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Meditech Global Group Limited
*(Incorporated in the British Virgin Islands
with limited liability)*

GOLDEN MEDITECH HOLDINGS LIMITED
金衛醫療集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 00801)

JOINT ANNOUNCEMENT

(1) PROPOSAL FOR THE PRIVATISATION OF GOLDEN MEDITECH HOLDINGS LIMITED BY THE OFFEROR BY WAY OF A SCHEME OF ARRANGEMENT (UNDER SECTION 86 OF THE COMPANIES LAW)

(2) PROPOSED WITHDRAWAL OF LISTING

(3) SPECIAL DEAL RELATING TO THE UNDERTAKING

AND

(4) RESUMPTION OF TRADING

Financial Adviser to the Offeror

AMASSE CAPITAL
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SCHEME OF ARRANGEMENT

The Offeror and the Company jointly announce that on 9 June 2020, the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the privatisation of the Company by way of a scheme of arrangement under Section 86 of the Companies Law.

Pursuant to the Scheme, the Disinterested Scheme Shares will be cancelled and, in consideration thereof, each Scheme Shareholder will be entitled to receive HK\$0.88 in cash for each Disinterested Scheme Share. The total consideration payable for the cancellation of the Disinterested Scheme Shares will be payable by the Offeror.

The Cancellation Price will not be increased and the Offeror will not reserve the right to do so.

The Cancellation Price of HK\$0.88 per Disinterested Scheme Share represents:

- (i) a premium of approximately 41.94% over the closing price of HK\$0.62 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a premium of approximately 60.00% over the average closing price of approximately HK\$0.55 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;
- (iii) a premium of approximately 54.39% over the average closing price of approximately HK\$0.57 per Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Day;
- (iv) a premium of approximately 29.41% over the average closing price of approximately HK\$0.68 per Share based on the daily closing prices as quoted on the Stock Exchange for the 120 trading days up to and including the Last Trading Day;
- (v) a premium of approximately 22.22% over the average closing price of approximately HK\$0.72 per Share based on the daily closing prices as quoted on the Stock Exchange for the 180 trading days up to and including the Last Trading Day;
- (vi) a discount of approximately 41.41% to the audited consolidated net assets attributable to shareholders of the Company per Share of approximately HK\$1.502 as at 31 March 2019, calculated based on the audited consolidated net assets attributable to shareholders of the Company of HK\$4,381,497,000 as at 31 March 2019 and 2,916,932,138 Shares in issue as at the date of this joint announcement; and

(vii) a discount of approximately 37.41% to the unaudited consolidated net assets attributable to shareholders of the Company per Share of approximately HK\$1.406 as at 30 September 2019, calculated based on the unaudited consolidated net assets attributable to shareholders of the Company of HK\$4,102,464,000 as at 30 September 2019 and 2,916,932,138 Shares in issue as at the date of this joint announcement.

The implementation of the Proposal is, and the Scheme will become effective and binding on the Company and all Scheme Shareholders, subject to the fulfilment or waiver, as applicable, of all the Conditions as described in the section headed “TERMS OF THE PROPOSAL — Conditions of the Proposal and the Scheme” of this joint announcement. All of the Conditions must be fulfilled or waived, as applicable, on or before the Long Stop Date, failing which the Proposal and the Scheme will lapse.

If the Proposal is approved, under the Scheme, the share capital of the Company will, on the effective date of the Scheme, be reduced by cancelling and extinguishing the Disinterested Scheme Shares. Upon such reduction, the share capital of the Company will be increased to its former amount by the allotment and issue at par to the Offeror of such aggregate number of new Shares as is equal to the number of Disinterested Scheme Shares cancelled. The reserve created in the Company’s books of account as a result of such capital reduction will be applied in paying up in full at par the new Shares so allotted and issued, credited as fully paid, to the Offeror.

THE SUBSCRIPTION AGREEMENT

On 17 June 2020, the Offeror entered into the Subscription Agreement with the Subscribers in relation to the 1st Tranche Subscription and the 2nd Tranche Subscription. The cash proceeds received from the subscriptions will be used to finance the Proposal.

SPECIAL DEAL RELATING TO THE UNDERTAKING

As at the date of this joint announcement, Atlantis holds the Atlantis Shares, being 317,166,529 Shares, representing approximately 10.87% of the issued share capital of the Company. On 17 June 2020, the Offeror and the Company received the Undertaking from Atlantis, pursuant to which Atlantis has irrevocably and unconditionally undertaken that:

1. from (and including) the date of the Undertaking to (and including) the earlier of (i) the date on which the Proposal and the Scheme become effective; or (ii) the lapse or withdrawal of the Proposal and the Scheme (as the case may be):
 - (a) Atlantis will not participate in the Proposal and the Scheme in respect of any of the Atlantis Shares, and none of the Atlantis Shares shall constitute the Disinterested Scheme Shares, and therefore the Atlantis Shares will not be cancelled if the Scheme becomes effective, and Atlantis will not receive any consideration under the Scheme; and

(b) Atlantis will not (i) sell or otherwise dispose of any of the Atlantis Shares; or (ii) exercise any warrants, options or any other rights in whatever form to acquire any additional interest in any of the Shares; and

2. immediately after the Scheme becomes effective, the Atlantis Shares registered under its name and/or in the name of its nominee(s) will remain so registered.

Prior to entering into the Undertaking, Atlantis did not have any relationship with the Offeror and was not a party acting in concert with the Offeror. As a result of the Undertaking, Atlantis is a party acting in concert with the Offeror as Atlantis will remain as a Shareholder after the completion of the Proposal and the Scheme. The Undertaking constitutes a special deal and is therefore conditional on (i) the Disinterested Shareholders' approval at the General Meeting; and (ii) the consent from the Executive pursuant to Rule 25 of the Takeovers Code. No consideration, compensation or benefit in whatever form is or will be provided by the Offeror or the Offeror Concert Parties (other than Atlantis) to Atlantis or parties acting in concert with it in connection with the Undertaking.

SHAREHOLDING STRUCTURE OF THE COMPANY AND DISINTERESTED SCHEME SHARES

As at the date of this joint announcement, (i) the authorised share capital of the Company is HK\$1,000,000,000 divided into 5,000,000,000 Shares, and the Company has 2,916,932,138 Shares in issue; and (ii) the Disinterested Scheme Shares, comprising 482,754,049 Shares, represent approximately 16.55% of the issued share capital of the Company.

Upon the completion of the Scheme, the Offeror will hold approximately 16.55% of the issued share capital of the Company, and the Offeror Concert Parties will hold approximately 83.45% of the issued share capital of the Company, and accordingly the entire issued share capital of the Company will be held by the Offeror and the Offeror Concert Parties.

FINANCIAL RESOURCES

On the basis of the Cancellation Price of HK\$0.88 per Disinterested Scheme Share and 482,754,049 Disinterested Scheme Shares in issue as at the date of this joint announcement, the amount of cash required for cancelling the Disinterested Scheme Shares is approximately HK\$424,824,000. As at the date of this joint announcement, there are no outstanding warrants, derivatives or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) issued by the Company that carry a right to subscribe for or which are convertible into Shares.

The cash required for the Proposal is financed by the cash proceeds received from the subscriptions pursuant to the Subscription Agreement. Pursuant to the Subscription Agreement, each of the Subscribers has agreed to subscribe for and the Offeror has agreed to allot and issue (i) an aggregate of 54 new shares of the Offeror with an aggregate cash consideration of HK\$54 (i.e. 1st Tranche Subscription); and (ii) an aggregate of 9,945 new shares of the Offeror with an aggregate cash consideration of US\$55,000,000 (i.e. 2nd Tranche Subscription). Upon completion of the 1st Tranche Subscription and/or the 2nd Tranche Subscription, each of the Subscribers will become a shareholder of the Offeror. Details of the Subscription Agreement are set out in the section headed “THE SUBSCRIPTION AGREEMENT” of this joint announcement.

