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## **Vincent Medical Holdings Limited**

**永勝醫療控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

(Stock code: 1612)

**(1) DISCLOSABLE AND CONNECTED TRANSACTION  
IN RELATION TO ACQUISITION OF SALE SHARES;**

**(2) ISSUE OF CONSIDERATION SHARES PURSUANT  
TO SPECIFIC MANDATE; AND**

**(3) APPOINTMENT OF EXECUTIVE DIRECTOR**

**Financial Adviser to Vincent Medical Holdings Limited**

**BALLAS**

C A P I T A L

**Ballas Capital Limited**

**Independent Financial Adviser to the  
Independent Board Committee and Independent Shareholders**

**HALCYON 鎧盛**

**Halcyon Capital Limited**

### **THE ACQUISITION**

The Board is pleased to announce that on 12 April 2017 (after trading hours), the Purchaser, a direct wholly-owned subsidiary of Company, the Vendors and the Target entered into the Acquisition Agreement, pursuant to which the Vendors have conditionally agreed to sell the Sale Shares (representing the entire share capital of the

Target), and the Purchaser has conditionally agreed to make the purchase of the Sale Shares at the Consideration of HK\$130,000,000. The Consideration shall be satisfied in the following manners (a) as to HK\$90,000,000, as part of the Consideration, shall be satisfied by the allotment and issue of the 1st Tranche Consideration Shares at the Issue Price of HK\$1.1 per Consideration Share to the 1st Vendor at Completion; and (b) as to the remaining balance of HK\$40,000,000, shall be a post completion obligation and satisfied by: (i) as to the 1st Vendor, the allotment and issue of the 2nd Tranche Consideration Shares at the Issue Price of HK\$1.1 per Consideration Share to the 1st Vendor or by cash (at the election of the 1st Vendor); and (ii) as to the 2nd Vendor, the allotment and issue of the 3rd Tranche Consideration Shares at the Issue Price of HK\$1.1 per Consideration Share to the 2nd Vendor or by cash (at the election of the 2nd Vendor).

The Target Group is principally engaged in the design, research and development, manufacture, sales and marketing of a wide range of medical devices including, among others, medical oximeters, pulse oximetry, bilumen breathing circuits for anesthesia and respiratory application and accessories, blood pressures cuffs, temperature probes and medical cables (used in both patient monitoring and diagnostic systems), antennas and connected wires for hospital network connections and portable alcohol breathalyzer for measuring blood alcohol content from a breath sample. Upon Completion, the Target will become an indirect wholly-owned subsidiary of the Company and its financial results will be consolidated into the financial statements of the Company.

#### **APPOINTMENT OF EXECUTIVE DIRECTOR**

Subject to the approval of the EGM on the Acquisition, the Board intends, upon Completion, to appoint Dr. Lu, the 1st Vendor, as an executive Director. Dr. Lu, aged 43, is a founder of and currently holds the position of the chief executive officer of the Target Group. Upon appointment of Dr. Lu as an executive Director, the Company will publish an announcement setting out further biographical details of Dr. Lu in compliance with Rule 13.51(2) of the Listing Rules.

#### **LISTING RULES IMPLICATIONS**

The 2nd Vendor is a son of Mr. Choi Man Shing, the chairman and an executive Director, and Ms. Liu Pui Ching, a non-executive Director, being the Controlling Shareholders of the Company who, together with VRI, jointly control interests in approximately 60.03% of the number of Shares in issue as at the date of this announcement. The 2nd Vendor is therefore a connected person of the Company. Accordingly, the Acquisition constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As one or more of the applicable percentage ratios for the Company regarding the Acquisition are more than 5% but less than 25%, the Acquisition constitutes (i) a disclosable transaction of the Company which is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules; and (ii) a non-exempt connected transaction of the Company which is subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **GENERAL**

The EGM will be convened and held by the Company for the Independent Shareholders to consider and, if thought fit, approve the Acquisition Agreement and the transactions contemplated thereunder (including the allotment and issue of the Consideration Shares pursuant to the Specific Mandate). The voting at the EGM will be taken by poll.

