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China Oral Industry Group Holdings Limited

中國口腔產業集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8406)

DISCLOSEABLE TRANSACTIONS AND SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

DISCLOSEABLE TRANSACTIONS

Shenzhen Tuosheng Purchase Agreement

On 17 October 2022, Shenzhen Jinxuanding, an indirect wholly-owned subsidiary of the Company, as the buyer and Shenzhen Tuosheng, an Independent Third Party, as the seller, entered into the Shenzhen Tuosheng Purchase Agreement to purchase certain oral care related equipment at the total consideration of RMB13.42 million (inclusive of value-added tax).

ICBC Financial Products

During Year 2022, Swiftech, an indirect wholly-owned subsidiary of the Company, subscribed for the ICBC Financial Products, being a type of non-fixed term wealth management product (無固定期限理財產品) issued by ICBC. The aggregate fair value of the ICBC Financial Products as at 31 December 2022 was approximately RMB30.1 million.

GEM Listing Rules implications

As the highest applicable percentage ratio under Rule 19.07 of the GEM Listing Rules in respect of each of the Shenzhen Tuosheng Purchase Agreement and the ICBC Financial Products respectively exceeds 5% but is less than 25%, the transactions contemplated under the Shenzhen Tuosheng Purchase Agreement and the ICBC Financial Products constituted discloseable transactions for the Company under Chapter 19 of the GEM Listing Rules and are therefore subject to reporting and announcement requirements.

Due to inadvertent oversight, the Shenzhen Tuosheng Purchase Agreement and the ICBC Financial Products were not disclosed by the Company in accordance with the Chapter 19 of the GEM Listing Rules in a timely manner.

SUPPLEMENTAL INFORMATION IN RELATION TO THE ANNUAL RESULTS 2022

In addition to the information provided in the Annual Results 2022, the Board would like to provide further information in relation to (1) impairment loss on non-financial assets; (2) use of proceeds for fund raised from the Placing and (3) significant investments held by the Group.

I. DISCLOSEABLE TRANSACTIONS

1. Shenzhen Tuosheng Purchase Agreement

On 17 October 2022, Shenzhen Jinxuanding, as the buyer, and Shenzhen Tuosheng, an Independent Third Party, as the seller, entered into the Shenzhen Tuosheng Purchase Agreement for the purchase of certain oral care related equipment, which was later supplemented by an agreement to extend the date of completion to 31 July 2023.

The principal terms of the Shenzhen Tuosheng Purchase Agreement are set out as follows:

Date

17 October 2022

Parties

- (i) Shenzhen Jinxuanding, as buyer; and
- (ii) Shenzhen Tuosheng, as seller.

Consideration and payment terms

Pursuant to the Shenzhen Tuosheng Purchase Agreement, Shenzhen Jinxuanding agreed to purchase, and Shenzhen Tuosheng agreed to sell, certain oral care related equipment including two (2) sets of oral CBCT (口腔 CBCT 牙科錐形束電腦斷層掃描) (at the consideration of RMB2.8 million), one (1) set of laser equipment (激光儀器) (at the consideration of RMB1.3 million) and 20 sets of 3D printers (3D 打印機) (at the consideration of RMB9.32 million) at the total consideration of RMB13.42 million (inclusive of value-added tax) (the “**Consideration**”).

Pursuant to the Shenzhen Tuosheng Purchase Agreement, Shenzhen Jinxuanding paid to Shenzhen Tuosheng a deposit of RMB12.42 million on the date of the Shenzhen Tuosheng Agreement. The remaining balance of the Consideration is payable by Shenzhen Jinxuanding to Shenzhen Tuosheng within a week after completion.

Basis of the Consideration

The Consideration was arrived at after arm's length negotiations between Shenzhen Jinxuanding and Shenzhen Tuosheng with reference to the market value of the oral care related equipment. The Directors consider that the Consideration is fair and reasonable and on normal commercial terms and that the entering into the Shenzhen Tuosheng Purchase Agreement is in the interests of the Company and the Shareholders as a whole.

