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GENERTEC UNIVERSAL MEDICAL GROUP COMPANY LIMITED

通用環球醫療集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code : 2666)

DISCLOSEABLE TRANSACTION ENTERING INTO THE ASSETS REPURCHASE AGREEMENTS

THE ASSETS REPURCHASE AGREEMENTS

On 24 December 2024 (after trading hours), China Reform, as the transferor, and GUIFL (an indirect wholly owned subsidiary of the Company), as the transferee, entered into the Assets Repurchase Agreements No. 1 to No. 7 and No. 10, pursuant to which, among other things, GUIFL and China Reform agreed to terminate the corresponding Assets Transfer Agreement and China Reform agreed to transfer and GUIFL agreed to repurchase the Leased Assets under the respective Underlying Contracts at the Repurchase Price.

Within the past 12-month period, on 13 December 2024, China Reform, as the transferor, and GUIFL, as the transferee, entered into the Assets Repurchase Agreement No. 11, pursuant to which, among other things, GUIFL and China Reform agreed to terminate the corresponding Assets Transfer Agreement and China Reform agreed to transfer and GUIFL agreed to repurchase the Leased Assets under the respective Underlying Contract at the Repurchase Price.

LISTING RULES IMPLICATIONS

As the Assets Repurchase Agreements No. 1 to No. 7 and No. 10 and Assets Repurchase Agreement No. 11 were entered into with the same party during the 12-month period, according to Rule 14.22 of the Listing Rules, the transactions thereunder shall be aggregated as a series of transactions.

As the highest applicable under each of the Assets Repurchase Agreements No. 1 to No. 7 and No. 10 and Assets Repurchase Agreement No. 11 on its own is less than 5%, while the highest

applicable percentage ratio upon aggregation of the Assets Repurchase Agreements No. 1 to No. 7 and No. 10 and Assets Repurchase Agreement No. 11 is higher than 5% but less than 25%, the entering into the Assets Repurchase Agreements constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements under the Listing Rules.

THE ASSETS REPURCHASE AGREEMENTS

Reference is made to the announcement of the Company dated 16 December 2022 in relation to the purchase of the Leased Assets by China Reform from GUIFL. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the announcement of the Company dated 16 December 2022.

On 24 December 2024 (after trading hours), China Reform, as the transferor, and GUIFL (an indirect wholly owned subsidiary of the Company), as the transferee, entered into the Assets Repurchase Agreements No. 1 to No. 7 and No. 10, pursuant to which, among other things, GUIFL and China Reform agreed to terminate the corresponding Assets Transfer Agreement and China Reform agreed to transfer and GUIFL agreed to repurchase the Leased Assets under the respective Underlying Contracts at the Repurchase Price.

Within the past 12-month period, on 13 December 2024, China Reform, as the transferor, and GUIFL, as the transferee, entered into the Assets Repurchase Agreement No. 11, pursuant to which, among other things, GUIFL and China Reform agreed to terminate the corresponding Assets Transfer Agreement and China Reform agreed to transfer and GUIFL agreed to repurchase the Leased Assets under the respective Underlying Contract at the Repurchase Price.

The principal terms of the Assets Repurchase Agreements are summarised as follows, which are substantially identical except for the repurchase date and the Repurchase Price:

Parties: China Reform and GUIFL

Repurchase Price

Assets Repurchase Agreements No. 1 to No. 7 and No. 10: GUIFL agreed to pay the respective repurchase price to China Reform on 3 January 2025 or on 10 January 2025 in one lump sum to the designated bank account of China Reform in the following manner, and the aggregate remaining deposit of RMB58,000,000.00 as at the respective repurchase date under each of the Assets Repurchase Agreements No. 1 to No. 7 and No. 1 shall be used to offset the repurchase price:

- (i) *For payment made before 3 January 2025:* an aggregate repurchase price of RMB640,935,452.00, after deducting the aggregate remaining deposit of RMB58,000,000.00; or

- (ii) *For payment made before 10 January 2025*: an aggregate repurchase price of RMB641,367,453.55, after deducting the aggregate remaining deposit of RMB58,000,000.00.

Assets Repurchase Agreement No. 11: GUIFL agreed to pay the repurchase price of RMB135,261,789.59 to China Reform after deducting the deposit of RMB 16,000,000, being used to offset the payment of the repurchase price payable by GUIFL, on 15 December 2024 in on lump-sum. As at the date of this announcement, the above-mentioned repurchase price has been fully paid.

