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China Medical and Bio Science Limited

(Provisional Liquidators Appointed)

中華藥業生物科學有限公司*

(已委任臨時清盤人)

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8120)

FURTHER UPDATE ON PROPOSED RESTRUCTURING OF THE COMPANY AND REVISED TIMETABLE FOR THE RESUMPTION

Financial Advisor to the Company



ASIAN CAPITAL
(CORPORATE FINANCE) LIMITED

卓亞(企業融資)有限公司

At the court hearings held on 14 October 2011 and 18 October 2011 (Cayman Islands time), the Scheme was sanctioned by the Hong Kong Court and the Cayman Court respectively.

At the Cayman Court hearing held on 18 October 2011 (Cayman Islands time), the Cayman Court also granted an order to sanction the Capital Reduction, and the Capital Restructuring has become effective on 20 October 2011.

At the court hearing held on 17 October 2011, the Hong Kong Court granted an order that the Petition shall be dismissed and the Provisional Liquidators shall be discharged on 28 October 2011 if the Provisional Liquidators confirm to the Hong Kong Court by filing of an affidavit by 4:30 p.m. on 27 October 2011 that all the terms and conditions of the Scheme satisfied by the Honourable Mr. Justice Barma on 14 October 2011 have been satisfied. The Hong Kong Court further directed the dismissal of the Petition and the discharge of the Provisional Liquidators to be heard on 28 October 2011. It is expected that the Petition will be dismissed and the Provisional Liquidators will be discharged with effect on 28 October 2011. Further announcement(s) will be made by the Company in this regard.

On 26 October 2011, the completion of the Share Subscription and the CN Subscription took place, and the Company has issued the Creditors Shares to the nominee of the Scheme Administrators and set aside the Cash Settlement for the benefits of the Creditors with admitted claims pursuant to the terms of the Scheme.

The Investor has entered into the Placing Down Agreement with the Placing Agent in respect of the Placing Down in order to meet the Public Float requirement in accordance with the GEM Listing Rules. It is expected that the completion of the Placing Down will take place on or before 28 October 2011. Further announcement(s) will be made by the Company in this regard.

The new share certificates, which are in red colour, for the New Shares were despatched to the Shareholders at their own risk at the expense of the Company by ordinary mail or by hand on 26 October 2011.

The Company has procured Celestial Securities Limited to stand in the market to provide matching services for the odd lots of the New Shares on a best effort basis, during the period from Tuesday, 1 November 2011 to Friday, 25 November 2011 (both dates inclusive).

The revised expected timetable for the Resumption is set out in this announcement.

The Board of the Company is also pleased to announce the following appointment and changes with effect from 26 October 2011:

- (1) Mr. Li Wing Chiu was appointed as an executive Director, the chairman of the Board and the compliance officer of the Company;
- (2) Mr. Wang Zhiming was appointed as an executive Director, a member of the remuneration committee, a member and the chairman of the nomination committee and the chief executive officer of the Company;
- (3) Mr. Zhang Xiaobin was appointed as an executive Director;
- (4) Mr. Qiao Long was appointed as a non-executive Director;

- (5) Ms. Wong Yan Ki, Angel was appointed as an independent non-executive Director, a member and the chairman of the audit committee, a member and the chairman of the remuneration committee;
- (6) Ms. Liao Aimin was appointed as an independent non-executive Director, a member of the audit committee, a member of the remuneration committee and a member of the nomination committee;
- (7) Mr. Li Jingxing was appointed as an independent non-executive Director, a member of the audit committee and a member of the nomination committee;
- (8) Mr. Lo Wing Hung resigned as the company secretary of the Company and Ms. Tang Yuen Ching Irene was appointed as the new company secretary of the Company;
- (9) Mr. Wong Sai Wa resigned as the authorised representative of the Company and Mr. Li Wing Chiu and Ms. Tang Yuen Ching Irene were appointed as the new authorised representatives of the Company;
- (10) Ms. Tang Yuen Ching Irene was appointed as the chief financial officer of the Company; and
- (11) Ms. Wong Moon Ha, an executive Director of the Company was re-designated as a non-executive Director of the Company.

