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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)

**(1) PROPOSED RIGHTS ISSUE ON THE BASIS OF  
TWO (2) RIGHTS SHARES FOR EVERY  
ONE (1) EXISTING SHARE HELD ON THE RECORD DATE  
ON A NON-UNDERWRITTEN BASIS; AND  
(2) PLACING OF PLACING SHARES IN CONNECTION  
WITH THE RIGHTS ISSUE**

**Placing Agent to the Company**



駿達證券有限公司

Tiger Faith Securities Limited

## PROPOSED RIGHTS ISSUE

The Company proposes to raise gross proceeds of up to approximately HK\$51.5 million (assuming full subscription under the Rights Issue) by issuing up to 205,848,440 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date) by way of Rights Issue at the Subscription Price of HK\$0.25 per Rights Share on the basis of two (2) Rights Shares for every one (1) existing Share held by the Qualifying Shareholders at the close of business on the Record Date.

Assuming there will be no change in the number of Shares in issue on or before the Record Date and full subscription of the Rights Issue, the maximum net proceeds from the Rights Issue (after deducting the estimated expenses of approximately HK\$1.5 million) is expected to be approximately HK\$50.0 million. Details of the use of proceeds are set out in the section headed “Reasons for and benefits of the Rights Issue and the use of proceeds” in this announcement. The net price per Rights Share after deducting the relating expenses of the Rights Issue will be approximately HK\$0.24. The Company intends to apply the net proceeds from the Rights Issue as to (i) approximately 44.00% (or approximately HK\$22.0 million) for the acquisition of ginseng plantation land and related marketing and promotion activities to support the Group’s expansion in the ginseng plantation business; (ii) approximately 36.00% (or approximately HK\$18.0 million) for investment in the medical aesthetics industry; and (iii) approximately 20.00% (or approximately HK\$10.0 million) for replenishing general working capital of the Group.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares. If the Rights Issue is not fully subscribed, the number of Rights Shares that are not subscribed by the Qualifying Shareholders or renounees or transferees of the Nil-paid Rights under the PALs (i.e. the Unsubscribed Rights Shares) will be placed to independent Placers on a best effort basis through the Placing. The Unsubscribed Rights Shares that are not placed will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There are no statutory requirements regarding the minimum subscription levels in respect of the Rights Issue. There is no minimum amount to be raised under the Rights Issue.

The Rights Issue is only available to the Qualifying Shareholders and will not be extended to the Excluded Shareholders (if any). To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company at the close of business on the Record Date and be a Qualifying Shareholder. In order to be registered as a member of the Company on the Record Date, all transfers of the Shares (together with the relevant share certificate(s)) must be lodged with the Registrar by no later than 4:30 p.m. (Hong Kong time) on Friday, 15 May 2026.

The Rights Shares (when allotted, issued and fully paid) will rank *pari passu* in all respects with the existing Shares in issue. Holders of the Rights Shares will be entitled to receive all future dividends and distributions, which may be declared, made or paid on or after the date of allotment and issue of the fully-paid Rights Shares.

As at the date of this announcement, the Board has not received any information or other undertakings from any Shareholders of their intention to take up or not to take up the securities of the Company to be offered to them under the Rights Issue.

### **The Placing Agreement**

The Company will make arrangements to dispose of the Unsubscribed Rights Shares and the ES Unsold Rights Shares by offering these Shares as Placing Shares to independent Placees, who and whose ultimate beneficial owners(s) shall be Independent Third Party(ies).

Accordingly, on 27 March 2026 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Placing Agent has conditionally agreed to, on a best effort basis, procure Placee(s), who and whose ultimate beneficial owner(s) are Independent Third Party(ies), to subscribe for the Placing Shares (i.e. the Unsubscribed Rights Shares and the ES Unsold Rights Shares). Any Unsubscribed Rights Shares which are not placed under the Placing will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

Under the terms of the Placing Agreement, if the Rights Issue is fully subscribed, i.e. all the Rights Shares are being fully subscribed by the Qualifying Shareholders or renounee(s) or transferee(s) under the PAL(s), the Placing will not proceed.

### **LISTING RULES IMPLICATIONS**

In accordance with Rule 7.19A(1) and Rule 7.27A(1) of the Listing Rules, as the Rights Issue will increase the total number of issued Shares by more than 50% within the 12-month period immediately preceding the date of this announcement, the Rights Issue must be made conditional on, amongst other things, the approval by the Independent Shareholders at the EGM, and any controlling Shareholder(s) (as defined under the Listing Rules) and their respective associates, or where there is no controlling Shareholder, the Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the resolution(s) in relation to the Rights Issue at the EGM.

As at the date of this announcement, the Company has no controlling Shareholder. Accordingly, Ms. Huang, being a substantial Shareholder who is interested in 8,056,800 Shares (approximately 7.83% of the issued share capital of the Company) through China Sports Asset Management Co., Limited and Zhonggangtong International Holding Group Co., Limited as at the date of this announcement, and her associate(s) shall abstain from voting in favour of the proposed resolutions to approve the Rights Issue, the Placing Agreement and the transactions contemplated thereunder at the EGM. As at the date of this announcement, none of the Directors or chief executives of the Company had any interest in the Shares.

The Rights Issue will not result in a theoretical dilution effect of 25% or more. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 7.27B of the Listing Rules.

The Placing Shares, forming part of the Rights Issue will be allotted and issued subject to the listing approval of the Stock Exchange and the EGM. As the Placing is conditional upon, among other things, the passing of necessary resolution(s) relating to the Rights Issue at the EGM, Ms. Huang, being a substantial Shareholder with beneficial interest in the Company as aforesaid, shall abstain from voting in favour of the resolution(s) relating to the Placing at the EGM.

Save as disclosed above, to the best knowledge of the Directors, as at the date of this announcement, no other Shareholders have a material interest in the Rights Issue, the Placing and the transactions contemplated thereunder and are required to abstain from voting on any resolutions relating to the Rights Issue and the transactions contemplated thereunder and the Placing at the EGM.

#### **THE INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

The Independent Board Committee comprising all the independent non-executive Directors, namely, Mr. Chau Wing Nam, Ms. Liu Shuhua and Mr. Li Liangjie, will be established to advise the Independent Shareholders as to whether the terms of the Rights Issue are fair and reasonable and in the interests of the Company and the Shareholders as a whole, and to advise the Independent Shareholders on how to vote at the EGM, taking into account the recommendations of the Independent Financial Adviser to be appointed by the Company. An announcement will be made by the Company upon the establishment of the Independent Board Committee and the appointment of the Independent Financial Adviser.

In this connection, the Company will appoint an Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Rights Issue are fair and reasonable.

#### **GENERAL**

The EGM will be convened for the Shareholders to consider and, if thought fit, approve the Rights Issue, the Placing Agreement and the transactions contemplated thereunder. For the purpose of determining the Shareholders' entitlements to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, 5 May 2026 to Tuesday, 12 May 2026 (both days inclusive).

A circular containing, among other things, (i) further details of the Rights Issue and the Placing; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in relation to the Rights Issue; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Rights Issue; and (iv) a notice convening the EGM, is expected to be despatched to the Shareholders on or before Friday, 24 April 2026.

Subject to the fulfilment of the conditions of the Rights Issue, the Company will despatch the Prospectus Documents containing, among other matters, details of the Rights Issue, to the Qualifying Shareholders on or before Tuesday, 26 May 2026. The Company will despatch the Prospectus (without the PAL) to the Excluded Shareholders (if any) for their information purpose only to the extent permitted under the relevant laws and regulations and reasonably practicable. For the avoidance of doubt, the Excluded Shareholders are entitled to attend and vote at the EGM.

