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HUA XIA HEALTHCARE HOLDINGS LIMITED

華夏醫療集團有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8143)

COMPLETION OF SUBSCRIPTION OF NEW SHARES

Reference is made to the announcement in relation to the Placing of existing shares and Subscription for New Shares.

The Board is pleased to announce that all conditions of the Subscription stated in the Subscription Agreement have been fulfilled and the Subscription was completed on 28 May 2007, pursuant to which the Company has allotted and issued 256,000,000 New Shares to Easeglory at HK\$0.58 per New Share.

Reference is made to the announcement of the Company dated 17 May 2007 (the “Announcement”) in relation to Placing of existing Shares and Subscription for New Shares pursuant to the Placing Agreement and the Subscription Agreement. Unless otherwise defined, terms used herein shall have the same meanings as those defined in the Announcement.

The Board is pleased to announce that all conditions of the Subscription stated in the Subscription Agreement have been fulfilled and the Subscription was completed on 28 May 2007, pursuant to which the Company has allotted and issued 256,000,000 New Shares to Easeglory at HK\$0.58 per New Share.

* *for identification purpose only*

The shareholding structure of the Company immediately before and after completion of the Subscription is as follows:

	As at the date of the Placing Agreement and the Subscription Agreement		Immediately after completion of the Placing but before issue of the New Shares		Immediately after completion of the Placing and the Subscription	
	<i>No. of Shares held</i>	<i>Approx. Share- holding %</i>	<i>No. of Shares held</i>	<i>Approx. Share- holding %</i>	<i>No. of Shares held</i>	<i>Approx. Share- holding %</i>
Easeglory Holdings Limited & Mr. Yung Kwok Leong (<i>Note 1</i>)	270,393,500	18.62	22,693,500	1.55	278,693,500	16.24
Ms. Shum Ngai Pan (<i>Note 2</i>)	5,400,000	0.37	5,400,000	0.37	5,400,000	0.31
Mr. Weng Jiaxing (<i>Note 3</i>)	5,625,000	0.39	5,625,000	0.39	5,625,000	0.33
Mr. Wu Wendong (<i>Note 4</i>)	146,000,000	10.05	99,000,000	6.78	99,000,000	5.77
Mr. Lau Kam Shui (<i>Note 5</i>)	170,320,000	11.73	170,320,000	11.67	170,320,000	9.93
Placees	–	–	256,000,000	17.54	256,000,000	14.92
Public (<i>Note 6</i>)	854,678,700	58.84	900,878,700	61.70	900,878,700	52.50
Total	<u>1,452,417,200</u>	<u>100.00</u>	<u>1,459,917,200</u>	<u>100.00</u>	<u>1,715,917,200</u>	<u>100.00</u>

Note:

1. Mr. Yung Kwok Leong, being an executive Director and the chairman of the Company, is interested in 6,187,500 Shares and Easeglory, a company wholly owned by Mr. Yung Kwok Leong, is interested in 272,506,000 Shares as at the date of this announcement. Easeglory purchased 8,300,000 Shares on the market on 18 May 2007, representing approximately 0.48% of the existing issued share capital of the Company as at the date of this announcement.
2. Ms. Shum Ngai Pan is an executive Director and the chief executive officer of the Company.
3. Mr. Weng Jiaxing is an executive Director.
4. Mr. Wu Wendong is a substantial Shareholder and is a director of three non-wholly owned subsidiaries of the Company. Mr. Wu Wendong disposed 47,000,000 Shares on the market on 25 May 2007, representing approximately 2.74% of the existing issued share capital of the Company as at the date of this announcement.
5. Mr. Lau Kam Shui is a substantial Shareholder and is a director of three wholly owned subsidiaries of the Company.
6. 7,500,000 share options at an exercise price of HK\$0.51 each have been exercised on 21 May 2007.

By order of the Board
Hua Xia Healthcare Holdings Limited
Yung Kwok Leong
Chairman

Hong Kong, 28 May 2007

As at the date of this announcement, the executive Directors are Mr. Yung Kwok Leong, Ms. Shum Ngai Pan, Mr. Chen Jin Shan, Mr. Weng Jiaxing and Mr. Jiang Tao. The non-executive Director is Dr. Wong Yu Man, James. The independent non-executive Directors are Mr. Chan Francis Ping Kuen, Mr. Hsu William Shiu Foo and Mr. Yu Chai Mei.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the “Latest Company Announcement” page of the GEM website at www.hkgem.com and website of the Company at www.huaxia-healthcare.com for at least 7 days from the date of its posting.