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## **LIFE HEALTHCARE GROUP LIMITED**

**蓮和醫療健康集團有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 928)**

### **SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE**

The Board is pleased to announce that on 29 November 2023 (after trading hours), the Company and each of the Subscribers entered into separate Subscription Agreements, pursuant to which the Subscribers have conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, an aggregate of 147,920,000 Subscription Shares at the Subscription Price of HK\$0.065 per Share subject to the terms and conditions set out in the Subscription Agreements.

Assuming there will be no change in the total number of Shares in issue (other than the issue of the Subscription Shares) from the date of this announcement to the date of Completion, the number of the Subscription Shares represents approximately 8.69% of the total number of issued Shares as at the date of this announcement and approximately 8.00% of the enlarged total number of issued Shares immediately following Completion.

The Subscription Price of HK\$0.065 per Subscription Share represents (i) a discount of approximately 7.14% to the closing price per Share as quoted on the Stock Exchange on the Last Trading Day; and (ii) a discount of approximately 12.4% to the average of the closing prices per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day.

The gross proceeds and net proceeds from the issue of the Subscription Shares are estimated to be HK\$9.6 million and HK\$9.5 million respectively. The Company intends to apply the net proceeds for the expansion or acquisition of channels for sales of Maotai-flavor liquor under the “Diwangchi” (帝王池) brand in the PRC.

The Subscription is not subject to Shareholders’ approval as the Subscription Shares will be issued under the General Mandate. Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

**Completion is subject to fulfilment of the conditions under the Subscription Agreements. As the Subscription may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## THE SUBSCRIPTION

The Board is pleased to announce that on 29 November 2023 (after trading hours), the Company and each of the Subscribers entered into separate Subscription Agreements, pursuant to which the Subscribers have conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, an aggregate of 147,920,000 Subscription Shares at the Subscription Price of HK\$0.065 per Share subject to the terms and conditions set out in the Subscription Agreements.

## THE SUBSCRIPTION AGREEMENTS

### Date

29 November 2023 (after trading hours)

### Parties and number of Subscription Shares

Subscription Agreements	Parties	No. of Subscription Shares	Consideration <i>(approximately)</i>
Subscription Agreement A	(1) The Company (2) Subscriber A	65,000,000	HK\$4.2 million
Subscription Agreement B	(1) The Company (2) Subscriber B	54,690,000	HK\$3.6 million
Subscription Agreement C	(1) The Company (2) Subscriber C	28,230,000	HK\$1.8 million
Total:		147,920,000	HK\$9.6 million

Each of the Subscribers is an individual investor. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, each of the Subscribers is an Independent Third Party.

### The Subscription Shares

Pursuant to the Subscription Agreements, the Subscribers have conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, an aggregate of 147,920,000 Subscription Shares, representing:

- (1) approximately 8.69% of the existing total number of issued Shares, being 1,702,505,060 Shares, as at the date of this announcement and after completion of the Placing; and

- (2) approximately 8.00% of the enlarged total number of issued Shares of 1,850,425,060 Shares immediately following completion of the Subscription, assuming there will be no change in the total number of Shares in issue from the date of this announcement to the date of completion of the Subscription.

### **The Subscription Price**

The Subscription Price of HK\$0.065 per Subscription Share represents:

- (1) a discount of approximately 7.14% to the closing price of HK\$0.07 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (2) a discount of approximately 12.4% to the average closing price of HK\$0.0742 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day.

The net Subscription Price (after deducting relevant expenses) will be approximately HK\$0.064 per Subscription Share.

The Subscription Price was determined and negotiated on an arm's length basis between the Company and each of the Subscribers and with reference to the market conditions and the prevailing market price of the Shares. The Directors (including the independent non-executive Directors) consider that the Subscription Price is fair and reasonable and the Subscription is in the interest of the Company and the Shareholders as a whole.

### **Ranking of the Subscription Shares**

The Subscription Shares, when issued and fully paid, will rank pari passu in all respects among themselves and with the other Shares in issue as at the date of allotment and issue of the Subscription Shares.

### **Conditions of the Subscription**

The Subscription is conditional upon the following conditions being fulfilled:

- (i) the passing by the Board of resolution(s) to approve the Subscription Agreements and the transactions contemplated hereunder; and
- (ii) the Listing Committee of the Stock Exchange granting or agreeing to grant the listing of, and permission to deal in, the Subscription Shares with or without conditions.