### **WARNING OF THE RISKS OF DEALING IN THE SHARES AND THE NIL-PAID RIGHTS SHARES**

Shareholders and potential investors of the Company should note that the Rights Issue is subject to the fulfilment of conditions including, among other things, the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. Please refer to the paragraph headed “Conditions of the Rights Issue” in this announcement.

Shareholders and potential investors of the Company should note that if the conditions of the Rights Issue are not fulfilled, the Rights Issue will not proceed. Any Shareholder or other person dealing in the Shares and/or Rights Shares up to the date on which all the conditions of the Rights Issue are fulfilled will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

Subject to the fulfilment of conditions, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of provisionally allotted Rights Shares. Accordingly, if the Rights Issue is undersubscribed, the size of the Rights Issue will be reduced. Qualifying Shareholders who do not take up their assured entitlements in full and Excluded Shareholders, if any, should note that their shareholdings in the Company may be diluted, the extent of which will depend in part on the size of the Rights Issue.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares and/or the Rights Shares. Any party who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).

### **PROPOSED RIGHTS ISSUE**

The Company proposes to raise gross proceeds of up to approximately HK\$51.5 million (assuming full subscription under the Rights Issue) by issuing up to 205,848,440 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date) by way of Rights Issue at the Subscription Price of HK\$0.25 per Rights Share on the basis of two (2) Rights Shares for every one (1) existing Share held by the Qualifying Shareholders at the close of business on the Record Date. The Rights Issue is only available to the Qualifying Shareholders and will not be extended to the Excluded Shareholders (if any). Further details of the Rights Issue are set out below:

## **Rights Issue statistics**

Basis of the Rights Issue	: two (2) Rights Shares for every one (1) existing Share held by the Qualifying Shareholders at the close of business on the Record Date
Maximum number of Rights Shares to be issued	: 205,848,440 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date)
Subscription Price	: HK\$0.25 per Rights Share
Net subscription price per Rights Share (i.e. Subscription Price less Rights Issue expenses)	: Approximately HK\$0.24 per Rights Share
Maximum gross proceeds to be raised from the Rights Issue before expenses	: Approximately HK\$51.5 million
Maximum net proceeds to be raised from the Rights Issue after expenses	: Approximately HK\$50.0 million
Number of Shares in issue (excluding treasury shares, if any) as at the date of this announcement	: 102,924,220 Shares
Number of Shares in issue upon completion of the Rights Issue (assuming the Rights Issue is fully subscribed)	: 308,772,660 Shares (assuming no change in the number of Shares in issue on or before the Record Date)
Aggregate nominal value of the Rights Shares	: HK\$20,584,844 (assuming no change in the number of Shares in issue on or before the Record Date)

Assuming there is no change to the total issued share capital of the Company on or before the Record Date, 205,848,440 Rights Shares to be issued pursuant to the terms of the Rights Issue represent (i) approximately 200.00% of the total issued share capital of the Company (excluding treasury shares, if any) as at the date of this announcement; and (ii) approximately 66.67% of the total issued share capital of the Company (excluding treasury shares, if any) as enlarged by the allotment and issuance of the Rights Shares immediately upon completion of the Rights Issue (assuming the Rights Issue is fully subscribed).

As at the date of this announcement, the Board has not received any information or other undertakings from any Shareholders of their intention to take up or not to take up the securities of the Company to be offered to them under the Rights Issue. The Company has no intention to issue or grant any Shares, convertible securities, warrants and/or options on or before the Record Date. As at the date of this announcement, the Company has no outstanding derivatives, warrants, options or convertible securities or other similar rights which are convertible or exchangeable into Shares.

### **The Subscription Price**

The Subscription Price is HK\$0.25 per Rights Share, which shall be payable in full by a Qualifying Shareholder upon acceptance of the relevant provisional allotment of the Rights Shares or when a transferee of the Nil-paid Rights applies for the Rights Share(s).

The Subscription Price represents:

- (i) a discount of approximately 20.63% to the closing price of HK\$0.315 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 19.35% to the average closing price of approximately HK\$0.310 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days up to and including the Last Trading Day;
- (iii) a discount of approximately 24.24% to the average closing price of approximately HK\$0.33 per Share as quoted on the Stock Exchange for the ten (10) consecutive trading days up to and including the Last Trading Day;
- (iv) a discount of approximately 7.98% to the theoretical ex-rights price of approximately HK\$0.272 per Share based on the closing price of HK\$0.315 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (v) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 13.76% of the theoretical diluted price of approximately HK\$0.272 per Share to the benchmarked price of approximately HK\$0.315 per Share (as defined under Rule 7.27B of the Listing Rules), taking into account the higher of the closing price of HK\$0.315 per Share on the Last Trading Day and the average closing price of the Shares as quoted on the Stock Exchange for the five (5) consecutive trading days prior to the Last Trading Day of HK\$0.309 per Share; and
- (vi) a discount of approximately 54.79% to the net asset value of the Company of approximately HK\$0.553 per Share based on the latest published unaudited net asset value attributable to owners of the Company of approximately HK\$56.89 million as at 31 December 2025 as set out in the interim results of the Company for the six months ended 31 December 2025 and the total number of issued Shares of 102,924,220 Shares as at the date of this announcement.

The net price per Rights Share (i.e. Subscription Price less cost and expenses incurred in the Rights Issue) upon full acceptance of the provisional allotment of Rights Shares will be approximately HK\$0.24 (assuming no change in the number of Shares in issue on or before the Record Date).

During the 12-month period immediately preceding the date of this announcement, the Company has not undertaken any rights issue, open offer or specific mandate placing. The theoretical diluted price, the benchmarked price and theoretical dilution effect (as those terms are defined under Rule 7.27B of the Listing Rules) for the Rights Issue are approximately HK\$0.272 per Share, HK\$0.315 per Share and 13.75%, respectively. The Rights Issue will not result in a theoretical dilution effect of 25% or more. As such the theoretical dilution impact of the Rights Issue is in compliance with Rule 7.27B of the Listing Rules.

The Board has noted the relatively large discount mentioned in (vi) above. Nevertheless, taking into account of the fact that the Shares were traded at a relatively large discount to the net asset value attributable to the Shareholders per Share for the one month preceding the Last Trading Day ranging from approximately 22.24% to 44.85%, approximately 33.50% and the share price is on the downward trend which reflected the current market sentiment, the Board is of the view that the net asset value per Share may not be a meaningful reference to determine the Subscription Price.

The Subscription Price was determined by the Board with reference to, among others, (i) the market price of the Shares under the prevailing market conditions in Hong Kong; (ii) the latest financial position of the Group; (iii) the reasons for and benefits of the Rights Issue as discussed in the section headed “Reasons for and Benefits of the Rights Issue and the Use of Proceeds” in this announcement.

The Board considers, despite any potential dilution impact of the proposed Rights Issue on the shareholding interests of the Shareholders, the terms of the Rights Issue, including the Subscription Price, are fair and reasonable and in the interests of the Company and the Shareholders as a whole, after taking into account that (i) the Qualifying Shareholders who do not wish to take up their provisional entitlements under the Rights Issue can sell the Nil-paid Rights in the market; (ii) the Rights Issue allows the Qualifying Shareholders to subscribe for their pro-rata Rights Shares for the purpose of maintaining their respective existing shareholding interests in the Company at a relatively low price as compared to the historical market price of the Shares and discount to the recent closing prices of the Shares; and (iii) the proceeds from the Rights Issue can fulfil the funding needs of the Group.

