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15 May 2017

MEDILINK-GLOBAL UK LIMITED
("Medilink-Global", the "Company" or the "Group")

Update re proposed cancellation and notice of EGM

Medilink-Global UK Limited (AIM: MEDI), the electronic health card network service provider, today provides an update on the Company's proposed cancellation from trading on AIM ("**Cancellation**").

As previously announced by the Company, the Directors consider that it is in the best interest of shareholders of Medilink for the Company to seek Cancellation. On 9 November 2016, the Company announced that one of its major shareholders had indicated that it would not be supportive of the Cancellation, however, the Directors understand that this is no longer the case. The Directors have therefore concluded that the Company should proceed with the Cancellation.

The Company will today post to its shareholders a circular (the "**Circular**") containing a notice convening an extraordinary general meeting (the "**EGM**") to be held at 9:00 a.m. on 06 June 2017 at Suite C-16-3, Level 16, Tower C, Wisma Goshen, Plaza Pantai, No. 5, Persiaran Pantai Baru, Off Jalan Pantai Baru, 59200 Kuala Lumpur, Malaysia.

Extracts from the Circular, which sets out the reasons for seeking Cancellation, are set out below and a copy of the Circular will shortly be available on the Company's website, www.medilink-global.com.

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EXTRACTS FROM THE CIRCULAR

The following has been extracted without amendment from, and should be read in conjunction with, the Circular to Shareholders dated 15 May 2017, available from the Company's website, www.medilink-global.com.

EXPECTED TIMETABLE OF EVENTS

Dispatch of this document	15 May 2017
Latest time for receipt of Form of Proxy	9.00 a.m. on 04 June 2017
Extraordinary General Meeting to be held	9.00 a.m. on 06 June 2017
Expected last day for dealings in Ordinary Shares on AIM	13 June 2017
Expected time and date that admission of Ordinary Shares to trading on AIM will be cancelled with effect from	7.00 a.m. on 14 June 2017

LETTER FROM THE CHAIRMAN

1. Introduction

The Company announced on 27 July 2016 that it intended to seek Shareholders' approval to cancel the admission of the Company's Shares to trading on AIM ("Cancellation"). The Company subsequently announced on 9 November 2016 that one of the Company's shareholders, who holds in excess of 20 per cent. of the Ordinary Shares, had indicated that they would not be supportive of the proposed Cancellation. The Directors, in consultation with the shareholder, have subsequently been considering various options in relation to the Company's future strategy. This exercise resulted in the sale of the Company's interest in Medilink China in April 2017. Having concluded this exercise the Company considers that Cancellation remains the best option for the Company, for the reasons set out in paragraph 2 below. The Directors understand that it is no longer the case that the major shareholder remains unsupportive of the proposed Cancellation and the Directors have therefore decided to proceed with Cancellation.

This letter sets out the background and reasons for the proposed Cancellation.

The Company has had its shares admitted to trading on AIM since November 2008. One of the primary objectives of seeking such admission was to provide the Company with access to further equity capital in the UK, should it be required. Over the past three years it has become apparent to the Directors that it has not been possible to raise the funds the Company requires for working capital from the UK investor community and has instead been required to seek alternative funding. As a result, the Directors have agreed that it is in the best interests of the Company and its Shareholders as a whole if the admission of the Ordinary Shares to trading on AIM is cancelled. Pursuant to Rule 41 of the AIM Rules, the Directors have notified the London Stock Exchange of the date of the proposed Cancellation.

Any Shareholders wishing to sell their Ordinary Shares in the Company following Cancellation should contact the Company using the details set out in paragraph 7 of this Circular. The Company will use its reasonable endeavours to find purchasers for any Ordinary Shares post Cancellation.

The AIM Rules provide that Cancellation be conditional upon the approval of the Special Resolution set out as special resolution 1 in the notice convening the EGM, enclosed with this document, by not less than 75 per cent of the votes cast, whether in person or by proxy, by Shareholders in a general meeting. The Company has received irrevocable undertakings to vote in favour of the Special Resolution in respect of 42.72 per cent of the issued share capital of the Company.

The purpose of this document is to explain why the Directors consider the proposal to be in the best interests of the Company and its Shareholders as a whole and to recommend that Shareholders vote for the Special Resolution required to implement the proposal at the EGM, scheduled to take place at 9.00 a.m. (4.00 p.m. Malaysia time) on 06 June 2017, notice of which is enclosed at the end of this document.

