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**ALLIED GROUP LIMITED**  
**(聯合集團有限公司)**  
*(Incorporated in Hong Kong with limited liability)*  
**(Stock Code: 373)**



**天安中國投資有限公司**  
**TIAN AN CHINA INVESTMENTS COMPANY LIMITED**  
*(Incorporated in Hong Kong with limited liability)*  
**(Stock Code: 28)**

**FAREAST GLOBAL LIMITED**  
*(Incorporated in the British Virgin Islands with limited liability)*



**China Medical & HealthCare Group Limited**  
*(Incorporated in Bermuda with limited liability)*  
**(Stock Code: 383)**

## **JOINT ANNOUNCEMENT**

**(1) MANDATORY CONDITIONAL CASH OFFER BY  
YU MING INVESTMENT MANAGEMENT LIMITED  
ON BEHALF OF THE OFFEROR  
TO ACQUIRE ALL ISSUED SHARES OF  
CHINA MEDICAL & HEALTHCARE GROUP LIMITED  
(OTHER THAN THOSE SHARES ALREADY OWNED AND/OR  
AGREED TO BE ACQUIRED BY THE OFFEROR AND PARTIES ACTING  
IN CONCERT WITH IT);**

**(2) MAJOR TRANSACTION FOR  
TIAN AN CHINA INVESTMENTS COMPANY LIMITED;**

**(3) DISCLOSEABLE TRANSACTION FOR  
ALLIED GROUP LIMITED;**

**AND**

**(4) RESUMPTION OF TRADING**

**Financial adviser to the Offeror**



**YU MING INVESTMENT MANAGEMENT LIMITED**  
**馮銘投資管理有限公司**

**Financial adviser to CMH**



**英皇企業融資有限公司**  
**Emperor Corporate Finance Limited**

## **THE CMH OFFER**

### **Results of the CMH Rights Issue**

On 15 June 2023, CMH announced that at 4:00 p.m. on Thursday, 8 June 2023, being the latest time for acceptance of and payment for the CMH Rights Shares, and application and payment for excess CMH Rights Shares, a total of 26 valid applications and acceptances were received, comprising:

- (i) a total of 14 valid acceptances of provisional allotments under the CMH PALs in respect of 219,368,128 CMH Rights Shares, representing approximately 60.60% of the total number of the CMH Rights Shares available under the CMH Rights Issue; and
- (ii) a total of 12 valid applications for excess CMH Rights Shares under the CMH EAFs in respect of 180,897,131 excess CMH Rights Shares, representing approximately 49.97% of the total number of the CMH Rights Shares available under the CMH Rights Issue.

In aggregate, 400,265,259 CMH Rights Shares validly accepted and applied for under the CMH PALs and CMH EAFs represent approximately 110.57% of the total number of 362,001,819 CMH Rights Shares available under the CMH Rights Issue. Accordingly, the CMH Rights Issue was over-subscribed by 38,263,440 CMH Rights Shares, representing approximately 10.57% of the total number of the CMH Rights Shares available for subscription under the CMH Rights Issue.

The CMH Rights Issue became unconditional at 4:00 p.m. on Friday, 9 June 2023. Completion of the Rights Issue took place on Friday, 16 June 2023. The gross proceeds from the CMH Rights Issue are approximately HK\$318.6 million, and the net proceeds from the CMH Rights Issue after deducting all relevant expenses in relation to the CMH Rights Issue are approximately HK\$309.1 million.

### **The CMH Offer**

Immediately after the CMH Acquisition and prior to completion of the CMH Rights Issue, the Offeror and parties acting in concert with it owned 136,164,481 CMH Shares (comprising 92,991,481 CMH Shares, 36,101,000 CMH Shares, 232,000 CMH Shares, 80,000 CMH Shares and 6,760,000 CMH Shares held by the Offeror, Mr. MT Lee, Mr. Nagahara, Mr. Song and Borrower A respectively), representing approximately 18.81% of the total issued share capital of CMH prior to the issue of 362,001,819 CMH Rights Shares under the CMH Rights Issue.

The Offeror made an application to subscribe for a total of 302,741,720 CMH Rights Shares at the CMH Subscription Price under the CMH Rights Issue, comprising (i) 46,438,240 CMH Rights Shares by provisional allotments; (ii) 81,303,480 CMH Rights Shares as transferee of nil-paid CMH Rights Shares; and (iii) 175,000,000 CMH Rights Shares by excess application. Mr. MT Lee and Mr. Nagahara made an application to subscribe for 18,050,500 CMH Rights Shares and 116,000 CMH Rights Shares at the CMH Subscription Price by provisional allotment respectively. Pursuant to the results of the CMH Rights Issue, on 16 June 2023, a total of 265,725,519 CMH Rights Shares have been allotted and issued to the Offeror, comprising (i) 46,438,240 CMH Rights Shares from provisional allotments; (ii) 81,303,480 CMH Rights Shares as transferee of nil-paid CMH Rights Shares; and (iii) 137,983,799 CMH Rights Shares from excess application, and 18,050,500 CMH Rights Shares and 116,000 CMH Rights Shares have been allotted and issued to Mr. MT Lee and Mr. Nagahara from provisional allotment respectively. Mr. Song and Borrower A did not apply for subscription of any CMH Rights Shares.

Immediately following the completion of the CMH Rights Issue and as at the date of this joint announcement, the Offeror and parties acting in concert with it own 420,056,500 CMH Shares (comprising 358,717,000 CMH Shares, 54,151,500 CMH Shares, 348,000 CMH Shares, 80,000 CMH Shares and 6,760,000 CMH Shares held by the Offeror, Mr. MT Lee, Mr. Nagahara, Mr. Song and Borrower A respectively), representing approximately 38.68% of the total issued share capital of CMH as enlarged by the issue of 362,001,819 CMH Rights Shares. Accordingly, the Offeror is required to make a mandatory conditional cash offer pursuant to Rule 26.1 of the Takeovers Code for all the issued CMH Offer Shares.

Yu Ming will, on behalf of the Offeror, make the CMH Offer to acquire all the CMH Offer Shares in compliance with the Takeovers Code on the basis set out below:

**For every CMH Offer Share . . . . . HK\$0.89 in cash**

The CMH Offer Price of HK\$0.89 per CMH Offer Share is equivalent to the total of (i) the CMH Subscription Price of HK\$0.88 per CMH Rights Share paid by the Offeror under the CMH Rights Issue; and (ii) the consideration of HK\$0.01 paid by the Offeror for the acquisition of nil-paid rights of each CMH Rights Share.

The CMH Offer is conditional upon the Offeror having received valid acceptances of the CMH Offer Shares which, together with the CMH Shares already acquired and/or agreed to be acquired by the Offeror and the parties acting in concert with it before or during the Offer Period, will result in the Offeror and parties acting in concert with it holding more than 50% of the voting rights of CMH.

The Offeror intends to finance the CMH Offer by the Facilities granted by Mr. Lee and Cashplus to the Offeror pursuant to the Facility Agreements. Yu Ming has been appointed as the financial adviser to the Offeror in respect of the CMH Offer and is satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the CMH Offer.

**GENERAL**

**Despatch of the Composite Document**

It is the intention of the Offeror and CMH to combine the offer document and the offeree board circular into the Composite Document to be posted.

Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document containing, among other things, (i) the terms of the CMH Offer (including the expected timetable); (ii) the letter from the CMH Independent Board Committee in relation to the CMH Offer; (iii) the letter of advice from the CMH Independent Financial Adviser to the CMH Independent Board Committee in respect of the CMH Offer; and (iv) the form of acceptance, is required to be despatched to the CMH Independent Shareholders within twenty-one (21) days of the date of this joint announcement (or such later date as the Executive may consent to).

