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聯康生物科技集團有限公司\*

Uni-Bio Science Group Limited

(Incorporated in the Cayman Islands with limited liability)  
(Stock Code: 690)

**(A) VERY SUBSTANTIAL ACQUISITION**

**Proposed acquisition of the entire issued share capital of  
Figures Up Trading Limited**

**(B) CONNECTED TRANSACTION**

**Proposed issue of the three-year HK\$114 million  
Zero Coupon Convertible Bonds  
to Automatic Result Limited**

**(C) REFRESHMENT OF MANDATES**

**AND**

**(D) RESUMPTION OF TRADING**

**Financial Adviser to the Company**



**REXCAPITAL (Hong Kong) Limited**

**SUMMARY**

**(1) Proposed Acquisition**

On 13 April 2006, Lelion (a wholly owned subsidiary of the Company) and the Vendors entered into the conditional Acquisition Agreement for the sale and purchase of the entire issued share capital of Figures Up at the consideration of HK\$472 million (subject to adjustments).

The FUTL Group (comprising Figures Up, Dongguan-Tai Li and DG-Pharmaceutical) is principally engaged in the sale and distribution of pharmaceutical and healthcare products in the PRC.

The aggregate consideration for the Acquisition will be satisfied as to (i) HK\$274 million in cash and (ii) HK\$198 million by the allotment and issue of an aggregate of 220 million Consideration Shares at an issue price of HK\$0.90 each by the Company to the Vendors.

The Consideration Shares represent approximately 40.74% of the existing issued share capital and 28.95% of the enlarged issued share capital of the Company immediately after the Acquisition (assuming that the Conversion Shares will not be allotted and issued at all).

The conditional Acquisition Agreement constitutes a very substantial acquisition for the Company under Chapter 14 of the Listing Rules and is subject to approval by Shareholders at the EGM under Rule 14.49 of the Listing Rules.

To the best of the Directors' knowledge and other than the subscription of the Convertible Bonds by Automatic Result, no Shareholder has any material interest in the Acquisition. Automatic Result and its associates will abstain from voting at the EGM.

\* For identification purposes only

(2) **Proposed issue of the three-year HK\$114 million Zero Coupon Convertible Bonds to Automatic Result**

In order to finance part of the cash portion of the consideration of the Acquisition, the Company entered into the Subscription Agreement with Automatic Result, the controlling shareholder of the Company. Pursuant to the terms of the Subscription Agreement, the Company has agreed to issue and Automatic Result has agreed to subscribe for the three-year HK\$114 million Zero Coupon Convertible Bonds.

Automatic Result is a substantial shareholder of the Company. The Subscription Agreement thus constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules and is required to be approved by the Independent Shareholders.

Automatic Result and its associates are required to abstain from voting on the Connected Transaction.

(3) **Refreshment of Mandates**

The Company also proposes to convene the EGM to seek the approval of the Shareholders to refresh (i) the general mandates to issue and repurchase Shares and (ii) the 10% limit on the grant of options under the Share Option Scheme.

Automatic Result and its associates will abstain from voting in relation to the refreshment of Mandates.

(4) **General**

A circular containing, among other things, further details of the Acquisition, the Connected Transaction (as constituted by the Convertible Bonds) and the refreshment of Mandates together with a notice convening the EGM will be despatched to the Shareholders in accordance with the Listing Rules.

(5) **Suspension and resumption of trading**

Trading in the Shares on the main board of the Stock Exchange was suspended with effect from 9:30 a.m. on 13 April 2006 at the request of the Company pending the publication of this announcement. Application has been made to the Stock Exchange for the resumption of trading of Shares with effect from 9:30 a.m. on 27 April 2006.

(1) **THE ACQUISITION AGREEMENT**

Further to the Company's announcements dated 15 February and 12 April 2006 regarding the letters of intent in relation to possible investment and/or business co-operation entered into by Lelion, the Company would announce that Lelion and the Vendors have entered into the conditional Acquisition Agreement for the sale and purchase of the entire issued share capital of Figures Up.

**Date** : 13 April 2006

**Parties**

**Vendors** : Liu Cheng Hua ("Liu"), Wong Kim Kwan Kings ("Wong"), Hau Cheong Man ("Hau"), Li Kit Yuk ("Li"), Chan Siu Ming ("Chan") and Leung Lai Kwan Susanna ("Leung")

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Vendors is an Independent Third Party and does not hold any position with the Company or its connected persons (as defined in the Listing Rules), and that there is no relationship (i) among the six individual Vendors otherwise than their shareholding in Figures Up and their entering into of the Acquisition Agreement or (ii) with the Group or the substantial shareholder of the Company other than the business contacts and commercial relationship arising from the Acquisition.

**Purchaser** : Lelion Holdings Limited, a wholly-owned subsidiary of the Company

**Target** : The entire issued share capital of Figures Up, which comprises the Sale Shares.

Figures Up is the holding company of the FUTL Group. The FUTL Group is principally engaged in the sale and distribution of pharmaceutical and healthcare products in the PRC. The Group has also entered into certain joint research agreements with a research institution which is an Independent Third Party for the research of certain pharmaceutical products. Further information on the FUTL Group is set out in the paragraph headed "Information on Figures Up" below.

The unaudited consolidated net asset value of the FUTL Group as at 31 December 2005 was approximately HK\$82,856,000 (or approximately RMB86.2 million) (which is prepared in accordance with all applicable Hong Kong Financial Reporting Standards).

To the best of the Directors' knowledge, the Vendors participate in the management of the FUTL Group since its establishment. Liu, Wong and Hau have become the shareholders of Figures Up since its establishment, Li has become the shareholder of Figures Up since April 2002 while Chan and Leung have become the shareholders of Figures Up since December 2005. The substantial shareholder of the Company did not have any interest in the FUTL Group prior to the entering into of the Acquisition Agreement.

### **Consideration for the Acquisition**

The consideration for the Acquisition is HK\$472 million, which shall be allocated amongst the Vendors according to the ratio as specified in the Acquisition Agreement and shall be satisfied in the following manner upon Completion:

- (i) as to HK\$274 million in cash; and
- (ii) as to the balance of HK\$198 million by the allotment and issue of 220 million new Shares, credited as fully paid, at an issue price of HK\$0.90 each by the Company to the Vendors.