Trading of the shares of the Company has been suspended since 9:30 a.m. on 28 October 2008 at the request of the Company and will continue to be suspended until further notice. The release of this announcement does not necessarily indicate that the shares of the Company will be resumed for trading on the GEM. Accordingly, Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

Reference is made to the Circular of the Company dated 2 September 2011 (the “**Circular**”) and the announcement of the Company dated 13 October 2011 in relation to the proposed restructuring of the Company and expected timetable for the Resumption (the “**Announcement**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in the Circular and the Announcement.

The Company would like to further update the Shareholders and potential investors on the latest development of the proposed restructuring of the Company as follows:

SCHEME

At the court hearings held on 14 October 2011 and 18 October 2011 (Cayman Islands time), the Scheme was sanctioned by the Hong Kong Court and the Cayman Court respectively. After all necessary filings and registrations made with the Registrar of Companies in both Hong Kong and Cayman Islands, the Scheme became effective with effect from 26 October 2011.

CAPITAL RESTRUCTURING

At the Cayman Court hearing held on 18 October 2011 (Cayman Islands time), the Cayman Court also granted an order to sanction the Capital Reduction. After all necessary filing and registration made in the Cayman Islands, the Capital Restructuring became effective on 20 October 2011.

CONDITIONAL ORDER FOR DISCHARGE OF THE PROVISIONAL LIQUIDATORS

At the court hearing held on 17 October 2011, the Hong Kong Court granted an order that the Petition shall be dismissed and the Provisional Liquidators shall be discharged on 28 October 2011 if the Provisional Liquidators confirm to the Hong Kong Court by filing of an affidavit by 4:30 p.m. on 27 October 2011 that all the terms and conditions of the Scheme satisfied by the Honourable Mr. Justice Barma on 14 October 2011 have been satisfied. The Hong Kong Court further directed the dismissal of the Petition and the discharge of the Provisional Liquidators to be heard on 28 October 2011. It is expected that the Petition will be dismissed and the Provisional Liquidators will be discharged with effect on 28 October 2011. Further announcement(s) will be made by the Company in the regard.

SHARE SUBSCRIPTION, CN SUBSCRIPTION AND ISSUE OF CREDITORS SHARES

The completion of the Share Subscription and the CN Subscription took place on 26 October 2011.

Pursuant to the Restructuring Agreement, the Investor has procured more than six subscribers (the “**CN Subscribers**”) to subscribe for the Convertible Notes in the principal amount of HK\$22,000,000 at the face value.

Each of the subscribers of the Convertible Notes represents, warrants and undertakes to the Company that it and its beneficial owner are independent third parties and not connected with and not acting in concert with the directors, chief executives, substantial shareholders of the Company and its subsidiaries, the Investor and its beneficial owner and directors, and their respective associates as defined in the GEM Listing Rules, and other subscribers of the Convertible Notes. After exercising the conversion rights attached to the Convertible Notes, no CN Subscriber will be holding more than 10% of the issued share capital of the Company.

As at the date of this announcement, all proceeds from the Share Subscription and CN Subscription pursuant to the Restructuring Agreement were deposited into bank accounts in favour of the Company, and the Company issued the Creditors Shares to the nominee of the Scheme Administrators and set aside the Cash Settlement for the benefits of the Creditors with admitted claims pursuant to the terms of the Scheme.

PLACING DOWN

After completion of the Share Subscription and the issue of the Creditors Shares, Public Shareholders was holding 55,810,000 New Shares, representing approximately 18.25% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares and the Creditors Shares. The Investor has entered into a placing agreement (the “**Placing Down Agreement**”) with Celestial Securities Limited (the “**Placing Agent**”) in respect of the placing, through Celestial Securities Limited as sole agent of the Investor, on a fully underwritten basis, an aggregate of 20,644,000 Subscription Shares, representing approximately 6.75% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares and the Creditors Shares, by the Investor to independent third parties who are not connected with the directors, chief executives, substantial shareholders of the Company, its subsidiaries or their respective associates (as defined in the GEM Listing Rules) and are not acting in concert with (within the meaning of the Takeovers Code) the Company or any of its connected persons (as defined in the GEM Listing Rules) or the Investor, its beneficial owners or any of their respective concert parties (the “**Placing Down**”) in order to meet the Public Float requirement in accordance with the GEM Listing Rules. It is expected that completion of the Placing Down will take place on or before 28 October 2011. The Placing Agent is an independent third party (as defined under the GEM Listing Rules) not holding any securities of the Company as at the date of this announcement. Further announcement(s) will be made by the Company in relation to the Placing Down.

