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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)

DISCLOSEABLE TRANSACTION
DISPOSAL EQUITY OF A WHOLLY-OWNED SUBSIDIARY

On 27 March 2024, the Company entered into the Equity Transfer Agreement, pursuant to which the Company agreed to sell 82.76% equity interest in Shanghai Weidi to the Purchaser at a consideration of RMB10,593,100 (approximately HK\$11,656,000). Upon the completion, the Company still holds 17.24% equity interest in Shanghai Weidi.

Pursuant to Chapter 19 of the GEM Listing Rules, the entering into of the Equity Transfer Agreement, and the transactions contemplated thereunder constitute discloseable transactions of the Company as the relevant percentage ratio exceed 5% but is less than 25%.

Equity Transfer Agreement

Date: 27 March 2024

Seller: the Company

Purchaser: Shanghai Fanli Investment Partnership Enterprise (Limited Partnership) ("Shanghai Fanli"), information and belief having made all reasonable enquiries, the Purchaser is an independent third party of the Company.

Assets to Be Disposed of: 82.76% equity interest in Shanghai Weidi. Upon the completion of the disposal, the Company still holds 17.24% equity interest in Shanghai Weidi.

Consideration: RMB10,593,100 (approximately HK\$11,656,000), the consideration was the same as the price at which our company acquired Shanghai Weidi in 2022. The consideration was determined after arm's length negotiations between the Company and the Purchaser with reference to the recent 2 years performance of Shanghai Weidi.

Summary of Terms:

Payment Method:

Considering that the Purchaser lent RMB 6,593,100 to the company in 2022 and the company has not yet repaid the borrowed funds, so all of the borrowed funds will be used to offset the consideration of RMB 6,593,100. The Purchaser only needs to pay the remaining consideration to the company, which is RMB4,000,000.

Guarantees:

Mr. Qin Wenhua, the actual controller of the purchaser, provided a guarantee for the afore mentioned purchaser's payment obligation of RMB4,000,000.

Completion:

The purchaser shall pay RMB4,000,000 to the company before 30 September, 2024. The company shall start submitting the necessary documents for Shanghai Weidi to handle the industrial and commercial registration of equity changes within ten days after the signing of the agreement.

General information and financial information of Shanghai Weidi

Shanghai Weidi was incorporated in the PRC on 12 August 2013 with a registered capital of RMB 14,500,000 (equivalent to approximately HK\$15,690,000). Shanghai Weidi is engaged in the development of system platform. As at the date of the Equity Transfer Agreements, Shanghai Weidi is a wholly-owned subsidiary of the Company.

The following table sets out the audited results of Shanghai Weidi for the two financial years ended 31 December 2023 and its contribution to the Group.

	For the year ended 31 December 2022 (audited)	For the year ended 31 December 2023 (audited)
Revenue	45,947,120	8,586,613
Loss from continuing operations	2,443,234	5,601,754

REASONS FOR AND BENEFITS OF THE DISPOSAL AND INTENDED USE OF PROCEEDS

Considering the performance of the recent 2 years and the the uncertainty in the future prospects of Shanghai Weidi, the Board believes that the Disposal represents a good opportunity for the Company to realise its investment in Shanghai Weidi. Moreover, taking the proceeds from the Disposal into consideration, the Company will be able to reallocate its resources to other existing operations, so as to generate better returns for its Shareholders and further enhance the cash flow of the Group. The management of the Company can also focus its efforts on the biological compound fertiliser business and elderly care business of the Group.

Having considered the aforementioned, the Directors consider that the terms and conditions of the Agreement are based on normal commercial terms, which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Company intends to use the above proceeds from the equity transfer as the general working capital of the Group.

Financial impact

The Group is expected to record a gain of RMB6,721,262 (approximately HK\$7,274,000) from the Disposal.

INFORMATION OF THE GROUP

The Group is principally engaged in the biological compound fertiliser business and the elderly care and health care business before the completion of the Disposal.

IMPLICATIONS UNDER THE GEM LISTING RULES

As the highest applicable percentage ratio as defined under Rule 19.07 of the GEM Listing Rules in respect of the Disposal exceeds 5% but is less than 25%, the Disposal therefore constitutes a discloseable transaction of the Company and are subject to the reporting and disclosure requirements under Chapter 19 of the GEM Listing Rules.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings:

“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 shares of which are listed on GEM of the Stock Exchange
“Director(s)”	the director(s) of the Company
“GEM”	the GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Independent Third Party(ies)”	a third party independent of the Company and the connected person (as defined in the GEM Listing Rules) of the Company
“Disposal”	The disposal of sale shares to the Purchaser by the Seller pursuant to the terms and conditions of the Equity Transfer Agreement
“PRC”	the People’s Republic of China, which for the sole purpose of this announcement, shall exclude Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan
“RMB”	RMB, the lawful currency of the PRC
“HK\$” or “HKD”	Hong Kong dollar, the lawful currency of Hong Kong
“%”	per cent.

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

Tianjin, the PRC
27 March 2024

As at the date of this announcement, the executive directors of the Company are Sun Li 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 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.