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天津泰達生物醫學工程股份有限公司
Tianjin TEDA Biomedical Engineering Company Limited
(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 8189)

- (1) PROPOSED ISSUE OF NEW H SHARES UNDER SPECIFIC MANDATE,**
- (2) PROPOSED ISSUE OF NEW DOMESTIC SHARES UNDER SPECIFIC MANDATE,**
- (3) PROPOSED AMENDMENT TO THE ARTICLES OF ASSOCIATION OF THE COMPANY,**
- (4) EXTRAORDINARY GENERAL MEETING, AND**
- (5) RESUMPTION OF TRADING**

PROPOSED ISSUE OF NEW H SHARES UNDER SPECIFIC MANDATE

The Board is pleased to announce that on 18 June 2022, the Company and the H Shares Subscribers entered into the H Shares Subscription Agreements, pursuant to which the H Shares Subscribers have agreed to subscribe for, and the Company has agreed to issue to the H Shares Subscribers, an aggregate of not more than 200,000,000 new H Shares at the H Share Subscription Price on the terms and subject to the conditions set out in the H Shares Subscription Agreements.

The number of the Subscription H Shares represents: (a) approximately 10.55% of the total number of Shares in issue as at the date of this announcement; and (b) approximately 9.54% of the enlarged total number of Shares in issue upon the completion of the H Shares Subscription (assuming there will be no change to the total number of Shares in issue from the date of this announcement to the completion of the H Shares Subscription other than the issue by the Company of the Subscription H Shares).

The H Shares Subscription is subject to Shareholders' approval as the Subscription H Shares will be issued under the H Shares Specific Mandate. Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription H Shares.

PROPOSED ISSUE OF NEW DOMESTIC SHARES UNDER SPECIFIC MANDATE

On 18 June 2022, the Company entered into the Domestic Shares Subscription Agreements with 17 Domestic Shares Subscribers, pursuant to which the Company agreed to allot and issue a total of not more than 2,800,000,000 new Domestic Shares to the Domestic Shares Subscribers at HK\$0.15 per Subscription Domestic Share.

The Subscription Domestic Shares to be issued and allotted by the Company pursuant to the Domestic Shares Subscription Agreements represent approximately 147.79% of the existing issued share capital of the Company; and approximately 401.43% of the existing Domestic Shares in issue.

The H Shares Subscription Price and Domestic Shares Subscription Price are HK\$0.15 per Share and represents:

- (i) a discount of approximately 16.67% to the closing price of HK\$0.18 per H Share as quoted on the Stock Exchange on the Last Trading Date; and
- (ii) a discount of approximately 6.25% to the average closing price of approximately HK\$0.16 per H Share as quoted on the Stock Exchange for the last five (5) consecutive trading days prior to and including the Last Trading Date.

PROPOSED AMENDMENT TO THE ARTICLES

The Company also proposes to amend the Articles of the Company to reflect and update the description on the shareholding structures of the Company after completion of the H Shares Subscription and the Domestic Shares Subscription.

THE EGM

The Class Meetings and the EGM will be convened to consider and, if thought fit, approve, among other things, the H Shares Subscription, the Domestic Shares Subscription, the Specific Mandates, the amendment to the Articles and to authorise the Board to determine and deal with at its discretion and with full authority matters relating thereto.

The Company will despatch to the Shareholders a circular together with notices of the EGM and the Class Meetings as soon as practicable. Such circular will contain, among other things, further information on the H Shares Subscription, the Domestic Shares Subscription, the Specific Mandates, amendments to the Articles and notices of the EGM and the Class Meetings.

RESUMPTION OF TRADING

At the request of the Company, trading in Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 20 June 2022 pending the publication of this announcement. Application has been made by the Company for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 22 June 2022.

Investors should be aware that the H Shares Subscription, the Domestic Shares Subscription and the Specific Mandates may or may not be approved by the Shareholders at the EGM and the Class Meetings. In addition, the H Shares Subscription and the Domestic Shares Subscription are subject to the satisfaction of a number of conditions. There is no assurance that any of the conditions will be fulfilled, therefore the H Shares Subscription and the Domestic Shares Subscription may or may not proceed and complete. Potential investors are advised to exercise caution when dealing in the H Shares.