2. Reasons for the proposed Cancellation

The Directors' rationale for seeking the original admission of the Company's Ordinary Shares to trading on AIM in 2008 included, *inter alia*, access to equity capital markets to fund business opportunities and provide working capital. The Directors have reached the view that it is not possible to raise funds through the issue of equity in the UK at a price that would be acceptable to the Directors or the Company's Shareholders. As a result, the Company has been required to secure additional funding through the support of the Directors, management and key shareholders, as well as the strategic disposal of certain operating assets of the business, including the disposal of the Company's 49 per cent. interest in Medilink China, which was completed in April 2017.

There are significant costs, management time and legal and regulatory burden associated with the Company's Ordinary Shares being admitted to trading on AIM. The costs include fees payable to the London Stock Exchange, nominated adviser fees, shareholder communication time and costs, and other professional fees. Cancellation will, accordingly, reduce the Company's recurring administrative

costs significantly, in which such expenses can be better spent in running the business in a private capacity.

After careful consideration, the Directors have therefore concluded that the commercial disadvantages and costs of maintaining a listing at this point in the Company's development outweigh the potential benefits and that it is therefore no longer in the Company's or its Shareholders' best interests to maintain its quotation. Particular consideration has been given by the Directors to the very low liquidity of trading in the Company's shares. As at 12 May 2017, the last business day prior to the publication of this document, the mid-market price of the Ordinary Shares was 1.25 pence providing a market capitalisation of approximately £1.5 million, which the Directors consider to be materially below the true value of the Company.

The Directors believe that it would be better for the Company to operate as an unquoted company as further capital can be more easily raised within the Company's local markets in South East Asia when funding is considered necessary, thus enabling the Company to succeed in its long-term objective of developing its operations in Malaysia and within the South-East Asia region.

Pursuant to AIM Rule 41, the Cancellation can only be effected by the Company after securing a resolution of Shareholders passed by a requisite majority being not less than 75 per cent of the votes cast by Shareholders (in person or by proxy) at a general meeting. Under the AIM Rules, the Cancellation can only take place after the expiration of a period of twenty Business Days from the date on which notice of the Cancellation is given. In addition, a period of at least five Business Days following the Shareholder approval of the Cancellation is required before the Cancellation may be put into effect.

The Company, through its nominated adviser, has notified the London Stock Exchange of the proposed Cancellation and it is expected that trading in the Shares on AIM will cease at the close of business on 13 June 2017, with Cancellation taking effect at 7.00 a.m. on 14 June 2017.

3. Current trading and outlook

For the year ended 31 December 2016, Medilink Malaysia, the Group's primary operating subsidiary, registered a turnover of £1,196,777 (2015: £998,058) and a net profit before tax of £104,309 (2015: £103,548), based on the unaudited financial statements for the period. 2017 has started positively for Medilink Malaysia and the Directors anticipate an improved performance during the financial year 2017 in terms of revenue and profit.

Medilink Singapore continued to experience declining revenue in 2016 and, as such, is expected to remain unprofitable for the financial year ended 31 December 2016. This decline is expected to continue during 2017.

Medilink China, an associate company in which the Company had a 49 per cent. shareholding as at 31 December 2016, continued to register losses during the financial year 2016 with stagnated growth in revenue and membership. The Company completed the sale of its remaining interest in Medilink China in April 2017.

Overall, Group revenue for the year ended 31 December 2016 is expected to be marginally behind that recorded in 2015 and profit before tax is expected to be broadly in line with 2015, based on unaudited financial statements.

The Directors expect continued growth in revenue for Medilink Malaysia in FY 2017 and Cancellation, should it proceed, would result in a significant reduction in corporate expenses, which should lead to improved profitability for the Group.

As at 30 April 2017, the Group's cash position was £440,000 and it had total liabilities of £2,985,000, including loans outstanding to a director and other parties. Further details of the loan outstanding to Mr Shia Kok Fat can be found in the Company's announcement of 22 December 2016.

4. Future strategy of the Company

The Company shall continue to conduct its regular business in providing third party administration to insurance companies and corporate organisations in the South-East Asia region, with special focus in Malaysia, whilst continuing to explore business opportunities in licensing its Healthcare Claims System in emerging markets.

