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PROSTEN HEALTH HOLDINGS LIMITED

長達健康控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8026)

DISCLOSEABLE TRANSACTION

PROVISION OF LOAN

THE NEW LOAN AGREEMENT

On 2 June 2017, the Lender, an indirect wholly-owned subsidiary of the Company, entered into the New Loan Agreement with the Borrower, pursuant to which the Lender has agreed to lend to the Borrower a term loan in the principal amount of HK\$6,000,000.00.

THE PRIOR LOAN AGREEMENT

Reference is made to the announcement of the Company dated 25 January 2017 in respect of the Prior Loan Agreement earlier entered into between the Lender and the Borrower whereby the Lender agreed to lend to the Borrower another term loan in the aggregate principal amount of HK\$10,000,000.00. Drawdown of the first instalment in the sum of HK\$6,000,000.00 took place on 25 January 2017, while drawdown of the second instalment in the remaining sum of HK\$4,000,000.00 did not take place by the stipulated deadline of 28 February 2017 (which has also been confirmed in writing by the Borrower). Therefore, as at the date hereof, the principal loan amount advanced by the Lender to the Borrower under the Prior Loan Agreement is HK\$6,000,000.00 only.

THE GEM LISTING RULES IMPLICATIONS

Given that the New Loan Agreement and the Prior Loan Agreement were entered into with the Borrower within a 12-month period, the transactions thereunder shall be aggregated for the purpose of Chapter 19 of the GEM Listing Rules.

As one or more of the applicable percentage ratios as defined in Rule 19.06 of the GEM Listing Rules are 5% or more but none of them is 25% or above, the New Loan and the Previous Loan, on an aggregate basis, constitute discloseable transactions of the Group under Chapter 19 of the GEM Listing Rules. In light of the above, they shall be subject to the reporting and announcement requirements under the GEM Listing Rules.

THE NEW LOAN AGREEMENT

Date:	2 June 2017
Lender:	SZ Enterprise Union Finance Limited (深企聯合小額貸款有限公司), an indirect wholly-owned subsidiary of the Company
Borrower:	The Borrower, Chen Tianju (陳天駒)
Principal Loan Amount:	HK\$6,000,000.00
Drawdown Date:	7 June 2017
Term:	8 months from the drawdown date
Final Repayment Date:	7 February 2018, but early repayment is also allowed.
Interest:	12% per annum. Accrued interest shall be paid in the first instance on 7 December 2017, and thereafter on the final repayment date together with repayment of the principal.

The terms of the New Loan Agreement were arrived at after arm's length negotiations between the Lender and the Borrower. The Lender is a licensed money lender and its principal business activity is provision of money lending services. The provision of the New Loan denotes a transaction of a revenue nature and carried out as part of the ordinary and usual course of business of the Lender.

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INFORMATION ON THE COMPANY, THE GROUP AND THE LENDER

The Company is an investment holding company. The Group's principal businesses encompass provision of wireless value-added services, trading and retail sales of jewelry, provision of financial services including lending money business, and trading, distribution and manufacturing of medical, pharmaceutical and healthcare food products.

The Lender is a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company. It is a registered money lender holding a valid money lenders licence under the Money Lenders Ordinance (Chapter 163, Laws of Hong Kong), and is principally engaged in the business of provision of money lending services.

INFORMATION ON THE BORROWER

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Borrower is a merchant and an independent third party not connected with the Company and its connected persons.

REASON FOR AND BENEFITS OF THE NEW LOAN ARRANGEMENT

The Lender is a licensed money lender and its principal business activity is provision of money lending services. The provision of the New Loan constitutes a transaction carried out as part of the ordinary and usual course of business of the Lender, and will bring in interest income to it.

The Lender has conducted internal risk assessment on the subject new loan arrangement. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Borrower has substantial investments and assets in the PRC which support his financial capability to repay both the New Loan and the Previous Loan. The purpose of the New Loan is to enhance his short-term cash flow. Therefore, the Lender has not sought securities or collaterals for his repayment of the New Loan.

The Directors consider that the transactions contemplated by the New Loan Agreement are on normal commercial terms, and the terms of the New Loan Agreement are fair and reasonable and in the interests of the Group and the shareholders of the Company as a whole having considered the current market norm in relation to similar transactions.

DEFINITIONS

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

“Board”	the board of Directors
“Borrower”	Mr. Chen Tianju (陳天駒), the borrower under both the New Loan Agreement and the Prior Loan Agreement
“Company”	Prosten Health Holdings Limited (formerly known as Prosten Technology Holdings Limited), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the GEM (stock code: 8026)

“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“Group”	the Company and its subsidiaries collectively
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong Dollars, the prevailing lawful currency of Hong Kong
“Lender”	SZ Enterprise Union Finance Limited (深企聯合小額貸款有限公司), a company incorporated in Hong Kong with limited liability holding a valid money lenders licence under the Money Lenders Ordinance (Chapter 163, Laws of Hong Kong), and an indirect wholly-owned subsidiary of the Company
“New Loan”	the term loan in the principal amount of HK\$6,000,000.00 granted by the Lender to the Borrower pursuant to the terms of the New Loan Agreement
“New Loan Agreement”	the loan agreement dated 2 June 2017 entered into between the Lender and the Borrower in relation to the provision of the New Loan in the principal amount of HK\$6,000,000.00
“PRC”	the People’s Republic of China which excludes Hong Kong and Macau Special Administrative Regions for the purpose of this announcement
“Previous Loan”	the term loan in the principal amount of HK\$6,000,000.00 (being the first instalment) actually advanced by the Lender to the Borrower pursuant to the terms of the Prior Loan Agreement

“Prior Loan Agreement”	the loan agreement dated 25 January 2017 entered into between the Lender and the Borrower in relation to the provision of a term loan in the aggregate principal amount of HK\$10,000,000.00 divided into two tranches, the first instalment being HK\$6,000,000.00 and the second instalment being the remaining HK\$4,000,000.00
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By order of the Board
PROSTEN HEALTH HOLDINGS LIMITED
Xu Zhigang
Chairman

Hong Kong, 2 June 2017

As at the date of this announcement, the Board comprises the following Directors:

Mr. Xu Zhigang (Executive Director (Chairman))
Mr. Han Jun (Executive Director)
Mr. Shi Liangsheng (Executive Director)
Mr. Wen Xingcheng (Executive Director)
Mr. Chen Weixi (Non-Executive Director)
Mr. Poon Yan Wai (Independent Non-Executive Director)
Mr. Xu Xiaoping (Independent Non-Executive Director)
Mr. Lam Kwok Cheong (Independent Non-Executive Director)

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 GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least 7 days from the date of its posting and the Company’s website at www.prosten.com.