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**北控醫療健康產業集團有限公司**

Beijing Enterprises Medical And Health Industry Group Limited

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 2389)**

**VOLUNTARY ANNOUNCEMENT  
COOPERATION AGREEMENT IN RELATION TO  
THE ESTABLISHMENT OF  
GUANGZHOU AVIATION INDUSTRIAL FUND MANAGEMENT LIMITED**

This announcement is made by the Company on a voluntary basis.

The Board of the Company is pleased to announce that, on 9 February 2017, 北控金富, Guangzhou Aerotropolis and Guangzheng Lingxiu have entered into the Cooperation Agreement in relation to the establishment of Guangzhou Aviation Industrial Fund Management Limited, which serves as an industrial fund manager specialized in the development of Guangzhou Airport Economic Zone, in the PRC. The Guangzhou Airport Economic Zone is a national airport economic demonstration area, the establishment of which was approved by NDRC and CAAC pursuant to the Reply on Supporting the Construction of Guangzhou Airport Economic Demonstration Zone (《關於支持廣州臨空經濟示範區建設的覆函》), covering a total area of 135.5 square kilometers. The Fund Management Company has been established and has obtained its business licence on 16 February 2017.

The Fund Management Company will sponsor, set up and manage the Industrial Fund, with Guangzhou Aviation Industrial Fund Management Limited acting as a general partner, in accordance with all applicable laws and regulations, in order to provide a start-up fund for various projects in the Airport Economic Zone, finance the working capital for part of the projects, and to realize the recovery of project investment capital and revenue by way of marketization upon reaching certain development phases of the projects.

In the event that the projects invested by the Industrial Fund achieve satisfactory performance, the Group will also consider acquisitions of the relevant projects from the Industrial Fund, and hence generate new sources of profits for the Group.

The total amount of the Industrial Fund is expected to be no less than RMB50 billion (equivalent to approximately HK\$56.5 billion).

### **IMPLICATIONS UNDER THE LISTING RULES**

As each of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the transactions contemplated under the Cooperation Agreement is below 5%, the entering into of the Cooperation Agreement does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules and this announcement is made by the Company on a voluntary basis for the information of the shareholders and potential investors of the Company.

This announcement is made by the Company on a voluntary basis.

The board (the “**Board**”) of directors (the “**Directors**”) of Beijing Enterprises Medical and Health Industry Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce that, on 9 February 2017, 北控金富(上海)投資管理有限公司 (“**北控金富**”), a wholly-owned subsidiary of the Company, Guangzhou Aerotropolis Investment and Construction Co. Ltd (“**Guangzhou Aerotropolis**”) and Guangzheng Lingxiu Investment Company Limited\* (廣證領秀投資有限公司) (“**Guangzheng Lingxiu**”) have entered into the Cooperation Agreement in relation to the proposed establishment of Guangzhou Aviation Industrial Fund Management Limited (the “**Fund Management Company**”), which serves as an industrial fund manager specialized in the development of Guangzhou Airport Economic Zone, in the People’s Republic of China (the “**PRC**”). The registered capital of the Fund Management Company is RMB100,000,000, among which 北控金富, Guangzhou Aerotropolis and Guangzheng Lingxiu will contribute RMB44,000,000 (equivalent to approximately HK\$49,720,000), RMB51,000,000 and RMB5,000,000 respectively, representing 44%, 51% and 5% of the equity interests, respectively. The Fund Management Company has been established and has obtained its business licence on 16 February 2017.

To the best knowledge, information and belief of the Directors, and having made all reasonable enquiries, Guangzhou Aerotropolis and Guangzheng Lingxiu and their respective ultimate beneficial owner(s) are third parties independent of the Company and its connected persons (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

\* For identification purpose only

## **SPONSOR, SETTING UP AND MANAGEMENT OF THE INDUSTRIAL FUND**

Upon its establishment, the Fund Management Company will sponsor, set up and manage an industrial fund (the “**Industrial Fund**”), with Guangzhou Aviation Industrial Fund Management Limited acting as a general partner, in accordance with all the applicable laws and regulations, in order to provide a start-up fund for various projects in the Airport Economic Zone, finance working capital for part of the projects, and to realize the recovery of project investment capital and revenue by way of marketization upon reaching certain development phases of the projects.

In the event that the projects invested by the Industrial Fund achieve satisfactory performance, the Group will also consider acquisitions of the relevant projects from the Industrial Fund, and hence generate new sources of profits for the Group.

