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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)

VOLUNTARY ANNOUNCEMENT
FORMATION OF A JOINT VENTURE COMPANY

This announcement is made by Tianjin TEDA Biomedical Engineering Company Limited (the “**Company**”) on a voluntary basis to keep shareholders and potential investors of the Company informed of its latest development.

FORMATION OF A JOINT VENTURE COMPANY

The board of directors of the Company is pleased to announce that, on 21 December 2018, the Company, Shuifa Zhongxing Group Co., Ltd.* (水發眾興集團有限公司) (“**Shuifa Zhongxing**”) and Shandong Runzhao Environmental Technology Co., Ltd.* (山東潤昭環境科技有限公司) (“**Runzhao Environmental**”) set up a joint venture, namely Shandong Shuifa Ruifu Elderly Care Services Co., Ltd. (“**Shuifa Ruifu**”), which endeavours to develop the investment, design, management and operation of elderly care institutions, consulting and training of elderly care business and other services in Shandong, and vigorously promote the “Shuifa Ruifu Elderly Care” brand. For the management and operation of elderly care institutions, it will primarily develop the leasing operation model, that is to lease a property and transform it into an elderly care institution to be operated independently. “Ruifu Elderly Care” is a well-known brand of the Company in Shanghai. The Company will continue to promote the “Ruifu Elderly Care” brand in other provinces.

The registered capital of Shuifa Ruifu is RMB20 million, of which the Company, Shuifa Zhongxing and Runzhao Environmental shall inject as to 35% (equivalent to RMB7.0 million), 40% (equivalent to RMB8.0 million) and 25% (equivalent to RMB5.0 million) in cash, respectively.

The board of directors of Shuifa Ruifu shall comprise five directors, of which two directors will be nominated by the Company, two directors by Shuifa Zhongxing, and one director by Runzhao Environmental respectively. The general manager of Shuifa Ruifu shall be recommended by the Company.

INFORMATION ON SHUIFA ZHONGXING

Founded in February 2008, Shuifa Zhongxing is a class-one investment platform company of Shuifa Group Co., Ltd.* (水發集團有限公司) (“**Shuifa Group**”), a wholly state-owned enterprise in Shandong Province. The registered capital of Shuifa Zhongxing is RMB1.05 billion, which mainly invests in water, energy saving and environmental protection, thermoelectricity, gas and environmental technology and other sectors and has significant influence in the urban infrastructure construction in Shandong Province. Shuifa Group is a class-one wholly state-owned enterprise in Shandong Province, which is mainly responsible for the operation and management of state-owned assets in water conservancy and investment and financing of key water conservancy projects within the Shandong Province, as well as the investment, development and operation management of water related projects and industries within and outside the province. It is a large-scale water group in Shandong Province in terms of largest asset scale, most comprehensive industrial chains and strongest comprehensive strength. It has a leading position in terms of the provincial water conservancy investment and financing platform nationwide.

In recent years, the State Council and the governments of Shandong Province at all levels have launched various policies to vigorously promote the construction of elderly service system. Shuifa Zhongxing has responded positively to national policies and thereby leveraging on its resource advantages to start investing in the elderly care sector.

REASONS FOR AND BENEFITS OF THE FORMATION OF A JOINT VENTURE COMPANY

As of the end of 2017, the total population of Shandong Province was nearly 100 million, ranked the second nationwide. The elderly population in Shandong Province was 20 million, being the largest number of elderly population amongst all the provinces nationwide; representing 21.4% of the total population of Shandong Province and is 4 percentage points higher than the national average level of 17.4%, thus it has become one of the most serious provinces nationwide in terms of aging issue. The GDP of Shandong Province was RMB7.3 trillion, the third amongst all the provinces. The development of the elderly care business in Shandong Province is supported by its solid elderly population base and economic foundation.

In 2018, the State Council, the General Office of the Shandong Provincial Government and the Mayor of Jinan promulgated the “Approval on the Overall Proposal for the Construction of the New and Old Kinetic Energy Conversion of Pilot Region in Shandong Province”(《關於山東新舊動能轉換綜合試驗區建設總體方案的批復》), the “Notice on Printing and Distributing the Working Proposal for the Establishment of the National Medical and Rural Combination Demonstration Province in Shandong Province”(《關於印發山東省創建全國醫養結合示範省工作方案的通告》), and the “Working Report of Jinan Municipal Government for 2018”(《2018年濟南市政府工作報告》) respectively, whereby relevant government departments intensively launched relevant policies to vigorously propell the construction of elderly care service system in Shandong Province. The development of the elderly care business in Shandong Province is able to receive strong policy support from local governments.

The formation of the joint venture company in Jinan City, Shandong Province can take into full play the Company’s extensive experience in the management and operation of elderly care institutions and the resources advantages of Shuifa Zhongxing in local regions and vigorously promote the “Shuifa Ruifu Elderly Service” brand to create a first-class high quality elderly care institution in Shandong Province. The formation of the joint venture company is the first step for the Company to develop the elderly care business in Shandong Province, which lays the foundation for the Company to vigorously expand the elderly care business in Shandong Province. At present, Shuifa Ruifu has contemplated the first leased project of elderly care institution, namely the “Blue Eagle Hotel”(藍鷹賓館) project. The nature of land for the property is for military use, and the project will be built into an affordable high quality elderly care institution, providing quality and highly efficient services for the elderly.

In accordance with Rule 19.07 of the GEM Securities Listing Rules of The Stock Exchange of Hong Kong Limited, the applicable percentage ratio for the formation of the joint venture company is less than 5%. Therefore, the formation of the joint venture company does not constitute a notifiable transaction of the Company and this announcement is made by the Company on a voluntary basis.

By order of the Board

Tianjin TEDA Biomedical Engineering Company Limited

Sun Li

Chairman

Tianjin, the PRC

24 December 2018

As at the date of this announcement, the executive directors of the Company are Ms. Sun Li, Mr. Hao Zhihui and Mr. He Xin; the non-executive directors of the Company are Mr. Cao Aixin, Dr. Li Ximing and Ms. Gai Li; the independent non-executive directors of the Company are Mr. Li Xudong, Mr. Wang Yongkang and Ms. Gao Chun.

This announcement, for which the directors are willing to 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 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 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.

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