



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)



Third Quarterly Report
2022



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



HIGHLIGHTS

- Consolidated turnover of the Group for the nine months ended 30 September 2022 amounted to RMB304,972,430, representing a decrease of 14.61% as compared to the same period of last year (30 September 2021: RMB357,140,151).
- Consolidated gross profit of the Group for the nine months ended 30 September 2022 amounted to RMB11,188,179, representing a decrease of 71.03% as compared to the same period of last year (30 September 2021: RMB38,625,967).
- Loss attributable to equity owners of the Company for the nine months ended 30 September 2022 was RMB21,627,090 (30 September 2021: earnings of RMB1,823,539); loss per share of the Company was RMB1.142 cents (30 September 2021: earnings per share of RMB0.096 cents).
- The Board does not recommend the payment of dividends for the nine months ended 30 September 2022.

RESULTS OF THE THIRD QUARTERLY (UNAUDITED)

The board of directors (the “Board”) of Tianjin TEDA Biomedical Engineering Company Limited (the “Company”) is pleased to announce the unaudited third quarterly results of the Company and its subsidiaries (hereafter collectively referred to as the “Group”) for the nine months ended 30 September 2022, together with the comparative figures of the corresponding period in 2021 as follows:

CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT

	Notes	(Unaudited) For the nine months ended 30 September		(Unaudited) For the three months ended 30 September	
		2022	2021	2022	2021
		RMB	RMB	RMB	RMB
Continuing operation					
Turnover	2	304,972,430	357,140,151	99,761,955	115,353,225
Cost of sales		(293,784,251)	(318,514,184)	(98,944,733)	(104,791,271)
Gross profit		11,188,179	38,625,967	817,222	10,561,954
Other expenses and net loss		2,905,191	595,667	2,647,218	196,033
Selling and distribution costs		(9,368,063)	(17,036,248)	(1,249,323)	(3,918,643)
R&D and administrative expenses		(22,477,429)	(18,774,490)	(10,235,279)	(4,494,996)
Finance costs		(4,100,365)	(1,417,792)	(769,767)	(682,651)
Impairment loss of intangible assets		-	-	-	-
Profit/(loss) before taxation		(21,852,487)	1,993,104	(8,789,929)	1,661,697
Income tax	3	(146,275)	82,080	-	25,825
Profit/(loss) for the period		(21,998,762)	2,075,184	(8,789,929)	1,687,522
Attributable to:					
Owners of the Company					
—Profit/(loss) for the period		(21,627,090)	1,823,539	(8,379,028)	1,013,987
Non-controlling interests					
—Profit/(loss) for the period		(371,672)	251,645	(410,901)	673,535
Profit/(loss) per share (RMB)	4	(1.142) cents	0.096 cents	(0.443) cents	0.053 cents



Notes:

1. BASIS OF PRESENTATION AND ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and in accordance with Hong Kong Financial Reporting Standards, accounting principles generally accepted in Hong Kong, the disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the “GEM Listing Rules”). In the current period, the Group has adopted all of the new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) and Hong Kong Accounting Standards (“HKAS”) (collectively “HKFRSS”) issued by the Hong Kong Institute of Certified Public Accountants which are relevant to its operations and effective for accounting periods beginning on or after 1 January 2011. The application of the new HKFRSs has had no material impact on the Group’s unaudited results of operations and financial position. The financial statements have been prepared on a going concern basis, assuming that the Group will continue to operate as a going concern. The validity of the Group’s ability to continue as a going concern depends on the success of the Group’s future operations. Consequently, the Directors have prepared the unaudited quarterly results for the nine months ended 30 September 2022 on the going concern basis. The principal accounting policies adopted are consistent with those used in the preparation of the Group’s annual financial statements for the year ended 31 December 2021.

2. REVENUE

Revenue, which is also the Group’s revenue, represents the invoiced value of goods sold to customers after any allowance and discounts and is analysed as follows:

	For the nine months ended 30 September		For the three months ended 30 September	
	2022 RMB	2021 RMB	2022 RMB	2021 RMB
Fertilizer products	303,458,927	356,655,359	98,510,286	115,169,668
Elderly care and health care services	1,513,503	484,792	1,251,669	183,557
	304,972,430	357,140,151	99,761,955	115,353,225



3. TAXATION

(a) Enterprise income tax (“EIT”)

Pursuant to the income tax rules and regulations of the PRC, the income tax of the Company and subsidiaries of the Group is calculated based on the statutory tax rate of 25% (2021: 25%), except for the following companies.