Information on the Group and Shenzhen Jinxuanding

The Group is principally engaged in the manufacturing and sales of inflatable products and related accessories. The Company intends to launch medical and healthcare related services including, but not limited to, investing in and operating chain dental clinics, internet hospitals, biopharmaceuticals and health management service platforms and related upstream and downstream supply chain businesses.

Shenzhen Jinxuanding is an investment holding company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company.

Information on Shenzhen Tuosheng

Shenzhen Tuosheng is a company incorporated in the PRC with limited liability. Shenzhen Tuosheng principally engages in the trading, retail and wholesale of medical devices. As at the date of this announcement, Shenzhen Tuosheng was owned as to 42.5% by Mr. Chen Jietuo, 25.0% by Mr. Zeng Jianlei, 17.5% by Ms. Hong Yaling and 15.0% by Mr. Liu Hui. To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, Shenzhen Tuosheng and its ultimate beneficial owners are Independent Third Parties of the Company.

Reasons for and benefits of entering into the Shenzhen Tuosheng Purchase Agreement

The Group intends to adjust its business strategy and diversify its business to launch medical and healthcare related services with the increasing public health awareness, growing demand of quality medical services in combination with China's digital health development. As such, the Directors believe that entering into the Shenzhen Tuosheng Purchase Agreement aligns with the aforesaid business strategy and consider that the Shenzhen Tuosheng Purchase Agreement was fair and reasonable and in the interests of the Group and the Shareholders as a whole.

GEM Listing Rules implications

As the highest applicable percentage ratio under Rule 19.07 of the GEM Listing Rules in respect of the transaction contemplated under the Shenzhen Tuosheng Purchase Agreement exceeds 5% but is less than 25%, the transaction contemplated under the Shenzhen Tuosheng Purchase Agreement constituted a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to reporting and announcement requirements.

The Company acknowledges and is apologetic that the notification and announcement in respect of the Shenzhen Tuosheng Purchase Agreement as required under Chapter 19 of the GEM Listing Rules had been delayed. There was a failure to make timely disclosure when the Shenzhen Tuosheng Purchase Agreement was signed because a portion of the equipment purchased was intended to be of trading nature in the ordinary course of business of the Company.

As at the date of the Shenzhen Tuosheng Purchase Agreement, the Company intended to sell 10 out of the 20 sets of 3D printers purchased to dental clinics outside of the Group for trading profit. Such contemplation was made on the consideration that the Company was expanding its network with dental clinics across the PRC and some of them may have the need to install 3D printers. Further, the bulk purchase of the 3D printers enabled the Company to enjoy a bulk discount. On the basis of the above, the Company decided to buy, on top of the 10 sets that were intended for internal use by the Group, another 10 sets for the purpose of selling to its downstream dental clinics within its network for making a reasonable profit. At the material time when the equipment was purchased, management of the Company considered that the 10 sets of the 3D printers should be treated as inventory for trading rather than fixed assets of the Group, and as such the highest applicable percentage ratio of the Shenzhen Tuosheng Purchase Agreement did not exceed 5% and hence the transaction contemplated under the Shenzhen Tuosheng Purchase Agreement did not constitute a discloseable transaction.

However, at the end of 2022, the Company decided that it should keep all the 3D printers purchased under the Shenzhen Tuosheng Purchase Agreement for internal use because the Group was considering a future business development strategy of acquiring more oral clinics. It appears that the Company did not then reassess whether the transaction contemplated under the Shenzhen Tuosheng Purchase Agreement may constitute a discloseable transaction after the change of its intended use for the 10 sets of 3D printers. This has unfortunately led to the Company failing to publish an announcement in respect of the discloseable transaction in compliance with the requirements under Chapter 19 of the GEM Listing Rules in a timely manner. For the remedial measures the Company has taken and will uphold, please refer to paragraph 3 in this section below.