The termination of the corresponding Assets Transfer Agreement shall become effective upon payment of the Repurchase Price by GUIFL to China Reform. If GUIFL fail to make full payment of the Repurchase Price before the relevant date, China Reform shall have the right to assert the continued performance of the Assets Transfer Agreement and China Reform shall have the discretion to utilise the Repurchase Price paid to offset any payables by GUIFL under the Assets Transfer Agreement. Upon due performance of the Assets Repurchase Agreements by GUIFL, the Assets Transfer Agreement will be terminated accordingly.

The Repurchase Price was determined with reference to (i) the remaining lease principal of the Leased Assets as at the respective repurchase date; (ii) the outstanding receivables of China Reform under the corresponding Assets Transfer Agreement; and (iii) the buy-back price pursuant to the Underlying Contracts.

For Assets Repurchase Agreements No. 1 to No. 7 and No. 10, (i) the aggregate remaining lease principal of the Leased Assets is RMB692,777,800.40 for payment made before 3 January 2025 or RMB692,777,800.40 for payment made before 10 January 2025; (ii) the aggregate outstanding receivables is RMB6,157,247.60 for payment made before 3 January 2025 or RMB6,589,249.15 for payment made before 10 January 2025 and (iii) the aggregate buy back price is RMB404.00. For Assets Repurchase Agreement No. 11, (i) the remaining lease principal of the Leased Assets is RMB149,874,329.91; (ii) the outstanding receivables is RMB1,387,458.68 and (iii) the buy-back price is RMB1.00. The Group shall utilise its internal financial resources for payment of the Repurchase Price.

Transfer of the Leased Assets

Upon receipt of the Repurchase Price, China Reform shall register the Assets Repurchase Agreements in the unified registration and publicity system of movable property financing of the Credit Reference Center of the People's Bank of China, and the Leased Assets shall be transferred to GUIFL on an "as-is" basis automatically.

The Assets Repurchase Agreements shall become effective upon the due execution of the Assets Repurchase Agreements by their respective legal representative(s) or authorised representative(s) of China Reform and GUIFL.

FINANCIAL INFORMATION ON THE LEASED ASSETS TO BE REPURCHASED

According to the unaudited financial information prepared in accordance with General Accepted Accounting Principles in the People’s Republic of China (中國企業會計準則), the net profits (both before and after taxation) attributable to the Leased Assets to be repurchased for the two years ended 31 December 2022 and 2023 were as follows:

	Year Ended 31 December 2022 (RMB: million)	Year Ended 31 December 2023 (RMB: million)
Net profits before taxation	60.67	89.77
Net profits after taxation	57.24	84.69

The carrying value of the Leased Assets, being the net assets of the Leased Assets, was approximately RMB910 million as at 30 September 2024.

INFORMATION OF THE GROUP

The Company is an integrated healthcare service provider with a focus on the fast-growing healthcare service industry in the PRC. Leveraging its own diversified healthcare resources and strong financial support, the Company has been committed to building up hospitals’ comprehensive strengths in terms of healthcare technology, service quality, operating efficiency as well as managerial capacity.

GUIFL, an indirect wholly owned subsidiary of the Company, is a limited liability company incorporated in the PRC in December 2014. GUIFL is mainly engaged in financial leasing business, leasing business, residual value treatment and maintenance of leased properties, and leasing transactions consulting and guarantee business.

INFORMATION OF CHINA REFORM

China Reform is a company with limited liability incorporated under the laws of the PRC and is principally engaged in finance lease business. China Reform is an indirectly wholly owned subsidiary of China Reform Holdings, and the sole shareholder of China Reform Holdings is the State-owned Assets Supervision and Administration Commission of the State Council of the PRC. To the best of the Director’s knowledge, information and belief after having made all reasonable enquiries, China Reform and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

REASONS FOR AND BENEFITS OF ENTERING INTO THE ASSETS REPURCHASE AGREEMENTS

The Group’s finance business mainly focuses on finance leasing business, with a strategic emphasis on deepening development based on industry growth prospects, profitability, revenue/risk profile, cashflow stability and other criteria. The Directors believe that the Assets Repurchase Agreements could provide the Group with an additional source of profit and contribute to the development of the Group’s Finance Business.

In view of the above, the Directors (including the independent non-executive Directors) consider that the terms of the Assets Repurchase Agreements are on normal commercial terms and are fair and reasonable and the Repurchase is in the interests of the Company and the shareholders of the Company as a whole.

LISTING RULES IMPLICATIONS

As the Assets Repurchase Agreements No. 1 to No. 7 and No. 10 and Assets Repurchase Agreement No. 11 were entered into with the same party during the 12-month period, according to Rule 14.22 of the Listing Rules, the transactions thereunder shall be aggregated as a series of transactions.