The consideration for the Acquisition has been agreed between the Vendors and the Purchaser based on arm's length negotiations with reference to the unaudited consolidated profit after taxation of the FUTL Group for the year ended 31 December 2005 of approximately RMB48.5 million (or approximately HK\$46.6 million). As the future prospects of the FUTL Group lies in its ability to generate earnings, the Board considers the price earnings multiple is an appropriate yardstick in valuing the Acquisition than reference to its net asset value. The consideration for the Acquisition values the FUTL Group at approximately HK\$472 million, which represents a price earnings multiple of approximately 10.1 times of the unaudited consolidated profit after taxation of the FUTL Group for the year ended 31 December 2005. The price earning multiple of approximately 10.1 times is agreed by the Purchaser and the Vendors with reference to the average of prevailing price earning multiples of approximately 14 times (being the average of the price earnings multiples of the 17 comparable companies each of which being calculated from their respective closing prices as at 12 April 2006 over their respective latest published earnings per share figures; the respective market prices and earnings per share figures are available on the website of the Stock Exchange) of 17 comparable companies which were selected based on criteria including that the companies are (i) in the pharmaceutical and healthcare related industry; (ii) with operations in the PRC; (iii) currently listed in Hong Kong and (iv) profit making with price earnings multiple available, and excluding those with extreme price earnings multiples of over 300 times. To the best knowledge of the Directors, the 17 comparable companies represent all appropriate comparables that can be identified as fulfilling the above-mentioned criteria. On this above basis, the Board considers the terms of the Acquisition Agreement (including the consideration for the Acquisition at HK\$472 million) are on normal commercial terms, fair and reasonable, and in the interest of the Company and its shareholders as a whole. Further information on the results of Figures Up and the FUTL Group are set out in the paragraph headed "Information on Figures Up" below.

With respect to the part consideration of HK\$274 million in cash, a sum of HK\$20 million in cash, being deposit money, is payable by the Group to the Vendors (in the proportion of their respective entitlements to the Consideration) within 7 days of the signing of the Acquisition Agreement. A further sum of HK\$40 million in cash, being further deposit money, will be paid by the Group to the Vendors (in the proportion of their respective entitlements to the Consideration) within 14 days of the signing of the Acquisition Agreement and the balance of HK\$214 million will be paid by the Group to the Vendors (in the proportion of their respective entitlements to the Consideration) upon completion of the Acquisition.

If Completion fails to take place on or before the Completion Date or the Acquisition Agreement is terminated prior to Completion for any reason other than the default of the Purchaser, the Vendors shall on the second business day following the Completion Date or the receipt by the Vendors of a notice from the Purchaser of such termination (as the case may be) return the deposits together with interest thereon (at the prime rate quoted by The Hongkong and Shanghai Banking Corporation Limited) to the Purchaser.

The Company will finance part of the cash portion of the consideration for the Acquisition of approximately HK\$160.1 million from the internal resources of the Group and the balance of approximately HK\$113.9 million by issuing Convertible Bonds (which is repayable upon the terms of repayment as set out under the paragraph headed "Principal terms of the Convertible Bonds" below) to Automatic Result, the controlling shareholder of the Company.

Before the signing of the Acquisition Agreement, there had been no progress or breakthrough with the negotiation by the Company with any of the possible targets that the Company considered had potential to provide synergies with the existing operation or allow the proposed diversification of the business of the Group to be implemented until the evening of 12 April 2006. It would therefore not be commercially viable to secure any external financing from banks, financial institutions or securities houses at that preliminary stage.

Immediately after the signing of the Acquisition Agreement, the Company has considered to raise external financing for part of the cash portion of the consideration for the Acquisition. Having approached several bank and securities houses, the Company could not obtain finance at interest rate which is favourable to the Company, and that it would take a long period of time to process the Company's loan application. Accordingly, the Company has resolved to raise funds for the Acquisition by the issuance of the Convertible Bonds to Automatic Result, the controlling shareholder of the Company.

## Consideration Shares

The total of 220 million Consideration Shares represents approximately 40.74% of the Company's existing issued share capital and approximately 28.95% of the Company's issued share capital as enlarged by the issue of the Consideration Shares.

The issue price of each Consideration Share is HK\$0.90, which represents:

- (a) a premium of approximately 74.08% to the closing price of HK\$0.5170 per Share as quoted on the Stock Exchange on 15 February 2006;
- (b) a discount of approximately 52.6% to the closing price of HK\$1.90 per Share as quoted on the Stock Exchange on 12 April 2006 (being the last trading day immediately prior to this announcement);
- (c) a discount of 26.2% to the average closing price of HK\$1.22 per Share as quoted on the Stock Exchange for the 5 consecutive trading days up to and including 12 April 2006 (being the last trading day immediately prior to this announcement);
- (d) a premium of 2.3% over the average closing price of HK\$0.88 per Share as quoted on the Stock Exchange for the 20 consecutive trading days up to and including 12 April 2006 (being the last trading day immediately prior to this announcement); and
- (e) a premium of 3.4% over the average closing price of HK\$0.87 per Share as quoted on the Stock Exchange for the 30 days up to and including 12 April 2006 (being the last trading day immediately prior to this announcement).

Despite the significant increase in Share price in the last three trading days immediately prior to the suspension of trading in Shares on 13 April 2006, daily closing price of Shares have been recorded in the range between approximately HK\$ 0.517 to HK\$0.850 since the publication of the Company's announcement dated 15 February 2006 regarding the letters of intent in relation to the possible investment and/ or business co-operation. The Vendors and the Company therefore consider it more reasonable to arrive at the issue price of the Consideration Shares with reference to the price performance in a longer period, in this case, the Share price performance since 15 February 2006, to avoid the distortion by the recent short-term price fluctuation immediately before the suspension. In addition, when compared with the average closing price of the Shares for the period from 15 February 2006 up to and including 12 April 2006 of approximately HK\$0.736 per Share, the issue price of Consideration Shares of HK\$0.90 represents a premium of approximately 22.28%. Based on the above, the Directors considered that such basis for arriving the issue price per Consideration Share is fair and reasonable.

Although there is a large discount on the issue price of the Consideration Shares by reference to the closing price of HK\$1.90 per Share as quoted on the Stock Exchange on 12 April 2006, the Directors, having taken into account the performance of the market price of the Shares, the volatility of trading price and the trading volume of the Shares, consider that it is more appropriate to use average closing price of the Shares as quoted on the Stock Exchange of a longer period of time, as set out in (d) and (e) above, for the determination of issue price of each Consideration Share.

The table below shows the number and the percentage of the Sale Shares to be sold by each Vendor and the consideration receivable by such Vendor under the Acquisition Agreement:

Name of Vendor	Number and percentage of the Sale Shares to be sold		Number of Consideration Shares	Value of Consideration Shares based on HK\$0.90 per Share (HK\$)	Cash Consideration (HK\$)	Total Consideration (HK\$)
Liu Cheng Hua	17	17%	37,400,000	\$33,660,000	\$46,580,000	\$80,240,000
Wong Kim Kwan Kings	17	17%	37,400,000	\$33,660,000	\$46,580,000	\$80,240,000
Hau Cheong Man	17	17%	37,400,000	\$33,660,000	\$46,580,000	\$80,240,000
Li Kit Yuk	17	17%	37,400,000	\$33,660,000	\$46,580,000	\$80,240,000
Chan Siu Ming	16	16%	35,200,000	\$31,680,000	\$43,840,000	\$75,520,000
Leung Lai Kwan Susanna	16	16%	35,200,000	\$31,680,000	\$43,840,000	\$75,520,000
<b>Total:</b>	<b>100</b>	<b>100%</b>	<b>220,000,000</b>	<b>\$198,000,000</b>	<b>\$274,000,000</b>	<b>\$472,000,000</b>

The Consideration Shares shall rank pari passu in all respects with the existing Shares then in issue on the relevant date of allotment.