An Independent Board Committee has been formed to advise and provide recommendation to the Independent Shareholders on the Acquisition Agreement and the transactions contemplated thereunder (including the allotment and issue of the Consideration Shares pursuant to the Specific Mandate). Halcyon Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in the same respect.

A circular containing, among other things, the particulars of the Acquisition Agreement together with the recommendation from the Independent Board Committee, the advice of the Independent Financial Adviser, a notice of the EGM and a proxy form is expected to be despatched to the Shareholders on or before 9 May 2017, taking into account the time required for the preparation of the information contained therein.

**The Acquisition is subject to the fulfillment of a number of conditions precedent which are detailed in the paragraph headed “2. Acquisition Agreement — Conditions Precedent” in this announcement. As the Acquisition may or may not proceed, the Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## **1. INTRODUCTION**

The Board is pleased to announce that on 12 April 2017 (after trading hours), the Purchaser, a direct wholly-owned subsidiary of the Company, the Vendors and the Target entered into the Acquisition Agreement, pursuant to which the Vendors have conditionally agreed to sell the Sale Shares (representing the entire share capital of the Target), and the Purchaser has conditionally agreed to make such purchase at the Consideration of HK\$130,000,000. Upon Completion, the Target will become an indirect wholly-owned subsidiary of the Company and its financial results will be consolidated into the financial statements of the Company.

## 2. ACQUISITION AGREEMENT

Set out below are the principal terms of the Acquisition Agreement:

### **Date**

12 April 2017 (after trading hours)

### **Parties**

- (i) the Purchaser: Vincent Medical Care Holdings Limited, a direct wholly-owned subsidiary of the Company
- (ii) the Vendor:
  - (1) Dr. Lu, the 1st Vendor
  - (2) Mr. Choi Cheung Tai Raymond, the 2nd Vendor
- (iii) the Target

As at the date of this announcement, the Target is owned as to 80% by the 1st Vendor and as to 20% by the 2nd Vendor. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the 1st Vendor is a third party independent of and not connected with the Company and its connected persons.

The 2nd Vendor is a son of Mr. Choi Man Shing, the chairman and an executive Director, and Ms. Liu Pui Ching, a non-executive Director, being the Controlling Shareholders of the Company who, together with VRI, jointly control interest in approximately 60.03% of the number of Shares in issue as at the date of this announcement. The 2nd Vendor is therefore a connected person of the Company. The 2nd Vendor's portion of the Sales Shares was acquired by the 2nd Vendor at the cost of HK\$12,000,000 in January 2016.

### **Assets to be acquired**

The Sale Shares, representing the entire share capital of the Target, free from all encumbrances together with all rights attached thereto, including the right to receive all dividends and other distributions declared, made or paid, on or after the Completion Date.

## **Consideration**

The Consideration for the Acquisition will be HK\$130,000,000 (as to HK\$104,000,000 payable to the 1st Vendor and as to HK\$26,000,000 payable to the 2nd Vendor), which shall be satisfied in the following manner:

**(a) 1st Tranche Payment:**

HK\$90,000,000, being part of the Consideration payable to the 1st Vendor will be satisfied by the allotment and issue of the 1st Tranche Consideration Shares upon Completion at the Issue Price of HK\$1.1 per Consideration Share.

**(b) 2nd Tranche Payment:**

(i) HK\$14,000,000, being part of the Consideration, will be paid to the 1st Vendor by the allotment and issue of the 2nd Tranche Consideration Shares at the Issue Price of HK\$1.1 per Consideration Share or by cash (at the election of the 1st Vendor).

(ii) HK\$26,000,000, being part of the Consideration, will be paid to the 2nd Vendor by the allotment and issue of the 3rd Tranche Consideration Shares at the Issue Price of HK\$1.1 per Consideration Shares or by cash (at the election of the 2nd Vendor).

(iii) The 2nd Tranche Payment shall be paid on or before the 30th calendar day from the expiry of the 12 calendar-month period from the Completion Date or the fifth Business Day after the Conditions Precedent to the Issue of the 2nd Tranche Consideration Shares and the 3rd Tranche Consideration Shares shall have been satisfied (in the event of the 1st Vendor and/or the 2nd Vendor's election of payment by way of the 2nd Tranche Consideration Shares and/or the 3rd Tranche Consideration Shares), whichever is later.