2. ICBC Financial Products

During Year 2022, Swiftech subscribed for the ICBC Financial Products, being a type of non-fixed term wealth management product (無固定期限理財產品) issued by ICBC. During Year 2022, Swiftech conducted in total of 39 subscriptions and 63 redemptions of the ICBC Financial Products. During Year 2022, the total amount of subscriptions and redemptions of the ICBC Financial Products were approximately RMB173.97 million and RMB143.87 million, respectively. The aggregate fair value of the ICBC Financial Products as at 31 December 2022 was approximately RMB30.1 million.

The below table sets forth the relevant transaction dates and their respective amount of subscriptions, redemptions and outstanding balance/aggregate fair value of the ICBC Financial Products during Year 2022:

Date	Amount of subscription (RMB)	Amount of redemption (RMB)	Outstanding balance/ aggregate fair value (RMB)
4 January 2022	3,710,000.00		3,710,000.00
6 January 2022		340,000.00	3,370,000.00
7 January 2022		260,000.00	3,110,000.00
10 January 2022		70,000.00	3,040,000.00
14 January 2022		3,040,000.00	0.00
14 February 2022	1,760,000.00		1,760,000.00
15 February 2022		1,760,000.00	0.00
11 March 2022	1,100,000.00		1,100,000.00
15 March 2022		1,100,000.00	0.00
12 April 2022	2,330,000.00		2,330,000.00
15 April 2022	3,960,000.00		6,290,000.00
18 April 2022		3,090,000.00	3,200,000.00
19 April 2022		360,000.00	2,840,000.00
20 April 2022		1,120,000.00	1,720,000.00
21 April 2022	1,180,000.00		2,900,000.00
22 April 2022	3,960,000.00		6,860,000.00
24 April 2022	1,740,000.00		8,600,000.00
26 April 2022		880,000.00	7,720,000.00
27 April 2022		960,000.00	6,760,000.00
28 April 2022		4,340,000.00	2,420,000.00
29 April 2022		20,000.00	2,400,000.00
6 May 2022		80,000.00	2,320,000.00
10 May 2022		90,000.00	2,230,000.00
11 May 2022	1,960,000.00		4,190,000.00
16 May 2022	4,700,000.00		8,890,000.00

Date	Amount of subscription (RMB)	Amount of redemption (RMB)	Outstanding balance/ aggregate fair value (RMB)
19 May 2022		460,000.00	8,430,000.00
20 May 2022		1,340,000.00	7,090,000.00
23 May 2022		1,620,000.00	5,470,000.00
24 May 2022		770,000.00	4,700,000.00
26 May 2022	1,880,000.00		6,580,000.00
27 May 2022	2,420,000.00		9,000,000.00
2 June 2022		4,100,000.00	4,900,000.00
6 June 2022		680,000.00	4,220,000.00
9 June 2022		30,000.00	4,190,000.00
10 June 2022		270,000.00	3,920,000.00
13 June 2022		1,690,000.00	2,230,000.00
14 June 2022	6,380,000.00		8,610,000.00
17 June 2022	390,000.00		9,000,000.00
23 June 2022	2,460,000.00		11,460,000.00
27 June 2022		1,690,000.00	9,770,000.00
28 June 2022		410,000.00	9,360,000.00
29 June 2022	5,640,000.00		15,000,000.00
1 July 2022		5,000,000.00	10,000,000.00
4 July 2022		2,960,000.00	7,040,000.00
5 July 2022		160,000.00	6,880,000.00
5 July 2022		5,500,000.00	1,380,000.00
6 July 2022	410,000.00		1,790,000.00
15 July 2022	4,130,000.00		5,920,000.00
18 July 2022		600,000.00	5,320,000.00
20 July 2022		310,000.00	5,010,000.00
21 July 2022		730,000.00	4,280,000.00
22 July 2022		390,000.00	3,890,000.00
25 July 2022		100,000.00	3,790,000.00
26 July 2022	3,700,000.00		7,490,000.00
28 July 2022		7,490,000.00	0.00
2 August 2022	2,250,000.00		2,250,000.00
5 August 2022		30,000.00	2,220,000.00
9 August 2022	4,550,000.00		6,770,000.00
11 August 2022		370,000.00	6,400,000.00
12 August 2022		200,000.00	6,200,000.00
15 August 2022		40,000.00	6,160,000.00
16 August 2022	2,980,000.00		9,140,000.00
17 August 2022	4,280,000.00		13,420,000.00

