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**北控醫療健康產業集團有限公司**  
Beijing Enterprises Medical And Health Industry Group Limited

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

**(Stock code: 2389)**

## **MAJOR TRANSACTION**

### **ACQUISITION OF SHARES IN ASR LOGISTICS HOLDINGS LIMITED**

#### **THE SALE AND PURCHASE AGREEMENT**

On 29 January 2016, the Company entered into the Sale and Purchase Agreement with the Vendor, pursuant to which the Company has conditionally agreed to acquire and the Vendor has conditionally agreed to sell the Sale Shares to the Company, representing approximately 10.66% of the entire issued share capital of the Target Company as at the date of this announcement, at a consideration of HK\$63,000,000. Upon Completion, the Company will hold approximately 24.63% of the entire issued share capital of the Target Company. Accordingly, the Target Company will become an associate of the Company. Given the Target Company will not be a subsidiary of the Company, its financial results will not be consolidated into the consolidated financial results of the Group.

#### **LISTING RULES IMPLICATIONS**

As the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Acquisition, when aggregated with the Previous Acquisition, are 25% or more but all applicable percentage ratios are less than 100%, the Acquisition constitutes a major transaction for the Company and is subject to notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, no shareholders of the Company or any of their respective associates have any material interest in the Acquisition. As such, no shareholders of the Company would be required to abstain from voting in favour of the resolution approving the Acquisition.

## **GENERAL**

As the Company requires time for preparing certain information to be included in the circular, a circular containing, among other things, (i) further details of the Sale and Purchase Agreement and the Acquisition; (ii) any other information required to be disclosed under the Listing Rules; and (iii) the notice of the EGM will be despatched to the Shareholders on or before 31 March 2016.

## **THE SALE AND PURCHASE AGREEMENT**

**Date:** 29 January 2016

**The Parties:** (i) The Vendor; and  
(ii) the Company, as purchaser.

To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, the Vendor and its ultimate beneficial owner is an Independent Third Party.

### **Subject Matter**

Pursuant to the Sale and Purchase Agreement, the Company conditionally agreed to acquire, and the Vendor conditionally agreed to sell, the Sale Shares. Upon the Completion, the Company will hold approximately 24.63% of the entire issued share capital of the Target Company.

### **Consideration**

The consideration for the Acquisition payable by the Company is HK\$63,000,000 and shall be payable by the Company in immediately available funds to the Vendor's designated bank account on the date of Completion.

### *Basis of Consideration*

The consideration for the Acquisition was agreed between the Purchaser and the Vendor after arm's length negotiation with reference to (i) the historical operating and financial performance of the Target Group; (ii) the historical and recent trading prices of the Target Company; and (iii) the growth potential of the business of the Target Group together with the synergies that may be derived with the businesses of the Group.

Based on the foregoing, the Directors are of the view that the consideration for the Acquisition is fair and reasonable. The consideration for the Acquisition payable by the Company shall be funded by internal resources of the Group.

### **CONDITIONS PRECEDENT**

Completion is conditional upon the following conditions precedent:

- (i) the Company having obtained the approval of the Shareholders approving the transactions contemplated under the Sale and Purchase Agreement;
- (ii) from the date of signing the Sale and Purchase Agreement to the date of Completion, the shares of the Target Company remaining to be listed and traded on the Stock Exchange;
- (iii) there being no irregularity, material adverse change or non-disclosure of material risk in respect of the business, asset or operation of the Target Group;
- (iv) the warranties given by the Vendor under the Sale and Purchase Agreement remaining true, accurate and not misleading since the date of the Sale and Purchase Agreement to the date of the Completion;
- (v) the Vendor having complied with and performed his obligations under the Sale and Purchase Agreement as at the date of the Completion; and
- (vi) all relevant consents, approvals or notifications from third parties in respect of all contracts to which the Vendor or any member of the Target Group is a party having been obtained under applicable laws.

The Company is entitled to waive all the conditions precedent (save for condition (i) above) in full or in part.

If any of the conditions precedent have not been fulfilled or waived (save for condition (i) above) on or before the Long Stop Date, the Company may declare the Sale and Purchase Agreement null and void (save for the surviving provisions).

## **COMPLETION OF THE ACQUISITION**

Completion shall take place on the third Business Day after the satisfaction or waiver (as the case may be), save for condition (i) above which cannot be waived, of the conditions precedent above. Upon Completion, the Company will hold approximately 24.63% of the entire issued share capital of the Target Company. Accordingly, the Target Company will become an associate of the Company. Given the Target Company will not be a subsidiary of the Company, its financial results will not be consolidated into the consolidated financial results of the Group.

## **TERMINATION OF THE ACQUISITION**

In the event that either party fails to fulfil its respective obligations under the Sale and Purchase Agreement upon Completion, the complying party has the right to (i) delay the Long Stop Date to a later date; (ii) proceed with the Completion on a best effort basis; or terminate the Sale and Purchase Agreement.

## **INFORMATION ON THE TARGET GROUP**

The Target Company is incorporated in the Cayman Islands and is listed on the main board of the Stock Exchange. It is an air freight solution provider which is principally engaged in purchasing air cargo space from airlines and/or integrated carriers and on-selling such space to its customers.

