

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to the accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

VOLUNTARY ANNOUNCEMENT MEMORANDUM OF UNDERSTANDING IN RELATION TO POSSIBLE ACQUISITION

This is a voluntary announcement made by Life Healthcare Group Limited (the “**Company**”).

THE MEMORANDUM OF UNDERSTANDING

On 18 January 2021, the Company entered into a non-legally binding memorandum of understanding (the “**MOU**”) with the vendor (the “**Vendor**”), pursuant to which the Company will acquire and the Vendor will sell the entire issued share capital (the “**Possible Acquisition**”) of a company incorporated in Hong Kong (the “**Target Company**”, together with its subsidiaries, the “**Target Group**”) which will after a reorganization indirectly hold not less than 25% equity interest of a company established in the People’s Republic of China (the “**PRC Company**”) which is principally engaged in the construction and operation of medical disinfection, sterilization and cleansing projects. The consideration for the Possible Acquisition shall be determined after arms’ length negotiations between the Company and the Vendor and will be set out in the Formal Agreement (as defined below).

To the best knowledge, information and belief of the directors of the Company (the “**Directors**”), having made all reasonable enquiries, the Vendor is independent of and not connected with the Company and connected persons (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) of the Company.

Due Diligence

After the date of the MOU, the Company shall be entitled to carry out due diligence investigations on the Target Group and the PRC Company. The Vendor shall, and shall procure the relevant parties, to provide assistance in this regard.

Exclusivity

The Vendor will not, and will procure that the Target Company will not, within 60 days from the date of the MOU (i) initiate or continue negotiations or discussions with or enter into any memorandum of understanding, letter of intent, agreement, understanding or arrangement with, any person or entity other than the Company with respect to the sale or other disposition of the issued share capital of the Target Company or any interests of the Target Company or (ii) accept, solicit or consider any offers in connection with the sale or transfer of the equity interest of any member of the Target Group or the interests or investments of the Target Group, or any transaction which might compete with the transactions contemplated under the MOU.

Formal Agreement

The Company and the Vendor will proceed with further negotiation for the entering into of the formal and binding agreement in respect of the Possible Acquisition (the “**Formal Agreement**”) within 60 days from the date of the MOU (or such later date as may be agreed by the parties).

Termination

The MOU shall terminate upon the earlier of (i) the date of the Formal Agreement and (ii) the day falling 60 days after the date of the MOU (or such later date as may be agreed by the parties), save for certain surviving provisions.

Legal effect

The MOU shall create no legal and binding obligations on the parties thereto save for provisions relating to due diligence, exclusivity, costs, confidentiality and governing law.

REASONS FOR AND BENEFITS OF THE MOU

The entering of the MOU will enable the Group to have the opportunity to exploit medical big health businesses such as medical disinfection, sterilization and cleansing, which will enhance the diversity of the Group’s business, thereby improving the overall performance of the Group’s health services business.

GENERAL

If the Formal Agreement materializes, the Possible Acquisition may constitute a notifiable transaction of the Company under the Listing Rules. Further announcement(s) will be made by the Company in accordance with all applicable requirements of the Listing Rules as and when appropriate.

The board of Directors (the “Board”) wishes to emphasize that no binding agreement in relation to the Possible Acquisition has been entered into as at the date of this announcement. As such, the Possible Acquisition may or may not proceed. Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Life Healthcare Group Limited
Xu Xueping
Chairman and Executive Director

Hong Kong, 18 January 2021

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

Executive Directors:

Mr. Xu Xueping (*Chairman*)

Mr. Man Wai Lun

Non-executive Director:

Ms. Fu Xiaoji

Independent non-executive Directors:

Mr. Liu Xinghua

Mr. Cheng Chun Man

Ms. Zheng Xin