### **Non-underwritten Basis**

On a best efforts basis through the Placing under Rule 7.21(1) of the Listing Rules, there will be no excess application arrangements in relation to the Rights Issue.

Subject to the fulfilment of conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares. In the event that the Rights Issue is not fully subscribed, any Rights Shares that are not subscribed by the Qualifying Shareholders or renouncees or transferees of the Nil-paid Rights under the PALs (i.e. the Unsubscribed Rights Shares) together with the ES Unsold Rights Shares (collectively, the Placing Shares) will be placed to independent Placees on a best effort basis through the Placing. Any Placing Shares which are not placed will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There are no statutory requirements regarding the minimum subscription levels in respect of the Rights Issue and there is no minimum amount to be raised under the Rights Issue.

As the Rights Issue will proceed on a non-underwritten basis, to avoid the unwitting triggering of MGO Obligation and non-compliance of Public Float Requirement, all applications for Rights Shares whether under the PAL(s), or by transferees of Nil-paid Rights will be made on the basis that the applications are to be scaled down by the Company to a level which (a) does not trigger an MGO Obligation on the part of the applicant or parties acting in concert with him/her/it, and/or (b) does not result in the non-compliance of the Public Float Requirement on the part of the Company. Any subscription monies for the Scale-down PAL Shares will be refunded to the applicants.

### **Conditions of the Rights Issue**

The Rights Issue is conditional upon:

- (i) the passing by the Independent Shareholders at the EGM of the necessary resolution(s) to approve the Rights Issue and the transactions contemplated thereunder (including but not limited to the allotment and issue of the Rights Shares) by no later than the Prospectus Posting Date;
- (ii) the Listing Committee of the Stock Exchange granting or agreeing to grant and not having withdrawn or revoked the listing of, and permission to deal in, all the Rights Shares (in their nil-paid and fully-paid forms);
- (iii) the electronic delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively of one copy of each of the Prospectus Documents duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by resolution of the Directors no later than the Prospectus Posting Date of the Prospectus Documents and other documents in compliance with the Companies (WUMP) Ordinance and otherwise complying with the requirements of the Listing Rules and the Companies (WUMP) Ordinance;
- (iv) following registration, the posting of the Prospectus Documents to the Qualifying Shareholders and the publication of the Prospectus on the website of the Stock Exchange on or before the Prospectus Posting Date and the posting of the Prospectus and a letter in the agreed form to the Excluded Shareholders, if any, for information purpose only explaining the circumstances in which they are not permitted to participate in the Rights Issue on or before the Prospectus Posting Date; and
- (v) the Placing Agreement not being terminated pursuant to the terms thereof and remaining in full force and effect.

None of the above conditions can be waived. If any of the conditions referred to above is not fulfilled by the Latest Time for Termination, the Rights Issue will not proceed. The Company shall use all reasonable endeavours to procure the fulfilment of all the above conditions precedent by the Latest Time for Termination or such other date as the Company and the Placing Agent may agree.

**As the proposed Rights Issue is subject to the above conditions, it may or may not proceed.**

## **Basis of provisional allotments**

The Rights Shares will be allotted on the basis of two (2) Rights Shares for every one (1) existing Share held by the Qualifying Shareholders as at the close of business on the Record Date at the Subscription Price payable in full on acceptance and otherwise on the terms and subject to the conditions set out in the Placing Agreement and the Prospectus Documents.

The PAL relating to the Rights Shares will be enclosed with the Prospectus entitling the Qualifying Shareholders to whom it is addressed to subscribe for the Rights Shares as shown therein. Application for all or any part of a Qualifying Shareholder's provisional allotment should be made with the Registrar on or before the Latest Time for Acceptance by lodging a duly completed PAL and a cheque or a banker's cashier order for the sum payable for the Rights Shares being applied for.

## **Status of the Rights Issue**

The Rights Shares (when allotted, issued and fully paid or credited as fully paid) will rank *pari passu* in all respects with the existing Shares in issue on the date of allotment and issue of the Rights Shares. Holders of the fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid on or after the date of allotment and issue of the fully-paid Rights Shares.

## **Qualifying Shareholders**

The Rights Issue is only available to the Qualifying Shareholders and will not be extended to the Excluded Shareholders (if any). To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company as at the close of business on the Record Date and not be an Excluded Shareholder.

In order to be registered as members of the Company on the Record Date, all transfers of the Shares (together with the relevant share certificate(s) and/or the instrument(s) of transfer) must be lodged with the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration by no later than 4:30 p.m. on Friday, 15 May 2026 (Hong Kong time).

It is expected that the last day of dealings in the Shares on a cum-rights basis is Wednesday, 13 May 2026, and the Shares will be dealt with on an ex-rights basis from Thursday, 14 May 2026.

Beneficial owners whose Shares are held by nominee companies (or held in CCASS) should note that the Board will regard a nominee company (including HKSCC Nominees Limited) as a single Shareholder according to the register of members of the Company. Beneficial owners with their Shares held by nominee companies (or held in CCASS) are advised to consider whether they would like to arrange for registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date. Shareholders and investors should consult their professional advisers if they are in doubt as to their status and action to be taken.

Subject to the registration of the Prospectus Documents in accordance with the applicable laws and regulations, the Company will despatch the Prospectus Documents to the Qualifying Shareholders on the Prospectus Posting Date and will despatch the Prospectus only (without the PAL) to the Excluded Shareholders for their information purpose only to the extent permitted under the relevant laws and regulations and reasonably practicable.

Qualifying Shareholders who take up their pro-rata entitlement in full will not suffer any dilution to their interests in the Company.

**If a Qualifying Shareholder does not take up his/her/its entitlement in full under the Rights Issue, his/her/its proportionate shareholding in the Company will be diluted.**

Arrangements will be made for the Rights Shares, which would otherwise have been provisionally allotted to the Excluded Shareholders, to be sold in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses, will be paid pro rata (but rounded down to the nearest cent) to the relevant Excluded Shareholders in Hong Kong dollars, except that the Company will retain individual amounts of less than HK\$100 for its own benefit.

Any Rights Shares that are not subscribed by the Qualifying Shareholders or renounees or transferees of the Nil-paid Rights under the PALs together with the ES Unsold Rights Shares (collectively, the Placing Shares) will, on a best effort basis, be placed by the Placing Agent to independent Placees, who and whose ultimate beneficial owner(s) shall be Independent Third Party(ies), at the Subscription Price.

#### **Rights of the Overseas Shareholder(s) (if any)**

The Prospectus Documents to be issued in connection with the Rights Issue will not be registered or filed under the securities law of any jurisdiction other than Hong Kong. Overseas Shareholders may not be eligible to take part in the Rights Issue as explained below.

Pursuant to the notes to Rule 13.36(2)(a) of the Listing Rules, the Company will make necessary enquiries regarding the feasibility of extending the Rights Issue to Overseas Shareholders (if any) under the laws of the relevant overseas jurisdictions and the requirements of the relevant regulatory bodies or stock exchanges. If, based on legal advice, the Board is of the opinion that it would be necessary or expedient not to offer the Rights Shares to any Overseas Shareholders on account either of the legal restrictions under the laws of relevant place(s) or the requirements of the relevant overseas regulatory body or stock exchange, no provisional allotment of the nil-paid Rights Shares or allotment of fully-paid Rights Shares will be made to such Overseas Shareholder(s). In such circumstances, the Rights Issue will not be extended to the Excluded Shareholders. The basis for excluding the Excluded Shareholders, if any, from the Rights Issue will be set out in the Prospectus to be issued. As at the date of this announcement, the Company does not have any Overseas Shareholders.

