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New Horizon Health Limited
諾輝健康

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6606)

DISCLOSEABLE TRANSACTION
SUBSCRIPTION OF STRUCTURED PRODUCTS

PURCHASE OF STRUCTURED PRODUCTS

The Company entered into the Structured Product Agreements dated April 6, 2022 and April 12, 2022, respectively, with Hang Seng Bank (China), pursuant to which the Company agreed to purchase the Structured Products with an investment value of HK\$80 million and HK\$80 million, respectively, using internal resources.

LISTING RULES IMPLICATIONS

As all Structured Products were subscribed with Hang Seng Bank (China) and are of similar nature, the corresponding principal amounts of each of the Subscriptions, which were completed within a 12 month period, have been aggregated as if there was one transaction with Hang Seng Bank (China) for the purpose of calculating the relevant percentage ratios pursuant to Rule 14.22 of the Listing Rules. As one of the applicable percentage ratios (as calculated under Rule 14.07 of the Listing Rules) in respect of the Structured Product Agreements exceeds 5% but all of the applicable percentage ratios are less than 25%, the purchase of Structured Products under the Structured Product Agreements as mentioned above constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules.

BACKGROUND

The Company entered into the Structured Product Agreements dated April 6, 2022 and April 12, 2022, respectively, with Hang Seng Bank (China), pursuant to which the Company agreed to purchase the Structured Products with an investment value of HK\$80 million and HK\$80 million, respectively, using internal resources.

SUBSCRIPTION OF STRUCTURED PRODUCTS

The principal terms of the Structured Product Agreements are set out as follows:

Structured Product Agreement dated April 6, 2022

- (1) Date of subscription: April 6, 2022
- (2) Parties:
 - (i) Hang Seng Bank (China)
 - (ii) the Company
- (3) Name of the product: MXI Dual Currency Structured Deposit (「更特息」雙幣結構性存款)
- (4) Type of return: Fixed return
- (5) Structure of return: On the expiration date (being June 27, 2022) of the product:
 - (i) if the fixing rate (being the HKD-CNH exchange rate on the expiration date of the product) is lower than or equal to the strike rate (being HKD-CNH exchange rate of 0.8250 as specified in the Structured Product Agreement dated April 6, 2022), the Company will receive the principal and return denominated in HKD;
 - (ii) if the fixing rate is higher than the strike rate, the Company will receive the principal and return denominated in CNH using the strike rate as the exchange rate
- (6) Subscription amount: HK\$80,000,000
- (7) Term of investment: Fixed term of 84 days with maturity date on June 29, 2022
- (8) Scope of investment: All investment fund will be placed in the bank to obtain the investment interest and the product is also embedded with option contract, from which the Company can have potential option return
- (9) Expected annualized rate of return: 1.5%

Structured Product Agreement dated April 12, 2022

- (1) Date of subscription: April 12, 2022
- (2) Parties: (i) Hang Seng Bank (China)
(ii) the Company
- (3) Name of the product: MXI Dual Currency Structured Deposit (「更特息」雙幣結構性存款)
- (4) Type of return: Fixed return
- (5) Structure of return: On the expiration date (being June 27, 2022) of the product:
- (i) if the fixing rate (being the HKD-CNH exchange rate on the expiration date of the product) is lower than or equal to the strike rate (being HKD-CNH exchange rate of 0.8210 as specified in the Structured Product Agreement dated April 12, 2022), the Company will receive the principal and return denominated in HKD;
 - (ii) if the fixing rate is higher than the strike rate, the Company will receive the principal and return denominated in CNH using the strike rate as the exchange rate
- (6) Subscription amount: HK\$80,000,000
- (7) Term of investment: Fixed term of 78 days with maturity date on June 29, 2022
- (8) Scope of investment: All investment fund will be placed in the bank to obtain the investment interest and the product is also embedded with option contract, from which the Company can have potential option return
- (9) Expected annualized rate of return: 1.7%

INFORMATION ON THE PARTIES

The Company is a commercial stage biotech company principally engaged in developing and commercializing innovative cancer screening products to address significant unmet medical needs in the cancer screening industry in China.

Hang Seng Bank (China) is a licensed bank established under the laws of the PRC and is principally engaged in the provision of banking and related financial services.

Hang Seng Bank (China) is a wholly-owned subsidiary of Hang Seng Bank Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 11). Hang Seng Bank Limited and its subsidiaries are principally engaged in commercial and retail banking business and offer a comprehensive range of financial products and services to the customers.

To the Directors' knowledge, information and belief, Hang Seng Bank (China), Hang Seng Bank Limited and its ultimate beneficial owners are independent from the Company and its connected persons.

REASONS FOR AND BENEFITS OF THE PURCHASE OF STRUCTURED PRODUCTS

Reasonable and efficient use of temporary idle funds will enhance the overall capital gain of the Company, which is consistent with the core objectives of the Company to ensure capital safety and liquidity. The impact of risk factors on the expected return of the Structured Product Agreements is low, but the Group could either get a higher rate of return as compared with fix term deposit in commercial banks in the PRC or get a more favorable HKD-CNH exchange rate as compared to current spot exchange rate.

The Directors consider that the terms of the Structured Product Agreements and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms or better in the ordinary course of business of the Group, and are in the interests of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATIONS

As all Structured Products were subscribed with Hang Seng Bank (China) and are of similar nature, the corresponding principal amounts of each of the Subscriptions, which were completed within a 12 month period, have been aggregated as if there was one transaction with Hang Seng Bank (China) for the purpose of calculating the relevant percentage ratios pursuant to Rule 14.22 of the Listing Rules. As one of the applicable percentage ratios (as calculated under Rule 14.07 of the Listing Rules) in respect of the Structured Product Agreements exceeds 5% but all of the applicable percentage ratios are less than 25%, the purchase of Structured Products under the Structured Product Agreements as mentioned above constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules.

DEFINITIONS

In this announcement, the following expressions shall have the meaning set out below unless the context requires otherwise:

“Board”	the board of directors of the Company
“CNH”	RMB in the offshore market
“Company”	New Horizon Health Limited (諾輝健康), an exempted company with limited liability incorporated under the laws of the Cayman Islands, whose shares are listed on the Main Board of the Stock Exchange
“connected person”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	director(s) of the Company
“Group”	the Company, its subsidiaries and consolidated affiliated entities
“Hang Seng Bank (China)”	Hang Seng Bank (China) Limited, a company incorporated in the PRC with limited liability and a licensed bank in the PRC
“HK\$” or “HKD”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China (for the purpose of this announcement only, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan)
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Structured Products”	the structured products issued by Hang Seng Bank (China) and subscribed by the Company, the details of which are set out in the section headed “Subscription of Structured Products” of this announcement
“Structured Product Agreements”	the structured product agreements entered into between Hang Seng Bank (China) and the Company on April 6, 2022 and April 12, 2022, respectively, in relation to the subscription of the Structured Products
“Subscription(s)”	subscription(s) of the Structured Products by the Company

“%”

per cent.

By order of the Board
New Horizon Health Limited
Dr. Yiyou CHEN
Chairman

Hong Kong, April 13, 2022

As at the date of this announcement, the Board comprises Dr. Yiyou CHEN as Chairman and executive Director, Mr. Yeqing ZHU as executive Director, Mr. Naxin YAO as non-executive Director, and Mr. Danke YU, Prof. Hong WU and Dr. Donald Kwok Tung LI as independent non-executive Directors.