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**LIFE HEALTHCARE GROUP LIMITED**  
**蓮和醫療健康集團有限公司**

*(formerly known as Tack Fiori International Group Limited 野馬國際集團有限公司)*

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

**(Stock Code: 928)**

**PLACING OF NEW SHARES UNDER GENERAL MANDATE**

**Placing Agent**



**英皇證券(香港)有限公司**  
**Emperor Securities Limited**

On 15 August 2017 (after the trading hours), the Company entered into the Placing Agreement with the Placing Agent, pursuant to which the Company has conditionally agreed to place, through the Placing Agent, on a best efforts basis, up to 478,000,000 Placing Shares to not less than six independent Placers at the Placing Price of HK\$0.18 per Placing Share.

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the Completion, the Placing Shares representing approximately 10% of the existing issued share capital of the Company as at the date of this announcement and approximately 9.09% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares.

The Placing Price of HK\$0.18 per Placing Share represents (i) a discount of approximately 12.2% to the closing price of HK\$0.205 per Share as quoted on the Stock Exchange on the date of this announcement, being the date of the Placing Agreement; and (ii) a discount of approximately 12.62% to the average of the closing prices per Share of HK\$0.206 as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Placing Agreement.

The gross proceeds from the Placing will be approximately HK\$86 million and the net proceeds from the Placing (after deducting the placing commission for the Placing and other relevant expenses) will be approximately HK\$83 million. The net proceeds from the Placing will be utilized for enhancement of the Group's healthcare business in relation to two applications for In Vitro Diagnostic Reagents Registration related to human genetic testing with CFDA, and two potential investments in healthcare industry.

The Placing Shares are to be issued under the Issue Mandate granted to the Directors at the last annual general meeting of the Company held on 12 August 2016.

The Placing is conditional upon, the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Placing Shares.

**As Completion is subject to the satisfaction of the conditions to the Placing, the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## **THE PLACING AGREEMENT**

### **Date**

15 August 2017 (after trading hours)

### **Issuer**

The Company

### **Placing Agent**

Emperor Securities Limited

The Placing Agent has been appointed to place up to 478,000,000 Placing Shares at the Placing Price of HK\$0.18, on a best effort basis, to not less than six Placees. To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, as at the date of this announcement, the Placing Agent and its ultimate beneficial owners are Independent Third Parties.

### **Placees**

The Placing Shares will be placed to not less than six (6) Placees which will be institutional, professional, and/or other investors, and who and whose ultimate beneficial owners are Independent Third Parties. Upon Completion, it is expected that none of the Placees will become a substantial Shareholder (as defined in the Listing Rules) immediately after the Placing.

## **Placing Shares**

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the Completion, the Company shall place, through the Placing Agent, on a best efforts basis, the maximum Placing Shares of up to 478,000,000 Shares representing approximately 10% of the existing issued share capital of the Company as at the date of this announcement and approximately 9.09% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares. The aggregate nominal value of the maximum number of Placing Shares under the Placing will be HK\$4,780,000.

## **Placing Price**

The Placing Price of HK\$0.18 per Placing Share represents (i) a discount of approximately 12.2% to the closing price of HK\$0.205 per Share as quoted on the Stock Exchange on the date of this announcement, being the date of the Placing Agreement; and (ii) a discount of approximately 12.62% to the average of the closing prices per Share of HK\$0.206 as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Placing Agreement.

The Placing Price was determined and negotiated on an arm's length basis between the Company and the Placing Agent with reference to the prevailing market conditions, prevailing market prices and liquidity of the Shares. The Directors consider that the Placing Price is fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

## **Ranking of Placing Shares**

The Placing Shares, when issued and fully paid, will rank *pari passu* in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Placing Shares.

## **Placing commission**

The Placing Agent will receive a placing commission calculated at 2.75% of the amount equal to the Placing Price multiplied by the number of the Placing Shares successfully placed in accordance with the Placing Agreement. Such placing commission was arrived at after arm's length negotiation between the Company and the Placing Agent by reference to the size of the Placing and the prevailing market condition.

## **Issue Mandate to issue the Placing Shares**

The Placing Shares will be allotted and issued under the Issue Mandate granted to the Directors at the last annual general meeting of the Company held on 12 August 2016, subject to the limit up to 20% of the aggregate nominal amount of the share capital of the Company in issue on that date, being 478,062,530 Shares. Up to the date of this announcement, no new Share has been allotted and issued under the Issue Mandate. Accordingly, the issue of the Placing Shares is not subject to the approval of the Shareholders. The maximum of 478,000,000 Placing Shares to be allotted and issued will substantially utilize the Issue Mandate.

## **Conditions of the Placing**

The Placing is conditional upon

- (a) the passing by the Board of resolution to approve the Placing Agreement and the transactions contemplated hereunder; and
- (b) the Listing Committee of the Stock Exchange granting or agreeing to grant the listing of, and permission to deal in, the Placing Shares with or without conditions.

