

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any shares in the Company.



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 PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent

 **KINGSTON SECURITIES**

The Board is pleased to announce that as all the conditions of the Placing Agreement have been fulfilled, completion of the Placing took place on 10 August 2016, and 339,000,000 Placing Shares were allotted and issued to not less than six Placees at the Placing Price of HK\$0.31 per Placing Share pursuant to the terms and conditions of the Placing Agreement.

References are made to the announcements of the Company dated 21 July 2016 (the “**Announcement**”) and 22 July 2016, respectively, in relation to the Placing of new Shares under General Mandate. Capitalised terms used herein shall have the same meanings as those defined in the Announcement unless otherwise defined herein.

COMPLETION OF THE PLACING

The Board is pleased to announce that all conditions set out in the Placing Agreement have been fulfilled and completion of the Placing took place on 10 August 2016 in accordance with the terms and conditions of the Placing Agreement. An aggregate of 339,000,000 Placing Shares, representing approximately 16.63% of the issued share capital of the Company immediately after the completion of the Placing, were allotted and issued to the Placees at the Placing Price.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, (i) each of the Placees and, where appropriate, their respective ultimate beneficial owners, is an Independent Third Party; and (ii) none of the Placees has become a substantial Shareholder (within the meaning of the GEM Listing Rules) upon completion of the Placing.

* *For identification purpose only*

The net proceeds from the Placing are approximately HK\$102 million. The Board will apply the net proceeds for (i) the payment of the Refundable Deposit in the amount of HK\$14 million contemplated under the MOU; (ii) the payment of part of consideration should the acquisition contemplated under the MOU materialised in the amount of approximately HK\$31 million; (iii) the early redemption of part of the outstanding Promissory Notes in the amount of HK\$45 million; and (iv) the remaining proceeds will be used for general working capital of the Group. In the event that the Possible Acquisition falls through, the corresponding amount of the net proceeds will be used for other possible acquisition(s) and general working capital of the Group.

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company (i) before completion of the Placing; and (ii) upon completion of the Placing are set out below:

Name of Shareholders	Immediately before completion of the Placing		Immediately upon completion of the Placing	
	<i>Number of Shares</i>	<i>Approx. %</i>	<i>Number of Shares</i>	<i>Approx. %</i>
Mr. Yung Ka Chun (“ Mr. Yung ”) (Notes 1 and 5)	2,640,000	0.15	2,640,000	0.13
Dr. Jiang Tao (“ Dr. Jiang ”) (Note 2)	5,740,000	0.34	5,740,000	0.28
Mr. Zheng Gang (“ Mr. Zheng ”) (Note 3)	6,044,000	0.36	6,044,000	0.30
Dr. Huang Jiaqing (“ Dr. Huang ”) (Note 4)	3,800,000	0.22	3,800,000	0.19
Easeglory Holdings Limited (“ Easeglory ”) (Note 5)	418,491,516	24.63	418,491,516	20.53
New Hope International (Hong Kong) Limited (“ New Hope ”) (Note 6)	343,217,539	20.20	343,217,539	16.84
The Placees and other public Shareholders	919,316,889	54.10	1,258,316,889	61.73
Total	<u>1,699,249,944</u>	<u>100.00</u>	<u>2,038,249,944</u>	<u>100.00</u>

Notes:

1. Mr. Yung, an executive Director, is personally interested in 2,640,000 Shares.
2. Dr. Jiang, an executive Director, is personally interested in 5,740,000 Shares.
3. Mr. Zheng, an executive Director, is personally interested in 6,044,000 Shares.
4. Dr. Huang, an executive Director, is personally interested in 3,800,000 Shares.

5. Easeglory is interested in 418,491,516 Shares and 98,500,000 convertible preference shares (“CPS”) in the Company. The issued share capital of Easeglory is wholly-owned by Mr. Yung. Mr. Yung is deemed to be interested in the Shares and the CPS in which Easeglory is interested in under Part XV of the Securities and Futures Ordinance (“SFO”) (Chapter 571 of the Laws of Hong Kong).

Easeglory has charged 418,491,516 Shares and 98,500,000 CPS to Golden Prince Group Limited (“Golden Prince”) and Mr. Ng Leung Ho respectively. The issued share capital of Golden Prince is wholly-owned by Mr. Ng Leung Ho. Mr. Ng Leung Ho is deemed to be interested in the 418,491,516 Shares under Part XV of the SFO, and is interested in the 98,500,000 CPS.

6. The issued share capital of New Hope is owned as to 75% by Southern Hope Enterprise Co., Ltd.# (南方希望實業有限公司) which is in turn owned as to 51% by New Hope Group Co., Ltd.# (新希望集團有限公司) and as to 49% by Tibet Hengye Feng Industrial Co., Ltd.# (西藏恒業鋒實業有限公司). Both New Hope Group Co., Ltd.# and Tibet Hengye Feng Industrial Co., Ltd.# are owned as to 62.34% by Mr. Liu Yonghao, as to 36.35% by Ms. Liu Chang and as to 1.31% by Ms. Li Wei. Mr. Liu Yonghao, Ms. Liu Chang and Ms. Li Wei are deemed to be interested in the Shares in which New Hope is interested in under Part XV of the SFO.

By order of the Board
Hua Xia Healthcare Holdings Limited
Jiang Tao
Chief Executive Officer

Hong Kong, 10 August 2016

The English translation of Chinese names or words in this announcement, where indicated, is included for information purpose only, and should not be regarded as the official English translation of such Chinese names or words.

As at the date of this announcement, the Board comprises Dr. Jiang Tao, Mr. Yung Ka Chun, Mr. Zheng Gang and Dr. Huang Jiaqing as executive directors; Dr. Wong Yu Man, James and Mr. Tang Xun as non-executive directors; and Ms. Wong Ka Wai, Jeanne, Prof. Hu Shanlian and Prof. Lu Chuanzhen as independent non-executive directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purposes 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, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will be published on the GEM website at <http://www.hkgem.com> on the “Latest Company Announcement” page for at least 7 days from the date of publication and on the Company’s website at www.huaxia-healthcare.com.