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华润凤凰

CR Phoenix

China Resources Phoenix Healthcare Holdings Company Limited

華潤鳳凰醫療控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1515)

CONNECTED TRANSACTION ACQUISITION OF THE PROPERTY

THE PROPERTY ACQUISITION

The Board announces that on February 14, 2018, Beijing Phoenix, as purchaser, entered into the Sale and Purchase Agreements with the Vendor, pursuant to which Beijing Phoenix agreed to acquire the Property at a total consideration of RMB16,843,798.

The principal terms of the Sale and Purchase Agreements are as follows:

- Date : February 14, 2018
- Parties : (1) Beijing Phoenix (as the purchaser)
(2) the Vendor
- Property : The Property is for commercial purpose and is located at Rooms E-822, E-823 and E-825, 7th Floor, No. 6 Taiping Street, Xicheng District, Beijing, the PRC with a gross floor area of 551.56 square meters.
- Consideration : The total consideration is RMB16,843,798, the details of which are set out as follows:

| No. | Room No. | Gross floor area (square meter) | Consideration (RMB) |
|-----|----------|------------------------------------|------------------------|
| 1. | E-822 | 162.75 | 4,970,136 |
| 2. | E-823 | 162.60 | 4,965,555 |
| 3. | E-825 | 226.21 | 6,908,107 |

The consideration for the Property Acquisition was determined after arm's length negotiations between the Company and the Vendor with reference to the valuation of the Property of approximately RMB16,850,000 as at November 30, 2017 as provided by an independent professional valuer to the Company. The valuation of the Property was conducted by adopting the market approach. The original acquisition cost of the Property by the Vendor was RMB11,777,814.13, including consideration of RMB11,434,771 and deed tax of RMB343,043.13. The Company intends to satisfy the consideration by its internal resources.

The consideration needs to be paid into the regulatory account of the relevant housing administration within 5 days before the completion of the Property Acquisition, upon which the consideration will be transferred to the Vendor.

- Tax : The relevant parties should bear the tax in relation to the Property Acquisition in accordance with the applicable laws and regulations.
- Completion : Beijing Phoenix and the Vendor should jointly apply for the ownership transfer registration within 5 days after the tax in relation to the Property Acquisition is paid up and before the expiry of a period of 60 days after the date of the Sale and Purchase Agreements. The Property Acquisition shall be completed once such registration is completed.

REASONS FOR AND BENEFITS OF THE PROPERTY ACQUISITION

The Company has been leasing the Property for office use from the Vendor. The latest lease agreement has expired on February 13, 2018. The total annual rental amount paid by the Company to the Vendor was approximately RMB203,600 and RMB262,800 for the year 2016 and 2017, respectively. Upon the completion of the Property Acquisition, the Company will continue to use the Property as its headquarters and principal place of business in the PRC. In view of the fact that the Company has practical needs to continue the occupancy for its operational needs in the foreseeable future, the Board believes that it is in long term benefit for the Company to take ownership of the Property rather than continuing to lease the Property, as it allows the Company to save rental costs. The Board also expects a value appreciation of the Property in view of the current commercial property market in Beijing.

The Sale and Purchase Agreements were also signed in a standardized form provided jointly by the Ministry of Housing and Urban-Rural Development and the State Administration for Industry and Commerce of the PRC.

The Board (including the independent non-executive Directors) considers that the terms of the Sale and Purchase Agreements (including the consideration for the Property Acquisition) are fair and reasonable, are entered into on normal commercial terms or better though not in the ordinary and usual course of the Company's business, and in the interests of the Company and its Shareholders as a whole. None of the Directors has a material interest in the Sale and Purchase Agreements and none of the Directors has abstained from voting in the Board meeting approving the Property Acquisition.