Date	Amount of subscription (RMB)	Amount of redemption (RMB)	Outstanding balance/ aggregate fair value (RMB)
19 August 2022	1,580,000.00		15,000,000.00
26 August 2022	5,520,000.00		20,520,000.00
29 August 2022	4,480,000.00		25,000,000.00
31 August 2022		2,730,000.00	22,270,000.00
1 September 2022		70,000.00	22,200,000.00
2 September 2022		170,000.00	22,030,000.00
6 September 2022	1,660,000.00		23,690,000.00
7 September 2022	20,000.00		23,710,000.00
9 September 2022	1,290,000.00		25,000,000.00
13 September 2022	2,850,000.00		27,850,000.00
15 September 2022	6,600,000.00		34,450,000.00
16 September 2022		720,000.00	33,730,000.00
19 September 2022	3,670,000.00		37,400,000.00
20 September 2022		280,000.00	37,120,000.00
21 September 2022		790,000.00	36,330,000.00
23 September 2022		40,000.00	36,290,000.00
26 September 2022		220,000.00	36,070,000.00
27 September 2022		1,510,000.00	34,560,000.00
28 September 2022	1,800,000.00		36,360,000.00
28 September 2022		20,000,000.00	16,360,000.00
28 September 2022		10,000,000.00	6,360,000.00
28 September 2022		6,360,000.00	0.00
18 October 2022	33,590,000.00		33,590,000.00
19 October 2022		220,000.00	33,370,000.00
20 October 2022		310,000.00	33,060,000.00
21 October 2022		1,040,000.00	32,020,000.00
27 October 2022	4,580,000.00		36,600,000.00
28 October 2022		100,000.00	36,500,000.00
31 October 2022		2,540,000.00	33,960,000.00
4 November 2022	3,360,000.00		37,320,000.00
9 November 2022		50,000.00	37,270,000.00
10 November 2022		20,000.00	37,250,000.00
29 November 2022		17,250,000.00	20,000,000.00
29 November 2022		20,000,000.00	0.00
9 December 2022	11,760,000.00		11,760,000.00
13 December 2022	20,000,000.00		31,760,000.00
13 December 2022	3,340,000.00		35,100,000.00
20 December 2022		3,000,000.00	32,100,000.00

Date	Amount of subscription (RMB)	Amount of redemption (RMB)	Outstanding balance/ aggregate fair value (RMB)
30 December 2022		2,000,000.00	30,100,000.00
Total amount of subscriptions, redemptions and outstanding balance/ aggregate fair value in Year 2022:	173,970,000.00	143,870,000.00	30,100,000.00

According to ICBC, the ICBC Financial Products are labelled with risk level “PR1”, meaning that its risk level was at the lowest. The ICBC Financial Products do not have any fixed term of investment period and are composed of various products, including bonds, deposits and other high-liquidity assets. The expected annual return rate of the ICBC Financial Products was approximately 2.0% to 3.0% per annum.

The terms of the ICBC Financial Products were agreed after arm’s length negotiation.

Information on Swiftech

Swiftech is a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company. Swiftech is principally engaged in manufacturing of inflatable products in the PRC and trading and export business of inflatable products.

Information on ICBC

ICBC is a licensed bank established under the laws of the PRC which is principally engaged in the provision of corporate and personal banking and other financial services in the PRC. To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, ICBC and its ultimate beneficial owners are Independent Third Parties of the Company.