### **CMH Independent Board Committee and CMH Independent Financial Adviser**

The CMH Independent Board Committee, comprising Mr. Gao Zhaoyuan, Mr. Zhang Jian and Dr. Xia Xiaoning, has been established to advise the CMH Independent Shareholders in relation to the terms and conditions of the CMH Offer, in particular as to whether the CMH Offer is fair and reasonable and as to acceptance of the CMH Offer.

Pursuant to Rule 2.8 of the Takeovers Code, the CMH Independent Board Committee should comprise all non-executive and independent non-executive directors. Since (i) Ms. Yang Lai Sum, Lisa, being an independent non-executive director of CMH, is also an independent non-executive director of TACI and AGL; (ii) Dr. Wong Wing Kuen, Albert, being an independent non-executive director of CMH, is also an independent non-executive director of APAC Resources Limited, which is owned as to approximately 43.50% by AGL; and (iii) Mr. Lai Hin Wing Henry Stephen, being a non-executive director, is a partner of a law firm which is the legal adviser to the Offeror in connection with the transactions contemplated herein, such CMH Directors are not independent for the purpose of giving advice or recommendations to the CMH Independent Shareholders and will not be part of the CMH Independent Board Committee.

A CMH Independent Financial Adviser will be appointed, with the approval of the CMH Independent Board Committee, to advise the CMH Independent Board Committee in respect of the CMH Offer. A further announcement will be made by CMH upon the appointment of the CMH Independent Financial Adviser in accordance with Rule 2.1 of the Takeovers Code.

### **Listing Rules Implications for TACI**

So far as TACI is concerned, as one or more of the applicable percentage ratios(s) of the CMH Subscription, whether on a stand-alone basis or when aggregated with the CMH Acquisition, exceeds 5% but is less than 25%, the CMH Subscription and the CMH Acquisition constitute a discloseable transaction for TACI and is subject to the notification and announcement requirements but exempt from TACI Shareholders' approval requirement under Chapter 14 of the Listing Rules.

Furthermore, the CMH Subscription, the CMH Acquisition and the CMH Offer are subject to aggregation pursuant to Rule 14.22 of the Listing Rules. As one or more of the applicable percentage ratios in respect of the CMH Subscription, the CMH Acquisition and the CMH Offer exceeds 25% but is less than 100%, the CMH Subscription, the CMH Acquisition and the CMH Offer constitute a major transaction for TACI under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement, circular and TACI Shareholders' approval requirements under Chapter 14 of the Listing Rules.

TACI has received an irrevocable and unconditional approval in writing for the CMH Subscription, the CMH Acquisition and the CMH Offer from each of China Elite (a wholly-owned subsidiary of AGL) and AGL, holding an aggregate of 816,920,096 TACI Shares (representing approximately 55.72% of the total number of issued shares in TACI as at the date of this joint announcement). Accordingly, in accordance with Rule 14.44 of the Listing Rules, the TACI Shareholders' approval requirement in respect of the CMH Subscription, the CMH Acquisition and the CMH Offer under Chapter 14 of the Listing Rules has been satisfied in lieu of a general meeting of TACI.

As more time is required to collate certain information, a circular of TACI containing, among others, details of the CMH Subscription, the CMH Acquisition and the CMH Offer and information regarding CMH is expected to be despatched to the TACI Shareholders on or before 14 July 2023.

### **Listing Rules Implications for AGL**

So far as AGL is concerned, as none of the applicable percentage ratios in respect of the CMH Subscription and the CMH Acquisition exceeds 5%, the CMH Subscription and the CMH Acquisition does not constitute a notifiable transaction for AGL.

Furthermore, the CMH Subscription, the CMH Acquisition and the CMH Offer are subject to aggregation pursuant to Rule 14.22 of the Listing Rules. As one or more of the applicable percentage ratios in respect of the CMH Subscription, the CMH Acquisition and the CMH Offer exceeds 5% but is less than 25%, the CMH Subscription, the CMH Acquisition and the CMH Offer constitute a discloseable transaction for AGL and is subject to the notification and announcement requirements but exempt from AGL Shareholders' approval requirement under Chapter 14 of the Listing Rules.

### **RESUMPTION OF TRADING IN SHARES OF CMH, TACI AND AGL**

At the request of CMH, the trading of the CMH Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on 9 June 2023 pending the release of this joint announcement. An application has been made by CMH to the Stock Exchange for the resumption of the trading of the CMH Shares on the Stock Exchange with effect from 9:00 a.m. on 19 June 2023.

At the request of TACI, the trading of the TACI Shares on the Stock Exchange was suspended with effect from 1:00 p.m. on 8 June 2023 pending the release of this joint announcement. An application has been made by TACI to the Stock Exchange for the resumption of the trading of the TACI Shares on the Stock Exchange with effect from 9:00 a.m. on 19 June 2023.

At the request of AGL, the trading of the AGL Shares on the Stock Exchange was suspended with effect from 1:00 p.m. on 8 June 2023 pending the release of this joint announcement. An application has been made by AGL to the Stock Exchange for the resumption of the trading of the AGL Shares on the Stock Exchange with effect from 9:00 a.m. on 19 June 2023.

## **THE CMH OFFER**

### **Results of the CMH Rights Issue**

On 15 June 2023, CMH announced that at 4:00 p.m. on Thursday, 8 June 2023, being the latest time for acceptance of and payment for the CMH Rights Shares, and application and payment for excess CMH Rights Shares, a total of 26 valid applications and acceptances were received, comprising:

- (i) a total of 14 valid acceptances of provisional allotments under the CMH PALs in respect of 219,368,128 CMH Rights Shares, representing approximately 60.60% of the total number of the CMH Rights Shares available under the CMH Rights Issue; and
- (ii) a total of 12 valid applications for excess CMH Rights Shares under the CMH EAFs in respect of 180,897,131 excess CMH Rights Shares, representing approximately 49.97% of the total number of the CMH Rights Shares available under the CMH Rights Issue.

In aggregate, 400,265,259 CMH Rights Shares validly accepted and applied for under the CMH PALs and CMH EAFs represent approximately 110.57% of the total number of 362,001,819 CMH Rights Shares available under the CMH Rights Issue. Accordingly, the CMH Rights Issue was over-subscribed by 38,263,440 CMH Rights Shares, representing approximately 10.57% of the total number of CMH Rights Shares available for subscription under the CMH Rights Issue.

### **Excess application**

Based on the number of valid acceptances under the CMH PALs as referred to above, 142,633,691 CMH Rights Shares were available for subscription under the CMH EAFs. A total of 180,897,131 excess CMH Rights Shares were applied for under the CMH EAFs.

The allocation of the excess CMH Rights Shares was made pursuant to the principles set out in the Prospectus. Given that the number of excess CMH Rights Shares available for subscription under the CMH EAFs was insufficient to satisfy all valid applications, the allocation of the 142,633,691 CMH Rights Shares to the Qualifying CMH Shareholders who applied for excess CMH Rights Shares was made on a fair and equitable basis, and as far as practicable on a pro-rata basis of approximately 78.85% of the number of excess CMH Rights Shares applied for under each application. Reference for allocation of excess CMH Rights Shares was only made to the number of excess CMH Rights Shares applied for and no reference was made to the CMH Rights Shares subscribed through applications by CMH PALs or the existing number of CMH Shares held by the Qualifying CMH Shareholders. In addition, no preference was given to applications for topping up odd-lot holdings to whole lot holdings. The following table sets forth the details of excess applications validly received:

<b>Number of valid excess applications</b>	<b>Total number of excess CMH Rights Shares applied for</b>	<b>Total number of excess CMH Rights Shares allotted</b>	<b>Approximate percentage of allocation based on the total number of excess CMH Rights Shares applied for</b>
12	180,897,131	142,633,691	78.85%

### **The Underwriting Agreement**

As all the conditions of the CMH Rights Issue have been fulfilled and the Underwriting Agreement was not terminated by the Underwriter prior to the latest time for termination, the Underwriting Agreement became unconditional at 4:00 p.m. on Friday, 9 June 2023.