The Consideration was arrived at after arm's length negotiations between the Company and the Vendors taking into account the historical financial performance of the Target Group, and the business development and future prospects of the Target Group.

## **Conditions Precedent**

The Completion is conditional upon fulfillment and/or waiver (as the case may be) of the Conditions Precedent as set forth below:

(i) the Purchaser being satisfied in all respects with the results of the due diligence exercise to be carried out by the Purchaser on the Target Group in all aspects;

- (ii) obtaining of all necessary and unconditional approvals, authorizations or consents in all relevant jurisdictions in relation to the transactions contemplated under the Acquisition Agreement and no applicable law which would prohibit, restrict or materially delay the sale and purchase of the Sale Shares (if applicable);
- (iii) the due provision by the Vendors of all documents and/or information in relation to the Target Group as requested by the Purchaser and/or its advisors;
- (iv) provision of the certificate of incumbency and certificate of good standing of the Target issued not early than 7 days before Completion;
- (v) the warranties given by the Vendors remaining true and accurate and not misleading in any material respect on Completion as if repeated on Completion and at all times between the date of the Acquisition Agreement and Completion;
- (vi) no fact or circumstance having occurred that would constitute a material breach by the Vendors of the Acquisition Agreement or be inconsistent in any material respect with any of the warranties or other provisions in relation to the Vendors set out in the Acquisition Agreement;
- (vii) employment contracts and non-compete undertakings duly executed by key management person of the Target Group to satisfactory to the Purchaser;
- (viii) absence of any action or legal proceedings against the Vendors, any member of the Target Group that may affect the transactions as contemplated in the Acquisition Agreement or the value of investment in respect of the purchase of the Sale Shares by the Purchaser;
- (ix) the Vendors having delivered to the Purchaser a certificate signed certifying that the conditions precedent set out in the Acquisition Agreement have been fulfilled;
- (x) any consents, approvals and compliance with such other conditions precedent in respect of the transactions as contemplated under the Acquisition Agreement as may be required under the Listing Rules and/or by the Stock Exchange having been obtained;
- (xi) the Independent Shareholders having approved the Acquisition Agreement and the transactions contemplated therein, including but not limited to the issue of the Consideration Shares;
- (xii) the approval for the listing of, and permission to deal in, all the Consideration Shares on the main board of the Stock Exchange having been granted by the Listing Committee of the Stock Exchange; and

(xiii) all necessary licences, consents, mandates, approvals, authorisations, permissions, waivers, orders, exemptions of, among others, the Stock Exchange and/or any other governmental and/or regulatory authorities and/or the Shareholders, which are required for the issuing and/or listing of the Consideration Shares, having been obtained and not having been revoked.

In the event that any of the abovementioned conditions precedent are not fulfilled or waived by the Company (except conditions precedent (xii) to (xiii) which cannot be waived by any parties) on or before the Long Stop Date, a party to the Acquisition Agreement may elect to terminate the Acquisition Agreement and all rights and obligations of the parties thereunder shall cease immediately upon termination save that the termination shall not affect or prejudice the then accrued rights and obligations of the parties.

### **Conditions Precedent to the Issue of the 2nd Tranche Consideration Shares and the 3rd Tranche Consideration Shares**

The allotment and issue of the 2nd Tranche Consideration Shares and the 3rd Tranche Consideration Shares are subject to the fulfilment of the following conditions precedent:

- (a) Completion having taken place;
- (b) the approval for the listing of, and permission to deal in, all the Consideration Shares on the main board of the Stock Exchange having been granted by the Listing Committee of the Stock Exchange; and
- (c) all necessary licences, consents, mandates, approvals, authorisations, permissions, waivers, orders, exemptions of, among others, the Stock Exchange and/or any other governmental and/or regulatory authorities and/or the Shareholders, which are required for the issuing and/or listing of the 2nd Tranche Consideration Shares and the 3rd Tranche Consideration Shares, having been obtained and not having been revoked.

In the event that the Conditions Precedent to the Issue of the 2nd Tranche Consideration Shares and the 3rd Tranche Consideration Shares are not satisfied, the Vendors shall only be entitled cash payment for the 2nd Tranche Payment.