Set out below is the audited consolidated financial information of the Target Group for the two financial years ended 31 December 2013 and 2014, which is extracted from the annual reports of the Target Company for the two financial years ended 31 December 2013 and 2014 and the unaudited financial information of the Target Group for the six months period ended 30 June 2015, which is extracted from the interim report of the Target Company for the six months ended 30 June 2015:

	<b>Year ended 31 December 2013</b> (audited) <i>HK\$'000</i>	<b>Year ended 31 December 2014</b> (audited) <i>RMB'000</i>	<b>Six months ended 30 June 2015</b> (unaudited) <i>HK\$'000</i>
Profit/(loss) before taxation	111,086	22,834	(18,736)
Profit/(loss) after taxation	92,706	12,883	(19,594)
Net assets/(liabilities)	300,138	59,545	40,833

## **REASONS FOR AND BENEFIT OF THE ACQUISITION**

The Company, through its subsidiaries, is principally engaged in the provision of medical care, health care and geriatric care related services and products. Having considered that the sports industry in the PRC is a sunrise industry and is inter-related to the Group's existing business, the Board intends to develop a new segment of provision of sports related services and products (the "**New Business**").

To maximize the return to the Shareholders, the Company intends to develop the New Business through a listed company, which can: (i) ensure a good corporate governance is imposed along its business development; (ii) capitalize on a wider choice of fund raising ways available in the capital market; and (iii) easier retention of management expertise in a listed company. After Completion, the Company will play the role as the single largest shareholder in the Target Company to lead the development of the Target Company.

Based on the foregoing, the Directors consider that the Acquisition is entered into on normal commercial terms, and the terms of which are fair and reasonable and in the interests of the Company and its shareholders as a whole.

## **INFORMATION ON THE PARTIES**

The Company is a company incorporated in the Cayman Islands with limited liability, whose shares are listed on the main board of the Stock Exchange. The Group is principally engaged in the provision of medical care, health care and geriatric care related services and products.

The Vendor is an investment holding company incorporated in the British Virgin Islands with limited liability, which held as to approximately 10.66% of the entire issued share capital of the Target Company as at the date of this announcement.

## **LISTING RULES IMPLICATIONS**

As the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Acquisition, when aggregated with the Previous Acquisition, are 25% or more but all applicable percentage ratios are less than 100%, the Acquisition constitutes a major transaction for the Company and is subject to notification, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, no shareholders of the Company or any of their respective associates have any material interest in the Acquisition. As such, no shareholders of the Company would be required to abstain from voting in favour of the resolution approving the Acquisition.

## **GENERAL**

As the Company requires time for preparing certain information to be included in the circular, a circular containing, among other things, (i) further details of the Sale and Purchase Agreement and the Acquisition; (ii) any other information required to be disclosed under the Listing Rules; and (iii) the notice of the EGM will be despatched to the Shareholders on or before 31 March 2016.

**Completion of the Acquisition is subject to the satisfaction and/or waiver of the conditions precedent in the Sale and Purchase Agreement and therefore, 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 requires otherwise:

“Acquisition”	the proposed acquisition of the Sale Shares by the Company from the Vendor pursuant to the terms and conditions of the Sale and Purchase Agreement
“Board”	the board of Directors
“Business Day(s)”	a day (other than a Saturday or a Sunday) on which banks are generally open for business in Hong Kong
“Company”	Beijing Enterprises Medical and Health Industry Group Limited, a company incorporated in the Cayman Islands with limited liability, whose Shares are listed on the main board of the Stock Exchange (stock code: 2389)
“Completion”	completion of the Acquisition
“connected persons”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the directors of the Company
“EGM”	an extraordinary general meeting of the Company to be held to consider and, if thought fit, approve, among other things, the Sale and Purchase Agreement and the Acquisition
“Group”	the Company together with its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Independent Third Party”	third party independent of and not connected with the Company or any of its connected persons

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	30 April 2016, or such other date as agreed between the Vendor and the Company in writing
“PRC”	the People’s Republic of China excluding Hong Kong, the Macau Special Administrative Region and Taiwan
“Previous Acquisition”	the acquisition of approximately 13.97% of the issued share capital of the Target Company as consideration shares pursuant to the sale and purchase agreement dated 8 November 2015 as disclosed in the Company’s announcement dated 8 November 2015
“Sale and Purchase Agreement”	the sale and purchase agreement dated 29 January 2016 entered into between the Company and the Vendor in relation to the Acquisition
“Sale Shares”	100,000,000 ordinary shares in the capital of the Target Company, representing approximately 10.66% of the entire issued share capital of the Target Company
“Shares”	ordinary share(s) of HK\$0.20 each in the share capital of the Company
“Shareholders”	holders of the issued Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	ASR Logistics Holdings Limited, a company incorporated in the Cayman Islands, and the shares of which are listed on the main board of the Stock Exchange (stock code: 1803)
“Target Group”	the Target Company and its subsidiaries



“Vendor”

Excellent Success Asia Limited, a company incorporated in the British Virgin Islands with limited liability and held approximately 10.66% of the entire issued share capital of the Target Company as at the date of this announcement

“%”

per cent

By Order of the Board  
**Beijing Enterprises Medical and Health  
Industry Group Limited**  
**Zhu Shi Xing**  
*Chairman*

Hong Kong, 29 January 2016

*As at the date of this announcement, the Board comprises seven Executive Directors, namely Mr. Zhu Shi Xing, Mr. Liu Xue Heng, Mr. Gu Shan Chao, Mr. Hu Xiao Yong, Mr. Hu Shiang Chi, Mr. Wang Zheng Chun and Mr. Zhang Jing Ming; one Non-Executive Director, namely Mr. Robert Winslow Koeppe and four Independent Non-Executive Directors, namely Mr. Xie Ming, Mr. Tse Man Kit, Keith, Mr. Wu Yong Xin and Mr. Zhang Yun Zhou.*