

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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

MEILLEURE HEALTH INTERNATIONAL INDUSTRY GROUP LIMITED
美瑞健康國際產業集團有限公司
(Incorporated in Bermuda with limited liability)
(Stock Code: 2327)

**SUPPLEMENTAL ANNOUNCEMENT
IN RELATION TO
DISCLOSEABLE AND CONNECTED TRANSACTION**

Reference is made to the announcement of Meilleure Health International Industry Group Limited (the “**Company**”) dated 14 December 2020 in relation to the discloseable and connected transaction regarding (i) the disposal of 60% of the issued share capital of a non-wholly owned subsidiary; and (ii) the acquisition of the entire equity interest in a PRC entity (the “**Announcement**”). Capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement unless otherwise defined herein.

This announcement is made to provide supplemental information as follows:

IDENTITY OF THE ULTIMATE BENEFICIAL OWNER OF PURCHASER A

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the ultimate beneficial owner of the entire issued share capital of Purchaser A is Mr. Chauchard Claude Alain, who is the founder, chairman and a director of the BVI Target Company. Mr. Chauchard Claude Alain is also a director of a number of companies in the BVI Target Group.

Save as disclosed above, the ultimate beneficial owner of Purchaser A does not have any past or present relationships with the Company or its connected persons.

IDENTITY OF THE ULTIMATE BENEFICIAL OWNER OF THE REMAINING 20% EQUITY INTEREST IN SHENZHEN BAIRUI CLINIC

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the remaining 20% equity interest in Shenzhen Bairui Clinic is directly owned by Shenzhen Lingnan Group Co., Ltd.* (深圳市嶺南集團有限公司), which is a company established in the PRC with limited liability and is ultimately owned by Mr. Chen Xuejun (陳學軍) and Ms. Yu Xiaohong (余小紅) as to 70% and 30% respectively. As at the date of this announcement, Shenzhen Lingnan Group Co., Ltd. is the landlord of the business premises of Shenzhen Bairui Clinic and also the Group's office premises located in Shenzhen. As all of the applicable percentage ratios (as defined in the Listing Rules) for these tenancies as aggregated are less than 1% and these transactions are connected transactions only because they involve connected person at the subsidiary level, such continuing connected transactions are fully exempt under Chapter 14A of the Listing Rules.

Save as disclosed above, the ultimate beneficial owners of the remaining 20% equity interest in Shenzhen Bairui Clinic do not have any past or present relationships with the Company or its connected persons.

NET CARRYING VALUE OF THE PRC TARGET GROUP

The PRC Consideration for the Acquisition was determined with reference to the sum of the net carrying value of the net assets of the PRC Target Group attributable to the PRC Sales Shares as at 31 October 2020 excluding the goodwill of the PRC Target Group of approximately HK\$18.5 million, which amounts to approximately HK\$7.2 million.

FURTHER REASONS FOR AND BENEFITS OF THE DISPOSAL AND THE ACQUISITION

Although the BVI Target Group is also engaged in the provision of health management services in the PRC market (i.e. Shanghai), the revenue generated by the clinic located in Shanghai has been on a decreasing trend, whereby approximately HK\$4.6 million (audited), HK\$3.2 million (audited) and HK\$2.2 million (unaudited) were recorded for the financial years ended 31 December 2018 and 2019, and for the six months ended 30 June 2020 respectively. Whereas the PRC Target Group that operates Shenzhen Bairui Clinic had generated a revenue of approximately HK\$3.0 million (audited), HK\$1.7 million (audited) and HK\$7.5 million (unaudited) for the financial years ended 31 December 2018, 2019, and for the six months ended 30 June 2020 respectively. Based on the unaudited management accounts of the PRC Target Group and the BVI Target Group, the revenue generated by the PRC Target Group had increased rapidly to approximately HK\$13.3 million for the ten months ended 31 October 2020, whereas the revenue generated by the clinic located in Shanghai was only approximately HK\$3.5 million for the same period, which demonstrates that the development of the health management business has better potential in the PRC Target Group than the Shanghai operation of the BVI Target Group.

Based on the above, the Group believes that the Acquisition can strengthen its financial position by developing the health management services engaged by the PRC Target Group principally in Shenzhen which has a higher revenue generating prospect.

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

Hong Kong, 18 December 2020

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

* *For identification purpose only*