### **Completion**

Completion shall take place on the fifth Business Day following satisfaction or waiver of the conditions precedent set out in the paragraph headed “2. Acquisition Agreement – Conditions Precedent” above, or on such other date as the Vendors and the Company may agree in writing.

## Consideration Shares

At Completion, the 1st Tranche Consideration Shares will be allotted and issued to the 1st Vendor as set out in the paragraph headed “2. Acquisition Agreement – Consideration”. The 2nd Tranche Consideration Shares and the 3rd Tranche Consideration Shares will be allotted and issued to the Vendors on or before the 30th calendar day from the expiry of the 12 calendar-month period from the Completion Date or the fifth Business Day after the Conditions Precedent to the Issue of the 2nd Tranche Consideration Shares and the 3rd Tranche Consideration Shares shall have been satisfied (in the event of the 1st Vendor and/or the 2nd Vendor’s election of payment by way of the 2nd Tranche Consideration Shares and/or the 3rd Tranche Consideration Shares), whichever is later.

The maximum number of Consideration Shares to be issued (on the assumption of the Vendors electing to receive the 2nd Tranche Consideration Shares and the 3rd Tranche Consideration Shares as the 2nd Tranche Payment) comprise a total of 118,181,816 Shares, which represent approximately 18.52% of the existing number of Shares in issue as at the date of this announcement and approximately 15.63% of the number of Shares in issue as enlarged by the allotment and issue of the Consideration Shares (assuming there is no other change in the issued share capital of the Company from the date of this announcement to Completion Date).

The Issue Price of HK\$1.1 per Consideration Share was determined after arm’s length negotiation between the parties to the Acquisition Agreement with reference to, among other things, the recent trading prices of the Shares, which represents:

- (i) a premium of approximately 17.02% over the closing price of HK\$0.94 per Share as quoted on the Stock Exchange on 12 April 2017, being the date of the Acquisition Agreement;
- (ii) a premium of approximately 14.58% over the average closing price of approximately HK\$0.96 per Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the last trading date prior to the date of the Acquisition Agreement; and
- (iii) a premium of approximately 13.40% over the average closing price of approximately HK\$0.97 per Share as quoted on the Stock Exchange for the last thirty consecutive trading days up to and including the last trading date prior to the date of the Acquisition Agreement.

The Consideration Shares, when allotted and issued, will be credited as fully paid and will rank *pari passu* in all respects among themselves and with the Shares in issue as at the date of allotment and issue of the Consideration Shares, except that they shall not be entitled to receive any dividend, distribution or entitlement declared, paid or made by reference to a record date prior to the date of allotment and issue of the Consideration Shares.

The Issue Price was determined by the Board after arm's length negotiations with the Vendors with reference to, among others, the prevailing market prices of the Shares and the current market conditions. The Directors (excluding the independent non-executive Directors who shall provide their views after taking into account the advice of the Independent Financial Adviser) consider the Issue Price to be fair and reasonable and in the interest of the Company and the Shareholders as a whole.

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares. The Consideration Shares will be allotted and issued by the Company under the Specific Mandate proposed to be sought from the Independent Shareholders at the EGM.

### **Lockup Period**

Each of the Vendors irrevocably undertake and warrant that without the prior written consent of the Purchaser, the Vendors shall not, during the respective periods commencing on the respective dates of the allotment and issue of the 1st Tranche Consideration Shares, the 2nd Tranche Consideration Shares and the 3rd Tranche Consideration Shares and ending 2 years after the respective dates of such allotment and issuance, (i) offer, pledge, sell, contract to sell, grant, lend, or otherwise transfer or dispose of, directly or indirectly, any Consideration Shares; (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of the Consideration Shares, whether any such transaction described in (i) or (ii) above is to be settled by delivery of Consideration Shares, in cash or otherwise; or (iii) publicly disclose the intention to make any offer, sale, pledge or disposition, or to enter into any transaction, swap, hedge or other arrangement relating to any Consideration Shares.

### 3. EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The following table illustrates the shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately after the issuance of the 1st Tranche Consideration Shares upon Completion (assuming that there is no other change in the issued share capital of the Company since the date of this announcement); and (iii) immediately after the issuance of all Consideration Shares (assuming that there is no other change in the issued share capital of the Company since the date of this announcement).