Amasse Capital, the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to the Offeror for discharging its obligations in respect of the full implementation of the Proposal.

WITHDRAWAL OF LISTING OF SHARES

Upon the Scheme becoming effective, it is anticipated that listing of the Shares on the Stock Exchange will be withdrawn. The Company will apply to the Stock Exchange for the withdrawal of the listing of the Shares on the Stock Exchange immediately following the Scheme becoming effective.

IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES

The listing of the Shares on the Stock Exchange will not be withdrawn if the Scheme does not become effective or the Proposal otherwise lapses.

If the Scheme is not approved or the Proposal otherwise lapses, there are restrictions under the Takeovers Code on making subsequent offers, to the effect that neither the Offeror nor any person who acted in concert with the Offeror in the course of the Proposal (nor any person who is subsequently acting in concert with any of them) may, within 12 months from the date on which the Scheme is not approved or the Proposal otherwise lapses, announce an offer or possible offer for the Company, except with the consent of the Executive.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee has been established in accordance with Rule 2.1 of the Takeovers Code to advise and give a recommendation to the Disinterested Shareholders as to whether the terms of the Proposal, the Scheme and the Undertaking are fair and reasonable and as to voting. An Independent Financial Adviser to the Independent Board Committee will be appointed with the approval of the Independent Board Committee to advise the Independent Board Committee in this regard. An announcement of such appointment will be made by the Company in due course.

DESPATCH OF SCHEME DOCUMENT

The Scheme Document containing, among others, further details of (i) the Proposal and the Scheme, the Subscription Agreement and the Undertaking; (ii) the expected timetable; (iii) an explanatory memorandum as required under the Companies Law and the rules of the Grand Court; (iv) information regarding the Company; (v) recommendations from the Independent Board Committee with respect to the Proposal, the Scheme and the Undertaking; (vi) the letter of advice from the Independent Financial Adviser; and (vii) a notice of the Court Meeting and a notice of the General Meeting together with the respective forms of proxy in relation thereto, will be despatched to the Shareholders as soon as practicable and in compliance with the requirements of the Takeovers Code, the Listing Rules, the Companies Law, the Grand Court and other applicable laws and regulations.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 10:47 a.m. on 9 June 2020 pending the release of this joint announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 18 June 2020.

WARNING: Shareholders and potential investors should be aware that the implementation of the Proposal is subject to the Conditions being fulfilled or waived, as applicable, and thus the Proposal may or may not be implemented and the Scheme may or may not become effective. Shareholders and potential investors should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

INTRODUCTION

On 9 June 2020, the Offeror requested the Board to put forward the Proposal to the Scheme Shareholders for the privatisation of the Company by way of a scheme of arrangement under Section 86 of the Companies Law involving the cancellation of the Disinterested Scheme Shares and, in consideration thereof, the payment to the Scheme Shareholders of the Cancellation Price in cash for each Disinterested Scheme Share, and the withdrawal of the listing of the Shares on the Stock Exchange.

If the Proposal is approved, under the Scheme, the share capital of the Company will, on the effective date of the Scheme, be reduced by cancelling and extinguishing the Disinterested Scheme Shares. Upon such reduction, the share capital of the Company will be increased to its former amount by the allotment and issue at par to the Offeror of such aggregate number of new Shares as is equal to the number of Disinterested Scheme

Shares cancelled. The reserve created in the Company's books of account as a result of such capital reduction will be applied in paying up in full at par the new Shares so allotted and issued, credited as fully paid, to the Offeror.

TERMS OF THE PROPOSAL

The Scheme

Pursuant to the Scheme, the Disinterested Scheme Shares will be cancelled and, in consideration thereof, each Scheme Shareholder will be entitled to receive HK\$0.88 in cash for each Disinterested Scheme Share. The total consideration payable for the cancellation of the Disinterested Scheme Shares will be payable by the Offeror.

The Cancellation Price will not be increased and the Offeror does not reserve the right to do so.

The Cancellation Price of HK\$0.88 per Disinterested Scheme Share represents:

- (i) a premium of approximately 41.94% over the closing price of HK\$0.62 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a premium of approximately 60.00% over the average closing price of approximately HK\$0.55 per Share based on the daily closing prices as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;
- (iii) a premium of approximately 54.39% over the average closing price of approximately HK\$0.57 per Share based on the daily closing prices as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Day;
- (iv) a premium of approximately 29.41% over the average closing price of approximately HK\$0.68 per Share based on the daily closing prices as quoted on the Stock Exchange for the 120 trading days up to and including the Last Trading Day;
- (v) a premium of approximately 22.22% over the average closing price of approximately HK\$0.72 per Share based on the daily closing prices as quoted on the Stock Exchange for the 180 trading days up to and including the Last Trading Day;
- (vi) a discount of approximately 41.41% to the audited consolidated net assets attributable to shareholders of the Company per Share of approximately HK\$1.502 as at 31 March 2019, calculated based on the audited consolidated net assets attributable to shareholders of the Company of HK\$4,381,497,000 as at 31 March 2019 and 2,916,932,138 Shares in issue as at the date of this joint announcement; and

(vii) a discount of approximately 37.41% to the unaudited consolidated net assets attributable to shareholders of the Company per Share of approximately HK\$1.406 as at 30 September 2019, calculated based on the unaudited consolidated net assets attributable to shareholders of the Company of HK\$4,102,464,000 as at 30 September 2019 and 2,916,932,138 Shares in issue as at the date of this joint announcement.

The Cancellation Price has been determined on a commercial basis after taking into account, among others, the prices of the Shares traded on the Stock Exchange.

Highest and lowest Share prices

During the six-month period immediately preceding the Last Trading Day:

- (i) the highest closing price of the Shares quoted on the Stock Exchange was HK\$0.85 per Share on 19 December 2019, 23 December 2019 and 31 December 2019, respectively; and
- (ii) the lowest closing price of the Shares quoted on the Stock Exchange was HK\$0.48 per Share on 22 May 2020.

Total Consideration

On the basis of the Cancellation Price of HK\$0.88 per Disinterested Scheme Share and 482,754,049 Disinterested Scheme Shares in issue as at the date of this joint announcement, the amount of cash required for cancelling the Disinterested Scheme Shares is approximately HK\$424,824,000. As at the date of this joint announcement, there are no outstanding warrants, derivatives or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) issued by the Company that carry a right to subscribe for or which are convertible into Shares.

Financial resources available to the Offeror

The cash required for the Proposal is financed by the cash proceeds received from the subscriptions pursuant to the Subscription Agreement. Pursuant to the Subscription Agreement, each of the Subscribers has agreed to subscribe for and the Offeror has agreed to allot and issue (i) an aggregate of 54 new shares of the Offeror with an aggregate cash consideration of HK\$54 (i.e. 1st Tranche Subscription); and (ii) an aggregate of 9,945 new shares of the Offeror with an aggregate cash consideration of US\$55,000,000 (i.e. 2nd Tranche Subscription). Upon completion of the 1st Tranche Subscription and/or the 2nd Tranche Subscription, each of the Subscribers will become a shareholder of the Offeror. Details of the Subscription Agreement are set out in the section headed “THE SUBSCRIPTION AGREEMENT” of this joint announcement below.

Amasse Capital, the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to the Offeror for discharging its obligations in respect of the full implementation of the Proposal.