Since the CMH Rights Issue was over-subscribed by 38,263,440 CMH Rights Shares and there were no CMH Rights Shares not taken up, the obligations of the Underwriter have been fully discharged in accordance with the terms of the Underwriting Agreement.

### **Use of proceeds**

The gross proceeds from the CMH Rights Issue are approximately HK\$318.6 million, and the net proceeds from the CMH Rights Issue after deducting all relevant expenses in relation to the CMH Rights Issue are approximately HK\$309.1 million. CMH currently intends to apply the net proceeds of approximately HK\$309.1 million from the CMH Rights Issue for financing the development of the phase II of Kunming hospital as set out in the Prospectus.

## Shareholding structure of CMH

The following table sets out the shareholding structure of CMH (i) immediately before completion of the CMH Acquisition; (ii) immediately after the CMH Acquisition and prior to completion of the CMH Rights Issue; and (iii) immediately after completion of the CMH Rights Issue and as at the date of this joint announcement:

	Immediately before completion of the CMH Acquisition		Immediately after the CMH Acquisition and prior to completion of the CMH Rights Issue		Immediately after completion of the CMH Rights Issue and as at the date of this joint announcement	
	No. of CMH Shares	%	No. of CMH Shares	%	No. of CMH Shares	%
Offeror ( <i>Note 1</i> )	92,876,481	12.83%	92,991,481	12.84%	358,717,000	33.03%
Mr. MT Lee	36,101,000	4.99%	36,101,000	4.99%	54,151,500	4.99%
Mr. Nagahara	232,000	0.03%	232,000	0.03%	348,000	0.03%
Mr. Song	80,000	0.01%	80,000	0.01%	80,000	0.01%
Borrower A ( <i>Note 2</i> )	6,760,000	0.93%	6,760,000	0.93%	6,760,000	0.62%
<b><i>Offeror and parties acting in concert with it</i></b>	<b>136,049,481</b>	<b>18.79%</b>	<b>136,164,481</b>	<b>18.81%</b>	<b>420,056,500</b>	<b>38.68%</b>
Cool Clouds Limited ( <i>Note 3</i> )	200,000,000	27.62%	200,000,000	27.62%	200,000,000	18.42%
Ms. Chong ( <i>Note 4</i> )	130,244,457	17.99%	130,244,457	17.99%	195,366,685	17.99%
Victor Beauty Investments Limited ( <i>Note 5</i> )	100,000,000	13.81%	100,000,000	13.81%	100,000,000	9.21%
Underwriter	—	0.00%	—	0.00%	—	0.00%
Other public CMH Shareholders	157,709,700	21.79%	157,594,700	21.77%	170,582,272	15.70%
<b>Total</b>	<b><u>724,003,638</u></b>	<b><u>100.00%</u></b>	<b><u>724,003,638</u></b>	<b><u>100.00%</u></b>	<b><u>1,086,005,457</u></b>	<b><u>100.00%</u></b>

Notes:

- The Offeror is a wholly-owned subsidiary of TACI which in turn is interested as to (i) approximately 55.72% by AGL, which in turn is beneficially owned as to approximately 74.99% by Lee and Lee Trust (inclusive of Mr. Lee's personal interests), being a discretionary trust; (ii) approximately 18.03% by PIA Ltd (held as investment manager); (iii) approximately 9.74% by Ms. Chong; and (iv) approximately 7.03% by Mr. Chan Kin.

As at the date of this joint announcement, 57,486,960 CMH Shares (the “Secured CMH Shares”), representing approximately 5.29% of the total issued share capital of CMH as at the date of this joint announcement, have been pledged to a subsidiary of AGL (as lender) as collateral securities by a CMH Independent Shareholder (as borrower) for provision of loan. As holder of security interest by its subsidiary, AGL is deemed to have an interest in the Secured CMH Shares. For the avoidance of doubt, the Secured CMH Shares (as security interest) are counted as CMH Shares held by the other public CMH Shareholders and not counted as the CMH Shares held by the Offeror in the shareholding table above.



2. Borrower A (as borrower) has pledged 6,760,000 CMH Shares, representing approximately 0.62% of the total issued share capital of CMH as at the date of this joint announcement, to a subsidiary of AGL (as lender, the “**Lender**”) as collateral securities for provision of loan. Such loan has defaulted and the Lender has exercised the voting rights of the 6,760,000 CMH Shares pursuant to the relevant loan agreement. Therefore, Borrower A is presumed to be acting in concert with the Offeror.
3. Cool Clouds Limited is a wholly-owned subsidiary of Resuccess Investments Limited which in turn is wholly-owned by Tsinghua Tongfang Co., Ltd.
4. Immediately after completion of the CMH Rights Issue, Ms. Chong, an executive director of CMH, owns 928,125 CMH Shares. Vigor Online Offshore Limited owns 194,438,560 CMH Shares and is a wholly-owned subsidiary of China Spirit Limited which in turn is wholly-owned by Ms. Chong.
5. Victor Beauty Investments Limited is indirectly wholly-owned by China Minsheng Investment Group Corp., Ltd.
6. Save for Ms. Chong (an executive director of CMH) as set out above, none of the CMH Directors holds any CMH Shares as at the date of this joint announcement and immediately after completion of the CMH Rights Issue.
7. Certain percentages included in the above table have been subject to rounding adjustments.

### **Despatch of share certificates for CMH Rights Shares and refund cheques**

Completion of the Rights Issue took place on Friday, 16 June 2023.

Share certificates for all fully-paid CMH Rights Shares have been posted to those Qualifying CMH Shareholders entitled thereto, and the refund cheques for the partially unsuccessful applications for excess CMH Rights Shares (without interest) have been posted to the relevant applicants, by ordinary post to their respective registered address at their own risk on Friday, 16 June 2023. Each such entitled Qualifying CMH Shareholders will receive one share certificate for all the CMH Rights Shares in fully-paid form, except HKSCC Nominees Limited.

### **Commencement of dealings in the fully-paid CMH Rights Shares**

Dealings in the CMH Rights Shares, in their fully-paid form, on the Stock Exchange will commence at 9:00 a.m. on Monday, 19 June 2023.

### **The CMH Offer**

Immediately after the CMH Acquisition and prior to completion of the CMH Rights Issue, the Offeror and parties acting in concert with it owned 136,164,481 CMH Shares (comprising 92,991,481 CMH Shares, 36,101,000 CMH Shares, 232,000 CMH Shares, 80,000 CMH Shares and 6,760,000 CMH shares held by the Offeror, Mr. MT Lee, Mr. Nagahara, Mr. Song and Borrower A respectively), representing approximately 18.81% of the total issued share capital of CMH prior to the issue of 362,001,819 CMH Rights Shares under the CMH Rights Issue.

The Offeror made an application to subscribe for a total of 302,741,720 CMH Rights Shares at the CMH Subscription Price under the CMH Rights Issue, comprising (i) 46,438,240 CMH Rights Shares by provisional allotments; (ii) 81,303,480 CMH Rights Shares as transferee of nil-paid CMH Rights Shares; and (iii) 175,000,000 CMH Rights Shares by excess application. Mr. MT Lee and Mr. Nagahara made an application to subscribe for 18,050,500 CMH Rights Shares and 116,000 CMH Rights Shares at the CMH Subscription Price by provisional allotment respectively. Pursuant to the results of the CMH Rights Issue, on 16 June 2023, a total of 265,725,519 CMH Rights Shares have been allotted and issued to the Offeror, comprising (i) 46,438,240 CMH Rights Shares from provisional allotments; (ii) 81,303,480 CMH Rights Shares as transferee of nil-paid CMH Rights Shares; and (iii) 137,983,799 CMH Rights Shares from excess application, and 18,050,500 CMH Rights Shares and 116,000 CMH Rights Shares have been allotted and issued to Mr. MT Lee and Mr. Nagahara from provisional allotment respectively. Mr. Song and Borrower A did not apply for subscription of any CMH Rights Shares.

