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北京健康(控股)有限公司
Beijing Health (Holdings) Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2389)

DISCLOSEABLE TRANSACTION PURCHASE OF WEALTH MANAGEMENT PRODUCT

PURCHASE OF WEALTH MANAGEMENT PRODUCT

On 18 August 2022, Lugang International entered into the Lugang Wealth Management Product Agreement (I) with Bank of Beijing, pursuant to which Lugang International agreed to purchase wealth management product of RMB63 million using internal resources.

In addition, on 17 January 2022, Lugang International entered into the Lugang Wealth Management Product Agreement (II) with Bank of Beijing, pursuant to which Lugang International agreed to purchase wealth management product of RMB10 million using internal resources.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios (as calculated under Rule 14.07 of the Listing Rules) in respect of the Lugang Wealth Management Product Agreement (I) exceeds 5% but all of the applicable percentage ratios are less than 25%, the purchase of wealth management product under the Lugang Wealth Management Product Agreement (I) as mentioned above constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules.

As all of the applicable percentage ratios (as calculated under Rule 14.07 of the Listing Rules) in respect of the Lugang Wealth Management Product Agreement (II) are less than 5%, the purchase of wealth management product under the Lugang Wealth Management Product Agreement (II) as mentioned above does not constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

However, in accordance with Rule 14.22 of the Listing Rules, as the Lugang Wealth Management Product Agreement (I) and the Lugang Wealth Management Product Agreement (II) (the “**Wealth Management Product Agreements**”) involve same counterparties and products similar in nature, the transactions are required to be aggregated. As one of the applicable percentage ratios in respect of the transactions after aggregation exceeds 5% but all of the applicable percentage ratios are less than 25%, the total purchase of wealth management product under the Wealth Management Product Agreements constitutes a discloseable transaction of the Company and is subject to the notification and announcement requirements under the Listing Rules.

BACKGROUND

The Board announced that on 18 August 2022, Lugang International entered into the Lugang Wealth Management Product Agreement (I) with Bank of Beijing, pursuant to which Lugang International agreed to purchase wealth management product of RMB63 million using internal resources.

In addition, on 17 January 2022, Lugang International entered into the Lugang Wealth Management Product Agreement (II) with Bank of Beijing, pursuant to which Lugang International agreed to purchase wealth management product of RMB10 million using internal resources.

WEALTH MANAGEMENT PRODUCT AGREEMENT

The principal terms of the Lugang Wealth Management Product Agreement (I) are set out as follows:

- (1) Date of subscription: 18 August 2022
- (2) Parties:
 - (i) Bank of Beijing
 - (ii) Lugang International
- (3) Name of the product: Bank of Beijing Xinxi Series RMB Jinghua Privilege Seventy-third Phase Wealth Management Plan (the “**Plan**”)
- (4) Type of return: Non-principal guaranteed with variable return
- (5) Subscription amount: RMB63 million (equivalent to approximately HK\$73.08 million). The Board believes that the consideration of such subscription was determined on the basis of arm’s length commercial terms

(6) Term of investment: No fixed maturity period[#]

[#] The Plan enters a closed period after subscription, and will only be open on the 25th day of every half year (25 February, 25 August) (automatically postponed to the next bank working day if it is a non-working day) for Lugang International to redeem the funds based on the net value of wealth management products on that day. The unredeemed portion will automatically enter the next closed period until the end of the Plan.

Bank of Beijing is entitled to terminate the wealth management product in advance

(7) Scope of investment: For the fund raised from the wealth management product, no less than 80% will be invested in fixed income assets.

(8) Expected annualized rate of return: 3.3%–4.1% (non-guaranteed)

The principal terms of the Lugang Wealth Management Product Agreement (II) are set out as follows:

(1) Date of subscription: 17 January 2022

(2) Parties: (i) Bank of Beijing
(ii) Lugang International

(3) Name of the product: Bank of Beijing Jinghua Visionary Fixed Income Monthly Open No. 1 Wealth Management Plan (the “**Jinghua Plan**”)

(4) Type of return: Non-principal guaranteed with variable return

(5) Subscription amount: RMB10 million (equivalent to approximately HK\$11.6 million). The Board believes that the consideration of such subscription was determined on the basis of arm’s length commercial terms

(6) Term of investment: No fixed maturity period[#]

[#] The Jinghua Plan enters a closed period after subscription, and will only be open on the 18th day of every month (automatically postponed to the next bank working day if it is a non-working day) for Lugang International to redeem the funds based on the net value of wealth management products on that day. The unredeemed portion will automatically enter the next closed period until the end of the Jinghua Plan.