PROPOSED ISSUE OF NEW H SHARES UNDER SPECIFIC MANDATE

The Board is pleased to announce that on 18 June 2022, the Company and the H Shares Subscribers entered into the H Shares Subscription Agreements, pursuant to which the H Shares Subscribers have agreed to subscribe for, and the Company has agreed to issue an aggregate of not more than 200,000,000 new H Shares at the H Shares Subscription Price on the terms and subject to the conditions set out in the H Shares Subscription Agreements.

The H Shares Subscription Agreements

Date

18 June 2022

Parties

The Company and each of the H Shares Subscribers.

The H Shares Subscribers

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the H Shares Subscribers (and their respective ultimate beneficial owners, if applicable) are Independent Third Parties of the Company. The H Shares Subscribers are not connected with each other and/or connected with the Company, any Director, chief executive or substantial Shareholder of the Group or an associate of any of them (as defined under the GEM Listing Rules).

Identity of the H Shares Subscribers

The following table sets out the identity of the H Shares Subscribers and the number of Subscription Shares to be issued to each of them:

Name of H Shares Subscribers	As at the date of this Announcement		Number of Subscription H Shares	Total subscription price HK\$	Upon completion of issue of H Shares Subscription	
	No. of H shares	% to total issued Shares			No. of H Shares	% to total issued Shares
Bright Fortune Enterprises Development Limited ("BFEDL") (Note 1)	89,969,286	4.74	60,000,000	\$9,000,000	149,969,286	7.16
Hong Kong Kayui Investment Holdings Limited ("HK Kayui") (Note 2)	-	-	80,000,000	\$12,000,000	80,000,000	3.82
Chiu Kwok Shing, Vincent ("Mr. Chiu")	-	-	60,000,000	\$9,000,000	60,000,000	2.86

Notes:

1. BFEDL is a limited company incorporated in Hong Kong. Its direct beneficial owner is Lin Xiaoyan.
2. HK Kayui is a limited company incorporated in Hong Kong. Its direct beneficial owner is Zhao Meihua.

Subscription of H Shares

The H Shares Subscribers have agreed to subscribe as principal for, and the Company has agreed to issue to the H Shares Subscribers, an aggregate of 200,000,000 new H Shares at the H Shares Subscription Price, subject to the terms and conditions of the H Shares Subscription Agreements.

The number of the Subscription H Shares represents: (a) approximately 10.55% of the total number of Shares in issue as at the date of this announcement; and (b) approximately 9.54% of the enlarged total number of Shares in issue upon completion of the H Shares Subscription (assuming there will be no change to the total number of Shares in issue from the date of this announcement to the date of completion of the H Shares Subscription other than the issue by the Company of the Subscription H Shares).

Ranking of the Subscription H Shares

The Subscription H Shares shall, when fully paid, rank *pari passu* in all respects with all the other Shares in issue or to be issued by the Company on or prior to the date of allotment of the Subscription H Shares.

H Shares Subscription Price

The H Shares Subscription Price of HK\$0.15 per Subscription H Share represents:

- (i) a discount of approximately 16.67% to the closing price of HK\$0.18 per H Share as quoted on the Stock Exchange on the Last Trading Date;

- (ii) a discount of approximately 6.25% to the average closing price of approximately HK\$0.16 per H Share as quoted on the Stock Exchange for the last five (5) consecutive trading days prior to and including the Last Trading Date; and
- (iii) a discount of approximately 6.25% to the average closing price of approximately HK\$0.16 per H Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Date.

The H Shares Subscription Price was determined with reference to the prevailing market price of the Shares and was negotiated on an arm's length basis among the Company and the H Shares Subscribers. The Board considers that the H Shares Subscription Price and the terms and conditions of the H Shares Subscription Agreements are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

The aggregate nominal value of the Subscription H Shares is RMB20,000,000 (equivalent to approximately HK\$23,500,000).

