

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

This circular is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of **Tianjin TEDA Biomedical Engineering Company Limited**.

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Tianjin TEDA Biomedical Engineering Company Limited**, you should at once hand this circular to the purchasers or the transferees or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchasers or the transferees.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



**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 GRANTING OF A SPECIFIC MANDATE TO ISSUE NEW SHARES  
RELATING TO A POSSIBLE PLACING OF NEW SHARES  
AND  
(2) PROPOSED AMENDMENTS OF ARTICLES OF ASSOCIATION  
AND  
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

Notices convening the EGM of the shareholders of the Company and the Class Meetings of the holders of Domestic Shares and the holders of H Shares to be held at 9th Floor, Block A2, Tianda High-Tech Park, No. 80, The 4th Avenue, TEDA, Tianjin, the People's Republic of China at 9:30 a.m., 10:00 a.m. and 10:30 a.m. respectively on Thursday, 25 July 2013, are set out on pages 19 to 27 of this circular.

Whether or not you are able to attend the meetings, you are reminded to complete the forms of proxy enclosed with this circular, in accordance with the instructions printed thereon and send the relevant forms of proxy to the registered office of the Company at No. 12 Tai Hua Road, The 5th Avenue, TEDA, Tianjin, the People's Republic of China (for the holders of Domestic Shares), or to the office of the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited of Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for the holders of H Shares) as soon as practicable and in any event not later than 24 hours before the respective time appointed for the holding of the separate Class Meetings of the holders of H Shares and the holders of Domestic Shares and the EGM.

Completion and return of the relevant forms of proxy will not preclude you from attending and voting in person at the meetings or at any adjourned meetings should you so wish.

Reply slips for each of the EGM and the separate Class Meetings have also been enclosed. You are reminded to complete and sign the relevant reply slips (if you are entitled to attend the relevant meetings) and return the signed slips to the registered office of the Company as detailed above (for the holders of Domestic Shares), or the office of the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited as detailed above (for the holders of H Shares) on or before 5 July 2013 in accordance with the instructions printed thereon.

This circular will remain on the GEM website at [www.hkgem.com](http://www.hkgem.com) on the "Latest Company Announcements" page for at least 7 days from the date of its posting.

## CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

<b>CONTENTS</b>
-----------------

	<i>Page</i>
<b>DEFINITIONS .....</b>	<b>1</b>
<b>LETTER FROM THE BOARD .....</b>	<b>5</b>
<b>NOTICE OF EXTRAORDINARY GENERAL MEETING .....</b>	<b>19</b>
<b>NOTICE OF CLASS MEETING OF THE HOLDERS OF DOMESTIC SHARES ..</b>	<b>22</b>
<b>NOTICE OF CLASS MEETING OF THE HOLDERS OF H SHARES .....</b>	<b>25</b>

## DEFINITIONS

*In this circular, unless otherwise specified or required by the context, the following terms shall have the following meanings:*

“Articles”	the Articles of Association of the Company;
“Board”	the board of Directors;
“Business Day”	any day (excluding a Saturday, Sunday and public holiday) on which banks generally are open for business in Hong Kong
“Class Meetings”	the respective class meetings of the holders of H Shares and holders of Domestic Shares to be convened and held for the purposes of approving the grant of the specific mandate in relation to Total Placing H Share(s), including any adjournment in respect thereof
“Company”	Tianjin TEDA Biomedical Engineering Company Limited, a joint stock company incorporated in the PRC with limited liability and the H Shares of which are listed and traded on GEM (Stock Code: 8189)
“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 RMB0.10 each in the share capital of the Company, which are subscribed for in RMB
“EGM”	the extraordinary general meeting of the Company to be convened and held to consider and, if thought fit, to approve, among other things (i) the proposed granting of the Specific Mandate; and (ii) the proposed amendments of the Articles
“GEM”	Growth Enterprise Market of the Stock Exchange;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM, as amended, modified or supplemented from time to time

## DEFINITIONS

“Group”	the Company and its subsidiaries
“H Shares”	the overseas listed foreign invested shares of nominal value of RMB0.10 each in the share capital of the Company, which are listed on GEM and subscribed for and traded in HK\$
“Hong Kong”	Hong Kong Special Administrative Region;
“Independent Third Party”	a party who and whose ultimate beneficial owners are third parties independent of and not connected with the Company and any of the connected persons of the Company as defined under the GEM Listing Rule
“Latest Practicable Date”	29 May 2013, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular;
“Listing Division”	The Listing Division, The Stock Exchange of Hong Kong Limited
“New H Shares”	not more than 175,000,000 new H Shares to be issued under the Placing at the Placing Price
“Placees”	any individual(s), institutional or other professional investor(s) or any of their subsidiaries or associates procured by the Placing Agent or the Company to subscribe for any of the Total Placing H Shares
“Placing”	the possible placing of the Total Placing H Shares pursuant to the Specific Mandate
“Placing Agent”	China Merchants Securities (HK) Co., Ltd. (招商證券(香港)有限公司), a corporation licensed to engaged in Type 1 (dealing in securities), Type 4 (advising on securities), and Type 6 (advising on corporate finance) regulated activities under the SFO or upon the termination of the engagement with China Merchants Securities (HK) Co., Ltd, any placing agent to be engaged by the Company which is an Independent Third Party
“Placing Price”	the placing price per new H Share as referred to in the paragraph headed “Placing Price” of this circular

## DEFINITIONS

“PRC”	the People’s Republic of China, but for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Previous Specific Mandate”	the specific mandate approved by the Shareholders at the extraordinary general meeting and the respective class meetings of the holders of Domestic Shares and holders of H Shares held on 10 July 2012, amongst others, to issue not more than 192,000,000 new H Shares
“SASAC”	State-owned Assets Supervision and Administration Commission of the State Council of the PRC (國務院國有資產監督管理委員會)
“Sale H Shares”	not more than 17,500,000 new H Shares to be converted from equal number of the Domestic Shares held by TTII equivalent to 10% of the New H Shares pursuant to the requirements under the State-owned Shares Reduction Regulations for purchase at the Placing Price under the Placing in the event that the Social Security Fund decides not to hold such Domestic Shares itself
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong), as amended, modified or supplemented from time to time
“Share(s)”	Domestic Share(s) and/or H Share(s)
“Shareholders”	holder(s) of Shares
“Social Security Fund”	全國社會保障基金理事會 (National Council for Social Security Fund, the PRC)
“Specific Mandate”	the specific mandate to be granted to the Directors by the Shareholders at the EGM and the Class Meetings to issue the Total Placing H Shares and to convert Domestic Shares into Sale H Shares for the Placing
“State-owned Shares Reduction Regulations”	the Provisional Administrative Measures for the Reduction of State-owned Shares and the Raising of the Social Security Fund (減持國有股籌集社會保障資金管理暫行辦法) promulgated by the State Council of the PRC on 12 June 2001

## DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Total Placing H Share(s)”	the aggregate number of the New H Shares and the Sale H Shares which shall not exceed 192,500,000 Shares
“TTII”	Tianjin TEDA International Incubator, a state-owned enterprise incorporated in the PRC with limited liability and one of the promoters of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

LETTER FROM THE BOARD



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)**

*Executive Directors:*

Mr. Wang Shuxin (*Chairman*)

Mr. Hao Zhihui

Mr. Zhang Chunsheng

*Non-Executive Directors:*

Mr. Feng Enqing

Mr. Xie Guangbei

Mr. Ou Linfeng

*Independent Non-Executive Directors:*

Mr. Guan Tong

Mr. Wu Chen

Mr. Chan Kin Sang

*Registered Office:*

No.12 Tai Hua Road

The 5th Avenue

TEDA

Tianjin

PRC

3 June 2013

*To the Shareholders,*

Dear Sir/Madam,

- (1) PROPOSED GRANTING OF A SPECIFIC MANDATE TO ISSUE NEW SHARES  
RELATING TO A POSSIBLE PLACING OF NEW SHARES  
AND  
(2) PROPOSED AMENDMENTS OF ARTICLES OF ASSOCIATION  
AND  
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to provide you with, amongst other things, (i) details regarding the special resolution to be proposed at the EGM to approve the proposed Specific Mandate and the proposed amendments to the Articles and (ii) a notice convening the EGM and the Class Meetings.



## LETTER FROM THE BOARD

### I. PROPOSED SPECIFIC MANDATE

References are made to the announcements of the Company dated 17 February 2012 and 15 February 2013 and the circular of the Company dated 24 May 2012 in relation to the proposed placing of not more than 192,500,000 new H Shares pursuant to the Previous Specific Mandate which was lapsed as certain conditions precedent under the placing agreement dated 17 February 2012, including the grant of approval by CSRC, could not be fulfilled within 12-month. However, in view of the reasons set out at the paragraph headed "Reasons for the Placing" below, the Board is still of the view that continuing with the placing of H Shares is in the best interest of the Company.

On 3 May 2013 (after trading hours), the Board resolved to convene the EGM and the Class Meetings for granting of a specific mandate in relation to the Placing of not more than 192,500,000 H Shares (for itself and for TTII). By the Specific Mandate, the Board will be authorized to issue not more than 175,000,000 New H Shares and to convert, issue and allot (and sell on behalf of Social Security Fund) not more than 17,500,000 Sale H Shares from equal number of Domestic Shares held by TTII. The Specific Mandate shall be exercised during a period of 12-month from the date of passing the special resolution at the EGM (subject to earlier revocation or variation by a special resolution of Shareholders at a general meeting or a class meeting).

The 192,500,000 H Shares represent approximately 13.56% and 27.3% respectively of the existing total issued share capital and the existing issued H Shares of the Company as at the Latest Practicable Date.

After approval of the Placing by the Board, the Company has agreed to appoint China Merchants Securities (HK) Co., Ltd., to be the placing agent in relation to the Placing. The Placing Agent is an Independent Third Party. Upon fulfillment of the conditions precedent (a) to (d) described in the paragraph headed "Conditions of the Placing" below, the Company and the Placing Agent, at the time to be mutually agreed and subject to a placing agreement to be entered into, will fix all terms and conditions of the Placing.

The Placing is conditional upon satisfaction of all the conditions precedent which include, amongst other things, the passing of a special resolution by the Shareholders to approve the Specific Mandate, the issue of the Total Placing H Shares and the transactions contemplated thereby at the EGM and the Class Meetings. The Board is of the view that it will take relatively long time to obtain the approval from the CSRC for the issue of the Total Placing H Shares and for the completion of the Placing to occur, as evinced in the proposed placing in February 2012.

**Investors should be aware that there is no assurance that any of the conditions precedent will be fulfilled and therefore the Placing may or may not proceed at all. Investors should therefore exercise caution when dealing in H Shares.**

## LETTER FROM THE BOARD

### **Placees**

The Company intends to place the Total Placing H Shares to not fewer than six Placees who and whose ultimate beneficial owners will not be connected persons (as defined in the GEM Listing Rules) of the Company and will be independent of the Company and its connected persons (as defined in the GEM Listing Rules).

The Company (for itself and on behalf of TTII) will also ensure that no individual Placee will become a substantial Shareholder (as defined under the GEM Listing Rules) immediately after the Placing.

### **The Proposed Total Placing H Shares**

The number of the proposed Total Placing H Shares will not exceed 192,500,000 Shares which comprise the New H Shares and the Sale H Shares converted from equal number of the Domestic Shares held by TTII in the event that the Social Security Fund decides not to hold such Domestic Shares itself.

The Total Placing H Shares represent approximately 12.07% and 21.4 % respectively of the total issued share capital and the issued H Shares of the Company as enlarged by the Placing on the assumption that all the Total Placing H Shares are issued under the Placing.

The New H Shares comprise not more than 175,000,000 new H Shares which represent approximately (i) 12.32% of the existing issued share capital of the Company; and (ii) 10.97% of the issued share capital of the Company as enlarged by the Placing. The Sale H Shares comprise not more than 17,500,000 new H Shares which represent approximately (i) 1.23% of the existing issued share capital of the Company; and (ii) 1.1% of the issued share capital of the Company as enlarged by the Placing.

Pursuant to the State-owned Shares Reduction Regulations, a number of state-owned shares in a joint stock company equivalent to 10% of new shares issued under each fund raising activity of the joint stock company should be transferred to the Social Security Fund. As TTII is a state-owned enterprise and pursuant to the State-owned Shares Reduction Regulations, TTII is required to transfer to the Social Security Fund a number of Domestic Shares held by it equivalent to 10% of the New H Shares to be issued and placed by the Company.

TTII has authorized the Company, in the event that the Social Security Fund decides not to hold the Shares to be transferred to it but to sell them instead, to directly convert such Domestic Shares into H Shares. These Domestic Shares will be converted into H Shares on a one-for-one basis and registered in the name of the Social Security Fund. The completion of the issue of the Sale H Shares is condition on the completion of the placing of the New H Shares. In addition, the Placing will not be affected whether the Social Security Fund decides to hold the Domestic Shares or to sell them. The Placing Agent is appointed as agent of the Company (for itself and for TTII) for the purpose of procuring the sale of, on a best efforts basis, the New H Shares as well as the Sales H Shares.