Guangdong Fulilong Compound Fertilizers Co., Ltd. is recognized as a high and new-tech enterprise according to the PRC tax regulations and is entitled to a preferential tax rate of 15% (2021: 15%).

Hong Kong Teda Biomedical Investment Limited is calculated based on the Hong Kong profits tax rate of 16.5% (2021: Nil).

Shu Ju Ku Greater China, Ltd. (“SJKGC”) is an exempted company limited by shares incorporated in Cayman Islands (registration number: 308468). Therefore, it is exempted from profits tax (2021: Nil).

(b) Income tax expense

	For the nine months ended 30 September	
	2022	2021
	RMB'000	RMB'000
Current Tax		
Hong Kong	Nil	Nil
Other Jurisdictions	146	(82)

The income tax charge in Hong Kong is nil for the period ended 30 September 2022 (September 2021: Nil) as the Company did not carry on any business in Hong Kong during the period. The income tax charge in the PRC is RMB146,275 for the period ended 30 September 2022 (September 2021: RMB-82,080).



The charge for the period can be reconciled to the profit per the income statement as follows:

	For the nine months ended 30 September	
	2022	2021
	RMB'000	RMB'000
Profit/(loss) before income tax expense	(21,852)	1,993
Tax calculated at the EIT rate of 25%	(5,462)	498
Tax rate differential	(168)	193
Effect of tax holiday	–	–
Effect of the tax losses on consolidation	5,776	609
Tax effect of expenses that are not deductible in determining taxable profit	–	–
Tax expense for the period	146	(82)

4. EARNINGS PER SHARE

The calculation of the basic earnings per share from continuing and discontinued operations attributable to owners of the Company is based on the following data:

	For the nine months ended 30 September	
	2022	2021
	RMB'000	RMB'000
Profit/(loss) for the purpose of basic earnings per share	(21,627)	1,824
Number of shares		
Weighted average number of ordinary shares for the purposes of basic earnings per share	1,894,500	1,894,500



DIVIDEND

The Board does not recommend the payment of an interim dividend for the nine months ended 30 September 2022 (30 September 2021: Nil).

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital		Share premium		Surplus reserve		Capital reserve		Other reserve		Accumulated profits/(losses)		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB	RMB
Balance as at 1 January	189,450,000	189,450,000	275,317,438	275,317,438	3,717,696	3,717,696	2,541,404	2,541,404	(19,382,403)	(19,382,403)	(350,863,515)	(308,608,472)	100,780,620	143,005,663
Issue of shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net profit attributable to equity holders of the Company for the three months ended 31 March	-	-	-	-	-	-	-	-	-	-	(6,043,544)	(165,625)	(6,043,544)	(165,625)
Balance as at 31 March	189,450,000	189,450,000	275,317,438	275,317,438	3,717,696	3,717,696	2,541,404	2,541,404	(19,382,403)	(19,382,403)	(356,907,059)	(308,774,097)	94,737,076	142,870,038
Net profit attributable to equity holders of the Company for the three months ended 30 June	-	-	-	-	-	-	-	-	-	-	(7,204,518)	975,176	(7,204,518)	975,176
Issue of shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 30 June	189,450,000	189,450,000	275,317,438	275,317,438	3,717,696	3,717,696	2,541,404	2,541,404	(19,382,403)	(19,382,403)	(364,111,577)	(307,798,921)	87,532,558	143,845,214
Net profit attributable to equity holders of the Company for the three months ended 30 September	-	-	-	-	-	-	-	-	-	-	(8,379,028)	1,013,988	(8,379,028)	1,013,988
Issue of shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 30 September	189,450,000	189,450,000	275,317,438	275,317,438	3,717,696	3,717,696	2,541,404	2,541,404	(19,382,403)	(22,032,403)	(372,490,605)	(306,784,933)	79,153,530	144,859,202



MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

Currently, the Group is principally engaged in two industry sectors: on one hand, it is the biological compound fertiliser business, which principally includes multiple series of biological compound fertiliser products that are used for the facilitation of balanced growth of grains, fruit and vegetables. On the other hand, it is the elderly care and health care business, which principally includes the comprehensive layout of elderly care services integrating medical services and elderly care services, and operation and management business that have strong demand with focus on the public with complete or partial disability or dementia. Such business mainly includes nationwide operation management development of elderly care institutions (service facilities), integration of elderly care service resources, supervision and consultancy on elderly care service management and other related elderly care service businesses.