Bank of Beijing is entitled to terminate the wealth management product in advance

- (7) Scope of investment: For the fund raised from the wealth management product, no less than 80% will be invested in fixed income assets.

INFORMATION ON THE PARTIES

The Company is an investment holding company and the Group is principally engaged in provision of medical care, health care and geriatric care related services and products.

Lugang International is a non-wholly owned subsidiary of the Company and is principally engaged in development of industrial parks.

Bank of Beijing is a licensed bank in the PRC and a joint stock company established under the laws of the PRC, which provides corporate and personal banking business, treasury business, finance leasing, asset management and other financial services in the PRC. Its shares are listed on the Shanghai Stock Exchange (stock code: 601169). To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Bank of Beijing and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

REASONS FOR AND BENEFITS OF THE PURCHASE OF WEALTH MANAGEMENT PRODUCT

The reasonable and efficient use of temporary idle funds will enhance the overall capital gain of the Company, which is consistent with the core objectives of the Company to ensure capital safety and liquidity. The impact of risk factors on the expected return of the Wealth Management Product Agreements is low, but the Group could get a higher rate of return as compared with fix term deposit in commercial banks in the PRC.

The Directors consider that the terms of the Wealth Management Product Agreements and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms or better in the ordinary course of business of the Group, and are in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios (as calculated under Rule 14.07 of the Listing Rules) in respect of the Lugang Wealth Management Product Agreement (I) exceeds 5% but all of the applicable percentage ratios are less than 25%, the purchase of wealth management product under the Lugang Wealth Management Product Agreement (I) as mentioned above constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules.

As all of the applicable percentage ratios (as calculated under Rule 14.07 of the Listing Rules) in respect of the Lugang Wealth Management Product Agreement (II) are less than 5%, the purchase of wealth management product under the Lugang Wealth Management Product Agreement (II) as mentioned above does not constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

However, in accordance with Rule 14.22 of the Listing Rules, as the Lugang Wealth Management Product Agreement (I) and the Lugang Wealth Management Product Agreement (II) involve same counterparties and products similar in nature, the transactions are required to be aggregated. As one of the applicable percentage ratios in respect of the transactions after aggregation exceeds 5% but all of the applicable percentage ratios are less than 25%, the total purchase of wealth management product under the Wealth Management Product Agreements constitutes a discloseable transaction of the Company and is subject to the notification and announcement requirements under the Listing Rules.

DEFINITIONS

Unless the context otherwise requires, the following terms used herein have the following meanings:

“Bank of Beijing”	Bank of Beijing Co., Ltd. (北京銀行股份有限公司), a joint stock company incorporated in the PRC with limited liability and a licensed bank in the PRC
“Board”	the board of Directors
“Company”	Beijing Health (Holdings) Limited 北京健康(控股)有限公司, a company incorporated in Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 2389)
“connected person”	has the meaning ascribed to it in the Listing Rules
“Directors”	the director(s) of the Company
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Lugang International”	Beijing Lugang International Logistic Co., Ltd.* (北京陸港國際物流有限公司), a company established in the PRC with limited liability and is a non-wholly owned subsidiary of the Company
“Lugang Wealth Management Product Agreement (I)”	the wealth management product agreement entered into between Lugang International and Bank of Beijing dated 18 August 2022 in relation to the purchase of wealth management product
“Lugang Wealth Management Product Agreement (II)”	the wealth management product agreement entered into between Lugang International and Bank of Beijing dated 17 January 2022 in relation to the purchase of wealth management product
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“working day(s)”	a day on which licensed banks are generally open for business in the PRC throughout their normal business hours
“%”	per cent.

By Order of the Board
Beijing Health (Holdings) Limited
Zhu Shi Xing
Chairman

Hong Kong, 18 August 2022

As at the date of this announcement, the Board comprises six Executive Directors, namely Mr. Zhu Shi Xing, Mr. Liu Xue Heng, Mr. Gu Shan Chao, Mr. Siu Kin Wai, Mr. Hu Shiang Chi and Mr. Wang Zheng Chun and five Independent Non-Executive Directors, namely Mr. Robert Winslow Koepf, Mr. Gary Zhao, Mr. Tse Man Kit, Keith, Mr. Wu Yong Xin and Mr. Zhang Yun Zhou.

* For identification purposes only