

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.



Yestar Healthcare Holdings Company Limited

巨星醫療控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2393)

DISCLOSEABLE TRANSACTION SUBSCRIPTION OF INVESTMENT PRODUCTS

THE SUBSCRIPTIONS

The Board wishes to announce that on 28 May 2022, the Company subscribed for Investment Product A in the principal amount of US\$3.7 million.

On 4 July 2022, the Company subscribed for Investment Product B in the principal amount of US\$4.4 million. Each of the Investment Products did not constitute a notifiable transaction for the Company on a standalone basis under Chapter 14 of the Listing Rules.

IMPLICATIONS UNDER THE LISTING RULES

As the highest applicable percentage ratio (as defined in the Listing Rules) for Subscription B when aggregated with Subscription A exceeded 5% but was less than 25%, the Subscriptions constituted a discloseable transaction for the Company under Chapter 14 of the Listing Rules and would have been accordingly subject to the notification and announcement requirements under Chapter 14 of the Listing Rules at the time.

THE SUBSCRIPTIONS

The Company subscribed for the Investment Products on the terms and conditions as set out below:

	Investment Product A	Investment Product B
Subscription date	: 28 May 2022	4 July 2022
Parties	: The Company and FOIH	The Company and FOIH
Principal amount	: US\$3,700,000	US\$4,400,000
Investment period	: From 1 June 2022 to 31 May 2023	From 5 July 2022 to 4 July 2023
Purpose	: FOIH shall invest and manage the funds on behalf of the Company	FOIH shall invest and manage the funds on behalf of the Company
Interest rate	: 6%	6%
Repayment of interest	: The interest accrued on the principal amount shall be paid by FOIH to the Company on a semi-annual basis.	The interest accrued on the principal amount shall be paid by FOIH to the Company on a semi-annual basis.
Repayment of principal	: Company may obtain the principal and remaining interest on Investment Product A upon expiry of the investment period.	Company may obtain the principal and remaining interest on Investment Product B upon expiry of the investment period.

REASONS FOR AND BENEFITS OF THE SUBSCRIPTIONS

The principal activity of the Company is investment holding. The principal activities of the subsidiaries comprise the manufacture, distribution and sale of medical imaging products, distribution of In Vitro Diagnostic (IVD) products and the manufacture and sale of dental films.

The Subscriptions were funded by the internal resources of the Group. The Group subscribed for the Investment Products in order to maximize the use of its funds with the aim of obtaining satisfactory return.

Mr. Hartono James, the Chairman and non-executive Director of the Company, has an established business relationship with the senior executive of FOIH who has strong business connections in Southeast Asia especially in Singapore and Indonesia. The Company intended to leverage the aforementioned relationship to expand its market footprint in Southeast Asia by entering into the Subscriptions.

The Directors were of the view that the Subscriptions would not cause any adverse effects on the Group's working capital at the time. The Directors (including independent non-executive Directors) were of the view that the terms of the Subscriptions were fair and reasonable and were in the best interests of the Company and its Shareholders as a whole at the time.

INFORMATION ON FOIH

FOIH is a private company established in Singapore. It is principally engaged in investment and fund management. Its ultimate beneficial owner is Diana Sari Chandra.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of FOIH and its ultimate beneficial owner is an Independent Third Party.

IMPLICATION UNDER THE LISTING RULES

As the highest applicable percentage ratio (as defined in the Listing Rules) for Subscription B when aggregated with Subscription A exceeded 5% but was less than 25%, the Subscriptions constituted a discloseable transaction for the Company under Chapter 14 of the Listing Rules and would have been accordingly subject to the notification and announcement requirements under Chapter 14 of the Listing Rules at the time.

Breach of the Listing Rules and remedial action

The Company acknowledges that it has failed to publish an announcement in relation to the Investment Products and the Subscriptions at the relevant time. The Company deeply regrets its non-compliance with the Listing Rules but the Company would like to stress that the delay in compliance with the Listing Rules was inadvertent and unintentional. The Company has no intention to withhold any information relating to the Subscriptions from disclosure to the public. To prevent similar incidents from occurring in the future, the Company has taken remedial action in accordance with the following table:

Remedial action

Timetable

Engage a compliance adviser or legal advisor on annual basis to ensure the Company's compliance with the Listing Rules, corporate governance code and all applicable laws, rules, codes and guidelines.	August 2023
---	-------------

Remedial action**Timetable**

Request compliance advisor or legal advisor to prepare detailed guidelines relating to notifiable and connected transactions under the Listing Rules and provide checklist for above transactions.

August 2023

Organise regular training on notifiable and connected transactions under the Listing Rules

Training session on the compliance requirements of the Listing Rules (in particular, Chapters 13, 14 and 14A of the Listing Rules) will be held for the senior management and the Directors before December 2023 and on an annual basis thereafter.

Establish an investment committee comprising Chairman, CEO and CFO which shall be delegated with the responsibility of reviewing the Company's transactions, preparing summary reports and reporting to the Board and ensuring the Company's compliance with the Listing Rules.

August 2023

Arrange for the internal audit team to closely monitor the effectiveness and adequacy of internal control measures of the Group and report their review results and findings to the Board on a quarterly basis. The Board will examine the report and make recommendations.

Ongoing

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, there are no other incidents of non-compliance and it is not expected that the Company will enter into any transactions similar to the Subscriptions before the aforementioned remedial actions have been implemented.

Going forward, the Company will work more closely with its legal advisers and compliance adviser on compliance issues and shall, as and when appropriate and necessary, consult other professional advisers before entering into any potential notifiable or connected transaction. Where necessary, the Company will consult the Stock Exchange on the proper treatment of the proposed transaction.

DEFINITIONS

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

“Board”	the board of Directors
“Company”	Yestar Healthcare Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability with its shares listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company
“FOIH”	First Oversea Investment Holdings (PTE) LTD, a company incorporated in Singapore with limited liability
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and any of its connected persons
“Investment Product A”	the investment product issued by FOIH and subscribed for by the Company on 28 May 2022, the principal terms of which are summarised in this announcement
“Investment Product B”	the investment product issued by FOIH and subscribed for by the Company on 4 July 2022, the principal terms of which are summarised in this announcement
“Investment Products”	Investment Product A and Investment Product B
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Shareholder(s)”	holder(s) of issued Share(s)
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Subscription A”	the subscription of Investment Product A by the Company in the principal amount of US\$3.7 million on 28 May 2022

“Subscription B”	the subscription of Investment Product B by the Company in the principal amount of US\$4.4 million on 4 July 2022
“Subscriptions”	Subscription A and Subscription B
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

By order of the Board
Yestar Healthcare Holdings Company Limited
Liao Changxiang
CEO and executive Director

Hong Kong, 16 June 2023

As at the date of this announcement, the executive Directors are Ms. Liao Changxiang, Ms. Wang Hong and Mr. Liang Junxiong; the non-executive Director is Mr. Hartono James; and the independent non-executive Directors are Mr. Zeng Jinsong, Mr. Zhao Ziwei and Koeswondo Michael David.