美瑞健康国际产业集团
Meilleure Health International Industry Group

MEILLEURE HEALTH INTERNATIONAL INDUSTRY GROUP LIMITED
美瑞健康國際產業集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 2327)

CLARIFICATION ANNOUNCEMENT IN RELATION TO THE ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2017

Reference is made to the announcement of Meilleure Health International Industry Group Limited (the "**Company**") dated 27 March 2018 in relation to the annual results announcement of the Company for the year ended 31 December 2017 (the "**Announcement**"). Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

Adoption of merger accounting and restatement

The comparative amounts in the consolidated financial statements of the Company for the year ended 31 December 2017 are restated financial statements, as the Group adopts merger accounting for common control combinations in respect of the following transaction which occurred during the year ended 31 December 2017:

On 20 December 2016, U-Home Group Health Service Company Limited ("**UHHL**"), a wholly-owned subsidiary of the Company entered into an agreement ("**GIL S&P**") with Hong Ling Investment Limited ("**Hong Ling**"), a wholly-owned subsidiary of Mr. Zhou Xuzhou, the ultimate controlling shareholder of the Company, pursuant to which Hong Ling agreed to sell and UHHL conditionally agreed to purchase the entire issued share capital of Golden Image at a consideration of RMB250 million (equivalent to approximately HK$282 million).

The consideration of the acquisition was satisfied by cash in the amount of RMB50 million (equivalent to approximately HK$56.6 million) and the issuance of 644,298,761 new shares of the Company at fair value of approximately HK$225.5 million.

The acquisition of Golden Image was completed on 10 May 2017.

The consolidated financial statements of the Company include the financial statement items of the controlling entity or businesses in which the common control combinations occur as if the combinations had occurred from the date when the combined entities first came under the control of the controlling party. As such, the comparative amounts in the consolidated financial statements of the Company are restated accordingly.

Income statement reclassification and restatement

The comparative amounts in the consolidated statement of profit or loss and other comprehensive income of the Company are restated as a result of the Group reclassifying some line items to make the amounts more comparable.

By Order of the Board
Meilleure Health International Industry Group Limited
Zhou Wen Chuan
Chief Executive Officer

Hong Kong, 28 March 2018

As at the date of this announcement, the Board comprises Mr. Zhou Xuzhou, Mr. Liu Lailin and Ms. Zhou Wen Chuan as executive Directors, Dr. Mao Zhenhua as non-executive Director and Mr. Gao Guanjiang, Professor Chau Chi Wai, Wilton and Mr. Zeng Wentao as independent non-executive Directors.