Conditions of the Proposal and the Scheme

The implementation of the Proposal is, and the Scheme will become effective and binding on the Company and all Scheme Shareholders, subject to the fulfilment or waiver, as applicable, of the following conditions:

- (a) the approval of the Scheme (by way of poll) by a majority in number of the Scheme Shareholders holding not less than 75% of the votes attaching to the Disinterested Scheme Shares held by the Scheme Shareholders present and voting either in person or by proxy at the Court Meeting;
- (b) the approval of the Scheme (by way of poll) by the Disinterested Shareholders holding at least 75% of the votes attaching to the Disinterested Scheme Shares held by the Disinterested Shareholders present and voting either in person or by proxy at the Court Meeting, provided that the number of votes cast (by way of poll) by the Disinterested Shareholders present and voting either in person or by proxy at the Court Meeting against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all Disinterested Scheme Shares held by all the Disinterested Shareholders;
- (c) (i) the passing of a special resolution by a majority of not less than three-fourths of the votes cast by the Shareholders present and voting in person or by proxy at the General Meeting to approve and give effect to the reduction of the share capital of the Company by cancelling and extinguishing the Disinterested Scheme Shares; and (ii) the passing of an ordinary resolution by a simple majority of the votes cast by the Shareholders present and voting either in person or by proxy at the General Meeting to, immediately after the capital reduction, increase the issued share capital of the Company to the amount prior to the cancellation of the Disinterested Scheme Shares by the allotment and issue at par to the Offeror of such aggregate number of new Shares as is equal to the number of Disinterested Scheme Shares cancelled and apply the reserve created as a result of such capital reduction to pay up in full at par such number of new Shares to be allotted and issued, credited as fully paid, to the Offeror;
- (d) in relation to the Undertaking, (i) the receipt of an opinion from the Independent Financial Adviser to the Independent Board Committee, confirming that the Undertaking is fair and reasonable; (ii) the passing of an ordinary resolution by the Disinterested Shareholders at the General Meeting to approve the Undertaking; and (iii) the consent of the Executive for the Undertaking obtained pursuant to Rule 25 of the Takeovers Code;
- (e) the Grand Court's sanction of the Scheme (with or without modifications) and its confirmation of the reduction of the share capital of the Company, and the delivery to the Registrar of Companies in the Cayman Islands of a copy of the order of the Grand Court for registration;

- (f) compliance, to the extent necessary, with the procedural requirements and conditions, if any, under sections 15 to 17 of the Companies Law in relation to the reduction of the share capital of the Company;
- (g) (i) all necessary statutory or regulatory obligations in all relevant jurisdictions having been complied with; and (ii) no requirement having been imposed by any Relevant Authorities which is not expressly provided for, or is in addition to requirements expressly provided for, under any relevant laws, rules, regulations or codes, in connection with the Proposal or the Scheme, or any matters, documents (including circulars) or things relating to the Proposal or the Scheme, in each aforesaid case up to and at the time when the Scheme becomes effective;
- (h) all necessary consents which may be required for the implementation of the Proposal and the Scheme under any existing contractual obligations of the Company being obtained or waived by the relevant party(ies), where any failure to obtain such consent or waiver would have a material adverse effect on the business of the Group;
- (i) no government, governmental, quasi-governmental, statutory or regulatory body, court or agency in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry or enacted, made or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order that would make the Proposal or the Scheme or its implementation in accordance with its terms void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations with respect to the Proposal or the Scheme or its implementation in accordance with its terms), other than such actions, proceedings, suits, investigations or enquiries as would not have a material adverse effect on the legal ability of the Offeror to proceed with the Proposal or the Scheme; and
- (j) since the date of this joint announcement, there having been no adverse change in the business, assets, financial or trading position, profits or prospects of the Group (to an extent which is material in the context of the Group taken as a whole or in the context of the Proposal or the Scheme).

The Offeror reserves the right to waive Conditions (h) to (j) either in whole or in part, either generally or in respect of any particular matter. Conditions (a) to (g) cannot be waived in any event. The Company has no right to waive any of the Conditions.

In respect of Conditions (g) and (h) above, the Company and/or the Offeror are not aware of any such statutory or regulatory obligations, requirements or consents required as at the date of this joint announcement.

Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror may only invoke any or all of the Conditions as a basis for not proceeding with the Scheme if the circumstances which give rise to the right to invoke any such Condition are of material significance to the Offeror in the context of the Proposal. As at the date of this joint announcement, the

Offeror is not aware of any such circumstances. All of the above Conditions will have to be fulfilled or waived, as applicable, on or before the Long Stop Date, failing which the Proposal and the Scheme will lapse.

If the Proposal is approved, the Scheme will be binding on all of the Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the General Meeting.

WARNING: Shareholders and potential investors should be aware that the implementation of the Proposal is subject to the Conditions being fulfilled or waived, as applicable, and thus the Proposal may or may not be implemented and the Scheme may or may not become effective. Shareholders and potential investors should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

THE SUBSCRIPTION AGREEMENT

On 17 June 2020, the Offeror entered into a share subscription agreement (the “**Subscription Agreement**”) with the Subscribers in relation to the 1st Tranche Subscription and the 2nd Tranche Subscription. The cash proceeds received from the subscriptions will be used to finance the Proposal.

1st Tranche Subscription

Pursuant to the Subscription Agreement, each of the Subscribers has agreed to subscribe for and the Offeror has agreed to allot and issue an aggregate of 54 new shares of the Offeror with an aggregate cash consideration of HK\$54 (the “**1st Tranche Subscription Consideration**”) on the 1st Tranche Completion Date (as defined below). Details of the 1st Tranche Subscription are as follows:

Name of Subscriber	No. of news shares of the Offeror to be subscribed	Amount of consideration
Bio Garden Inc.	36	HK\$36
China In Shine Investment Limited	7	HK\$7
Asia Pacific MedTech (BVI) Limited	6	HK\$6
Famous Sino Limited	5	HK\$5
Total	54	HK\$54

As at the date of this joint announcement, the Offeror has not yet established a bank account (the “**Offeror Bank Account**”) with a licensed bank in Hong Kong. Pursuant to the Subscription Agreement, in the event that the Offeror Bank Account has not been established by the Offeror before the resolutions in relation to the Proposal are approved by the Shareholders and/or the Disinterested Shareholders at the General Meeting, the Offeror will designate an existing bank account of Bio Garden Inc. maintained with a licensed bank in Hong Kong as the designated bank account to receive the subscription amounts under the 1st Tranche Subscription and the 2nd Tranche Subscription (the “**Designated Bank Account**”).

Pursuant to the Subscription Agreement, once the Offeror Bank Account has been duly established or, failing which, the Offeror designates the Designated Bank Account as the designated bank account, the Offeror shall promptly notify each Subscriber in writing of details of the Offeror Bank Account or the Designated Bank Account (as the case may be). Completion of the 1st Tranche Subscription shall take place on the second (2nd) Business Day following the date of the aforesaid notice (the “**1st Tranche Completion Date**”).

As at the date of this joint announcement, the 1st Tranche Subscription Consideration has already been pre-paid by the Subscribers to the Offeror by way of cash, and is physically held on trust by the Offeror for each Subscriber pending the completion of the 1st Tranche Subscription as the Offeror is still in the process of establishing the Offeror Bank Account.

