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MINGYUAN MEDICARE DEVELOPMENT COMPANY LIMITED

銘源醫療發展有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 0233)

DISCLOSEABLE TRANSACTION PROVISION OF FINANCIAL ASSISTANCE

PROVISION OF FINANCIAL ASSISTANCE

The Board is pleased to announce that on 20 December 2011, Shanghai HealthDigit, a wholly-owned subsidiary of the Company, entered into the Loan Agreement with Weiyi pursuant to which Shanghai HealthDigit agreed to grant the Loan of RMB85.24 million (equivalent to HK\$103.57 million) to Weiyi for a period of two years.

LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios calculated under Chapter 14 of the Listing Rules in respect of the Loan granted to Weiyi is more than 5% but less than 25%, the Loan granted to Weiyi constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

PROVISION OF FINANCIAL ASSISTANCE

The Board is pleased to announce that on 20 December 2011, the Loan Agreement was entered into between Shanghai HealthDigit, a wholly-owned subsidiary of the Company, as lender and Weiyi as borrower. Pursuant to the Loan Agreement, Shanghai HealthDigit had agreed to grant to Weiyi the Loan of RMB85.24 million (equivalent to HK\$103.57 million) for a term of 2 years.

THE LOAN AGREEMENT

The principal terms and conditions of the Loan Agreement are summarised as follows:

Date of the loan agreement:	20 December 2011
Lender:	Shanghai HealthDigit, a wholly-owned subsidiary of the Company
Borrower:	Weiyi
Principle amount of the loan:	RMB85.24 million (equivalent to HK\$103.57 million)
Interest rate:	3% per annum, payable quarterly in arrears
Term:	2 years ending 19 December 2013

Repayment: RMB20 million before 19 December 2012 and the remaining RMB65.24 million before 19 December 2013

Guarantee: A personal guarantee had been given by Ms. Jiang upon the signing of the Loan Agreement in favour of Shanghai HealthDigit as a security for all the obligations and liabilities of Weiyi under the Loan Agreement.

INFORMATION ON WEIYI

Founded in July 2003, Weiyi is a domestic company incorporated in the PRC. Weiyi is principally engaged in the operation of Shanghai Heng Shan Woman and Child Healthcare Hospital of Hong-Kou District, Shanghai, the PRC (上海衡山虹口婦幼醫院), an established woman and infants speciality hospital in Shanghai founded in November 1982.

Weiyi was originally a subsidiary of Shanghai HealthDigit. On 19 December 2011, Shanghai HealthDigit entered into a disposal agreement with Ms. Jiang to disposed off all its equity interest in Weiyi for RMB65 million.

INFORMATION ON THE GROUP AND SHANGHAI HEALTHDIGIT

The Company is an investment holding company and Shanghai HealthDigit is a wholly-owned subsidiary of the Company and its principal business activities are in the areas of research of biochips for early screening, detection and prevention of diseases.

REASONS FOR THE LOAN ARRANGEMENT

When Shanghai HealthDigit signed the disposal agreement with Ms. Jiang to disposed off its entire equity interest in Weiyi for RMB65 million, Weiyi had a payable of RMB85.24 million to Shanghai HealthDigit recorded in its financial records. This RMB85.24 million represent funding provided by Shanghai HealthDigit to Weiyi to support its operation and expansion over the years. Neither Weiyi nor Ms. Jiang had sufficient resources to repay this indebtedness to Shanghai HealthDigit at the time of the signing of the disposal agreement. Hence, subsequent to the signing of the disposal agreement, the indebtedness of RMB85.24 million was treated as a loan provided by Shanghai HealthDigit to Weiyi and the Loan Agreement was signed between Shanghai HealthDigit and Weiyi with Ms. Jiang as the guarantor for Weiyi to repay RMB85.24 million back to Shanghai HealthDigit within a period of 2 years.

The Board considers that the financial assistance provided to Weiyi was to ensure Weiyi would have sufficient time to repay its indebtedness back to Shanghai HealthDigit.

LISTING RULES IMPLICATIONS

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OTHER INFORMATION

Weiyi had repaid RMB85.24 million back to Shanghai HealthDigit in accordance with the repayment time table set in the Loan Agreement.

DEFINITIONS

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

“Board”	the board of directors of the Company
“Company”	Mingyuan Medicare Development Company Limited, a company incorporated in Bermuda with limited liability and whose shares are listed on the Main Board of the Stock Exchange
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Loan”	the loan in the principle of RMB85.24 million (equivalent to HK\$103.57 million)
“Loan Agreement”	the loan agreement dated 20 December 2011 and entered into between Shanghai HealthDigit as lender and Weiyi as borrower relating to the grant of the Loan
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Ms. Jiang”	蔣毅女士 (Ms. Jiang Yi)
“PRC”	The People’s Republic of China, for the purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shanghai HealthDigit”	上海數康生物科技有限公司 (SHMY HealthDigit Co., Ltd.*), a wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Weiyi”

上海唯依醫院投資管理有限公司 (Shanghai Weiyi Hospital Investment & Management Co., Ltd.), a limited liability company incorporated in Shanghai, PRC

By order of the Board
Mingyuan Medicare Development Company Limited
銘源醫療發展有限公司*
Yao Yuan
Chairman

Hong Kong, 25 April 2014

As at the date of this announcement, the executive directors are Mr. Yao Yuan (Chairman), Mr. Chien Hoe Yong, Henry (CEO), Mr. Zhao Chao, and Mr. Zhou Li Qun; non-executive director is Mr. Yu Ti Jun; the independent non-executive directors are Mr. Lee Sze Ho, Henry, Mr. Tang Yan Qin and Mr. Chow Wing Kin.

* For identification purposes only