

16 January 2015

MiLOC Group Limited
("MiLOC" or the "Company")

Acquisition

Further to the announcement made on 26 November 2014, the Company is pleased to announce that it has agreed to acquire, through its subsidiaries (the "**Group**"), a 40% equity interest in its subsidiary, MiLOC Clinics Jor2 Limited ("**Jor2**"), from Mr Chan Chi Hang and Miss Tung Chau Man (together the "**Sellers**").

Under the terms of the agreement with the Sellers, the Group will acquire the 40% equity interest in Jor2 as well as 2,301,004 Class B Shares in MiLOC Clinics Limited (BVI) held by the Sellers for a total consideration of HK\$800,000. Following completion of the share transfers, the Company and Modern TCM (BVI) Limited will hold, through MiLOC Clinics (HK) Limited and MiLOC Clinics Limited, 100% of Jor2. The Group will also pay Mr Chan a further HK\$800,000 in respect of employment related compensation. The Sellers will dismiss their actions against MiLOC Clinics (HK) Limited, MiLOC Clinics Limited, Jor2 and the directors of Jor2.

This transaction is considered a related party transaction for the Group as Mr Chan currently owns more than 10% of the voting shares in Jor2.

The Group has reopened the two Jor2 clinics and has recommenced operations whilst it continues to reorganise their management.

For further information, please contact:-

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