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RepublicHealthcare
Republic Healthcare Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 8357)

**VOLUNTARY ANNOUNCEMENT
MEMORANDUM OF UNDERSTANDING
IN RELATION TO
POSSIBLE FORMATION OF THE JOINT VENTURE**

POSSIBLE FORMATION OF THE JOINT VENTURE

On 25 November 2018, the Company entered into the Sino-Foreign JV MOU with CLH in relation to the parties' intention to establish the Sino-Foreign JV in order to (i) establish healthy shopping malls; and (ii) invest in suitable medical clinic management centres by cooperation, mergers and acquisitions, formation or any other expansion projects, in China.

No binding agreement in relation to the Possible Formation of Joint Venture has been entered into as at the date of this announcement. As such, the Possible Formation of Joint Venture may or may not proceed. If the Possible Formation of Joint Venture is materialised, it may constitute a notifiable transaction on the part of the Company. Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.

This announcement is made by the Company on a voluntary basis, for the purpose of keeping the Shareholders and potential investors of the Company informed of the latest development of the Group.

POSSIBLE FORMATION OF THE JOINT VENTURE

The Board is pleased to announce that on 25 November 2018, the Company entered into the Sino-Foreign JV MOU with CLH.

The principal terms of the Sino-Foreign JV MOU are set out below:

Date: 25 November 2018

Parties: (1) Republic Healthcare Limited

(2) China Life Health Industry Group Limited* (中生健康產業集團有限公司)

As at the date of this announcement, to the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, saved as disclosed, CLH and its ultimate beneficial owner(s) are Independent Third Parties.

Subject matter under the Sino-Foreign JV MOU

The Sino-Foreign JV MOU sets out the parties' intention to establish the Sino-Foreign JV in order to (i) establish healthy shopping malls; and (ii) invest in suitable medical clinic management centres by cooperation, mergers and acquisitions, formation or any other expansion projects, in China.

Pursuant to the terms of the Sino-Foreign JV MOU, the Company and CLH would like to cooperate with each other and leverage the expertise of each other to enter into the Chinese health industry.

Formal Sino-Foreign JV Agreement

Pursuant to the Sino-Foreign JV MOU, the Company shall be entitled to conduct a due diligence and feasibility study (the “**Due Diligence Review**”), within one month from the date of the Sino-Foreign JV MOU, on the financial, legal and other affairs of CLH. The Due Diligence Review period may be extended with the consent of both parties. The Company shall confirm in writing within seven days upon the completion of the Due Diligence Review to confirm whether the investment will be made. If the investment is confirmed, the Company and CLH shall reach further agreement on the business model of the Sino-Foreign JV and enter into the formal Sino-Foreign JV Agreement.

Formation of the Sino-Foreign JV

Subject to the execution of the Sino-Foreign JV Agreement, the Company and CLH intend to incorporate and register or cause to be incorporated and registered, the Sino-Foreign JV as a private company in China with limited liability pursuant to which:

- 1) the Company shall subscribe for 70% of the then issued share capital of the Sino-Foreign JV; and
- 2) CLH shall subscribe for 30% of the then issued share capital of the Sino-Foreign JV.

INFORMATION ON THE COMPANY

The Company is an investment holding company. The principal subsidiaries of the Company are engaged in providing healthcare services by operating a network of general clinics in the Republic of Singapore.

INFORMATION ON CHINA LIFE HEALTH INDUSTRY GROUP LIMITED

CLH is a company registered in China. CLH is a large corporation with competencies in health industry and finance, focusing its growth on the health industry. CLH has four cornerstones in the field of “production, study, research and teaching” in the health industry, which cover life science, medical tourism, health care and wellness towns. CLH aims to promote a healthy future with life science and technology, presenting “forever youth” and a “healthy life” as a vision.

REASONS FOR AND BENEFITS OF THE POSSIBLE FORMATION OF THE JOINT VENTURE

It is part of the Group’s strategy to explore new business segments in order to diversify its business as well as to broaden the income source of the Group and eventually to maximise the return to the Shareholders. The Board sees an increasing demand and business opportunities for the healthcare industry in China in light of an increasing number of health cautious consumers in China. The Directors are of the view that it is a good opportunity for the Group to invest in a developing industry with potential and the Sino-Foreign JV will bring about opportunities for business cooperation with CLH, which may provide synergies and optimise productivity.

The Board is of the view that the terms of the Sino-Foreign JV MOU are fair and reasonable and the Possible Formation of the Joint Venture is in the interests of the Company and the Shareholders as a whole.

General

The Sino-Foreign JV MOU does not constitute a legally-binding commitment in respect of the Possible Formation of the Joint Venture. The Possible Formation of the Joint Venture is subject to the execution and completion of the Sino-Foreign JV Agreement.

If the Sino-Foreign JV Agreement is entered into, it may constitute a notifiable transaction on the part of the Company pursuant to the GEM Listing Rules and is subject to approval requirements under the GEM Listing Rules. In this regard, the Company will comply with the reporting, disclosure and/or Shareholder’s approval requirements under the GEM Listing Rules.

The Board wishes to emphasize that no binding agreement in relation to the Possible Formation of Joint Venture has been entered into as at the date of this announcement. As such, the Possible Formation of Joint Venture may or may not proceed. If the Possible Formation of Joint Venture is materialised, it may constitute a notifiable transaction on the part of the Company. Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

“Board”	the board of Directors
“China”	The People’s Republic of China, but for the purposes of this announcement and for geographical reference only (unless otherwise indicated), excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“CLH”	China Life Health Industry Group Limited* (中生健康產業集團有限公司) , a company registered in China
“Company”	Republic Healthcare Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed and traded on GEM (stock code: 8357)
“connected person(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Director(s)”	directors of the Company
“GEM”	GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“Independent Third Party”	any person or company and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, are not connected persons of the Company and are third parties independent of the Company and its connected persons in accordance with the GEM Listing Rules
“Possible Formation of the Joint Venture”	the possible formation of the Sino-Foreign JV as contemplated under the Sino-Foreign JV MOU
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued Share(s)
“Sino-Foreign JV”	a company to be incorporated in China with limited liability to be owned as to 70% by the Company and 30% by CLH
“Sino-Foreign JV Agreement”	the formal joint venture agreement for the incorporation, operation and management of the Sino-Foreign JV to be entered into between the Company and CLH
“Sino-Foreign JV MOU”	the non legally-binding memorandum of understanding dated 25 November 2018 and entered into between the Company and CLH, in relation to the parties’ intention for (i) the establishment of the Sino-Foreign JV; and (ii) its operation and management and their respective mutual rights and obligations relating to the Sino-Foreign JV
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

For and on behalf of
Republic Healthcare Limited
Tan Cher Sen Alan
Chairman and Executive Director

Singapore, 27 November 2018

As at the date of this announcement, the executive Directors are Dr. Tan Cher Sen Alan (Chairman), Mr. Toh Han Boon (Chief Financial Officer) and Mr. Xu Xue; and the independent non-executive Directors are Mr. Leung Ho San Jason, Mr. Soh Sai Kiang and Mr. Tan Chee Ken.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Listed Company Information” page of the GEM website at www.hkgem.com for at least seven days from the day of its publication. This announcement will also be published on the Company’s website at republichealthcare.asia.

** The English translation of the Chinese name is for information purpose only and should not be regarded as the official English translation of such Chinese name.*