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares.

## Shareholding structure

The following table sets out the existing shareholding structure of the Company and the shareholding structure immediately after completion of the Acquisition:

	Existing shareholding structure		Shareholding structure upon completion of the Acquisition (assuming that the Conversion Shares are not allotted at all)	
	No. of shares	%	No. of shares	%
Automatic Result ( <i>Note</i> )	292,058,248	54.08	292,058,248	38.43
<b>Public Shareholders</b>				
Liu Cheng Hua	–	–	37,400,000	4.92
Wong Kim Kwan Kings	–	–	37,400,000	4.92
Hau Cheong Man	–	–	37,400,000	4.92
Li Kit Yuk	–	–	37,400,000	4.92
Chan Siu Ming	–	–	35,200,000	4.63
Leung Lai Kwan Susanna	–	–	35,200,000	4.63
Other Public Shareholders	247,941,752	45.92	247,941,752	32.62
<b>Sub-total of Public Shareholders:</b>	<u>247,941,752</u>	<u>45.92</u>	<u>467,941,752</u>	<u>61.57</u>
<b>Total:</b>	<u><b>540,000,000</b></u>	<u><b>100.00</b></u>	<u><b>760,000,000</b></u>	<u><b>100.00</b></u>

*Note:* The entire issued share capital of Automatic Result is solely and beneficially owned by Mr. Tong Kit Shing whereas Mr. Liu Guoyao is the sole director of Automatic Result. Both Mr. Tong and Mr. Liu are deemed to be interested in all the interest in Shares held by Automatic Result by virtue of the SFO.

## Non-disposal undertaking

Under the Acquisition Agreement, each of the Vendors has undertaken to the Company that, save with the prior written consent of the Company, he/she will not, during the period of 6 months from the Completion Date, sell or otherwise dispose of any of the Consideration Shares issued to him/her.

## Conditions for the Acquisition

Completion shall be conditional upon, among other things, the fulfilment to the satisfaction of the Purchaser in its absolute discretion or, as the case may be, waiver of the following conditions:

- (i) the delivery of a legal opinion addressed to the Company and the Purchaser in form and substance satisfactory to the Purchaser by a firm of lawyers qualified to practise in PRC law confirming, among other things, (a) the due establishment of the PRC members of the FUTL Group, (b) that the Acquisition shall not cause any of the current joint venture arrangements or ownership arrangements or other entitlements relating to any member of the FUTL Group or in relation to the FUTL Group's operation in the PRC to be cancelled, terminated, amended in any material manner nor to become illegal;
- (ii) the delivery of a legal opinion addressed to the Company and the Purchaser in form and substance satisfactory to the Purchaser by a firm of lawyers qualified to advise on BVI law confirming the due establishment of Figures Up;
- (iii) the carrying out of due diligence review by the Purchaser of all material respects in relation to the assets, liabilities, operations and affairs of the FUTL Group which the Purchaser deems necessary, desirable or appropriate and confirmation by the Purchaser that the results of such due diligence review are satisfactory in all respects;
- (iv) the obtaining by the Purchaser of all necessary consents, authorisations or other approvals (or, as the case may be, the relevant waiver) of any kind in connection with the entering into and performance of the terms of the Acquisition Agreement which may be required under the Listing Rules, from the Stock Exchange or any governmental or regulatory authorities;
- (v) approval by the Shareholders at the EGM of the allotment and issue of the Consideration Shares under the Acquisition Agreement;
- (vi) the obtaining of external financing from bank or financial institutions or the raising of funds by the Company through the issue of debt or other instruments for funding the Acquisition;
- (vii) the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Consideration Shares; and
- (viii) none of the warranties given by the Vendors as contained in the Acquisition Agreement having been breached in any material respect (or, if capable of being remedied, has not been remedied), or is misleading or untrue in any material respect.

The Purchaser may waive the conditions stated in (i), (ii), (iii) and (viii) above. None of the Conditions Precedents can be waived by the Vendors.

As mentioned under condition (vi) above, the obtaining of external financing from bank or financial institutions or the raising of funds by the Company through the issue of debt or other instruments (such as the Convertible Bonds mentioned below) for funding the Acquisition is one of the conditions precedent to completion of the Acquisition. The Convertible Bonds is conditional upon completion of the Acquisition. In the unlikely event that the Convertible Bonds did not complete for whatever reasons and in order to provide flexibility to the Company, the Company would still have the option to resort to such other means of financing that the Directors consider expedient at the material time, which would be comparatively easier with a definitive agreement for the Acquisition having been entered into.

If any of the conditions for the Acquisition have not been fulfilled or waived by the Purchaser by the Longstop Date or such other date as the Vendors and the Purchaser may agree in writing, the provisions of the Acquisition Agreement (other than certain clauses as specified in the Acquisition Agreement) shall from such date have no effect and no party to the Acquisition Agreement shall have any claim against the others save for claim (if any) in respect of such continuing provisions or any antecedent breach of the Acquisition Agreement.

The Directors confirm that there is no agreement or understanding between the Vendors and the Company (whether under the Acquisition Agreement or otherwise) that any of the Vendors is entitled to nominate or appoint any person to the Board. The Company does not envisage any change in Directors or management of the Group except for the appointment of additional officers at the subsidiary level to accommodate business expansion needs.

### **Completion**

The Acquisition Agreement provides that Completion will take place on the fifth business day next following the day on which the last unfulfilled condition precedent is satisfied or waived.

Upon Completion, Figures Up will become a wholly-owned subsidiary of the Company and will be consolidated in the Company's accounts.

### **Profit Guarantee**

Pursuant to the Acquisition Agreement, the Vendors have jointly and severally guaranteed ("**Profit Guarantee**") in favour of the Purchaser that the net consolidated profits after taxation but before extraordinary items of the FUTL Group for the fiscal period commencing from 1 January 2005 and ended on 31 December 2005 ("**Guaranteed Period**") as shown by the audited financial statements (which is or will be prepared in accordance with all applicable Hong Kong Financial Reporting Standards) of the Company for the Guaranteed Period will not be less than HK\$44,000,000 ("**Guaranteed Amount**").

If the Profit Guarantee cannot be attained and the net profits of the FUTL Group for the Guaranteed Period falls short of the Guaranteed Amount, the Vendors shall pay to the Purchaser, by way of compensation, an additional cash amount equal to the shortfall multiplied by 10.1 times (being the price earnings multiple of the unaudited consolidated profit after taxation of the FUTL Group for the year ended 31 December 2005) (which shall be borne by the Vendors in the proportion which their respective entitlements bear to the Consideration).

