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MediNet Group Limited

醫匯集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8161)

VOLUNTARY ANNOUNCEMENT

NON-LEGALLY BINDING MEMORANDUM OF UNDERSTANDING IN RELATION TO POSSIBLE DISPOSAL

The Board announces that on 19 December 2024 (after trading hours), the Vendor, a wholly-owned subsidiary of the Company, entered into the non-legally binding MOU with the Purchaser in relation to the Possible Disposal on 19 December 2024.

GENERAL

The Possible Disposal, if materialised, may constitute a notifiable and connected transaction at the subsidiary level of the Company under the GEM Listing Rules. Further details of the Possible Disposal shall be subject to the Formal Agreement to be entered into by the parties to the MOU and further announcement(s) will be made upon execution of the Formal Agreement as and when appropriate, and in accordance with the GEM Listing Rules.

Shareholders and/or investors should note that the Possible Disposal may or may not materialise as no formally binding documentation has been executed between the Parties and negotiations are still in progress. Shareholders and/or investors are advised to exercise caution when dealing in the Company's securities.

This announcement is made by the Company on a voluntary basis.

NON-LEGALLY BINDING MEMORANDUM OF UNDERSTANDING

The Board announces that on 19 December 2024 (after trading hours), the Vendor, a wholly-owned subsidiary of the Company and the Purchaser entered into the non-legally binding MOU in relation to the Possible Disposal.

THE MOU

Date: 19 December 2024

Parties

Vendor: MediNet (BVI) Limited, a wholly-owned subsidiary of the Company

Purchaser: Dr. Chiu Chong Po, Kenny

The Company acquired the entire issued share capital of Master Clever from I-Teeth Limited on 12 July 2018, a company incorporated in Hong Kong and whose issued share capital is wholly-owned by the Purchaser. The Purchaser is a dental practitioner. As at the date of this announcement, the Purchaser is a director of Master Clever. The Purchaser and its associates do not own any Shares of the Company as at the date of this announcement. Hence, the Purchaser is a connected person of the Company at the subsidiary level.

Major terms of the MOU

Assets to be disposed

Under the MOU, the Purchaser intends to acquire and the Vendor intends to sell the Sale Share, together with all debts, liabilities and obligations of Master Clever owing or incurred by Master Clever to the Vendor, whether actual, contingent or deferred and irrespective of whether or not the same is due and payable as at the date of Completion.

As at the date hereof, the Vendor is interested in 100% of the issued share capital of Master Clever.

Exclusivity

Under the MOU, in consideration of the expenses to be incurred by the Purchaser in the negotiation of the MOU, the Vendor will not, and will procure the directors, officers, employees, representatives and agents of the Vendor will not, directly or indirectly, for a period of 90 days commencing from the date of the MOU to (i) solicit, initiate or encourage inquiries or offers from, or (ii) initiate or continue negotiations or discussions with or furnish any information to, or (iii) enter into any agreement or statement of intent or understanding with, any person or entity other than the Purchaser with respect to the sale or other disposition of the Sale Shares or any interests of Master Clever or the sale, subscription, or allotment of any part thereof or any other shares of Master Clever. If Master Clever or the Vendor receives any such inquiry or offer, the Vendor will promptly notify the Purchaser.

Consideration

The proposed consideration for the Possible Disposal is intended to be approximately HK\$14,000,000, but will be further negotiated by the Vendor and the Purchaser.

Conditions precedent

It is expected that completion of the Possible Disposal shall be conditional upon, inter alia:

- (a) the shareholder's approval from the Company's shareholder(s) in accordance with the requirements under the GEM Listing Rules approving the Formal Agreement and the transactions contemplated thereunder;
- (b) completion of the Debt Restructuring;
- (c) all necessary consents, licences and approvals required to be obtained on the part of the Vendor and the Company having been obtained and remain in full force and effect;
- (d) all necessary consents, licences and approvals required to be obtained on the part of the Purchaser having been obtained and remain in full force and effect;
- (e) the Vendor's warranties remaining true and accurate in all respects; and
- (f) the Purchaser's warranties remaining true and accurate in all respects.