5. Effect of Cancellation

The principal effect of the proposed Cancellation is that there would no longer be a formal market mechanism enabling Shareholders to trade their Ordinary Shares on AIM or any other recognised market or trading exchange. The underlying liquidity in the Ordinary Shares is low and, in the opinion of the Directors, likely to remain that way for the foreseeable future. As described below, the Company will seek to facilitate any trades should Shareholders wish to buy or sell Ordinary Shares following Cancellation. However, such a facility is likely to offer a substantially lesser degree of liquidity and potentially less attractive share prices than are currently available via the Company's admission to AIM. The Company intends to maintain its existing CREST facility following Cancellation. Shareholders will continue to be able to hold their Ordinary Shares in dematerialised form (or alternatively to be issued share certificates in respect of their Shares), and the Ordinary Shares will continue to be transferable through CREST in accordance with the applicable procedures.

Shareholders should also be aware that the Company will no longer be bound by the AIM Rules or be subject to the Takeover Code and that, as a consequence, certain previously prescribed corporate governance procedures may not be adhered to in the future and the Company will no longer be required to announce material events or transactions including releasing interim results or final results. As the Company will no longer be subject to the AIM Rules, Shareholders will no longer be required to vote on certain matters as provided in the AIM Rules. However, following Cancellation, the Company will continue to maintain a website at www.medilink-global.com for the foreseeable future, providing information on any significant events or developments of the Company.

Upon Cancellation, the Company will cease to have a nominated adviser. The Company is currently required under the AIM Rules to consult with its nominated adviser on, for example, transactions constituting "related party transactions" under those rules, and to inform the nominated adviser of key decisions such as any proposed changes to the Board. Following Cancellation, the Shareholders will no longer benefit from the protection afforded by the nominated adviser.

Accordingly, as a result of the Cancellation, the protections available to Shareholders are likely to be limited to those available under Jersey law, certain details of which are summarised in paragraph 6 below.

The Cancellation may have taxation consequences for Shareholders. Shareholders who are in any doubt about their tax position should consult their own professional independent tax adviser.

The Company will continue to be bound by its articles of association following the Cancellation.

The above considerations are non-exhaustive and Shareholders should seek their own independent advice when assessing the likely impact of the Cancellation on them.

6. Takeover Code

The Takeover Code currently applies to the Company and as such the Shareholders currently benefit from a number of protections contained in the Takeover Code. Following Cancellation, the Company's place of central management and control will not be in the United Kingdom, the Channel Islands or the

Isle of Man and, pursuant to paragraph 3(a)(ii) of the Introduction to the Takeover Code, the Company will no longer be subject to the Takeover Code.

Shareholders should note that, if the Special Resolution becomes effective, they will not receive the protections afforded by the Takeover Code in the event that there is a subsequent offer to acquire their Ordinary Shares.

Brief details of the Takeover Code and the protections given by the Takeover Code are described below. **Before giving your consent to the Cancellation, you may wish to take independent professional advice from an appropriate financial adviser.**

The Takeover Code

The Takeover Code is issued and administered by the Takeover Panel (the "Panel"). The Company is presently a company to which the Takeover Code applies and its Shareholders are accordingly entitled to the protections afforded by the Takeover Code.

The Takeover Code and the Panel operate principally to ensure that shareholders are treated fairly and are not denied an opportunity to decide on the merits of a takeover and that shareholders of the same class are afforded equivalent treatment by an offeror. The Takeover Code also provides an orderly framework within which takeovers are conducted. In addition, it is designed to promote, in conjunction with other regulatory regimes, the integrity of the financial markets.

The General Principles and Rules of the Takeover Code

The Takeover Code is based upon a number of general principles ("General Principles") which are essentially statements of standards of commercial behaviour. The General Principles apply to all transactions with which the Takeover Code is concerned. They are expressed in broad general terms and the Takeover Code does not define the precise extent of, or the limitations on, their application. They are applied by the Panel in accordance with their spirit to achieve their underlying purpose.

In addition to the General Principles, the Takeover Code contains a series of rules ("Rules"), of which some are effectively expansions of the General Principles and examples of their application and others are provisions governing specific aspects of takeover procedure. Although most of the Rules are expressed in more detailed language than the General Principles, they are not framed in technical language and, like the General Principles, are to be interpreted to achieve their underlying purpose. Therefore, their spirit must be observed as well as their letter. The Panel may derogate or grant a waiver to a person from the application of a Rule in certain circumstances.

