

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.



Union Medical Healthcare Limited

香港醫思醫療集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2138)

DISCLOSEABLE TRANSACTION - ACQUISITION OF PROPERTY

The Board is pleased to announce that on 1 April 2017, the Purchaser, an indirect wholly-owned subsidiary of the Company entered into the Provisional Agreement with the Seller pursuant to which the Seller agrees to sell, and the Purchaser agrees to purchase, the Property at a total consideration of HK\$60,000,000. It is expected that the completion of the Acquisition will take place on or before 30 June 2017.

As one or more of the applicable percentage ratios in respect of the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. Therefore, the Acquisition is subject to the reporting and announcement requirements as set out in Chapter 14 of the Listing Rules.

INTRODUCTION

The board (the “**Board**”) of directors (the “**Directors**”) of Union Medical Healthcare Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce that on 1 April 2017, United Link Corporation Limited (the “**Purchaser**”) an indirect wholly-owned subsidiary of the Company incorporated in Hong Kong, entered into a provisional sale and purchase agreement (the “**Provisional Agreement**”) with Chua Eh Fong, an independent third party (the “**Seller**”) pursuant to which the Seller agrees to sell, and the Purchaser agrees to purchase, Unit 613 & 615 on 6th Floor, Tower Two, Lippo Centre, 89 Queensway, Hong Kong (the “**Property**”) at a total consideration of HK\$60,000,000 (the “**Acquisition**”). It is expected that the completion of the Acquisition will take place on or before 30 June 2017.

THE PROVISIONAL AGREEMENT

Key terms of the Provisional Agreement are set out as follows:

Date 1 April 2017

Parties (1) Chua Eh Fong, as seller; and
(2) United Link Corporation Limited, as purchaser

To the best knowledge, information and belief of the Directors after having made all reasonable enquiries, as at the date of this announcement, the Seller is a third party independent of the Company and its connected persons (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)).

Property to be acquired The property located at unit 613 & 615 on 6th Floor, Tower Two, Lippo Centre, 89 Queensway, Hong Kong, with a total gross floor area of approximately 2,659 square feet,

Consideration and Payment Terms The total consideration amounts to HK\$60,000,000 which shall be payable by the Purchaser in the following manner:

- (a) HK\$12,000,000 has been paid upon the signing of the Provisional Agreement on 1 April 2017;
- (b) HK\$6,000,000 shall be paid upon the signing of the formal sale and purchase agreement on or before 14 April 2017;
- (c) HK\$12,000,000 shall be paid on or before 15 May 2017; and
- (d) The remaining HK\$30,000,000 shall be paid upon completion of the Acquisition which is expected to take place on or before 30 June 2017.

The consideration was arrived at after arm’s length negotiations between the Purchaser and the Seller on normal commercial terms with reference to the market value of similar properties in similar locations. The consideration has been/will be financed by internal resources of the Group.

To the best information, knowledge and belief of the Directors, the Property has not been leased by the Seller and hence no rental income has been derived from the Property for the two financial years immediately preceding the date of the Provisional Agreement.

INFORMATION ABOUT THE GROUP

The Purchaser is an indirectly wholly-owned subsidiary of the Company and is principally engaged in investment holding. The Group is principally engaged in the (1) medical services, comprising aesthetic surgical procedures, minimally invasive procedures and energy-based procedures performed by doctors and general consultation services, as well as dental, Chinese medicinal and ophthalmological services; (2) quasi-medical services, comprising energy-based procedures performed by our trained therapists who have completed mandatory internal training developed by our doctors; (3) traditional beauty services, comprising facials, massages and other non-invasive procedures; (4) skincare and beauty products, primarily of our private-label brands, PRODERMA LAB and Suissebeaute; (5) health management centre; and (6) chiropractic and physiotherapy services in Hong Kong.

REASONS FOR AND BENEFITS OF THE ACQUISITION

As at the date of this announcement, it is intended that the Property will be used for the Company's business and/or operations upon completion of the Acquisition. The Directors considered that expansion of our business and/or operations to office premises located in Hong Kong's the prime commercial district will further enhance brand image of the Group and create value for its shareholders.

Having considered that the Provisional Agreement was entered into on normal commercial terms with the consideration being determined with reference to the market value of similar properties in similar locations, the Directors (including the independent non-executive Directors) are of the view that the terms of the Provisional Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules. Therefore, the Acquisition is subject to the reporting and announcement requirements as set out in Chapter 14 of the Listing Rules.

By Order of the Board of
Union Medical Healthcare Limited
Gabriel Lee
Executive Director

Hong Kong, 1 April 2017

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Tang Chi Fai, Mr. Lee Gabriel, Mr. Luk Kun Shing Ben, Mr. Yeung Chin Wan, and three independent non-executive Directors, namely Mr. Ma Ching Nam, Dr. Yu Ka Fai Alexis and Mr. Look Andrew.

**For identification purpose only*