Name of Shareholder	As at the date of this announcement		Immediately after the issuance of the 1st Tranche Consideration Shares upon Completion (assuming that there is no other change in the issued share capital of the Company since the date of this announcement)		Immediately after the issuance of all Consideration Shares (assuming that there is no other change in the issued share capital of the Company since the date of this announcement)	
	<i>Approximately</i>		<i>Approximately</i>		<i>Approximately</i>	
	<i>No. of Shares</i>	<i>% of number of Shares in issue</i>	<i>No. of Shares</i>	<i>% of number of Shares in issue</i>	<i>No. of Shares</i>	<i>% of number of Shares in issue</i>
Choi Man Shing	382,989,890 <i>(Note 1)</i>	60.03%	382,989,890 <i>(Note 1)</i>	53.20%	382,989,890 <i>(Note 1)</i>	50.65%
To Ki Cheung	16,497,778 <i>(Note 2)</i>	2.59%	16,497,778 <i>(Note 2)</i>	2.29%	16,497,778 <i>(Note 2)</i>	2.18%
Koh Ming Fai	4,941,166 <i>(Note 3)</i>	0.77%	4,941,166 <i>(Note 3)</i>	0.69%	4,941,166 <i>(Note 3)</i>	0.65%
Fu Kwok Fu	4,941,166 <i>(Note 4)</i>	0.77%	4,941,166 <i>(Note 4)</i>	0.69%	4,941,166 <i>(Note 4)</i>	0.65%
Dr. Lu (1st Vendor)	0	0.00%	81,818,181	11.37%	94,545,453	12.50%
<b>Subtotal</b>	<b>409,370,000</b>	<b>64.16%</b>	<b>491,188,181</b>	<b>68.24%</b>	<b>503,915,453</b>	<b>66.63%</b>
Public Shareholder	228,630,000	35.84%	228,630,000	31.76%	228,630,000	30.24%
Choi Cheung Tai Raymond (2nd Vendor)	0	0.00%	0	0.00%	23,636,363	3.13%
<b>Total</b>	<b>638,000,000</b>	<b>100.00%</b>	<b>719,818,181</b>	<b>100.00%</b>	<b>756,181,816</b>	<b>100.00%</b>

*Notes:*

1. These interests represented:
  - (a) 1,000,000 Shares held by Mr. Choi Man Shing (“**Mr. Choi**”), the chairman of the Company and an executive Director;
  - (b) 381,939,890 Shares held by VRI. Mr. Choi holds 57.89% and Ms. Liu Pui Ching (a non-executive Director) holds 42.11% of the issued share capital of VRI, respectively. By virtue of the SFO, Mr. Choi is deemed to be interested in all the Shares in which VRI is interested; and
  - (c) 50,000 Shares held by VRHK. VRI holds the entire issued share capital of VRHK and therefore by virtue of the SFO, Mr. Choi is deemed to be interested in all the Shares in which VRHK is interested.
2. These interests represented 16,497,778 Shares held by Mr. To Ki Cheung, the chief executive officer of the Company and an executive Director.
3. These interests represented 4,941,166 Shares held by Mr. Koh Ming Fai, an executive Director.
4. These interests represented 4,941,166 Shares held by Mr. Fu Kwok Fu, an executive Director.

#### **4. INFORMATION OF THE TARGET**

The Target Group is principally engaged in the design, research and development, manufacture, sales and marketing of a wide range of medical devices including, among others, medical oximeters, pulse oximetry, bilumen breathing circuits and accessories for anesthesia and respiratory application, blood pressures cuffs, temperature probes and medical cables (used in both patient monitoring and diagnostic systems), antennas and connected wires for hospital network connections and portable alcohol breathalyzer for measuring blood alcohol content from a breath sample. Its production facility and research and development center are located in Shenzhen, the PRC.