Formal agreement

The Vendor and the Purchaser shall negotiate in good faith towards the other in ensuring that the Formal Agreement be entered into as soon as possible and in any event, on or before the date falling 90 days from the date of the MOU or such later date as the Vendor and the Purchaser may agree in writing.

Non legally-binding effect

Save for the provisions relating to exclusivity, right to use, confidentiality, notice, fees, legal effect, counterpart and governing law of the MOU, which are legally binding on the Parties, the MOU is intended to record preliminary understanding in principle agreed between the Parties and, therefore, is not intended to create legal obligations on the Parties.

REASONS FOR THE POSSIBLE DISPOSAL

The Group is principally engaged in the provision of corporate medical and dental solutions to contract customers through the design and administration of tailored medical and/or dental benefit plans for the contract customers and the provision of different combinations of medical and/or dental services through the MediNet network and/or MediNet centre and dental clinic.

On 12 July 2018, the Group acquired Master Clever from I-Teeth Limited, a controlled corporation of the Purchaser. Since the said acquisition, the dental services business of Master Clever has faced significant challenges due to the impact of COVID-19. The dental industry of the Group has been further affected in the post-COVID era, particularly with the reopening of borders, which has led to an influx of patients seeking dental treatment in Shenzhen. This shift in consumer behavior has negatively impacted dental operations in Hong Kong, resulting in ongoing losses for Master Clever over the past year. In light of the

adverse market situation, the Directors have grave concerns about the Group's dental business prospect. The Group therefore entered into the discussion and negotiation with the Purchaser, who has the expertise in dental business, about the Possible Disposal.

In view of the above, the Directors consider that the entering into of the MOU may give an opportunity for the Group to realise its investment. The Directors considered that the MOU is on normal commercial terms, fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Information on Master Clever

Master Clever is a company incorporated in Hong Kong with limited liability and is principally engaged in the business of operation of dental clinics for the provision of dental services including orthodontic treatment, dental laser implant surgery, teeth whitening and other general dental services.

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DEFINITIONS

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

“associates”	has the meaning ascribed to it in the GEM Listing Rules
“Board”	the board of Directors
“Company”	MediNet Group Limited, a company incorporated in the Cayman Islands with limited liability the issued shares of which are listed on GEM of the Stock Exchange
“connected person”	has the meaning ascribed to it in the GEM Listing Rules
“Debt Restructuring”	the repayment, assignment and novation of debt due to and due from among Master Clever and the Fellow Subsidiaries
“Director(s)”	the director(s) of the Company
“Fellow Subsidiaries”	certain subsidiaries of the Company and the fellow subsidiaries of Master Clever

“Formal Agreement”	the formal sale and purchase agreement which may or may not be entered into in relation to the Possible Disposal
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“MOU”	the non-legally binding memorandum of understanding dated 19 December 2024 and entered into between the Vendor and the Purchaser in relation to the Possible Disposal
“Master Clever”	Master Clever Limited is a company incorporated in Hong Kong with limited liability
“Parties”	collectively, the Vendor and the Purchaser
“Possible Disposal”	the possible disposal of the Sale Share by the Vendor subject to and upon the terms and conditions of the Formal Agreement
“Purchaser”	Dr. Chiu Chong Po, Kenny
“Sale Share”	one (1) share in the share capital, representing 100% of the shareholding of Master Clever, which is legally and beneficially owned by the Vendor
“Shareholders”	holders of the Shares
“Shares”	the issued shares of HK\$0.25 in the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	MediNet (BVI) Limited, a company incorporated in the British Virgin Islands with limited liability, and a wholly-owned subsidiary of the Company
“%”	per cent.

By order of the Board
MediNet Group Limited
Leung Man Fai
Company Secretary

Hong Kong, 19 December 2024

As at the date of this announcement, the executive Directors are Mr. Chan Chi Wai Nelson and Ms. Jiang Jie and the independent non-executive Directors are Mr. Leung Po Hon, Mr. Wong Wai Leung and Mr. Ng Wai Hung.

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 Stock Exchange's website at www.hkexnews.hk, and in the case of the announcement, on the "Latest Company Announcements" page for at least 7 days from the day of its posting. This announcement will also be published on the Company's website at www.MediNetGroup.com.