The unaudited consolidated profit before and after taxation of the FUTL Group for the year ended 31 December 2004 was RMB74.6 million (or approximately HK\$70.38 million) and RMB29.8 million (or approximately HK\$28.11 million) respectively. The difference in the amount of the unaudited consolidated profit before and after taxation of the FUTL Group lies in the fact that:

- (a) Figures Up includes two subsidiaries, namely DG-Pharmaceutical and Dongguan-Tai Li;
- (b) Figures Up and Dongguan-Tai Li incurred respectively a loss of RMB87 million (or approximately HK\$82.08 million) and RMB0.5 million (or approximately HK\$0.47 million) for the year ended 31 December 2005 while DG-Pharmaceutical generated a profit before taxation of RMB203 million (or approximately HK\$191.51 million) for the year ended 31 December 2005;
- (c) accordingly, no provision for income tax has been made for Figures Up and Dongguan-Tai Li as they have no estimated assessable profits for the year under review, whereas a provision of income tax amounted to RMB67 million (or approximately HK\$63.21 million) has been made for DG-Pharmaceutical, which was calculated based on the estimated assessable profits at the rate of 33%.

The Guaranteed Amount (being an estimate of consolidated profit after tax but before extraordinary items of the FUTL Group for the year ended 31 December 2005) was calculated on the basis of the unaudited management accounts of the FUTL Group for the year ended 31 December 2005 (which have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards). The directors of Figures Up have represented to the Company that (i) they are not aware of any extraordinary items which have arisen or are likely to arise during the year ended 31 December 2005 and (ii) the estimate has been prepared on a basis consistent in all material respects with the accounting policies presently adopted by the FUTL Group.

The auditors of the Company, CCIF CPA Limited, has confirmed that (i) they have reviewed the accounting policies and calculations for the estimate of the Guaranteed Amount, which has been properly complied with in accordance with the bases of preparation set out above and is presented on a basis consistent in all material respects with the accounting policies normally adopted by the FUTL Group.

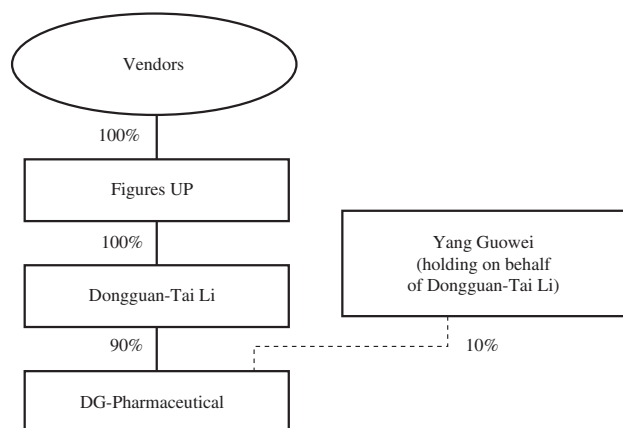
The board of Directors have confirmed that the estimate of the Guaranteed Amount has been made by the Company after due and careful enquiry. The Company will make an announcement if the Profit Guarantee cannot be attained.

### Information on Figures Up

Figures Up was incorporated in the BVI on 12 April 2000. It is the holding company of the FUTL Group whose sole and principal asset is the holding of the entire registered capital of Dongguan-Tai Li.

Dongguan-Tai Li is the beneficial owner of 100% of the registered capital of DG-Pharmaceutical (10% of the registered capital of DG-Pharmaceutical is held by Yang Guowei on behalf of Dongguan-Tai Li). Currently, Dongguan-Tai Li has not carried out any business except for the holding of its investment in DG-Pharmaceutical. DG-Pharmaceutical is principally engaged in the sale and distribution of pharmaceutical, biological and biochemical (preventive biological products excepted) products, antibiotics material and its reagents in the PRC. It has also entered into certain joint research agreements with a research institution which is an Independent Third Party for the research of certain pharmaceutical products.

The following diagram illustrates the existing corporate structure of the FUTL Group:



According to the unaudited consolidated accounts of the FUTL Group for the year ended 31 December 2005 (which were prepared in accordance with the generally accepted accounting principles in Hong Kong), the FUTL Group's profit before and after taxation for the year was approximately RMB115 million (or approximately HK\$111 million) and RMB48.5 million (or approximately HK\$46.6 million) respectively. The unaudited consolidated net asset value of the FUTL Group as at 31 December 2005 was approximately RMB86.2 million (equivalent to approximately HK\$82.9 million). The consideration for the Acquisition of HK\$472 million represents a premium of approximately HK\$389.1 million over the FUTL Group's consolidated net assets of approximately HK\$86.2 million.

In the view that the future prospects of the FUTL Group lies mainly on its profit-generating capability, the consideration has been arrived at with reference to the unaudited consolidated profit after taxation of the FUTL Group with the estimated price earnings multiple, rather than with reference to its net asset value. As such, the premium of approximately HK\$389.1 million represented by the consideration of HK\$472 million over the FUTL Group's consolidated net asset of approximately HK\$86.2 million is therefore considered inevitable. Also, when taking into account, amongst other things, the current profitability of the FUTL Group, the future prospects of the FUTL Group and the Profit Guarantee, the Directors consider that the basis of arriving at the consideration with reference to the unaudited consolidated profit after taxation of the FUTL Group with the estimated price earnings multiple, which in turn resulted in the premium over the net asset of FUTL Group, is commercially acceptable.

### Reasons for the Acquisition

As mentioned in the announcement of the Company dated 7 November 2005, the Company is, in addition to optimizing its operation in the existing business, actively identifying investment opportunities with potentials to improve the financial performance of the Group.

Given the rapid bio-technological advancement and increase in health conscious population generally, the Company is optimistic about the prospects of bio-science related business. In view of the rapid economic growth in the PRC in the recent decade, and the fact that the disposable income per capita in the PRC has been increased, the percentage of spending on health care to total expenditure or urban population per capita, according to the China Statistical Year Book 2005, has also shown a growth from 3.11% in 1995 to 7.35% in 2004. The Directors consider that such continuous increasing trend of spending by the urban population in the PRC on healthcare over the past decade has reflected a sustainable growing need, rather than a short-term fashionable demand, of the PRC population in pharmaceutical and health care products. Having regard to the increasing income and health awareness of the PRC population which are considered to be the principal growth drivers of the PRC pharmaceutical and health care market, the Company expects that, in the foreseeable future, the demand for pharmaceutical and healthcare products will continue to increase. The Directors believe that the Acquisition presents opportunities for growth and would enhance the Group's earnings and generate returns on investment for the Group.

The Board believes that the management of the Company has the necessary knowledge and experience in exploring business opportunities in this area of business. In particular, Mr. Cheng Wai Man, an executive Director, is currently engaged in the trading of bio-chemical products and Mr. Lin Jian, an independent non-executive Director, is a professor in Biological Engineering.

### **Shareholders' approval**

The Acquisition Agreement and the transactions contemplated thereunder constitute a very substantial acquisition for the Company under Chapter 14 of the Listing Rules and is subject to Shareholders' approval in general meeting of the Company pursuant to Rule 14.49 of the Listing Rules.

To the best of the Directors' knowledge and other than the subscription of the Convertible Bonds by Automatic Result, no Shareholder has any material interest in the Acquisition. Automatic Result and its associates will abstain from voting at the EGM.

