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**Hygeia Healthcare Holdings Co., Limited**  
**海吉亚医疗控股有限公司**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 6078)**

**VOLUNTARY ANNOUNCEMENT**  
**LETTER OF INTENT IN RELATION TO A POSSIBLE ACQUISITION**

This announcement is made by Hygeia Healthcare Holdings Co., Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis.

**LETTER OF INTENT**

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on December 12, 2022 (after trading hours), the Company entered into a non-legally binding letter of intent (the “**LOI**”) with a potential vendor (the “**Potential Vendor**”), pursuant to which the Company and/or its designated subsidiaries (the “**Potential Purchaser**”) may agree to purchase, and the Potential Vendor may agree to sell no less than 70% of the equity interest in a target hospital (the “**Target Hospital**”) by ways of capital increase or equity transfer (the “**Possible Acquisition**”) subject to the entering into of the formal and binding agreement(s) in respect of the Possible Acquisition (the “**Formal Agreement**”) by the parties.

The Target Hospital is a Class IIA general hospital located in the Yangtze River Delta region. As of the date hereof, the Potential Vendor holds 100% equity interest in the Target Hospital and is expected to hold the remaining equity interest in the Target Hospital after completion of the Possible Acquisition.

To the best knowledge, information and belief of the Company, having made all reasonable enquiries, the Potential Vendor is a third party independent of the Company and its connected persons (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

## **Consideration**

The consideration for the Possible Acquisition and the payment terms thereof shall be further negotiated and agreed between the Potential Purchaser and the Potential Vendor and shall be set out in the Formal Agreement.

## **Exclusivity**

During the one hundred and eighty (180) days period from the date of the LOI (the “**Exclusivity Period**”), the Potential Purchaser shall have the exclusive right to negotiate with the Potential Vendor on the Possible Acquisition, and the Potential Vendor shall not, and shall procure that the Target Hospital will not, directly or indirectly, negotiate or enter into any agreement with any other third party in relation to the capital increase of the Target Hospital or the sale or disposal of the equity interest in the Target Hospital held by the Potential Vendor.

## **Formal Agreement**

The Potential Purchaser and the Potential Vendor will proceed with further negotiation for entering into the Formal Agreement in respect of the Possible Acquisition.

## **Term and Validity**

The LOI will be terminated at the earlier of (i) the expiry of the Exclusivity Period; or (ii) the date of execution of the Formal Agreement.

## **Legal Effect**

The terms and conditions of the Possible Acquisition under the LOI are not intended to be legally-binding, and will be subject to negotiation and the entering into of the Formal Agreement between the parties.

## **REASONS FOR AND BENEFITS OF THE POSSIBLE ACQUISITION**

As an oncology-focused healthcare group, the Group endeavors to make healthcare services more accessible and affordable (讓醫療更溫暖), addressing unmet demand of oncology patients in China.

The Target Hospital is located in the Yangtze River Delta region with sizable population and high demand for oncology healthcare services, which is in line with the Group’s expansion strategies. Given that the Target Hospital is located in a city with sound economic base and geographical advantages, the Company believes that it has great growth potential and will be able to continuously expand its capacity in the future. Should the Possible Acquisition

materialize, the Company will strengthen the oncology specialties of the Target Hospital and improve the operational efficiency of the Target Hospital through adjustments to its revenue structure, optimization of its supply chain and other means, which will further enhance the core value of the Group. The Possible Acquisition, if materialized, will allow the Group to integrate the resources of the Target Hospital with Suzhou Canglang Hospital, Suzhou Yongding Hospital and Wuxi Hygeia Hospital to further enhance the Group's synergies in the Yangtze River Delta region, which thereby allows it to strengthen its market share and presence, and lay a solid foundation for the Group to establish a three-tier hospital network in the Yangtze River Delta region.

The Directors consider that the terms of the LOI are fair and reasonable and that the Possible Acquisition is in the interests of the Company and its shareholders as a whole.

## **GENERAL**

As of the date of this announcement, the terms and conditions of the Possible Acquisition are still being negotiated and no legally binding agreement for such terms and conditions has been entered into by the parties. The Possible Acquisition, if materialized, may constitute a disclosable transaction of the Company under Chapter 14 of the Listing Rules. Further announcement(s) will be made by the Company in accordance with all applicable requirements of the Listing Rules as and when appropriate.

**As the Possible Acquisition may or may not proceed, shareholders and investors of the Company are reminded to exercise caution when dealing in the shares of the Company.**

By order of the Board  
**Hygeia Healthcare Holdings Co., Limited**  
**Mr. Zhu Yiwen**  
*Chairman*

Hong Kong, December 12, 2022

*As of the date of this announcement, the Board comprises Mr. Zhu Yiwen as chairman and executive Director, Ms. Cheng Huanhuan, Mr. Ren Ai, Mr. Zhang Wenshan and Ms. Jiang Hui as executive Directors, and Mr. Liu Yanqun, Mr. Zhao Chun and Mr. Ye Changqing as independent non-executive Directors.*