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EXTRAWELL PHARMACEUTICAL HOLDINGS LIMITED
精優藥業控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00858)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent

uSmart Securities Limited

The Board announces that after trading hours on 30 October 2026, the Company and the Placing Agent entered into the Placing Agreement pursuant to which the Company has conditionally agreed to place through the Placing Agent, on a best endeavour basis, up to 580,000,000 Placing Shares, to not less than six Placees who and whose ultimate beneficial owners are Independent Third Parties at a price of HK$0.052 per Placing Share.

The maximum number of the Placing Shares represents: (i) 20% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the issue of the Placing Shares.

The Placing Price of HK$0.052 per Placing Share represents: (i) a premium of approximately 1.96% over the closing price of HK$0.051 per Share as quoted on the Stock Exchange on the Last Trading Day; and (ii) a premium of approximately 5.26% over the average closing price of approximately HK$0.0494 per Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to the Last Trading Day.

Assuming the maximum number of the Placing Shares is placed under the Placing Agreement, the gross proceeds from the Placing will be approximately HK$30.2 million and the net proceeds will be approximately HK$29.4 million (after deduction of placing commission and other expenses of the Placing). It is expected that (a) approximately HK$9.8 million, representing approximately 33.33% of the maximum net proceeds will be used to expand the Group's business of trading of electronic modules and related products; and (b) approximately HK$19.6 million, representing approximately 66.67% of the maximum net proceeds will be used by the Group to support the launch of its business of manufacturing, sale and research and development of electronic modules and related products.

The Placing Shares will be allotted and issued pursuant to the General Mandate. As at the date of this announcement, no new Shares have been issued pursuant to the General Mandate, and accordingly 580,000,000 Shares remain to be available for issue under the General Mandate. The allotment and issue of the Placing Shares are not subject to further Shareholders' approval.

Since Completion is subject to the fulfilment of the condition as described below, the Placing may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

The Board announces that after trading hours on 30 October 2026, the Company and the Placing Agent entered into the Placing Agreement, the principal terms of which are summarised below.

THE PLACING AGREEMENT

Date

30 October 2026

Issuer

The Company

Placing Agent

uSmart Securities Limited

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

Placees

The Placing Shares are to be placed to not less than six Placees, who and whose ultimate beneficial owners shall be Independent Third Parties. The Placing Agent has represented, warranted and undertaken to the Company that none of the Placees will become a substantial shareholder (within the meaning of the Listing Rules) of the Company upon Completion.

Number of Placing Shares

The maximum number of the Placing Shares represents (i) 20% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the issue of the Placing Shares.

The maximum aggregate nominal value of the Placing Shares under the Placing will be HK$5,800,000.

Placing Price

The Placing Price of HK$0.052 per Placing Share represents:

(i) a premium of approximately 1.96% over the closing price of HK$0.051 per Share as quoted on the Stock Exchange on the Last Trading Day; and

(ii) a premium of approximately 5.26% over the average closing price of approximately HK$0.0494 per Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to the Last Trading Day.

The Placing Price was determined after arm's length negotiations between the Company and the Placing Agent with reference to the recent market prices of the Shares.

The Directors consider that the Placing Price is fair and reasonable based on the current market conditions and in the interests of the Company and the Shareholders as a whole.

Placing commission

The Placing Agent will receive a placing commission of one (1)% of the aggregate Placing Price of the Placing Shares actually placed in accordance with the Placing Agreement. The placing commission was arrived at after arm's length negotiations between the Company and the Placing Agent under normal commercial terms and with reference to the prevailing commission rates charged by other placing agents and the current market conditions.

Ranking of Placing Shares

The Placing Shares, when issued, will be fully paid up and will rank *pari passu* in all respects with the other Shares in issue as at the date of allotment and issue of the Placing Shares.

Condition of the Placing

The Placing is conditional upon the granting or agreeing to grant by the Stock Exchange of the listing of, and permission to deal in, all of the Placing Shares. If the above condition is not fulfilled by 13 November 2026 (or such later date as the Company and the Placing Agent may agree in writing), all obligations of the Placing Agent and of the Company under the Placing Agreement shall cease and determine and none of the Placing Agent or the Company shall have any claim against the other in relation to the Placing, save in respect of any antecedent breach of any obligation under the Placing Agreement.

Completion

Completion of the Placing will take place within five (5) Business Days following the day on which the above condition is satisfied (or such other date as the Company and the Placing Agent may agree in writing).

Termination

Under the Placing Agreement:

(1) the Placing Agent may, in its reasonable opinion, after consultation with the Company, terminate the Placing Agreement by notice in writing to the Company at any time up to 8:00 a.m. on the Completion Date if:

    (a) there is any change in national, international, financial, exchange control, political, economic conditions in Hong Kong which in the reasonable opinion of the Placing Agent would be materially adverse in the consummation of the Placing; or

    (b) there is any breach of the warranties, representations and undertakings given by the Company in the Placing Agreement and such breach is considered by the Placing Agent on reasonable grounds to be material in the context of the Placing; or

    (c) there is any material change (whether or not forming part of a series of changes) in market conditions which in the reasonable opinion of the Placing Agent would materially and prejudicially affect the Placing or makes it inadvisable or inexpedient for the Placing to proceed; and

(2) the Company may, in its reasonable opinion, after consultation with the Placing Agent, terminate the Placing Agreement by notice in writing to the Placing Agent at any time up to 8:00 a.m. on the Completion Date if there is a breach of the warranties, representations and undertakings given by the Placing Agent in the Placing Agreement and such breach is considered by the Company on reasonable grounds to be material.