Condition of the H Shares Subscription

Completion is conditional upon:

- (a) the obtaining of the Shareholders approval at the EGM for the issue of the Subscription H Shares;
- (b) the Listing Committee of the Stock Exchange having granted the listing of and permission to deal in all the Subscription H Shares;
- (c) the CSRC having approved the issuance of the Subscription H Shares; and
- (d) all other consents of the Stock Exchange, the SFC and any other applicable governmental or regulatory authorities or any other third party which are required or appropriate for the entering into and the implementation of the H Shares Subscription Agreements having been given; and all applicable statutory and legal obligations, all applicable securities regulations and all requirements of the applicable authorities having been complied with.

Completion of the H Shares Subscription

The H Shares Subscription Agreements are not inter-conditional and could be completed separately. Completion of the H Shares Subscription will take place within ten (10) Business Days after fulfilment of the condition described above (or such other time, date or place as the Company and the H Shares Subscribers may agree in writing).

If the condition is not fulfilled on or before 18 June 2023 (or such later date as may be agreed between the Company and the H Shares Subscribers), the H Shares Subscription Agreements shall be terminated and the Company and the H Shares Subscribers will automatically be released from all obligations under the H Shares Subscription Agreements, save and except any liability for antecedent breaches by the Company and/or the H Shares Subscribers).

PROPOSED ISSUE OF NEW DOMESTIC SHARES UNDER SPECIFIC MANDATE

The Domestic Shares Subscription Agreements

On 18 June 2022, the Company entered into the Domestic Shares Subscription Agreements with 17 Domestic Shares Subscribers, pursuant to which the Company agreed to allot and issue a total of not more than 2,800,000,000 Subscription Domestic Shares to the Domestic Shares Subscribers at HK\$0.15 each.

The Domestic Shares Subscribers are independent institutional and/or individual investors. The Domestic Shares Subscribers are not connected with each other and/or connected with the Company, any Director, chief executive or substantial Shareholder of the Group or an associate of any of them (as defined under the GEM Listing Rules). As at the date of this announcement, none of the Domestic Shares Subscribers (and their respective ultimate beneficial owners if applicable) have any interest in the Shares except pursuant to the Domestic Shares Subscription Agreements. None of the Domestic Shares Subscribers (and their respective ultimate beneficial owners if applicable) will become a substantial Shareholder as a result of the Domestic Shares Subscription as all of them are subscribing less than 5% of the total issued Shares of the Company upon completion of issue of the Subscription Domestic Shares and Subscription H Shares.

The Subscription Domestic Shares

The Subscription Domestic Shares to be issued and allotted by the Company pursuant to the Domestic Shares Subscription Agreements represent:

- (a) approximately 147.79% of the existing issued share capital of the Company;
- (b) approximately 401.43% of the existing Domestic Shares in issue;
- (c) approximately 80.05% of the total Domestic Shares in issue as enlarged by the issue of the Subscription Domestic Shares; and
- (d) approximately 57.20% of the issued share capital of the Company as enlarged by the issue of the Subscription Domestic Shares and Subscription H Shares.

Domestic Shares Subscription Price

The Domestic Shares Subscription Price of HK\$0.15 per Subscription Domestic Share was arrived at after arm's length negotiation between the Company and the Domestic Shares Subscribers with reference to (i) the net asset value per share of the Company; and (ii) the closing trading price for H Shares of the Company which is HK\$0.18 as at the Last Trading Day as well as the unlisted nature and limitation on trading of the Domestic Shares.

The Domestic Shares Subscription Price represents:

- (a) a discount of approximately 16.67% to the closing price of HK\$0.18 per H Share as quoted on the Stock Exchange on the Last Trading Date;
- (b) a discount of approximately 6.25% to the average closing price of approximately HK\$0.16 per H Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Date; and
- (c) a discount of approximately 6.25% to the average closing price of approximately HK\$0.16 per H Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Date.

Ranking of the Subscription Domestic Shares

The Subscription Domestic Shares will rank *pari passu* with the existing Domestic Shares and H Shares in all respects.