2nd Tranche Subscription

Pursuant to the Subscription Agreement, each of the Subscribers has agreed to subscribe for and the Offeror has agreed to allot and issue an aggregate of 9,945 new shares of the Offeror with an aggregate cash consideration of US\$55,000,000 (equivalent to approximately HK\$426,250,000 at the exchange rate of US\$1.00 to HK\$7.75 (for illustration purposes only)) (the “**2nd Tranche Subscription Consideration**”) on the 2nd Tranche Completion Date (as defined below). Details of the 2nd Tranche Subscription are as follows:

Name of Subscriber	No. of news shares of the Offeror to be subscribed	Amount of consideration
Bio Garden Inc.	6,690	US\$37,000,000
China In Shine Investment Limited	1,266	US\$7,000,000
Asia Pacific MedTech (BVI) Limited	1,085	US\$6,000,000
Famous Sino Limited	904	US\$5,000,000
Total	9,945	US\$55,000,000

The Offeror shall, on the date of the General Meeting, notify each Subscriber in writing once the relevant resolutions in relation to the Proposal are approved by the Shareholders and/or the Disinterested Shareholders at the General Meeting. The Subscribers shall deposit the 2nd Tranche Subscription Consideration into the Offeror Bank Account or the Designated Bank Account (as the case may be) on the second (2nd) Business Day following the date of aforesaid notice (the “**2nd Tranche Completion Date**”), and completion of the 2nd Tranche Subscription shall take place on the 2nd Tranche Completion Date.

As at the date of this joint announcement, Bio Garden Inc. holds 1 share of the Offeror, representing all the issued shares of the Offeror.

Immediately following completion of the 1st Tranche Subscription, the Offeror will be owned as to approximately 67.27% by Bio Garden Inc., 12.73% by China In Shine Investment Limited, 10.91% by Asia Pacific MedTech (BVI) Limited and 9.09% by Famous Sino Limited.

Immediately following completion of the 2nd Tranche Subscription, the shareholding percentage owned by each of the Subscribers in the Offeror shall remain unchanged.

The table below sets out the shareholding structure of the Offeror (i) as at the date of this joint announcement; (ii) immediately following the 1st Tranche Completion Date; and (iii) immediately following the 1st Tranche Completion Date and the 2nd Tranche Completion Date:

Shareholders	As at the date of this joint announcement		Immediately following the 1st Tranche Completion Date		Immediately following the 1st Tranche Completion Date and the 2nd Tranche Completion Date	
	Number of shares	%	Number of shares	%	Number of shares	%
Bio Garden Inc.	1	100.00	37	67.27	6,727	67.27
China In Shine Investment Limited	—	—	7	12.73	1,273	12.73
Asia Pacific MedTech (BVI) Limited	—	—	6	10.91	1,091	10.91
Famous Sino Limited	—	—	5	9.09	909	9.09
Total	1	100.00	55	100.00	10,000	100.00

SPECIAL DEAL RELATING TO THE UNDERTAKING

As at the date of this joint announcement, Atlantis holds the Atlantis Shares, being 317,166,529 Shares, representing approximately 10.87% of the issued share capital of the Company. On 17 June 2020, the Offeror and the Company received the Undertaking from Atlantis, pursuant to which Atlantis has irrevocably and unconditionally undertaken that:

1. from (and including) the date of the Undertaking to (and including) the earlier of (i) the date on which the Proposal and the Scheme become effective; or (ii) the lapse or withdrawal of the Proposal and the Scheme (as the case may be):
 - (a) Atlantis will not participate in the Proposal and the Scheme in respect of any of the Atlantis Shares, and none of the Atlantis Shares shall constitute the Disinterested Scheme Shares, and therefore the Atlantis Shares will not be cancelled if the Scheme becomes effective, and Atlantis will not receive any consideration under the Scheme; and
 - (b) Atlantis will not (i) sell or otherwise dispose of any of the Atlantis Shares; or (ii) exercise any warrants, options or any other rights in whatever form to acquire any additional interest in any of the Shares; and
2. immediately after the Scheme becomes effective, the Atlantis Shares registered under its name and/or in the name of its nominee(s) will remain so registered.

Prior to entering into the Undertaking, Atlantis did not have any relationship with the Offeror and was not a party acting in concert with the Offeror. As a result of the Undertaking, Atlantis is a party acting in concert with the Offeror as Atlantis will remain as a Shareholder after the completion of the Proposal and the Scheme. The Undertaking constitutes a special deal and is therefore conditional on (i) the Disinterested Shareholders' approval at the General Meeting; and (ii) the consent from the Executive pursuant to Rule 25 of the Takeovers Code. No consideration, compensation or benefit in whatever form is or will be provided by the Offeror or the Offeror Concert Parties (other than Atlantis) to Atlantis or parties acting in concert with it in connection with the Undertaking.

SHAREHOLDING STRUCTURE OF THE COMPANY AND DISINTERESTED SCHEME SHARES

As at the date of this joint announcement, the authorised share capital of the Company is HK\$1,000,000,000 divided into 5,000,000,000 Shares, and the Company has 2,916,932,138 Shares in issue.

As at the date of this joint announcement, (i) the Offeror does not hold any Shares in the Company; and (ii) the Offeror Concert Parties held in aggregate 2,434,178,089 Shares, representing approximately 83.45% of the issued share capital of the Company. Thus, the Disinterested Scheme Shares, comprising 482,754,049 Shares, represent approximately 16.55% of the issued share capital of the Company.

Upon the completion of the Scheme, the Offeror will hold approximately 16.55% of the issued share capital of the Company, and the Offeror Concert Parties will hold approximately 83.45% of the issued share capital of the Company, and accordingly the entire issued share capital of the Company will be held by the Offeror and the Offeror Concert Parties.

The table below sets out the shareholding structure of the Company as at the date of this joint announcement and immediately upon completion of the Proposal:

Shareholders	As at the date of this joint announcement		Upon completion of the Proposal	
	Number of Shares	%	Number of Shares	%
Offeror				
Meditech Global Group Limited	—	—	482,754,049	16.55
Offeror Concert Parties				
— Bio Garden Inc. (Notes 1 & 3)	1,148,237,526	39.37	1,148,237,526	39.37
— Magnum Opus 3 International Holdings Limited (Notes 2 & 3)	968,774,034	33.21	968,774,034	33.21
— Atlantis (Note 5)	317,166,529	10.87	317,166,529	10.87
Total number of Shares of the Offeror and the Offeror Concert Parties	2,434,178,089	83.45	2,916,932,138	100.00
Disinterested Shareholders	482,754,049	16.55	—	—
Total	2,916,932,138	100.00	2,916,932,138	100.00
Total number of Disinterested Scheme Shares	482,754,049	16.55		

Notes:

1. Bio Garden Inc. is an investment holding company incorporated in the British Virgin Islands. It is wholly-owned by certain discretionary trusts of which Mr. Kam is the founder. Mr. Kam is also the sole director of Bio Garden Inc.

2. *Magnum Opus 3 International Holdings Limited (“Magnum Opus 3”) is an investment holding company incorporated in the British Virgin Islands, which is 100% owned as to its voting ordinary shares by Mr. Kam; and has issued (a) non-voting non-convertible preferred shares (the “Class A Preferred Share(s)”); and (b) non-voting convertible preferred shares (the “Class B Preferred Share(s)”) to Qin Wall Investment Holdings Limited (“Qin Wall”) pursuant to an investment agreement dated 16 November 2016 and entered into between Qin Wall, Mr. Kam and Magnum Opus 3 (as supplemented by a supplemental deed dated 18 July 2018 and entered into between Qin Wall, Mr. Kam, Magnum Opus 3 and Bio Garden Inc.) (the “Investment Agreement”).*

Pursuant to the Investment Agreement, the Class A Preferred Shares held by Qin Wall (i) were issued on 25 November 2016; (ii) are redeemable; (iii) have no par value in the share capital of Magnum Opus 3; and (iv) do not confer any voting right at general meetings of holders of the ordinary shares of Magnum Opus 3.

