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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 DISPOSAL OF TRUST FUND

Reference is made to the announcement of the Company dated 3 January 2020 in relation to Group's subscription of the COFCO Fund in the principal amount of RMB50,000,000 (equivalent to approximately HK\$55,500,000).

On 3 February 2020, the Vendor, a wholly-owned subsidiary of the Company, entered into the Disposal Agreement with the Purchaser pursuant to which the Vendor agreed to sell the COFCO Fund held by the Group to the Purchaser for an aggregate consideration of RMB50,300,000 (equivalent to approximately HK\$56,336,000).

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

DISPOSAL AGREEMENT

On 3 February 2020, the Vendor and the Purchaser entered into the Disposal Agreement with regard to the Disposal. The salient terms of the Disposal Agreement are summarised below:

Date: 3 February 2020

Parties: (1) the Vendor, a wholly-owned subsidiary of the Company, as the vendor; and

(2) 北京國潤物業管理有限責任公司 (Beijing Guorun Property Management Co., Ltd.), as the purchaser. The Purchaser is beneficially owned by 甄傑 (Zhen Jie). To the best of the Directors' knowledge, information and belief having made all reasonable enquires, the Purchaser and its ultimate beneficial owners are independent of and not connected with the Company and its connected persons.

Subject matter: Investment in the COFCO Fund in the principal amount of RMB50,000,000 (equivalent to approximately HK\$55,500,000);

Consideration: RMB50,300,000 (equivalent to approximately HK\$56,336,000), which was determined after arm's length negotiations between the parties with reference to the principal amount of the COFCO Fund held by the Group.

Summary terms of the COFCO Fund: The COFCO Fund is a 5-year fixed term fixed-income private placement product managed by COFCO Trust. The COFCO Fund has a size of approximately RMB1.2 billion and is 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.

FINANCIAL IMPACT OF THE DISPOSAL

The Group's subscription in the COFCO Fund was RMB50,000,000 and the Vendor will sell the Group's holding in the COFCO Fund to the Purchaser for RMB50,300,000. Upon completion of the Disposal and subject to final audit, it is expected that the Group will realise a gain of Disposal of approximately RMB250,000 (equivalent to approximately HK\$280,000), which is expected to be applied as general working capital of the Group.

REASONS FOR THE DISPOSAL

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

The Group subscribed for the COFCO Fund as an investment in December 2019. The COFCO Fund has a fixed term of 5 year. Given the uncertainties presented by the rapid development of the novel coronavirus epidemic, and that the Company will realise an immediate gain from the Disposal, the Directors are of the view that the Disposal 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 Disposal is more than 5% but less than 25%, the Disposal 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 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;
“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;
“Disposal”	the sale of the Group’s investment in the COFCO Fund to the Purchaser;
“Disposal Agreement”	the sale and purchase agreement dated 3 February 2020 between the Vendor and the Purchaser;
“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;
“Purchaser”	北京國潤物業管理有限責任公司 (Beijing Guorun Property Management Co., Ltd.), a limited liability company established in the PRC;
“RMB”	Renminbi, the lawful currency of the PRC;
“Vendor”	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;

“%”

per cent.

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

3 February 2020

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

Executive Directors:

Mr. Xu Xueping (*Chairman*)
Mr. Man Wai Lun
Mr. Yang Zhiying

Independent Non-executive Directors:

Mr. Liu Xinghua
Mr. Zheng Chunlei
Mr. Cheng Chun Man

Non-executive Director:

Ms. Shan Hua