

[FOR IMMEDIATE RELEASE]



EC Healthcare Acquires Veterinary Hospital Chain Further Consolidating the Veterinary Market and Promote the Corporatization of Pet Medical Assets

(16 August 2021, Hong Kong) **EC Healthcare** (the “Company”, which together with its subsidiaries is referred to as the “Group”, SEHK stock code: 2138), the largest non-hospital medical group in Hong Kong*, is pleased to announce that the Group enters into a sales and purchase agreement to acquire the entire issued share capital of a veterinary hospital chain (the “Target Companies”) and the total consideration will be paid in cash. The Target Companies are principally engaged in provision of veterinary services in Hong Kong and operate five veterinary hospitals with 16 registered veterinary surgeons. According to the unaudited financial information for the year ended 31 March 2021, the profit after tax of the Target Companies amounted to approximately HK\$8.3 million.

Pursuant to the agreement, the acquisition will be conducted in two tranches. The consideration for the first tranche of the equity interests, namely 51% of the issued share capital, in the veterinary hospital chain is HK\$26.2 million. In the final tranche of the acquisition, EC Healthcare will acquire the remaining issued share capital of the veterinary hospital chain. The amount of the consideration depends on the level of net profit after tax to be achieved by the veterinary hospital chain and is subject to the terms and conditions of the agreement.

Mr. Levin Lee, Executive Director and Chief Finance Officer of EC Healthcare said, “The Group is delighted to further acquire veterinary hospital chain post the acquisition in mid-June this year. After completion of the two acquisitions, the Group will own 7 veterinary hospitals, 2 advanced veterinary imaging centers with 30 registered veterinary surgeons. In view of the pain points similar as the traditional medical industry such as lack of information transparency, lack of systematic business management, lost tracking record of the customer data. EC Healthcare target to apply the experience from the past successful medical asset consolidation to the pet medical market to improve the industry. The Group will increase the value of the pet medical asset and accelerate the process of corporatization through comprehensive digital technology system, mature brand management experience and professional services.”

EC Healthcare is always committed to building up an enclosed ecosystem focusing on satisfaction of the Group’s clients. The Group the Target Companies can expand the scope of the Group’s services, diversify the Group’s business portfolio, create synergies between different business sectors, become the new income source and enhance the loyalty of the Group’s client.

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About EC Healthcare

EC Healthcare is Hong Kong's largest non-hospital medical service provider*, leveraging its core businesses of preventive and precision medicine, and committed to developing medical artificial intelligence by integrating its multi-disciplinary medical services. The move, which is supported by the Group's high-end branding and quality customer services, is aimed at offering customers safe and effective healthcare and medical services with professionalism.

The Group principally engages in the provision of one-stop medical and health care services in Greater China. The Group provides a full range of services and products under its well-known brands, including those of its one-stop aesthetic medical solutions provider DR REBORN which has ranked first in Hong Kong by sales for years, primary care clinics jointly established with Tencent Doctorwork, chiropractic services centre SPINE Central, New York Spine and Physiotherapy Center NYMG, health management centre re:HEALTH, a vaccine centre Hong Kong Professional Vaccine HKPV, a comprehensive dental centre UMH DENTAL CARE, a diagnostic and imaging centre HKAI, an oncology treatment centre reVIVE, a day procedure centre HKMED, a specialty clinic SPECIALISTS CENTRAL and NEW MEDICAL CENTER, obstetrics and gynaecology specialist ZENITH MEDICAL CENTER AND PRENATAL DIAGNOSIS CENTRE, specialists central, a paediatric center PRIME CARE, cardiology center HONG KONG INTERNATIONAL CARDIOLOGY CENTER, PathLab Medical Laboratories and a professional hair care center HAIR FOREST.

*According to an independent research conducted by Frost and Sullivan in terms of revenue in 2019 and 2020

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