In addition to the OEM (i.e. original equipment manufacturing) and ODM (i.e. original design manufacturing) businesses, the Target Group also develop and manufacture innovative medical devices. Its flagship product the “QTube”, a bilumen breathing circuit that integrated features like water traps, antimicrobial protection and self-testing into the design, has been selling to overseas medical devices companies since 2014. The Target Group is also engaged in the sourcing of finished and semi-finished medical related products from overseas for sales to customers in the PRC, Europe and Asia (including hospitals in Hong Kong). In addition, the Target Group also owns and operates a laboratory specialized in oximetry testing service.

Set out below is a summary of the audited consolidated financial information of the Target Group.

	<b>For the years ended</b>	
	<b>31 December</b>	
	<b>2015</b>	<b>2016</b>
	<i>(HK\$ '000)</i>	<i>(HK\$ '000)</i>
<b>Turnover</b>		
Breathalyzers and oximetry solutions	27,621	40,226
Patient monitor accessories	15,958	18,350
Respiratory products	3,548	6,901
Laboratory testing	3,103	1,857
	<b>50,230</b>	<b>67,334</b>
<b>Net profit before taxation</b>	<b>2,059</b>	<b>11,231</b>
<b>Net profit after taxation</b>	<b>622</b>	<b>9,142</b>

As at 31 December 2016, the audited net asset value of the Target Group was approximately HK\$32.43 million.

## **5. REASONS FOR AND BENEFITS OF THE TRANSACTIONS**

The Group is principally engaging in the manufacturing and sale of medical devices focusing on respiratory products, imaging contrast media power injector disposables, orthopedic and rehabilitation products. It has been the Group's strategy to focus on enhancing its competitiveness of its core business by expanding its product portfolio and continue to explore new business opportunities.

The Board believes that the Acquisition will benefit the Group by expanding its product offering in anaesthesia and respiratory disposable products, oximeters, patient monitor accessories and alcohol breathalyzer products. On the other hand, the Target can leverage on the production platform and established global sales network of the Group to expand its businesses. The Board considers that the Acquisition is in line with the Group's development strategy and represents a strategic investment opportunity for the Group. The Directors (excluding the independent non-executive Directors who shall provide their views after taking into account the advice of the Independent Financial Adviser) believe that the terms of the Acquisition Agreement are on normal commercial terms and fair and reasonable, and the Acquisition is in the interests of the Company and the Shareholders as a whole.

## 6. APPOINTMENT OF EXECUTIVE DIRECTOR

Upon Completion, the Board intends to appoint Dr. Lu, the 1st Vendor, as an executive Director. Brief biographical details of Dr. Lu are set out below:

**Dr. Lu**, aged 43, is a founder of and currently holds the position of the chief executive officer of the Target Group.

Dr. Lu graduated from the Sun Yat-sen University in PRC in 1986 with a bachelor's degree in biochemistry. In 1994, Dr. Lu was awarded by the Victoria University of Wellington in New Zealand with the degree of doctor of philosophy in biochemistry. In 1997, Dr. Lu returned to work in Hong Kong from New Zealand and joined as a staff member and one of the shareholders of GTS, which currently forms part of the Target Group, in 2000. Thereafter, Dr. Lu acquired the remaining shareholding interest in GTS and set up other companies within the Target Group. Dr. Lu has over 15 years of experience in business management.

Dr. Lu will enter into a service agreement with the Company for a term of three years commencing from the date of appointment provided that at any time during the term of appointment, either party may terminate the appointment by giving to the other not less than three months' notice in writing. His appointment is subject to retirement by rotation and re-election at the next following annual general meeting in accordance with the articles of association of the Company and the Listing Rules. The emolument of Dr. Lu will be determined with reference to his duties and responsibilities, the Company's performance as well as the remuneration benchmark in the industry and the prevailing market conditions.

Upon appointment of Dr. Lu as an executive Director, the Company will publish an announcement setting out further biographical details of Dr. Lu in compliance with Rule 13.51(2) of the Listing Rules.