Conditions of the Domestic Shares Subscription Agreements

The Domestic Shares Subscription Agreements will take effect upon fulfillment of the following conditions:

- (a) the obtaining of the necessary approvals of the Board and the Shareholders at the Class Meetings for the Domestic Shares Subscription Agreements, the issue of the Subscription Domestic Shares under the Domestic Shares Specific Mandate;
- (b) the CSRC having approved the issuance of the Subscription Domestic Shares; and
- (c) the obtaining of all necessary consents and approvals from the Stock Exchange and other relevant regulatory authorities.

Completion

The Domestic Shares Subscription Agreements are not inter-conditional and could be completed separately. Completion of the Domestic Shares Subscription Agreements shall take place upon completion of the registration procedures at the Industrial and Commercial Change Registration Department after payment of the aggregate Domestic Shares Subscription Price in cash.

Completion of the Domestic Shares Subscription Agreements and H Shares Subscription Agreements are not inter-conditional.

REASONS FOR THE H SHARES SUBSCRIPTION AND THE DOMESTIC SHARES SUBSCRIPTION AND USE OF PROCEEDS

The Group is principally engaged in two industry sectors: (1) biological compound fertilizer products, which principally includes a series of biological compound fertilizer products that are used for the facilitation of balanced growth of grains, fruit and vegetables; and (2) comprehensive layout of elderly care services integrating medical services and operation and management business, which focuses on seniors with complete or partial disability or dementia that have strong demand. Such business mainly includes nationwide key layout to conduct the operation and management of elderly care institutions (service facilities), integration of elderly care service resources, supervision and consultancy on elderly care service management and other related old-aged service businesses.

The gross proceeds from the H Shares Subscription are expected to be approximately HK\$30,000,000. The net proceeds from the H Shares Subscription (after deducting all fees, costs and expenses of a total sum of HK\$400,000 properly incurred by the H Shares Subscribers to be borne by the Company in connection with the H Shares Subscription) are expected to be approximately HK\$29,600,000. The net H Shares Subscription Price, after deducting such fees, costs and expenses, is therefore approximately HK\$0.1480 per Subscription H Share.

The gross proceeds from the Domestic Shares Subscription are expected to be approximately HK\$420,000,000. The net proceeds from the Domestic Shares Subscription (after deducting all fees, costs and expenses of a total sum of HK\$1,600,000 properly incurred by the Domestic Shares Subscribers to be borne by the Company in connection with the Domestic Shares Subscription) are expected to be approximately HK\$418,400,000. The net Domestic Shares Subscription Price, after deducting such fees, costs and expenses, is therefore approximately HK\$0.1494 per Subscription Domestic Share.

The Company intends to use all the net proceeds from the H Shares Subscription for repayment of bank loans.

The Company intends to use the net proceeds from the Domestic Shares Subscription for the followings purposes:

Among the net proceeds from the issuance of Subscription Domestic Shares:

- (a) approximately 60% for the establishment of a DTC (Direct to Consumer) platform for the compound fertilizer business;
- (b) approximately 30% for replenishment of liquidity; and
- (c) approximately 10% of the repayment of the Company's bank borrowings and other outstanding amounts.

(1) Approximately 60% of the net proceeds from the issue of Subscription Domestic Shares will be used to build a DTC platform for the compound fertilizer business

(a) The existing sales model and existing problems of the Company's compound fertilizer business

The Company has been engaged in the research and development, production and sales of compound fertilizers for years. In recent years, due to the combined effects of increasingly fierce market competition and significant increases in raw material prices, the compound fertilizer business has been in a continuous loss-making position.

The Company has adopted the traditional distributor model in the compound fertilizers sales segment for a long time. After the compound fertilizer products are sold to the primary distributors at the factory price, the primary distributors increase the price by approximately 10% on the basis of the factory price of the Company and sell them to the farming stations, which finally increase the price by approximately 20% on top of the price of the primary distributors and sell them to the end-user rural cooperatives or farmers. Under this traditional distributorship model, the markup rate of the intermediate distribution link between the Company's compound fertilizer products and the end-users is approximately 32%, and the distribution cost is too high. Currently, the number of end-user rural cooperatives and farmers who ultimately purchase and use the Company's compound fertilizer products through the traditional sales channels of existing primary distributors and farming stations is approximately 10 million. If the Company's compound fertilizer products could directly reach these 10 million end-user rural cooperatives or farmers, the Company could save a huge amount of distribution costs, increase its revenue and significantly reduce the purchase costs of end-users.