## LETTER FROM THE BOARD

### **Ranking of the Total Placing H Shares**

The Total Placing H Shares under the Placing will rank, upon issue, pari passu in all respects with the Domestic Shares and H Shares in issue on the date of allotment and issue of the Total Placing H Shares.

### **Placing Price**

The Total Placing H Shares will be issued for cash. Upon fulfillment of the conditions precedent (a) to (d) set out at paragraph headed “Conditions of the Placing “ below, the Company and the Placing Agent will fix all terms and conditions of the Placing, in particular, the Placing Price, subject to a placing agreement, which however, shall not be:

- (a) at a discount of more than 15% of the average closing price of H Shares during the 5 consecutive trading days immediately prior to the date on which the Placing Price is agreed;
- (b) less than the par value of the H Shares; and
- (c) less than the net asset value per Share disclosed in the latest management accounts certified by a Director and provided to the Placing Agent by the Company on the date on which the Placing Price is agreed.

The 15% discount has been determined after arm’s length negotiations between the Company and the Placing Agent. The Directors believe that the above pricing mechanism are fair and reasonable and in the interests of the Shareholders as a whole.

The Directors expect that the Company will take relatively long time to obtain the approval from the CSRC for the issue of the Total Placing H Shares and for the completion of the Placing to occur. Therefore, the Directors consider that it would be in the best interest of Shareholders to fix the exact Placing Price according to the prevailing market conditions after fulfillment of all conditions precedent which will be closer to the time of completion of the Placing. The Directors will ensure that the Placing Price will be determined in accordance with the above pricing mechanism and the prevailing trading price of the Shares and market conditions so as to maximize the interests of the Shareholders.

The Board will make an announcement pursuant to the GEM Listing Rules once the placing agreement is signed with the Placing Agent.

### **Placing Costs**

The Company (for itself and on behalf of TTII) shall be responsible for the Placing Agent’s commission and all costs, fees and expenses incurred in relation to the Placing. These placing costs shall be determined in the placing agreement to be entered into by the Company and the Placing Agent. Before entering into the placing agreement, the Company is not required to pay any initial payment to the Placing Agent.

## LETTER FROM THE BOARD

### Conditions of the Placing

The conditions precedent for the Placing are:

- (a) the CSRC granting the approval of the issue of the Total Placing H Shares;
- (b) the obtaining of the approval of the issue of the Total Placing H Shares, the conversion into not more than 17,500,000 new H Shares from equal number of Domestic Shares held by TTII equivalent to 10% of the proceeds from placing of the New H Shares and the transactions contemplated thereby by a special resolution of the Shareholders at the EGM and the approvals thereof by special resolutions of holders of the Domestic Shares and the H Shares at the Class Meetings conducted in accordance with the Articles;
- (c) TTII having been granted the approval of its shareholding reduction pursuant to the State-owned Shares Reduction Regulations by SASAC and to properly convert equal number of Domestic Shares into the Sale H Shares in the event that the Social Security Fund decides not to hold such Domestic Shares itself;
- (d) the obtaining of all other consents and approvals required for the Placing from relevant regulatory authorities in Hong Kong, the PRC and/or any other relevant jurisdictions, if applicable.

The consents and approvals required under this condition (d) comprise the following:

- (i) the approval by SASAC of the transfer by TTII of part of its Domestic Shares to the Social Security Fund to comply with State-owned Shares Reduction Regulations;
  - (ii) the consent by the Social Security Fund of the transfer by TTII of part of its Domestic Shares to the Social Security Fund (or sale of the Sale H Shares, as the case may be); and
  - (iii) the approval by the Ministry of Environmental Protection or its competent local branch at provincial level of the compliance with the environmental protection laws and regulations by the Company.
- (e) the Stock Exchange granting listing of and permission to deal in the Total Placing H Shares; and
  - (f) the entering into a placing agreement and agreeing on the Placing Price.

If the foregoing conditions (a) to (d) are fulfilled, the Company will procure to enter into a placing agreement with the Placing Agent at the time to be agreed by the

## LETTER FROM THE BOARD

parties. If the foregoing conditions (a) to (d) could not be fulfilled within 12-month, the engagement of the Placing Agent shall terminate unless renewed by the parties in writing and none of the parties shall have any claim against the others for any costs or losses. Upon termination of the engagement with the Placing Agent, the Company is at liberty to engage any other placing agent which is an Independent Third Party. As at the Latest Practicable Date, none of the above conditions precedent has been fulfilled.

In accordance with the PRC laws and regulations, the Company has to apply for the approvals and/or consents in the following sequence:

1. the Board and the Shareholders in general meeting approve the Placing (which includes transactions contemplated therein in relation to transfer of Domestic Shares by TTII) in accordance with PRC laws, the Articles and the GEM Listing Rules;
2. SASAC approves the transfer by TTII of part of its Domestic Shares to the Social Security Fund to comply with State-owned Shares Reduction Regulations (i.e. share reduction by TTII);
3. the Social Security Fund issues written consent confirming that the Company be authorized to register those Domestic Shares to be transferred from TTII under the name of the Social Security Fund or to convert those Shares into H Shares and sell them under the Placing and pay the proceeds to the Social Security Fund; and
4. the CSRC grants the approval of the Placing (which includes issue of the New H Shares, conversion of the nature of the Domestic Shares into and issue of Sale H Shares).

After the SASAC approves the share reduction by TTII, the Social Security Fund will issue a confirmation letter to the Company on whether it decides to hold such Sale H Shares. If it decides not to hold such Sale H Shares, it will authorize the Company to make necessary arrangement for the sale of the Sale H Shares which implies that the Company has to convert such Domestic Shares into Sale H Shares first in order to sell them. TTII and the Company are therefore obliged to finish all the related works and proceedings in accordance with applicable laws and regulations. The Social Security Fund will be entitled to all sale proceeds of the Sale H Shares.

If the Social Security Fund decides to hold the Domestic Shares to be transferred from TTII, it is not legally necessary for it to convert the Domestic Shares into H Shares. However, based on the experience of the Company, the Board is of the view that the Social Security Fund will usually prefer converting the Domestic Shares into H Shares and authorizing the Company to sell the converted H Shares on its behalf.

The Board will make an announcement pursuant to the GEM Listing Rules upon obtaining the CSRC's approval and the conversion of the Domestic Shares into H Shares.

## LETTER FROM THE BOARD

### **Application for listing**

The Company will upon fulfillment of the foregoing conditions (a) to (d) proceed to apply to the Listing Division for the grant of listing of, and permission to deal in all of the Total Placing H Shares.

### **Reasons for the Placing**

The Group is principally engaged in the research and development and commercialization of fertilizer products and medical and health products.