Financial Review

For the nine months ended 30 September 2022, the Group achieved a total turnover of RMB304,972,430 from its operation, representing a decrease of 14.61% as compared to the same period of last year (30 September 2021: RMB357,140,151). The consolidated gross profit of the Group from its operation was RMB11,188,179, representing a decrease of 71.03% as compared to the same period of last year (30 September 2021: RMB38,625,967). The consolidated gross profit margin of the Group was 3.67%, representing a decrease of 7.15% as compared to the same period of last year (30 September 2021: the consolidated gross profit margin was 10.82%). For the nine months ended 30 September 2022, selling and distribution costs of the Group were RMB9,368,063, representing a decrease of 45.01% as compared to the same period of last year (30 September 2021: RMB17,036,248); research and development and administrative expenses were RMB22,477,429, representing an increase of 19.72% as compared to the same period of last year (30 September 2021: RMB18,774,490). During the period under review, finance costs of the Group were RMB4,100,365, representing an increase of 189.21% as compared to the same period of last year (30 September 2021: RMB1,417,792). For the nine months ended 30 September 2022, losses attributable to the owners of the Company was RMB21,627,090 (30 September 2021: earnings of RMB1,823,539); loss per share of the Company was RMB1.142 cents as compared to earnings per share of RMB0.096 cents of the same period in the previous year.

PLEDGE OF ASSETS AND CONTINGENT LIABILITIES

As at 30 September 2022, the Group and the Company had contingent liabilities amounting to RMB nil (31 December 2021: RMB nil) which were related to the guarantee provided by the Group and the Company in securing the bank loans granted to its subsidiaries.



EXPOSURE TO FOREIGN CURRENCY RISK

The Group has relatively low foreign currency risk since all the sales of the Group are domestic sales in China primarily denominated in Renminbi and all payables to suppliers are also denominated in Renminbi.

TREASURY POLICIES

The Group's bank borrowings are denominated in Renminbi and are usually renewed for one year upon maturity. Any surplus cash will be placed as deposits with the licensed banks in China.

FUTURE OUTLOOK

In recent years, the implementation of supply-side structural reform eliminated backward capacity, environmental protection policy tightened to force enterprises to improve their level of production process, compound fertilizer and upstream raw materials industry has shown effective improvement in the over-capacity situation, industry concentration has increased significantly, the supply and demand tends to balance after the industry adjustment, the industry presents a positive and healthy development trend. The downstream planting industry has basically passed the policy adjustment period after experiencing changes such as planting structure adjustment and grain destocking. Currently, the grain planting industry is running smoothly with grain prices rising steadily. The Company will strengthen marketing management, adjust product structure, promote efficient and intelligent compound fertilizer production and increase market share.

On 11 May 2021, the National Bureau of Statistics released the seventh census data, with the population of 60 and above in China reached 264,000,000, accounting for 18.7%, further deepening the degree of ageing. On 17 June 2021, the National Development and Reform Commission, the Ministry of Civil Affairs and the National Health Commission jointly issued the “14th Five-Year Plan for Actively Responding to Population Aging Projects and Nursery Education Construction Implementation Plan” which promotes the implementation of the national strategy to actively respond to the aging population. With the continuous deepening of the aging population in China and the government’s emphasis on elderly care services, the elderly care service industry has become one of the “sunrise industries” with the greatest potential. For the elderly care business, in the current stage, the Group mainly operates under the asset-light operation model to provide management and consultation services to other elderly care institutions and elderly care realties and at the same time cooperate with world-leading elderly care institutions and to constantly enhance its own professional ability of elderly nursing. In addition, the Group will continue to vigorously expand the assistive equipment rental business. By leveraging on the numerous elderly care institutions entrusted to the Group in Shanghai, the Group aims to forge itself as one of the largest and most professional providers of assistive equipment rental service in Shanghai and across Yangtze River Delta.

DIRECTOR AND SUPERVISORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2022, the interests of the directors and supervisors of the Company and their respective associates in the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) were as follows:

Long position in ordinary shares of RMB0.1 each in the Company:

Directors/Supervisors/ Executive Officers	Personal	Family	Corporate	Other	Total	Percentage
						of issued share capital
Ms. Sun Li	-	-	300,000,000 (Note 1)	-	300,000,000	15.83%
Mr. He Xin	-	-	300,000,000 (Note 2)	-	300,000,000	15.83%

Note 1: Out of these shares, 180,000,000 shares are held by Shenzhen Xiangyong Investment Company Limited ("Xiangyong Investment") and 120,000,000 shares are held by Dongguan Lvye Fertilisers Company Limited ("Lvye Fertilisers"). Ms. Sun Li is the beneficial owner of Beijing Yingguxinye Investment Co., Ltd. ("Yingguxinye") holding its 15% equity interest, while Yingguxinye holds 100% equity interest in Xiangyong Investment and Lvye Fertilisers, respectively. All of the shares represent domestic shares.

