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**Vincent
Medical**

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)

**SUPPLEMENTAL ANNOUNCEMENT
IN RELATION TO
EXTENSION AND RENEWAL OF
CONTINUING CONNECTED TRANSACTIONS**

Reference is made to the announcement (the “**Announcement**”) of Vincent Medical Holdings Limited (the “**Company**”) dated 21 December 2017 in relation to the continuing connected transactions contemplated under the Bayer Supply Agreement. Unless otherwise stated, capitalised terms and expressions used herein shall have the same meanings as those defined in the Announcement.

The Company wishes to provide the following additional information in relation to the Bayer Supply Agreement.

According to the Bayer Supply Agreement, the price of each of the Products are agreed on the basis of the Suppliers’ cost plus a profit margin, which margin varied and will continue to vary according to the requirements and specifications of each of the Products (the “**Pricing Basis**”).

The price of each of the Products is negotiated between the Bayer Companies and the Group on an arm’s length basis and determined based on the Pricing Basis, in the ordinary course of business, on normal commercial terms or on terms no less favourable to the Company than those provided to independent third parties. As stated in the Announcement, when determining the price for each of the Products, the Directors take into account (i) the complexity and technicality of the relevant project; and (ii) the estimated cost to the Group of leasing the Equipment from an independent third party or purchasing the Equipment from an independent third party and amortising the cost of such Equipment over the Equipment’s estimated useful life.

Specifically, the price of each of the Products are prepared by the sales teams of the Group and subject to the review and pre-approval of an executive Director (who does not have any material interests in the transactions). The executive Director will compare the gross profit margin of sales to the Bayer Companies to those of sales to other independent third party customers of the Group's original equipment manufacturing business segment, given that the Bayer Companies are the Company's customers of the same business segment. In any event, the profit margin of the transaction under the Bayer Supply Agreement should be no less favourable than those applicable to the sales of other products by the Group to other independent third party customers of the Group's original equipment manufacturing business.

Furthermore, pursuant to Rules 14A.55 to 14A.59 of the Listing Rules, the transactions contemplated under the Bayer Supply Agreement are subject to the following annual review:

1. each year the independent non-executive Directors must review the subject transactions and confirm in the annual report and accounts that the subject transactions have been entered into:
 - in the ordinary and usual course of business of the Company;
 - on normal commercial terms or better; and
 - according to the relevant agreement governing them on terms that are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

2. each year the auditors of the Company must provide a letter to the Board confirming whether anything has come to their attention that causes them to believe that that the subject transactions:
 - have not been approved by the Board;
 - were not, in all material respects, in accordance with the pricing policies of the Group; and
 - were not entered into, in all material respects, in accordance with the terms of the relevant agreement(s) governing the subject transactions.

In view of the pricing policy and internal control measures above, the Directors are of the view that appropriate measures are in place to ensure that the transactions contemplated under the Bayer Supply Agreement will be conducted on normal commercial terms and not prejudicial to the interest of the Company and its minority Shareholders.

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

Hong Kong, 15 January 2018

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 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.