## 7. LISTING RULES IMPLICATIONS

The 2nd Vendor is a son of Mr. Choi Man Shing, the chairman and an executive Director, and Ms. Liu Pui Ching, a non-executive Director, being the Controlling Shareholders of the Company who, together with VRI, jointly control interest in approximately 60.03% of the number of Shares in issue as at the date of this announcement. The 2nd Vendor is therefore a connected person of the Company. Accordingly, the Acquisition constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. As one or more of the applicable percentage ratios for the Company regarding the Acquisition are more than 5% but less than 25% while the Consideration is over HK\$10,000,000, the Acquisition constitutes (i) a disclosable transaction of the Company which is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules; and (ii) a non-exempt connected transaction of the Company which is subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Given that the 2nd Vendor is a son of Mr. Choi Man Shing (an executive Director) and Ms. Liu Pui Ching (a non-executive Director), both of them are deemed to have material interests in the Acquisition and have abstained from voting on the board resolutions for considering and approving the Acquisition Agreement. Saved for the abovementioned, none of the Directors has a material interest in the transactions contemplated under the Acquisition Agreement, or is required to abstain from voting on the board resolutions for considering and approving the same.

## 8. GENERAL

The EGM will be convened and held by the Company for the Independent Shareholders to consider and, if thought fit, approve the Acquisition Agreement and the transactions contemplated thereunder (including the allotment and issue of the Consideration Shares pursuant to the Specific Mandate). The voting at the EGM will be taken by poll.

VRI, a controlled corporation of Mr. Choi Man Shing and Ms. Liu Pui Ching, which together hold 60.03% of the number of Shares in issue as at the date of this announcement, is required to abstain from voting on the relevant resolutions to be proposed at the EGM to approve the Acquisition Agreement and the transactions contemplated thereunder (including the allotment and issue of the Consideration Shares pursuant to the Specific Mandate) in view of its material interest in the Acquisition as mentioned above.

An Independent Board Committee has been formed to advise and provide recommendation to the Independent Shareholders on the Acquisition Agreement and the transactions contemplated thereunder (including the allotment and issue of the Consideration Shares pursuant to the Specific Mandate). Halcyon Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in the same respect.

A circular containing, among other things, the particulars of the Acquisition Agreement together with the recommendation from the Independent Board Committee, the advice of the Independent Financial Adviser, a notice of the EGM and a proxy form is expected to be despatched to the Shareholders on or before 9 May 2017, taking into account the time required for the preparation of the information contained therein.

**The Acquisition is subject to the fulfillment of a number of conditions precedent which are detailed in the paragraph headed “2. Acquisition Agreement — Conditions Precedent” in this announcement. As the Acquisition may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“Acquisition”	the proposed acquisition of the Sale Shares and by the Purchaser pursuant to the terms and conditions precedent of the Acquisition Agreement
“Acquisition Agreement”	the conditional sale and purchase agreement dated 12 April 2017 entered into between the Purchaser, the Vendors and the Target in relation to the Acquisition
“connected person(s)”; “connected transaction(s)”; percentage ratio(s)” and “subsidiary(ies)”	each has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day other than Saturday or Sunday, on which banks are open for general business in Hong Kong
“BVI”	the British Virgin Islands
“Company”	Vincent Medical Holdings Limited (永勝醫療控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the main board of the Stock Exchange (stock code: 1612)
“Completion”	completion of the Acquisition in accordance with the terms and conditions of the Acquisition Agreement
“Completion Date”	the date on which Completion takes place in accordance with the terms and conditions of the Acquisition Agreement
“Conditions Precedent to the Issue of the 2nd Tranche Consideration Shares and the 3rd Tranche Consideration Shares”	those conditions precedent as set out under the heading “2. Acquisition Agreement – Conditions Precedent to the Issue of the 2nd Tranche Consideration Shares and the 3rd Tranche Consideration Shares”

“Consideration”	HK\$130,000,000 being the total consideration for the Sale Shares payable by the Purchaser to the Vendors under the Acquisition
“Consideration Share(s)”	118,181,816 Shares being the aggregate of the 1st Tranche Consideration Shares, the 2nd Tranche Consideration Shares and the 3rd Tranche Consideration Shares to be allotted and issued, credited as fully paid, by the Company
“Controlling Shareholders”	Mr. Choi Man Shing, Ms. Liu Pui Ching and VRI, being the Controlling Shareholders, who jointly control their respective interests in the Company within the meaning of the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held for the purpose of, if thought fit, to approve the Acquisition Agreement and the transactions contemplated thereunder (including the allotment and issue of the Consideration Shares pursuant to the Specific Mandate) by the Independent Shareholders
“Group”	the Company and its subsidiaries
“GTS”	General Technology & Service Limited, a company with limited liability incorporated under the laws of Hong Kong
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee of the Board, comprising all the independent non-executive Directors namely Mr. Chan Ling Ming, Mr. Mok Kwok Cheung Rupert, Mr. Au Yu Chiu Steven and Prof. Yung Kai Leung, formed for the purpose of advising the Independent Shareholders in respect of, among other things, the terms of the Acquisition Agreement and the transactions contemplated thereunder (including the allotment and issue of the Consideration Shares pursuant to the Specific Mandate)

