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MODERN HEALTHCARE TECHNOLOGY HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 919)

DISCLOSEABLE TRANSACTION — ACQUISITION OF THE PROPERTY

The Board wishes to announce that on 4 August 2021, the Purchaser, an indirect wholly-owned subsidiary of the Company, and the Vendor have entered into the Option To Purchase, pursuant to which the Purchaser agreed to purchase and the Vendor agreed to sell the Property at a consideration of S\$3,200,000 (equivalent to approximately HK\$18,304,000).

As the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements under the Listing Rules.

INTRODUCTION

The Board wishes to announce that on 4 August 2021, the Purchaser, an indirect wholly-owned subsidiary of the Company, and the Vendor have entered into the Option To Purchase, pursuant to which the Purchaser agreed to purchase and the Vendor agreed to sell the Property at a consideration of S\$3,200,000 (equivalent to approximately HK\$18,304,000).

THE DETAILS OF THE OPTION TO PURCHASE

A summary of the principal terms of the Option To Purchase is as follows:

Date: 4 August 2021

Parties: (1) Zegna International Pte. Ltd., an indirect wholly-owned subsidiary of the Company, as the Purchaser

(2) Toa Payoh Heng Heng Goldsmith & Jewellers Pte. Ltd., as the Vendor

Property to be acquired: The Property is located at BLK 186 Toa Payoh Central #01-436 Singapore 310186. The Property is a commercial property with a gross floor area of 1,345 square feet in approximation.

The Property is currently leased out to an Independent Third Party pursuant to an existing tenancy which has a term ending on 31 July 2022 at a monthly rent of S\$7,000 (equivalent to approximately HK\$40,040) and which also contains an option in favour of the tenant to renew the tenancy for a further term of 24 months at the prevailing market rent to be agreed. It is the intention of the management of the Group that upon the expiry of the term or, as applicable, the renewed term of the existing tenancy, the Property will be used as a beauty salon to be operated by the Group in Singapore.

Consideration: The consideration for the Acquisition is S\$3,200,000 (equivalent to approximately HK\$18,304,000), which shall be paid by the Purchaser to the Vendor in the following manner:

- (i) a sum of S\$32,000 (equivalent to approximately HK\$183,000) has been paid as an option money (“**Option Money**”) when the Purchaser made an offer to the Vendor for the Acquisition;
- (ii) a sum of S\$128,000 (equivalent to approximately HK\$732,000) has been paid as part of the deposit (together with the Option Money, the “**Deposit**”) on the date of the Option To Purchase; and
- (iii) the remaining sum of S\$3,040,000 (equivalent to approximately HK\$17,389,000) will be paid at Completion.

The consideration has been determined after arm's length negotiations between the Vendor and the Purchaser by reference to, amongst other things, (a) the prevailing market conditions, (b) the location of the Property, (c) the market prices of other comparable properties and the prevailing market value of commercial properties of similar size and in the vicinity.

The Deposit of S\$160,000 (equivalent to approximately HK\$915,000) has been paid and the remaining balance of the Consideration will be financed by the Group's internal resources.

Completion: Completion shall take place within 14 weeks from the date of the Option To Purchase or within four weeks from the date on which approval from the Housing & Development Board of Singapore is obtained (whichever is the later).

INFORMATION ON THE GROUP AND THE PARTIES

The Group is principally engaged in (i) the provision of beauty and wellness services; and (ii) sales of skincare and wellness products.

The Purchaser is not engaged in any business activities. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, (i) the Vendor is principally engaged in property development and leasing management; and (ii) each of the Vendor and its ultimate beneficial owners is an Independent Third Party.

REASONS FOR AND BENEFITS OF THE ACQUISITION

As disclosed in the annual report of the Company for the year ended 31 March 2021, the Group would proceed with its business in Singapore in a prudent and steady manner with continued focus on providing quality services that serve its customers and enhancing its brand awareness. Considering the positive economic outlook of Singapore as well as the raising market demand for beauty and wellness services in Singapore, the Directors consider that the Acquisition represents a good business opportunity for the Group to pave way for its business expansion in the Singapore market.

The Directors consider that the Acquisition is in the interests of the Company and its shareholders as a whole and the terms of the Option To Purchase are on normal commercial terms, which are fair and reasonable.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio calculated (as defined in the Listing Rules) in respect of the Acquisition is more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements under the Listing Rules.

DEFINITIONS

In this announcement, the following expressions shall, unless the context requires otherwise, have the following meanings:

“Acquisition”	the acquisition of the Property by the Purchaser from the Vendor pursuant to the Option To Purchase
“Board”	the board of Directors
“Company”	Modern Healthcare Technology Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 00919)
“Completion”	completion of the sale and purchase of the Property in accordance with the terms of the Option To Purchase
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) independent of the Company and its connected persons (having the meaning ascribed to it under the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Option To Purchase”	the option to purchase issued by the Vendor as the vendor and duly exercised by the Purchaser as the purchaser in respect of the sale and purchase of the Property on 4 August 2021

“Property”	the property as referred to under the heading “The Details of the Option to Purchase” — “Property to be acquired”
“Purchaser”	Zegna International Pte. Ltd., a company incorporated in Singapore with limited liability and an indirect wholly-owned subsidiary of the Company
“Shares”	ordinary shares in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“S\$”	Singapore dollars, the lawful currency of Singapore
“Vendor”	Toa Payoh Heng Heng Goldsmith & Jewellers Pte. Ltd., a company incorporated in Singapore with limited liability and is ultimately beneficially owned by YEO Peng Yong and TAY Chui Kim
“%”	per cent.

In this announcement, amounts quoted in S\$ have been converted into HK\$ at the rate of S\$1 to HK\$5.72 for the purpose of illustration only. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.

For and on behalf of the Board
Modern Healthcare Technology Holdings Limited
Tsang Yue, Joyce
Chairperson of the Board

Hong Kong, 6 August 2021

As at the date of this announcement, the executive directors of the Company are Dr. Tsang Yue, Joyce, Mr. Yip Kai Wing, and Ms. Yeung See Man; and the independent non-executive directors are Ms. Liu Mei Ling, Rhoda, Dr. Wong Man Hin, Raymond and Mr. Hong Po Kui, Martin.