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Dehaier Medical Systems initiates business restructure

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Singapore: China basedÃ?Â Dehaier Medical Systems has initiated corporate and business restructuring to concentrate the company's resources to develop its mobile health business, including wearable sleep respiratory business and to focus more on its major businesses.

As part of the restructuring, the Board of Directors of the company directed the Company to set up a wholly owned subsidiary, Connection Wearable Health Technology (CWHT) in Beijing. The company is conducting related procedures to establish CWHT and it anticipates the process to be completed by the end of February 2016. After its incorporation, CWHT will conduct wearable sleep respiratory and mobile health related businesses. On the other hand, Beijing Dehaier Medical Technology (BDL) will focus on remaining profitable medical device sales, collection of existing accounts receivable, selling off remaining inventory, management and maintenance of intellectual property assets and certifications of all subsidiaries of the company.

The company expects to continue scaling down and discontinuing, as appropriate, its unprofitable medical device business, including assembly and sales of X-ray machines and anesthesia machines. The company plans to maintain only a few profitable businesses such as sales of its patented medical air compressors and cardiopulmonary resuscitation (CPR) instruments in future.

Mr Ping Chen, CEO, Dehaier Medical Systems commented, "We believe these changes are crucial to improve our competitiveness over the longer term. By restructuring our company to reduce our reliance on our less profitable medical devices assembly and distribution businesses, we will be more able to leverage our resources to develop smart health products and services, which we see as the future of our Company. Our long-term goal is to gradually decrease our production business, and focus instead on developing a complete mobile health operation platform as well as a supply chain management platform by utilizing the products produced by third parties."