The total consideration for the aggregate of 265,725,519 CMH Rights Shares allotted and issued to the Offeror is approximately HK\$233.84 million and was satisfied by cash and funded by internal resources of the Offeror. Details for the basis of determining the CMH Subscription Price were disclosed by CMH in the Prospectus.

Immediately following completion of the CMH Rights Issue and as at the date of this joint announcement, the Offeror and parties acting in concert with it own 420,056,500 CMH Shares (comprising 358,717,000 CMH Shares, 54,151,500 CMH Shares, 348,000 CMH Shares, 80,000 CMH Shares and 6,760,000 CMH Shares held by the Offeror, Mr. MT Lee, Mr. Nagahara, Mr. Song and Borrower A respectively), representing approximately 38.68% of the total issued share capital of CMH as enlarged by the issue of 362,001,819 CMH Rights Shares. Accordingly, the Offeror is required to make a mandatory conditional cash offer pursuant to Rule 26.1 of the Takeovers Code for all the issued CMH Offer Shares.

Yu Ming will, on behalf of the Offeror, make the CMH Offer to acquire all the CMH Offer Shares in compliance with the Takeovers Code on the basis set out below:

**For every CMH Offer Share . . . . . HK\$0.89 in cash**

The CMH Offer Price of HK\$0.89 per CMH Offer Share is equivalent to the total of (i) the CMH Subscription Price of HK\$0.88 per CMH Rights Share paid by the Offeror under the CMH Rights Issue; and (ii) the consideration of HK\$0.01 paid by the Offeror for the acquisition of the nil-paid rights of each CMH Rights Share.

## **Condition of the CMH Offer**

The CMH Offer is conditional upon the Offeror having received valid acceptances of the CMH Offer Shares which, together with the CMH Shares already acquired and/or agreed to be acquired by the Offeror and parties acting in concert with it before or during the Offer Period, will result in the Offeror and parties acting in concert with it holding more than 50% of the voting rights of CMH.

## **CMH Offer Consideration**

Immediately following completion of the CMH Rights Issue, CMH has 1,086,005,457 CMH Shares in issue and there is no outstanding options, warrants, derivatives or securities convertible or exchangeable into CMH Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code).

Immediately following completion of the CMH Rights Issue, the Offeror and parties acting in concert with it own 420,056,500 CMH Shares. A total of 672,708,957 CMH Offer Shares (including 6,760,000 CMH Shares held by Borrower A) are subject to the CMH Offer. In the event that the CMH Offer is accepted in full by the CMH Independent Shareholders, the aggregate amount payable by the Offeror under the CMH Offer will be HK\$598,710,971.73.

## **Comparison of value**

The CMH Offer Price of HK\$0.89 represents:

- (a) a discount of approximately 1.11% to the closing price of HK\$0.90 per CMH Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a premium of approximately 0% over the average closing price of approximately HK\$0.89 per CMH Share as quoted on the Stock Exchange over the five (5) consecutive trading days immediately prior to and including the Last Trading Day;
- (c) a premium of approximately 1.14% over the average closing price of approximately HK\$0.88 per CMH Share as quoted on the Stock Exchange over the ten (10) consecutive trading days immediately prior to and including the Last Trading Day;
- (d) a discount of approximately 5.32% to the average closing price of approximately HK\$0.94 per CMH Share as quoted on the Stock Exchange over the thirty (30) consecutive trading days immediately prior to and including the Last Trading Day;
- (e) a discount of approximately 8.25% to the average closing price of approximately HK\$0.97 per CMH Share as quoted on the Stock Exchange over the sixty (60) consecutive trading days immediately prior to and including the Last Trading Day; and

- (f) a discount of approximately 37.76% to the audited consolidated net asset value attributable to CMH Shareholders of approximately HK\$1.43 per CMH Share (based on the audited consolidated net asset value of CMH attributable to CMH Shareholders of approximately HK\$1,554,942,000 as at 31 December 2022 and 1,086,005,457 CMH Shares in issue immediately after completion of the CMH Rights Issue).

### **Highest and lowest Share price**

During the six-month period immediately preceding the Last Trading Day:

- (a) the highest closing price of the CMH Shares quoted on the Stock Exchange was HK\$1.48 per CMH Share on 20 January 2023; and
- (b) the lowest closing price of the CMH Shares quoted on the Stock Exchange was HK\$0.84 per CMH Share on 24 May 2023.

### **Confirmation of financial resources**

The Offeror intends to finance the CMH Offer by the Facilities granted by Mr. Lee and Cashplus to the Offeror pursuant to the Facility Agreements. Yu Ming has been appointed as the financial adviser to the Offeror in respect of the CMH Offer and is satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the CMH Offer.

### **Effect of accepting the CMH Offer**

By validly accepting the CMH Offer, the accepting CMH Independent Shareholders will sell their tendered CMH Offer Shares to the Offeror which are fully paid-up and free from all Encumbrances, together with all rights attached thereto on or after the date on which the CMH Offer is made, being the date of despatch of the Composite Document, including the right to receive in full all dividends and other distributions, if any, declared, made or paid, the record date of which falls on or after the date of despatch of the Composite Document.

As at the date of this joint announcement, (a) CMH has no dividend or other distributions declared but not paid; and (b) CMH will not declare and pay any dividend or other distributions before the close or lapse of the CMH Offer.

### **Hong Kong stamp duty**

Seller's ad valorem stamp duty arising in connection with acceptances of the CMH Offer will be payable by each accepting CMH Independent Shareholder at the rate of 0.13% of (i) the consideration payable by the Offeror to such accepting CMH Independent Shareholders in respect of the relevant CMH Offer Shares or, (ii) if higher, the market value of the CMH

Offer Shares subject to such acceptance, and will be deducted from the cash amount due to such accepting CMH Independent Shareholder. The Offeror will arrange for payment of sellers' ad valorem stamp duty on behalf of such accepting CMH Independent Shareholder and pay the buyer's ad valorem stamp duty and will account to the Stamp Office of Hong Kong for all stamp duty payable on the sale and purchase of CMH Offer Shares in respect of which valid acceptances are received under the CMH Offer.

### **Taxation advice**

CMH Independent Shareholders are recommended to consult their own professional advisers as to the taxation implications of accepting or rejecting the CMH Offer. The Offeror and parties acting in concert with it accept no responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the CMH Offer.

### **Payment**

Payment in cash in respect of acceptances of the CMH Offer (after deducting the accepting CMH Independent Shareholders' share of stamp duty) will be made as soon as possible but in any event within seven (7) Business Days of the date of receipt of a duly completed acceptance, or the date on which the CMH Offer becomes or is declared unconditional in all aspects, whichever is later. Relevant documents evidencing title must be received by or on behalf of the Offeror to render such acceptance of the CMH Offer complete, valid and in compliance with Note 1 to Rule 30.2 of the Takeovers Code. No fractions of a cent will be payable and the amount of the consideration payable to a CMH Independent Shareholder who accepts the CMH Offer will be rounded up to the nearest cent.