The chemical fertilizer industry has been greatly influenced by the international food prices and the PRC government's policies on agriculture, rural areas and farmers. As a result of the intense food supply worldwide, the primary goal of the farming industry during the "Twelfth Five Year" period is to safeguard the food of the country, and in the coming five years, helping farmers to increase their income continuously at a fast pace will remain the primary target of the PRC government.

Although the current compound fertilizers industry in the PRC possesses a large room for development, the competition is also keen. With its own edges and bottoming on the characteristics of the changing market, the Group will adopt an active and efficient marketing strategy and keep expanding and consolidating the channels in the markets by leveraging on its developed new types of fertilizers such as slow release chemical fertilizers and soil conditioner, to further enlarge its market share.

As a result of the rapid development of the PRC economy, the increase in income, change of people's life style and the rising education level, the demand for medical and health products has been increasing. As diabetes is one of the most common diseases in the PRC, we believe that it would likely become a country with the highest demand for blood sugar controlling products and sugar-free products. There has been an upward momentum for sugar-free food products in the food industry. We believe sugar-free food products would likely become a major driver for market growth in the food industry for a long period in the future.

According to our plan, while the Group's medical and health products are providing healthy and various choices of food to diabetes patients, the Group intends to capitalize on the influence of the Group's "Alpha" brand to progressively expand to sugar-free food products, and to keep the growth in the sales of its medical and health products by satisfying the consumption needs of the general public according to the trend of development of sugar-free food products.

With the rapid growth of the Group, repositioning in the market, expansion of new distribution channels, development of new products, enhancement of its brands and improving the logistic and communication networks, the Group will have a need for raising funds to meet its intense capital requirements.

## LETTER FROM THE BOARD

The Directors consider that notwithstanding that the Placing will result in the dilution of the existing shareholding interest of the Shareholders, the Placing represents an opportunity to raise capital for the Company to enhance the general working capital base and to develop the business of the Group.

The Directors, including the independent non-executive Directors, consider that the main terms of the Placing as disclosed above are fair and reasonable and that placing of Total Placing H Shares is in the interest of the Company and the Shareholders as a whole.

**The Company will ensure that the Placing of the New H Shares and the Sale H Shares will be conducted in compliance with the PRC laws, the Articles and the GEM Listing Rules.**

### **Intended use of proceeds**

On the assumption that all the 192,500,000 Total Placing H Shares are issued under the Placing with an indicative placing price of approximately HK\$0.656 per new H Share (being the average closing price of the H Share as quoted on GEM for the 5 consecutive trading days ended on the Latest Practicable Date with a discount of 15%), the expected gross proceeds of the Placing of the New H Shares and the Sale H Shares will be approximately HK\$114,800,000 and HK\$11,480,000 respectively. At the assumption, which is made based on the experience of the Company, that placing commission and all related costs, fees and expenses will represent around 2.5% of the gross proceeds, the expected net proceeds of the Placing of the New H Shares and the Sale H Shares will be approximately HK\$111,930,000 and HK\$11,193,000 respectively. The net proceeds for the Sale H Shares will be remitted to the Social Security Fund. However, the actual net proceeds of the Placing could only be determined upon signing of the placing agreement by the Company and the Placing Agent.

**Investors should note that the final amount of funds raised under the Placing may vary from the above estimate as the actual number of Shares to be placed and the actual Placing Price will only be ascertained upon signing of the placing agreement between the parties.**

It is intended that the net proceeds from the Placing will be applied as follows:

- (i) as to approximately 60% for the consolidation of the distribution channels and expansion of marketing network of the Group's compound fertilizer and sugar-reducing and sugar-free health products;
- (ii) as to approximately 15% for strengthening the brand development of the Group's compound fertilizer and health foods;
- (iii) as to approximately 10% for the research and development of new products; and

## LETTER FROM THE BOARD

- (iv) as to approximately 15% for the general working capital of the Group which includes but not limited to staff remuneration and office rental.

### Fund raising activities in the past twelve months

The Company has not conducted any fund raising activities in the past twelve months before the Latest Practicable Date.

### Effects on shareholding structure

The changes of the shareholding structure of the Company as a result of the Placing, assuming that all of the 192,500,000 Total Placing H Shares are subscribed or purchased in full, and the shareholding of Domestic Shares other than of TTII remains unchanged are as follows:

	As at the Latest Practicable Date		Upon completion of the Placing		
	Number of Shares	%	Number of Shares <i>(Note 1)</i>	Number of Shares <i>(Note 2)</i>	%
Domestic Shares					
TTII	200,000,000	14.08	182,500,000	182,500,000	11.44
Gu Hanqing	14,000,000	0.99	14,000,000	14,000,000	0.88
Wenguang Media	12,000,000	0.85	12,000,000	12,000,000	0.75
Wuhuan Building	10,000,000	0.70	10,000,000	10,000,000	0.63
Xie Kehua	9,000,000	0.63	9,000,000	9,000,000	0.56
Xiangyong Investment	180,000,000	12.68	180,000,000	180,000,000	11.29
Zhinong Fertilizers	170,000,000	11.97	170,000,000	170,000,000	10.66
Lvyte Fertilizers	120,000,000	8.45	120,000,000	120,000,000	7.52
Subtotal	<u>715,000,000</u>	<u>50.35</u>	<u>697,500,000</u>	<u>697,500,000</u>	<u>43.73</u>
H Shares					
Public Shareholders	705,000,000	49.65	705,000,000	705,000,000	44.20
Placees <i>(Note 1)</i>	–	–	192,500,000	–	12.07
Placees <i>(Note 2)</i>	–	–	–	175,000,000	10.97
Social Security Fund <i>(Note 2)</i>	–	–	–	17,500,000	1.09
Total:	<u>1,420,000,000</u>	<u>100.00</u>	<u>1,595,000,000</u>	<u>1,595,000,000</u>	<u>100.00</u>

*Note (1)* Assuming Social Security Fund decides to sell the Sale H Shares.

*Note (2)* Assuming Social Security Fund decides to hold the Sale H Shares.



## LETTER FROM THE BOARD

### Implications under the GEM Listing Rules

TTII is a stated-owned entity and a substantial Shareholder holding 14.08% of the existing issued share capital of the Company. TTII is involved in the Placing only to the extent of transferring some of the Domestic Shares it currently owns to the Social Security Fund to comply with State-owned Shares Reduction Regulations. If the Placing is to occur and the Sale H Shares are sold, the proceeds will be remitted to the Social Security Fund. If the Social Security Fund decides to hold the Domestic Shares to be transferred from TTII, the Social Security Fund will be registered in the register of members. Therefore, TTII's role is a transient one and it will not take part in the Placing for pecuniary gain. Based on the foregoing, the connected transactions requirements of the GEM Listing Rules do not apply.

