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GOLDEN MEDITECH COMPANY LIMITED

金衛醫療科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8180)

ISSUE OF SHARES UNDER GENERAL MANDATE

THE SUBSCRIPTION AGREEMENT

On 26 November 2008, the Company and the Subscriber entered into the Subscription Agreement pursuant to which the Company has agreed to issue, and the Subscriber has agreed to subscribe for, 60,000,000 Shares, at a subscription price of HK\$1.03 per Subscription Share.

The Subscription Shares will be allotted and issued pursuant to the 2008 General Mandate granted to the Directors at the annual general meeting of the Company held on 10 September 2008. The Subscription Shares represent approximately 3.91% of the issued share capital of the Company as at the date of this announcement and approximately 3.76% of the issued share capital of the Company as enlarged by the issue and allotment of the Subscription Shares.

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Subscription Shares.

SUBSCRIPTION AGREEMENT

Date:

26 November 2008.

Parties:

(a) the Company; and

(b) the Subscriber.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Subscriber was incorporated in the United Kingdom and carries on the business as investment fund manager focused on long term investments in companies in China and Asia Pacific regions, and the Subscriber and its ultimate beneficial owners are third parties independent of the Group and connected persons of the Group.

Subscription of the Subscription Shares

The Company has agreed to issue, and the Subscriber has agreed to subscribe for, 60,000,000 Shares, which represents approximately 3.91% of the existing issued share capital of the Company, and approximately 3.76% of the issued share capital of the Company as enlarged by the issue and allotment of the Subscription Shares.

Subscription price

The subscription price per Subscription Share payable by the Subscriber shall be HK\$1.03. The total subscription price under the Subscription Agreement is HK\$61,800,000, which will be payable by the Subscriber by way of transfer to the bank account nominated by the Company or by way of a banker's draft or cashier order or in such other manner as may be agreed by the Company and the Subscriber.

Ranking

The Subscription Shares, when fully paid, will rank pari passu in all respects with the existing Shares in issue as at the date of completion of the Subscription Agreement.

Conditions precedent

Completion of the Subscription Agreement is conditional on:

- (a) the compliance with the requirements of the Stock Exchange and the GEM Listing Rules, including but not limited to the listing of and permission to deal in all of the Subscription Shares being granted by the Listing Committee of the Stock Exchange (either unconditionally, or subject to customary conditions); and
- (b) the granting of any other waivers, consents, authorisations, clearances and approvals which are required from the Stock Exchange, which the Subscriber reasonably considers are necessary for the completion.

If the conditions precedent set out above have not been fulfilled at or before 5:00 p.m. on 5 December 2008 (or such other time or date as the Company and the Subscriber may agree in writing), the Subscription Agreement will forthwith cease to be of any effect and none of the parties shall be bound to carry out the remaining terms of the Subscription Agreement and no party shall have any right to damages or reimbursement for any cost and expenses that it may have incurred in connection with or arising out of the Subscription Agreement or the failure to complete the subscription of the Subscription Shares, except for any claim arising out of any antecedent breach of the Subscription Agreement or any accrued rights or remedies of any party arising prior to such date.

Completion

Completion of the Subscription Agreement will take place no later than the fifth Business Day upon the fulfilment or waiver of the conditions precedent set out above, or such later date as the Company and the Subscriber may agree in writing.

SUBSCRIPTION PRICE

The subscription price of HK\$1.03 for the Subscription Shares under the Subscription Agreement was determined after arm's length negotiation between the Company and the Subscriber taking into account of the market price of the Shares and the benefit the Subscription confers to the Company. It represents:

- (a) a discount of approximately 6.4 % to the closing price of HK\$1.100 per Share as quoted on the Stock Exchange on 26 November 2008, being the Last Trading Day;
- (b) a discount of approximately 6.5% to the average closing price of approximately HK\$1.102 per Share as quoted on the Stock Exchange for the last 5 consecutive trading days up to and including 26 November 2008, being the Last Trading Day; and
- (c) a discount of approximately 11.8% to the average closing price of approximately HK\$1.168 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days up to and including 26 November 2008, being the Last Trading Day.

GENERAL MANDATE

The Subscription Shares will be allotted and issued to the Subscriber under the 2008 General Mandate. The 2008 General Mandate authorized the issuance of up to 307,521,125 Shares. As of the date of the announcement, the 2008 General Mandate has not been utilised.

