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**偉俊生物科技有限公司**

**Wai Chun Bio-Technology Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 660)**

**CONNECTED TRANSACTION:  
PROPOSED ISSUE OF NEW CONVERTIBLE BONDS  
UNDER SPECIFIC MANDATE**

**Independent Financial Adviser to  
the Independent Board Committee and the Independent Shareholders**



**INCUC Corporate Finance Limited**

**PROPOSED ISSUE OF THE NEW CONVERTIBLE BONDS**

On 14 April 2025 (after trading hours), the Company entered into the Subscription Agreement with the Existing Bondholder 1, Mr. Lam Ching Kui (a connected person of the Company), pursuant to which the Existing Bondholder 1 conditionally agreed to subscribe for and the Company conditionally agreed to issue the New Convertible Bonds in the principal amount of HK\$15,000,000.

The New Convertible Bonds carry the conversion rights to convert into 214,285,714 New Convertible Bonds Conversion Shares at the New Convertible Bonds Conversion Price of HK\$0.07 per New Convertible Bonds Conversion Share (subject to adjustment). The subscription amount payable by the Existing Bondholder 1 under the Subscription Agreement shall be satisfied by way of offsetting the outstanding principal amount and accrued interest under the Shareholder's Loan and the Other Loan, payable by the Company to the Existing Bondholder 1 and/or its associates which is expected to amount to HK\$15,000,000 as at Completion Date.

Assuming all of the New Convertible Bonds are converted in full at the New Convertible Bonds Conversion Price, 214,285,714 New Convertible Bonds Conversion Shares may be allotted and issued to the Existing Bondholder 1 subject to certain conversion restrictions, representing (i) approximately 120.06% of the total number of Existing Ordinary Shares as at the date of this announcement; (ii) approximately 54.56% of the total number of Existing Ordinary Shares as enlarged by the allotment and issue of the New Convertible Bonds Conversion Shares; and (iii) approximately 10.46% of the total number of Existing Ordinary Shares as enlarged by the allotment and issue of the New Convertible Bonds Conversion Shares and the allotment and issue of the Existing Convertible Bonds Conversion Shares, assuming that there is no other change to the total number of Existing Ordinary Shares from the date of this announcement to the date when the New Convertible Bonds are converted in full and assuming the Alteration of Terms being effective (except for the allotment and issue of the Existing Convertible Bonds Conversion Shares).

The Subscription of the Company is conditional upon the Capital Reorganisation having become effective. The New Convertible Bonds Conversion Shares will be allotted and issued under the New Convertible Bonds Specific Mandate to be approved by the Independent Shareholders at the EGM.

## **LISTING RULES IMPLICATIONS**

Mr. Lam Ching Kui, the Existing Bondholder 1, is the ultimate controlling shareholder of the Company, who is interested in 72,400 Existing Ordinary Shares personally, representing approximately 0.04% of the total number of Existing Ordinary Shares, and through his indirect interests in the Existing Bondholder 2, Chinese Success, was taken to be interested in total 91,622,643 Existing Ordinary Shares representing approximately 51.34% of Existing Ordinary Shares of the Company as at the date of this announcement. Therefore, the Existing Bondholder 1 and its associates (including the Existing Bondholder 2) are connected persons of the Company, and the Subscription constitutes a connected transaction of the Company and is subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

An application will be made to the Stock Exchange for its approval of: (i) the Subscription; and (ii) the listing of, and permission to deal in, the New Convertible Bonds Conversion Shares arising from the conversion of the New Convertible Bonds.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Existing Bondholder 1 and its associates (including the Existing Bondholder 2) are required to abstain from voting on the resolutions in respect of the Subscription at the EGM. To the best of the information, belief and knowledge of the Directors, save for the Existing Bondholder 1 and its associates (including the Existing Bondholder 2), no other Shareholder has any material interest in the Subscription. Save that Mr. Lam Ka Chun, who is an executive director of the Company and the son of the Existing Bondholder 1, is deemed to be interested in the Subscription and the transactions contemplated thereunder (including the grant of the New Convertible Bonds Specific Mandate), who had abstained from voting, none of the Directors had a material interest in the Subscription and was required to abstain from voting on the resolutions passed by the Board to approve the Subscription and the transactions contemplated thereunder (including the grant of the New Convertible Bonds Specific Mandate).