**Overseas Shareholders and beneficial owners of the Shares who are residing outside Hong Kong should note that they may or may not be entitled to take part in the Rights Issue, subject to the results of enquiries made by the Directors pursuant to the notes to Rule 13.36(2)(a) of the Listing Rules. Accordingly, Overseas Shareholders and beneficial owners of the Shares who are residing outside Hong Kong should exercise caution when dealing in the securities of the Company.**

### **Certificates of the Rights Shares and refund cheques for the Rights Issue**

Subject to fulfilment of the conditions of the Rights Issue, (i) share certificates for the fully-paid Rights Shares; and (ii) refund cheques if the Rights Issue does not proceed are expected to be posted on or before Thursday, 18 June 2026 by ordinary post, at the respective Shareholders' own risk, to their registered addresses.

### **Fractional Entitlements to the Rights Shares**

On the basis of provisional allotment of two (2) Rights Shares for every one (1) existing Share held by the Qualifying Shareholders on the Record Date, no fractional entitlements to the Rights Shares will arise under the Rights Issue.

### **Application for listing of the Rights Shares and applicable fees**

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Rights Shares (in both nil-paid and fully-paid forms) to be issued and allotted pursuant to the Rights Issue. No part of the securities of the Company is listed or dealt in, and no listing of or permission to deal in any such securities is being or is proposed to be sought, on any other stock exchanges.

### **Stamp duty and other applicable fees**

Dealing in the Rights Shares in both their nil-paid and fully-paid forms which are registered in the register of members of the Company in Hong Kong will be subject to payments of stamp duty, Stock Exchange trading fee, SFC transaction levy, AFRC transaction levy or any other applicable fees and charges in Hong Kong.

### **Taxation**

Shareholders are advised to consult their professional advisers if they are in doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the nil-paid Rights Shares or the fully-paid Rights Shares and, regarding Excluded Shareholders, their receipt of the net proceeds, if any, from sales of the nil-paid Rights Shares on their behalf.

## **Rights Shares will be eligible for admission into CCASS**

Subject to the granting of the listing of, and the permission to deal in, the Rights Shares (in both their nil-paid and fully-paid forms) on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares (in both their nil-paid and fully-paid forms) will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in their nil-paid and fully-paid forms on the Stock Exchange, or such other dates as determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their licensed securities dealer(s) or other professional adviser(s) for details of those settlement arrangements and how such arrangements will affect their rights and interests.

## **Procedures in respect of the Unsubscribed Rights Shares and the ES Unsold Rights Shares and the Placing**

The Company will make arrangements to dispose of the Unsubscribed Rights Shares and the ES Unsold Rights Shares by offering them as Placing Shares to independent Placees through the Placing.

Accordingly, on 27 March 2026 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent in relation to the placing of the Unsubscribed Rights Shares and the ES Unsold Rights Shares (collectively, the Placing Shares) to independent Placees on a best effort basis. Pursuant to the Placing Agreement, the Company has conditionally agreed to appoint and the Placing Agent has conditionally agreed to act as the Placing Agent for the Company to procure on a best effort basis not less than six (6) Placees to subscribe for the Placing Shares at the Subscription Price during the Placing Period. The Placing Shares, forming part of the Rights Issue, will be allotted and issued subject to the listing approval of the Stock Exchange and the EGM. The Placing Agent will, on a best effort basis, procure, by not later than 4:00 p.m. on Monday, 6 July 2026, acquires for all (or as many as possible) of those Placing Shares. **Under the terms of the Placing Agreement, if all the Rights Shares are already fully taken up in the Rights Issue through the PAL(s), the Placing will not proceed.** Any Placing Shares which are not placed will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

## **THE PLACING AGREEMENT**

On 27 March 2026 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Company has conditionally agreed to appoint and the Placing Agent has conditionally agreed to act as the Placing Agent for the Company to procure on a best effort basis not less than six (6) Placees, who and whose ultimate beneficial owner(s) shall be Independent Third Party(ies), to subscribe for the Placing Shares at the Subscription Price during the Placing Period on and subject to the terms and conditions set out in the Placing Agreement. The Placing Shares, forming part of the Rights Issue, will be allotted and issued subject to the listing approval of the Stock Exchange and the EGM.

Under the terms of the Placing Agreement, if all the Rights Shares are already fully taken up in the Rights Issue, i.e. all the Rights Shares are fully subscribed by the Qualifying Shareholders or renouncee(s) or transferee(s) under the PAL(s), the Placing will not proceed.

Principal terms of the Placing Agreement are summarised as follows:

Date : 27 March 2026 (after trading hours)

Issuer : the Company

Placing Agent : Tiger Faith Securities Limited

The Placing Agent confirmed that it and its ultimate beneficial owner(s) are not Shareholders and are Independent Third Parties.

Placing Price : The placing price of each of the Placing Shares shall not be less than the Subscription Price (exclusive of any brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee as may be payable).

Placing Period : The period from Wednesday, 17 June 2026 up to 4:00 p.m. on Monday, 6 July 2026, or such other dates as the Company may announce, being the period during which the Placing Agent will carry out and/or effectuate the Placing.

Placing Commission : The Company shall pay the Placing Agent a placing commission equivalent to 4% of the amount which is equal to the Placing Price multiplied by the total number of the Placing Shares which are successfully placed by the Placing Agent.

Placees : The Placing Shares are expected to be placed to placees, who and whose ultimate beneficial owner(s) shall be Independent Third Party(ies).

For the avoidance of doubt, none of the Placees shall become a substantial shareholder of the Company.

Ranking of the placed Placing Shares : The placed Placing Shares (when allotted, issued and fully paid, if any) shall rank *pari passu* in all respects among themselves and with the existing Shares in issue as at the date of completion of the Placing.

Conditions Precedent : The obligations of the Placing Agent under the Placing Agreement are conditional upon the following conditions being fulfilled:

- (i) the Listing Committee of the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Rights Shares, including the Placing Shares;
- (ii) none of the representations, warranties or undertakings contained in the Placing Agreement being or having become untrue, inaccurate or misleading in any material respect at any time before completion, and no fact or circumstance having arisen and nothing having been done or omitted to be done which would render any of such undertakings, representations or warranties untrue or inaccurate in any material respect if it was repeated as at the time of completion; and
- (iii) the Placing Agreement not having been terminated in accordance with the provisions thereof.

The Placing Agent may, in its absolute discretion, waive the fulfillment of all or any or any part of the above conditions (other than the condition set out in paragraph (i) above) by notice in writing to the Company. The Company shall use its best endeavours to procure the fulfilment of such conditions precedent by 4:00 p.m. on Tuesday, 7 July 2026 (the “Long Stop Date”). If any of the conditions precedent to the Placing Agreement have not been fulfilled by the Long Stop Date or become incapable of being fulfilled (subject to the Placing Agent not exercising its rights to waiver or extend the time for fulfilment of such conditions), then the Placing will lapse and all rights, obligations, liabilities of the Company and the Placing Agent in relation to the Placing shall cease and determine, save in respect of any accrued rights or obligations under the Placing Agreement or antecedent breach thereof.

Termination

: The Placing Period shall end at 4:00 p.m. on Monday, 6 July 2026 or any other date by mutual agreement between the Placing Agent and the Company.

