

## FOR IMMEDIATE RELEASE

### **UMP forges strong strategic alliance with NWS Holdings and Chow Tai Fook Enterprises – migration to an asset light manager model and leveraging partners’ strength to speed up clinic network and corporate healthcare services development**

(15 December 2016, Hong Kong) UMP Healthcare Holdings Limited (“UMP” or the “Group”; Hong Kong stock code: 722) today announced that it has entered into a series of agreements with NWS Holdings Limited (“NWS Holdings”; Hong Kong stock code: 659) and Chow Tai Fook Enterprises Limited (“CTFE”) to speed up UMP’s corporate healthcare solutions and clinic network development in the PRC.

#### *Formation of clinics investment platform by NWS Holdings and CTFE*

Under the agreements, NWS Holdings and CTFE will form a 50/50 joint venture, Healthcare Assets Management Limited – 醫療資產管理有限公司 (“HAML”), whose business scope will be investment in primary healthcare facilities that are predominantly clinics and medical centres in Asia, with a key focus in PRC and Hong Kong.

HAML will enter into a master operation service agreement with UMP and will *exclusively* appoint UMP as the manager of all of HAML’s clinics in the PRC. UMP shall be entitled to receive management fee from HAML for managing these clinics based on certain criteria. HAML’s clinics will also serve as service points for all of UMP’s corporate customers.

HAML has an initial capital commitment of HK\$70 million from each of NWS Holdings and CTFE to invest in and to acquire clinics in the PRC (i.e. HK\$ 140million in aggregate). HAML’s first investment will be to acquire the four clinics that were established by UMP in Beijing and Shanghai for a total cash consideration of approximately HK\$121 million.

Leveraging on the strength of the HAML platform, UMP will be migrating to an asset light manager model, whereby instead of having UMP making significant capital investments in the setting up, operation and acquisition of clinics, UMP can focus its financial and human resources on the development of the corporate healthcare solutions business model and on the management of clinics owned by other third parties.

#### *Subscription of 20% of UMP Healthcare China by NWS Holdings*

As originally announced by UMP on 27<sup>th</sup> September 2016, UMP would introduce NWS Holdings as a strategic shareholder with 20% shareholding in UMP’s Beijing operations. After extensive discussions with NWS Holdings, UMP has decided to introduce NWS Holdings as a strategic shareholder at the UMP Healthcare China level, meaning that NWS Holdings will become a partner with UMP for the whole of UMP’s China operations.

NWS Holdings will be subscribing for 20% of the enlarged share capital of UMP Healthcare China at a consideration of approximately HK\$123 million. The cash proceeds raised shall be used for the development of UMP Healthcare China’s operations, with a primary focus on the development of the corporate healthcare solutions business model. After such subscription, UMP and NWS Holdings shall own 80% and 20% of UMP Healthcare China, respectively. At the same time, UMP Healthcare China will also increase its shareholding in UMP Beijing operations from 50% to 70%.

*Dr. Sun Yiu Kwong, Chairman and Chief Executive Office of UMP Healthcare Holdings Limited, said,*

“This new partnership marks another key milestone in UMP’s development of healthcare services in China, which we believe is in the best interest of our shareholders.

Leveraging on the extensive experience of both NWS Holdings and CTFE in operating businesses in China, their vast networks, and substantial financial resources, UMP will be able to fast-track the building of a strategic clinic and provider network that is crucial to developing corporate healthcare solutions services.

