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ESSEX BIO-TECHNOLOGY LIMITED

億勝生物科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code on Main Board: 1061)

(Stock Code on GEM: 8151)

TRANSFER OF LISTING FROM THE GROWTH ENTERPRISE MARKET TO THE MAIN BOARD OF THE STOCK EXCHANGE OF HONG KONG LIMITED

On 20 April 2011, an application was made by the Company to the Stock Exchange for the transfer of listing from GEM to the Main Board.

The Company has applied for the listing of and permission to deal in (i) 556,750,000 Shares in issue, and (ii) 55,524,000 new Shares, being the maximum number of new Shares which may fall to be issued upon the exercise of all options which may be granted under the Share Option Scheme, on the Main Board by way of transfer of the listing from GEM to the Main Board. Save and except for the Share Option Scheme, as at the date hereof, the Company has not adopted any share option schemes.

Approval-in-principle has been granted by the Stock Exchange on 13 June 2011 for the Shares to be listed on the Main Board and de-listed from GEM.

All pre-conditions for the Transfer as set out in the Main Board Listing Rules have been fulfilled in relation to the Company and its Shares.

The last day of dealings in the Shares on GEM (Stock code: 8151) will be 22 June 2011. Dealings in the Shares on the Main Board (Stock code: 1061) will commence at 9:00 a.m. on 23 June 2011.

The Transfer will have no effect on the existing share certificates in respect of the Shares which will continue to be good evidence of legal title and be valid for trading, settlement and registration purposes, and will not involve any transfer or exchange of the existing share certificates. No change will be made to the board lot size and trading currency of the Shares and the share registrars of the Company in connection with the Transfer.

Reference is made to the announcement of the Company dated 20 April 2011 in relation to the formal application submitted to the Stock Exchange for the Transfer pursuant to Chapter 9A of the Main Board Listing Rules.

TRANSFER OF THE LISTING FROM GEM TO THE MAIN BOARD

The Company has applied for the listing of and permission to deal in (i) 556,750,000 Shares in issue, and (ii) 55,524,000 new Shares, being the maximum number of new Shares which may fall to be issued upon the exercise of all options which may be granted under the Share Option Scheme, on the Main Board by way of transfer of the listing from GEM to the Main Board.

Approval-in-principle has been granted by the Stock Exchange on 13 June 2011 for the Shares to be listed on the Main Board and de-listed from GEM.

All pre-conditions for the Transfer as set out in the Main Board Listing Rules have been fulfilled in relation to the Company and its Shares.

REASONS FOR THE TRANSFER

The Company has been listed on GEM since 27 June 2001. The principal activities of the Group are the manufacture and sale of biopharmaceutical products for the treatment and healing of surface wounds and eye wounds. The Group also engages in the research and development of biopharmaceutical products for the treatment of duodenal ulcers and nervous system damages and diseases, as well as other ophthalmic pharmaceutical projects.

The Board believes that the listing of the Shares on the Main Board will improve the liquidity of the Shares and enhance the profile of the Company. The Board considers that the listing of the Shares on the Main Board will be beneficial to the future growth and business development of the Group as well as its financing flexibility. As at the date of this announcement, the Board has no intention to change the nature of business of the Group following the Transfer. The Transfer will not involve any issue of new Shares by the Company.

DEALINGS IN THE SHARES ON THE MAIN BOARD

The Shares have been accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from 27 June 2001, the date on which the Shares were first listed on GEM. Subject to the continued compliance with the stock admission requirements of HKSCC, the Shares will continue to be accepted as eligible securities by HKSCC for deposit, clearance and settlement in the CCASS once dealings in the Shares on the Main Board commence, and all activities under CCASS are subject to the General Rules of the CCASS and CCASS Operational Procedures in effect from time to time.

The last day of dealings in the Shares on GEM (Stock code: 8151) will be 22 June 2011. Dealings in the Shares on the Main Board (Stock code: 1061) will commence at 9:00 a.m. on 23 June 2011.

The Transfer will have no effect on the existing share certificates in respect of the Shares which will continue to be good evidence of legal title and will not involve any transfer or exchange of the existing share certificates. Currently, the Shares have a board lot size of 4,000 Shares each and are traded in Hong Kong dollar. The principal share registrar and transfer office of the Company is Butterfield Fulcrum Group (Cayman) Limited and the branch share registrar of the Company in Hong Kong is Hong Kong Registrars Limited.

No change will be made to the board lot size and the trading currency of the Shares and the share registrars of the Company in connection with the Transfer. Shares will be traded under the new stock code 1061 on the Main Board in board lots of 4,000 Shares each following the Transfer.

