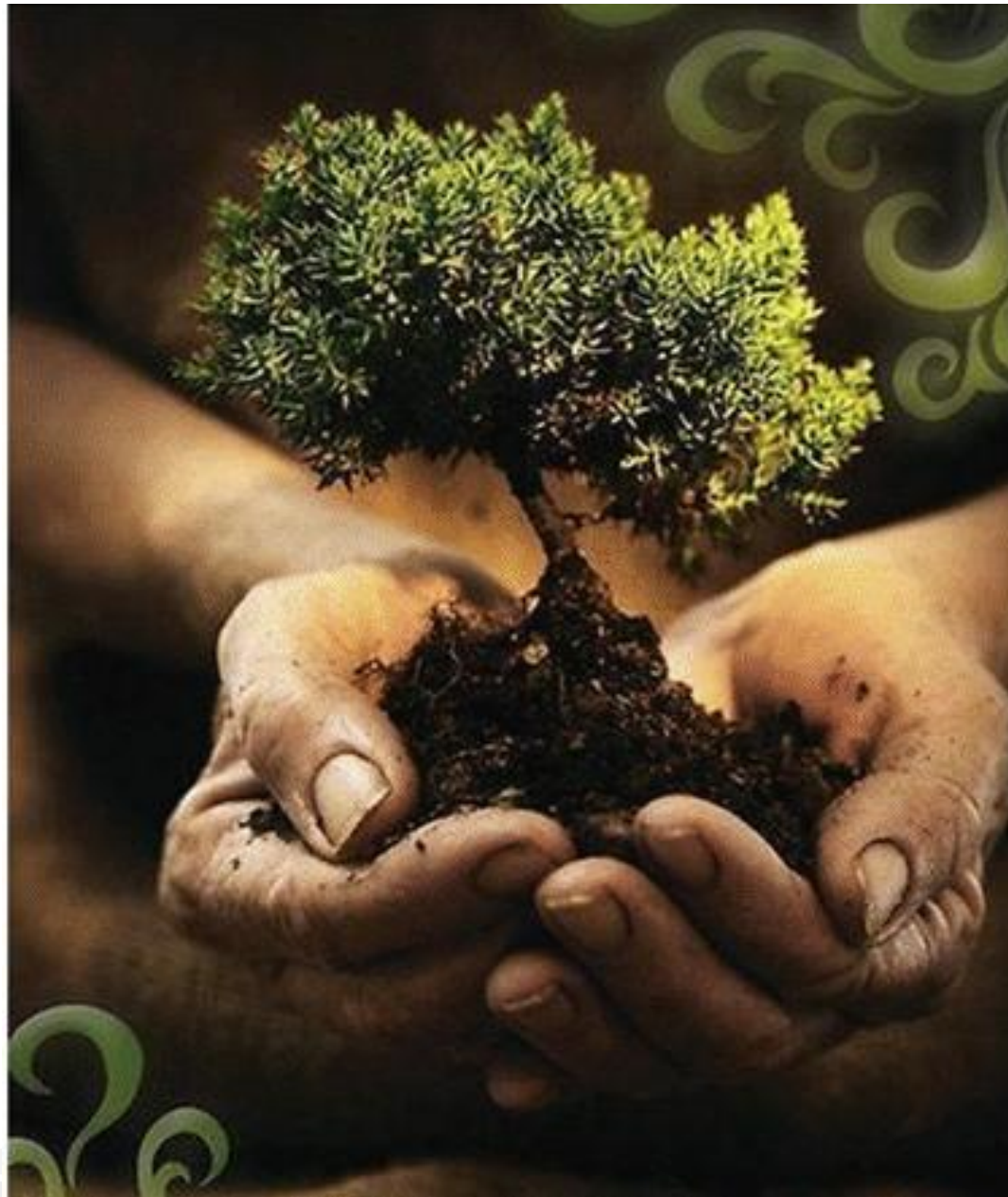
Working closely with the Konrad Schools of Agriculture (Trade & Vocational Schools), we will offer apprenticeships to students who are passionate about fresh food, the outdoors and who want to become the future in organic farming and herbalism.



KEYS TO SUCCESS

The Konrad Group has identified three keys that will be instrumental in their success. The first is the implementation of strict financial controls. By having the proper controls, production efficiency will be maximized. The second key will be the never ending pursuit for the industry's highest concentration levels of botanical ingredients in each plant. The third key is the recognition and implementation of the philosophy that 100% customer satisfaction is required to ensure a profitable business. Profits are a byproduct of satisfying customers, not the other way around.





Great Concord Group, Ltd.

Unit 501, 502 & 508 Mirror Tower

61 Mody Road

TSIMSHATSUI EAST

KOWLOON

HONG KONG

Phone: +86 75525470767

Mobil: +86 15816850175

Email: greatconcord@gmail.com

www.konradfoundation.com / www.fortgroupinvest.com