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Town Health International Investments Limited
康健國際投資有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 3886)

DISCLOSEABLE TRANSACTION:
DISPOSAL OF 46.01% INTEREST IN LUCK KEY

DISPOSAL

The Board wishes to announce that on 16 April 2013, after trading hours, (i) TH BVI, a wholly-owned subsidiary of the Company, (ii) China Gogreen, (iii) Dr. Fung, collectively as the Vendors, (iv) the Purchaser and (v) Computech as the Purchaser's guarantor entered into the SP Agreement pursuant to which (a) the Vendors have conditionally agreed to sell and the Purchaser has conditionally agreed to acquire the entire issued share capital of Luck Key; and (b) China Gogreen has agreed to sell and assign the Sale Loan to the Purchaser, at an aggregate cash consideration of HK\$85,000,000. In this respect, the consideration for the Disposal by TH BVI is HK\$8,272,000.

As at the date of the SP Agreement, Luck Key was owned as to approximately 47.89% by China Gogreen, approximately 46.01% by TH BVI and approximately 6.10% by Dr. Fung.

IMPLICATIONS UNDER THE LISTING RULES

As the relevant percentage ratios (as defined under the Listing Rules) in respect of the Disposal are more than 5% but less than 25%, the Disposal constitutes a discloseable transaction of the Company under the Listing Rules and is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

Reference is made to the Company's announcements dated 5 February 2013 and 5 March 2013 in relation to the MOU and the Addendum entered into between the Vendors and the Purchaser in respect of the proposed sale and purchase of the entire issued share capital of Luck Key and the assignment of the Sale Loan.

The Board wishes to announce that on 16 April 2013, after trading hours, (i) TH BVI, (ii) China Gogreen, (iii) Dr. Fung collectively as the Vendors, (iv) the Purchaser and (v) Computech as the Purchaser's guarantor entered into the SP Agreement pursuant to which (a) the Vendors have conditionally agreed to sell and the Purchaser has conditionally agreed to acquire the entire issued share capital of Luck Key; and (b) China Gogreen has agreed to sell and assign the Sale Loan to the Purchaser, at an aggregate cash consideration of HK\$85,000,000 subject to the terms and conditions of the SP Agreement.

THE SP AGREEMENT

Major terms of the SP Agreement are set out below.

Date

16 April 2013

Parties

- | | | |
|-----|------------------------|--------------------------------------|
| (a) | Vendors: | (i) TH BVI; |
| | | (ii) China Gogreen; |
| | | (iii) Dr. Fung |
| (b) | Purchaser: | Absolutely Talent Technology Limited |
| (c) | Purchaser's guarantor: | Computech |

TH BVI, a company incorporated in the BVI with limited liability, is a wholly-owned subsidiary of the Company and its principal business is investment holding.

China Gogreen is a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 397) and is principally engaged in (i) solar energy business with a current focus on development, construction, operation and maintenance of power station projects; (ii) money lending business; and (iii) assets investment. As at the date of this announcement, the Company is interested in approximately 7.01% of the issued share capital of China Gogreen.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, apart from being an employee of the Group and Luck Key Group, Dr. Fung is an Independent Third Party.

The Purchaser, Absolutely Talent Technology Limited, is a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of Computech and its principal business is investment holding.

Computech is a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Growth Enterprise Market of the Stock Exchange (Stock Code: 8081) and is principally engaged in (i) the provision of IT services, including consultancy, technical support, systems integration, development and sales of relevant hardware and software products in Hong Kong and (ii) money lending business in Hong Kong.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, each of China Gogreen, the Purchaser and Computech and their respective ultimate beneficial owners (if applicable) are Independent Third Parties.

Obligations of Computech as Purchaser's guarantor

Computech entered into the SP Agreement as a guarantor of the Purchaser to guarantee in favour of the Vendors the due and punctual performance by the Purchaser of all its obligations under the SP Agreement.

Assets to be disposed of

As at the date of the SP Agreement, Luck Key was owned as to approximately 47.89% by China Gogreen, approximately 46.01% by TH BVI and approximately 6.10% by Dr. Fung.

Pursuant to the SP Agreement, (i) the Vendors will sell in aggregate the entire issued share capital of Luck Key to the Purchaser; and (ii) China Gogreen will assign the Sale Loan to the Purchaser. In this respect, TH BVI will sell to the Purchaser the Sale Shares, representing approximately 46.01% of the issued share capital of Luck Key, being the entire holding of TH BVI in Luck Key.