OUTSTANDING SHARE OPTIONS

The Share Option Scheme complies with the requirements of Chapter 17 of the Main Board Listing Rules and will remain effective upon the Transfer subject to certain immaterial amendments to such scheme. As at the date of this announcement, no option under the Share Option Scheme has been granted. The maximum number of new Shares which may fall to be issued upon the exercise of the options which may be granted under the Share Option Scheme is 55,524,000. Save and except for the Share Option Scheme, as at the date hereof, the Company has not adopted any share option schemes.

The listing of the Shares to be issued pursuant to the Share Option Scheme will also be transferred to the Main Board pursuant to Rule 9A.10 of the Main Board Listing Rules.

As at the date of this announcement, the Company has not issued any options, warrants or similar rights or convertible equity securities the listing of which will be transferred to the Main Board.

GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

The general mandates granted to the Directors by the Shareholders on 5 May 2011 to allot and issue new Shares and repurchase Shares will continue to be valid and remain in effect after the Transfer until the earliest of:

- (a) the conclusion of the next annual general meeting of the Company; or
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or the law of the Cayman Islands or any other applicable laws to be held; or

- (c) the revocation or variation of such authority by an ordinary resolution of Shareholders in general meeting.

COMPETING INTERESTS

As at the date of this announcement, none of the Directors, the Controlling Shareholders and the substantial shareholders of the Company and their respective associates has engaged in any businesses that competes or may compete, either directly or indirectly, with the business of the Group pursuant to Rule 9A.09(10) of the Main Board Listing Rules.

FINANCIAL REPORTING

The Company will not continue the quarterly reporting of financial results after the listing of the Shares on the Main Board.

WAIVER FROM STRICT COMPLIANCE WITH RULE 8.12 OF THE MAIN BOARD LISTING RULES

The Company has sought a waiver from strict compliance with Rule 8.12 of the Main Board Listing Rules in relation to the Transfer.

Pursuant to Rule 8.12 of the Main Board Listing Rules, a new applicant for primary listing on the Stock Exchange must have a sufficient management presence in Hong Kong and, in normal circumstances, at least two of the issuer's executive directors must be ordinarily resident in Hong Kong. Save for Mr. Zhong Sheng, one of the three executive Directors, who is residing in Hong Kong, neither of the other two executive Directors is ordinarily resident in Hong Kong and it is not likely for the Company to have two executive Directors residing in Hong Kong in the foreseeable future. The Company applied to the Stock Exchange for a waiver from strict compliance with the requirement under Rule 8.12 of the Main Board Listing Rules on the following grounds:

- (a) the Group's principal place of business operation and activities is based in Zhuhai, Guangdong province of the PRC;
- (b) Ms. Yau Lai Man, the company secretary of the Company, is ordinarily resident in Hong Kong; and
- (c) the management and operations of the Group have been under the supervision of the existing three executive Directors since its listing on GEM in 2001 and have proven to be effective. The appointment of an additional executive Director to reside in Hong Kong or the relocation of one or more of the Company's executive Directors to Hong Kong would not only increase the administrative expenses of the Group, but would also reduce the effectiveness and responsiveness of the decision-making process of the Board, especially when business decisions are required to be made within a short period of time.

The Company has received from the Stock Exchange a waiver from strict compliance with Rule 8.12 of the Main Board Listing Rules subject to the following conditions:

- (a) the Company has appointed and will continue to appoint two authorised representatives, who will act as the Company's principal channel of communication with the Stock Exchange. The Company has appointed Mr. Zhong Sheng, an executive Director, and Ms. Yau Lai Man, the company secretary, who are ordinarily resident in Hong Kong as the two authorised representatives of the Company. Each of the authorised representatives will be available to meet with the Stock Exchange in Hong Kong within a reasonable period of time upon request and will be readily contactable by telephone, facsimile or email. Each of the authorised representatives is authorised to communicate on behalf of the Company with the Stock Exchange;
- (b) both of the authorised representatives of the Company will have means to contact all members of the Board (including the independent non-executive Directors) promptly at all times as and when the Stock Exchange wishes to contact the members of the Board on any matters;
- (c) to enhance the communication between the Stock Exchange, the authorised representatives and the Directors, the Company will implement a policy whereby (i) each executive Director will have to provide his/her mobile telephone number, office telephone number, fax number and email address to the authorised representatives; (ii) each executive Director will provide valid telephone number or means of communication to the authorised representatives when he/she is travelling; and (iii) each Director will provide his/her mobile telephone number, office telephone number, fax number and email address to the Stock Exchange; and
- (d) the Company shall promptly inform the Stock Exchange of any changes to the authorised representatives.

In addition, all Directors (including the independent non-executive Directors) who are not ordinarily resident in Hong Kong have confirmed that they possess or are applying for valid travel documents to visit Hong Kong and will be able to meet with the Stock Exchange within a reasonable period of time, when required.

DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be made available for inspection on the website of the Company at www.essexbio.com and the website of the Stock Exchange at <http://www.hkexnews.hk>:

- (a) the Directors' report and the annual accounts of the Group for the year ended 31 December 2010;
- (b) the interim report of the Group for the six months ended 30 June 2010;

- (c) the third quarterly report of the Group for the nine months ended 30 September 2010;
- (d) the first quarterly report of the Group for the three months ended 31 March 2011;
- (e) the memorandum and articles of association of the Company;
- (f) the circular of the Company dated 30 March 2010 in relation to the general mandates to issue and repurchase Shares and re-election of Directors; and
- (g) a copy of each of the announcements and other corporate communications made by the Company as required under the GEM Listing Rules and the Main Board Listing Rules.

BIOGRAPHICAL DETAILS OF THE DIRECTORS

Executive Directors

Ngiam Mia Je Patrick, aged 56, graduated in electronic engineering, is the founder of the Group, an executive Director and Chairman of the Company. He is responsible for corporate planning, business development strategy and overall direction of the Group. Mr. Ngiam has received many accolades and awards for his achievements. In 1990, he was awarded the first KPMG Singapore High Tech Entrepreneur Award. Other awards include the DHL & Singapore Press Holdings Business Award for Businessman of the Year in 1994 and the Chevalier DE L'ORDRE NATIONAL DU MERITE conferred by Le President De La Republique Francaise in 1996. He is also a member of the remuneration committee and the chairman of the nomination committee of the Company, a director of Essex Bio-Investment Limited, Essex Bio-Pharmacy Limited and Zhuhai Essex Bio-Pharmaceutical Company Limited, all being subsidiaries of the Company. As at the date of this announcement, Mr. Ngiam is the director of IPC Corporation Ltd. and Asiatravel.com Holdings Ltd., both being companies listed on the Singapore Exchange Securities Trading Limited.

Mr. Ngiam entered into a service contract with the Company for a term of three years commencing from 27 June 2010. Under the service contract, Mr. Ngiam is entitled to a remuneration of HK\$500,000 per year and discretionary management bonus. Mr. Ngiam's emoluments are determined with reference to his qualification and experience, responsibilities to be undertaken and the prevailing market level of remuneration of similar position. As at the date of this announcement, Mr. Ngiam is directly interested in 2,250,000 Shares, and is also deemed to be interested in (i) 288,458,000 Shares held by Essex Holdings Limited, a company owned by Mr. Ngiam and Mr. Ngiam Mia Kiat Benjamin in equal shares; and (ii) 6,666,667 Shares held by Dynatech Ventures Pte Ltd, a wholly-owned subsidiary of Essex Investment (Singapore) Pte Ltd, which in turn is owned by Mr. Ngiam and Mr. Ngiam Mia Kiat Benjamin in equal shares. Mr. Ngiam is a brother of Mr. Ngiam Mia Kiat Benjamin. Mr. Ngiam, Mr. Ngiam Mia Kiat Benjamin and Essex Holdings Limited are the Controlling Shareholders.

Fang Haizhou, aged 45, is the executive Director, the managing Director and general manager of the Company. He is also a senior pharmaceutical engineer. He has a Bachelor's degree in Bio-chemical Engineering from 華南工學院 (Southern China Institute) and a Master's degree in Engineering from 華南理工大學 (Southern China University of Technology). He has been with Zhuhai Essex Bio-Pharmaceutical Company Limited since its establishment in June 1996. Mr. Fang Haizhou is also a director of Essex Bio-Investment Limited, Essex Bio-Pharmacy Limited and Zhuhai Essex Bio-Pharmaceutical Company Limited, all being subsidiaries of the Company.

Mr. Fang entered into a service contract with the Company for a term of three years commencing from 27 June 2010. Under the service contract, Mr. Fang is entitled to a remuneration of HK\$440,000 per year and discretionary management bonus. Mr. Fang's emoluments are determined with reference to his qualification and experience, responsibilities to be undertaken and the prevailing market level of remuneration of similar position. As at the date of this announcement, Mr. Fang is interested in 2,000,000 Shares within the meaning of Part XV of the SFO.

Zhong Sheng, aged 46, is an executive Director and is responsible for the financial management and administration of the Group. He holds a Master's degree in Industrial Economics from 廣東省社會科學院 (Guangdong Academy of Social Sciences). Mr. Zhong joined the Group in February 1999. Mr. Zhong has more than eleven years of experience in financial management and project management. Mr. Zhong is also a director of Essex Bio-Investment Limited, Essex Bio-Pharmacy Limited and Zhuhai Essex Bio-Pharmaceutical Company Limited, all being subsidiaries of the Company. Mr. Zhong is also the compliance officer and an authorized representative of the Company.

