

DJ MiLOC Group Limited Acquisition

TIDMML.P

RNS Number : 0582D

MiLOC Group Limited

16 March 2011

MiLOC Group Limited

Sales & Purchase Agreement

Company Symbol: ML.P

16 March 2011

MiLOC GROUP LIMITED ("MiLOC" or "the Group")

Clinic Acquisition

MiLOC Medical Limited, subsidiary of MiLOC Group Limited ("the Company") one of the leading Traditional Chinese Medicine Group, is pleased to announce that it has entered into a share purchase agreement ("the Agreement") relating to the sale and purchase of the entire issued share capital of GOLDEN ACE HOLDINGS LIMITED which is 100% owned by LEE MUN KEAT ("the Vendor") and MiLOC Medical Limited as the purchaser in relation to the transfer of 1 share in US\$1.00 each at a consideration of HK\$1.00.

The acquisition clinic YTD sales turnover is HK625, 987 (GBP1=HK12.5) with a net loss of HK569, 564. It is strategically located in the busiest part of Jordan, Kowloon District (just beside the MTR), with high human traffic flow. The clinic has a floor space size of over 5000 square feet (which is one of the largest in the business) for an integrated service of TCM Clinic & Health Products. It currently stocks approximately 60 types of Health Products primarily from China, Hong Kong and the USA.

Revenue from Vendor's business is derived from doctors' consultation, supplements and health products. The clinic is currently incurring losses as the business has only been in operation for just over 2 months.

Mr. Ong Chief Executive of MiLOC commented,

"This acquisition is part of our strategic business plan as stated in our Admission Document. The Acquisition of the Vendor's business enhances the brand awareness of the Group's medical business and can create foreseeable profit for the Company and expose the business to a myriad of resources"

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