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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)**

### **COMPLETION OF ISSUE OF NEW SHARES UNDER GENERAL MANDATE AND BUSINESS UPDATE**

Reference is made to the announcement of Extrawell Pharmaceutical Holdings Limited (the “**Company**”) dated 14 August 2025 (the “**Announcement**”) in relation to the issue of new shares under general mandate. Unless the context requires otherwise, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

#### **COMPLETION OF ISSUE OF NEW SHARES UNDER GENERAL MANDATE**

The Board is pleased to announce that all the conditions precedent set out in the Subscription Agreement I, Subscription Agreement II and Subscription Agreement III have been fulfilled and Completion I, Completion II and Completion III all took place on 10 September 2025. Accordingly, a total of 160,000,000 new Shares (collectively, the “**Subscription Shares**”) were allotted and issued on 10 September 2025 at HK\$0.097 per Subscription Share, out of which (i) 30,000,000 new Shares were issued to the Subscriber I; 20,000,000 new Shares were issued to the Subscriber II and 110,000,000 new Shares were issued to the Subscriber III (collectively, the “**Completion**”).

## EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

The following table shows the shareholding structure: (i) immediately before the Completion; and (ii) immediately upon the Completion and as at the date of this announcement:

Shareholders	Immediately before the Completion		Immediately after the Completion	
	Number of Shares	Approx. %	Number of Shares	Approx. %
Cheng Yong ( <i>Note 1</i> )	6,980,000	0.29	6,980,000	0.27
Shi Xuanmin	289,700,000	12.12	289,700,000	11.36
Mao Yumin	189,920,000	7.95	189,920,000	7.45
Subscriber I	10,330,000	0.43	40,330,000	1.58
Subscriber II	—	—	20,000,000	0.79
Subscriber III	—	—	110,000,000	4.31
Other public Shareholders	<u>1,893,070,000</u>	<u>79.21</u>	<u>1,893,070,000</u>	<u>74.24</u>
<b>Total</b>	<u><u>2,390,000,000</u></u>	<u><u>100</u></u>	<u><u>2,550,000,000</u></u>	<u><u>100</u></u>

*Note 1:* Mr. Cheng Yong, an executive Director, holds 830,000 Shares by himself, 1,060,000 Shares through Merchandise Holdings Limited, a company wholly owned by him and 5,090,000 Shares through his spouse.

As per the Announcement, the Company is actively exploring new business opportunities within the healthcare sector, targeting both the PRC and overseas markets. To this end, the management of the Group is actively engaged in discussions with potential business partners to establish the framework for its healthcare business initiatives, currently the healthcare trading business.

The Board has engaged in thorough discussions about business diversification and recognised that both pharmaceuticals and healthcare are central to China's Healthy China 2030 national strategy benefiting from the demographic tailwinds such as aging population, a rising prevalence of chronic diseases, and a growing consumer focus on preventive care. The Group has a foundation of self-manufactured pharmaceutical products and has achieved steady performance in recent years. While the Group has explored exporting these products internationally, this expansion met significant challenges due to varying international regulatory requirements, which demand substantial time and investment. In contrast, developing a healthcare business for overseas markets appears more immediately promising, as healthcare products typically face less stringent regulatory pathways, allowing for faster market entry. Emerging markets in developing countries are particularly attractive targets due to their growing middle-class populations, increasing healthcare expenditure, and often limited local production capacity. In addition, this new venture demonstrates strong synergies with the Group's existing manufacturing infrastructure and distribution networks. It will effectively leverage existing partner networks as well as the extensive experience of certain Board members in medical devices, diagnostic services, and healthcare investment management. Once the trading framework is successfully established, the Group will, at a later stage, explore the feasibility of manufacturing healthcare

products in-house once suitable products for mass production have been identified, thereby leveraging its proven manufacturing strengths and cost-efficient advantages. The Board is of the view that this initiative is an effective complement to the Group's core pharmaceutical business and a creator of new, sustainable revenue streams. The net proceeds received by the Company from the Completion will be strategically allocated to fund this potential new venture with approximately 70% for startup costs covering product development, operational expenses (including facilities and personnel), marketing, and pilot projects through early 2027 and the remaining 30% will be reserved as working capital (continuing operating funds) to support the scaling of successful initiatives by the end of 2027. This phased approach allows the Group to methodically build its healthcare business while maintaining financial flexibility.

The Company's long-term vision is to transform the Group into an integrated health solutions provider, by capitalising on the synergies between the Group's pharmaceutical expertise and healthcare diversification. By pursuing both domestic and international opportunities, the Company aims to create a more balanced and resilient business portfolio that can deliver sustainable value to its stakeholders in the years ahead.

The Company will make further announcement(s) for any progress or material development in this business segment in due course.

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

Hong Kong, 10 September 2025

*As at the date of this announcement, the executive directors are Dr. Xie Yi, Mr. Cheng Yong, Dr. Lou Yi, Ms. Wong Sau Kuen and Dr. Guo Yi, and the independent non-executive directors are Mr. Fang Lin Hu, Ms. Jin Song and Dr. Zeng Li.*

*\* For identification purpose only*