As the highest applicable under each of the Assets Repurchase Agreements No. 1 to No. 7 and No. 10 and Assets Repurchase Agreement No. 11 on its own is less than 5%, while the highest applicable percentage ratio upon aggregation of the Assets Repurchase Agreements No. 1 to No. 7 and No. 10 and Assets Repurchase Agreement No. 11 is higher than 5% but less than 25%, the entering into the Assets Repurchase Agreements constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements under the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“Assets Transfer Agreement(s)”	the specific assets transfer agreement(s) entered into between GUIFL and China Reform in relation to the transfer of the Leased Assets under the Underlying Contracts pursuant to the assets transfer agreement entered into between GUIFL and China Reform on 16 December 2022
“Assets Repurchase Agreements”	collectively, the Assets Repurchase Agreements No. 1 to No. 7 and No. 10 and Assets Repurchase Agreement No. 11
“Assets Repurchase Agreements No. 1 to 7 and No. 10”	the assets repurchase agreements dated 24 December 2024 entered into between GUIFL and China Reform in relation to the termination of the corresponding Assets Transfer Agreement and the repurchase of the Lease Assets under the respective Underlying Contracts by GUIFL from China Reform
“Assets Repurchase Agreement No. 11”	the assets repurchase agreement dated 13 December 2024 entered into between GUIFL and China Reform in relation to the termination of the corresponding Assets Transfer Agreement and the repurchase of the Lease Assets under the Underlying Contracts by GUIFL from China Reform

“Board”	the board of Directors of the Company
“China Reform”	China Reform Financial Leasing Co., Ltd. (國新融資租賃有限公司), a company with limited liability incorporated under the laws of the PRC and is principally engaged in finance lease business
“Company”	Genertec Universal Medical Group Company Limited (通用環球醫療集團有限公司), a company incorporated in Hong Kong with limited liability and the issued shares of which are listed on the main board of the Stock Exchange (stock code: 2666)
“Director(s)”	the directors of the Company
“Group”	the Company and its subsidiaries
“GUIFL”	Genertec Universal International Financial Leasing (Tianjin) Co., Ltd. (通用環球國際融資租賃(天津)有限公司), a limited liability company incorporated in the PRC and an indirectly wholly owned subsidiary of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Leased Assets”	apart from the ownership of the leased properties under the Underlying Contracts, the undue creditor’s rights and any other rights of the creditor against the Lessee under the Underlying Contracts agreed to be repurchased by GUIFL pursuant to the terms and conditions under the Assets Repurchase Agreements, including but not limited to (i) unless otherwise expressly agreed by both parties, all monetary payable by the Lessee to the creditor under the Underlying Contracts, including but not limited to the principals, interest, pre-leasing interest (if any), default interest, overdue interest, grace period interest, delay performance penalty, liquidated damages, late payment penalty, agreed loss compensation, early termination compensation, lease asset occupancy fee, buy back price (residual value of leased properties), etc.; and (ii) all rights of the creditor under the Underlying Contracts, including all rights and remedies agreed in contracts or documents related to guarantee, mortgage, pledge and deposit (if any), or granted by law
“Lessee”	any person who has payment obligations to the creditor under the Underlying Contracts in respect of the Leased Assets

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase”	the repurchase of the Lease Assets pursuant to the Assets Repurchase Agreements
“Repurchase Price”	the aggregate repurchase price payable by GUIFL to China Reform pursuant to the Assets Repurchase Agreements
“RMB”	Renminbi, the lawful currency of the PRC
“Underlying Contracts”	the contracts, agreements and any other supplementary agreements or modification documents related to the formation of the Leased Assets signed by the GUIFL and the Lessee
“%”	per cent

By order of the Board
Genertec Universal Medical Group Company Limited
通用環球醫療集團有限公司
Chen Shisu
Chairman of the Board

Beijing, PRC, 24 December 2024

As at the date of this announcement, the executive directors of the Company are Mr. Chen Shisu(Chairman), Mr. Wang Wenbing and Ms. Wang Lin; the non-executive directors of the Company are Mr. Chan Kai Kong (Vice-chairman), Mr. Tong Chaoyin, Mr. Xu Ming and Mr. Zhu Ziyang; and the independent non-executive directors of the Company are Mr. Li Yinquan, Mr. Chow SiuLui, Mr. Xu Zhiming and Mr. Chan, Hiu Fung Nicholas.