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**金威医疗集团有限公司**

Good Fellow Healthcare Holdings Limited

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8143)**

## **BUSINESS UPDATE – LITIGATION INVOLVING A SUBSIDIARY**

This announcement is made by Good Fellow Healthcare Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) to update its shareholders (the “**Shareholders**”) and potential investors on the latest development of the Group.

The board (the “**Board**”) of directors (the “**Director(s)**”) of the Company announces that, on 9 March 2022, Edinburgh International Hospital Management (Shenzhen) Co. Ltd.\* (愛丁堡國際醫院管理(深圳)有限公司)(“**Edinburgh Hospital Management**”), an indirect subsidiary of the Company, received a civil complaint (the “**Civil Complaint**”) filed with the People’s Court of Qianhai Shenzhen City\* (深圳前海合作區人民法院) by China Merchants Hainan Development Investment Co. Ltd.\* (招商局海南開發投資有限公司)(“**China Merchants**”) as plaintiff against Edinburgh Hospital Management as defendant, and Edinburgh International Diabetes Hospital (Hainan) Co. Ltd.\* (愛丁堡國際糖尿病醫院(海南)有限公司)(“**Edinburgh International Diabetes**”), a subsidiary of Edinburgh Hospital Management, as a third party.

Pursuant to the Civil Complaint, China Merchants sought, among other things,

- (i) to terminate a cooperation agreement (the “**Cooperation Agreement**”) dated 31 July 2020 entered into between China Merchants and Edinburgh Hospital Management in relation to, among other things, the provision of funds by China Merchants for the establishment and operation of the international diabetes center in Hainan (the “**IDC**”) and the provision of management services by Edinburgh Hospital Management or its subsidiary to the IDC, on the basis of alleged failure by Edinburgh Hospital Management to satisfactorily fulfill and discharge its responsibilities under the Cooperation Agreement, such failures including delay in commencing normal business operation of the IDC and the unauthorized application of funds advanced by China Merchants;

- (ii) the refund of approximately RMB12.13 million by Edinburgh Hospital Management, being the aggregate of funds already advanced by China Merchants pursuant to the Cooperation Agreement;
- (iii) payment of liquidated damages under the Cooperation Agreement and costs in relation to the Civil Complaint of approximately RMB1.4 million.

Edinburgh Hospital Management is currently seeking legal advice on the Civil Complaint. The Company will keep the shareholders and potential investors of the Company informed of any further material development regarding the potential litigation by way of further announcement(s) as and when appropriate.

**Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By order of the Board  
**Good Fellow Healthcare Holdings Limited**  
**Ng Chi Lung**  
*Chairman and Executive Director*

Hong Kong, 10 March 2022

\* *The English transliteration of the Chinese names in this announcement, where indicated, is included for information only, and should not be regarded as the official English names of such Chinese names.*

*As at the date of this announcement, the Board comprises Mr. Ng Chi Lung and Mr. Zheng Gang as executive Directors; and Ms. Wong Ka Wai, Jeanne, Dr. Lam Huen Sum and Mr. Lau Tak Kei Arthur as independent non-executive Directors.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited 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 be published on the GEM website at <http://www.hkgem.com> on the “Latest Company Announcement” page for at least 7 days from the date of publication and on the Company’s website at <http://www.gf-healthcare.com>.*