## II. PROPOSED AMENDMENT TO THE ARTICLES OF ASSOCIATION OF THE COMPANY

The capital structure of the Company is set out in the Articles. The provisions in the Articles concerning the capital structure of the Company are as follows:

1. Article 20 sets out the total issued share capital of the Company and the respective number of the Domestic Shares and the H Shares; and
2. Article 23 sets out the existing total issued share capital of the Company.

The capital structure of the Company will be altered upon completion of the Placing. Accordingly, the Directors will seek from the Shareholders at the EGM and the Class Meetings the approval and authority to amend the Articles to reflect the new capital structure of the Company as a result of the number of New H Shares to be issued and the number of Domestic Shares to be cancelled as a result of conversion into Sale H Shares under the Placing.

Subject to obtaining the approval and authority to make the proposed amendments to the Articles as described above, the Directors will amend the Articles accordingly.

The proposed amendments are set out as bellows:

1. *Article 20 of Chapter 3 "Shares and Registered Capital":*

*Original*

"Following several capital enlargement after its establishment, the Company has issued 1,420,000,000 ordinary shares, including 715,000,000 domestic invested shares that accounted for 50.35% of the total amount of ordinary shares in issue by the Company and 705,000,000 overseas listed foreign invested shares that accounted for 49.65% of the total amount of ordinary shares in issue by the Company.

## LETTER FROM THE BOARD

The share capital structure of the Company is as follows: 1,420,000,000 ordinary shares, in which 715,000,000 shares are issued in the form of domestic invested shares, of which 200,000,000 shares held by Tianjin TEDA International Incubator, the promoter, 180,000,000 shares held by Shenzhen Xiangyong Investment Company Limited, 170,000,000 shares held by Shandong Zhinong Fertilizers Company Limited, 120,000,000 shares held by Dongguan Lvye Fertilizers Company Limited, 14,000,000 shares held Gu Hanqing, the promoter, 12,000,000 shares held by Guangzhou Wenguang Media Company Limited, 10,000,000 shares held by Beijing Zhongxing Wuhuan Building Materials Company Limited and 9,000,000 shares held by Xie Kehua, the promoter and 705,000,000 shares held by shareholders of overseas listed foreign invested shares.”

*Proposed amendment in the event that the Social Security Fund decides not to hold the Shares to be transferred to it by TTII, all of the 192,500,000 Total Placing H Shares are subscribed or purchased in full and the shareholding of Domestic Shares other than of TTII remains unchanged:*

“Following several capital enlargement after its establishment, the Company has issued 1,595,000,000 ordinary shares, including 697,500,000 domestic invested shares that accounted for 43.73% of the total amount of ordinary shares in issue by the Company and 897,500,000 overseas listed foreign invested shares that accounted for 56.27% of the total amount of ordinary shares in issue by the Company.

The share capital structure of the Company is as follows: 1,595,000,000 ordinary shares, in which 697,500,000 shares are issued in the form of domestic invested shares, of which 182,500,000 shares held by Tianjin TEDA International Incubator, the promoter, 180,000,000 shares held by Shenzhen Xiangyong Investment Company Limited, 170,000,000 shares held by Shandong Zhinong Fertilizers Company Limited, 120,000,000 shares held by Dongguan Lvye Fertilizers Company Limited, 14,000,000 shares held Gu Hanqing, the promoter, 12,000,000 shares held by Guangzhou Wenguang Media Company Limited, 10,000,000 shares held by Beijing Zhongxing Wuhuan Building Materials Company Limited and 9,000,000 shares held by Xie Kehua, the promoter and 897,500,000 shares held by shareholders of overseas listed foreign invested shares.”

*Proposed amendment in the event that the Social Security Fund decides to hold the Shares to be transferred to it by TTII, all of the 175,000,000 New H Shares are subscribed in full and the shareholding of Domestic Shares other than of TTII remains unchanged:*

“Following several capital enlargement after its establishment, the Company has issued 1,595,000,000 ordinary shares, including 715,000,000 domestic invested shares that accounted for 44.83% of the total amount of ordinary shares in issue by the Company and 880,000,000 overseas listed foreign invested shares that accounted for 55.17% of the total amount of ordinary shares in issue by the Company

## LETTER FROM THE BOARD

The share capital structure of the Company is as follows: 1,595,000,000 ordinary shares, in which 715,000,000 shares are issued in the form of domestic invested shares, of which 182,500,000 shares held by Tianjin TEDA International Incubator, the promoter, 180,000,000 shares held by Shenzhen Xiangyong Investment Company Limited, 170,000,000 shares held by Shandong Zhinong Fertilizers Company Limited, 120,000,000 shares held by Dongguan Lvye Fertilizers Company Limited, 14,000,000 shares held Gu Hanqing, the promoter, 12,000,000 shares held by Guangzhou Wenguang Media Company Limited, 10,000,000 shares held by Beijing Zhongxing Wuhuan Building Materials Company Limited, 9,000,000 shares held by Xie Kehua, the promoter and 17,500,000 shares held by National Council for Social Security Fund and 880,000,000 shares held by shareholders of overseas listed foreign invested shares.”

2. *Article 23 of Chapter 3 “Shares and Registered Capital”:*

*Original*

“The registered capital of the Company will increase to RMB142,000,000 after the completion of capital increase in domestic shares. The registered capital of the Company shall be registered with the administration authority for Industry and Commerce and filed with the regulatory authority for the examination and approval of companies as authorised by the State Council and the securities regulatory authority under the State Council.”

*Proposed amendment:*

“The registered capital of the Company will increase to RMB159,500,000 after the completion of capital increase. The registered capital of the Company shall be registered with the administration authority for Industry and Commerce and filed with the regulatory authority for the examination and approval of companies as authorised by the State Council and the securities regulatory authority under the State Council.”

As the text of the proposed amended Article 20 of Chapter 3 “Shares and Registered Capital” will depend on the number of Shares to be actually placed, subject to obtaining the approval and authority to make the proposed amendments to the Articles as described above, the Directors will amend the Articles accordingly based on the actual number of Shares placed.

### SHAREHOLDERS’ MEETINGS

The EGM and the Class Meetings will be convened and held to consider and, if thought fit, to approve, among other things, (i) the proposed granting of the Specific Mandate; (ii) the transactions contemplated under the Placing; and (iii) the proposed amendments of the Articles. Any vote of Shareholders at the EGM and the Class Meetings will be taken by poll.

## LETTER FROM THE BOARD

TTII is a substantial Shareholder holding 14.08% of the existing issued share capital of the Company. As the Company on behalf of TTII may procure the Placing Agent to sell the Sale H Shares under the Placing, TTII has a material interest in the Placing. TTII and its associates will abstain from voting at the EGM and the Class Meetings.