### **Overseas CMH Shareholders**

The Offeror intends to make the CMH Offer available to all the CMH Independent Shareholders, including the Overseas CMH Shareholders. However, the CMH Offer is in respect of securities of a company incorporated in Bermuda and is subject to the procedural and disclosure requirements of Hong Kong which may be different from other jurisdictions. Overseas CMH Shareholders who wish to participate in the CMH Offer but with a registered address outside Hong Kong are subject to, and may be limited by, the laws and regulations of their respective jurisdictions in connection with their participation in the CMH Offer. Overseas CMH Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe relevant applicable legal or regulatory requirements and, where necessary, seek legal advice.

It is the responsibility of the Overseas CMH Shareholders who wish to accept the CMH Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the CMH Offer (including the obtaining of any governmental or other consent which may be required or the compliance

with other necessary formalities and the payment of any transfer or other taxes due by such accepting Overseas CMH Shareholder in respect of such jurisdictions).

### **Other arrangements**

As at the date of this joint announcement,

- (a) save as disclosed in the sub-paragraph headed “Shareholding structure of CMH” above, neither the Offeror nor the parties acting in concert with it owned or had control or direction over any voting rights or rights over any CMH Shares or convertible securities, warrants, options of CMH or any other relevant securities (as defined in Note 4 of Rule 22 of the Takeovers Code) of CMH;
- (b) save as disclosed in the sub-paragraph headed “Shareholding structure of CMH” above, there are no outstanding derivatives in respect of securities in CMH, which are owned, controlled or directed by, or have been entered into by the Offeror and/or the parties acting in concert with it;
- (c) neither the Offeror nor the parties acting in concert with it has received any irrevocable commitment to accept or reject the CMH Offer;
- (d) there are no arrangements (whether by way of option, indemnity or otherwise) of the kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the CMH Shares or shares of the Offeror which might be material to the CMH Offer;
- (e) there is no agreement or arrangement to which the Offeror (or the parties acting in concert with it) is a party which relates to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the CMH Offer;
- (f) there are no relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in CMH which the Offeror (or the parties acting in concert with it) has borrowed or lent;
- (g) save for the CMH Offer Price, there is no other consideration, compensation or benefit in whatever form paid or to be paid by the Offeror or the parties acting in concert with it to any CMH Independent Shareholder or parties acting in concert with any of them;
- (h) there is no understanding, arrangement or agreement which constitutes a special deal (as defined under Rule 25 of the Takeovers Code) between the Offeror or the parties acting in concert with it on one hand, and CMH, its subsidiaries or associated companies on the other hand;

- (i) there is no understanding, arrangement or agreement which constitutes a special deal (as defined under Rule 25 of the Takeovers Code) between any CMH Shareholder, and (a) the Offeror and/or the parties acting in concert with it; or (b) CMH, its subsidiaries or associated companies; and
- (j) save for the CMH Subscription, the CMH Acquisition, the subscription of 18,050,500 CMH Rights Shares and 116,000 CMH Rights Shares by Mr. MT Lee and Mr. Nagahara respectively and disposal of 3,380,000 nil-paid CMH Rights Shares at HK\$0.019 each by Borrower A, neither the Offeror nor any person acting in concert with it has dealt in any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of CMH during the six (6) months immediately prior to the date of this joint announcement.

## INFORMATION ON THE CMH GROUP

The CMH Group's principal businesses are investment in and management and operation of healthcare and hospital businesses, eldercare businesses, trading of medical equipment and related supplies, property investment and development, securities trading and investments, provision of financial services and strategic investment.

Set out below is the summary of financial information of the CMH Group for the two years ended 31 December 2021 and 2022 as extracted from the annual report of CMH for the year ended 31 December 2022:

	<b>Year ended 31 December</b>	
	<b>2022</b>	<b>2021</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>Audited</b>	<b>Audited</b>
Total Revenue	<b>1,437,863</b>	1,465,679
(Loss) before taxation	<b>(117,169)</b>	(110,468)
(Loss) for the year	<b>(119,145)</b>	(127,270)
	<b>As at 31 December</b>	
	<b>2022</b>	<b>2021</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>Audited</b>	<b>Audited</b>
Total assets	<b>3,232,534</b>	3,489,538
Net assets	<b>1,578,859</b>	1,717,256

## **INFORMATION ON THE OFFEROR, TACI AND AGL**

The Offeror is a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of TACI. The principal business activity of the Offeror is investment holding. Mr. Patrick Lee Seng Wei, Mr. Edwin Lo King Yau, Mr. Tao Tsan Sang and Mr. Liu Kin Sun are the directors of the Offeror.

TACI is a company incorporated in Hong Kong with limited liability, and the shares of which are listed on the Main Board of the Stock Exchange. As at the date of this joint announcement, TACI is owned as to approximately 55.72% by AGL, which in turn is beneficially owned as to approximately 74.99% by Lee and Lee Trust (inclusive of Mr. Lee's personal interests), being a discretionary trust.

The principal business activity of TACI is investment holding. The TACI Group is engaged principally in the development of apartments, villas, office buildings and commercial properties, property investment and property management on the mainland in the PRC, as well as property investment and property management in Hong Kong.

AGL is a company incorporated in Hong Kong with limited liability, and the shares of which are listed on the Main Board of the Stock Exchange.

The principal business activity of AGL is investment holding. The principal business activities of its major subsidiaries are property development mainly comprising apartments, villas, office buildings and commercial properties, property investment, hospitality related activities, provision of elderly care services, property management, cleaning and security guarding services, logistics services, and the provision of finance, investments in listed and unlisted securities and funds management.

## **INTENTION OF THE OFFEROR IN RELATION TO THE CMH GROUP**

It is the intention of the Offeror to continue the existing businesses of the CMH Group and has no intention to put forward any major changes to the businesses of the CMH Group after the close of the CMH Offer.

Immediately after the close of the CMH Offer, the Offeror will conduct a review of the financial position and operations of the CMH Group in order to formulate a long-term strategy for the CMH Group and explore other business/investment opportunities for enhancing its future development and strengthening its revenue bases. As at the date of this joint announcement, the Offeror has not identified such investment or business opportunities.

The Offeror has no intention to discontinue any employment of the employees of the CMH Group or to dispose of or re-allocate the CMH Group's assets which are not in the ordinary and usual course of business of the CMH Group.



## **PROPOSED CHANGE TO THE BOARD COMPOSITION OF CMH**

The Offeror intends to nominate new CMH Directors to the CMH Board after the close of the CMH Offer. Any changes to the composition of the CMH Board and biographies of any new CMH Directors to be appointed will be made as and when appropriate in compliance with the Takeovers Code and the Listing Rules.

## **MAINTAINING THE LISTING STATUS OF CMH AND SUFFICIENT PUBLIC FLOAT OF CMH**

If, at the close of the CMH Offer, less than the minimum prescribed percentage applicable to CMH, being 25% of the CMH Shares, are held by the public, or if the Stock Exchange believes that:

- (a) a false market exists or may exist in the trading of the CMH Shares; or
- (b) there are insufficient CMH Shares in public hands to maintain an orderly market,

the Stock Exchange will consider exercising its discretion to suspend dealings in the CMH Shares until the prescribed level of public float is restored.

The Offeror intends to maintain the listing of the CMH Shares on the Stock Exchange following the close of the CMH Offer. The Offeror does not intend to avail itself of any powers of compulsory acquisition of any CMH Shares outstanding after the close of the CMH Offer. The directors of the Offeror will undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the CMH Shares. The Offeror considers that the appropriate actions to be taken after the close of the CMH Offer shall include placing down of sufficient number of accepted CMH Offer Shares by the Offeror where appropriate. The Offeror and CMH will issue a further announcement as and when necessary in this regard.

## **THE CMH ACQUISITION**

On 29 May 2023, Fareast Global acquired 115,000 ex-rights CMH Shares at HK\$0.87 per CMH Share through on-market transactions conducted on the Stock Exchange for a consideration of HK\$100,050.

