

*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 its 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)**

### **DISCLOSEABLE TRANSACTION — FORMATION OF JOINT VENTURE COMPANY**

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

On 3 March 2022, Beijing Life Healthcare, a wholly-owned subsidiary of the Company, entered into the Joint Venture Agreement with the Joint Venture Partners under which the parties agreed to establish the Joint Venture Company to develop a standardized information services technology sharing and cooperation platform for the intelligent management of special drugs.

Pursuant to the terms of the Joint Venture Agreement, the registered capital of the Joint Venture Company will be RMB100,000,000 (equivalent to approximately HK\$124,000,000). Beijing Life Healthcare will contribute RMB25,000,000 (equivalent to approximately HK\$31,000,000), Joint Venture Partner I contribute RMB30,000,000 (equivalent to approximately HK\$37,200,000), and Joint Venture Partner II will contribute the remaining RMB45,000,000 (equivalent to approximately HK\$55,800,000) towards the registered capital of the Joint Venture Company. The Joint Venture Company will be owned as to 25% by Beijing Life Healthcare, as to 30% by Joint Venture Partner I and as to 45% by Joint Venture Partner II 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 3 March 2022, Beijing Life Healthcare, a wholly-owned subsidiary of the Company, entered into the Joint Venture Agreement with the Joint Venture Partners 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 “Shandong Life Healthcare Yaoqi Medical Equipment Co. Ltd.\* (山東蓮合耀奇醫療器械有限公司)”.

### Purpose of the Joint Venture Company

The Joint Venture Company will focus on the application of new technologies such as the Internet, big data, and artificial intelligence to connect, and reconstruct the refined intelligent management of drug inventories through independent research and development, production of drug management cabinets that meet industry standards promulgated in China, and development of a standardized information services technology sharing and cooperation platform for intelligent management equipment for special drugs.

### Capital contribution

Pursuant to the terms of the Joint Venture Agreement, the registered capital of the Joint Venture Company will be RMB100,000,000 (equivalent to approximately HK\$124,000,000). The capital to be contributed by the parties to the Joint Venture Company and the shareholding of the Joint Venture Company upon its establishment will be as follows:

Shareholder	Capital contribution (RMB)	Shareholding percentage
Beijing Life Healthcare	25,000,000	25%
Joint Venture Partner I	30,000,000	30%
Joint Venture Partner II	45,000,000	45%
<b>Total</b>	<b>100,000,000</b>	<b>100%</b>

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.

### **Management of the Joint Venture Company**

The Joint Venture Company will not have a board of directors. The executive director to be nominated by Shandong Yaoqi Trading Co., Ltd.\*/Joint Venture Partner II will be responsible for the management and operation of the Joint Venture Company.

### **Information on the parties**

#### ***Beijing Life Healthcare***

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

#### ***Joint Venture Partner I***

Joint Venture Partner I is a limited liability company established in the PRC. It is a comprehensive service company for medical e-commerce, sales and agency of medical equipment and medical supplies, and anti-epidemic supplies. Joint Venture Partner I is wholly owned by Gini Management Limited, a company incorporated in Hong Kong with limited liability and is principally engaged in investment holding. Gini Management Limited is owned by Nie Xiaoqun (聶曉群) and Lin Yiquan (林意全).

#### ***Joint Venture Partner II***

Joint Venture Partner II is a limited liability company established in the PRC. It is principally engaged in the business of integrating engineering technology, information technology and energy trading, e-commerce, marketing, network engineering, equipment deep processing and related businesses. Joint Venture Partner II is wholly owned by Forever Nice Corporation Limited, a company incorporated in Hong Kong with limited liability and is principally engaged in investment holding. Forever Nice Corporation Limited is owned by Zhao Yong (趙勇).

To the best of the Directors' knowledge, information and belief and after making reasonable enquires, each of Joint Venture Partner I and Joint Venture Partner II and their ultimate beneficial owners are not connected persons of the Company.

### **Reasons and benefits**

The Group is principally engaged in the healthcare products and services business. The investment in the Joint Venture Company allows the Group to further develop its core businesses in the healthcare industry and 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 3 March 2022 between Beijing Life Healthcare and the Joint Venture Partners 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 I”	汲億華奇（北京）科技發展有限公司 (Jiyihuaqi (Beijing) Technology Development Co., Ltd.*), a limited liability company established in the PRC;
“Joint Venture Partner II”	山東耀齊經貿有限公司 (Shandong Yaoqi Trading Co., Ltd.*), a limited liability company established in the PRC;
“Joint Venture Partners”	Joint Partner I and Joint Venture Partner II;
“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;
“Shareholder(s)”	shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	per cent.

*This announcement contains translation between RMB and Hong Kong dollar amounts at RMB1.00 = HK\$1.24, being the exchange rate prevailing on 3 March 2022. 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**  
**Pang Zhen**  
*Executive Director*

3 March 2022

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

*Executive Directors:*

Mr. Man Wai Lun

Mr. Pang Zhen

*Independent non-executive Directors:*

Mr. Liu Xinghua

Mr. Li Li

Mr. Wang Yang

*Non-executive Directors:*

Ms. Fu Xiaoji

\* *For identification only*