Upon termination of the Placing Agreement as mentioned above, all liabilities of the parties thereto thereunder shall cease and determine and no party thereto shall have any claim against the other party in respect of any matter or thing arising out of or in connection with the Placing Agreement save in respect of any antecedent breach of any obligation under the Placing Agreement.

APPLICATION FOR LISTING

Application will be made to the Stock Exchange for the listing of, and permission to deal in, all of the Placing Shares.

GENERAL MANDATE TO ALLOT AND ISSUE THE PLACING SHARES

The Placing Shares will be allotted and issued pursuant to the General Mandate granted to the Directors by the Shareholders at the 2026 AGM. Under the General Mandate, the Company is authorised to allot and issue new shares of the Company not exceeding 20% of the total number of issued shares of the Company as at the date of passing the relevant resolution approving the General Mandate. Such number of Shares shall not exceed 580,000,000 Shares. As at the date of this announcement, no new Shares have been issued under the General Mandate since its grant.

Accordingly, the allotment and issue of the Placing Shares are not subject to further Shareholders' approval.

REASONS FOR THE PLACING AND USE OF PROCEEDS

The Company is an investment holding company and the Group is principally engaged in the development, manufacture and sales of pharmaceutical products in the PRC, and the marketing and distribution of imported pharmaceutical products to customers in the PRC.

In line with its long-term business strategy, the Group has been trying to identify new and sustainable sources of revenue streams to support its growth and development. The Group is in the course of setting up a framework for its new business venture into the healthcare trading business in the PRC through the establishment of a joint venture in the PRC with a potential business partner to carry out the trading of medical devices. Such new business endeavour is intended to be funded by the net proceeds of approximately HK$15.4 million raised by the Company from its issue of a total of 160,000,000 new Shares, the completion of which took place on 10 September 2025.

Propelled by the rise of high-performance computing, smart devices and next-generation packaging technologies, the electronic modules and related products sector is embarking on a major growth phase. This industry-wide upgrade is not only accelerating the expansion of the global market size but is also reinforcing China's central leadership role within the global supply chain. As AI, cloud computing, and advanced electronic systems continue to drive innovation, the importance of this sector has become increasingly paramount.

In addition to market drivers, the Board notes that the electronics and advanced modules sectors are well-aligned with national strategic priorities in the PRC. Under the framework of China's 15th Five-Year Plan, substantial state-level support, favorable industrial policies, and strategic resources are being channeled into accelerating digital infrastructure, promoting advanced manufacturing, and fostering self-reliance in key electronic supply chains. The Board is of the opinion that such robust national policy support underpins a secure and highly sustainable growth environment for enterprises operating within the domestic electronics ecosystem. The Board also notes that the global markets for electronic modules and related products are entering an unprecedented supercycle. This monumental expansion, heavily driven by accelerated AI infrastructure deployment, global supply chain restructuring, and national policy tailwinds, presents a highly strategic growth environment. In light of the structural shifts reflected by aggressive AI deployment and advanced computing, the Group, since August 2026, has launched its new business endeavour in the trading of electronic modules and related products, including circuit boards and server boards, with target customers in Hong Kong and the PRC, to capitalise on the business opportunities arising from the immense upside of the current AI and electronics supercycle. As this new trading business has started to generate revenue for the Group, the Board is optimistic about its future prospects. The Company also intends to expand into the business of manufacturing, sale and research and development of electronic modules and related products to benefit from the rapid and massive growth of the technology and hardware markets.

Assuming the maximum number of the Placing Shares is placed under the Placing Agreement, the gross proceeds from the Placing will be approximately HK$30.2 million and the net proceeds will be approximately HK$29.4 million (after deduction of placing commission and other expenses of the Placing). On such basis, the net price per Placing Share will be approximately HK$0.05069.

In view of the above, it is expected that (a) approximately HK$9.8 million, representing approximately 33.33% of the maximum net proceeds will be used to expand the Group's business of trading of electronic modules and related products; and (b) approximately HK$19.6 million, representing approximately 66.67% of the maximum net proceeds will be used by the Group to support the launch of its business of manufacturing, sale and research and development of electronic modules and related products (which entails the setting up of manufacturing facilities at an estimated cost of not more than HK$10 million). It is currently expected that the net proceeds of the Placing will be fully utilised by the end of 2027.