Reasons for and benefits of subscribing for the ICBC Financial Products

The Company believes that the ICBC Financial Products would generate a better return for the company than letting its idle funds earning a nominal interest provided by ordinary bank accounts which yielded approximately 0.25% per annum. During Year 2022, the ICBC Financial Products generated an effective return rate of approximately 1.9% to 2.3%. Further, as at 31 December 2022, the Group recorded a recognised fair value gain in the Investment of RMB231,000. As such, the Directors believe that the terms of the ICBC Financial Products are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

GEM Listing Rules implications

As the highest applicable percentage ratio under Rule 19.07 of the GEM Listing Rules in respect of the ICBC Financial Products as at 23 June 2022 exceeded 5% but was less than 25%, the subscription for the ICBC Financial Products constituted a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to reporting and announcement requirements.

The Company acknowledges and is apologetic that the notification and announcement in respect of the ICBC Financial Products as required under Chapter 19 of the GEM Listing Rules had been delayed. The non-compliance with Chapter 19 of the GEM Listing Rules was an inadvertent oversight that due to the high liquidity of the ICBC Financial Products, the Company treated the ICBC Financial Products as an alternative to ordinary deposits with banks instead of an investment in financial assets at the time of subscribing for the ICBC Financial Products. As such, due to the inadvertent oversight, the Company did not make disclosure in a timely manner.

3. Remedial measures

In order to avoid occurrence of similar non-compliance with Chapter 19 of the GEM Listing Rules in the future, the Company has reviewed, revised and enhanced its internal control system including its internal manual. The Directors are of the view that the revised internal control system of the Company is effective and sufficient for the purposes of (i) embedding its disclosure and other compliance obligations under the GEM Listing Rules, (ii) providing appropriate guidance for senior management as to how such obligations could properly be fulfilled and (iii) preventing the re-occurrence of similar non-compliances in the future. Further, the Company will provide relevant trainings to the staff by the end of June 2023 to strengthen their awareness and knowledge of the ongoing obligations of the Company under the GEM Listing Rules, in particular, in respect of the calculation of percentage ratios of transactions involving the Group, the nature and type of transactions under Chapter 19 of the Listing Rules and the timely disclosure requirements. In addition, the Company will seek legal advice and/or other professional advice from time to time as and when necessary to ensure proper compliance with the relevant requirements of the GEM Listing Rules. The Company will also review its existing procedures on monitoring discloseable transactions of the Group under Chapter 19 of the GEM Listing Rules on an annual basis. Going forward, the Company will make timely disclosure to ensure due compliance with Chapter 19 of the GEM Listing Rules.

II. SUPPLEMENTAL INFORMATION TO THE ANNUAL RESULTS 2022

Reference is made to the Annual Results 2022. In addition to the information provided in the Annual Results 2022, the Board would like to provide further information in relation to (1) impairment loss on non-financial assets; (2) use of proceeds for fund raised from the Placing and (3) significant investments held by the Group.

1. Impairment loss on non-financial assets

During Year 2022, there was a slowdown in the global economic activity and high inflation rate due to COVID-19 pandemic outbreak and tightening financial conditions in most regions. In addition, the strong US dollars had also impacted on the Group's inflatable products business since most of the Group's revenue were denominated in US dollars, having a negative impact on the Group's inflatable products that are exported to global markets for the bulk of sales. These negative impacts significantly affected the principal business of small and medium-sized enterprises and had continually weakened their demand for inflatable products.

As a result of the above, in Year 2022, the revenue of the Group decreased to approximately RMB213 million as compared with approximately RMB295 million in Year 2021, which amounted to a drop of approximately 28%. Revenue from the PRC market also reduced from approximately RMB30 million from Year 2021 to approximately RMB10 million in Year 2022 and revenue from overseas markets reduced from approximately RMB265 million in Year 2021 to approximately RMB203 million in Year 2022. With the unprecedented decrease in revenue, the Group adjusted its pricing strategy and with the combined effect of the increase in material prices which led to an increase in the costs of inflatable products; consequently, gross profit of the Group decreased from approximately RMB60 million in Year 2021 to approximately RMB18 million in Year 2022. Accordingly, the Group recorded a significant loss before tax (before impairment losses on property, plant and equipment of RMB6.4 million, right-of-use assets of RMB5.7 million and intangible assets of RMB0.3 million) of approximately RMB23 million in Year 2022.