Pursuant to the Investment Agreement, the Class B Preferred Shares held by Qin Wall (i) were issued on 25 November 2016; (ii) are redeemable; (iii) have no par value in the share capital of Magnum Opus 3; (iv) do not confer any voting right at general meetings of holders of the ordinary shares of Magnum Opus 3; and (v) can be converted into ordinary shares of Magnum Opus 3 at the conversion price of HK\$1.00 per ordinary share of Magnum Opus 3 (subject to adjustments) at the option of the holder thereof at any time after the date of issuance of the Class B Preferred Shares. Assuming full conversion of the Class B Preferred Shares at the initial conversion price of HK\$1.00 per ordinary share of Magnum Opus 3, the ordinary shares in the entire issued share capital of Magnum Opus 3 will be owned as to 60% by Mr. Kam and 40% by Qin Wall.

The obligations of each of Mr. Kam, Bio Garden Inc. and Magnum Opus 3 to Qin Wall under the Investment Agreement (including the obligation of Magnum Opus 3 to redeem the Class A Preferred Shares and Class B Preferred Shares) are (a) secured by (i) an account charge dated 16 November 2016 entered into between Mr. Kam and Qin Wall in respect of all of Mr. Kam’s right, title and interest in and to a certain bank account held in the name of Mr. Kam; (ii) a share charge dated 16 November 2016 entered into between Mr. Kam and Qin Wall with respect to the entire issued share capital of Magnum Opus 3; (iii) a share charge dated 10 May 2018 entered into between Magnum Opus 3 and Qin Wall with respect to 968,774,034 Shares owned by Magnum Opus 3 (the “MO3 Share Charge”); and (iv) a share charge dated 18 July 2018 entered into between Bio Garden Inc. and Qin Wall with respect to 110,000,000 Shares owned by Bio Garden Inc. (the “Bio Garden Share Charge”); and (b) guaranteed by the guarantee granted by Mr Kam in favour of Qin Wall with respect to the Investment Agreement.

Mr. Kam and Mr. Liu Fujia are the directors of Magnum Opus 3.

3. *968,774,034 Shares (representing approximately 33.21% of the issued share capital of the Company) and 110,000,000 Shares (representing approximately 3.77% of the issued share capital of the Company) owned by Magnum Opus 3 and Bio Garden Inc. (as chargors) respectively have been charged to Qin Wall under the MO3 Share Charge and Bio Garden Share Charge, respectively, to secure the performance of the obligations of each of Mr. Kam, Bio Garden Inc. and Magnum Opus 3 under the Investment Agreement.*
4. *Qin Wall Investment Holdings Limited is a limited liability company incorporated in the British Virgin Islands, which is wholly-owned by China Huarong International Holdings Limited. China Huarong International Holdings Limited is owned as to 88.10% and 11.90% by Huarong Real Estate Co. Ltd. and Huarong Zhiyuan Investment & Management Co. Ltd. Both Huarong Real Estate Co. Ltd. and*

Huarong Zhiyuan Investment & Management Co. Ltd. are wholly-owned by China Huarong Asset Management Co., Ltd., the shares of which are listed on the Stock Exchange (stock code: 2799). China Huarong Asset Management Co., Ltd is ultimately owned as to approximately 61.41% by Ministry of Finance of the People's Republic of China as at the date of this joint announcement.

As at the date of this joint announcement, save for Qin Wall's interest under the Investment Agreement, the MO3 Share Charge and the Bio Garden Share Charge as described in paragraphs 2 and 3 above, China Huarong Asset Management Co., Ltd. (Hong Kong stock code: 2799) and its subsidiaries are not interested in any Shares.

- 5. Atlantis is a limited liability company incorporated in Hong Kong, which is wholly-owned by Atlantis Capital Group Holdings Limited. Ms. Liu Yang has 100% indirect interest in Atlantis Capital Group Holdings Limited.*
- 6. Save for Bio Garden Inc., Magnum Opus 3 and Atlantis, none of the members of the Offeror and the Offeror Concert Parties holds any Shares as at the date of this joint announcement.*
- 7. Parties acting in concert with the Offeror include (i) Bio Garden Inc. and Mr. Kam; (ii) China In Shine Investment Limited and Ms. Fung Chit; (iii) Asia Pacific MedTech (BVI) Limited and Ms. Gu Nana; (iv) Famous Sino Limited and Mr. Wu Guangze; (v) Atlantis and Ms. Liu Yang; (vi) China Huarong Asset Management Co., Ltd. (Hong Kong stock code: 2799) and its subsidiaries (including Qin Wall); (vii) Magnum Opus 3; and (viii) any parties acting in concert with each of the aforementioned parties.*

Assuming that there is no other change in the shareholding in the Company before completion of the Proposal, following the completion of the Scheme and the withdrawal of listing of the Shares on the Stock Exchange, the Offeror and the Offeror Concert Parties will hold 100% of the issued share capital of the Company.

REASONS FOR AND BENEFITS OF THE PROPOSAL

(a) The Proposal will allow the Company more freedom for implementing its long-term growth strategies

The Offeror may implement a series of long-term transformation and growth strategies. However, such transformation strategies may affect the Company's short-term growth profile and result in the divergence between the Offeror's and the Company's view on the Company's long-term value on one hand, and investors' views on the Company's share price on the other hand. Following the implementation of the Proposal, the Offeror and the Company can make strategic decisions focused on long-term benefits, free from the regulatory constraints and pressure of market expectations on share price associated with being a publicly listed company.

(b) Low liquidity of Shares may continue to cause abnormal share price fluctuation and difficulty for the Company to raise funds

The average daily trading volume of the Shares for the 24 months up to and including the Last Trading Day was approximately 794,000 Shares per day, representing only approximately 0.03% of the issued Shares as at the date of this joint announcement.

The low trading liquidity of the Shares could make it difficult for Shareholders to execute substantial on-market disposals without adversely affecting the price of the Shares and also make it difficult for Shareholders to dispose of a large number of Shares when any event that has an adverse impact on the Company's share price occurs.

Due to the relatively low liquidity in the trading of the Shares, the Offeror considers that the Company's current listing platform may no longer be able to serve as an effective fund-raising platform for the Company's business and future growth.

(c) Non-compliance of public float requirement as prescribed by Rule 8.08 of the Listing Rules

Reference is made to the announcements of the Company dated 29 June 2018 and 15 November 2018 in relation to the public float of the Company. As at the date of this joint announcement, the Offeror Concert Parties hold in aggregate 2,434,178,089 Shares, representing approximately 83.45% of the issued share capital of the Company. As such, the public float of the Company is approximately 16.55% as at the date of this joint announcement, which remains below 25% of the issued share capital of the Company held by the public as prescribed by Rule 8.08 of the Listing Rules.

If the Company continues to fail to comply with the public float requirement under Rule 8.08 of the Listing Rules, the Stock Exchange may suspend trading in the Shares until appropriate steps have been taken to restore the minimum percentage of securities in public hands. In view of the foregoing, the Offeror considers that the continuous listing of the Company is subject to uncertainties.

(d) A good opportunity for the Scheme Shareholders to realise their investment for a premium

During the one-year period ended on and including the Last Trading Day, the lowest and highest closing prices per Share on the Stock Exchange were HK\$0.48 and HK\$1.10, respectively, with a simple average closing price of approximately HK\$0.78. The Offeror believes that the Cancellation Price of HK\$0.88 per Share represents a premium to the prices at which the market had valued the Company, and therefore, the Proposal provides the Scheme Shareholders an attractive exit premium and opportunity to realise their investment in return for cash, and redeploy into other investment opportunities that they may consider more attractive.