If the above conditions are not fulfilled by the Long Stop Date, the Placing Agreement shall, unless agreed by both parties to extend the Long Stop Date, terminate and all rights, obligations and liabilities of the parties hereunder in relation to the Placing shall cease and determine and that both parties shall be released from all their respective obligations pursuant to the Placing Agreement and neither party shall have any claim against the other party in respect of the Placing save for any antecedent breach.

## **Termination**

The Placing Agent may terminate the Placing Agreement without any liability to the Company, by notice in writing given to the Company at any time prior to 9:00 a.m. on the Completion Date upon the occurrence of the following events which, in the reasonable opinion of the Placing Agent, has or may have a material adverse effect on the business or financial conditions or prospects of the Company or the Group taken as a whole or the success of the Placing or the full placement of all of the Placing Shares or otherwise makes it inappropriate, inadvisable or inexpedient to proceed with the Placing on the terms and in the manner contemplated in the Placing Agreement if there develops, occurs or comes into force:

- (a) the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events, developments or changes occurring or continuing before, on and/or after the date hereof) and including an event or change in relation to or a development of an existing state of affairs of a political, military, industrial, financial, economic, fiscal, regulatory or other nature, resulting in a change in, or which may result in a change in, political, economic, fiscal, financial, regulatory or stock market conditions and which in the Placing Agent's reasonable opinion would affect the success of the Placing; or
- (b) the imposition of any moratorium, suspension (for more than 7 trading days) or restriction on trading in securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise and which in the Placing Agent's reasonable opinion, would affect the success of the Placing; or
- (c) any new law or regulation or change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong or any other jurisdiction relevant to the Group and if in the Placing Agent's reasonable opinion any such new law or change may affect the business or financial prospects of the Group and/or the success of the Placing; or

- (d) any litigation or claim being instigated against any member of the Group, which has or may have a material adverse effect on the business or financial position of the Group and which in the Placing Agent's reasonable opinion would affect the success of the Placing;
- (e) any breach of any of the representations and warranties set out in the Placing Agreement comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date hereof and prior to the Completion Date which if it had occurred or arisen before the date hereof would have rendered any of such representations and warranties untrue or incorrect in a material respect or there has been a breach by the Company of any other provision of the Placing Agreement; or
- (f) there is any material change (whether or not forming part of a series of changes) in market conditions which in the reasonable opinion of the Placing Agent would materially and prejudicially affect the Placing or makes it inadvisable or inexpedient for the Placing to proceed.

Upon the giving of termination notice pursuant to the Placing Agreement, all respective obligations of either party under the Placing Agreement shall cease and determine and neither party shall have any claim against the other party in respect of any matter arising out of or in connection with the Placing Agreement except for any antecedent breach of any obligation and liabilities under the Placing Agreement.

### **Application for listing**

The Company will apply to the Listing Committee of Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

### **Completion**

The Placing shall complete on the Completion Date, being the date within two Business Days after the date on which all the conditions set out above are satisfied or such other date as the Company and the Placing Agent may agree in writing.

### **REASONS FOR THE PLACING AND USE OF PROCEEDS**

The Company is an investment holding company. The Group is principally engaged in (i) healthcare services in PRC; (ii) money lending business; (iii) education software products and related service business in PRC; (iv) apparel retail business in PRC; and (v) securities trading and investments business in Hong Kong.

Upon all the 478,000,000 Placing Shares are successfully placed, the gross proceeds raised from the Placing will be approximately HK\$86 million. After taking into account the estimated expenses in relation to the Placing, the estimated net proceeds from the Placing will be approximately HK\$83 million, representing a net price of approximately HK\$0.174 per Placing Share. It is expected that such net proceeds from the Placing will be utilized as to HK\$60 million for enhancement of the Group's healthcare business in relation to two applications for In Vitro Diagnostic Reagents Registration related to human genetic testing with CFDA, and HK\$23 million for two potential investments in healthcare industry.

The Board considers that the terms of the Placing are fair and reasonable and the Placing is in the interests of the Company and the Shareholders as a whole.

## EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The changes of the shareholding structure of the Company as a result of the Placing are as follows:

	As at the date of this announcement		Upon completion of the Placing (Assuming all the Placing Shares have been issued and allotted)	
	No. of shares	%	No. of shares	%
Powerful Software Limited <sup>(note)</sup>	909,376,000	19.02	909,376,000	17.29
Public Shareholders				
— Places	—	—	478,000,000	9.09
— other public Shareholders	<u>3,871,249,300</u>	<u>80.98</u>	<u>3,871,249,300</u>	<u>73.62</u>
	<u>4,780,625,300</u>	<u>100.00</u>	<u>5,258,625,300</u>	<u>100.00</u>

*Note:* Powerful Software Limited is owned as to 65% and 35% by Merry Cycle Enterprises Limited and Gorgeous Moment Holdings Limited respectively. Merry Cycle Enterprises Limited is wholly-owned by Mr. Hua Yunbo while Gorgeous Moment Holdings Limited is wholly-owned by Ms. Shan Hua. Mr. Hua Yunbo and Ms. Shan Hua are executive Directors.