On 31 May 2023 and 1 June 2023, Fareast Global acquired 28,743,480 and 52,560,000 nil-paid CMH Rights Shares at HK\$0.01 each respectively through on-market transactions conducted on the Stock Exchange for an aggregate consideration of HK\$813,034.80.

The consideration of the CMH Acquisition was determined by reference to the prevailing trading prices of the ex-rights CMH Shares and the nil-paid CMH Rights Shares on the Stock Exchange at the time of the CMH Acquisition, and have been fully settled in cash from the Offeror's internal resources.

As the CMH Acquisition was conducted through on-market transactions on the Stock Exchange, each of the Offeror, TACI and AGL did not know the identities of the sellers before the transactions were completed. However, the directors of the Offeror, TACI Directors and AGL Directors believe that the counterparty(ies) and its/their ultimate beneficial owner(s) in the CMH Acquisition is/are third parties independent of each of the Offeror, TACI, AGL and their respective connected persons.

## **REASONS FOR AND BENEFITS OF THE CMH SUBSCRIPTION, THE CMH ACQUISITION AND THE CMH OFFER**

### **TACI**

The principal business activity of TACI is investment holding. The TACI Group is engaged principally in the development of apartments, villas, office buildings and commercial properties, property investment and property management on the mainland in the PRC, as well as property investment and property management in Hong Kong.

As disclosed in the Prospectus, the CMH Group's healthcare division (the "**Healthcare Division**") has two integrated hospitals and one clinic in operation, namely the Nanjing hospital ("**NJH**"), Kunming hospital ("**KMH**") and Cedar Care Polyclinic in Nanjing ("**NCCC**"). NJH is a Class III B integrated hospital located in Jiangning Development Zone, Nanjing City, Jiangsu Province, the PRC and operates 41 clinical medical and technical departments. KMH is another Class III A integrated hospital of the CMH Group located in Kunming City, Yunnan Province, the PRC and operates 42 clinical medical and technical departments. NCCC, the high-end integrated clinic situated at the prime commercial building in central business district of Hexi, Nanjing, Jiangsu Province, the PRC, commenced operation in October 2022 and offers a wide range of healthcare services, such as general practice, ophthalmology, otorhinolaryngology, stomatology and medical aesthetic.

CMH currently intends to apply the net proceeds from the CMH Rights Issue to finance the development of phase II of KMH. The development of the phase II of KMH will not only expand the scale of the existing basic medical functions, but also diversify the provision of medical services to other areas with the development of nuclear medical treatment and tumor centre. The expansion plan will enhance the operating capacity of KMH so as to facilitate the CMH Group in capturing the growing market demand and bring positive impact on the performance of the healthcare segment of the CMH Group. The CMH Group aimed to develop KMH as one of the most competitive private, integrated hospitals in the southwestern part of the PRC.

As disclosed in the annual report of CMH for the year ended 31 December 2022, the operating environment of the CMH Group has been adversely impacted by the partial lockdown and social restriction arising from the resurgence of the COVID-19 pandemic in the PRC, the consequential epidemic preventive measures, and the impacts from the reform of the national healthcare policies and medical insurance policies in particular the relevant medical insurance payment and settlement policies. Under such challenging operating conditions, the CMH Group's Healthcare Division (being the major revenue contributor of the CMH Group) achieved a revenue of HK\$1,382,134,000 (2021: HK\$1,372,032,000) and a reduced profit of HK\$12,828,000 (2021: HK\$59,573,000) inclusive of increase in impairment loss under expected credit losses model of trade receivables of HK\$34,493,000 (2021: reversal of impairment loss of HK\$9,182,000). Without interest, tax, depreciation and amortisation, the Healthcare Division generated an EBITDA, being earnings before interest, tax, depreciation and amortisation, of HK\$143,774,000 (2021: HK\$195,569,000) for the year ended 31 December 2022.

In view of the above (in particular the development of phase II of KMH), the TACI Board has been increasingly convinced of the long-term prospects and growth of the CMH Group, and the benefits of taking control of CMH through the CMH Subscription, the CMH Acquisition and the CMH Offer. The TACI Board considers that the CMH Subscription, the CMH Acquisition and the CMH Offer represent an opportunity for TACI to increase its shareholding interest in CMH (through the Offeror) at a reasonable price, and therefore the CMH Subscription, the CMH Acquisition and the CMH Offer are fair and reasonable and in the interests of TACI and the TACI Shareholders as a whole.

## **AGL**

Based on (i) the information currently available to AGL including information and confirmation provided by TACI in respect of the CMH Subscription, the CMH Acquisition and the CMH Offer; and (ii) the view of the TACI Board on the reasons for and benefits of the CMH Subscription, the CMH Acquisition and the CMH Offer as disclosed in this joint announcement, the AGL Board considers that as the holding company of TACI, AGL could indirectly enjoy the benefits expected to be brought to TACI by the CMH Subscription, the CMH Acquisition and the CMH Offer. Accordingly, the AGL Board is of the view that the CMH Subscription, the CMH Acquisition and the CMH Offer are fair and reasonable and in the interests of AGL and the AGL Shareholders as a whole.

## **GENERAL**

### **CMH Independent Board Committee and CMH Independent Financial Adviser**

The CMH Independent Board Committee, comprising Mr. Gao Zhaoyuan, Mr. Zhang Jian and Dr. Xia Xiaoning, has been established to advise the CMH Independent Shareholders in relation to the terms and conditions of the CMH Offer, in particular as to whether the CMH

Offer is fair and reasonable and as to acceptance of the CMH Offer.

Pursuant to Rule 2.8 of the Takeovers Code, the CMH Independent Board Committee should comprise all non-executive and independent non-executive directors. Since (i) Ms. Yang Lai Sum, Lisa, being an independent non-executive director of CMH, is also an independent non-executive director of TACI and AGL; (ii) Dr. Wong Wing Kuen, Albert, being an independent non-executive director of CMH, is also an independent non-executive director of APAC Resources Limited, which is owned as to approximately 43.50% by AGL; and (iii) Mr. Lai Hin Wing Henry Stephen, being a non-executive director, is a partner of a law firm which is the legal adviser to the Offeror in connection with the transactions contemplated herein, such CMH Directors are not independent for the purpose of giving advice or recommendations to the CMH Independent Shareholders and will not be part of the CMH Independent Board Committee.

A CMH Independent Financial Adviser will be appointed, with the approval of the CMH Independent Board Committee, to advise the CMH Independent Board Committee in respect of the CMH Offer. A further announcement will be made by CMH upon the appointment of the CMH Independent Financial Adviser in accordance with Rule 2.1 of the Takeovers Code.

### **Despatch of the Composite Document**

It is the intention of the Offeror and CMH to combine the offer document and the offeree board circular into the Composite Document to be posted.

Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document containing, among other things, (i) the terms of the CMH Offer (including the expected timetable), (ii) the letter from the CMH Independent Board Committee in relation to the CMH Offer, (iii) the letter of advice from the CMH Independent Financial Adviser to the CMH Independent Board Committee in respect of the CMH Offer, and (iv) the form of acceptance, is required to be despatched to the CMH Independent Shareholders within twenty-one (21) days of the date of this joint announcement (or such later date as the Executive may consent to).

### **Listing Rules Implications for TACI**

So far as TACI is concerned, as one or more of the applicable percentage ratios(s) of the CMH Subscription, whether on a stand-alone basis or when aggregated with the CMH Acquisition, exceeds 5% but is less than 25%, the CMH Subscription and the CMH Acquisition constitute a discloseable transaction for TACI and is subject to the notification and announcement requirements but exempt from TACI Shareholders' approval requirement under Chapter 14 of the Listing Rules.

