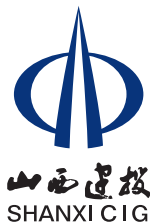


Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance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



華控康泰集團有限公司

Kontafarma China Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1312)

VOLUNTARY ANNOUNCEMENT BUSINESS UPDATE

This announcement is made by Kontafarma China Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to the shareholders of the Company (the “**Shareholders**”) and potential investors.

Reference is made to the announcement (the “**Announcement**”) of the Company dated 30 October 2023 in relation to provision of the Loan of US\$3,500,000 by the Company to True Concept Ltd.* (全真概念健康事業股份有限公司) (a company incorporated in Taiwan with limited liability and an associate of the Company in which 29% of the paid-up registered capital is indirectly owned by the Company) (i.e. the Borrower) for a term of 60 months at an interest rate of 10% per annum. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as defined in the Announcement.

As disclosed in the Announcement, prior to the provision of the Loan, the Company had provided to the Borrower the Previous Loans in the aggregate principal of US\$1,870,000, out of which US\$570,000 (the “**Previous Loan 1**”) together with the interest thereon will be due and payable on 27 March 2024 and US\$1,300,000 together with the interest thereon will be due and payable on 7 July 2024. Since the Previous Loans and the Loan are the subsisting loans provided by the Company to the same party within 12 months, they were aggregated as a series of transactions pursuant to Rule 14.22 of the Listing Rules subject to discloseable transaction announcement requirements as disclosed in the Announcement while the Previous Loan 1 on a standalone basis did not constitute a discloseable transaction of the Company.

On 28 March 2024, the Company and the Borrower entered into a supplemental agreement (the “**Supplemental Agreement**”), pursuant to which the Company agreed to renew the Previous Loan 1 to be repayable on or before 27 March 2026 at the same interest rate of 10% per annum, which on a standalone basis would not constitute a discloseable transaction of the Company upon signing of the Supplemental Agreement. The terms of the Supplemental Agreement, including the interest rate, were agreed by the parties after arm’s length negotiations having taken into account of the prevailing market interest rates and practices as well as the interest rate of the loans provided by the other shareholder of the Borrower. The renewal of the Previous Loan 1 does not require provision of further fund by the Group, and it is therefore believed that, based on the information available to the Group as of now including the evaluation on the fitness business operated by the Borrower in Taiwan and the financial status of the Group, the renewal of the Previous Loan 1 shall not lead to any adverse impact on the Group and shall allow the Group to have stable interest income generated/expected to be generated from the Previous Loan 1.

In view of the above, the directors of the Company believe that the transaction pursuant to the terms of the Supplemental Agreement is in the interests of the Company and the Shareholders as a whole and the terms are fair and reasonable.

By order of the Board of
Kontafarma China Holdings Limited
Bai Pingyan
Chairman

Hong Kong, 28 March 2024

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Bai Pingyan (Chairman), Mr. Chai Hongjie, Mr. Huang Yu (President) and Mr. Jiang Chaowen (Chief Executive Officer); and three independent non-executive Directors, namely Mr. Chan Sze Chung, Mr. Zhang Ruibin and Mr. Zhang Junxi Jack.

* *for identification only*