Consideration

The total consideration payable by the Purchaser for the acquisition of (i) the entire issued share capital of Luck Key and (ii) the Sale Loan is HK\$85,000,000. All such consideration has been and, as the case may be, will be satisfied in cash by the Purchaser. In this respect, the consideration for the Disposal by TH BVI is HK\$8,272,000.

The Purchaser has paid the Deposit to the Vendors pursuant to the Addendum. TH BVI has shared HK\$3,698,000 out of the Deposit which will be applied as part of the consideration for the Disposal upon Completion. The remaining balance of HK\$4,574,000 of the consideration for the Disposal will be paid in cash by the Purchaser to TH BVI upon Completion.

Basis of the Consideration

The aggregate consideration for the sale and purchase of the entire issued share capital of Luck Key and the Sale Loan was determined after arm's length negotiations between the Vendors and the Purchaser with reference to the net assets value of Luck Key Group as at 31 December 2012 at a discount of approximately 65% while the consideration for the Sale Loan was determined with reference to the face value of the Sale Loan. The audited book value of the Group's interest in Luck Key Group as at 31 December 2012 was approximately HK\$8,000,000. The Directors consider that notwithstanding the fact that the consideration for the Disposal is fixed at a discounted net assets value of Luck Key Group, as the consideration attributable to the Sale Shares that the Group can receive exceeds the audited book value of the Group's interests in Luck Key Group as at 31 December 2012, the Directors are of the view that it is justified for the consideration for the Disposal to be determined on such basis.

Conditions Precedent

Completion is conditional upon the following conditions being satisfied (or, as the case may be, waived):

- (a) the Purchaser being satisfied with the results of the due diligence review of the assets, liabilities, operations and affairs of Luck Key Group;
- (b) the warranties given by the Vendors remaining true, accurate and complete in all respects;
- (c) all necessary consents and approvals required to be obtained on the part of the Vendors in respect of the SP Agreement and the transactions contemplated hereby having been obtained;
- (d) all necessary consents and approvals required to be obtained on the part of the Purchaser in respect of the SP Agreement and the transactions contemplated hereby having been obtained;

- (e) if necessary, the passing by the shareholders of Computech (other than those who are required to abstain from voting under the GEM Listing Rules) at an extraordinary general meeting of Computech to be convened and held of the necessary resolutions to approve the SP Agreement and the transactions contemplated hereunder; and
- (f) the Purchaser having sufficient fund available to settle the consideration for the acquisition of the entire issued share capital of Luck Key and the Sale Loan in full.

The Purchaser may at its absolute discretion at any time waive in writing any of the conditions set out in items (a), (b) and (f) above (to the extent it is capable of being waived). If the conditions set out above have not been satisfied (or as the case may be, waived), other than as a result of the default of the Purchaser and/or Computech at or before 4:00 p.m. on 31 July 2013 (or such later date as the Vendors and the Purchaser may agree) (the “**Long Stop Date**”), the SP Agreement shall cease and determine (save and except for provisions governing confidentiality, notices, costs and stamp duty as well as governing law, jurisdiction and process agents which shall continue to have full force and effect) and the Deposit (without interest) shall be refunded to the Purchaser forthwith and thereafter neither party shall have any obligations and liabilities towards each other hereunder save for any antecedent breaches of the SP Agreement.

Non-Competition

Each of the Vendors has undertaken that it/he will not and shall procure its/his associates will not for his own account or for that of any person, firm or company (other than the Purchaser, Computech or Luck Key and Luck Key Group) or as principal, partner, director, employee, consultant or agent at any time during three years commencing on the Completion Date:

- (i) directly or indirectly solicit, interfere with, employ or endeavour to entice away from Luck Key Group with a view to competing with Luck Key Group in the business of provision of medical diagnostic services with advanced imaging technology and laboratory service (“Competing Business”) any person who, to its and/or his knowledge, is now, or has during the twelve months preceding the date of the SP Agreement been, a client, customer or employee of, or in the habit of dealing with, Luck Key Group within the scope of the Competing Business; or
- (ii) directly or indirectly carry on or be engaged or interested in any Competing Business in Hong Kong same as any business carried on by any member of Luck Key Group at the date of the SP Agreement; or

- (iii) at any time use the name or trading style of Luck Key Group, or any trade marks or logos or device similar in appearance to any trade marks, in Hong Kong, or represent himself as carrying on or continuing or being connected with any member of Luck Key Group or its business for any purpose whatsoever.