At the end of Year 2022, the Group performed a value-in-use assessment of the Group's property, plant and equipment, right of use assets and intangible assets that form part of assets of the Group's cash-generating unit of its inflatable products business in accordance with the applicable accounting standard (HKAS 36) with reference to valuation performed by an independent professional valuer. In carrying out the assessment, the Group considered the business operational environment and market conditions that affected the Group's inflatable products business. Since early 2020, the worsening trade relationship between China and the US had significant impacts on factories in the PRC and the Group received less orders than before from the US. The Group considered that the external economic environment may continue to be weak, and the trade relationship between China and the US remained volatile and uncertain in the short-term. Further, the Group expected that the future business opportunities and demand for inflatable products will be sluggish in the coming year.

In view of the loss sustained by the Group in Year 2022 as a result of the factors discussed above, management of the Company considered that the carrying amounts of the Group's property, plant and equipment, right-of-use assets and intangible assets that were being used for the inflatable products business and form the Group's inflatable business cash generating unit assets, had suffered an impairment loss and may not be recoverable since these assets do not generate independent cash flows and its value was principally recovered through its continuing

use in the inflatable products business, which had been affected by the performance of the inflatable products business. Based on the impairment assessment conducted by management of the Company, impairment loss of approximately RMB4.5 million, RMB5.7 million and RMB0.3 million were recognized on property, plant and equipment, right-of-use assets and intangible assets respectively in profit or loss for Year 2022 in order to write down the carrying amount of the property, plant and equipment, right-of-use assets and intangible assets to their recoverable amounts.

Further, the Board prepared cash flow projections based on the most recent financial budget after taking into account the business operational environment and market conditions at the point of time and covering a five-year period. Cash flows beyond the five-year period are extrapolated using the growth rate of 2%. The key assumptions for the value-in-use calculation are those regarding the discount rate, revenue, and direct costs. As at 31 December 2022, the Board estimated the discount rate of 16.3% using pre-tax rate that reflected current market assessments of the time value of money and the risks specific to the cash-generating unit. Changes in revenue and direct costs are based on experience and expectations of changes in the market.

2. Use of proceeds for fund raised from the Placing

The net proceeds from the Placing, after deduction of the placing commission and other relevant costs and expenses of the Placing, amounted to approximately HK\$40,520,000. The Company intends to apply the net proceeds from the Placing as to (i) HK\$13,500,000 for any suitable investment in potential dental clinic(s) with proven track records in Guangdong Province when opportunities arise; and (ii) the remaining net proceeds from the Placing will be used as the working capital of the Group.

As at 31 December 2022, the Company has utilised RMB13 million (or HK\$14.6 million) of the net proceeds from the Placing to settle the consideration for acquisition of interests in a dental clinic. The remaining HK\$25.9 million of the net proceeds has not been utilised.

The Company intends to apply the remaining net proceeds from the Placing amounting to approximately HK\$25.9 million (the “**Unutilised Net Proceeds**”) as general working capital of the Group in accordance with the intended use of the net proceeds as disclosed in the announcements in relation to the Placing dated 8 November 2022, 26 October 2022 and 21 October 2022 (the “**Placing Announcements**”). The expected timeline for using all the Unutilized Net Proceeds is on or before 31 December 2024.

The net proceeds from the Placing were used, and the remaining net proceeds from the Placing are proposed to be used, in accordance with the intention as previously disclosed by the Company in the Placing Announcements.

3. Significant investments held by the Group

The Board intends to provide further information in respect of the significant investment held by the Group, the performance of the investment during Year 2022 and the Group's strategy for future investments as at 31 December 2022 pursuant to Rule 18.41 of the GEM Listing Rules.