(e) Cost reduction from the saving of cost of listing and cost of investor relations

The delisting of the Company would reduce the costs and management resources associated with the maintenance of the Company's listing status on the Stock Exchange, therefore the delisting of the Company is expected to result in a more efficient and cost-effective group structure and create more flexibility for the Group to manage its business in an efficient and sustainable manner.

INTENTION OF THE OFFEROR REGARDING THE GROUP

The Offeror has no plan to introduce any material changes to the business and/or assets of the Group, or to redeploy its major fixed assets or discontinue the employment of employees of the Group as a result of the Proposal. After successful privatisation of the Company, the Offeror will review the businesses of the Group, including among others, the Group's relationships with its distributors and suppliers, portfolio of products, assets, corporate and organisational structure, capitalisation, operations, policies, management and personnel to consider and determine what changes, if any, would be necessary, appropriate or desirable, long term and short term, in order to best organise and optimise the businesses and operations of the Group. It is the intention of the Offeror for the Group to maintain its existing business upon the successful privatisation of the Company. However, the Offeror and the Company will continue to assess business opportunities as and when they arise.

INFORMATION ON THE GROUP

The Group is principally engaged in (i) the manufacture and sale of medical devices and related medical device accessories; (ii) the provision of hospital management service and hospital operation; (iii) the provision of medical insurance administration service; (iv) the research and development, manufacture and sale of Chinese herbal medicines; and (v) the provision of cells and tissues storage and genetic testing services.

Set out below is the summary of financial information of the Group for the financial years ended 31 March 2018 and 2019 as extracted from the annual report of the Company for the year ended 31 March 2019 and the six months ended 30 September 2018 and 2019 as extracted from the interim reports of the Company for the six months ended 30 September 2018 and 2019:

	For the six months ended		For the year ended	
	30 September		31 March	
	2019	2018	2019	2018
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(audited)</i>	<i>(audited)</i>
Revenue	157,249	163,913	315,668	250,719
(Loss)/profit before taxation	(27,161)	(165,480)	(661,774)	(736,487)
(Loss)/profit for the year/period	(29,660)	(168,525)	(702,875)	3,363,086

	As at 30 September		As at 31 March	
	2019	2018	2019	2018
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(audited)</i>	<i>(audited)</i>
Total assets	6,933,726	7,734,652	7,360,347	8,718,467
<i>Major assets under non-current assets</i>				
— Property, plant and equipment	2,499,711	1,126,338	1,145,884	1,258,234
— Interests in leasehold land held for own use	—	1,447,691	1,445,512	1,526,912
— Other receivables	467,441	620,688	371,959	784,911
<i>Major assets under current assets</i>				
— Trade and other receivables	167,274	149,879	158,348	939,269
— Pledged and time deposits	615,047	672,365	672,515	1,016,496
— Cash and cash equivalents	2,685,290	3,207,419	3,068,456	2,795,654
Total liabilities	2,789,673	2,886,849	2,927,832	3,164,525
<i>Major liabilities under non-current liabilities</i>				
— Interest-bearing borrowings	527,183	341,880	—	918,784
<i>Major liabilities under current liabilities</i>				
— Trade and other payables	1,673,020	1,757,518	1,791,992	1,775,036
— Interest-bearing borrowings	329,489	543,837	894,889	231,807
Total equity attributable to owners of the Company	4,102,464	4,781,272	4,381,497	5,475,562

The Company did not declare any dividend for the financial year ended 31 March 2019 and the six months ended 30 September 2019. As at the date of this joint announcement, the Company has no intention to make, declare or pay any future dividend/distribution until after completion of the Proposal and the Scheme.

INFORMATION ON THE OFFEROR AND THE SUBSCRIBERS

The Offeror is an investment holding company incorporated in the British Virgin Islands with limited liability. As at the date of this joint announcement, the sole director of the Offeror is Mr. Kam.

Bio Garden Inc. is an investment holding company incorporated in the British Virgin Islands. It is wholly-owned by certain discretionary trusts of which Mr. Kam is the founder. Mr. Kam, aged 57, being the founder of the Group, was an executive Director of the Company from April 2005 to May 2019. He was also a director of several subsidiaries of the Company. Mr. Kam graduated from the Beijing Second Foreign Languages Institute, the PRC (北京第二外國語學院) in 1985 and has over 20 years of management experience in international business. Mr. Kam is the sole director of Bio Garden Inc. and a director of Magnum Opus 3 International Holdings Limited, both companies have an interest in the share capital of the Company under the provisions of Part XV of the SFO as set out in the section headed “SHAREHOLDING STRUCTURE OF THE COMPANY AND DISINTERESTED SCHEME SHARES” of this joint announcement.

China In Shine Investment Limited is an investment holding company incorporated in the British Virgin Islands with limited liability and is ultimately wholly-owned by Ms. Fung Chit. The sole director of China In Shine Investment Limited is Ms. Fung Chit. Ms. Fung Chit is an experienced investor and had, through China In Shine Investment Limited, invested in listed securities in the United States of America.

Asia Pacific MedTech (BVI) Limited is an investment holding company incorporated in the British Virgin Islands with limited liability and is ultimately wholly-owned by Ms. Gu Nana. The sole director of Asia Pacific MedTech (BVI) Limited is Ms. Gu Nana. Ms. Gu Nana is an experienced investor and had, through Asia Pacific MedTech (BVI) Limited, invested in overseas bio-technology listed company.

Famous Sino Limited is an investment holding company incorporated in the British Virgin Islands with limited liability and is ultimately wholly-owned by Mr. Wu Guangze. The sole director of Famous Sino Limited is Mr. Wu Guangze. Mr. Wu Guangze is an experienced investor and had, through Famous Sino Limited, invested in listed companies in Hong Kong and overseas.

WITHDRAWAL OF LISTING OF SHARES

Upon the Scheme becoming effective, all Disinterested Scheme Shares will be cancelled and the share certificates for the Disinterested Scheme Shares will thereafter cease to have effect as documents or evidence of title. The Company will apply to the Stock Exchange for the withdrawal of the listing of the Shares on the Stock Exchange immediately following the Scheme becoming effective. The Scheme Shareholders will be notified by way of an announcement of the exact date of the last day for dealing in the Shares and on which the Scheme and the withdrawal of the listing of the Shares on the Stock Exchange will become effective. A detailed timetable of the Scheme will be included in the Scheme Document, which will also contain, among others, further details of the Scheme.

IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES

The listing of the Shares on the Stock Exchange will not be withdrawn if the Scheme does not become effective or the Proposal otherwise lapses.

If the Scheme is not approved or the Proposal otherwise lapses, there are restrictions under the Takeovers Code on making subsequent offers, to the effect that neither the Offeror nor any person who acted in concert with the Offeror in the course of the Proposal (nor any person who is subsequently acting in concert with any of them) may, within 12 months from the date on which the Scheme is not approved or the Proposal otherwise lapses, announce an offer or possible offer for the Company, except with the consent of the Executive.

OVERSEAS SHAREHOLDERS

The making of the Proposal to, and the acceptance of the Proposal by, the Scheme Shareholders who are not resident in Hong Kong may be subject to the laws of the relevant jurisdictions in which such Scheme Shareholders are located.

Such overseas Scheme Shareholders should inform themselves about and observe any applicable legal, tax or regulatory requirements in their own jurisdictions. It is the responsibility of any overseas Scheme Shareholders wishing to take any action in relation to the Proposal to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such jurisdiction.

Any acceptance by such overseas Scheme Shareholders will be deemed to constitute a representation and warranty from such persons to the Offeror and the Company and their advisers that those laws and regulatory requirements have been complied with. Persons who are in doubt as to their position should consult their professional advisers.