The Industrial Fund intends to operate in the form of limited partnership, with the Fund Management Company acting as the general partner and other qualified institutions, banks or individual investors as limited partners. The scale of funds to be raised by the Industrial Fund is expected to be no less than RMB50 billion (equivalent to approximately HK\$56.5 billion), among which Guangzhou Aerotropolis initially intends to contribute RMB5 billion, while the remaining portion to be contributed by well-positioned strategic investment corporations which have shown their investment interests. The schedule and scale of the Industrial Fund raising activities will depend on the progress of the project investment.

北控金富, being the second largest single shareholder of the Fund Management Company, will be primarily responsible for the daily management and operation of the Fund Management Company, recruitment of professional managers and team members, setting up of an investment decision-making committee, which will have the delegation to act as the ultimate decision-making body for any investment to be made by the Industrial Fund, and the overall management of operations of the Industrial Fund. Profits to be made by the Fund Management Company will be distributed based on industry practice and on a pro rata basis according to the contribution ratio of each of the shareholders.

## **INFORMATION ON THE PARTNERS**

### **Guangzhou Aerotropolis**

Guangzhou Aerotropolis Investment and Construction Co. Ltd is the only principal development enterprise, i.e. a wholly state-owned enterprise, under the Guangzhou Airport Economic Zone Management Committee, with a registered capital of RMB1 billion. Guangzhou Aerotropolis principally undertakes primary land development, construction of fundamental infrastructure and major project investments of the Airport Economic Zone and participates in other quality project investments outside the zone.

## **Guangzheng Lingxiu**

Guangzheng Lingxiu Investment Company Limited\* (廣證領秀投資有限公司) was established in May 2015. Guangzheng Lingxiu is a subsidiary of Guangzhou Yuexiu Financial Holdings Group Co., Ltd. (a Shenzhen A-share listed company, stock code: 000987), with a registered capital of RMB300 million. It is principally engaged in industry project investment, equity investment and investment management.

## **FUTURE DEVELOPMENT DIRECTION OF AIRPORT ECONOMIC AREA**

The Guangzhou Airport Economic Demonstration Zone is a national airport economic demonstration area, the establishment of which was approved by NDRC and CAAC pursuant to the Reply on Supporting the Construction of Guangzhou Airport Economic Demonstration Zone (《關於支持廣州臨空經濟示範區建設的覆函》). Guangzhou Airport Economic Zone covers an area of 135.5 square kilometers and will become the national airport economic demonstration area, international aviation industrial city and international shipping hub, and will focus on the development positioning of being one of the global consolidated aviation hub and logistics and distribution centre of Asia. The Airport Economic Area is an international aviation hub relying on Baiyun International Airport and serving itself as a core medium. It is an important airport economic centre and airport economic demonstration area in China, and vital motivation and a new growth driver for the future development of Guangzhou.

The key development industries of Airport Economic Zone include cross-border e-commerce, aviation headquarters, aviation logistics, trade exhibition, aviation maintenance and manufacturing, financial leasing and so on.

## **INVESTMENT OPPORTUNITIES FOR INDUSTRIAL FUND**

### **1. Guangzhou Airport Economic Zone Headquarters Economic Park Project**

The aggregate investment amount of Guangzhou Airport Economic Zone Headquarters Economic Park, with an area of 330,000 square meters, is RMB8 billion. By fully integrating between the airport and aviation industries, a headquarters economic park which integrating with airport financial district, airport government service area, airport e-commerce zone, airport industry integration area and airport supporting service area is constructed to achieve international vision and realize the integrated development.

\* For identification purpose only

## **2. Guangzhou Airport Economic Zone’s Starting Area Development Project**

The total area of Guangzhou Airport Economic Zone’s Starting Area is about 11.26 square kilometers while the planned population is about 98,600 people. The leading industries of the Starting Area are aviation logistics, aviation trading and aviation manufacturing. On this basis, the area is divided into five functional areas, i.e. logistics park area, manufacturing area, business park area, mixed area and airport community.

## **3. China-Australia-New Zealand Free Trade Business Park**

The China-Australia-New Zealand Free Trade Business Park of Guangzhou Airport Economic Zone is the key construction project in Guangzhou in 2016. The park is located in the Guangzhou Airport Economic Zone and only 3 km away from the Guangzhou Baiyun International Airport, covering a total area of about 1005 acres, and with a total investment amount of over RMB4 billion. The overall planning of the project includes “commodity trading zone”, “service trading zone”, “headquarters economic area” and “processing and logistics area” and the supporting area includes “commercial service area” and “cooperative demonstration area”. After the completion of the project, the park will become the economic driver for Guangzhou Airport.