Furthermore, the CMH Subscription, the CMH Acquisition and the CMH Offer are subject to aggregation pursuant to Rule 14.22 of the Listing Rules. As one or more of the applicable percentage ratios in respect of the CMH Subscription, the CMH Acquisition and the CMH Offer exceeds 25% but is less than 100%, the CMH Subscription, the CMH Acquisition and the CMH Offer constitute a major transaction for TACI under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement, circular and TACI Shareholders' approval requirements under Chapter 14 of the Listing Rules.

TACI has received an irrevocable and unconditional approval in writing for the CMH Subscription, the CMH Acquisition and the CMH Offer from each of China Elite (a wholly-owned subsidiary of AGL) and AGL, holding an aggregate of 816,920,096 TACI Shares (representing approximately 55.72% of the total number of issued shares in TACI as at the date of this joint announcement). Accordingly, in accordance with Rule 14.44 of the Listing Rules, the TACI Shareholders' approval requirement in respect of the CMH Subscription, the CMH Acquisition and the CMH Offer under Chapter 14 of the Listing Rules has been satisfied in lieu of a general meeting of TACI.

As more time is required to collate certain information, a circular of TACI containing, among others, details of the CMH Subscription, the CMH Acquisition and the CMH Offer and information regarding CMH is expected to be despatched to the TACI Shareholders on or before 14 July 2023.

### **Listing Rules Implications for AGL**

So far as AGL is concerned, as none of the applicable percentage ratios in respect of the CMH Subscription and the CMH Acquisition exceeds 5%, the CMH Subscription and the CMH Acquisition does not constitute a notifiable transaction for AGL.

Furthermore, the CMH Subscription, the CMH Acquisition and the CMH Offer are subject to aggregation pursuant to Rule 14.22 of the Listing Rules. As one or more of the applicable percentage ratios in respect of the CMH Subscription, the CMH Acquisition and the CMH Offer exceeds 5% but is less than 25%, the CMH Subscription, the CMH Acquisition and the CMH Offer constitute a discloseable transaction for AGL and is subject to the notification and announcement requirements but exempt from AGL Shareholders' approval requirement under Chapter 14 of the Listing Rules.

## **DEALING DISCLOSURE**

In accordance with Rule 3.8 of the Takeovers Code, the respective associates of CMH and the Offeror (as defined under the Takeovers Code and including but not limited to any person who owns or controls 5% or more of any class of relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of CMH or the Offeror) are reminded to disclose their dealings in the relevant securities of CMH pursuant to the requirements of the Takeovers Code.

The full text of Note 11 of Rule 22 of the Takeovers Code is reproduced below pursuant to Rule 3.8 of the Takeovers Code:

*“Responsibilities of stockbrokers, banks and other intermediaries*

*Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.*

*This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.*

*Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”*

## **RESUMPTION OF TRADING IN SHARES OF CMH, TACI AND AGL**

At the request of CMH, the trading of the CMH Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on 9 June 2023 pending the release of this joint announcement. An application has been made by CMH to the Stock Exchange for the resumption of the trading of the CMH Shares on the Stock Exchange with effect from 9:00 a.m. on 19 June 2023.

At the request of TACI, the trading of the TACI Shares on the Stock Exchange was suspended with effect from 1:00 p.m. on 8 June 2023 pending the release of this joint announcement. An application has been made by TACI to the Stock Exchange for the resumption of the trading of the TACI Shares on the Stock Exchange with effect from 9:00 a.m. on 19 June 2023.

At the request of AGL, the trading of the AGL Shares on the Stock Exchange was suspended with effect from 1:00 p.m. on 8 June 2023 pending the release of this joint announcement. An application has been made by AGL to the Stock Exchange for the resumption of the trading of the AGL Shares on the Stock Exchange with effect from 9:00 a.m. on 19 June 2023.

## WARNING

**The CMH Offer is conditional. Accordingly, the CMH Offer may or may not become unconditional. CMH Shareholders, TACI Shareholders, AGL Shareholders and potential investors are advised to exercise caution when dealing in the CMH Shares, TACI Shares and AGL Shares, respectively, and if they are in any doubt about their position, they should consult their licensed securities dealers or registered institutions in securities, bank managers, solicitors, professional accountants or other professional advisers.**

## DEFINITIONS

In this joint announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“AGL”	Allied Group Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 373)
“AGL Board”	the board of AGL Directors
“AGL Director(s)”	the director(s) of AGL
“AGL Share(s)”	the ordinary share(s) of AGL
“AGL Shareholder(s)”	the shareholder(s) of AGL
“associate(s)”	has the meaning ascribed to it under the Takeovers Code
“Borrower A”	Mr. Deng Yaodong
“Business Day”	a day on which the Stock Exchange is open for the transaction of business

“Cashplus”	Cashplus Management Limited, a company incorporated in the British Virgin Islands with limited liability and indirectly wholly-owned by Lee and Lee Trust, being a discretionary trust (Mr. Lee and his siblings are the trustees)
“China Elite”	China Elite Holdings Limited, a company incorporated in the British Virgin Islands with limited liability, being the registered holder of 816,920,096 TACI Shares and a wholly-owned subsidiary of AGL
“CMH”	China Medical & HealthCare Group Limited, a company incorporated in Bermuda with limited liability, the issued ordinary shares of which are listed on the Main Board of the Stock Exchange (stock code: 383)
“CMH Acquisition”	(i) the acquisition of 115,000 ex-rights CMH Shares at HK\$0.87 per CMH Share by Fareast Global on 29 May 2023 through on-market transactions conducted on the Stock Exchange; and (ii) the acquisition of 28,743,480 and 52,560,000 nil-paid CMH Rights Shares at HK\$0.01 each by Fareast Global on 31 May 2023 and 1 June 2023 respectively through on-market transactions conducted on the Stock Exchange
“CMH Board”	board of CMH Directors
“CMH Director(s)”	director(s) of CMH
“CMH EAF(s)”	the form(s) of application for use by the Qualifying CMH Shareholders who wish to apply for excess CMH Rights Shares
“CMH Group”	CMH and its subsidiaries
“CMH Independent Board Committee”	an independent committee of the CMH Board, comprising Mr. Gao Zhaoyuan, Mr. Zhang Jian and Dr. Xia Xiaoning, established for the purpose of making a recommendation to the CMH Independent Shareholders as to whether the CMH Offer is fair and reasonable and whether to accept the CMH Offer



“CMH Independent Financial Adviser”	the independent financial adviser to be appointed with the approval of the CMH Independent Board Committee to advise the CMH Independent Board Committee in connection with the CMH Offer and, in particular, as to whether the CMH Offer is fair and reasonable and as to acceptance
“CMH Independent Shareholder(s)”	CMH Shareholders other than the Offeror and parties acting in concert with it (excluding Borrower A)
“CMH Offer”	the mandatory conditional cash offer to be made by Yu Ming for and on behalf of the Offeror to acquire all of the CMH Offer Shares at the CMH Offer Price in accordance with the Takeovers Code
“CMH Offer Price”	HK\$0.89 per CMH Offer Share payable by the Offeror to a CMH Independent Shareholder accepting the CMH Offer
“CMH Offer Share(s)”	all issued CMH Share(s) (other than those already owned and/or to be acquired by the Offeror and the parties acting in concert with it (excluding Borrower A))
“CMH PAL(s)”	the provisional allotment letter(s) issued to the Qualifying CMH Shareholders in connection with the CMH Rights Issue
“CMH Rights Issue”	the issue by way of rights on the basis of one (1) CMH Rights Share for every two (2) CMH Shares in issue on the record date (i.e. 23 May 2023) at the CMH Subscription Price pursuant to the Prospectus Documents
“CMH Rights Share(s)”	362,001,819 CMH Shares issued under the CMH Rights Issue
“CMH Share(s)”	ordinary share(s) with par value of HK\$0.01 each in the share capital of CMH
“CMH Shareholder(s)”	holder(s) of the CMH Share(s)