If any of the above conditions is not fulfilled on or before the Long Stop Date, or such later date as the Company and the Subscribers may agree in writing, the Subscription Agreements shall be terminated and all rights, obligations and liabilities of the parties hereunder in relation to the Subscription shall cease and determine and that both parties shall be released from all their respective obligations pursuant to the Subscription Agreements and neither party shall have any claim against the other party in respect of the Subscription save for any antecedent breach.

## Completion

Completion of the Subscription shall take place within three (3) Business Days after the date on which all the conditions as set out above is satisfied (or such later date as may be agreed between the parties to the Subscription Agreements in writing).

## GENERAL MANDATE TO ISSUE THE SUBSCRIPTION SHARES

The Subscription Shares will be allotted and issued pursuant to the General Mandate, which has been granted to the Directors to allot and issue up to 308,405,012 Shares, representing 20% of the total number of Shares in issue as at the date of the AGM.

As at the date of this announcement and after completion of the Placing, the remaining balance of the General Mandate is 147,925,012 Shares. Accordingly, the General Mandate is sufficient for the allotment and issue of the Subscription Shares, and the issue of the Subscription Shares is not subject to the approval of the Shareholders.

## APPLICATION FOR LISTING OF THE SUBSCRIPTION SHARES

An application will be made by the Company to the Stock Exchange for the listing of, and the permission to deal in, the Subscription Shares.

## EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is a table showing the shareholding structure of the Company (i) as at the date of this announcement and before completion of the Placing; (ii) immediately after completion of the Placing but before the Subscription; and (iii) immediately after completion of the Subscription, assuming there will be no change in the total number of Shares in issue (other than the issue of the Placing Shares and Subscription Shares) from the date of this announcement to the date of completion of the Subscription:

Name of Shareholders	As at the date of this announcement and before completion of the Placing		Immediately after completion of the Placing but before the Subscription		Immediately upon completion of the Subscription	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
<b>Substantial Shareholder:</b>						
Wong Yat Fung	447,504,080	29.02%	447,504,080	26.29%	447,504,080	24.19%
Wang Wen	257,200,000	16.67%	257,200,000	15.10%	257,200,000	13.89%
<b>Public Shareholders:</b>						
Subscribers	–	–	–	–	147,920,000	8.00%
Placees	–	–	160,480,000	9.43%	160,480,000	8.67%
Others	837,320,980	54.31%	837,320,980	49.18%	837,320,980	45.25%
<b>Total</b>	<u>1,542,025,060</u>	<u>100.00%</u>	<u>1,702,505,060</u>	<u>100.00%</u>	<u>1,850,425,060</u>	<u>100.00%</u>

## **REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS**

The Company is an investment holding company and its subsidiaries are principally engaged in healthcare products and services business and money lending business.

With reference to the announcements of the Company dated 3 November 2023 and 29 November 2023 in respect to the Placing, all the conditions set out in the Placing Agreement had been fulfilled and completion of the Placing took place on 29 November 2023 and an aggregate of 160,480,000 Placing Shares have been successfully placed by the Placing Agent at the Placing Price of HK\$0.06 per Placing Share pursuant to the terms and conditions of the Placing Agreement. After completion of the Placing of 160,480,000 Shares, the remaining balance of the General Mandate is 147,925,012 Shares. The Board is pleased to announce that on 29 November 2023 (after trading hours), the Company and each of the Subscribers entered into separate Subscription Agreements, pursuant to which the Subscribers have conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, an aggregate of 147,920,000 Subscription Shares at the Subscription Price of HK\$0.065 per Share subject to the terms and conditions set out in the Subscription Agreements.

The gross proceeds from the Subscription will be approximately HK\$9.6 million and the net proceeds from the Subscription (after deducting relevant expenses) will be approximately HK\$9.5 million. The Company intends to apply the net proceeds for the expansion or acquisition of channels for sales of Maotai-flavor liquor under the “Diwangchi” (帝王池) brand in the PRC.

The Board is of the view that the Subscription will enlarge the shareholder base and the capital base of the Company. In addition, the net proceeds of the Subscription will strengthen the Group’s financial position for its future development. Accordingly, the Board considers that the Subscription is in the interests of the Company and the Shareholders as a whole.

