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CHINA HEALTH

China Health Technology Group Holding Company Limited

中國健康科技集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1069)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent

Cheong Lee Securities Limited

THE PLACING

The Board is pleased to announce that on 22 July 2025 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Placing Agent has conditionally agreed to act as the placing agent of the Company for the purpose of procuring, on a best effort basis, the Placing of a maximum of 17,000,000 Placing Shares to not less than six Placees who and whose ultimate beneficial owners are Independent Third Parties at the Placing Price of HK\$0.28 per Placing Share.

Assuming there will be no change in the issued share capital of the Company between the date of this announcement and the Completion Date, the maximum number of 17,000,000 Placing Shares under the Placing Agreement represents: (a) 19.78% of the total number of Shares in issue as at the date of this announcement; and (b) approximately 16.52% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares in full.

The Placing Price of HK\$0.28 per Placing Share represents: (i) a discount of approximately 17.65% to the closing price of HK\$0.340 per Share as quoted on the Stock Exchange on 22 July 2025, being the date of the Placing Agreement; and (ii) a discount of approximately 18.60% to the average closing price of HK\$0.344 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement. Assuming that all the Placing Shares are fully placed, the gross proceeds from the Placing will be HK\$4.76 million and the net proceeds (after deduction of placing commission and other expenses of the Placing) from the Placing are estimated to be approximately HK\$4.63 million, representing a net placing price of approximately HK\$0.272 per Placing Share. The Directors intend to use the net proceeds from the Placing for general working capital of the Group.

GENERAL

The Placing Shares will be allotted and issued pursuant to the General Mandate.

Application will be made by the Company to the Listing Committee for the grant of the approval for the listing of, and permission to deal in, the Placing Shares.

Completion of the transactions contemplated under the Placing Agreement is subject to the Placing Agreement not being terminated in accordance with the terms thereof, and is subject to the satisfaction of conditions precedent under the Placing Agreement. As the Placing may or may not proceed to completion, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

PLACING OF NEW SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that on 22 July 2025 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Placing Agent has conditionally agreed to act as the placing agent of the Company for the purpose of procuring, on a best effort basis, the Placing of a maximum of 17,000,000 Placing Shares to not less than six Placees who and whose ultimate beneficial owners are Independent Third Parties at the Placing Price of HK\$0.28 per Placing Share. The principal terms of the Placing Agreement are summarised below:

Date

22 July 2025 (after trading hours)

Parties

- (1) the Company; and
- (2) the Placing Agent.

Company

The Company is an investment holding company. The Group is principally engaged in forestry management, ginseng-related business and health products business in the PRC.

Placing Agent

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Placing Agent and its ultimate beneficial owner(s) is an Independent Third Party as at the date of this announcement.

Placing commission

The Placing Agent will charge the Company a placing commission of 1.5% of the aggregate amount equal to the Placing Price multiplied by the number of the Placing Shares being placed by the Placing Agent. The placing commission payable to the Placing Agent under the Placing Agreement was negotiated on arm's length basis between the Company and the Placing Agent under normal commercial terms and with reference to the prevailing commission rate for similar transactions, the size of the Placing and the price performance of the Shares.

Placees

The Placing Shares shall be offered by the Placing Agent to not less than six Placees in board lots. The choice of Placees for the Placing Shares shall be determined solely by the Placing Agent, subject to the requirements of the Listing Rules, in particular, the Placing Agent shall use all reasonable endeavours to ensure that all Placees and their respective beneficial owner(s) (if applicable) (i) shall be Independent Third Parties; (ii) are not or will not be substantial shareholder(s) of the Company; and (iii) are not acting in concert with any of the Company's core connected persons or connected persons.

Number of Placing Shares

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement up to Completion, the maximum number of 17,000,000 Placing Shares under the Placing represents (i) 19.78% of the existing issued share capital of the Company of 85,924,220 Shares as at the date of this announcement; and (ii) approximately 16.52% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares in full. The aggregate nominal value of the maximum number of Placing Shares under the Placing will be HK\$1,700,000.

Ranking of Placing Shares

The Placing Shares will, on allotment and issue, rank *pari passu* in all respects with other existing Shares then in issue free and clear of any pledges, liens, charges and encumbrances, equities, security interests or other claims, and together with all rights attaching to them as at the date of issue of the Placing Shares, including the right to receive all dividends and other distributions declared, made or paid on the record date of which falls on or after the date of issue of the Placing Shares.

