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## **SINO BIOPHARMACEUTICAL LIMITED**

**中國生物製藥有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

### **ANNOUNCEMENT**

### **PROPOSED LISTING ON THE MAIN BOARD OF THE STOCK EXCHANGE OF HONG KONG LIMITED BY WAY OF INTRODUCTION**

### **PROPOSED WITHDRAWAL OF LISTING ON THE GROWTH ENTERPRISE MARKET OF THE STOCK EXCHANGE OF HONG KONG LIMITED**

#### **SUMMARY**

The Company is proposing to list the Shares on the Main Board by way of Introduction. An advance booking of the application for the proposed listing has been made to the Stock Exchange on 4 April, 2003. The Company has also informed the Stock Exchange of its intention to voluntarily withdraw the listing of the Shares on GEM conditional upon, among other things, the approval of the application for the proposed listing of the Shares on the Main Board.

The Directors consider that listing of the Shares on the Main Board will enable the Company to gain further recognition from the larger institutional investors, and which will enhance the public profile and recognition of the Group.

**The Introduction and the Proposed Withdrawal may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

#### **INTRODUCTION**

The Directors announce that on 4 April, 2003, the Company submitted an advance booking of the application to the Stock Exchange for the proposed listing of the Shares on the Main Board by way of Introduction and informed the Stock Exchange of its intention to voluntarily withdraw the listing of the Shares on GEM subject to the conditions set forth in the paragraph headed “Conditions of the Proposed Withdrawal” below. The Directors would like to emphasise that the Introduction and the Proposed Withdrawal are at a preliminary stage and the exact timetable of the Introduction and the Proposed Withdrawal has not yet been finalised. There is no assurance that the Company will proceed with the Introduction and the Proposal Withdrawal.

#### **REASONS FOR THE INTRODUCTION**

The Group is principally engaged in the research and development, production and sales of (i) a series of biopharmaceutical products for the medical treatment of ophthalmia, skin diseases and bone ankylosis;

and (ii) modernised Chinese medicine, chemical medicine and modern health-care products for the treatment of hepatitis, elderly diseases and angiopathy of cardio-cerebral. The Group is also engaged in the research and development of new medicines and modern health-care products, and related technology transfer.

Since the listing of the Shares on GEM on 29 September, 2000, the Group has experienced considerable growth in business and has gained substantial increase in public recognition. Nevertheless, the Directors consider that the listing of the Shares on the Main Board will enable the Company to gain further recognition from larger institutional investors, and which will enhance public profile and recognition of the Group.

The Introduction will not affect the current strategies of the Group. The Group will continue with its present business operations and will continue to pursue its business objectives as stated in the prospectus of the Company dated 22 September, 2000.

In view of the above, the Directors consider that the listing of the Shares on the Main Board can further increase public profile and recognition of the Company and is expected to provide a synergy which is beneficial and complementary to the future growth and development of the Group.

### **CONDITIONS OF THE PROPOSED WITHDRAWAL**

If the Company proceeds with the Introduction, the Proposed Withdrawal will be conditional upon, among other things:

- (i) the passing of an ordinary resolution by the Shareholders at the Extraordinary General Meeting to approve the Proposed Withdrawal;
- (ii) the publication of a notice of the Proposed Withdrawal as required by the GEM Listing Rules after the approval of the Shareholders has been obtained at the Extraordinary General Meeting; and
- (iii) the Listing Committee of the Stock Exchange granting the listing on the Main Board of, and permission to deal in, the Shares in issue and any Shares which may be issued upon the exercise of options granted under the Share Option Scheme or may, prior to its termination, be granted thereunder, or which may be granted under the Proposed Share Option Scheme.

In this regard, the Extraordinary General Meeting will be convened at an appropriate time to seek the approval of the Shareholders on the Proposed Withdrawal if the Company proceeds with the Introduction.

### **Warning:**

**There is no assurance that the Stock Exchange will approve the Introduction. Shareholders and potential investors should be aware that the implementation of the Introduction and the Proposed Withdrawal are subject to certain conditions, including those set out above, being fulfilled and thus may or may not be implemented. Accordingly, the Introduction and the Proposed Withdrawal may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares.**

## **GENERAL**

A circular containing, among other things, further details of the Proposed Withdrawal, a summary of the principal terms of the Proposed Share Option Scheme, the expected timetable and a notice convening the Extraordinary General Meeting will be despatched to the Shareholders as soon as practicable if the Company proceeds with the Introduction. A listing document in relation to the Introduction will also be despatched to the Shareholders for their information if the Company proceeds with the Introduction and the Listing Committee of the Stock Exchange gives a preliminary indication of the approval of the Introduction. In connection to the Proposed Withdrawal, the Company intends to apply for a waiver to reduce the minimum three month's notice period to the Shareholders for the Proposed Withdrawal as required under Rule 9.19(3) of the GEM Listing Rules to a minimum of five clear business days, subject to, among other things, prior approval of the Shareholders at the Extraordinary General Meeting for the reduction of notice period. Further announcements will be made to keep the Shareholders and investing public informed of the progress of the Introduction and the Proposed Withdrawal including, among other things, the timetable.

### **Definitions**

“Company”	Sino Biopharmaceutical Limited, an exempted company incorporated in the Cayman Islands with limited liability on 2 February, 2000, the Shares of which are listed on GEM;
“Directors”	the directors of the Company;
“Extraordinary General Meeting”	an extraordinary general meeting of the Company to be convened for the purpose of considering and approving, among other things, the Proposed Withdrawal, the termination of the Share Option Scheme and the adoption of the Proposed Share Option Scheme;
“GEM”	the Growth Enterprise Market of the Stock Exchange;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM;
“Group”	the Company and its subsidiaries;
“Introduction”	the proposed listing of the Shares on the Main Board by way of introduction pursuant to the Rules Governing the Listing of Securities on the Stock Exchange;
“Main Board”	the securities market operated by the Stock Exchange prior to the establishment of GEM and which stock market continues to be operated by the Stock Exchange in parallel with GEM. For the avoidance of doubt, the Main Board excludes GEM;
“Proposed Share Option Scheme”	the share option scheme of the Company proposed to be adopted at the Extraordinary General Meeting;
“Proposed Withdrawal”	the proposed voluntary withdrawal of the listing of the Shares on GEM;

“Shareholder(s)”	registered holder(s) of the Shares;
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company;
“Share Option Scheme”	the share option scheme conditionally adopted by the Company since 26 April, 2002; and
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.

By Order of the Board of Directors  
**Sino Biopharmaceutical Limited**  
**Tse Ping**  
*Chairman*

Hong Kong, 4 April, 2003

*The announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in the 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: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omissions of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

*This announcement will remain on the “Latest Company Announcement” page on the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its posting and on the Company’s website at [www.sinobiopharm.com](http://www.sinobiopharm.com).*