Giving up the protection of the Takeover Code

Shareholders will be giving up certain important protections upon the Cancellation. Your attention is drawn in particular to the following protections under the Takeover Code: (i) all holders of Ordinary Shares must be afforded equivalent treatment and, moreover, if a person acquires 30 per cent. or more of the Ordinary Shares in the Company (other than in the context of a voluntary offer to all Shareholders) such person would be required to make a mandatory offer to all of the other Shareholders; (ii) the holders of Ordinary Shares must have sufficient time and information to enable them to reach a properly informed decision on any bid; where it advises the holders of Ordinary Shares, the Board must give its views on the effects of implementation of the bid on employment, conditions of employment and the locations of the Company's place of business; (iii) the Board would be required to act in the interests of the Company as a whole and must not deny any holders of Ordinary Shares the opportunity to decide on the merits of a bid for the Company; and (iv) if a bid for the Company were to be made, the Board would be required to obtain competent independent advice as to whether the financial terms of any offer (including any alternative offers) are fair and reasonable and the substance of such advice must be made known to Shareholders.

The Jersey framework for takeovers following Cancellation

Certain brief details of the Jersey legal framework for takeovers, which following Cancellation will be applicable to the Company, as appropriate, are described below.

Acquisitions

A Jersey public limited company may be acquired in a number of ways, including by means of a "scheme of arrangement" between the company and its shareholders or by means of a takeover offer.

Scheme of arrangement

A "scheme of arrangement" is a statutory procedure under the Act pursuant to which the Royal Court of Jersey may approve an arrangement between a Jersey company and some or all of its shareholders. In a "scheme of arrangement," the company would make an initial application to the Royal Court of Jersey to convene a meeting or meetings of its shareholders at which a majority in number of shareholders representing 3/4ths of the voting rights of the shareholders present and voting either in person or by proxy at the meeting must agree to the arrangement by which they will sell their shares in exchange for the consideration being offered by the bidder. If the shareholders so agree, the company will return to the Royal Court of Jersey to request the court to sanction the arrangement. Upon such a scheme of arrangement becoming effective in accordance with its terms and the Act, it will bind the company and such shareholders.

Takeover offer

A takeover offer is an offer to acquire all of the outstanding shares of a company (other than shares which at the date of the offer are already held by the offeror). The offer must be made on identical terms to all holders of shares to which the offer relates. If the offeror, by virtue of acceptances of the offer, acquires or contracts to acquire not less than 90 per cent. in nominal value of the shares to which the offer relates, the Act allows the offeror to give notice to any non-accepting shareholder that the offeror intends to acquire his or her shares through a compulsory acquisition (also referred to as a "squeeze out"), and the shares of such non-accepting shareholders will be acquired by the offeror 6 weeks later on the same terms as the offer, unless the shareholder objects to the Royal Court of Jersey and the court enters an order that the offeror is not entitled to acquire the shares or specifying terms of the acquisition different from those of the offer.

The Act permits a scheme of arrangement or takeover offer to be made relating only to a particular class or classes of a company's shares.

7. Trading in the Ordinary Shares after Cancellation

Whilst the Board believes that the Cancellation is in the interest of the Shareholders as a whole, it recognises that the Cancellation will make it more difficult for Shareholders to buy and sell Ordinary Shares should they wish to do so. Following the Cancellation, although the Ordinary Shares will remain transferable they will no longer be tradable on AIM. Accordingly, the Board will, following the Cancellation, set up a matched bargain settlement facility which will be managed by the Directors, to enable Shareholders to trade their Ordinary Shares.

Shareholders or persons wishing to trade in the Company's Ordinary Shares following Cancellation should contact the Company via email to bod@medilink-global.com, giving an indication that they are prepared to buy or sell at an agreed price. In the event that the Company is able to match that indication with an opposite buy or sell instruction, the Company will contact both parties to effect the bargain. Shareholders who wish to buy or sell ordinary shares in the Company should do so via a stockbroker as the Company is unable to deal directly with members of the public.

The Board intends to monitor the popularity of this arrangement amongst Shareholders and will review it at regular intervals to consider whether it remains effective. Information relating to the post

Cancellation dealing facilities will be made available on the Company's website (www.medilink-global.com).