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

The following table illustrates the effects on the shareholding structure of the Company immediately before and after the Capital Restructuring, the Share Subscription, the issue of the Creditors Shares, the Placing Down and the full conversion of the Convertible Notes.

Name(s) of the Shareholder(s)	Before		Immediately after		Upon completion of Share		Upon completion of Share		Upon completion of the Share	
	Capital Restructuring		Capital Restructuring		Subscription and issue of Creditors Shares		Subscription, issue of Creditors Shares and Placing Down		Subscription, issue of Creditors Shares, Placing Down and the full conversion of Convertible Notes	
	No. of Shares	% (approx.)	No. of New Shares	% (approx.)	No. of New Shares	% (approx.)	No. of New Shares	% (approx.)	No. of New Shares	% (approx.)
The Investor and its concert parties	–	–	–	–	240,000,000	78.48	219,356,000	71.73	219,356,000	52.75
Ms. Wong (Note 1)	400,000,000	29.58	10,000,000	29.58	10,000,000	3.27	10,000,000	3.27	10,000,000	2.40
Subtotal					250,000,000	81.75	229,356,000	75.00	229,356,000	55.15
Public Shareholders:										
CN Subscribers	–	–	–	–	–	–	–	–	110,000,000	26.46
Creditors (Note 2)	–	–	–	–	32,000,000	10.46	32,000,000	10.46	32,000,000	7.70
Ms. Liu (Note 3)	432,000,000	31.94	10,800,000	31.94	10,800,000	3.53	10,800,000	3.53	10,800,000	2.60
Keywise	220,496,000	16.30	5,512,400	16.30	5,512,400	1.80	5,512,400	1.80	5,512,400	1.33
Existing Public Shareholders	299,904,000	22.18	7,497,600	22.18	7,497,600	2.46	7,497,600	2.46	7,497,600	1.80
Public places	–	–	–	–	–	–	20,644,000	6.75	20,644,000	4.96
Subtotal					55,810,000	18.25	76,454,000	25.00	186,454,000	44.85
Total	1,352,400,000	100.00	33,810,000	100.00	305,810,000	100.00	305,810,000	100.00	415,810,000	100.00

Notes:

1. The Shares are held by Concord Pharmaceutical Technology (Holdings) Limited (“CPT”) which is a wholly-owned subsidiary of Concord Business Management Limited, which in turn is wholly-owned by Ms. Wong. Accordingly, Ms. Wong is deemed to be interested in 400,000,000 Shares (before the Capital Restructuring became effective) held by CPT. As Ms. Wong is the ultimate beneficial owner of a substantial shareholder of the Company and an existing Director, she is a connected person of the Company as defined under the GEM Listing Rules, and Shares held by her will not be considered as part of the Public Float.
2. According to the information available to the Scheme Administrators, it is estimated that no any single Creditor will receive more than 10% of the issued capital of the Company under the Scheme, and all the Creditors Shares issued under the Scheme will be considered as part of the Public Float.
3. The Shares are held by JBC Bio Technology Company Limited, which is wholly-owned by Ms. Liu, who was an executive director and chairman of the Company and resigned on 5 December 2008. Accordingly, Ms. Liu is deemed to be interested in 432,000,000 Shares (before the Capital Restructuring became effective) held by JBC Bio Technology Company Limited.
4. The above table is for illustration purpose only as the actual allocation of the Creditors Shares to be issued by the Company to the Creditors will be based upon actual claims received by the Company and admitted by the Scheme Administrators under the Scheme, and will be subject to adjudication and adjustment.

