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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)**

### **ANNOUNCEMENT OF LITIGATION**

Mingyuan Medicare Development Company Limited (the “Company”) recently received a writ of summons from the High Court of the Hong Kong Special Administrative Region, according to which a lawsuit had been filed by Chien Hoe Yong (“Chien”) against the Company for payment of director’s fee and housing allowance of HK\$3,470,884, reimbursement of expenses of HK\$395,418.34, special bonus in the sum of RMB30 million, and interest (the “Litigation”).

#### **General Information of the Litigation**

##### Cause of the Dispute

Chien resigned as an executive director of the Company on 23 April 2014 and the Company announced on 29 April 2014 that the Company was still in discussion with Chien on director fee, expenses and bonus to be payable, if any. No agreement has been reached and hence Chien brought the above-mentioned action against the Company for the payment of director’s fee and housing allowance, reimbursement of expenses and special bonus.

Legal counsel appointed by the Company in connection with the Litigation are actively preparing for defending the Company’s interests. Based on the advice of the legal counsel, Chien is not likely to succeed in his claims as he does not have any ground to support his claims on housing allowance, reimbursement of expenses and special bonus against the Company. The Company has made proper provision for the director’s fee for Chien in its audited consolidated financial statements for the years concerned and hence the Litigation would have no impact on the financial conditions and results of operation of the Company and its subsidiaries for the current year.

The Company will publish further announcements to disclose in a timely manner any progress of the Litigation. As at the date of this announcement, there are no other disclosable material litigations or arbitrations involving the Company which remain undisclosed.

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

Hong Kong, 25 September 2014

*As at the date of this announcement, the executive directors are Mr. Yao Yuan (Chairman & CEO), Mr. Zhao Chao, and Mr. Zhou Li Qun; non-executive director is Mr. Yu Ti Jun; the independent non-executive directors are Dr. Lam, Lee G., Mr. Yang Chun Bao and Mr. Tang Yan Qin.*

\* For identification purposes only