Completion

Completion of the transactions under the SP Agreement, i.e., sale and purchase of the entire issued share capital of Luck Key and the Sale Loan, will take place simultaneously on the date falling two business days after the fulfillment or waiver (as the case may be) of all Conditions Precedent (or such later date as the Vendors and the Purchaser may agree in writing).

If the Completion does not take place as a result of the sole default of the Purchaser or, as the case may be, Computech, the Vendors may forthwith terminate the SP Agreement by giving notice of termination in writing to the Purchaser to such effect (save and except for provisions governing confidentiality, notices, costs and stamp duty as well as governing law, jurisdiction and process agents which shall continue to have full force and effect), in which event the Vendors shall forthwith be entitled to retain HK\$19,000,000 out of the Deposit as liquidated damages and shall as soon as practicable and in any event within five Business Days after the receipt of the notice of termination refund a sum equivalent to the difference between the Deposit and HK\$19,000,000, to the Purchaser in full and final settlement of any liabilities of any party towards the other parties and whereupon neither party hereto shall take any action to claim for damages or to enforce specific performance or any other rights and remedies.

If the Completion does not take place as a result of the sole default of any of the Vendors, the Purchaser may forthwith terminate the SP Agreement by giving notice of termination in writing to the Vendors to such effect (save and except for provisions governing confidentiality, notices, costs and stamp duty as well as governing law, jurisdiction and process agents which shall continue to have full force and effect), in which event the Vendors shall forthwith refund the Deposit that it/he has received (without interest), and together pay HK\$19,000,000, an amount equivalent to 50% of the Deposit, as liquidated damages, to the Purchaser and neither party shall have any obligations and liabilities hereunder and neither party shall take any action to claim for damages or to enforce specific performance or any other rights and remedies. Each Vendor shall contribute the liquidated damages in proportion to the amount that he/it received from the Deposit.

If the Completion does not take place otherwise than due to the sole default of either the Purchaser or the Vendors, the SP Agreement shall cease and terminate (save and except for provisions governing confidentiality, notices, costs and stamp duty as well as governing law, jurisdiction and process agents which shall continue to have full force and effect) and the Vendors shall refund the Deposit that it/he has received (without interest) to the Purchaser, and neither party shall have any obligations and liabilities hereunder and neither party shall take any action to claim for damages or to enforce specific performance or any other rights and remedies save for any antecedent breaches of the terms of the SP Agreement.

Immediately after Completion, each member of Luck Key Group will cease to be an associate of the Company and the Company will cease to have any interest in Luck Key Group.

INFORMATION ABOUT LUCK KEY GROUP

Luck Key is a company incorporated under the laws of the BVI with limited liability. Luck Key Group is principally engaged in the provision of medical diagnostic and health check services. Currently, Luck Key Group is operating an aggregate of nine health check centres and 2 laboratories which are located in Central, Causeway Bay, Jordon, Mong Kok, Shatin, Tuen Mun and Yuen Long through the brand of HKHC, OPUS, C.T. Scan and Yuen Foong. Luck Key Group provides one-stop comprehensive and quality medical diagnostic services with advanced imaging technology and approximately 200 experienced medical and healthcare professionals and supporting staff. The flagship centre of Luck Key Group located in Jordon, is the first and only private owned health check centre in Hong Kong to incorporate the three top-end imaging modalities, that is: 64 Slice CT, 3T MRI and 16 Slice PET/CT in a single location.

Set out below is a summary of certain unaudited consolidated financial information of Luck Key Group for the two years ended 31 December 2011 and 2012:

	Year ended 31 December 2011 <i>HK\$'000</i>	Year ended 31 December 2012 <i>HK\$'000</i>
Revenue	193,086	185,666
Net (loss)/profit before taxation	(3,611)	20,486
Net (loss)/profit after taxation	(1,421)	21,659

The unaudited consolidated total assets value and the net assets value of Luck Key Group as at 31 December 2012 are approximately HK\$132,499,000 and approximately HK\$51,857,000 respectively.

Luck Key Group has been accounted as associates of the Company. Upon Completion, the Group will cease to have any interest in Luck Key Group.

INFORMATION ABOUT THE GROUP

The Company is an investment company with the core businesses of its subsidiaries in both the medical and non-medical sectors. The Group's business activities can be broadly categorised into the (i) provision of medical and dental services; and (ii) securities and property investment and securities trading business. The Group also holds investment in companies which are principally engaged in health check business in Hong Kong and pharmaceutical business and sale of healthcare and pharmaceutical products in the PRC.