DESPATCH OF NEW SHARE CERTIFICATES FOR THE NEW SHARES

The existing share certificates, which are in light blue colour, have ceased to be documents of title for the New Shares since 26 October 2011, and the new share certificates, which are in red colour, for the New Shares were despatched to the Shareholders at their own risk at the expense of the Company by ordinary mail or by hand on 26 October 2011.

CHANGE OF BOARD LOT SIZE

The existing Shares are traded in board lots of 4,000 Shares each. The New Shares will be traded in board lots of 20,000 New Shares each after the Resumption. No fractional New Shares will be issued and fractional entitlement to the New Shares (if any) will be aggregated, sold and retained for the benefits of the Company.

ARRANGEMENT FOR MATCHING SERVICE FOR ODD LOTS

In order to alleviate the difficulties arising from the existence of odd lots of the New Shares as a result of the Capital Restructuring and change in board lot size, the Company has procured Celestial Securities Limited to stand in the market to provide matching services for the odd lots of the New Shares on a best effort basis, during the period from Tuesday, 1 November 2011 to Friday, 25 November 2011 (both dates inclusive). Holders of the New Shares in odd lots (i.e. board lots which are not in integral multiples of 20,000 New Shares) who wish to take advantage of this matching facility either to dispose of their odd lots of New Shares or to top up to board lots of 20,000 New Shares, please contact Ms. Amy Ng of Celestial Securities Limited at 9/F, Low Block, Grand Millennium Plaza, 181 Queen’s Road Central, Hong Kong at telephone number (852) 2587 5264 during office hours.

Holders of New Shares in odd lots should note that successful matching of the sale and purchase of odd lots of New Shares is not guaranteed. Shareholders are advised to consult their professional advisors if they are in doubt about the above arrangement.

EXPECTED TIMETABLE FOR THE RESUMPTION

Set out below is the expected timetable for the share trading arrangement in the New Shares and the resumption of trading in the shares of the Company on the GEM.

Event	Expected Time and/or Date (2011)
Despatch of the new share certificate in red for the New Shares	On Wednesday, 26 October
Issue of Creditors Shares to the nominee of the Scheme Administrators and setting aside of the Cash Settlement for the benefits of the Creditors with admitted claims pursuant to the Scheme	On Wednesday, 26 October
Effective date of the Scheme	On Wednesday, 26 October
The Provisional Liquidators file an affidavit with the Hong Kong Court in relation to the dismissal of the petition and the discharge of the Provisional Liquidators	On Thursday, 27 October
Completion of the placing down of New Shares by the Investor to meet the Public Float requirement	On or before Friday, 28 October
Hong Kong Court hearing on the dismissal of the Petition and the discharge of the Provisional Liquidators	On Friday, 28 October
Fulfillment all Resumption Conditions and publication of an announcement relating to the Resumption	On Monday, 31 October
Resumption of trading and dealings in the New Shares on the GEM commence (<i>Note</i>)	At 9:00 a.m. on Tuesday, 1 November

Event	Expected Time and/or Date (2011)
Effective date of the change in board lot size <i>(Note)</i>	At 9:00 a.m. On Tuesday, 1 November
Designated broker starts to stand in the market to provide matching service for odd lots trading <i>(Note)</i>	At 9:00 a.m. On Tuesday, 1 November
Designated broker ceases to stand in the market to provide matching service for odd lots trading <i>(Note)</i>	On Friday, 25 November

Note: Pursuant to the Decision Letter, the Stock Exchange agreed in principle that the trading in the shares of the Company will be resumed on the GEM subject to prior fulfillment of all the Resumption Conditions on or before 31 October 2011. Further announcement(s) will be made by the Company in this regard as and when appropriate.

Should there be any changes on the expected timetable as set out above or any material progress regarding the proposed restructuring of the Company, further announcement(s) will be made by the Company to update the Shareholders and the potential investors as and when appropriate.