## FUND RAISING ACTIVITY OF THE COMPANY IN THE PAST TWELVE MONTHS

Set out below is the fund raising activity of the Company during the past 12 months immediately preceding the date of this announcement:

Date of announcement	Description	Net proceeds (approximately)	Intended use of proceeds	Actual use of proceeds (approximately)
22 December 2016	Rights Issue on the basis of one (1) rights share for every one (1) Share held at the subscription price of HK\$0.126 per rights share	HK\$290 million	<p>(i) approximately HK\$110 million for repayment of outstanding debts (including interest, if any) which were advanced to the Group for its money lending business;</p> <p>(ii) approximately HK\$40 million for expansion of its money lending business;</p> <p>(iii) approximately HK\$60 million for expansion of its healthcare business;</p> <p>(iv) approximately HK\$20 million for purchase of equipment and instrument for its existing healthcare business; and</p> <p>(v) the remaining balance of approximately HK\$60 million for general working capital of the Group.</p>	<p>(i) used as intended</p> <p>(ii) used as intended</p> <p>(iii) approximately HK\$5.27 million was used as intended and the balance of approximately HK\$54.73 million (of which approximately HK\$20 million is currently used for temporary treasury function by subscribing a fund) will be used as intended;</p> <p>(iv) approximately HK\$7.17 million was used as intended and the balance of approximately HK\$12.83 million will be used as intended; and</p> <p>(v) approximately HK\$39.42 million was used as intended and the balance of approximately HK\$20.58 million will be used as intended.</p>

Save as disclosed herein, the Company has not conducted any equity fund raising activity in the 12 months immediately preceding the date of this announcement.

**As Completion is subject to the satisfaction of the conditions to the Placing, the Placing may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## **DEFINITIONS**

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

“Board”	the board of Directors
“Business Day(s)”	a day (other than a Saturday or Sunday or days on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which banks in Hong Kong are open for general banking business
“CFDA”	China Food and Drug Administration
“Company”	Life Healthcare Group Limited, a company incorporated in the Cayman Islands with limited liability, the securities of which are listed on the main board of the Stock Exchange (Stock Code: 928)
“Completion”	completion of the placing of the Placing Shares in accordance with the terms and conditions as set out in the Placing Agreement
“Completion Date”	the date within two Business Days after the date on which all the conditions set out in the Placing Agreement are satisfied or such other date as the Company and the Placing Agent may agree in writing
“connected persons”	has the meanings as ascribed thereto under the Listing Rules
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Independent Third Party(ies)”	party(ies) who is (are) not connected person(s) of the Company and its subsidiaries and is (are) third party(ies) independent of the Company and connected persons of the Company
“In Vitro Diagnostic Reagents Registration”	the prescribed procedures conducted by the food and drug regulatory department upon an application submitted by the registration applicant to decide whether the medical device (including clinical testing kit) to be marketed can be sold based on a comprehensive evaluation of the research and results of its safety and effectiveness



“Issue Mandate”	the general mandate granted to the Directors at the last annual general meeting of the Company held on 12 August 2016 to allot, issue or deal with up to 20% of the then issued share capital of the Company as at the date of the annual general meeting
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	15 September 2017, or such later date as the Company and the Placing Agent may agree in writing
“Placee(s)”	any institutional, professional and/or other investors, who and whose ultimate beneficial owners are Independent Third Parties, to be procured by or on behalf of the Placing Agent to subscribe for any of the Placing Shares
“Placing”	the placing, on a best efforts basis, of up to 478,000,000 Placing Shares pursuant to the terms of the Placing Agreement
“Placing Agent”	Emperor Securities Limited, a licensed corporation to carry on business in type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Placing Agreement”	the conditional placing agreement dated 15 August 2017 and entered into between the Company and the Placing Agent in relation to the Placing
“Placing Price”	HK\$0.18 per Placing Share
“Placing Shares”	up to 478,000,000 Shares to be placed under the Placing
“Share(s)”	ordinary issued share(s) of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“HK\$” Hong Kong dollars, the lawful currency of Hong Kong

“%” per cent.

By Order of the Board  
**Life Healthcare Group Limited**  
**Shan Hua**  
*Executive Director*

Hong Kong, 15 August 2017

*As at the date of this announcement, the Board comprises:*

*Executive Directors:*

Mr. Hua Yunbo (*Chairman*)

Ms. Shan Hua

*Non-executive Director:*

Dr. Feng Xiaogang

*Independent Non-Executive Directors:*

Mr. Liu Xinghua

Mr. Zhou Jian

Mr. Zheng Chunlei

Ms. Zhang Xuyang