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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 — FORMATION OF JOINT VENTURE COMPANY**

#### **FORMATION OF JOINT VENTURE COMPANY**

On 10 September 2021, Beijing Life Healthcare, a wholly-owned subsidiary of the Company, entered into the Joint Venture Agreement with the Joint Venture Partner under which the parties agreed to establish the Joint Venture Company to develop the big health market in intelligent medical examination, distribution of medical supplies and equipment, Internet medical technology, and medical research and development for public healthcare in the rural areas.

Pursuant to the terms of the Joint Venture Agreement, the registered capital of the Joint Venture Company will be RMB40,000,000 (equivalent to approximately HK\$48,400,000). Beijing Life Healthcare will contribute RMB26,000,000 (equivalent to approximately HK\$31,460,000) and the Joint Venture Partner will contribute the remaining RMB14,000,000 (equivalent to approximately HK\$16,940,000) towards the registered capital of the Joint Venture Company. The Joint Venture Company will be owned as to 65% by Beijing Life Healthcare and as to 35% by the Joint Venture Partner upon its establishment.

#### **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios in respect of the Company's investment in the Joint Venture Company exceeds 5% and all of the percentage ratios are less than 25%, the Joint Venture Agreement constitutes a discloseable transaction for the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

## FORMATION OF JOINT VENTURE COMPANY

On 10 September 2021, Beijing Life Healthcare, a wholly-owned subsidiary of the Company, entered into the Joint Venture Agreement with the Joint Venture Partner under which the parties agreed to establish the Joint Venture Company.

The principal terms of the Joint Venture Agreement are set out below.

### Subject matter

The Joint Venture Company will be a limited liability company to be established in accordance with the laws of the PRC and the provisions of the Joint Venture Agreement.

The proposed name of the Joint Venture Company is Beijing Life Healthcare Management Services Co. Ltd.\* (北京蓮合醫療健康管理服務有限公司).

### Purpose of the Joint Venture Company

The Joint Venture Company will focus on the development of the big health market in intelligent medical examination, distribution of medical supplies and equipment, Internet medical technology, and medical research and development for public healthcare in the rural areas.

### Capital contribution

Pursuant to the terms of the Joint Venture Agreement, the registered capital of the Joint Venture Company will be RMB40,000,000 (equivalent to approximately HK\$48,400,000). Beijing Life Healthcare will contribute RMB26,000,000 (equivalent to approximately HK\$31,460,000) and the Joint Venture Partner will contribute the remaining RMB14,000,000 (equivalent to approximately HK\$16,940,000) towards the registered capital of the Joint Venture Company. The Joint Venture Company will be owned as follows upon its establishment.

Shareholder	Capital contribution (RMB)	Shareholding percentage
Beijing Life Healthcare	26,000,000	65%
the Joint Venture Partner	14,000,000	35%
Total	<u>40,000,000</u>	<u>100%</u>

The parties to the Joint Venture Agreement shall make their respective capital contribution in cash within 6 months after the establishment of the Joint Venture Company.

The amount of capital contribution was determined after arm's length negotiations between the parties with reference to the initial capital requirement of the Joint Venture Company.

The Group intends to finance its investment in the Joint Venture Company from its internal resources.

### **Composition of the board of directors**

Pursuant to the terms of the Joint Venture Agreement, the board of directors of the Joint Venture Company will comprise of three (3) directors. Beijing Life Healthcare will be entitled to nominate two directors to the board of the Joint Venture Company and the Joint Venture Partner shall be entitled to nominate one director to the board of the Joint Venture Company.

### **Information on the Joint Venture Partner**

The Joint Venture Partner is a limited liability company established in the PRC in 2007 and is principally engaged in project investment and investment management. It is owned as to 91.1853% by 李蕾 (Li Lei) and as to 8.8147% by 王海旭 (Wang Haixu). To the best of the Directors' knowledge, information and belief and after making reasonable enquires, each of the Joint Venture Partner and its ultimate beneficial owners are independent of the Company and connected persons of the Company.

### **Reasons and benefits**

The Group is principally engaged in the healthcare products and services business. Beijing Life Healthcare is a wholly-owned subsidiary of the Company principally engaged in investment in the healthcare business.

The investment in the Joint Venture Company, which will be principally engaged in the investment in and/or operation of Internet medical health service platforms and other big health data services, allows the Group to further develop its core businesses in the healthcare industry and expand its reach to the rural area, which is in line with the business development strategy of the Group.

The terms of the Joint Venture Agreement were negotiated after arm's length negotiations. The Directors are of the view that the terms of the Joint Venture Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

### **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios in respect of the Company's investment in the Joint Venture Company exceeds 5% and all of the percentage ratios are less than 25%, the Joint Venture Agreement constitutes a discloseable transaction for the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

## DEFINITIONS

In this announcement, unless the context otherwise requires, capitalised terms used shall have the following meanings:

“Beijing Life Healthcare”	Beijing Life Healthcare Medical Technology Company Limited* (北京蓮合醫療科技有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company;
“Board”	the board of Directors;
“Company”	Life Healthcare Group Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 928);
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules;
“Director(s)”	the director(s) of the Company from time to time;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Joint Venture Agreement”	the agreement dated 10 September 2021 between Beijing Life Healthcare and the Joint Venture Partner in relation to the formation and management of the Joint Venture Company;
“Joint Venture Company”	the joint venture company to be established pursuant to the terms of the Joint Venture Agreement;
“Joint Venture Partner”	博璽投資有限公司 (Bo Xi Investment Co., Ltd.*), an investment company established in the PRC;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China, which for the purpose of this announcement shall exclude Hong Kong, the Macao Special Administrative Region of the People’s Republic of China and Taiwan;

“RMB”	Renminbi, the lawful currency of the PRC;
“Shareholder(s)”	shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“%”	per cent.

\* *English translation of the Chinese name(s) is for identification purpose only and should not be regarded as the official English name(s) of such Chinese name(s)*

*This announcement contains translation between RMB and Hong Kong dollar amounts at RMB1.00 = HK\$1.21, being the exchange rate prevailing on 10 September 2021. The translation should not be taken as a representation that the RMB could actually be converted into Hong Kong dollars at that rate or at all.*

By order of the Board  
**LIFE HEALTHCARE GROUP LIMITED**  
**Xu Xueping**  
*Chairman and Executive Director*

10 September 2021

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

*Executive Directors:*

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

*Independent non-executive Directors:*

Mr. Liu Xinghua  
Mr. Cheng Chun Man  
Mr. Li Li

*Non-executive Director:*

Ms. Fu Xiaoji