The traditional distributorship model currently adopted by the Company for its compound fertilizer business is based on customers' prepaid orders and historical sales volume experience in each period to plan the products types and production volume for the current period and arrange the purchase of raw materials in advance accordingly. The lack of direct access to the end-user and consumer insight may lead to problems in the direction of new product development, product marketability, mass production scale and production scheduling, resulting in inventory backlog or shortage of supply, which may eventually increase production costs or lose orders.

With the continuous development and popularity of the Internet, Internet marketing has caused a huge impact on the traditional marketing market due to its advantages of multi-dimensionality in time and space, richness of media resources, interactivity between marketers and consumers, uniqueness of transaction atmosphere, efficiency of platform services, economy of operating costs, and high integration of pre-sales, in-sales and after-sales. Internet marketing, as a marketing method with great potential for development, has gradually become a new culture in the information age and is gradually replacing traditional marketing methods, and this major trend is irreversible. Under this circumstance, the existing traditional sales model of TEDA Biomedical's compound fertilizer is forced to seek new changes, otherwise it will face gradual elimination.

(b) Introduction of DTC compound fertilizer business sales model

DTC is the abbreviation of "Direct to Consumer". The core point is to realize the direct connection of enterprises to consumers, its characteristics are as follows:

- (i) Let enterprises get rid of the reliance on the original sales model, reduce the intermediate agents, distributors and even retailers to achieve direct connection to consumers.
- (ii) Consumer demand-oriented, enterprises can collect a large amount of first-hand consumer information and provide feedback, so that the basis for decision-making is timely, rich, accurate and effective, further enabling enterprises to quickly optimize products and services and efficiently respond to user needs.
- (iii) Achieve higher market sink efficiency. The traditional distributor mode of market sinking is to further expand the distributor pipeline to lower tier markets for progressive coverage, but due to the popularity of e-commerce and the improvement of logistics facilities, the marginal benefit of this traditional method is low and lack of targeting. Under the DTC model, enterprises can achieve rapid coverage of low-level consumers through online platforms and combine modern data technology to make precise market selection and layout, revolutionizing the efficiency of market sinking.

(c) *Investment content of DTC platform for the TEDA Biomedical's compound fertilizer business*

The DTC platform consists of intelligent big data system, private domain operation of intelligent terminals and other systems. Through the intelligent big data system, it can accurately query and capture the demand information of the end-user rural cooperatives and farmers, and then improve the consumer experience through the private domain operation of intelligent terminals, including social media operation, brand culture and value creation, etc. The consumer demand of the rural cooperatives and farmers can be collected, and the production can be planned according to the consumer demand to truly realize the direct connection between enterprises and consumers.

60% of the proceeds will be used to build a sales model platform for DTC compound fertilizer business, of which:

- (i) 45% for online and offline customer acquisition marketing for the DTC platform and its eco-network;
- (ii) 35% for software research and development and platform operation and maintenance costs; and
- (iii) 20% for the base software and hardware environment configuration for the DTC platform; cloud server and bandwidth leasing, big data leasing.