Note 2: Out of these shares, 180,000,000 shares are held by Shenzhen Xiangyong Investment Company Limited ("Xiangyong Investment") and 120,000,000 shares are held by Dongguan Lvye Fertilisers Company Limited ("Lvye Fertilisers"). Mr. He Xin is the beneficial owner of Beijing Yingguxinye Investment Co., Ltd. ("Yingguxinye") holding its 10% equity interest, while Yingguxinye holds 100% equity interest in Xiangyong Investment and Lvye Fertilisers, respectively. All of the shares represent domestic shares.

Save as disclosed in this paragraph, as of 30 September 2022, none of the Directors, the Supervisors or other chief executives of the Company had interest in any securities and underlying shares and debentures of the Company or any of its associated corporations, which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by directors to be notified to the Company and the Stock Exchange.

DIRECTORS' AND SUPERVISORS' RIGHTS TO ACQUIRE SHARES

At no time during the period under review was the Company, its subsidiaries or its holding companies a party to any arrangement which enables the directors and the supervisors of the Company or their respective spouses or children under 18 years of age, to gain profit through acquiring the shares of the Company.

SUBSTANTIAL SHAREHOLDERS

As at 30 September 2022, the following persons (other than the Directors and the Supervisors of the Company) had interests and short positions in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were notified to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept under Section 336 of the SFO:

Long position in ordinary shares of RMB0.1 each in the Company:

Names of shareholders	Capacity	Number of ordinary shares	Percentage of capital
Tianjin Economic and Technological Development Area State Asset Operation Company	Beneficial owner	182,500,000 (Note)	9.63%
Shenzhen Xiangyong Investment Company Limited	Beneficial owner	180,000,000 (Note)	9.50%
Guangdong Jiamei Ecological Technology Co., Ltd.	Beneficial owner	180,000,000 (Note)	9.50%
Dongguan Luye Fertilisers Company Limited	Beneficial owner	120,000,000 (Note)	6.33%

Note: All of the shares represent domestic shares.

Save as disclosed above, as at 30 September 2022, the Directors of the Company were not aware of any other person (other than the Directors and the Supervisors of the Company) who had an interest and short position in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept under Section 336 of the SFO and/or were directly or indirectly interested in 5% or more of the issued share capital carrying rights to vote in all circumstances at general meetings of the Company.



BACKGROUND AND CURRENT STATUS OF THE PROFIT GUARANTEE FROM SJKGC

On 16 April 2016, the Company, Shu Ju Ku Inc. (referred to as the “SJK”) and SJK Greater China Ltd. (referred to as “SJKGC”) entered into an agreement (referred to as the “Agreement”), pursuant to which the Company agreed to purchase, and SJK agreed to sell 51% of the entire issued shares of SJKGC (referred to as the “Sale Shares”) to the Company. All conditions precedent under the Agreement had been fulfilled and the completion of acquisition took place on 17 March 2017. The Company had nominated Hong Kong Teda Biomedical Investment Limited, an indirect wholly owned subsidiary of the Company, as its nominee to hold the Sale Shares on its behalf.

According to the Agreement, SJK warrants to the Company that SJKGC in each of the three financial years of 2017, 2018 and 2019 will have an audited after tax profit of not less than US\$5,390,000. If the above guarantee is not met, SJK irrevocably agrees and guarantees that whilst SJKGC’s audited after tax profit is less than US\$5,390,000, SJK shall pay, in an appropriate manner, to SJKGC in the amount equal to US\$5,390,000 minus SJKGC’s actual audited after tax profit of that year.

In respect of the completion of the 2017 profit guarantee, the audited net profit after tax of SJKGC for the year ended 31 December 2017 was approximately US\$2,922,000, the profit guarantee for the year ended 31 December 2017 had not been fulfilled. In order to comply with the terms of the Agreement, the Company and SJK entered into a memorandum on 16 January 2018, pursuant to which SJK confirmed that the Company will have the right of priority and entitlement of cash dividend in the amount of US\$2,750,000 for the year ended 31 December 2017 and that the said dividend will be settled to the Company by 30 November 2018. For details, please refer to the supplemental announcement of the Company published on the GEM website dated 26 April 2018. SJK has agreed that the dividend distribution would be made by SJKGC based on the audited net profit in 2017 through signing the shareholder’s resolution on 26 April 2018, at the same time, the Company confirmed SJK has fulfilled the profit guarantee commitment in 2017.