## **(2) PROPOSED ISSUE OF THE THREE-YEAR HK\$114 MILLION ZERO COUPON CONVERTIBLE BONDS TO AUTOMATIC RESULT**

### **Subscription Agreement**

Date	:	26 April 2006
Issuer	:	the Company
Subscriber	:	Automatic Result
Amount of Convertible Bonds to be subscribed	:	HK\$114 million in aggregate, comprising a total principal amount of HK\$57 million (" <b>Tranche 1 Convertible Bonds</b> ") and a total principal amount of HK\$57 million (" <b>Tranche 2 Convertible Bonds</b> ")

### **Principal terms of the Convertible Bonds**

The principal terms of the Convertible Bonds were determined after arm's length negotiations between the relevant parties and are summarised below:

Principal amount	:	HK\$114 million  (if the conversion rights attaching to the Convertible Bonds are exercised in full at the Conversion Price of HK\$0.95 per Share, it will result in the issue of 120,000,000 new Shares, and the impact on the shareholding structure of the Company are set out in the paragraph headed "Impact on the Shareholding Structure of the Company" below).
Interest	:	Nil
Maturity Date	:	The third anniversary of the date of issue of the Convertible Bonds
Conversion Right	:	Tranche 1 Convertible Bonds may be convertible in whole or in part into new Shares during the period commencing from the date falling six (6) months from the Issue Date and expiring on the Maturity Date up to 4:00 p.m. at the Conversion Price, subject to adjustment for subdivision or consolidation of Shares, bonus issues, capital reduction and rights issue which have diluting effects on the issued share capital of the Company. Any conversion shall be made in amounts of not less than a whole multiple of HK\$500,000 and no fraction of a Share shall be issued on conversion.  Tranche 2 Convertible Bonds may be convertible in whole or in part into new Shares during the period commencing from the date falling 12 months from the Issue Date and expiring on the Maturity Date up to 4:00 p.m. at the Conversion Price, subject to adjustment for subdivision or consolidation of Shares, bonus issues, capital reduction and rights issue which have diluting effects on the issued share capital of the Company. Any conversion shall be made in amounts of not less than a whole multiple of HK\$500,000 and no fraction of a Share shall be issued on conversion.
Conversion Price	:	HK\$0.95 (the conversion price at which each Share shall be issued upon exercise of the Conversion Right shall be, at the option of the converting Bondholder (subject to adjustment for subdivision or consolidation of Shares, bonus issues, capital reduction and rights issue which have diluting effects on the issued share capital of the Company)

The Company undertakes to the Stock Exchange that it will not cause any of the above adjustment events to be occurred during the term of the Convertible Bonds, the effect of which would, in the opinion of a merchant bank or an auditor (which is instructed by the Company to make any determination under the Convertible Bonds), result in the Conversion Price to be reduced substantially or fall to the par value of the Share (that is, HK\$0.10) and the interests of the Company being adversely affected thereby.



The Conversion Price was arrived at after arm's length negotiations between the relevant parties and with reference to the performance of the market price of the Shares. The Conversion Price of HK\$0.95 represents:

- (a) a discount of approximately 50.0% to the closing price of HK\$1.90 per Share as quoted on the Stock Exchange on 12 April 2006 (being the last trading day immediately prior to this announcement);
- (b) a discount of 22.1% to the average closing price of HK\$1.22 per Share as quoted on the Stock Exchange for the 5 consecutive trading days up to and including 12 April 2006 (being the last trading day immediately prior to this announcement);
- (c) a premium of 7.9% over the average closing price of HK\$0.88 per Share as quoted on the Stock Exchange for the 20 consecutive trading days up to and including 12 April 2006 (being the last trading day immediately prior to this announcement); and
- (d) a premium of 9.2% over the average closing price of HK\$0.87 per Share as quoted on the Stock Exchange for the 30 days up to and including 12 April 2006 (being the last trading day immediately prior to this announcement).

Despite the significant increase in Share price in the last three trading days immediately prior to the suspension of trading in Shares on 13 April 2006, daily closing price of Shares have been recorded in the range between approximately HK\$ 0.517 to HK\$0.850 since the publication of the Company's announcement dated 15 February 2006 regarding the letter of intent in relation to the possible investment and/ or business co-operation. The Directors therefore considered it more reasonable to arrive at the Conversion Price with reference to the Share price performance in a longer period, accordingly, the Share price performance since 15 February 2006, to avoid the distortion by the recent short-term price fluctuation immediately before the suspension. In addition to the fact that the Conversion Price represents a premium to the average closing price of the Shares for the 20 and 30 consecutive trading days up to and including 12 April 2006 respectively, the issue price of the Consideration Share of HK\$0.90 represents a further premium of approximately 29.08% when compared with the average closing price of the Shares for the period from 15 February 2006 up to and including 12 April 2006 of approximately HK\$0.736 per Share. Based on the above, the Directors considered that such basis for arriving the issue price per Consideration Share is fair and reasonable.

- Conversion Shares : The Conversion Shares will be issued free from any encumbrances or third party rights of any kind and will rank pari passu in all respects with the existing issued Shares together with all rights to dividends and other distributions declared, made or paid on or after the date of the exercise of the Conversion Right.
- Redemption : The Company may redeem the Convertible Bonds, at any time during the period commencing from the Issue Date and expiring on the Maturity Date, by giving the Bondholder seven business days' prior notice at the redemption amount which is 110% of the principal amount of the outstanding Convertible Bonds.
- The Bondholder may, at any time during the period commencing from the Issue Date and expiring on the Maturity Date, request the Company to redeem the outstanding Convertible Bonds held by it, and the Company may (if considered appropriate) choose to redeem the outstanding Convertible Bonds at the principal amount of the outstanding Convertible Bonds.
- Final redemption and repayment : Unless the conversion rights attaching to the Convertible Bonds have been exercised during the Conversion Period in accordance with its terms, the Company is obliged to make any redemption, in cash, at the redemption amount which is the outstanding principal amount of the Convertible Bonds on the Maturity Date.
- Voting : The Bondholder shall not be entitled to receive notice of, attend or vote at any general meeting of the Company by reason only of its being a Bondholder.
- Transferability : The Convertible Bonds may not be assigned or transferred in whole or in part to any third party without the prior written consent of the Company (such consent not to be unreasonably withheld or delayed).

The terms of the Convertible Bonds (including the non-interest bearing nature thereof) have been arrived at after arm's length negotiations between the Company and the Subscriber and are, as an indication of the controlling shareholder's support of and commitment to the Group, on commercial terms which are more favourable to the Company as a whole. The Directors (including the non-executive Directors) consider the terms of the Convertible Bonds to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Company and its Directors undertake to the Stock Exchange that they will disclose to the Stock Exchange any dealings by Connected Persons in the Convertible Bonds from time to time immediately upon the Company becoming aware of it.