(d) *Profit analysis of DTC platform for TEDA Biomedical's compound fertilizer business*

- (i) Through the establishment of the DTC platform, the compound fertilizer products produced by our Company can reduce or partially reduce the existing intermediate pipeline of distributors and farming stations and reach the end-user rural cooperatives and farmers directly, and the price difference of approximately 32% previously enjoyed by the intermediate pipeline can be shared by our Company and the end-user rural cooperatives and farmers. On the one hand, it can partially improve the gross profit margin of our existing products; on the other hand, through the concessions to the end-user rural cooperatives or farmers, the sales volume of our compound fertilizer products can be further expanded, thereby increasing the market share;

- (ii) The types of field crops and cash crops grown by end-user cooperatives and farmers are different, and there are many differences in the types of compound fertilizers required. Based on economic considerations, our Company only produces some of these products. With the establishment and continuous expansion of the DTC platform for compound fertilizers, the Company will be able to sell compound fertilizer products to end-user rural cooperatives and farmers through the agency of other brands and types of compound fertilizer products to further enhance the sales scale and profitability of the Company in the compound fertilizer business;
- (iii) In addition, since the end-user rural cooperatives and farmers connected to the Company's compound fertilizer DTC platform, in addition to compound fertilizer products, other agricultural materials such as pesticides, seeds, agricultural films, and agricultural machinery are also required in the planting process. As the end customers of related agricultural materials tend to be the same, when the operation of the compound fertilizer DTC platform becomes mature in the future, the Company can further expand the outreach of its sales products on the DTC platform and expand from compound fertilizer to various agricultural materials to expand its scale and profit margin.

To sum up, the Company has established a direct connection between enterprises and consumers through the construction of the compound fertilizer DTC platform, which has improved the gross margin of its own products on the one hand; on the other hand, we can also increase the sales of our own products and represent the differentiated products produced by other compound manufacturers; thirdly, the establishment and improvement of the relevant compound fertilizer DTC platform can provide the Company with a broader direct sales channel for other agricultural material products in the future, and ultimately achieve a substantial increase in the Company's revenue. Therefore, the Company plans to use 60% of the proceeds to build the DTC platform.

(2) Approximately 30% of the net proceeds from the issue of Subscription Domestic Shares will be used to replenish working capital

Since 2020, affected by the COVID-19 epidemic and the Russia-Ukraine war, nitrogen, phosphorus and potassium (the main raw materials for global compound fertilizer), have seen a sustained and substantial increase, as shown in the table below.

Raw Materials	Prices in	Prices in	Unit: RMB/ton
	December 2020	December 2021	Prices in June 2022
Nitrogen	1800	2400	3200
Phosphorus	2200	3400	4500
Potassium	1900	3300	5400

Under the above circumstances, each of the compound fertilizers manufacturers have adopted measures to reserve raw materials in advance within the scope of their own working capital. Due to the limitation of the existing liquidity, the Company has difficulty in reserving sufficient amount of raw materials in advance in anticipation of the continuous and substantial increase of raw materials, which has resulted in high procurement costs and further affected the profitability of the Company under the increasingly competitive market environment of compound fertilizer market. Therefore, the Company plans to use 25% of the net proceeds to replenish its liquidity to reserve raw materials for compound fertilizer in accordance with market conditions and for the Company's daily operations.

(3) Approximately 10% of the net proceeds from the issue of Subscription Domestic Shares will be used to repay loans and debts

The Company currently has a bank loan balance of approximately RMB44 million (equivalent to approximately HK\$51,700,000). In addition, the Company currently has some urgent repayment of accounts payable and other payables of approximately RMB50 million (equivalent to approximately HK\$58,800,000). Therefore, the Company plans to spend 10% of the net proceeds to repay the aforementioned bank loans and some outstanding amounts.

The Board is of the view that the H Shares Subscription and the Domestic Shares Subscription will strengthen the financial position of the Group and raise additional funds while broadening the Shareholders and capital base of the Company. The Directors are of the view that the terms of the H Shares Subscription Agreements and the Domestic Shares Subscription Agreements are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

FUND RAISING ACTIVITY DURING THE PAST TWELVE MONTHS

The Company has not conducted any fund raising exercises in the past twelve months immediately before the date of this announcement.