8. Special Resolution to be proposed at the Extraordinary General Meeting

The Cancellation is subject to Shareholders passing the following special resolution:

1. "That the admission of the ordinary shares of 5 pence each in the capital of the Company to trading on AIM, a market operated by London Stock Exchange plc, be cancelled and that the directors of the Company be authorised to take all steps which they consider to be necessary or desirable in order to effect such cancellation."

The Resolution is proposed as a special resolution of the Company. In accordance with the AIM Rules, the special resolution detailed at point 1, above, will be required to be passed by a majority of not less than 75 per cent. of the votes cast by Shareholders (in person or by proxy) at the EGM.

9. Irrevocable undertakings

The Company has received irrevocable undertakings to vote in favour of the Special Resolution at the Extraordinary General Meeting from Shareholders in respect of their respective beneficial holdings of, in aggregate, 51,899,880 Ordinary Shares, representing approximately 42.72 per cent. of the total issued share capital of the Company.

10. Action to be taken

A Form of Proxy for use in connection with the EGM is enclosed with this document. Whether or not you intend to be present at the EGM in person, it is important that you duly complete, execute and return the Form of Proxy, by hand or by post, to Medilink-Global UK Limited, Suite C-16-3, Level 16, Tower C, Wisma Goshen, Plaza Pantai, No. 5, Persiaran Pantai Baru, Off Jalan Pantai Baru, 59200 Kuala Lumpur, Malaysia, by fax to +603 2283 3757 or by email to bod@medilink-global.com in accordance with the instructions printed thereon.

To be valid, a completed Form of Proxy must be executed in accordance with the instructions printed thereon and returned as soon as possible and, in any event, so as to be received by post to Medilink-Global UK Limited, Suite C-16-3, Level 16, Tower C, Wisma Goshen, Plaza Pantai, No. 5, Persiaran Pantai Baru, Off Jalan Pantai Baru, 59200 Kuala Lumpur, Malaysia, by fax to +603 2283 3757 or by email to bod@medilink-global.com, not later than 9.00 a.m. on 04 June 2017 (48 hours before the time appointed for the Extraordinary General Meeting). Completion and return of a Form of Proxy will not prevent you from attending and voting at the EGM in person should you wish to do so.

11. Recommendation

The Directors consider the resolution to be proposed at the EGM to be in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend Shareholders to vote FOR the Special Resolution to be proposed at the EGM, as they have undertaken to do so in respect of their own holdings of Ordinary Shares, representing, in aggregate, 15.32 per cent. of the total issued share capital of the Company.

DEFINITIONS

"AIM"	the AIM market operated by London Stock Exchange plc;
"AIM Rules"	the AIM Rules for Companies published by London Stock Exchange plc;

“Allenby Capital”	Allenby Capital Limited, the Company’s nominated adviser and broker;
“BST”	British Summer Time;
“Cancellation”	the cancellation of admission of the Shares to trading on AIM becoming effective in accordance with Rule 41 of the AIM Rules;
“Company” or “Medilink”	Medilink-Global UK Limited;
“Companies Law” or the “Act”	The Companies (Jersey) Law, 1991 (as amended);
“Directors” or “Board”	the directors of the Company whose names appear on page 4 of this document;
“Form of Proxy”	the form of proxy enclosed with this document for use by Shareholders in connection with the Extraordinary General Meeting;
“EGM” or “Extraordinary General Meeting”	the extraordinary general meeting of the Company to be held on 06 June 2017 at 9.00 a.m. (4.00 p.m. Malaysia time), convened by the relevant notice set out at the end of this document;
“Group”	the Company and its subsidiaries;
“Medilink China”	Medilink (Beijing) TPA Services Co., Ltd;
“Medilink Malaysia”	MedilinkGlobal (Malaysia) Sdn Bhd;
“Medilink Singapore”	Medilink-Global (Asia) Pte Ltd;
“Ordinary Shares”	ordinary shares of 5p each in the capital of the Company;
“Shareholders”	the holders of the Ordinary Shares in the Company;
“Special Resolution”	the special resolution to be proposed at the Extraordinary General Meeting as set out in the notice set out in the end of this document; and
“Takeover Code”	The City Code on Takeovers and Mergers.