TAXATION ADVICE

The Scheme Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting the Proposal. It is emphasised that none of the Offeror, the Offeror Concert Parties, Amasse Capital and the Company or any of their respective directors, officers or associates or any other person involved in the Proposal accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Proposal.

DISINTERESTED SCHEME SHARES, COURT MEETING AND GENERAL MEETING

As at the date of this joint announcement, (i) the Offeror does not hold any Shares in the Company; and (ii) the Offeror Concert Parties hold in aggregate 2,434,178,089 Shares, representing approximately 83.45% of the issued share capital of the Company. Such Shares will not constitute the Disinterested Scheme Shares, will not be voted on the Scheme at the Court Meeting and will not be cancelled upon the Effective Date.

Each of the Offeror Concert Parties will undertake to the Grand Court that it will be bound by the Scheme, so as to ensure that it will comply with and be subject to the terms and conditions of the Scheme.

All Shareholders (including the Offeror Concert Parties) will be entitled to attend the General Meeting and vote on (i) the special resolution to approve and give effect to the reduction of the share capital of the Company by cancelling and extinguishing the Disinterested Scheme Shares; and (ii) the ordinary resolution to, immediately after the capital reduction, increase the issued share capital of the Company to the amount prior to the cancellation of the Disinterested Scheme Shares by the allotment and issue at par to the Offeror of such aggregate number of new Shares as is equal to the number of Disinterested Scheme Shares cancelled and apply the reserve created as a result of the such capital reduction to pay up in full at par such number of new Shares to be allotted and issued, credited as fully paid, to the Offeror. Each of the Offeror Concert Parties have undertaken that, if the Scheme is approved at the Court Meeting, they will cast the votes attaching to the Shares held by them in favour of the aforesaid resolutions to be proposed at the General Meeting. As far as the ordinary resolution in connection with the special deal relating to the Undertaking is concerned, only the Disinterested Shareholders can vote thereon.

COSTS OF THE SCHEME

If the Independent Board Committee or the Independent Financial Adviser does not recommend the Proposal, the Scheme or the Undertaking, and the Scheme is not approved, all expenses incurred by the Company in connection therewith shall be borne by the Offeror in accordance with Rule 2.3 of the Takeovers Code.

DEALING IN THE COMPANY'S SECURITIES

Save for the acquisition of 1,592,000 Shares by Atlantis as set out below, none of the Offeror and the Offeror Concert Parties has dealt in any Shares, options, derivatives, warrants or other securities convertible into Shares during the six-month period immediately prior to the date of this joint announcement:

Name	Number of Shares acquired	Dealing date	Actual sale price per Share
Atlantis	4,000	18 February 2020	HK\$0.70 per Share
	276,000	19 February 2020	HK\$0.75 per Share
	88,000	19 February 2020	HK\$0.76 per Share
	16,000	21 February 2020	HK\$0.76 per Share
	152,000	21 February 2020	HK\$0.77 per Share
	68,000	24 February 2020	HK\$0.76 per Share
	312,000	24 February 2020	HK\$0.77 per Share
	84,000	24 February 2020	HK\$0.78 per Share
	40,000	31 March 2020	HK\$0.57 per Share
	240,000	31 March 2020	HK\$0.58 per Share
	92,000	31 March 2020	HK\$0.59 per Share
	220,000	31 March 2020	HK\$0.60 per Share
	Total	<u>1,592,000</u>	

GENERAL

The Offeror has appointed Amasse Capital as its financial adviser in connection with the Proposal.

The Offeror confirms that, as at the date of this joint announcement:

- (i) the Offeror or the Offeror Concert Parties have not received any irrevocable commitment to vote for or against the Scheme;
- (ii) there is no outstanding derivative in respect of securities in the Company which has been entered into by the Offeror or the Offeror Concert Parties;
- (iii) save for the Undertaking and the Subscription Agreement, there is no arrangement (whether by way of option, indemnity or otherwise) in relation to the Shares between the Offeror or any of the Offeror Concert Parties and any other person which may be material to the Proposal (as referred to in Note 8 to Rule 22 of the Takeovers Code);
- (iv) save for a total of 2,434,178,089 Shares, none of the Offeror or the Offeror Concert Parties owns or has control or direction over any voting rights or rights over the Shares or convertible securities, options, warrants or derivatives of the Company;

- (v) save for the acquisition of 1,592,000 Shares by Atlantis as disclosed in the section headed “DEALING IN THE COMPANY’S SECURITIES” of this joint announcement, none of the Offeror and the Offeror Concert Parties has dealt in any Shares, options, derivatives, warrants or other securities convertible into Shares during the six-month period immediately prior to the date of this joint announcement;
- (vi) save for the Undertaking and the Subscription Agreement, there is no agreement or arrangement to which the Offeror or any of the Offeror Concert Parties is a party which relates to circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Proposal;
- (vii) there are no relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Offeror or the Offeror Concert Parties have borrowed or lent;
- (viii) save for the Undertaking and the Subscription Agreement, there is no understanding, arrangement or special deal between any Shareholder and the Offeror and/or the Offeror Concert Parties; and
- (ix) save for the Cancellation Price, no consideration, compensation or benefit in whatever form is or will be provided by the Offeror or the Offeror Concert Parties to the Shareholders.

The Board confirms that, as at the date of this joint announcement, there is no understanding, arrangement or special deal between any Shareholder and the Company, its subsidiaries or associated companies.

The Board and the Offeror confirms that, as at the date of this joint announcement, there is no understanding, arrangement or special deal between any the Company, its subsidiaries or associated companies and the Offeror and/or the Offeror Concert Parties.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee has been established in accordance with Rule 2.1 of the Takeovers Code to advise and give a recommendation to the Disinterested Shareholders as to whether the terms of the Proposal, the Scheme and the Undertaking are fair and reasonable and as to voting. An Independent Financial Adviser will be appointed with the approval of the Independent Board Committee to advise the Independent Board Committee in this regard. An announcement of such appointment will be made by the Company in due course.

DESPATCH OF SCHEME DOCUMENT

The Scheme Document containing, among others, further details of (i) the Proposal and the Scheme, the Subscription Agreement and the Undertaking; (ii) the expected timetable; (iii) an explanatory memorandum as required under the Companies Law and the rules of the Grand Court; (iv) information regarding the Company; (v) recommendations from the Independent Board Committee with respect to the Proposal, the Scheme and the Undertaking; (vi) the letter of advice from the Independent Financial Adviser to the Independent Board Committee; and (vii) a notice of the Court Meeting and a notice of the General Meeting, together with the respective forms of proxy in relation thereto, will be despatched to the Shareholders as soon as practicable and in compliance with the requirements of the Takeovers Code, the Listing Rules, the Companies Law, the Grand Court and other applicable laws and regulations.

The Scheme Document will contain important information and the Scheme Shareholders are urged to read carefully the Scheme Document containing such disclosures before casting any vote at (or providing any proxy in respect of) the Court Meeting or the General Meeting.

DEALING DISCLOSURE

All associates (as defined under the Takeovers Code and include persons holding 5% or more of any class of relevant securities) of the Company and the Offeror are hereby reminded to disclose their dealings in the securities of the Company pursuant to the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 of the Takeovers Code and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant rules of the Takeovers Code. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7-day period is less than HK\$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 10:47 a.m. on 9 June 2020 pending the release of this joint announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 18 June 2020.