Pursuant to Rule 13.64 of the Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01, the issuer may be required either to change the trading method or to proceed with a consolidation or splitting of its securities. In view of the recent trading price of the Shares at a level less than HK\$0.1, the Board will consider to conduct share consolidation, in order to fulfill the trading requirements under Rule 13.64 of the Listing Rules. Further announcement(s) will be made by the Company as and when appropriate.

## EQUITY FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE MONTHS

Save for the fund raising activities mentioned below, the Company has not conducted any equity fund raising activities in the past twelve months immediately preceding the date of this announcement.

<b>Date of initial announcement</b>	<b>Fund raising activities</b>	<b>Net proceeds (approximately)</b>	<b>Proposed use of the net proceeds</b>
3 November 2023	Placing of 160,480,000 new Shares	HK\$9.3 million	Expansion or acquisition of channels for sales of Maotai-flavor liquor under the “Diwangchi” (帝王池) brand in the PRC

**Completion is subject to fulfilment of the conditions under the Subscription Agreements. As the Subscription may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

## DEFINITIONS

In this announcement, the following expressions shall, unless the context requires otherwise, have the following meanings:

“Board”	the board of Directors
“Business Day”	a day (other than a Saturday or Sunday or days on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which banks in Hong Kong are open for general banking business
“Company”	Life Healthcare Group Limited, a company incorporated in Cayman Islands with limited liability whose issued Shares are listed on the Main Board of the Stock Exchange (Stock Code: 928)
“Completion”	completion of the Subscription
“connected persons”	has the meanings as ascribed thereto under the Listing Rules
“Director(s)”	director(s) of the Company
“General Mandate”	the mandate granted to the Directors by the Shareholders at the annual general meeting of the Company held on 29 September 2023 to allot, issue and deal with up to 20% of the issued Shares as at the date thereof

“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	party(ies) who is (are) not connected person(s) of the Company and its subsidiaries and is (are) third party(ies) independent of the Company and connected persons of the Company
“Last Trading Day”	29 November 2023, being the date of the Subscription Agreements
“Listing Committee”	has the meaning ascribed to it under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	29 December 2023 or any other date as the Company may agree in writing
“Placing”	the placing of 160,480,000 new Shares by the Placing Agent pursuant to the terms of the Placing Agreement
“Placing Agent”	Emperor Securities Limited, a licensed corporation to carry on business in type 1 regulated activity (dealing in securities) and type 4 regulated activity (advising on securities) under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Placing Agreement”	the placing agreement dated 3 November 2023 and entered into between the Company and the Placing Agent in relation to the Placing
“Placing Price”	HK\$0.06 per Placing Share
“Placing Share(s)”	160,480,000 Shares placed under the Placing
“PRC”	the People’s Republic of China
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary issued share(s) of HK\$0.05 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited



“Subscriber A”	Mr. Zhang Wei
“Subscriber B”	Ms. Zhu Guohua
“Subscriber C”	Ms. Liu Suzhen
“Subscribers”	Subscriber A, Subscriber B and Subscriber C
“Subscription”	the subscription of the Subscription Shares by the Subscribers at the Subscription Price pursuant to the terms and conditions as set out in the Subscription Agreements
“Subscription Agreements”	Subscription Agreement A, Subscription Agreement B and Subscription Agreement C
“Subscription Agreement A”	the subscription agreement dated 29 November 2023 and entered into between the Company and the Subscriber A in respect of the subscription of 65,000,000 new Shares
“Subscription Agreement B”	the subscription agreement dated 29 November 2023 and entered into between the Company and the Subscriber B in respect of the subscription of 54,690,000 new Shares
“Subscription Agreement C”	the subscription agreement dated 29 November 2023 and entered into between the Company and the Subscriber C in respect of the subscription of 28,230,000 new Shares
“Subscription Price”	HK\$0.065 per Subscription Share
“Subscription Shares”	an aggregate of 147,920,000 new Shares to be subscribed by the Subscribers pursuant to the Subscription Agreements
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board  
**Life Healthcare Group Limited**  
**Wang Mengyao**  
*Executive Director*

Hong Kong, 29 November 2023

*As at the date of this announcement, the Board comprises:*

*Executive Directors:*

Mr. Wang Mengyao  
Mr. Liu Mingqing  
Mr. Man Wai Lun  
Mr. Pang Zhen

*Independent Non-executive Directors:*

Mr. Gu Jianguo  
Ms. Yang Xilin  
Ms. Yan Ming