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

Assuming that there will be no change to the total number of Shares in issue and the number of Shares held by each of the Directors, substantial Shareholder, the H Shares Subscribers and the Domestic Shares Subscriber from the date of this announcement to the date of completion of the H Shares Subscription and the Domestic Shares Subscription other than the issue by the Company of the Subscription H Shares and the Subscription Domestic Shares, the shareholdings in the Company (a) as at the date of this announcement; and (b) immediately after the completion of the H Shares Subscription and the Domestic Shares Subscription are and will be as follows:

Holders of Domestic Shares or H Shares	As at the date of this announcement		Upon completion of issue of Subscription H Shares		Upon completion of issue of (i) Subscription H Shares and (ii) Subscription Domestic Shares	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
<i>Domestic Shares</i>						
Other Domestic Shares holders	697,500,000	36.82	697,500,000	33.30	697,500,000	14.25
Domestic Shares Subscribers	–	–	–	–	2,800,000,000	57.20
Total number of Domestic Shares	697,500,000	36.82	697,500,000	33.30	3,497,500,000	71.45
<i>H shares</i>						
Other H Shares holders	1,107,030,714	58.43	1,107,030,714	52.85	1,107,030,714	22.62
BFEDL	89,969,286	4.74	149,969,286	7.16	149,969,286	3.06
HK Kayui	–	–	80,000,000	3.82	80,000,000	1.63
Mr. Chiu	–	–	60,000,000	2.86	60,000,000	1.23
Total number of H Shares	1,197,000,000	63.18	1,397,000,000	66.69	1,397,000,000	28.54
Total number of Shares	1,894,500,000	100	2,094,500,000	100	4,894,500,000	100

PUBLIC FLOAT

Upon completion of the H Shares Subscription and the Domestic Shares Subscription, the public float of the Company dropped from approximately 63.18% to approximately 28.54%, which remains above the minimum percentage of public shareholders of 25% as prescribed by Rule 11.23(7) of the GEM Listing Rules.

PROPOSED AMENDMENT TO THE ARTICLES

The Company also proposes to amend the Articles of the Company to reflect and update the description on the shareholding structures of the Company after completion of the H Shares Subscription and the Domestic Shares Subscription.

THE EGM

The H Shares Subscription and the Domestic Shares Subscription will be issued pursuant to the Specific Mandates. The Class Meetings and the EGM will be convened to consider and, if thought fit, approve, among other things, the H Shares Subscription, the Domestic Shares Subscription, the grant of the Specific Mandates, the amendment to the Articles and to authorise the Board to determine and deal with at its discretion and with full authority, matters relating thereto.

The Company will despatch to the Shareholders a circular, together with notices of the EGM and the Class Meetings as soon as practicable. Such circular will contain, among other things, further information on the H Shares Subscription, the Domestic Shares Subscription, the Specific Mandates and notices of the EGM and the Class Meetings.

RESUMPTION OF TRADING

At the request of the Company, trading in Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 20 June 2022 pending the publication of this announcement. Application has been made by the Company for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 22 June 2022.

GENERAL

Investors should also be aware that the H Shares Subscription, the Domestic Shares Subscription and the Specific Mandates may or may not be approved by the Shareholders at the EGM and the Class Meetings. In addition, the H Shares Subscription and the Domestic Shares Subscription are subject to the satisfaction of a number of conditions. There is no assurance that any of the conditions will be fulfilled, therefore the H Shares Subscription and the Domestic Shares Subscription may or may not proceed and complete. Potential investors are reminded to exercise caution when dealing in the Shares.

DEFINITIONS

Unless the context requires otherwise, the following expressions shall have the following meanings in this announcement:

“Articles”	the Articles of Association of the Company
“Board”	the board of Directors
“Business Day”	a day (other than a Saturday or Sunday or public holidays) on which banks in Hong Kong are generally open for banking business
“Class Meetings”	separate meetings of the holders of H Shares and Domestic Shares
“Company”	Tianjin TEDA Biomedical Engineering Company Limited (天津泰達生物醫學工程股份有限公司), a joint stock company incorporated in the PRC with limited liability, the H Shares of which are listed on the GEM of the Stock Exchange
“connected person(s)”	has the same meaning as ascribed to it under the GEM Listing Rules
“CSRC”	中國證券監督管理委員會(China Securities Regulatory Commission), the regulatory body responsible for the supervision and regulation of the PRC national securities market
“Director(s)”	the director(s) of the Company
“Domestic Shares”	the domestic invested shares of nominal value of RMB0.1 each in the share capital of the Company, which are subscribed for in RMB
“Domestic Shares Specific Mandate”	the specific mandate to be granted to the Directors by the Shareholders at the EGM and the Class Meetings to issue the Subscription Domestic Shares
“Domestic Shares Subscribers”	the subscribers of the Subscription Domestic Shares
“Domestic Shares Subscription”	the subscription of the Subscription Domestic Shares by the Domestic Shares Subscribers pursuant to the Domestic Shares Subscription Agreements

