

# Jiwa Bio-Pharm Holdings Limited

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# Jiwa Bio-Pharm Holdings Limited

## 積華生物醫藥控股有限公司\*

*(incorporated in Bermuda with limited liability)*

(Stock code: 2327)

### ANNOUNCEMENT

### CONTINUING CONNECTED TRANSACTIONS

Jiwa International, a wholly-owned subsidiary of the Company, entered into the Albany Tenancy Agreement, the Robinson Tenancy Agreement, the Lippo Tenancy Agreement and the Car Park Licence Agreement with Jiwa Investment. Jiwa Investment is wholly owned by Mr. Lau and his associate. Mr. Lau is a Director and a substantial shareholder of the Company. Jiwa Investment is therefore a connected person of the Company under the Listing Rules.

The Continuing Connected Transactions constitute connected transactions for the Company under the Listing Rules. The Continuing Connected Transactions will be subject to the reporting and announcement requirements under Rule 14A.34 of the Listing Rules and are exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

## 1. THE CONTINUING CONNECTED TRANSACTIONS

### (i) The Albany Tenancy Agreement

Date of agreement	:	1 May 2004
Landlord	:	Jiwa Investment
Tenant	:	Jiwa International
Premises	:	Apartment A1 (also known as Apartment C), 21st Floor and Car Park No. 1 on 4th Floor (Carpark Level 5), The Albany, No. 1 Albany Road, Hong Kong with a total gross floor area of approximately 201 square metre

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- Term : one year commencing from 1 May 2004 to 30 April 2005 (both days inclusive)
- Annual rental : HK\$840,000 (HK\$70,000 per month)
- (ii) The Robinson Tenancy Agreement**
- Date of agreement : 1 September 2004
- Landlord : Jiwa Investment
- Tenant : Jiwa International
- Premises : Apartment B on 18th Floor and Car Parking Space No. 1 on 2nd Floor of Regal Crest, No. 9 Robinson Road, Hong Kong with a gross floor area of approximately 216 square metre
- Term : two years commencing from 1 September 2004 to 31 August 2006 (both days inclusive)
- Annual rental : HK\$576,000 (HK\$48,000 per month)
- (iii) The Lippo Tenancy Agreement**
- Date of agreement : 1 September 2004
- Landlord : Jiwa Investment
- Tenant : Jiwa International
- Premises : Office 4, 29th Floor, Tower One, Lippo Centre, No. 89 Queensway, Hong Kong with a total gross floor area of approximately 150 square metre
- Term : two years commencing from 1 September 2004 to 31 August 2006 (both days inclusive)
- Annual rental : HK\$660,000 (HK\$55,000 per month)
- (iv) The Car Park Licence Agreement**
- Date of agreement : 1 September 2004
- Licensor : Jiwa Investment
- Licensee : Jiwa International
- Subject of the licence : Car Parking Space No. 8, Upper Basement "1", Botanical Court, No. 5 Caine Road, Hong Kong
- Term : two years commencing from 1 September 2004 to 31 August 2006 (both days inclusive)
- Annual licence fee : HK\$36,000 (HK\$3,000 per month)

## **Reason for the Continuing Connected Transactions**

The premises subject to the Albany Tenancy Agreement and the Robinson Tenancy Agreement will be used by the Group as executives' quarters. The premises subject to the Lippo Tenancy Agreement and the Car Park Licence Agreement are being used and will continue to be used as the Company's head office and for parking the Group's vehicles respectively. The amount of rent or licence fee (as the case may be) payable under each of the Albany Tenancy Agreement, the Robinson Tenancy Agreement, the Lippo Tenancy Agreement and the Car Park Licence Agreement represents the market rental or licence fee (as the case may be) of the relevant premises. The Directors (including the independent non-executive Directors) are of

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the opinion that each of the Albany Tenancy Agreement, the Robinson Tenancy Agreement, the Lippo Tenancy Agreement and the Car Park Licence Agreement is made on normal commercial terms in the ordinary and usual course of business of Group and is in the best interests of the Company and its shareholders as a whole and that its terms and conditions are fair and reasonable to the Company.

The Continuing Connected Transactions constitute connected transactions for the Company under the Listing Rules. The Continuing Connected Transactions will be subject to the reporting and announcement requirements under Rule 14A.34 of the Listing Rules and are exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules. The Company will comply with the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules.

## 2. GENERAL

The Company and its subsidiaries are principally engaged in the research, development, manufacture and sale of pharmaceutical products, including new medicine and generic pharmaceutical products, in the PRC, and to a lesser extent, health-care products in Hong Kong.

The principal business of Jiwa Investment is property investment for rental income purpose. Jiwa Investment is wholly owned by Mr. Lau and his associate. Mr. Lau is a Director and a substantial shareholder of the Company. Jiwa Investment is therefore a connected person of the Company under the Listing Rules.

As at the date of this announcement, members of the Board comprise three executive Directors, namely Mr. Lau Yau Bor, Madam Chan Hing Ming and Mr. Lau Kin Tung and three independent non-executive Directors, namely Mr. Fung Tze Wa, Mr. Choy Ping Sheung and Mr. Soo Ping Shu, Samuel.

## 3. DEFINITIONS

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

“Albany Tenancy Agreement”	the tenancy agreement dated 1 May 2004 entered into between Jiwa Investment and Jiwa International;
“associate”	has the meaning as given in the Listing Rules;
“Board”	the board of Directors;
“Car Park Licence Agreement”	the licence agreement dated 1 September 2004 entered into between Jiwa Investment and Jiwa International;
“Company”	Jiwa Bio-Pharm Holdings Limited, an exempted company incorporated in Bermuda with limited liability and the shares of which are listed on the main board of the Stock Exchange;
“connected person”	has the meaning as given in the Listing Rules;

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“Continuing Connected Transactions”	the transactions under the Albany Tenancy Agreement, the Robinson Tenancy Agreement, the Lippo Tenancy Agreement and the Car Park Licence Agreement;
“Directors”	the directors of the Company;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the People's Republic of China;
“Jiwa International”	Jiwa International Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company;
“Jiwa Investment”	Jiwa Investment Limited, a company incorporated in Hong Kong with limited liability, which is wholly owned by Mr. Lau and his associate;
“Lippo Tenancy Agreement”	the tenancy agreement dated 1 September 2004 entered into between Jiwa Investment and Jiwa International;
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange;
“Mr. Lau”	Mr. Lau Yau Bor, a Director and a substantial shareholder of the Company who is interested in approximately 66.68% of the issued share capital of the Company as at the date of this announcement;
“Robinson Tenancy Agreement”	the tenancy agreement dated 1 September 2004 entered into between Jiwa Investment and Jiwa International;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“substantial shareholder”	has the meaning as given in the Listing Rules;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong; and
“%”	per cent.

By order of the Board of  
**Jiwa Bio-Pharm Holdings Limited**  
**Lau Yau Bor**  
*Chairman*

Hong Kong, 1 September 2004

\* *for identification purpose only*

Please also refer to the published version of this announcement in China Daily dated 2 September 2004.