The Directors are of the view that the Placing will provide the Group with the immediate capital necessary to capture the immense upside of the current AI and electronics supercycle, diversify its revenue streams into high-growth advanced technology and infrastructure sectors, and establish a robust foundation for the long-term sustainable development of both its trading and manufacturing capabilities in electronic modules and related products. The additional funds provided by the Placing will allow the Group to accelerate its operational scale in Hong Kong and the PRC without straining its existing cash flows from its other businesses, which will strengthen the foundation of the Group for its future development. Further, the Placing also represents a good opportunity for the Group to raise additional funds under the prevailing market conditions that will strengthen its financial position and broaden its shareholder base. As such, the Directors consider that the Placing is in the interests of the Company and the Shareholders as a whole.

The Directors consider that 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.

FUND RAISING ACTIVITY OF THE COMPANY IN THE PAST TWELVE MONTHS

The Company did not conduct any equity fund raising activities in the past 12 months immediately preceding the date of this announcement.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the existing shareholding structure of the Company and the effect of the Placing on the shareholding structure of the Company upon Completion (assuming the maximum number of the Placing Shares is placed and there is no other change in the shareholding structure of the Company before the issue of the Placing Shares under the Placing) are set out as below:

	As at the date of this announcement		**Immediately after Completion (assuming all the Placing Shares have been placed)**	
	No. of Shares	*Approximate %*	*No. of Shares*	*Approximate %*
Shareholders				
Dr. Guo Yi *(Note 1)*	70,000,000	2.41	70,000,000	2.01
Mr. Cheng Yong *(Note 2)*	57,570,000	1.99	57,570,000	1.65
Public				
Mr. Mao Yumin *(Note 3)*	189,920,000	6.55	189,920,000	5.46
Placees *(Note 4)*	—	—	580,000,000	16.67
Other public Shareholders	2,582,510,000	89.05	2,582,510,000	74.21
Total	**2,900,000,000**	**100.00**	**3,480,000,000**	**100.00**

Notes:

1. Dr. Guo Yi is an executive Director.

2. Mr. Cheng Yong, an executive Director, holds 830,000 Shares by himself, 51,060,000 Shares through Merchandise Holdings Limited, a company wholly owned by him and 5,680,000 Shares through his spouse.

3. Mr. Mao Yumin was a director of a non-wholly owned subsidiary of the Company prior to his resignation on 12 December 2025 and is the chief scientific adviser of the Company as at the date of this announcement.

4. It is a term of the Placing Agreement that none of the Placees shall become a substantial shareholder of the Company upon Completion.

5. Certain percentage figures included in this table have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

WARNING

Since Completion is subject to the fulfilment of the condition as described above, the Placing may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

"2026 AGM"	the annual general meeting of the Company held on 28 August 2026 at which, among other things, the General Mandate was granted to the Directors
"AI"	artificial intelligence
"associate"	has the meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"Business Day"	a day on which the Stock Exchange is open for business of dealing in securities
"China" or "PRC"	the People's Republic of China
"Company"	Extrawell Pharmaceutical Holdings Limited, a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 858)
"Completion"	completion of the placing of the Placing Shares in accordance with the terms and conditions as set out in the Placing Agreement
"connected person"	has the meaning ascribed to it under the Listing Rules
"Director(s)"	director(s) of the Company
"General Mandate"	the general mandate granted by the Shareholders at the 2026 AGM to authorise the Directors to allot, issue or otherwise deal with up to 580,000,000 new Shares
"Group"	the Company and its subsidiaries

"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Third Party(ies)"	third party(ies) independent of the Company and the connected persons of the Company
"Last Trading Day"	30 October 2026, being the date of the Placing Agreement
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Placee(s)"	any individual(s), corporate(s), institutional investor(s) or other investor(s) procured by or on behalf of the Placing Agent to subscribe for any of the Placing Shares pursuant to the Placing Agent's obligations under the Placing Agreement
"Placing"	the offer by way of private placing of the Placing Shares by or on behalf of the Placing Agent to the Placee(s), on a best endeavour basis, on the terms and subject to the conditions set out in the Placing Agreement
"Placing Agent"	uSmart Securities Limited, a corporation licensed to carry out type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities), type 5 (advising on futures contracts), type 6 (advising on corporate finance), and type 9 (asset management) regulated activities under the SFO
"Placing Agreement"	the placing agreement dated 30 October 2026 entered into between the Company and the Placing Agent in relation to the Placing
"Placing Price"	HK$0.052 per Placing Share
"Placing Shares"	up to 580,000,000 new Shares to be allotted and issued pursuant to terms and conditions of the Placing Agreement and each, a "Placing Share"
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	ordinary share(s) of HK$0.01 each in the capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

"substantial shareholder"	has the meaning ascribed to it under the Listing Rules
"%"	per cent.

By order of the Board
Extrawell Pharmaceutical Holdings Limited
Xie Yi
Chairman

Hong Kong, 30 October 2026

As at the date of this announcement, the executive directors are Dr. Xie Yi, Dr. Guo Yi, Mr. Cheng Yong, Ms. Wong Sau Kuen and Mr. Wu Xiangyun, and the independent non-executive directors are Ms. Jin Song, Dr. Zeng Li and Ms. Yang Xiaorong.

* *For identification purpose only*