Placing Price

The Placing Price of HK\$0.28 represents:

- (1) a discount of approximately 17.65% to the closing price of HK\$0.340 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and
- (2) a discount of approximately 18.60% to the average closing price of approximately HK\$0.344 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days immediately prior to the date of the Placing Agreement.

The Placing Price of the Placing was determined with reference to the prevailing market prices of the Shares, the recent trading performance of the Shares and the nominal value of the Shares and was negotiated on an arm's length basis between the Company and the Placing Agent. The Directors consider that the Placing Price is determined on normal commercial terms and are fair and reasonable based on the current market conditions and in the interests of the Company and the Shareholders as a whole.

General Mandate to allot and issue of the Placing Shares

The Placing Shares will be allotted and issued under the General Mandate granted to the Directors by resolution of the Shareholders passed at the AGM subject to the limit of up to 20% of the then number of issued Shares as at the date of the AGM. Under the General Mandate, the Company is authorised to issue up to 171,848,440 shares of HK\$0.01 each of the Company before completion of the share consolidation on 8 July 2025, or 17,184,844 Shares after completion of the share consolidation. As at the date of this announcement, no Share has been issued under the General Mandate. Therefore, the Placing will not be subject to any further Shareholders' approval.

Application for listing of Placing Shares

Application will be made by the Company to the Listing Committee for the grant of the listing of, and permission to deal in, the Placing Shares.

Conditions of the Placing

Completion of the Placing is conditional upon the granting by the Listing Committee of listing of, and permission to deal in, all of the Placing Shares being obtained.

If the condition is not fulfilled on or before 12 August 2025 or such later date as the parties of the Placing Agreement may agree in writing, the Placing Agreement shall terminate and none of the parties to the Placing Agreement shall have any claim against the other for any costs or losses.

Completion of the Placing

The Completion shall take place on the Completion Date after the fulfillment of the conditions set out above are satisfied (or such later date as may be agreed between the parties to the Placing Agreement in writing).

Termination

If at any time between the execution of the Placing Agreement and 12:00 noon on the Completion Date, in the opinion of the Placing Agent the success of the Placing or the business or financial condition of the Group would or is likely to be materially and adversely affected by:

- (a) any material breach of any of the representations and warranties given by the Company in the Placing Agreement; or
- (b) any suspension in dealings in or the listing of the Shares on the Stock Exchange for a period of more than five trading days (other than in connection with the Placing); or
- (c) any of the following events:
 - (i) the introduction of any new law or regulation or any change in existing laws or regulations or change in the interpretation or application thereof; or
 - (ii) the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events or changes occurring or continuing before, on and/or after the date hereof and including an event or change in relation to or a development of an existing state of affairs) of a political, military, industrial, financial, economic or other nature, whether or not sui generis with any of the foregoing, resulting in a material adverse change in, or which might be expected to result in a material adverse change in, political, economic or stock market conditions; or
 - (iii) the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise; or
 - (iv) a change or development involving a prospective change in taxation in Hong Kong, Cayman Islands or the PRC or the implementation of exchange controls which shall or might materially and adversely affect the Group or its present or prospective shareholders in their capacity as such; or
 - (v) any change or deterioration in the conditions of local, national or international securities markets occurs,

then and in any such case, the Placing Agent may terminate the Placing Agreement without liability to the Company by giving notice in writing to the Company, provided that such notice is received by the Company prior to 12:00 noon on the Completion Date.

REASON FOR AND BENEFITS OF THE PLACING

Assuming that all the Placing Shares are fully placed, the gross proceeds from the Placing will be HK\$4.76 million and the net proceeds (after deduction of placing commission and other expenses of the Placing) from the Placing are estimated to be approximately HK\$4.63 million, representing a net placing price of approximately HK\$0.272 per Placing Share. The Directors intend to use the net proceeds from the Placing for general working capital of the Group.

The Directors consider that the Placing will provide an opportunity to raise further capital for the Company whilst broadening the shareholder base and the capital base of the Company. The Placing will also strengthen the Group's financial position and reduce its debt level.

The Directors consider that the Placing Agreement is entered into upon normal commercial terms following arm's length negotiations between the Company and the Placing Agent and the terms of the Placing Agreement (including the Placing Price and the Placing commission) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

USE OF PROCEEDS

The net proceeds from the Placing are estimated to be approximately HK\$4.63 million, after deducting related fees and expenses. The Company intends to use the net proceeds from the Placing for general working capital of the Group.