The Placing Agent may terminate the Placing Agreement by notice in writing given to the Company at any time on or prior to the Long Stop Date if any of the following events occur at any time prior to the Long Stop Date:

- (a) in the reasonable opinion of the Placing Agent, there shall have been since the date of the Placing Agreement such a change in national or international financial, political or economic conditions or taxation or exchange controls as would be likely to prejudice materially the consummation of the Placing; or
- (b) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any matter whatsoever which may adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
- (c) any material breach of any of the representations and warranties set out in the Placing Agreement comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date of the Placing Agreement and prior to the Long Stop Date which if it had occurred or arisen before the date of the Placing Agreement would have rendered any of such representations and warranties untrue or incorrect in any material respect or there has been a material breach by the Company of any other provision of the Placing Agreement; or
- (d) there is any adverse change in the financial position of the Company which in the reasonable opinion of the Placing Agent is material in the context of the Placing.

If notice of termination is given by the Placing Agent, the Placing Agreement shall be terminated and be of no further effect and neither party shall be under any liability to the other party in respect of the Placing Agreement save for any antecedent breach under the Placing Agreement prior to such termination.

Board lot size of Rights  
Shares (in both nil-paid  
and fully-paid forms) : 10,000 Shares

The terms of the Placing Agreement (including the commission payable) were determined after arm's length negotiation between the Placing Agent and the Company with reference to the size of the Rights Issue and the market conditions. The Board considers the terms of the Placing for the Placing Shares (including the commission payable) are on normal commercial terms and are fair and reasonable.

As explained above, the Placing Shares will be placed by the Placing Agent to independent Placees on a best effort basis. The net proceeds from the Placing will be utilised for the same purposes as described in the section headed "Reasons for and Benefits of the Rights Issue and the Use of Proceeds" in this announcement.

Given that the Placing would provide (i) a distribution channel of the Placing Shares for the Company; and (ii) a channel of participation in the Rights Issue for independent investors, so that the Placing would allow the Company to raise the shortfall of funds required where possible after the Rights Issue, the Board considers that the Placing is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Placing Agent shall use its best endeavours and make all reasonable enquiries to ensure that the Placing Shares are placed (i) to such persons or companies whose themselves and their respective ultimate beneficial owners (if applicable) are third parties independent of, and not connected with or acting in concert with, the Company, its connected persons (as defined under the Listing Rules) and their respective associates (as defined under the Listing Rules); (ii) such that no Placees, together with parties acting in concert with the respective Placees or any of the connected persons or associates of the respective Placees, shall hold in aggregate 30% or more of the voting rights of the Company immediately upon the completion of the Placing or otherwise trigger any MGO Obligation under the Takeovers Code immediately upon the completion of the Placing; and (iii) such that the Public Float Requirement be complied with by the Company immediately upon the completion of the Placing.

## **REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND THE USE OF PROCEEDS**

The Group is principally engaged in the businesses of forestry management, ginseng plantation and trading, horny goat weed plantation and trading, health products trading and investment holding.

The Group's forestry management business generates revenue primarily from the sale of timber logs harvested from the Group's forests located in Sichuan Province, the PRC. The Group commenced its ginseng plantation business in August 2022 and has been expanding its ginseng trading operations since then. In June 2024, the Group commenced the plantation of horny goat weed in its forest land. The Group commenced its health products manufacturing and trading business in November 2024 and has opened a retail store in Hong Kong selling ginseng gift boxes and other health products.

During the year ended 30 June 2025 ("FY2025"), the Group recorded revenue of approximately RMB90.2 million, representing a year-on-year increase of approximately 89.5% as compared to that for the year ended 30 June 2024 ("FY2024"). The Group's revenue for FY2025 was attributable to the forestry management business, the ginseng business and the health products business, contributing approximately RMB36.6 million, RMB39.5 million and RMB14.1 million

to the Group's total revenue, respectively. The Group's profit decreased significantly from approximately RMB200.0 million for FY2024 to approximately RMB22.7 million for FY2025. Such substantial decrease was mainly due to the one-off gain of approximately RMB202.0 million on debt restructuring recorded for FY2024.

### **Forestry management business**

The Group successfully obtained the logging permits during the year of 2025 with logging quantity of 12,368 cubic meters in aggregate in June 2025, which is higher than the logging quantity obtained in 2024. During FY2025, the Group completed the sales of logging quantity of approximately 18,016 cubic meters and generated logging revenue of approximately RMB36.6 million. The Group's forests are located in Jiange County, Sichuan Province, the PRC, with a total leasehold land base of approximately 117,354 Chinese Mu (equivalent to approximately 7,824 hectares) across five forest areas, namely, the Hengchang Forest, the Kunlin Forest, the Senbo Forest, the Ruixiang Forest and the Wantai Forest as set out in the annual report of the Company for FY2025.

### **Ginseng business**

The Group has been expanding its ginseng plantation and trading operations since August 2022. During FY2025, the Group recorded revenue of approximately RMB39.5 million from the ginseng business, comprising approximately RMB25.0 million from the sale of ginseng purchased from suppliers and approximately RMB14.5 million from its self-grown ginseng. To reduce reliance on external suppliers, the Group intends to gradually decrease the purchases of aged ginseng from suppliers as it builds up its self-grown inventory of aged ginseng.

### **Horny goat weed business**

The Group successfully planted the first batch of horny goat weed in its forest land in June 2024 and added 28 Chinese Mu of horny goat weed cultivation in July 2024. It is expected that the horny goat weed will be sold to customers by June 2026 and generate revenue in the future.

### **Health products business**

The Group commenced its manufacturing and trading of health products in November 2024 and has opened a retail store in Hong Kong. The store currently sells ginseng gift boxes under the Group's own brand name and other health products. During FY2025, the Group recorded revenue of approximately RMB14.1 million from the health products business. The Group aims to expand its health products market into the PRC in the future and will continue to provide customers with high-quality health products to promote its business growth.

Taking into consideration (i) the Group's established and growing forestry management, ginseng and health products businesses; (ii) the anticipated increase in logging quota for the Group's forests; (iii) the Group's plans to expand its ginseng plantation and reduce reliance on external suppliers; and (iv) the Group's intention to expand its health products business into the PRC market, the Group plans to continue developing and expanding its existing businesses and to diversify into a new business area, namely, the medical aesthetics industry, in order to enhance the overall financial performance of the Group and generate greater returns for the Shareholders.

## Funding Needs of the Group

The Board considers that the Group has imminent funding needs for its business expansion and debt management, taking into consideration the following:

- as illustrated above, it is the Group's business strategies to (i) further expand its ginseng plantation business by acquiring additional ginseng plantation land; (ii) invest in the medical aesthetics industry as a new business segment of the Group; and (iii) strengthen the general working capital of the Group to support its ongoing business operations. The management of the Group anticipates that the Group's business strategies will significantly increase its working capital requirement. Having considered the Group's current scale of operations, recurrent working capital requirement and current available cash resources, the management of the Company considers that the Group has genuine needs to raise funds for financing its expansion plans;
- as at the date of this announcement, the Group had outstanding promissory notes in the principal amount of HK\$120.0 million (equivalent to approximately RMB110.03 million), which were issued on 28 July 2023 and are payable to Independent Third Parties. These outstanding promissory notes have a maturity of five years (i.e. maturing on 28 July 2028) and carry a stepped interest rate of nil for the first year, 2% per annum for the second year, 3% per annum for the third year, 4% per annum for the fourth year and 6% per annum for the fifth year, payable annually in arrears. The promissory notes are secured by a charge over all forest lands owned by the Group. As at 30 June 2025, the remaining balance of the promissory notes was approximately RMB115.6 million; and
- the Group has considered obtaining banking facilities from licensed banks in Hong Kong for funding its business expansion. Based on preliminary discussions with licensed banks, such banking facilities would be required to be secured by the Group's assets. Taking into consideration the existing carrying amount of the property, plant and equipment of the Group, the Directors consider that the Group may not have sufficient assets for fulfilling the security requirements for obtaining banking facilities. In addition, debt financing will result in additional interest burden and higher gearing ratio of the Group, and subject the Group to repayment obligations. Therefore, the management of the Company considers that it is in the interests of the Company and the Shareholders as a whole to proceed with the Rights Issue instead of debt financing.