APPOINTMENT OF NEW DIRECTORS, MEMBERS OF AUDIT COMMITTEE, REMUNERATION COMMITTEE AND NOMINATION COMMITTEE, COMPLIANCE OFFICER, CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER; CHANGE OF COMPANY SECRETARY AND AUTHORIZED REPRESENTATIVES AND RE-DESIGNATION OF DIRECTOR

The Company would also like to announce the (A) appointment of new Directors, members of the audit committee, members of the remuneration committee, members of the nomination committee, compliance officer, chief executive officer and chief financial officer of the Company; (B) change of company secretary and authorized representatives; and (C) re-designation of a Director, as follows with effect from 26 October 2011:

A. Appointment of new Directors, Compliance Officer, Members of Audit Committee, Remuneration Committee and Nomination Committee

Board of Directors

Executive Directors

Mr. Li Wing Chiu (*Chairman*)

Mr. Wang Zhiming

Mr. Zhang Xiaobin

Non-executive Director

Mr. Qiao Long

Independent non-executive Directors

Ms. Wong Yan Ki, Angel

Ms. Liao Aimin

Mr. Li Jingxing

Audit Committee

Ms. Wong Yan Ki, Angel (*Chairman*)

Ms. Liao Aimin

Mr. Li Jingxing

Remuneration Committee

Ms. Wong Yan Ki, Angel (*Chairman*)

Ms. Liao Aimin

Mr. Wang Zhiming

Nomination Committee

Mr. Wang Zhiming (*Chairman*)

Mr. Li Jingxing

Ms. Liao Aimin

Compliance Officer

Mr. Li Wing Chiu

Chief Executive Officer

Mr. Wang Zhiming

Chief Financial Officer

Ms. Tang Yuen Ching Irene

B. Change of Company Secretary and Authorized Representatives

Company Secretary

Mr. Lo Wing Hung	Resignation
Ms. Tang Yuen Ching Irene	Appointment

Authorized Representatives

Mr. Wong Sai Wa	Resignation
Mr. Li Wing Chiu	Appointment
Ms. Tang Yuen Ching Irene	Appointment

C. Re-designation of a Director

Ms. Wong Moon Ha, an executive Director, was re-designated as a non-executive Director.

The biographies of the new Directors, the re-designated Director and the company secretary are set out below:

Executive Directors

Mr. Li Wing Chiu

Mr. Li, aged 46, is the chairman of the Board, the compliance officer and an authorized representative of the Company. Mr. Li holds a master degree and a doctor etc degree in world economics from Xiamen University. He has substantial experience in corporate development and investment. Mr. Li is currently the director of City Stylish (Hong Kong) Creative Industry Group Limited which is mainly engaged in media and modern agriculture industries investment. He was a director of Xiamen Heguan Company Limited and Longyan Longteng Mining Company Limited, companies which engaged in investment in mining and agriculture related businesses. Mr. Li was the Chairman of Xiamen Association of International Business Exchanges and an officer of Shenzhen Economic Exchange Centre. Mr. Li was an independent non-executive director of China Renji Medical Group Limited from 1 October 2008 to 17 December 2010.

As at the date of this announcement, Mr. Li was deemed to be interested in 240,000,000 New Shares under the SFO, representing approximately 78.48% of the issued share capital of the Company as enlarged by the Subscription Shares and the Creditors Shares.

Save as disclosed herein, Mr. Li does not (i) hold any interests in the Shares of the Company within the meaning of Part XV of the SFO; (ii) have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company; (iii) hold any other position with the Company or its subsidiaries; and (iv) hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

There is no service contract signed between Mr. Li and the Company. His appointment with the Company has no fixed term, but will be subject to the re-election and retirement by rotation provisions under the articles of association of the Company. Mr. Li will receive a director's fee of around HK\$650,000 per annum, which is to be recommended by the remuneration committee and subject to the approval by the Board by reference to his duties and responsibilities with the Company.

Save as disclosed above, there is no other matters in relation to the appointment of Mr. Li that need to be brought to the attention of the Shareholders nor is there any information which is required to be disclosed pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules.