The Company and the Directors undertake to the Stock Exchange that the Company will or, if applicable, will procure the Subscriber to ensure that the exercise of the conversion right attaching to the Convertible Bonds will (a) be in compliance with the terms governing the issue of the Convertible Bonds as well as the applicable law, rules and regulations (including the Listing Rules) and (b) not cause the public float of the Shares to fall below the requirement as prescribed under Rule 8.08 of the Listing Rules.

### **Completion**

Completion of the Subscription Agreement is conditional on the following conditions being satisfied:

- (1) the passing of ordinary resolutions by the Shareholders at the EGM approving, among other matters, the creation and issue of the Convertible Bonds, authorising the Board to allot and issue the Shares upon the exercise of Conversion Right attaching to the Convertible Bonds;
- (2) the Listing Committee of the Stock Exchange having granted listing of and permission to deal in the Shares to be issued upon the exercise of Conversion Right attaching to the Convertible Bonds;
- (3) the Acquisition Agreement having become unconditional in accordance with the terms thereof (other than the conditions in connection with the obtaining of financing the raising of funds by the Company through the issue of debt or other instruments for funding the transactions contemplated under the Acquisition Agreement);
- (4) none of the warranties contained in the Subscription Agreement having been breached in any material respect (or, if capable of being remedied, has not been remedied), or is misleading or untrue in any material respect; and
- (5) the Board approving and authorising the execution and completion of the Subscription Agreement and the instrument creating the Convertible Bonds, the creation and issue of the Convertible Bonds and the allotment and issue of Shares upon the exercise of the Conversion Right attaching to the Convertible Bonds.

Completion shall take place contemporaneously with the Acquisition Agreement on the Completion Date or at such other time as the parties shall mutually agree.

If any of the above conditions are not fulfilled or as to those conditions under (4) and (5) above, being waived by the Subscriber by 5:00 p.m. (Hong Kong time) on the Longstop Date or such other date as the Company and the Subscriber shall agree in writing, this Subscription Agreement shall terminate.

### **Reasons for the issue of the Convertible Bonds**

Further to the reason stated under the heading "Source of funds for the Acquisition" above, the Directors consider that the issue of the Convertible Bonds is an appropriate means of raising additional capital for the Company since it will not have an immediate dilution effect on the shareholding of the existing shareholders of the Company. Further, the obtaining of funding from Automatic Results could demonstrate, to a certain extent, the commitment and confidence of the controlling shareholder in the prospects of the Group. This is advantageous in maintaining the stability of the development of the Group.

The Directors, including the independent non-executive Directors, also consider that the terms of each of the Subscription Agreement, which was arrived after arm's length negotiation between the Company and Automatic Result, are fair and reasonable and are in the interests of the Company and its Shareholders as a whole.

The Company has not undertaken any fund raising activities within the 12 months immediately prior to the date of this announcement other than the open offer of 360,000,000 offer Shares at HK\$0.50 per offer Share payable in full on acceptance on the basis of two offer Shares for every existing Share then held, as announced by the Company on 15 February 2006. HK\$160.1 million out of the net proceeds from the open offer of approximately HK\$175.5 million will be used for the funding of the Acquisition.

### **Use of proceeds**

The estimated net proceeds raised from the issue of the Convertible Bonds is approximately HK\$113.94 million, after deducting professional fees and all related expenses. The Company will use the proceeds for the funding of the Acquisition.

## Share Capital

As at the date of this announcement, the issued ordinary share capital of the Company is HK\$54,000,000 comprising 540,000,000 Shares. Immediately after Completion of the Acquisition, the issued ordinary share capital of the Company will become HK\$76,000,000 comprising 760,000,000 Shares. If the Convertible Bonds are then fully exercised, the issued ordinary share capital of the Company will become HK\$88,000,000 comprising 880,000,000 Shares.

## Impact on the shareholding structure of the Company

The effect on the shareholding structure of the Company upon the Completion of the Acquisition and full conversion of the Convertible Bonds are as follow:

	Shareholding structure upon completion of the Acquisition		Shareholding structure upon full conversion of the Convertible Bonds	
	No. of shares	%	No. of shares	%
Automatic Result ( <i>Note</i> )	292,058,248	38.43	412,058,248	46.82
Liu Cheng Hua	37,400,000	4.92	37,400,000	4.25
Wong Kim Kwan Kings	37,400,000	4.92	37,400,000	4.25
Hau Cheong Man	37,400,000	4.92	37,400,000	4.25
Li Kit Yuk	37,400,000	4.92	37,400,000	4.25
Chan Siu Ming	35,200,000	4.63	35,200,000	4.00
Leung Lai Kwan Susanna	35,200,000	4.63	35,200,000	4.00
Public shareholders	247,941,752	32.62	247,941,752	28.18
<b>Total</b>	<b>760,000,000</b>	<b>100.00</b>	<b>880,000,000</b>	<b>100.00</b>

*Note:* The entire issued share capital of Automatic Result is solely and beneficially owned by Mr. Tong Kit Shing whereas Mr. Liu Guoyao is the sole director of Automatic Result. Both Mr. Tong and Mr. Liu are deemed to be interested in all the interest in Shares held by Automatic Result by virtue of the SFO.

To the best knowledge, information and belief of the Directors, the issue of the Convertible Bonds will not introduce any new substantial Shareholder assuming the Convertible Bonds are converted in full as at the date of this announcement.

## Application for listing

No application will be made for the listing of, or permission to deal in, the Convertible Bonds on the Stock Exchange or any other stock exchange. The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares which may fall to be issued pursuant to the Convertible Bonds.

## Connected Transaction

Automatic Result is a substantial shareholder of the Company. The Subscription Agreement thus constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules and is required to be approved by the Independent Shareholders. An independent board committee will be appointed to advise Independent Shareholders on the fairness and reasonableness of the Connected Transactions. Independent financial advisers will also be appointed to advise the independent board committee in such connection.

An independent board committee will be appointed to advise the Independent Shareholders on the fairness and reasonableness of the Connected Transaction. Independent financial adviser will also be appointed to advise the independent board committee in such connection.

The Existing General Mandate to issue Shares was granted by the Shareholders at the 2005 AGM to allot, issue and otherwise deal in up to 36,000,000 Shares. The Existing General Mandate has not been exercised at all as at the date of this announcement. As the Existing General Mandate is insufficient to cover the allotment and issue of the Conversion Shares upon full conversion of the Convertible Bonds, the Conversion Shares will be allotted and issued under the Special Mandate to be granted by Shareholders at the EGM.

## Shareholders' approval

With respect to the Subscription Agreement and Convertible Bonds, an EGM will be convened and held for the purpose of considering and if thought fit approving:

- (i) the creation and issue of the Convertible Bonds (in respect of which Automatic Result and its associates will abstain from voting in respect of the relevant resolutions at the EGM which will be taken by way of a poll);
- (ii) the Connected Transactions and the creation and issue of the Convertible Bonds in connection therewith; and
- (iii) the issue and allotment of additional shares in the Company that are required to satisfy the exercise of the Conversion Right in full attaching to the Convertible Bonds.