REASONS FOR AND BENEFITS OF THE DISPOSAL

Upon Completion, the Group expects to recognise an unaudited accounting gain of approximately HK\$172,000 as a result of the Disposal, being the difference between the estimated net proceeds from the Disposal and the audited book value of the Group's interest in Luck Key Group as at 31 December 2012. The actual gain or loss as a result of the Disposal to be recorded by the Group is subject to audit and will be assessed after Completion.

The Directors expect that Group will receive net proceeds from the Disposal (being the consideration for the Disposal after the estimated expenses to be incurred in the Disposal) of approximately HK\$8,172,000. The Group intends to use such net proceeds to fund the Group's future development and as general working capital of the Group. The Directors consider that the Disposal represents an opportunity for the Group to realise its investment in Luck Key Group.

The Directors (including the independent non-executive Directors) are of the view that the terms of the SP Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As the relevant percentage ratios (as defined under the Listing Rules) in respect of the Disposal are more than 5% but less than 25%, the Disposal constitutes a discloseable transaction of the Company under the Listing Rules and is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

“Addendum”	the addendum to the MOU dated 5 March 2013 made between the Vendors and the Purchaser whereby the Purchaser has paid the Deposit to the Vendors
“associates”	has the meaning as ascribed to it in the Listing Rules
“Board”	the board of Directors
“BVI”	British Virgin Islands
“China Gogreen”	China Gogreen Assets Investment Limited, a company incorporated in Bermuda with limited liability and the ordinary shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 397)
“Company”	Town Health International Investments Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability and the ordinary shares of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Disposal
“Completion Date”	the date on which Completion is to take place
“Computech”	Computech Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Growth Enterprise Market of the Stock Exchange (Stock Code: 8081)
“Conditions Precedent”	the conditions precedent to which the Completion is subject as set out in the paragraph headed “Conditions Precedent” under the section headed “The SP Agreement” above
“connected person(s)”	has the meaning ascribed to it under the Listing Rules

“Deposit”	the sum of HK\$38,000,000 paid by the Purchaser to the Vendors under the Addendum in connection with the proposed sale and purchase of the entire issued share capital of Luck Key and the proposed assignment of the Sale Loan
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Sale Shares, representing approximately 46.01% of the issued share capital of Luck Key, by TH BVI
“Dr. Fung”	Dr. Fung Yiu Tong, Bennet, being one of the Vendors
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Parties”	third parties independent of the Company and connected persons of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Luck Key”	Luck Key Investment Limited, a company incorporated in the BVI with limited liability and owned as to approximately 46.01% by the Company
“Luck Key Group”	Luck Key and its subsidiaries
“MOU”	the memorandum of understanding dated 5 February 2013 made between the Vendors and the Purchaser in connection with the sale and purchase of the entire issued share capital of Luck Key
“PRC”	the People’s Republic of China, for the purposes of this announcement only, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan

“Purchaser”	Absolutely Talent Technology Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of Computech
“Sale Shares”	4,900 issued shares of US\$1 each, representing approximately 46.01% of the issued share capital of Luck Key and the entire holding of TH BVI in Luck Key
“Sale Loan”	the entire sum owing by Luck Key Group to China Gogreen as at completion of the transactions contemplated under the SP Agreement.
“Shareholder(s)”	holder(s) of the share(s) in the share capital of the Company
“SP Agreement”	the agreement dated 16 April 2013 entered into between the Purchaser, the Vendors and Computech in relation to the sale and purchase of (i) the entire issued share capital of Luck Key from the Vendors to the Purchaser and (ii) the Sale Loan from China Gogreen to the Purchaser
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“TH BVI”	Town Health (BVI) Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of the Company
“US\$”	United States dollars, the lawful currency of the United States
“Vendors”	TH BVI, China Gogreen and Dr. Fung Yiu Tong, Bennet
“%”	per cent

By order of the Board
Town Health International Investments Limited
Cho Kwai Chee
Executive Director

Hong Kong, 16 April 2013

As at the date of this announcement, the executive Directors are Miss Choi Ka Yee, Crystal (Chairperson), Dr. Cho Kwai Chee (Chief Executive Officer), Mr. Lee Chik Yuet and Dr. Chan Wing Lok, Brian; the non -executive Director is Dr. Choi Chee Ming, GBS, JP (Vice-Chairman); and the independent non-executive Directors are Mr. Chan Kam Chiu, Mr. Ho Kwok Wah, George and Mr. Wai Kwok Hung, SBS, JP.