“Independent Financial Adviser”	Halcyon Capital Limited, a corporation licensed to carry out Type 6 (Advising on corporate finance) of the regulated activities under the SFO, being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the Acquisition Agreement and the transactions contemplated thereunder (including the allotment and issue of the Consideration Shares pursuant to the Specific Mandate)
“Independent Shareholders”	the Shareholders who are not required to abstain from voting in the relevant resolution(s) to be proposed in the EGM in relation to the Acquisition Agreement and the transactions contemplated thereunder (including the allotment and issue of the Consideration Shares pursuant to the Specific Mandate)
“Issue Price”	HK\$1.1 per Consideration Share
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	25 June 2017
“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan)
“Purchaser”	Vincent Medical Care Holdings Limited 永勝醫療保健控股有限公司, a company incorporated in the BVI with limited liability and a direct wholly-owned subsidiary of the Company
“Sale Shares”	1,000 ordinary shares in the issued share capital of the Target, representing the entire issued share capital of the Target
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended or supplemented from time to time
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company

“Shareholder(s)”	holder(s) of the Share(s)
“Specific Mandate”	the specific mandate proposed to be sought from the Independent Shareholders at the EGM for the allotment and issue of an aggregate of the Consideration Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target”	Envisen Holding Limited, a company incorporated in the BVI with limited liability
“Target Group”	the Target and its subsidiaries
“Vendors”	the 1st Vendor and the 2nd Vendor
“VRHK”	VINCENT RAYA CO., LIMITED (永勝宏基集團有限公司), a company incorporated in Hong Kong and wholly-owned by VRI
“VRI”	VINCENT RAYA INTERNATIONAL LIMITED, a company incorporated in the BVI and being held as to 57.89% by Mr. Choi Man Shing and 42.11% by Ms. Liu Pui Ching as at the date of this announcement
“1st Tranche Consideration Shares”	81,818,181 Shares to be allotted and issued at the Issue Price at Completion for payment of HK\$90,000,000, as part of the Consideration to the 1st Vendor
“1st Vendor” or “Dr. Lu”	Dr. Lu Yu Fei
“2nd Tranche Consideration Shares”	12,727,272 Shares to be allotted and issued at the Issue Price for payment of HK\$14,000,000, as part of the Consideration to the 1st Vendor under the 2nd Tranche Payment
“2nd Tranche Payment”	payment of the balance of the Consideration as set out in the paragraph headed “2. Acquisition Agreement – Consideration”
“2nd Vendor”	Mr. Choi Cheung Tai Raymond

“3rd Tranche Consideration Shares”	23,636,363 Shares to be allotted and issued at the Issue Price for payment of HK\$26,000,000, as part of the Consideration to the 2nd Vendor under the 2nd Tranche Payment
“%”	per cent.

By Order of the Board  
**Vincent Medical Holdings Limited**  
**Choi Man Shing**  
*Chairman and Executive Director*

Hong Kong, 12 April 2017

*As at the date of this announcement, the Board comprises Mr. Choi Man Shing, Mr. To Ki Cheung, Mr. Koh Ming Fai and Mr. Fu Kwok Fu as executive Directors, Ms. Liu Pui Ching, Mr. Amir Gal Or, Mr. Poon Lai Yin Michael (alternate to Mr. Amir Gal Or) and Mr. Guo Pengcheng as non-executive Directors, and Mr. Chan Ling Ming, Mr. Mok Kwok Cheung Rupert, Mr. Au Yu Chiu Steven and Prof. Yung Kai Leung as independent non-executive Directors.*