### (3) REFRESHMENT OF MANDATES

The Board also proposes to convene the EGM to seek the approval of the Shareholders to refresh (i) the general mandates to issue and repurchase Shares and (ii) the 10% limit on the grant of options under the Share Option Scheme.

The Directors were authorised to allot and issue up to 36,000,000 Shares pursuant to the Existing General Mandate to issue Shares was granted by the Shareholders at the 2005 AGM to allot, issue and otherwise deal in up to 36,000,000 Shares. The Existing General Mandate has not been exercised at all as at the date of this announcement. As the Existing General Mandate is insufficient to cover the allotment and issue of (i) the Consideration Shares to the Vendors upon completion of the Acquisition Agreement and (ii) the Conversion Shares upon exercise of the conversion right attaching to the Convertible Bonds, the Company will seek the grant of a Special Mandate to be granted by Shareholders at the EGM.

As at the date of this announcement, the issued ordinary share capital of the Company is HK\$54,000,000 divided into 540,000,000 Shares. In order to give the Company greater flexibility in the issuance and repurchase of Shares in future as and when the Company considers desirable for the benefit of the development of the Group, the Board proposes that resolutions be passed at the EGM to (a) give the Directors the general mandate to repurchase Shares (the “**Repurchase Mandate**”) for an aggregate nominal amount of up to 10% of the aggregate nominal amount of the issued share capital of the Company on the date of the EGM, (b) give the Directors the general mandate to allot, issue and deal with new Shares (the “**Issue Mandate**”) for an aggregate nominal amount of up to 20% of the aggregate nominal amount of the issued share capital of the Company on the date of the EGM; and (c) extend the Issue Mandate by an amount representing the aggregate nominal amount of the Shares repurchased by the Company pursuant to and in accordance with the Repurchase Mandate.

Based on the 540,000,000 Shares in issue as at the date of this announcement, upon approval of the refreshment of the Issue Mandate and the Repurchase Mandate at the EGM, the Directors will be able to allot and issue up to 108,000,000 Shares and 54,000,000 Shares respectively, representing 20% and 10% respectively of the existing issued share capital of the Company.

In addition, the Board also proposes to take this opportunity to seek the approval of the Shareholders to refresh the 10% limit on the grant of options under the Share Option Scheme. Under the existing Scheme Mandate Limit, the Directors were only authorised to grant options to subscribe for up to 18,000,000 Shares (that is, 10% of the issued share capital of the Company as at the date of adoption of the Share Option Scheme. As at the date of this announcement, the Board has fully utilised the Scheme Mandate Limit and granted options entitling the grantees thereof to subscribe for in aggregate 18,000,000 Shares (which options have not been exercised at at the date of this announcement). In order to provide the Company with greater flexibility in granting options to eligible persons under the Share Option Scheme as incentive or reward for their contribution to the Group and/or to recruit and retain high-calibre employees and attract human resources that are valuable to the Group, the Board decides to seek the approval of the Shareholders at the EGM to refresh the Scheme Mandate Limit. The Directors consider that the refreshment of the Scheme Mandate Limit is in the interest of the Company and Shareholders as a whole.

Based on the 540,000,000 Shares in issue as at the date of this announcement, upon approval of the refreshment of the Scheme Mandate Limited at the EGM, the Directors will be able to grant options to subscribe for up to 54,000,000 Shares, representing 10% of the existing issued share capital of the Company.

The Company undertakes to the Stock Exchange that, if there is any alteration in the capital structure of the Company, the necessary adjustment will be made to the number or the nominal amount or the subscription price of any option to which the Share Option Scheme or any option granted thereunder relates in compliance with Rule 17.03(13) of the Listing Rules and the supplementary guidance published by the Stock Exchange under its letter dated 5 September 2005 to all listed issuers concerning Rule 17.03(13) of the Listing Rules and the note immediately after such rule.

The Board will send a circular to its shareholders and a notice for the purpose of convening an EGM to obtain Shareholders’ approval to the grant of the Issue Mandate and the Repurchase Mandate. The circular will contain the details as required under Rule 13.36(4)(d) of the Listing Rules.

The Company will form an independent board committee and appoint an independent financial advisor, and the circular will contain their respective recommendations to the Company’s shareholders on the proposed Issued Mandate. In accordance with the requirements of the Listing Rules, the proposed Issue Mandate and Repurchase Mandate will be voted by poll, and the controlling shareholders of the Company, Automatic Result, and its associates will abstain from voting in favour thereon.

#### **(4) INFORMATION ON THE GROUP**

The Group is principally engaged in the manufacture and trading of packaging products, paper gifts items and promotional products and investment holding.

As stated in the interim results of the Company for the six months ended 30 September 2005 and published by the Company on 28 October 2005, the Company recorded a net loss of approximately HK\$14.7 million for the financial period under review.

In order to improve the financial performance and position of the Group and to maximize the returns to the Group and the Shareholders as a whole, the Board considers it necessary and appropriate to, in addition to optimizing its operation in the existing business, diversify its existing business into, and explore a broader range of investments and businesses in, industry of relatively high growth and yield such as applied science and technology. It remains the business objective and current intention of the Company to continue develop and strengthen its existing principal business and explore opportunities that have potential to generate returns to improve the financial position of the Group or are instrumental to the diversification of the business of the Group.

Immediately following completion of the Acquisition, there will not be any change in control or the principal business activities of the Company. The Directors are of the view that the Acquisition, if implemented, will diversify the Group's operational structure and, with rapid pharmaceutical advancement and increase in health conscious population in the PRC generally, the Company is particularly optimistic about the prospects of pharmaceutical-related business in the PRC. The Directors believe that, through the Acquisition, the Company and the Shareholders as a whole will be better able to benefit from and capitalize on the potential upside of the pharmaceutical business in the PRC.

Save as disclosed in the announcement of the Company dated 2 September 2005, there has been no changes in the controlling shareholder and management of the Company for the 24 months immediate preceding to the Acquisition.

#### **(5) GENERAL**

A circular containing, among other matters, details of the Acquisition, Subscription Agreement and Convertible Bonds, the refreshment of the Mandates, and the recommendations of the independent board committee in respect of the Subscription Agreement, the Convertible Bonds and the refreshment of general mandate together with the notice for the EGM will be despatched to the Shareholders as soon as possible.

An announcement will be made by the Company on the business day immediately following the conclusion of the EGM to inform the Shareholders and the public of the results of the EGM.

#### **(6) SUSPENSION AND RESUMPTION OF TRADING**

Trading in the Shares on the main board of The Stock Exchange was suspended with effect from 9:30 a.m. on 13 April 2006 at the request of the Company pending the publication of this announcement. Application has been made to the Stock Exchange for the resumption of trading of Shares with effect from 9:30 a.m. on 27 April 2005.