Save as disclosed above, no other Shareholders or their respective associates has any interests in the Placing, thus no other Shareholders is required to abstain from voting at the EGM and the Class Meetings under the GEM Listing Rules.

Notices of the EGM, the Class Meeting of the holders of Domestic Shares, the Class Meeting of the holders of H Shares to be held at 9:30 a.m., 10:00 a.m. and 10:30 a.m. respectively on Thursday, 25 July 2013 at 9th Floor, Block A2, Tianda High-Tech Park, No. 80, The 4th Avenue, TEDA, Tianjin, the People's Republic of China, are set out on pages 19 to 27 of this circular.

The respective reply slips and forms of proxy for use at each of the EGM and the Class Meetings are enclosed. Whether or not you are able to attend (if you are so entitled to) the meetings, you are requested to complete the enclosed reply slips and form of proxy in accordance with the instructions printed thereon and return them to the registered office of the Company at No. 12 Tai Hua Road, The 5th Avenue, TEDA, Tianjin, the People's Republic of China (for the holders of Domestic Shares), or the office of the Company's H Share Registrar, Computershare Hong Kong Investor Services Limited of Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for the holders of H Shares) as soon as possible and in any event for the reply slips, on or before Friday, 5 July 2013 and the proxy forms not later than 24 hours before the respective time appointed for holding the relevant meeting. Completion and return of the relevant forms of proxy will not preclude you from attending and voting in person at the meetings or at any adjourned meetings should you so wish.

### RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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 the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

### LANGUAGE

This circular has been prepared in both English and Chinese. In the case of any discrepancy, the English text prevails.

## LETTER FROM THE BOARD

### RECOMMENDATION

The Directors, including the independent non-executive Directors, consider that the terms of the proposed Specific Mandate in relation to the Placing and the proposed amendments to the Articles are fair and reasonable and that the Placing is in the interest of the Company and the Shareholders as a whole. Accordingly, the Directors, including the independent non-executive Directors, recommend the Shareholders to vote in favour of all the resolutions to be proposed at the EGM and the relevant Class Meeting.

Yours faithfully,  
By order of the Board  
**Wang Shuxin**  
*Chairman*

## NOTICE OF EXTRAORDINARY GENERAL MEETING



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)

## NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT an extraordinary general meeting (the "EGM") of the holders of domestic invested shares ("**Domestic Shares**") of nominal value of RMB0.10 each and the holders of foreign invested shares ("**H Shares**") of nominal value of RMB0.10 each in Tianjin TEDA Biomedical Engineering Company Limited (the "**Company**") will be held at 9th Floor, Block A2, Tianda High-Tech Park, No. 80, The 4th Avenue, TEDA, Tianjin, the People's Republic of China (the "**PRC**") on Thursday, 25 July 2013 at 9:30 a.m. to consider and, if thought fit, pass the following resolutions:

### AS A SPECIAL RESOLUTION

**"THAT:**

- (a) conditional upon The Listing Division of The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in not more than 192,500,000 H Shares (the "**Placing Shares**"), the directors of the Company ("**Directors**") be and are hereby specifically authorised to allot and issue the Placing Shares (the "**Placing**") which shall include the issue and allotment of not more than 175,000,000 new H Shares (the "**New H Shares**") and the conversion, issue and allotment of (and sell on behalf of the Social Security Fund) not more than 17,500,000 new H Shares (the "**Sale H Shares**") from equal number of Domestic Shares held by Tianjin TEDA International Incubator (the "**Specific Mandate**"). The Specific Mandate shall be exercised once or more during the Relevant Period (as defined hereunder) subject to the following terms:
- (i) the Specific Mandate shall not extend beyond the Relevant Period (as defined below);
  - (ii) the aggregate number of H Shares to be issued and allotted by the Directors shall not be more than 192,500,000 H Shares;
  - (iii) the board of Directors be at liberty to issue and allot the Placing Shares under the Specific Mandate which shall not be at a discount of more than 15% the average closing price of H Shares during the 5 consecutive trading days immediately prior to the date on which the placing price is agreed;
  - (iv) such mandate shall be in addition and without prejudice to any general mandate to issue shares which may be granted by the shareholders of the Company;

## NOTICE OF EXTRAORDINARY GENERAL MEETING

(v) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution up to:

- (i) the expiration of the 12-month period following the passing of this resolution; or
  - (ii) the revocation or variation of the authority given under this resolution by a special resolution of the shareholders of the Company at a general meeting or a class meeting, whichever is the earliest.
- (b) the Directors be and are hereby generally and unconditionally authorised to do all such acts and things, including but not limited to, to obtain and/or procure all the relevant approvals, registration, filing, sanction and permission; enter into any agreement for the Placing; agreeing with China Merchants Securities (HK) Co., Ltd or any placing agent, which is a party who and whose ultimate beneficial owners are third parties independent of and not connected with the Company and any of the connected persons of the Company as defined under the GEM Listing Rules, on the placing price and the total number of the New H Shares, Sale H Shares and the Placing Shares (as set out in paragraph (a) above) to be placed respectively, and to sign and execute all such other or further documents and to take all such steps, in such manners or sequences or timing, which, in the opinion of the Directors, may be necessary, appropriate, desirable or expedient to implement and/or give effect to the Placing, and/or to agree to such variation, amendments or waiver or matters relating thereto;
- (c) all transactions contemplated thereunder or incidental to or in connection with the Specific Mandate, and all actions taken or to be taken by the Company pursuant to the Placing, be and are hereby generally and unconditionally approved, ratified and confirmed; and
- (d) the Directors be and is hereby authorised to amend the Articles of Association of the Company and complete all relevant registration and filing procedures as the Directors think fit so as to reflect the new capital structure of the Company upon the exercise of power to allot, issue and deal with the H Shares as conferred under paragraph (a) above.”