Mr. Wang Zhiming (“Mr. Z.M. Wang”)

Mr. Z.M. Wang, aged 41, is the chief executive officer of the Company, chairman of the nomination committee, a member of the remuneration committee and the general manager of Dongyu. Mr. Z.M. Wang is an accountant in the PRC and graduated in 2007 from the chief financial officer course of Xiamen University. From 1995 to 2001, Mr. Z.M. Wang worked for a state-owned food supply enterprise in Quanzhou, Fujian Province. From 2002 to 2003, Mr. Z.M. Wang was working for Zhonglu (Fujian) Agriculture Development Company Limited* (中綠(福建)農業綜合開發有限公司) as a deputy finance manager. Mr. Z.M. Wang established Huixin Accounting Firm* (惠信代理記帳事務所) in 2003, which mainly is engaged in tax consultancy, financial consultancy and provision accounting education services.

Save as disclosed herein, Mr. Z.M. Wang does not (i) hold any interests in the Shares of the Company within the meaning of Part XV of the SFO; (ii) have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company; (iii) hold any other position with the Company or its subsidiaries; and (iv) hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

There is no service contract signed between Mr. Z.M. Wang and the Company. His appointment with the Company has no fixed term, but will be subject to the re-election and retirement by rotation provisions under the articles of association of the Company. Mr. Z.M. Wang will receive a director's fee of around HK\$780,000 per annum, which is to be recommended by the remuneration committee and subject to the approval by the Board by reference to his duties and responsibilities with the Company.

Save as disclosed above, there is no other matters in relation to the appointment of Mr. Z.M. Wang that need to be brought to the attention of the Shareholders nor is there any information which is required to be disclosed pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules.

Mr. Zhang Xiaobin (“Mr. Zhang”)

Mr. Zhang, aged 34, is an executive Director and the deputy general manager of Dongyu. Mr. Zhang graduated from Hua Qiao University with a bachelor degree in electric technology and has years’ experience in corporate management. From September 2007 to July 2009, Mr. Zhang had worked for Xiamen Liuwei Bio-technology Company Limited* (廈門六維生物科技有限公司) as a deputy general manager. Xiamen Liuwei Bio-technology Company Limited is mainly engaged in research and development, production and sales of feedstock and additive premix.

Save as disclosed herein, Mr. Zhang does not (i) hold any interests in the Shares of the Company within the meaning of Part XV of the SFO; (ii) have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company; (iii) hold any other position with the Company or its subsidiaries; and (iv) hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

There is no service contract signed between Mr. Zhang and the Company. His appointment with the Company has no fixed term, but will be subject to the re-election and retirement by rotation provisions under the articles of association of the Company. Mr. Zhang will receive a director’s fee of around HK\$520,000 per annum, which is to be recommended by the remuneration committee and subject to the approval by the Board by reference to his duties and responsibilities with the Company.

Save as disclosed above, there is no other matters in relation to the appointment of Mr. Zhang that need to be brought to the attention of the Shareholders nor is there any information which is required to be disclosed pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules.

Non-executive Director

Mr. Qiao Long (“Mr. Qiao”)

Mr. Qiao, aged 42, a non-executive Director, graduated from Lanzhou University and holds a master degree of business administration from Cheung Kong Graduate School of Business. Mr. Qiao is the chairman of the board of Baotou Tianlong Water Industry Company Limited* (包頭市天龍水業有限公司), a company engages in supply and sales of water for industrial and environmental uses. He is also working as the general manager for Baotou Tianlong Investment Company Limited* (包頭市天龍投資股份有限公司), a company engages in investment in real property, roads, construction and highways.

Save as disclosed herein, Mr. Qiao does not (i) hold any interests in the Shares of the Company within the meaning of Part XV of the SFO; (ii) have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company; (iii) hold any other position with the Company or its subsidiaries; and (iv) hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

There is no service contract signed between Mr. Qiao and the Company. His appointment with the Company has no fixed term, but will be subject to the re-election and retirement by rotation provisions under the articles of association of the Company. Mr. Qiao will receive a director's fee of around HK\$130,000 per annum, which is to be recommended by the remuneration committee and subject to the approval by the Board by reference to his duties and responsibilities with the Company.

Save as disclosed above, there is no other matters in relation to the appointment of Mr. Qiao that need to be brought to the attention of the Shareholders nor is there any information which is required to be disclosed pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules.