Mr. Zhong entered into a service contract with the Company for a term of three years commencing from 27 June 2010. Under the service contract, Mr. Zhong is entitled to a remuneration of HK\$385,000 per year and discretionary management bonus. Mr. Zhong's emoluments are determined with reference to his qualification and experience, responsibilities to be undertaken and the prevailing market level of remuneration of similar position. As at the date of this announcement, Mr. Zhong is interested in 1,500,000 Shares within the meaning of Part XV of the SFO.

Independent non-executive Directors

Fung Chi Ying, aged 56, was appointed as independent non-executive Director on 13 June 2001. Mr. Fung is a practising solicitor in Hong Kong. He is presently a partner of Adrian Yeung & Cheng, Solicitors. Mr. Fung is also the chairman of the audit committee, a member of the remuneration committee and nomination committee of the Company. Mr. Fung's appointment is two years commencing from 30 September 2010, determinable by either party serving not less than one month's written notice on the other, unless both parties agree otherwise. Mr. Fung is entitled to a fixed remuneration of HK\$180,000 per year, which is based on the estimated time to be spent by Mr. Fung for his duties as an independent non-executive Director.

Mauffrey Benoit Jean Marie, aged 58, was appointed as independent non-executive Director on 13 June 2001. He is experienced in business development and sales and marketing in several industries in the Asia Pacific region. He is also a member of the audit committee, remuneration committee and nomination committee of the Company. Mr. Mauffrey's appointment is two years commencing from 30 September 2010, determinable by either party serving not less than one month's written notice on the other, unless both parties agree otherwise. Mr. Mauffrey is entitled to a fixed remuneration of HK\$165,000 per year, which is based on the estimated time to be spent by Mr. Mauffrey for his duties as an independent non-executive Director.

Yeow Mee Mooi, aged 48, was appointed as independent non-executive Director on 30 September 2004. Madam Yeow graduated from The University of Southwestern Louisiana, the United States of America, with a bachelor degree in business administration. Madam Yeow further obtained her postgraduate diploma in financial management from The University of New England, Australia. Madam Yeow is a certified practising accountant of The Hong Kong Institute of Certified Public Accountants and The Australian Society of Certified Practising Accountants. Madam Yeow has over 19 years' taxation, auditing and commercial experience in Hong Kong. Madam Yeow is now a director of a management consulting firm in Hong Kong. She is also the chairman of the remuneration committee, a member of the audit committee and nomination committee of the Company. Madam Yeow's appointment is two years commencing from 30 September 2010, determinable by either party serving not less than one month's written notice on the other, unless both parties agree otherwise. Madam Yeow is entitled to a fixed remuneration of HK\$165,000 per year, which is based on the estimated time to be spent by Madam Yeow for her duties as an independent non-executive Director.

Save as disclosed, as at the date of this announcement, the Directors confirmed that:

- (a) each of the above Directors is not related to any Director, senior management, substantial shareholder of the Company or any of the Controlling Shareholder and does not hold any directorship in other listed companies in the last three years; and
- (b) there is no other information to be disclosed pursuant to the requirements of Rule 13.51(2) of the Main Board Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	Essex Bio-Technology Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM
“Controlling Shareholders”	has the meaning ascribed to it under the Main Board Listing Rules and in respect of the Company, refers to Essex Holdings Limited, Mr. Ngiam Mia Je Patrick and Mr. Ngiam Mia Kiat Benjamin
“Directors”	directors of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	the currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Main Board”	the stock market operated by the Stock Exchange prior to the establishment of GEM (excluding the options market) which stock market continues to be operated by the Stock Exchange in parallel with GEM. For the avoidance of doubt, the Main Board excludes GEM
“Main Board Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Shareholder(s)”	holder(s) of the Share(s)
“Share(s)”	ordinary share(s) of par value of HK\$0.10 each in the capital of the Company
“Share Option Scheme”	the share option scheme adopted by the Company on 20 June 2003
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transfer”	the transfer of listing of the Shares from GEM to the Main Board pursuant to the Main Board Listing Rules

Hong Kong, 14 June 2011

By order of the Board
Essex Bio-Technology Limited
Ngiam Mia Je Patrick
Chairman

Executive Directors as at the date of this announcement are Mr Ngiam Mia Je Patrick, Mr Fang Haizhou and Mr Zhong Sheng. Independent non-executive Directors as at the date of this announcement are Mr Fung Chi Ying, Mr Mauffrey Benoit Jean Marie and Ms Yeow Mee Mooi.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules and the Main Board 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, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting and on the website of the Company at www.essexbio.com.