LISTING RULES IMPLICATIONS

As at the date of this announcement, the purchaser is a wholly-owned subsidiary of the Company and the Vendor is a wholly-owned subsidiary of United Investment, which is owned as to 40% by Mr. Wu Potao. Mr. Wu Potao was a Director in the last 12 months and is therefore a connected person of the Company under the Listing Rules. As the Vendor is an associate of Mr. Wu Potao, the Vendor is also a connected person of the Company under the Listing Rules. Accordingly, the transaction contemplated under the Sale and Purchase Agreements constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios (other than the profits ratio) for the Property Acquisition is higher than 0.1% but less than 5%, the Property Acquisition is only subject to the reporting, annual review and announcement requirements but is exempt from the shareholders' approval requirement under the Listing Rules.

INFORMATION OF THE COMPANY AND THE VENDOR

The Company is principally engaged in the provision of general hospital services, hospital management services and supply chain businesses in the PRC.

The Vendor is a wholly-owned subsidiary of United Investment and, based on its public business registration records, engaged in investment consultancy, corporate marketing, conference services, public relationship services, advertising and lease of self-owned commercial properties. United Investment is owned as to 40% by Mr. Wu Potao and 60% by Ms. Xu Jie, who was the chairman of the Board and a Director and resigned on November 25, 2016. The previous lease agreements of the Property constituted de minimis connected transactions which were fully exempt from the reporting, announcement and shareholders' approval requirement under the Listing Rules pursuant to Rule 14A.76 of the Listing Rules.

DEFINITIONS

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

| | |
|------------------------|--|
| “associate” | has the meaning ascribed thereto under the Listing Rules |
| “Beijing Phoenix” | Beijing Phoenix United Hospital Management Consulting Co. Ltd.* (北京鳳凰聯合醫院管理諮詢有限公司), a limited liability company established under the laws of the PRC and a wholly-owned subsidiary of the Company |
| “Board” | the board of Directors |
| “Company” | China Resources Phoenix Healthcare Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange |
| “connected person(s)” | has the meaning ascribed thereto under the Listing Rules |
| “Director(s)” | director(s) of the Company |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Listing Rules” | the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited |
| “Property” | Rooms E-822, E-823 and E-825, 7th Floor, No. 6 Taiping Street, Xicheng District, Beijing, the PRC with a gross floor area of 551.56 square meters for commercial use |
| “Property Acquisition” | acquisition of the Property by Beijing Phoenix from the Vendor as contemplated under the Sale and Purchase Agreements |
| “PRC” | the People’s Republic of China (other than, for the purpose of this announcement only, Hong Kong, Macau and Taiwan) |

| | |
|--------------------------------|--|
| “RMB” | Renminbi, the lawful currency of the PRC |
| “Sale and Purchase Agreements” | 3 sale and purchase agreements dated February 14, 2018 entered into between Beijing Phoenix and the Vendor in respect of the sale and purchase of the Property |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “subsidiary(ies)” | has the meaning as ascribed thereto under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) |
| “United Investment” | Beijing Phoenix United Investment Management Company Limited* (北京鳳凰聯合投資管理有限公司), a limited liability company established under the laws of the PRC and is owned as to 40% by Mr. Wu Potao and 60% by Ms. Xu Jie |
| “Vendor” | Beijing Juxin Taijia Corporate Management Company Limited* (北京聚信泰嘉企業管理有限公司), a limited liability company established under the laws of the PRC and a wholly-owned subsidiary of United Investment |
| “%” | per cent |

By Order of the Board
China Resources Phoenix Healthcare Holdings Company Limited
HAN Yuewei
Executive Director & Chief Executive Officer

Hong Kong, February 14, 2018

As at the date of this announcement, the Board comprises Mr. WANG Yin and Mr. WANG Yan as non-executive Directors; Mr. CHENG Libing, Mr. HAN Yuewei, Ms. REN Yuan and Ms. FU Yanjun as executive Directors; Mr. KWONG Kwok Kong, Ms. CHENG Hong, Mr. SUN Jianhua and Mr. LEE Kar Chung Felix as independent non-executive Directors.

* For identification purpose only