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

Except as disclosed below, the Company did not conduct any equity fund raising activity in the past twelve months immediately preceding the date of this announcement:

Date of announcement	Number of Shares issued	Intended and actual uses of net proceeds
5 September 2024 and 10 September 2024	143,000,000 shares of HK\$0.01 each were issued on 25 September 2024 under general mandate to not less than six independent places.	The net proceeds for issuance of approximately HK\$5.85 million was used for general working capital of the Group as intended.

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately upon Completion (assuming the maximum number of Placing Shares are placed and there is no change in the share capital of the Company from the date of this announcement up to the Completion) is set out as below:

Shareholder	As at the date of this announcement		Immediately after the Completion (assuming the maximum number of Placing Shares are placed and there is no change in the share capital of the Company from the date of this announcement up to the Completion)	
	No. of Shares	%	No. of Shares	%
Substantial Shareholder				
Zhonggangtong International Holding Group Co., Limited (Note)	7,036,800	8.19	7,036,800	6.84
Public Shareholders				
Placees	–	–	17,000,000	16.52
Other public shareholders	78,887,420	91.81	78,887,420	76.64
Total	85,924,220	100.00	102,924,220	100.00

Note:

Zhonggangtong International Holding Group Co., Limited is wholly owned by Ms. Huang Hou. Accordingly, Ms. Huang Hou is deemed, or taken to be, interested in all the Shares held by Zhonggangtong International Holding Group Co., Limited for the purpose of the SFO.

GENERAL

Completion of the transactions contemplated under the Placing Agreement is subject to the Placing Agreement not being terminated in accordance with the terms thereof, and is subject to the satisfaction of conditions precedent under the Placing Agreement. As the Placing may or may not proceed to completion, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“AGM”	the annual general meeting of the Company held on 30 December 2024
“Board”	the board of Directors
“Business Day(s)”	any day (other than a Saturday or Sunday) on which commercial banking institutions in Hong Kong are generally open for transactions of normal banking business
“Company”	China Health Technology Group Holding Company Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed and traded on the Main Board of the Stock Exchange
“Completion”	the completion of the Placing in accordance with the terms and conditions as set out in the Placing Agreement
“Completion Date”	the date of Completion, being not later than the third Business Day after the conditions of the Placing are fulfilled or such other time and date as the Company and the Placing Agent may agree in writing
“connected person”	has the meaning ascribed to it under the Listing Rules
“controlling Shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“core connected persons”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“General Mandate”	the general mandate granted to the Directors pursuant to the resolution passed by the Shareholders at the AGM to allot, issue and deal with up to 20% of the issued share capital of the Company as at the date of the AGM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars and cents, respectively, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and any of its connected persons
“Listing Committee”	the Listing Committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Placee(s)”	any professional, institutional and/or other investor(s) procured by the Placing Agent or its agent(s) to subscribe for any of the Placing Shares pursuant to the Placing Agreement
“Placing”	the placing, on a best effort basis, of up to 17,000,000 Placing Shares by the Placing Agent pursuant to the terms and conditions set out in the Placing Agreement
“Placing Agent”	Cheong Lee Securities Limited, a licensed corporation to carry on business in Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities) and Type 5 (advising on futures contracts) under the SFO, the placing agent for the Placing
“Placing Agreement”	the placing agreement dated 22 July 2025 (after trading hours) and entered into between the Company and the Placing Agent
“Placing Price”	HK\$0.28 per Placing Share (exclusive of all brokerage (if any), transaction levies of the SFC and the Accounting and Financial Reporting Council and trading fees of the Stock Exchange)
“Placing Shares”	up to 17,000,000 new Shares to be placed under the Placing
“PRC”	the People’s Republic of China, and for the purposes of this announcement only and except where the context requires otherwise, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) in the share capital of the Company, currently of nominal value HK\$0.1 each
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“substantial Shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	Hong Kong Code on Takeovers and Mergers
“%”	per cent

By order of the Board
China Health Technology Group Holding Company Limited
Professor Fei Phillip
Chairman and executive Director

Hong Kong, 22 July 2025

As at the date of this announcement, the Board comprises Professor Fei Phillip, Mr. Wang Yibin and Ms. Bu Xue as executive Directors; and Mr. Guo Zhonglong, Mr. Chau Wing Nam and Ms. Liu Shuhua as independent non-executive Directors.