DEFINITIONS

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

“1st Tranche Subscription”	the subscription by the Subscribers for and the allotment and issue by the Offeror of an aggregate of initially 54 new shares of the Offeror with an aggregate consideration of HK\$54 pursuant to the Subscription Agreement
“2nd Tranche Subscription”	the subscription by the Subscribers for and the allotment and issue by the Offeror of an aggregate of 9,945 new shares of the Offeror with an aggregate consideration of US\$55,000,000 (equivalent to approximately HK\$426,250,000 at the exchange rate of US\$1.00 to HK\$7.75 (for illustration purposes only)) following the approval of the relevant resolutions in relation to the Proposal at the General Meeting pursuant to the Subscription Agreement
“acting in concert”	has the meaning ascribed to it in the Takeovers Code
“Amasse Capital”	Amasse Capital Limited, a corporation licensed to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO, being the financial adviser to the Offeror in relation to the Proposal
“associate(s)”	has the meaning ascribed to it in the Takeovers Code
“Atlantis”	Atlantis Investment Management Limited, a limited liability company incorporated in Hong Kong, which is indirectly wholly-owned by Ms. Liu Yang, and as at the date of this joint announcement holds the Atlantis Shares

“Atlantis Shares”	317,166,529 Shares held by Atlantis, representing approximately 10.87% of the issued share capital of the Company as at the date of this joint announcement
“Board”	the board of Directors
“Business Day”	a day, except a Saturday, Sunday or public holiday, on which banks in Hong Kong are generally open for business
“Cancellation Price”	the cancellation price of HK\$0.88 per Disinterested Scheme Share payable in cash by the Offeror to the Scheme Shareholders pursuant to the Scheme
“Companies Law”	the Companies Law, Cap. 22 (Law 3 of 1961), as consolidated and revised, of the Cayman Islands
“Company”	Golden Meditech Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Main Board of the Stock Exchange (stock code: 00801)
“Condition(s)”	the conditions to the implementation of the Proposal and the Scheme as set out in the section headed “TERMS OF THE PROPOSAL — Conditions of the Proposal and the Scheme” of this joint announcement
“Court Meeting”	a meeting of the Scheme Shareholders to be convened at the direction of the Grand Court at which the Scheme will be voted upon
“Director(s)”	the director(s) of the Company from time to time
“Disinterested Scheme Share(s)”	Share(s) other than those held by the Offeror and the Offeror Concert Parties
“Disinterested Shareholder(s)”	Shareholder(s) other than the Offeror and the Offeror Concert Parties
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director

“General Meeting”	an extraordinary general meeting of the Company to be held after the Court Meeting for the purpose of approving the changes to the share capital of the Company as described in the section headed “TERMS OF THE PROPOSAL — Conditions of the Proposal and the Scheme” of this joint announcement
“Grand Court”	the Grand Court of the Cayman Islands
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent committee of the Board comprising all independent non-executive Directors, namely Mr. Gao Yue, Mr. Poon Tsz Hang and Mr. Daniel Foa, established for the purpose of advising and giving a recommendation to the Disinterested Shareholders in respect of the Proposal, the Scheme and the Undertaking
“Independent Financial Adviser”	the independent financial adviser to be appointed to advise the Independent Board Committee in respect of the Proposal, the Scheme and the Undertaking
“Last Trading Day”	8 June 2020, being the last full trading day of the Shares before the publication of this joint announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	31 December 2020 or such later date as the Offeror and the Company may agree or, to the extent applicable, as the Executive may consent and the Grand Court may direct
“Mr. Kam”	Mr. Kam Yuen
“Offeror”	Meditech Global Group Limited, a company incorporated under the laws of the British Virgin Islands with limited liability

“Offeror Concert Parties”	parties acting in concert or presumed to be acting in concert with any of the Offeror under the definition of “acting in concert” under the Takeovers Code, including (i) Bio Garden Inc. and Mr. Kam; (ii) China In Shine Investment Limited and Ms. Fung Chit; (iii) Asia Pacific MedTech (BVI) Limited and Ms. Gu Nana; (iv) Famous Sino Limited and Mr. Wu Guangze; (v) Atlantis and Ms. Liu Yang; (vi) China Huarong Asset Management Co., Ltd. (Hong Kong stock code: 2799) and its subsidiaries (including Qin Wall Investment Holdings Limited); (vii) Magnum Opus 3 International Holdings Limited; and (viii) any parties acting in concert with each of the aforementioned parties
“PRC”	the People’s Republic of China which, for the purpose of this joint announcement, excludes Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
“Proposal”	the proposal for the privatisation of the Company by the Offeror by way of the Scheme, the restoration of the share capital of the Company to the amount immediately before the cancellation of the Disinterested Scheme Shares and the withdrawal of the listing of the Shares on the Stock Exchange, on the terms and subject to the conditions set out in this joint announcement
“Record Date”	the appropriate record date to be announced for determining entitlements under the Scheme
“Relevant Authorities”	appropriate governments and/or governmental bodies, regulatory bodies, courts or institutions
“Scheme”	a scheme of arrangement under Section 86 of the Companies Law involving the cancellation of all the Disinterested Scheme Shares
“Scheme Document”	the scheme document of the Company and the Offeror to be issued to all Shareholders containing, among others, further details of the Proposal together with the additional information specified in the section headed “DESPATCH OF SCHEME DOCUMENT” of this joint announcement
“Scheme Shareholder(s)”	holder(s) of Disinterested Scheme Shares as at the Record Date
“SFC”	the Securities and Futures Commission of Hong Kong

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.20 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber(s)”	collectively, Bio Garden Inc., China In Shine Investment Limited, Asia Pacific MedTech (BVI) Limited and Famous Sino Limited
“Subscription Agreement”	has the meaning as set out in the section headed “THE SUBSCRIPTION AGREEMENT” of this joint announcement
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Undertaking”	the letter of undertaking dated 17 June 2020 (which superseded a letter of undertaking dated 9 June 2020 issued by Atlantis) issued by Atlantis to the Offeror and the Company, details of which are set out in the section headed “SPECIAL DEAL RELATING TO THE UNDERTAKING” of this joint announcement
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

By order of the board of
Meditech Global Group Limited
KAM Yuen
Sole Director

By order of the board of
Golden Meditech Holdings Limited
Feng Wen
Chairman

Hong Kong, 17 June 2020

As at the date of this joint announcement, the Board comprises five Directors. The executive Directors are Mr. Feng Wen (Chairman) and Mr. Leong Kim Chuan (Chief executive); and the independent non-executive Directors are Mr. Gao Yue, Mr. Poon Tsz Hang and Mr. Daniel Foa.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than information relating to the Offeror or any of the Offeror Concert Parties) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than opinions expressed by the Offeror or any of the Offeror Concert Parties) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, (i) the sole director of the Offeror is Mr. Kam; (ii) the sole director of Bio Garden Inc. is Mr. Kam; (iii) the sole director of China In Shine Investment Limited is Ms. Fung Chit; (iv) the sole director of Asia Pacific MedTech (BVI) Limited is Ms. Gu Nana; and (v) the sole director of Famous Sino Limited is Mr. Wu Guangze.

Mr. Kam (in his capacity as the sole director of the Offeror) accepts full responsibility for the accuracy of the information contained in this joint announcement (other than information relating to the Group) and confirm, having made all reasonable inquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than opinions expressed by the Group) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.

Mr. Kam (in his capacity as the sole director of Bio Garden Inc.), Ms. Fung Chit (in her capacity as the sole director of China In Shine Investment Limited), Ms. Gu Nana (in her capacity as the sole director of Asia Pacific MedTech (BVI) Limited) and Mr. Wu Guangze (in his capacity as the sole director of Famous Sino Limited) jointly and severally accepts full responsibility for the accuracy of the information contained in this joint announcement (other than information relating to the Group) and confirm, having made all reasonable inquiries, that to the best of her/his knowledge, opinions expressed in this joint announcement (other than opinions expressed by the Group) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.