By order of the board of directors of  
**Tianjin TEDA Biomedical Engineering Company Limited**  
**Wang Shuxin**  
*Chairman*

Tianjin, the PRC

3 June 2013

## NOTICE OF EXTRAORDINARY GENERAL MEETING

*Notes:*

1. Any shareholders of the Company entitled to attend and vote at the meeting mentioned above is entitled to appoint one or more proxies to attend and vote at the meeting on his/her/its behalf in accordance with the articles of association of the Company. A proxy needs not be a shareholder of the Company.
2. In order to be valid, the proxy form of the holder of H Shares and, if such proxy form is signed by a person under a power of attorney or other authority on behalf of the appointer, a notarially certified copy of that power of attorney or authority shall be deposited at Computershare Hong Kong Investor Services Limited of Rooms 1806-07, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (the "**Company's H Share Registrar**") not less than 24 hours before the time for holding the meeting or any adjourned meeting.
3. In order to be valid, the proxy form of the holder of Domestic Shares and, if such proxy form is signed by a person under a power of attorney or other authority on behalf of the appointer, a notarially certified copy of that power of attorney or authority shall be deposited at the registered address of the Company not less than 24 hours before the time for holding the meeting or any adjourned meeting.
4. Shareholders of the Company or their proxies shall produce documents of their proof of identity when attending the meeting.
5. The register of the shareholders of the Company will be closed from 25 June 2013 to 25 July 2013 (both days inclusive), during which no transfer of shares will be registered. As regards the holders of H Shares and in order to ascertain the entitlement to attendance at the above meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's H Share Registrar not later than 24 June 2013 at 4:00 p.m. for registration.
6. Shareholders of the Company who intend to attend the meeting mentioned above should complete and deliver to the Company's Registered Office (for the holders of Domestic Shares) or the office of the Company's H Share Registrar (for the holders of H Shares) the enclosed reply slip by 5 July 2013. Further details are set out in the reply slip and explanation thereto.
7. Completion and delivery of the proxy form will not preclude a member from attending and voting in person at the meeting if the member so desires and has delivered a valid reply slip for extraordinary general meeting, and in such event, the proxy form shall be deemed to be revoked.
8. The address of the Company's Registered Office and the contact details of the Company are as follows:

No. 12 Tai Hua Road, The 5th Avenue, TEDA, Tianjin, the PRC  
Fax No.: (8622) 5981 6909





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)**

**NOTICE OF CLASS MEETING OF THE HOLDERS OF DOMESTIC SHARES**

**NOTICE IS HEREBY GIVEN THAT** a class meeting of the holders of domestic invested shares ("**Domestic Shares**") of nominal value of RMB0.10 each in Tianjin TEDA Biomedical Engineering Company Limited (the "**Company**") will be held at 9th Floor, Block A2, Tianda High-Tech Park, No. 80, The 4th Avenue, TEDA, Tianjin, the People's Republic of China (the "**PRC**") on Thursday, 25 July 2013 at 10:00 a.m. (or immediately after the conclusion or adjournment of the extraordinary general meeting of the holders of Domestic Shares and foreign invested shares ("**H Shares**") of nominal value of RMB0.10 each of the Company which has been convened to be held at the same place and on the same date) to consider and, if thought fit, pass the following resolutions:

**AS A SPECIAL RESOLUTION**

**"THAT:**

- (a) conditional upon The Listing Division of The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in not more than 192,500,000 H Shares (the "**Placing Shares**"), the directors of the Company ("**Directors**") be and are hereby specifically authorised to allot and issue the Placing Shares (the "**Placing**") which shall include the issue and allotment of not more than 175,000,000 new H Shares (the "**New H Shares**") and the conversion, issue and allotment of (and sell on behalf of the Social Security Fund) not more than 17,500,000 new H Shares (the "**Sale H Shares**") from equal number of Domestic Shares held by Tianjin TEDA International Incubator (the "**Specific Mandate**"). The Specific Mandate shall be exercised once or more during the Relevant Period (as defined hereunder) subject to the following terms:
- (i) the Specific Mandate shall not extend beyond the Relevant Period (as defined below);
  - (ii) the aggregate number of H Shares to be issued and allotted by the Directors shall not be more than 192,500,000 H Shares;
  - (iii) the board of Directors be at liberty to issue and allot the Placing Shares under the Specific Mandate which shall not be at a discount of more than 15% the average closing price of H Shares during the 5 consecutive trading days immediately prior to the date on which the placing price is agreed;

## NOTICE OF CLASS MEETING OF THE HOLDERS OF DOMESTIC SHARES

- (iv) such mandate shall be in addition and without prejudice to any general mandate to issue shares which may be granted by the shareholders of the Company;
- (v) for the purpose of this resolution:
  - “Relevant Period” means the period from the passing of this resolution up to:
    - (i) the expiration of the 12-month period following the passing of this resolution; or
    - (ii) the revocation or variation of the authority given under this resolution by a special resolution of the shareholders of the Company at a general meeting or a class meeting, whichever is the earliest.
- (b) the Directors be and are hereby generally and unconditionally authorised to do all such acts and things, including but not limited to, to obtain and/or procure all the relevant approvals, registration, filing, sanction and permission; enter into any agreement for the Placing; agreeing with China Merchants Securities (HK) Co., Ltd or any placing agent, which is a party who and whose ultimate beneficial owners are third parties independent of and not connected with the Company and any of the connected persons of the Company as defined under the GEM Listing Rules, on the placing price and the total number of the New H Shares, Sale H Shares and the Placing Shares (as set out in paragraph (a) above) to be placed respectively, and to sign and execute all such other or further documents and to take all such steps, in such manners or sequences or timing, which, in the opinion of the Directors, may be necessary, appropriate, desirable or expedient to implement and/or give effect to the Placing, and/or to agree to such variation, amendments or waiver or matters relating thereto;
- (c) all transactions contemplated thereunder or incidental to or in connection with the Specific Mandate, and all actions taken or to be taken by the Company pursuant to the Placing, be and are hereby generally and unconditionally approved, ratified and confirmed; and
- (d) the Directors be and is hereby authorised to amend the Articles of Association of the Company and complete all relevant registration and filing procedures as the Directors think fit so as to reflect the new capital structure of the Company upon the exercise of power to allot, issue and deal with the H Shares as conferred under paragraph (a) above.”

By order of the board of directors of  
**Tianjin TEDA Biomedical Engineering Company Limited**  
**Wang Shuxin**  
*Chairman*

Tianjin, the PRC

3 June 2013

## NOTICE OF CLASS MEETING OF THE HOLDERS OF DOMESTIC SHARES

*Notes:*

1. Any shareholders of the Company entitled to attend and vote at the meeting mentioned above is entitled to appoint one or more proxies to attend and vote at the meeting on his/her/its behalf in accordance with the articles of association of the Company. A proxy need not be a shareholder of the Company.
2. In order to be valid, the proxy form of the holder of Domestic Shares and, if such proxy form is signed by a person under a power of attorney or other authority on behalf of the appointer, a notarially certified copy of that power of attorney or authority shall be deposited at the registered address of the Company not less than 24 hours before the time for holding the meeting or any adjourned meeting.
3. Shareholders of the Company or their proxies shall produce documents of their proof of identity when attending the meeting.
4. The register of the shareholders of the Company will be closed from 25 June 2013 to 25 July 2013 (both days inclusive), during which no transfer of shares will be registered.
5. Shareholders of the Company who intend to attend the meeting mentioned above should complete and deliver to the Company's Registered Office the enclosed reply slip by 5 July 2013. Further details are set out in the reply slip and explanation thereto.
6. Completion and delivery of the proxy form will not preclude a member from attending and voting in person at the meeting if the member so desires and has delivered a valid reply slip for class meeting of the holders of Domestic Shares, and in such event, the proxy form shall be deemed to be revoked.
7. The address of the Company's Registered Office and the contact details of the Company are as follows:

No. 12 Tai Hua Road, The 5th Avenue, TEDA, Tianjin, the PRC  
Fax No.: (8622) 5981 6909

## NOTICE OF CLASS MEETING OF THE HOLDERS OF H SHARES



泰 达

天津泰达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)**

## NOTICE OF CLASS MEETING OF THE HOLDERS OF H SHARES

**NOTICE IS HEREBY GIVEN THAT** a class meeting of the holders of foreign invested shares ("**H Shares**") of nominal value of RMB0.10 each in Tianjin TEDA Biomedical Engineering Company Limited (the "**Company**") will be held at 9th Floor, Block A2, Tianda High-Tech Park, No. 80, The 4th Avenue, TEDA, Tianjin, the People's Republic of China (the "**PRC**") on Thursday, 25 July 2013 at 10:30 a.m. (or immediately after the conclusion or adjournment of the class meeting of the holders of domestic invested shares ("**Domestic Shares**") of nominal value of RMB0.10 each of the Company which has been convened to be held at the same place and on the same date) to consider and, if thought fit, pass the following resolutions:

### AS A SPECIAL RESOLUTION

#### "**THAT:**

- (a) conditional upon The Listing Division of The Stock Exchange of Hong Kong Limited granting the listing of, and permission to deal in not more than 192,500,000 H Shares (the "**Placing Shares**"), the directors of the Company ("**Directors**") be and are hereby specifically authorised to allot and issue the Placing Shares (the "**Placing**") which shall include the issue and allotment of not more than 175,000,000 new H Shares (the "**New H Shares**") and the conversion, issue and allotment of (and sell on behalf of the Social Security Fund) not more than 17,500,000 new H Shares (the "**Sale H Shares**") from equal number of Domestic Shares held by Tianjin TEDA International Incubator (the "**Specific Mandate**"). The Specific Mandate shall be exercised once or more during the Relevant Period (as defined hereunder) subject to the following terms:
- (i) the Specific Mandate shall not extend beyond the Relevant Period (as defined below);
  - (ii) the aggregate number of H Shares to be issued and allotted by the Directors shall not be more than 192,500,000 H Shares;
  - (iii) the board of Directors be at liberty to issue and allot the Placing Shares under the Specific Mandate which shall not be at a discount of more than 15% the average closing price of H Shares during the 5 consecutive trading days immediately prior to the date on which the placing price is agreed;

## NOTICE OF CLASS MEETING OF THE HOLDERS OF H SHARES

- (iv) such mandate shall be in addition and without prejudice to any general mandate to issue shares which may be granted by the shareholders of the Company;
- (v) for the purpose of this resolution:
  - “Relevant Period” means the period from the passing of this resolution up to:
    - (i) the expiration of the 12-month period following the passing of this resolution; or
    - (ii) the revocation or variation of the authority given under this resolution by a special resolution of the shareholders of the Company at a general meeting or a class meeting, whichever is the earliest.
- (b) the Directors be and are hereby generally and unconditionally authorised to do all such acts and things, including but not limited to, to obtain and/or procure all the relevant approvals, registration, filing, sanction and permission; enter into any agreement for the Placing; agreeing with China Merchants Securities (HK) Co., Ltd or any placing agent, which is a party who and whose ultimate beneficial owners are third parties independent of and not connected with the Company and any of the connected persons of the Company as defined under the GEM Listing Rules, on the placing price and the total number of the New H Shares, Sale H Shares and the Placing Shares (as set out in paragraph (a) above) to be placed respectively, and to sign and execute all such other or further documents and to take all such steps, in such manners or sequences or timing, which, in the opinion of the Directors, may be necessary, appropriate, desirable or expedient to implement and/or give effect to the Placing, and/or to agree to such variation, amendments or waiver or matters relating thereto;
- (c) all transactions contemplated thereunder or incidental to or in connection with the Specific Mandate, and all actions taken or to be taken by the Company pursuant to the Placing, be and are hereby generally and unconditionally approved, ratified and confirmed; and
- (d) the Directors be and is hereby authorised to amend the Articles of Association of the Company and complete all relevant registration and filing procedures as the Directors think fit so as to reflect the new capital structure of the Company upon the exercise of power to allot, issue and deal with the H Shares as conferred under paragraph (a) above.”

By order of the board of directors of  
**Tianjin TEDA Biomedical Engineering Company Limited**  
**Wang Shuxin**  
*Chairman*

Tianjin, the PRC

3 June 2013

## NOTICE OF CLASS MEETING OF THE HOLDERS OF H SHARES

*Notes:*

1. Any shareholders of the Company entitled to attend and vote at the meeting mentioned above is entitled to appoint one or more proxies to attend and vote at the meeting on his/her/its behalf in accordance with the articles of association of the Company. A proxy needs not be a shareholder of the Company.
2. In order to be valid, the proxy form of the holder of H Shares and, if such proxy form is signed by a person under a power of attorney or other authority on behalf of the appointer, a notarially certified copy of that power of attorney or authority shall be deposited at Computershare Hong Kong Investor Services Limited of Rooms 1806-07, 18th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (the "**Company's H Share Registrar**") not less than 24 hours before the time for holding the meeting or any adjourned meeting.
3. Shareholders of the Company or their proxies shall produce documents of their proof of identity when attending the meeting.
4. The register of the shareholders of the Company will be closed from 25 June 2013 to 25 July 2013 (both days inclusive), during which no transfer of shares will be registered. As regards the holders of H Shares and in order to ascertain the entitlement to attendance at the above meeting, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's H Share Registrar not later than 24 June 2013 at 4:00 p.m. for registration.
5. Shareholders of the Company who intend to attend the meeting mentioned above should complete and deliver to the office of the Company's H Share Registrar the enclosed reply slip by 5 July 2013. Further details are set out in the reply slip and explanation thereto.
6. Completion and delivery of the proxy form will not preclude a member from attending and voting in person at the meeting if the member so desires and has delivered a valid reply slip for class meeting of the holders of H Shares, and in such event, the proxy form shall be deemed to be revoked.
7. The address of the Company's Registered Office and the contact details of the Company are as follows:

No. 12 Tai Hua Road, The 5th Avenue, TEDA, Tianjin, the PRC  
Fax No.: (8622) 5981 6909