“Domestic Shares Subscription Agreements”	the subscription agreements dated 18 June 2022 entered into between the Company and the Domestic Shares Subscribers in relation to the Domestic Shares Subscription
“Domestic Shares Subscription Price”	the price of HK\$0.15 per Subscription Domestic Share
“Subscription Domestic Shares”	not more than 2,800,000,000 new Domestic Shares with an aggregate nominal value of RMB280,000,000 (equivalent to approximately HK\$329,400,000) to be allotted and issued by the Company to the Domestic Shares Subscribers pursuant to the Domestic Shares Subscription Agreements
“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of approving, among other things, the Domestic Shares Subscription and the Specific Mandate
“GEM”	GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange, as amended and modified from time to time
“Group”	the Company and its subsidiaries
‘H Shares’	overseas listed foreign share(s) of nominal value of RMB0.10 each in the share capital of the Company, listed on the GEM and traded in HK\$
“H Shares Specific Mandate”	the specific mandate to be granted to the Directors by the Shareholders at the EGM and the Class Meetings to issue the Subscription H Shares
“H Shares Subscribers”	the subscribers of the Subscription H Shares
“H Shares Subscription”	the subscription of the Subscription H Shares by the H Shares Subscribers at the H Shares Subscription Price pursuant to the terms and conditions of the H Shares Subscription Agreements
“H Shares Subscription Agreements”	the subscription agreements entered into by the Company and each of the H Shares Subscribers respectively, each dated 18 June 2022 in respect of the H Shares Subscription

“H Shares Subscription Price”	the price per Subscription H Share payable by the H Shares Subscribers, being HK\$0.15 per Subscription H Share
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	person(s) or entity(ies) (and their the ultimate beneficial owner(s) who, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry is/are party(ies) independent of the Company and its connected persons under the GEM Listing Rules
“Last Trading Date”	17 June 2022, being the last trading day prior to the signing of the Subscription Agreements, which took place after trading hours
“PRC”	the People’s Republic of China (for the purpose of this announcement, excludes Hong Kong, Macau and Taiwan)
“RMB”	Renminbi, the lawful currency of the PRC
“SFC”	the Securities and Futures Commission of Hong Kong
“Shares”	ordinary share(s) of RMB0.1 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of Share(s), holder(s) of H Shares and holder(s) of Domestic Shares
“Specific Mandates”	the H Shares Specific Mandate and the Domestic Shares Specific Mandate
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Subscription H Shares”	Not more than 200,000,000 new H Shares in aggregate to be issued to the H Shares Subscribers by the Company under the H Shares Subscription
“%”	per cent

Unless otherwise specified, translation of HK\$ into RMB in this announcement is made, for illustration purpose only, at the rate of approximately HK\$1.00 = RMB\$0.85.

By order of the Board
Tianjin TEDA Biomedical Engineering Company Limited
Sun Li
Chairman

Tianjin, the PRC
21 June 2022

As at the date of this announcement, the executive directors of the Company are Sun Li, Hao Zhihui and He Xin; the non-executive directors of the Company are Cao Aixin, Li Ximing and Li Xueying; the independent non-executive directors of the Company are Li Xudong, Wang Yongkang and Gao Chun.

This announcement, for which the directors are willing to collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief that the information contained in this announcement is accurate and complete in all material respects and is not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the GEM website at <http://www.hkgem.com> on the “Latest Company Announcements” page for 7 days from the date of its posting, and it will also be published and remain on the website of the Company at www.bioteda.com.