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LIFE HEALTHCARE GROUP LIMITED

蓮和醫療健康集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 928)

DISCLOSEABLE TRANSACTION SUBSCRIPTION OF TRUST FUND

The Subscriber, a wholly-owned subsidiary of the Company, entered into the Subscription Agreement on 31 December 2019 to subscribe for the Trust Fund in the principal amount of RMB50,000,000 (equivalent to approximately HK\$55,500,000).

As the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Subscription is more than 5% but less than 25%, the Subscription constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

SUBSCRIPTION AGREEMENT

On 31 December 2019, the Subscriber entered into the Subscription Agreement for subscription of the Trust Fund in the principal amount of RMB50,000,000 (equivalent to approximately HK\$55,500,000). The salient terms of the Subscription Agreement are summarised below:

Date:	31 December 2019
Parties:	(1) the Subscriber, a wholly-owned subsidiary of the Company, as the subscriber; and (2) COFCO Trust, as the trustee
Currency of investment:	RMB
Subscription amount:	RMB50,000,000 (equivalent to approximately HK\$55,500,000). The investment is made based on the face value of the principal subscription amount.

Term:	5 years
Estimated rate of return:	Floating return, which is expected to be not lower than bank fixed deposits interest rate.
Trustee fee:	COFCO Trust will be paid a fixed annual trustee fee of RMB6.12 million for managing the Trust Fund and a floating fee based on the performance of the Trust Fund.
Early redemption:	The Trust Fund may not be redeemed before its maturity.
Total size of the Trust Fund:	Estimated to be RMB1.2 billion.
Focus of the Trust Fund:	The Trust Fund is a fixed-income private placement product. The trust funds under the Trust Fund are mainly used to purchase the creditor's rights to China Huayang Economic and Trade Group Co., Ltd. held by Beijing Guotong Asset Management Co., Ltd.

REASONS FOR ENTERING INTO THE SUBSCRIPTION AGREEMENT

The Group is principally engaged in healthcare services business, money lending business and securities trading and investment business.

COFCO Trust is a state-owned enterprise and is a licensed trust company incorporated under the laws of the PRC and regulated by the China Banking Regulatory Commission. To the best of the Directors' knowledge, information and belief having made all reasonable enquires, COFCO Trust and its ultimate beneficial owners are independent of and not connected with the Company and its connected persons.

The principal business of COFCO Trust is to provide trust, asset management and related financial services.

The Group has constantly been looking for opportunities to enhance the Shareholders' value. The Subscription is being made with the surplus cash beyond the immediate operation needs of the Group and is in line with the investment policy of the Group. The Subscription is not expected to affect the sufficiency of working capital of the Group or the operation of the Group's principal businesses. Prior to the entering into of the Subscription Agreement, the management had conducted risk assessment on the focus of the Trust Fund and the investment decision was made after the management was being satisfied with the risk tolerance of the Subscription.

The Directors are of the view that the Subscription would provide a good investment opportunity to the Group without causing any adverse effects on its liquidity. As such, the Directors consider that the Subscription is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATION

As the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Subscription is more than 5% but less than 25%, the Subscription constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

Unless the context otherwise requires, capitalised terms used in this announcement shall have the meaning ascribed to them below:

“Board”	the board of Directors;
“COFCO Trust”	中糧信託有限責任公司 (COFCO Trust Co., Ltd.), a limited liability company established in the PRC;
“Company”	Life Healthcare Group Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange;
“Directors”	directors of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	Hong Kong Special Administrative Region;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China;
“RMB”	Renminbi, the lawful currency of the PRC;
“Subscriber”	北京蓮和無限醫療科技有限公司 (Beijing Life Healthcare Technology Company Limited), a limited liability company established in the PRC, a wholly-owned subsidiary of the Company;
“Subscription”	the subscription of the Trust Fund by the Company;
“Subscription Agreement”	the subscription agreement dated 31 December 2019 between the Subscriber and COFCO Trust in relation to the Subscription;

“Trust Fund”

中糧信託 • 良通1號債權投資集合資金信託計劃 (COFCO Trust. Liangtong No.1 Creditor’s Right Collective Investment Trust Fund), a fixed income trust fund managed by COFCO Trust; and

“%”

per cent.

By order of the Board
Life Healthcare Group Limited
Man Wai Lun
Executive Director

3 January 2020

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

Executive Directors:

Mr. Xu Xueping (*Chairman*)

Mr. Hua Yunbo

Mr. Man Wai Lun

Independent Non-executive Directors:

Mr. Liu Xinghua

Mr. Zheng Chunlei

Mr. Cheng Chun Man

Non-executive Director:

Ms. Shan Hua