## **4. The Second Airport Expressway (North section) Construction Project**

The construction project of the second Airport Expressway (North section) of Baiyun International Airport comprises of the main highway and Terminal 3 extension road, with a total length of 22.423 km. The estimated total investment amount is RMB8.5 billion. The first phase of the project was commenced in December 2015 and the expressway is expected to open to traffic in 2019.

## **5. The Third Runway of Baiyun International Airport Rehousing Area Project (Phase II)**

The rehousing area project (Phase II) of the third runway of Baiyun International Airport is the key project of the city. The project is located in Renhe Town including the Eastern and Western district, with a total site area of 302 acres and gross floor area of 350,000 square meters, and the total investment amount is RMB1.8 billion. After the completion of the rehousing area project, more than 1,300 households can be rehoused. The project has now been reviewed and approved. The detail construction plan for the project of the Western district has been approved and is applying for preliminary design review.

## **6. Baiyun International Airport Business Aviation Service Base Project**

The Baiyun International Airport Business Aviation Service Base Project has been officially commenced. The project is divided into three building phases, with a total area of nearly 1,000 acres. Of which, the phase one of the project will build a commercial aircraft apron with an area of 88,000 square meters, a dedicated hangar with an area of 20,000 square meters and an operation and service center with an area of 5,100 square meters to meet the demand of achieving capacity of 10,000 business aircraft movements per year and serving 50,000 passengers per year.

### **REASONS FOR AND BENEFITS OF ENTERING INTO OF THE COOPERATION AGREEMENT**

The Group is principally engaged in the provision of medical care, healthcare and geriatric care related services and products.

The Directors consider that the Group's involvement in establishing the Fund Management Company is in line with the long term development strategies of the Group. The financial sector is one of the core business segments which the Group will focus on developing in the coming year. By establishing of the Fund Management Company, the Group accelerates its "Industry + Finance" two-wheel-drive strategy to realize the whole layout of "industry-finance integration", and to promote the long-term development of the medical care, healthcare and geriatric care industries with the performance of the financial sector being a driving force.

The revenue of the Fund Management Company depends on the size of assets it managed. Involving in the establishment of the Fund Management Company could broaden the income base of the Group and generate a stable source of income for the Group and thereby satisfying the short term funding requirements of the Group for the development of the medical care, healthcare and geriatric care related projects which bring long term and considerable returns, and improving the overall financial performance of the Group.

Meanwhile, any investment to be made by the Industrial Fund on the medical care, healthcare and geriatric care related projects in the future will bring more opportunities to the Group to merge with and acquire developed projects in first-tier cities.

The Directors consider that the transactions contemplated under the Cooperation Agreement are on normal commercial terms, fair and reasonable and in the interest of the Company and its shareholders as a whole.

## **IMPLICATIONS UNDER THE LISTING RULES**

As each of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the transactions contemplated under the Cooperation Agreement is below 5%, the entering into of the Cooperation Agreement does not constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules and this announcement is made by the Company on a voluntary basis for the information of the shareholders and potential investors of the Company.

In accordance with the requirements of the Listing Rules, in the event that the contribution to the Industrial Fund by the Company is deemed as a transaction, the Company will then estimate the relevant applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) based on the actual amount of contribution, and will make further announcements pursuant to requirements of the Listing Rules as and when appropriate. Also, if the above-mentioned acquisition from the Fund Management Company is to be materialized, the Company will comply with the applicable requirement under the Listing Rules.

In this announcement, amounts denominated in RMB have been converted into HK\$ at the rate of RMB1 = HK\$1.13 for the purpose of illustration.

By Order of the Board  
**Beijing Enterprises Medical and Health Industry Group Limited**  
**Zhu Shi Xing**  
*Chairman*

Hong Kong, 16 February 2017

*As at the date of this announcement, the Board comprises seven Executive Directors, namely Mr. Zhu Shi Xing, Mr. Liu Xue Heng, Mr. Gu Shan Chao, Mr. Hu Xiao Yong, Mr. Hu Shiang Chi, Mr. Wang Zheng Chun and Mr. Zhang Jing Ming; one Non-Executive Director, namely Mr. Robert Winslow Koepf and four Independent Non-Executive Directors, namely Mr. Gary Zhao, Mr. Tse Man Kit, Keith, Mr. Wu Yong Xin and Mr. Zhang Yun Zhou.*