Assuming there will be no change in the number of Shares in issue on or before the Record Date and full subscription of the Rights Issue, the maximum net proceeds from the Rights Issue (after deducting the estimated expenses of approximately HK\$1.5 million) is expected to be approximately HK\$50.0 million. The Company intends to apply the net proceeds from the Rights Issue in the following manner:

- (a) approximately HK\$22.0 million (being approximately 44.00% of the net proceeds) is intended to be used for the expansion of the scale of ginseng plantation by various means, including but not limited to acquisition of forests and other plantation sites and related marketing and promotion activities to support the Group's expansion in the ginseng business;
- (b) approximately HK\$18.0 million (being approximately 36.00% of the net proceeds) is intended to be used for investment in the medical aesthetics industry, including but not limited to the acquisition of equipment, establishment of operational facilities and related business development; and
- (c) approximately HK\$10.0 million (being approximately 20.00% of the net proceeds) is intended to be used for general working capital of the Group, including but not limited to salary expenses and other office and corporate expenses.

In the event that there is an under-subscription of the Rights Issue, the net proceeds of the Rights Issue will be utilised in proportion to the above uses.

#### **Other fund-raising alternatives**

Apart from the Rights Issue, the Directors have considered other debt/equity fund raising alternatives such as bank borrowings, placing, or an open offer.

In respect of debt financing, the Directors noted that bank borrowings will carry interest costs and may require the provision of security and creditors will rank before the Shareholders. Debt financing will also result in additional interest burden, higher gearing ratio of the Group and subject the Group to repayment obligations. In addition, debt financing may not be achievable on favourable terms in a timely manner.

As for equity fund raising, such as placing of new Shares, it is relatively smaller in scale as compared to fund raising through rights issue and it would lead to immediate dilution in the shareholding interest of the existing Shareholders without offering them the opportunity to participate in the enlarged capital base of the Company, which is not the intention of the Company.

As opposed to an open offer, the Rights Issue enables the Shareholders to sell the Nil-paid Rights in the market. The Rights Issue will give the Qualifying Shareholders the opportunity to maintain their respective pro-rata shareholding interests in the Company and to continue to participate in the future development of the Company. The Placing arrangement, which involves the placement of the Placing Shares at the Subscription Price, serves to maximise the funds to be raised.

Having considered the abovementioned alternatives, the Directors consider raising funds by way of the Rights Issue is more attractive in the current market condition and the Rights Issue will enable the Company to strengthen its working capital base and enhance its financial position, while at the same time, allowing the Qualifying Shareholders to maintain their proportional shareholdings in the Company.

Based on the above, the Board (excluding the members of the Independent Board Committee whose opinion will be rendered after considering the advice from the Independent Financial Adviser) considers that raising capital through the Rights Issue is in the interests of the Company and the Shareholders as a whole. In addition, having considered the capital needs of the Group, the terms of the Rights Issue and the Subscription Price, the Board also considers that it is in the interests of the Company to proceed with the Rights Issue on a non-underwritten basis. However, those Qualifying Shareholders who do not take up the Rights Shares to which they are entitled and Excluded Shareholder(s), if any, should note that their shareholdings will be diluted.

### **FUND RAISING EXERCISE OF THE COMPANY IN THE PAST 12 MONTHS**

The Company has conducted the following equity fund raising activities in the past twelve months immediately prior to the date of this announcement:

<b>Date of announcement</b>	<b>Completion date</b>	<b>Fund raising activity</b>	<b>Net proceeds raised (approximately)</b>	<b>Intended use of proceeds</b>	<b>Actual use of proceeds as at the date of this announcement</b>
22 July 2025	1 August 2025	Placing of 17,000,000 new shares at the placing price of HK\$0.28 per placing share under general mandate granted to the Directors at the annual general meeting of the Company held on 30 December 2024	HK\$4.63 million	(i) Approximately HK\$1.45 million for rental expenses; (ii) approximately HK\$0.58 million for staff costs; and (iii) approximately HK\$2.60 million for professional fees	The net proceeds have been fully utilised as intended.

Save as disclosed above, the Company did not conduct any equity fund raising activities in the past twelve months immediately prior to the date of this announcement.

## CHANGE IN SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company, assuming no further change in the number of issued Shares before completion of the Rights Issue other than the allotment and issue of the Rights Shares, (i) as at the date of this announcement; (ii) immediately upon completion of the Rights Issue assuming full acceptance of the Rights Shares by the Qualifying Shareholders; (iii) immediately upon completion of the Rights Issue assuming nil acceptance of the Rights Shares by the Qualifying Shareholders and all the remaining Placing Shares having been placed by the Placing Agent; and (iv) immediately upon completion of the Rights Issue assuming nil acceptance of the Rights Shares by the Qualifying Shareholders and none of the Placing Shares are placed by the Placing Agent:

Shareholder	As at the date of this announcement		Immediately upon completion of the Rights Issue					
			Assuming full acceptance of the Rights Shares by the Qualifying Shareholders		Assuming nil acceptance of the Rights Shares by the Qualifying Shareholders and all the remaining Placing Shares having been placed by the Placing Agent		Assuming nil acceptance of the Rights Shares by the Qualifying Shareholders and none of the Placing Shares are placed by the Placing Agent	
	Number of issued Shares	%	Number of issued Shares	%	Number of issued Shares	%	Number of issued Shares	%
Ms. Huang (Note 1)	8,056,800	7.83	24,170,400	7.83	8,056,800	2.61	8,056,800	7.83
Public Shareholders								
- Independent Placees (Note 2)	-	-	-	-	205,848,440	66.67	-	-
- Other public Shareholders	94,867,420	92.17	284,602,260	92.17	94,867,420	30.72	94,867,420	92.17
<b>Total</b>	<b>102,924,220</b>	<b>100.00</b>	<b>308,772,660</b>	<b>100.00</b>	<b>308,772,660</b>	<b>100.00</b>	<b>102,924,220</b>	<b>100.00</b>

### Notes:

- These 8,056,800 Shares comprise 1,020,000 Shares and 7,036,800 Shares held by Ms. Huang through China Sports Asset Management Co., Limited (“**China Sports**”) and Zhonggangtong International Holding Group Co., Limited (“**Zhonggangtong International**”), respectively, each of which is ultimately controlled by Ms. Huang. Pursuant to Divisions 7 and 8 of Part XV of the Securities and Futures Ordinance, Ms. Huang is deemed to have an interest in all Shares in which each of China Sports and Zhonggangtong International has, or is deemed to have, an interest.
- As it is not expected that any of the individual Placees will become a substantial Shareholder immediately after completion of the Placing, the Placing Shares will form part of the public float of the Company.

## EXPECTED TIMETABLE

The expected timetable for the Rights Issue and the Placing is set out below. The expected timetable is subject to change, and any such change will be announced in a separate announcement by the Company as and when appropriate.