SHAREHOLDING STRUCTURE OF THE COMPANY

Based on the best knowledge of the Directors and the public filings made pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), the shareholding structure of the Company as at the date of this announcement and immediately after completion of the Subscription Agreement is and will be as follows:

Name	As at the date of this announcement		Immediately after completion of the Subscription Agreement	
	No. of Shares	Approximate %	No. of Shares	Approximate %
Bio Garden Inc. (Note 1)	433,916,000	28.29	433,916,000	27.23
Mr. Kent C. McCarthy (Note 2)	379,694,604	24.75	379,694,604	23.82
Other public shareholders	720,311,021	46.96	720,311,021	45.19
The Subscriber	—	—	60,000,000	3.76
Total:	<u>1,533,921,625</u>	<u>100.00</u>	<u>1,593,921,625</u>	<u>100.00</u>

Notes:

1. Bio Garden Inc. is an investment holding company incorporated in the British Virgin Islands and is wholly owned by Mr. Kam Yuen, the Chairman of the Company and an executive Director. In addition, Bio Garden Inc. has a short position in respect of 61,832,000 Shares (representing approximately 4.03% of the issued share capital of the Company as at the date of this announcement). Mr. Kam Yuen is deemed to be interested in the long position and short position held by Bio Garden Inc. Mr. Kam Yuen is also interested in share option granted under the Company's share option scheme in respect of 63,206,245 Shares.
2. The interests disclosed by Mr. Kent C. McCarthy include 138,955,735 Shares held by Jayhawk China Fund (Cayman), Ltd.

REASONS FOR THE SUBSCRIPTION AND THE USE OF PROCEEDS

The Group is a leading hi-tech medical healthcare provider in China. The principal businesses and operations of the Group consist of the medical device segment and the cord blood bank segment. In addition to the existing businesses, the Company also explores opportunities in healthcare projects. The Company will utilize its in-depth knowledge of the healthcare industry in China to assess investment opportunities. The Company will only invest in projects which possess high entry barrier, dominant market position, strong synergy with the Company's existing operations and promising prospects.

The Directors consider that in light of the recent volatility in capital market brought by the global credit crisis, the fundamentals of individual companies are usually overlooked, and this poses difficulty for investors to assess the true underlying value of the Company. The Directors believe that pursuant to the Subscription, the Company is able to bring in reputable institutional investor and would help other investors (who may or may not have interests in the Company) assess the valuation of the Company, and at the same time, the additional capital raised will strengthen the financial position and allow the Company to build up war chest for future investment opportunities. In view of the foregoing, the Directors consider that the terms of the Subscription Agreement are fair and reasonable and the Subscription Agreement is in the best interests of the Company and the Shareholders as a whole.

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Subscription Shares.

The net proceeds from the issue of the Subscription Shares, after deduction of related expenses payable by the Company, will be approximately HK\$57.5 million. The net price per Subscription Share is approximately HK\$0.96. The Directors intend that the net proceeds will be used for general working capital purpose as well as for funding future investment opportunities.

FUNDS RAISED FROM ISSUE OF EQUITY SECURITIES BY THE COMPANY IN THE PAST 12 MONTHS

The Company has not raised any funds from issue of equity securities in the past 12 months.

DEFINITIONS

In this announcement, unless the content otherwise requires, the following expressions have the following meanings:

“Board”	the board of Directors
“Business Day”	a day, other than a Saturday and a day on which a tropical cyclone warning no. 8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m., on which licensed banks are open for general banking business in Hong Kong throughout their normal business hours

“Company”	Golden Meditech Company Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Growth Enterprise Market on the Stock Exchange
“connected person”	has the meaning ascribed thereto in the GEM Listing Rules
“Directors”	the directors of the Company
“GEM Listing Rules”	The Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Last Trading Day”	26 November 2008, being the last trading day of the Shares on the Stock Exchange prior to the publication of this announcement
“Share(s)”	ordinary share(s) of a nominal value of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Atlantis Investment Management Limited, a company incorporated in United Kingdom
“Subscription”	the subscription of Subscription Shares by the Subscriber pursuant to the Subscription Agreement
“Subscription Agreement”	the conditional subscription agreement dated 26 November 2008 entered into between the Company and the Subscriber in respect of the issue of the Subscription Shares
“Subscription Shares”	60,000,000 new Shares to be issued to the Subscriber pursuant to the Subscription Agreement

“2008 General
Mandate”

the general mandate granted to the Directors by the Shareholders at the annual general meeting of the Company held on 10 September 2008 to issue, allot and otherwise to deal with Shares not exceeding 20% of the issued share capital of the Company as at the date of the passing of the relevant resolution (i.e., up to 307,521,125 Shares)

For and on behalf of the Board of
GOLDEN MEDITECH COMPANY Limited
Kam Yuen
Chairman

As at the date of this announcement, the Board comprises:

Executive Directors:

Mr. Kam Yuen
Ms. Jin Lu
Mr. Lu Tian Long
Ms. Zheng Ting

Independent non-executive Directors:

Prof. Cao Gang
Mr. Gao Zong Ze
Prof. Gu Qiao

Hong Kong, 26 November 2008

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 inquiries, confirm that, to the best of their knowledge and belief: (a) the information contained in this announcement is accurate and complete in all material respects and not misleading; (b) there are no other matters the omission of which would make any statement in this announcement misleading; and (c) 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 GEM website <http://www.hkgem.com> on the “Latest Company Announcements” page for at least 7 days from the date of its posting and on the Company’s website at <http://www.goldenmeditech.com>.