#### **TERMS USED IN THIS ANNOUNCEMENT**

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

“Acquisition”	the acquisition by the Purchaser from the Vendors of the entire issued share capital of Figures Up pursuant to the Acquisition Agreement
“Acquisition Agreement”	the conditional sale and purchase agreement dated 13 April 2006 entered into between the Vendors and Lelion in relation to the Acquisition
“associates”	has the meaning ascribed to it under the Listing Rules
“Automatic Result” or “Subscriber”	Automatic Result Limited, a company incorporated in the British Virgin Islands with limited liability, which is solely and beneficially owned by Mr. Tong and of which Mr. Liu is the sole director
“Board”	the board of Directors
“Bondholder(s)”	holder(s) of the Convertible Bonds from time to time
“Business Day”	a day, other than Saturday, on which banks in the Hong Kong are open for business
“BVI”	the British Virgin Islands
“Company”	Uni-Bio Science Group Limited, an exempt company incorporated in the Cayman Islands and whose shares are listed on the main board of the Stock Exchange

“Completion”	completion of the Acquisition or, as the case may be, the Subscription Agreement
“Completion Date”	the date on which completion of the Acquisition will take place, being the fifth Business Day after the fulfilment of all the conditions set out in the sub-paragraph headed “Conditions precedent” in the paragraph headed “The Acquisition Agreement” and “Subscription Agreement” respectively in this announcement
“Connected Person”	has the same meaning ascribed to it under the Listing Rules
“Connected Transaction”	the Subscription Agreement together with the related transactions contemplated thereby which constitute connected transactions for the Company under Chapter 14A of the Listing Rules
“Consideration”	the consideration of HK\$472 million payable by the Group to the Vendors for the acquisition of the entire interest in Figures Up pursuant to the Acquisition Agreement
“Consideration Shares”	220 million new Shares to be allotted and issued to the Vendors at the issue price of HK\$0.90 per Share, being part of the Consideration payable by Lelion to the Vendors pursuant to the Acquisition Agreement
“Convertible Bonds”	the HK\$114 million zero coupon convertible bonds, comprised of Tranche 1 Convertible Bonds and Tranche 2 Convertible Bonds, due upon the expiry of three years from the Issue Date to be issued by the Company under the Subscription Agreement
“Conversion Price”	HK\$0.95, being the conversion price at which each Share shall be issued upon exercise of the Conversion Right shall be, at the option of the converting Bondholder (subject to adjustment for subdivision or consolidation of Shares, bonus issues, capital reduction and rights issue which have diluting effects on the issued share capital of the Company)
“Conversion Right”	the right of holder(s) of the Convertible Bonds to convert the whole or part of the principal amount of the Convertible Bonds into Shares subject to the terms and conditions thereof
“Conversion Shares”	new Shares which will fall to be allotted and issued upon conversion of the Convertible Bonds
“DG-Pharmaceutical”	東莞市博康健健醫藥科技有限公司 (transliteration into English as Dongguan Shi Bo Kang Jian Pharmaceutical Technology Co., Ltd.), a limited company enterprise established in the PRC on 9 September 2002
“Director(s)”	director(s) of the Company
“Dongguan-Tai Li”	東莞太力綠色環保科技有限公司 (transliteration into English as Dongguan Tai Li Green Environmental Technology Company Limited), a wholly-foreign owned enterprise established in the PRC on 25 September 2002
“EGM”	the extraordinary general meeting of the Company to be convened to approve, among others, (i) the Acquisition; (ii) the Connected Transaction (as constituted by the Convertible Bonds); (iii) the grant of Special Mandate; and (iv) the refreshment of the general mandates to issue and repurchase Shares and to issue options under the Share Option Scheme
“Existing General Mandate”	the general mandate granted to the Directors at the 2005 AGM to allot, issue or otherwise deal in up to 36,000,000 Shares
“Figures Up”	Figures Up Trading Limited, a company incorporated in the BVI with limited liability, which is solely and beneficially owned by the Vendors
“FUTL Group”	Figures Up and its subsidiaries
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	a party and, if applicable, the ultimate beneficial owner of the party who is independent of the Company and Connected Persons of the Company
“Independent Shareholders”	Shareholders (other than Automatic Result, its concert parties and its associates, who are interested or involved in the Subscription Agreement)

“Issue Date”	the date of first issue of the Convertible Bonds
“Lelion” or “Purchaser”	Lelion Holdings Limited, a company incorporated in the BVI and a wholly owned subsidiary of the Company, whose principal activities is investment holding
“Listing Committee”	the listing sub-committee of the directors of the Stock Exchange elected or appointed in accordance with the Articles of Association of the Stock Exchange
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Longstop Date”	18 August 2006
“Maturity Date”	The third anniversary of the date of issue of the Convertible Bonds
“Mr. Liu”	Mr. Liu Guoyao, an executive Director and the sole director of Automatic Result
“Mr. Tong”	Mr. Tong Kit Shing, the chairman and an executive Director of the Company, and the sole beneficial owner of Automatic Result
“NAV”	the unaudited consolidated net asset value of the FUTL Group as at 31 December 2005 as shown in the consolidated accounts of FUTL Group, adjusted in accordance with the provisions of the Agreement
“PRC”	The People’s Republic of China, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Proposed Acquisition”	the proposed acquisition of the entire interest in Figures Up by Lelion pursuant to the terms and conditions of the Acquisition Agreement
“Sale Shares”	the 100 ordinary shares of US\$1 par value each in the issued share capital of Figures Up beneficially held by the Vendors, representing the entire issued share capital of Figures Up
“Shares”	Share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Share Option Scheme”	the existing share option scheme adopted by the Company on 22 October 2001
“Special Mandate”	a special mandate to allot and issue Shares to be sought from the Shareholders at the EGM to satisfy the allotment and issue of the Consideration Shares and the Conversion Shares
“Scheme Mandate Limit”	The maximum number of new Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme(s) of the Company
“Subscription Agreement”	the Subscription Agreement, dated 26 April 2006 made by the Company with Automatic Result in respect of the subscription of the Convertible Bonds
“Mandates”	the general mandates to issue and repurchase Shares and the mandate to refresh the 10% limit of the grant of options under the Share Option Scheme
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendors”	Liu Cheng Hua, Wong Kim Kwan Kings, Hau Cheong Man, Li Kit Yuk, Chan Siu Ming and Leung Lai Kwan Susanna
“2005 AGM”	the annual general meeting of the Company held on 30 August 2005
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“US\$”	US dollars, the lawful currency of the United States of America
“%”	Per cent.

*Translation of RMB into Hong Kong dollars is based on the exchange rate of (i) HK\$1.00 to RMB1.06 for the year ended 31 December 2004 and (ii) HK\$1.00 to RMB1.04 for the year ended 31 December 2005.*

By Order of the Board  
**Uni-Bio Science Group Limited**  
**Tong Kit Shing**  
*Chairman*

Hong Kong, 26 April 2006

*As at the date of this announcement, the executive Directors are Mr. Tong Kit Shing (Chairman), Mr. Liu Guoyao (Chief Executive Officer) and Mr. Cheng Wai Man; the independent non-executive Directors are Mr. Zhou Yaoming, Mr. Lin Jian and Mr. So Yin Wai.*

Please also refer to the published version of this announcement in The Standard.