<b>Event</b>	<b>Date and time</b>
Expected despatch date of the circular, proxy form and the notice of the EGM .....	Friday, 24 April 2026
Latest time for lodging transfer of the Shares to qualify for attendance and voting at the EGM .....	4: 30 p.m. on Monday, 4 May 2026
Closure of register of members for determination of the right to attend and vote at the EGM (both days inclusive) .....	Tuesday, 5 May 2026 to Tuesday, 12 May 2026
Latest time for lodging proxy forms for the EGM.....	3:30 p.m. on Sunday, 10 May 2026
Record date for attendance and voting at the EGM.....	Tuesday, 12 May 2026
Expected time and date of the EGM .....	3:30 p.m. on Tuesday, 12 May 2026
Announcement of the poll results of the EGM .....	Tuesday, 12 May 2026
Register of members re-opens .....	Wednesday, 13 May 2026
Last day of dealings in the Shares on a cum-rights basis of the Rights Issue .....	Wednesday, 13 May 2026
First day of dealings in the Shares on an ex-rights basis of the Rights Issue .....	Thursday, 14 May 2026
Latest time for lodging transfer documents of the Shares in order to qualify for the Rights Issue.....	4:30 p.m. on Friday, 15 May 2026
Closure of register of members for the Rights Issue (both days inclusive) .....	Monday, 18 May 2026 to Friday, 22 May 2026
Record Date for the Rights Issue .....	Friday, 22 May 2026
Register of members of the Company re-opens.....	Tuesday, 26 May 2026
Despatch of Prospectus Documents (including the PAL and the Prospectus)(in the case of the Excluded Shareholders, the Prospectus only).....	Tuesday, 26 May 2026

First day of dealings in nil-paid Rights Shares .....	Thursday, 28 May 2026
Latest time for splitting of the PALs .....	4:30 p.m. on Monday, 1 June 2026
Last day of dealing in nil-paid Rights Shares .....	Thursday, 4 June 2026
Latest time for Acceptance of and payment for the Rights Shares .....	4:00 p.m. on Tuesday, 9 June 2026
Announcement of results of the Rights Issue including the number of Placing Shares subject to the Placing.....	Tuesday, 16 June 2026
Commencement of placing of Placing Shares (if any) by the Placing Agent .....	Wednesday, 17 June 2026
Despatch of share certificates for fully-paid Rights Shares.....	Wednesday, 17 June 2026
Despatch of refund cheques if the Rights Issue does not proceed .....	Wednesday, 17 June 2026
Commencement of dealings in fully-paid Rights Shares.....	9:00 a.m. on Thursday, 18 June 2026
Latest time for the Placing Agent to place the Placing Shares.....	4:00 p.m. on Monday, 6 July 2026
Latest time for Termination of the Placing Agreement .....	4: 00 p.m. on Tuesday, 7 July 2026

All times and dates in this announcement refer to Hong Kong local times and dates.

Dates or deadlines specified in the expected timetable above or in other parts of this announcement are indicative only and may be extended, amended or varied by the Company. Any changes to the expected timetable will be published or notified to the Shareholders and the Stock Exchange as and when appropriate.

## **EFFECT OF BAD WEATHER AND/OR EXTREME CONDITIONS ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES**

The Latest Time for Acceptance will not take place at the time indicated above if there is a tropical cyclone warning signal no. 8 or above, or “extreme conditions” caused by super typhoons announced by the Government of Hong Kong or a “black” rainstorm warning:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Tuesday, 9 June 2026. Instead, the Latest Time for Acceptance of and payment for the Rights Shares will be extended to 5:00 p.m. on the same Business Day; or
- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Tuesday, 9 June 2026. Instead, the Latest Time for Acceptance of and payment for the Rights Shares will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m..

If the Latest Time for Acceptance of and payment for the Rights Shares does not take place on or before 4:00 p.m. on Tuesday, 9 June 2026, the dates mentioned in this section may be affected. The Company will notify the Shareholders by way of announcement(s) of any change to the expected timetable as soon as practicable.

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Tuesday, 5 May 2026 to Tuesday, 12 May 2026 (both dates inclusive) for determining the Shareholders’ entitlements for attending and voting at the EGM.

The register of members of the Company will be closed from Monday, 18 May 2026 to Friday, 22 May 2026 (both dates inclusive) for determining the entitlements to the Rights Issue.

No transfer of the Shares will be registered during the above book closure periods.

## **LISTING RULES IMPLICATIONS**

In accordance with Rule 7.19A(1) and Rule 7.27A(1) of the Listing Rules, as the Rights Issue will increase the total number of issued Shares by more than 50% within the 12-month period immediately preceding the date of this announcement, the Rights Issue must be made conditional on, amongst other things, the approval by the Independent Shareholders at the EGM, and any controlling Shareholder(s) (as defined under the Listing Rules) and their respective associates, or where there is no controlling Shareholder, the Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the resolution(s) in relation to the Rights Issue at the EGM.

As at the date of this announcement, the Company has no controlling Shareholder. Accordingly, Ms. Huang, being a substantial Shareholder, and her associate(s) shall abstain from voting in favour of the proposed resolutions to approve the Rights Issue, the Placing Agreement and the transactions contemplated thereunder at the EGM. As at the date of this announcement, none of the Directors or chief executives of the Company had any interest in the Shares.

The Rights Issue will not result in a theoretical dilution effect of 25% or more. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 7.27B of the Listing Rules.

The Placing Shares, forming part of the Rights Issue, will be allotted and issued subject to the listing approval of the Stock Exchange and the EGM. As the Placing is conditional upon, among other things, the passing of necessary resolution(s) relating to the Rights Issue at the EGM, Ms. Huang, being a substantial Shareholder with beneficial interest in the Company as aforesaid, shall abstain from voting in favour of the resolution(s) relating to the Placing at the EGM.

Save as disclosed above, to the best knowledge of the Directors, as at the date of this announcement, no other Shareholders have a material interest in the Rights Issue, the Placing and the transactions contemplated thereunder and are required to abstain from voting on any resolutions relating to the Rights Issue and the transactions contemplated thereunder and the Placing at the EGM.

#### **THE INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

The Independent Board Committee comprising all the independent non-executive Directors, namely, Mr. Chau Wing Nam, Ms. Liu Shuhua and Mr. Li Liangjie, will be established to advise the Independent Shareholders as to whether the terms of the Rights Issue, the Placing Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable, in the interests of the Company and the Independent Shareholders as a whole, and to advise the Independent Shareholders as to the voting at the EGM, taking into account the recommendations of the Independent Financial Adviser to be appointed by the Company. An announcement will be made by the Company upon the establishment of the Independent Board Committee and the appointment of the Independent Financial Adviser.

In this connection, the Company will appoint an Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Rights Issue, the Placing Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable, in the interests of the Company and the Independent Shareholders as a whole, and to advise the Independent Shareholders as to the voting at the EGM.

#### **GENERAL**

The EGM will be convened for the Shareholders to consider and, if thought fit, approve the Rights Issue, the Placing Agreement and the transactions contemplated thereunder. For the purpose of determining the Shareholders' entitlements to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, 5 May 2026 to Tuesday, 12 May 2026 (both days inclusive).

A circular containing, among other things, (i) further details of the Rights Issue and the Placing Agreement; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in relation to the Rights Issue and the Placing Agreement; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Rights Issue and the Placing Agreement; (iv) other information required under the Listing Rules; and (v) a notice convening the EGM, is expected to be despatched to the Shareholders on or before Friday, 24 April 2026.

Subject to the fulfilment of the conditions of the Rights Issue, the Company will despatch the Prospectus Documents containing, among other matters, details of the Rights Issue, to the Qualifying Shareholders on or before Tuesday, 26 May 2026. The Company will despatch the Prospectus (without the PAL) to the Excluded Shareholders (if any) for their information purpose only to the extent permitted under the relevant laws and regulations and reasonably practicable. For the avoidance of doubt, the Excluded Shareholders are entitled to attend and vote at the EGM.