Ms. Wong Moon Ha (“Ms. Wong”)

Ms. Wong, aged 58, a non-executive Director, is currently the manager of personnel and administrative department of Tempo Electronic Industrial Co. Ltd.

As at the date of this announcement, Ms. Wong was interested in 10,000,000 New Shares, representing approximately 3.27% of the existing issued share capital of the Company. Ms. Wong is the younger sister of Mr. Wong Sai Wa, an executive Director of the Company.

Save as disclosed herein, Ms. Wong does not (i) hold any interests in the Shares of the Company within the meaning of Part XV of the SFO; (ii) have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company; (iii) hold any other position with the Company or its subsidiaries; and (iv) hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

There is no service contract signed between Ms. Wong and the Company. Her appointment with the Company has no fixed term, but will be subject to the re-election and retirement by rotation provisions under the articles of association of the Company. Subject to the resumption of trading of Shares of the Company, Ms. Wong will receive a director's fee of around HK\$20,000 per month from 1 August 2010 to 26 October 2011, which was approved by the Shareholders at the extraordinary general meeting held on 26 September 2011 and was arrived after discussion with Ms. Wong and with reference to her remuneration prior to the appointment of the Provisional Liquidators and a director's fee of around HK\$130,000 per annum, which is to be recommended by the remuneration committee and subject to the approval by the Board by reference to her duties and responsibilities with the Company.

Save as disclosed above, there is no other matters in relation to the appointment of Ms. Wong that need to be brought to the attention of the Shareholders nor is there any information which is required to be disclosed pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules.

Independent non-executive Directors

Ms. Wong Yan Ki, Angel (“Ms. Y.K. Wong”)

Ms. Y.K. Wong, aged 39, is an independent non-executive Director, the chairlady of the audit committee and the chairlady of the remuneration committee. Ms. Y.K. Wong holds a bachelor degree of arts in international accounting from Xiamen University, a post-graduated certificate in professional accounting from the City University of Hong Kong and a master degree of business administration from Cheung Kong Graduate School of Business. Ms. Y.K. Wong is a fellow member of the Institute of Financial Accountants, a full member of the Society of Registered Planners and a full member of Singapore Institute of Directors. Ms. Y.K. Wong has extensive experience in the accounting, consultancy and investment industry. Ms. Y.K. Wong worked for many years in an international big four CPA firm in Hong Kong, acted as the group financial controller of a Hong Kong group, worked as chief financial officer of a conditional eligibly-to-list company in the Singapore Stock Exchange.

Ms. Wong is the independent non-executive director of China Best Group Holdings Limited, a Hong Kong listed company since June 2011 and had been the non-executive director of Duty Free International Limited (formerly: Esmart Holdings Limited), a company listed on the Singapore Stock Exchange during August 2009 to January 2011, including as chairlady during February 2010 to January 2011.

Save as disclosed herein, Ms. Y.K. Wong does not (i) hold any interests in the Shares of the Company within the meaning of Part XV of the SFO; (ii) have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company; (iii) hold any other position with the Company or its subsidiaries; and (iv) hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

There is no service contract signed between Ms. Y.K. Wong and the Company. Her appointment with the Company has no fixed term, but will be subject to the re-election and retirement by rotation provisions under the articles of association of the Company. Ms. Y.K. Wong will receive a director’s fee of around HK\$130,000 per annum, which is to be recommended by the remuneration committee and subject to the approval by the Board by reference to her duties and responsibilities with the Company.

Save as disclosed above, there is no other matters in relation to the appointment of Ms. Y.K. Wong that need to be brought to the attention of the Shareholders nor is there any information which is required to be disclosed pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules.

Ms. Liao Aimin (“Ms. Liao”)

Ms. Liao, aged 44, is an independent non-executive Director, a member of the audit committee, a member of the remuneration committee and a member of the nomination committee. Ms. Liao holds a bachelor degree in laws from Xinjiang University and completed a postgraduate studies in economic laws from Renmin University of China. She is currently a partner of Beijing Jing Wei Law Firm (Shenzhen Office). Ms. Liao has been a lawyer in the PRC for over 20 years focusing on mergers and acquisitions, corporate restructuring, intellectual property rights and various contentious matters. Ms. Liao was a member of the supervisory board and council of the Shenzhen Lawyers Association, Ms. Liao is a fellow member of the Shenzhen Arbitration Commission.