During Year 2022, the Group had the following significant investments held with a value of 5 per cent or more of the Group's total assets as at 31 December 2022 at fair value through profit or loss:

Name of investment	Fair value as at 31 December 2022 (RMB'000)	Performance for Year 2022 (RMB'000)	Size relative to the Company's total assets (%)
ICBC Financial Products	30,100	231	15.8%

Description of the ICBC Financial Products

During Year 2022, Swiftech subscribed for the ICBC Financial Products, being a type of non-fixed term wealth management product (無固定期限理財產品) issued by ICBC. The aggregate fair value of the ICBC Financial Products as at 31 December 2022 was approximately RMB30.1 million. The ICBC Financial Products do not have any fixed term of investment period and are composed of various products, including bonds, deposits and other high-liquidity assets. The expected annual return rate of the ICBC Financial Products was approximately 2.0% to 3.0% per annum.

Strategy for significant investment

The Company considers that the ICBC Financial Products generates a better return than letting its idle funds earning a nominal interest provided by ordinary bank accounts which yielded approximately 0.25% per annum. During Year 2022, the ICBC Financial Products generated an effective return rate of approximately 1.9% to 2.3%. Further, the ICBC Financial Products are labelled with risk level "PR1", meaning that its risk level was at the lowest. The ICBC Financial Products do not have any fixed term of investment period and are composed of various products, including bonds, deposits and other high-liquidity assets.

Save as disclosed above, the Group did not hold any other significant financial investments as at 31 December 2022.

III. DEFINITIONS

“Annual Results 2022”	the announcement of the Company dated 29 March 2023 in relation to the annual results of the Company for Year 2022
“Board”	the board of Directors
“Company”	China Oral Industry Group Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the GEM of the Stock Exchange
“Director(s)”	director(s) of the Company
“Year 2021”	the financial year ended 31 December 2021
“Year 2022”	the financial year ended 31 December 2022
“GEM”	the GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“ICBC”	Industrial and Commercial Bank of China Limited, a joint stock company incorporated in the PRC with limited liability, the shares of which are listed on the Stock Exchange of Hong Kong Limited (stock code: 1398) and a licensed bank in the PRC
“ICBC Financial Products”	an aggregate amount of approximately RMB30.1 million unlisted financial products issued by ICBC and subscribed by Swiftech, being a type of non-fixed term wealth management product (無固定期限理財產品)
“Independent Third Party(ies)”	a third party independent of and not connected with the Company and its subsidiaries and its connected persons
“Placing”	the placing of 160,000,000 new Shares completed on 8 November 2022

“PRC” or “China”	the People’s Republic of China
“Share(s)”	ordinary share(s) with nominal value of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Shenzhen Jinxuanding”	Shenzhen Jinxuanding International Health Management Co., Ltd.* (深圳金軒鼎國際健康管理有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Shenzhen Tuosheng”	Shenzhen Tuosheng Medical Technology Co., Ltd.* (深圳市拓盛醫療科技有限公司), a company incorporated in the PRC with limited liability and an Independent Third Party
“Shenzhen Tuosheng Purchase Agreement”	the agreement entered into between Shenzhen Jinxuanding as the buyer and Shenzhen Tuosheng as the seller on 17 October 2022 (and supplemented on 3 April 2023) pursuant to which Shenzhen Jinxuanding agreed to purchase, and Shenzhen Tuosheng agreed to sell, certain oral care related equipment
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Swiftech”	Swiftech Company Limited* (中山新宏達日用制品有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“%”	per cent

By order of the Board
China Oral Industry Group Holdings Limited
Ms. Yan Ping
Chairlady and executive Director

Hong Kong, 28 June 2023

* *for identification purposes only*

As at the date of this announcement, the Board comprises Ms. Yan Ping, Mr. Liu Yao Guang and Mr. Xiao Jiansheng as executive Directors; and Ms. Shen Jindan, Ms. Lian Jingyu and Ms. Deng Xin as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited 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 website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk on the “Latest Listed Company Information” page for at least 7 days from the date of its posting and on the Company’s website at www.chinaoral.co.