“CMH Subscription”	the application to subscribe for a total of 302,741,720 CMH Rights Shares at the CMH Subscription Price by the Offeror, comprising (i) 46,438,240 CMH Rights Shares by provisional allotments; (ii) 81,303,480 CMH Rights Shares as transferee of nil-paid CMH Rights Shares; and (iii) 175,000,000 CMH Rights Shares by excess application
“CMH Subscription Price”	HK\$0.88 per CMH Rights Share
“Composite Document”	the composite offer and response document to be issued jointly by the Offeror and CMH to all the CMH Shareholders in accordance with the Takeovers Code containing, amongst other things, the detailed terms of the CMH Offer
“connected persons”	having the meaning ascribed to it under the Listing Rules
“Encumbrance(s)”	a mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, third-party right or interest, other encumbrance or security interest of any kind, or another type of preferential arrangement (including, without limitation, a title transfer or retention arrangement) having similar effect
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any of its delegate
“Facilities”	unsecured six-month term loan facilities of up to HK\$440 million and HK\$300 million granted by Mr. Lee and Cashplus respectively to the Offeror pursuant to the Facility Agreements for the exclusive purpose of settlement of the consideration for the CMH Offer Shares by the Offeror under the CMH Offer
“Facility Agreements”	the facility agreement dated 7 June 2023 entered into between Mr. Lee as lender and the Offeror as borrower in respect of the facility in the amount of up to HK\$440 million and the facility agreement dated 7 June 2023 entered into between Cashplus as lender and the Offeror as borrower in respect of the facility in the amount of up to HK\$300 million
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Last Trading Day”	8 June 2023, being the last trading day of the CMH Shares on the Stock Exchange before the publication of this joint announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	Main Board of the Stock Exchange (excludes the option market) operated by the Stock Exchange which is independent from and operated in parallel with GEM of the Stock Exchange
“Mr. Lee”	Mr. Lee Seng Hui, the chief executive and an executive director of AGL and the chairman and a non-executive director of TACI
“Mr. MT Lee”	Mr. Lee Ming Tee, the father of Mr. Lee and an associate of the Offeror
“Mr. Nagahara”	Mr. Akihiro Nagahara, a non-executive director and vice-chairman of AGL and an associate of the Offeror
“Mr. Song”	Mr. Song Zengbin, the deputy chairman and an executive director of TACI
“Ms. Chong”	Ms. Chong Sok Un, an executive director of CMH
“Offer Period”	the period commencing from 16 June 2023, being the date of this joint announcement and ending on the date of the close of the CMH Offer
“Offeror” or “Fareast Global”	Fareast Global Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of TACI
“Overseas CMH Shareholder(s)”	the CMH Shareholder(s) whose names appear on the register of members of CMH with registered address(es) outside Hong Kong

“percentage ratio(s)”	percentage ratio(s) as set out in Rule 14.07 of the Listing Rules to be applied for determining the classification of a transaction
“PRC”	the People’s Republic of China which, for the purpose of this joint announcement, shall exclude Hong Kong, Macau Special Administrative Region and Taiwan
“Prospectus”	the prospectus of CMH dated 24 May 2023 relating to the CMH Rights Issue
“Prospectus Documents”	the Prospectus, the CMH PAL and the CMH EAF
“Qualifying CMH Shareholder(s)”	the CMH Shareholders whose names appeared on the register of members of CMH at the close of business on the record date (i.e. 23 May 2023)
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“TACI”	Tian An China Investments Company Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 28), being an indirect non wholly-owned subsidiary of AGL
“TACI Board”	the board of TACI Directors
“TACI Director(s)”	the director(s) of TACI
“TACI Group”	TACI and its subsidiaries
“TACI Share(s)”	the ordinary share(s) of TACI
“TACI Shareholder(s)”	the shareholder(s) of TACI
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers

“Underwriter”	Get Nice Securities Limited, a licensed corporation to carry out type 1 (dealing in securities), type 4 (advising on securities) and type 9 (asset management) regulated activities under the SFO, being the underwriter of the CMH Rights Issue
“Underwriting Agreement”	the underwriting agreement dated 5 May 2023 entered into between CMH and the Underwriter in relation to the CMH Rights Issue
“Yu Ming”	Yu Ming Investment Management Limited, a corporation licensed under the SFO to carry out regulated activities of type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management), being the financial adviser to the Offeror in respect of the CMH Offer
“%”	per cent.

On behalf of the Board  
**Allied Group Limited**  
**Edwin Lo King Yau**  
*Executive Director*

On behalf of the Board  
**Tian An China Investments Company Limited**  
**Tao Tsan Sang**  
*Executive Director*

On behalf of the Board  
**Fareast Global Limited**  
**Tao Tsan Sang**  
*Director*

On behalf of the Board  
**China Medical & HealthCare Group Limited**  
**Chong Sok Un**  
*Deputy Chairman*

Hong Kong, 16 June 2023

*As at the date of this joint announcement, the CMH Board comprises Ms. Chong Sok Un, Mr. Kong Muk Yin, Mr. Guo Meibao and Mr. Zhou Haiying as executive directors; Mr. Lai Hin Wing Henry Stephen and Mr. Gao Zhaoyuan as non-executive directors; and Mr. Zhang Jian, Dr. Xia Xiaoning, Dr. Wong Wing Kuen, Albert and Ms. Yang Lai Sum, Lisa as independent non-executive directors.*

*The CMH Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than those relating to the Offeror, TACI, AGL, their associates and parties acting in concert with any of them) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than the opinions expressed by the directors of Offeror, TACI and AGL) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.*

*As at the date of this joint announcement, the TACI Board comprises Mr. Song Zengbin (Deputy Chairman), Mr. Patrick Lee Seng Wei (Managing Director), Mr. Edwin Lo King Yau and Mr. Tao Tsan Sang as executive directors; Mr. Lee Seng Hui (Chairman) and Dr. Moses Cheng Mo Chi as non-executive directors; and Mr. Francis J. Chang Chu Fai, Mr. Jiang Guofang, Mr. Jin Hui Zhi, Mr. Ngai Wah Sang and Ms. Lisa Yang Lai Sum as independent non-executive directors.*

*The TACI Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than those relating to CMH, AGL, their associates and parties acting in concert with any of them) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than the opinions expressed by the directors of CMH and AGL (excluding TACI Directors)) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.*

*As at the date of this joint announcement, the AGL Board comprises Messrs. Lee Seng Hui (Chief Executive), Edwin Lo King Yau and Mak Pak Hung as executive directors; Mr. Arthur George Dew (Chairman), Mr. Akihiro Nagahara (Vice Chairman) and Ms. Lee Su Hwei as non-executive directors; and Mr. David Craig Bartlett, Mr. Alan Stephen Jones, Ms. Lisa Yang Lai Sum and Mr. Kelvin Chau Kwok Wing as independent non-executive directors.*

*The AGL Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than those relating to the Offeror, CMH, TACI, their associates and parties acting in concert with any of them) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than the opinions expressed by the directors of the Offeror, CMH and TACI (excluding AGL Directors)) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.*

*As at the date of this joint announcement, the directors of the Offeror are Mr. Patrick Lee Seng Wei, Mr. Edwin Lo King Yau, Mr. Tao Tsan Sang and Mr. Liu Kin Sun.*

*The directors of the Offeror jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than those relating to CMH, TACI, AGL, their associates and parties acting in concert with any of them) and confirms, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than opinions expressed by the directors of CMH, TACI and AGL (excluding directors of the Offeror)) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.*