Save as disclosed herein, Ms. Liao does not (i) hold any interests in the Shares of the Company within the meaning of Part XV of the SFO; (ii) have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company; (iii) hold any other position with the Company or its subsidiaries; and (iv) hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

There is no service contract signed between Ms. Liao and the Company. Her appointment with the Company has no fixed term, but will be subject to the re-election and retirement by rotation provisions under the articles of association of the Company. Ms. Liao will receive a director’s fee of around HK\$130,000 per annum, which is to be recommended by the remuneration committee and subject to the approval by the Board by reference to her duties and responsibilities with the Company.

Save as disclosed above, there is no other matters in relation to the appointment of Ms. Liao that need to be brought to the attention of the Shareholders nor is there any information which is required to be disclosed pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules.

Mr. Li Jingxing (“Mr. J.X. Li”)

Mr. J.X. Li, aged 71, is an independent non-executive Director, a member of the audit committee and a member of the nomination committee. Mr. J.X. Li graduated from Tsinghua University. He is currently a council member of the Economic Technology Cooperation Committee of the Trans-Pacific Cooperation Committee. Mr. J.X. Li has 30 years’ experience in management.

Save as disclosed herein, Mr. J.X. Li does not (i) hold any interests in the Shares of the Company within the meaning of Part XV of the SFO; (ii) have any relationship with any other Directors, senior management or substantial or controlling shareholders of the Company; (iii) hold any other position with the Company or its subsidiaries; and (iv) hold any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years.

There is no service contract signed between Mr. J.X. Li and the Company. Her appointment with the Company has no fixed term, but will be subject to the re-election and retirement by rotation provisions under the articles of association of the Company. Mr. J.X. Li will receive a director's fee of around HK\$130,000 per annum, which is to be recommended by the remuneration committee and subject to the approval by the Board by reference to his duties and responsibilities with the Company.

Save as disclosed above, there is no other matters in relation to the appointment of Mr. J.X. Li that need to be brought to the attention of the Shareholders nor is there any information which is required to be disclosed pursuant to Rule 17.50(2)(h) to (v) of the GEM Listing Rules.

Company Secretary

Ms. Tang Yuen Ching Irene ("Ms. Tang")

Ms. Tang is an associate member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants in the United Kingdom. She holds a bachelor's degree of arts in accounting from The Hong Kong Polytechnic University. Ms. Tang has more than 19 years' extensive experience in the financial management, auditing and company secretarial practice in companies listed in Hong Kong and also various companies based in the PRC. Prior to the joining of our group, Ms. Tang served for years as financial controller, company secretary, authorised representative, compliance officer and executive director for companies listed in Hong Kong.

CONTINUED SUSPENSION OF TRADING IN THE SHARES

Trading of the shares of the Company has been suspended since 9:30 a.m. on 28 October 2008 at the request of the Company and will continue to be suspended until further notice. The release of this announcement does not necessarily indicate that the shares of the Company will be resumed for trading on the GEM. Accordingly, Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

As at the date of this announcement, the Board comprises four executive Directors, namely, Mr. Wong Sai Wa, Mr. Li Wing Chiu, Mr. Wang Zhiming and Mr. Zhang Xiaobin; two non-executive Directors, namely Mr. Qiao Long and Ms. Wong Moon Ha, and three independent non-executive Directors, namely Ms. Wong Yan Ki, Angel, Ms. Liao Aimin and Mr. Li Jingxing.

For and on behalf of
China Medical and Bio Science Limited
(Provisional Liquidators Appointed)
Li Wing Chiu
Executive Director

Hong Kong, 26 October 2011

This announcement, 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 announcement 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 announcement misleading.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement, and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement, have been arrived at after due and careful consideration, and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

This announcement will appear on the GEM website (www.hkgem.com) for at least seven days after the date of publication and on the website of the Company at www.irasia.com/listco/hk/chinamedical.

* *For identification purpose only*