In respect of the fulfillment of the 2018 and 2019 profit guarantees, the audited net profit after tax of SJKGC for the year ended 31 December 2018 was US\$305,000, and the audited net profit after tax for the year ended 31 December 2019 was US\$411,000, the above profit guarantees for the years ended 31 December 2018 and 31 December 2019 had not been fulfilled. As of now, SJK had not paid guaranteed cash dividends to the Company. The Company has initiated the arbitration proceeding at the Hong Kong International Arbitration Centre on 3 September 2019, reached a settlement agreement with SJK on 31 December 2020, revised the settlement agreement, adjusted the Shareholders' Agreements and the Share Acquisition Agreement on 26 March 2021. For details, please refer to the announcements of the Company dated 4 September 2019, 17 July 2020, 7 January 2021, 26 March 2021, 26 July 2021 and 9 September 2021 published on the GEM website.

APPOINTMENT AND REDESIGNATION OF JOINT CHIEF EXECUTIVES

The Company issued an announcement on 6 September 2022, the Board resolved to appoint Mr. Qin Wenhua as the Joint Chief Executive Officer of the Company and Ms. Sun Li was redesignated from the Chief Executive Officer to the Joint Chief Executive Officer of the Company, with effect from 6 September 2022.

COMPETING INTERESTS

During the nine months ended 30 September 2022, none of the directors, the supervisors, or the management shareholders of the Company and their respective associates (as defined under the GEM Listing Rules) competes or may compete with the business of the Group or has or may have any other conflicts of interest with the Group required to be disclosed pursuant to the GEM Listing Rules.



AUDIT COMMITTEE

The Company has formulated the written terms of reference for the audit committee in compliance with the GEM Listing Rules and by reference to the “Guidelines for The Establishment of An Audit Committee” published by the Hong Kong Institute of Certified Public Accountants. The audit committee provides an important link between the Board and the Company’s auditor in matters coming within the scope of the Group’s audit. The primary duties of the committee are to review and supervise the financial reporting process of the Group. It also reviews the effectiveness of the external audit, internal controls and risk evaluation. The audit committee of the Company comprises three independent non-executive directors, namely Mr. Li Xudong, Mr. Wang Yongkang and Ms. Gao Chun, among whom, Mr. Li Xudong has been appointed as the chairman of the committee due to his professional qualifications in accounting and auditing experience.

The audit committee has reviewed the third quarterly results and the third quarterly report of the Group for the nine months ended 30 September 2022.

SHARE OPTION SCHEME

The Company had not approved any new share option scheme during the period ended 30 September 2022.

MANAGEMENT CONTRACTS

No contracts concerning the management or administration of the whole or any substantial part of the business of the Company were entered or existed during the period ended 30 September 2022.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

The Company did not redeem any of its shares during the period under review. Neither the Company nor any of its subsidiaries have purchased, sold or redeemed any of the Company’s shares during the period ended 30 September 2022.

CORPORATE GOVERNANCE PRACTICES

The Board and the management of the Company have always endeavored to apply the code provisions as set out in the Corporate Governance Code (the “Code”) contained in Appendix 15 of the GEM Listing Rules to the internal operations of the Group. The corporate governance principles on which the Company is complying emphasize an efficient board of directors and sound internal control, as well as the transparency presented to all of the shareholders. The directors are of the view that, except for Code provision C.2.1 (which provides that the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same person at the same time), the Company had complied with all the provisions of the Code during the period under review.

On 6 September 2022, the Board of the Company resolved to redesignate Ms. Sun Li from Chief Executive Officer to Joint Chief Executive Officer and Mr. Qin Wenhua was appointed as Joint Chief Executive Officer of the Company. As Ms. Sun Li is unable to fully satisfy the requirements of Code provision C.2.1 by serving as both with Chairman of the Board and the Joint Chief Executive Officer of the Company, the Board considers that it is in the best interest of the Company to have Ms. Sun Li as both the Chairman of the Board and the Joint Chief Executive Officer and Mr. Qin Wenhua as the Joint Chief Executive Officer at this stage as it is conducive to maintaining the continuity of the Company’s policies, stability of operations and the establishment of the DTC (Direct to Consumer) platform. The Company will endeavor to comply with Code provision A.2.1 as soon as possible to enhance the transparency and independence of its corporate governance.

By order of the Board

Tianjin TEDA Biomedical Engineering Company Limited

Sun Li

Chairman

Tianjin, the PRC
10 November 2022

As at the date of this report, 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 report will remain at the “Latest Listed Company Information” page on the GEM website at <http://www.hkgem.com> for at least seven days from the date of its posting. This report will also be published and remain on the website of the Company at www.bioteda.com.