### **WARNING OF THE RISKS OF DEALING IN THE SHARES AND THE NIL-PAID RIGHTS SHARES**

**Shareholders and potential investors of the Company should note that the Rights Issue is subject to the fulfilment of conditions including, among other things, the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. Please refer to the paragraph headed “Conditions of the Rights Issue” in this announcement.**

**Shareholders and potential investors of the Company should note that if the conditions of the Rights Issue are not fulfilled, the Rights Issue will not proceed. Any Shareholder or other person dealing in the Shares and/or Rights Shares up to the date on which all the conditions of the Rights Issue are fulfilled will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.**

**Subject to the fulfilment of conditions, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of provisionally allotted Rights Shares. Any Unsubscribed Rights Shares together with the ES Unsold Rights Shares will be placed to independent Placées on a best effort basis through the Placing. Accordingly, if the Rights Issue is not fully subscribed and there remain Placing Shares which are not placed, the size of the Rights Issue will be reduced. Qualifying Shareholders who do not take up their provisional entitlements in full and Excluded Shareholders, if any, should note that their shareholdings in the Company may be diluted, the extent of which will depend in part on the size of the Rights Issue.**

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares and/or the Rights Shares. Any party who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).**

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings when used herein:

“AFRC”	the Accounting and Financial Reporting Council
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (excluding Saturday and Sunday and any day on which “extreme conditions” caused by super typhoons is announced by the Government of Hong Kong or a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning is hoisted or remains in effect between 9:00 a.m. and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for general business
“CCASS”	The Central Clearing and Settlement System established and operated by HKSCC
“Companies (WUMP) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Company”	China Health Technology Group Holding Company Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1069)
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving, among other things, the Rights Issue, the Placing Agreement and the transactions contemplated thereunder

“ES Unsold Rights Shares”	the Rights Share(s) which would otherwise have been provisionally allotted to the Excluded Shareholder(s) in nil-paid form that have not been sold by the Company
“Excluded Shareholder(s)”	the Overseas Shareholder(s) in respect of whom the Board, after making relevant enquiries with the legal advisers in the relevant jurisdictions, considers it necessary or expedient not to offer the Rights Shares to such Overseas Shareholder(s) on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“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
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	an independent board committee of the Board comprising all the independent non-executive Directors to be established to advise the Independent Shareholders in respect of the Rights Issue and the Placing Agreement
“Independent Financial Adviser”	the independent financial adviser to be appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the Rights Issue and the Placing Agreement
“Independent Shareholder(s)”	any Shareholder(s) who is(are) not required to abstain from voting on the resolution(s) relating to the Rights Issue, the Placing Agreement and the transactions contemplated thereunder at the EGM under the Listing Rules
“Independent Third Party(ies)”	third party(ies) independent of the Company and its connected persons and not connected with any of them or their respective associates

“Last Trading Day”	Friday, 27 March 2026, last trading day for the Shares on the Stock Exchange immediately before the publication of this announcement
“Latest Time for Acceptance”	4:00 p.m. on Tuesday, 9 June 2026 (or such later time or date as may be determined by the Company), being the latest time for acceptance of and payment for the Rights Shares
“Latest Time for Termination”	4:00 p.m. on Tuesday, 7 July 2026 or such later date as the Company and the Placing Agent may agree in writing, being the latest time to terminate the Placing Agreement
“MGO Obligation”	the obligation to make a mandatory general offer under the Takeovers Code
“Ms. Huang”	Ms. Huang Hou, a substantial Shareholder who is interested in 8,056,800 Shares (approximately 7.83% of the issued share capital of the Company) through China Sports Asset Management Co., Limited and Zhonggangtong International Holding Group Co., Limited as at the date of this announcement
“Nil-paid Rights”	the nil-paid rights of the Qualifying Shareholders to be allotted the Rights Shares pursuant to the Rights Issue
“Overseas Shareholder(s)”	the Shareholder(s) whose registered address(es) as shown in the register of members of the Company as at the close of business on the Record Date is/are outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) to be issued to the Qualifying Shareholders in connection with the Rights Issue
“Placee(s)”	institutional, corporate or individual investor(s), who and whose ultimate beneficial owner(s) shall be Independent Third Party(ies), procured by the Placing Agent and/or its sub-placing agents to subscribe for the Placing Shares pursuant to the Placing Agreement
“Placing”	the placing of the Placing Shares on a best effort basis by the Placing Agent and/or its sub-placing agents(s) to the Placees on the terms and conditions of the Placing Agreement
“Placing Agent”	Tiger Faith Securities Limited, a company incorporated in Hong Kong with limited liabilities and licensed by the SFC to carry on Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activity under SFO

“Placing Agreement”	the placing agreement dated 27 March 2026 entered into between the Company and the Placing Agent in relation to the Placing
“Placing Period”	a period commencing from the first Business Day after the date of announcement of the number of the Placing Shares, which is expected to be Wednesday, 17 June 2026, and ending at 4:00 p.m. on Monday, 6 July 2026, or such other dates as the Company may announce
“Placing Price”	the placing price of the Placing Shares which shall not be less than the Subscription Price (exclusive of any brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee as may be payable)
“Placing Shares”	the Unsubscribed Rights Shares and the ES Unsold Rights Shares to be placed to the Placee(s) by the Placing Agent
“PRC”	the People’s Republic of China
“Prospectus”	the prospectus to be issued to the Shareholders containing details of the Rights Issue
“Prospectus Documents”	the Prospectus and the PAL
“Prospectus Posting Date”	Tuesday, 26 May 2026 or such other date as the Company may determine, being the date on which the Prospectus Documents are posted to the Qualifying Shareholders and the Prospectus for information only to the Excluded Shareholders
“Public Float Requirement”	the public float requirement under Rule 8.08 of the Listing Rules
“Qualifying Shareholder(s)”	Shareholders, other than Excluded Shareholders, whose names appear on the register of members of the Company at the close of business on the Record Date
“Record Date”	Friday, 22 May 2026 or such other date as may be determined by the Company, being the date by reference to which the Shareholders’ entitlements to participate in the Rights Issue will be determined
“Registrar”	Tricor Investor Services Limited, the Company’s Hong Kong branch share registrar and transfer office, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong

“Rights Issue”	the proposed issue of the Rights Shares by way of rights on the basis of two (2) Rights Shares for every one (1) Share held by the Qualifying Shareholders on the Record Date at the Subscription Price
“Rights Share(s)”	up to 205,848,440 new Shares (assuming no change in the number of issued Shares on or before the Record Date) to be allotted and issued pursuant to the Rights Issue
“RMB”	Renminbi, the lawful currency of the PRC
“Scale-down PAL Shares”	such number of Rights Shares applied for under the PAL(s) which would, if allotted by the Company, result in either the incurring of an MGO Obligation on the part of the applicant or the failure to comply with the Public Float Requirement on the part of the Company
“SFC”	the Securities and Futures Commission
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary shares of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the subscription price of HK\$0.25 per Rights Share under the Rights Issue
“substantial shareholder(s)”	has the meaning as ascribed thereto under the Listing Rules
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers

“Unsubscribed Rights Share(s)” the Rights Shares that are not subscribed by the Qualifying Shareholder(s) or renouncee(s) or transferee(s) of Nil-paid Rights under the PAL(s)

“%” per cent

By order of the Board  
**China Health Technology Group Holding Company Limited**  
**Bu Xue**  
*Chairman and Executive Director*

Hong Kong, 27 March 2026

*As at the date of this announcement, the Board comprises Ms. Bu Xue and Ms. Cao Xiying as the executive Directors; and Mr. Chau Wing Nam, Ms. Liu Shuhua and Mr. Li Liangjie as the independent non-executive Directors.*