## **GENERAL**

The Independent Board Committee has been established to make recommendation to the Independent Shareholders regarding the Subscription Agreement and the transactions contemplated thereunder (including the grant of the New Convertible Bonds Specific Mandate), including the issue of the New Convertible Bonds. The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Subscription Agreement including the terms of the New Convertible Bonds, are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

An EGM will be convened and held to consider and, if thought fit, approve the Subscription and the transactions contemplated thereunder (including the grant of the New Convertible Bonds Specific Mandate). A circular containing, *inter alia*, (i) further information of the Subscription; (ii) the recommendation of the Independent Board Committee to the Independent Shareholders in relation to the Subscription; (iii) the letter of advice from the Independent Financial Adviser; (iv) details of the New Convertible Bonds; and (v) notice of the EGM, is expected to be despatched to the Shareholders on or before Tuesday, 13 May 2025.

**Completion of the Subscription Agreement is subject to the fulfillment and/or waiver (as the case may be) of the conditions precedent set out in the Subscription Agreement and therefore may or may not proceed. Shareholders and potential investors of the Company should exercise caution when dealing in the Shares or any other securities of the Company.**

## PROPOSED ISSUE OF THE NEW CONVERTIBLE BONDS

On 14 April 2025 (after trading hours), the Company entered into the Subscription Agreement with the Existing Bondholder 1 (a connected person of the Company) pursuant to which the Existing Bondholder 1 conditionally agreed to subscribe for and the Company conditionally agreed to issue the New Convertible Bonds in the principal amount of HK\$15,000,000. The principal terms of the New Convertible Bonds are set out below:

Issuer:	The Company
Subscriber:	Mr. Lam Ching Kui
Principal amount:	HK\$15,000,000
Issue price:	100% of the principal amount
Conversion price:	HK\$0.07 per Conversion Share, subject to adjustments
Form and denomination:	The New Convertible Bonds will be issued in registered form in the denomination of HK\$1,000,000 each
Adjustment events:	The New Convertible Bonds Conversion Price shall from time to time be subject to adjustment upon occurrence of certain events such as consolidation or subdivision of the Shares, capitalisation of profits or reserves, capital distribution, issue of new shares for subscription by way of rights, issue of convertible or exchangeable securities, modification of rights of convertible or exchangeable securities.
Interest rate:	2% per annum accrued on a daily basis of a 365-day year and payable quarterly in arrears.
Redemption at maturity:	98% of the principal amount of the New Convertible Bonds
New Convertible Bonds Conversion Shares:	Based on the principal amount of the New Convertible Bonds of HK\$15,000,000, the New Convertible Bonds is convertible into 214,285,714 New Convertible Bonds Conversion Shares at the initial conversion price of HK\$0.07 per New Conversion Share (subject to adjustments).

Conversion period:	The period commencing from the issue date of the New Convertible Bonds up to 4:00 p.m. on the day immediately prior to and exclusive of the maturity date of the New Convertible Bonds.
Conversion rights and restrictions:	The holder of the New Convertible Bonds shall, subject to compliance with the procedures set out in the terms and conditions thereunder, have the right at any time during the conversion period to convert the whole or part of the outstanding principal amount of the New Convertible Bonds registered in its name into the New Convertible Bonds Conversion Shares provided further that (i) any conversion shall be made in amounts of not less than a whole multiple of HK\$1,000,000 on each conversion save that if at any time the aggregate outstanding principal amount of the New Convertible Bonds is less than HK\$1,000,000, the whole (but not part only) of the outstanding principal amount of the New Convertible Bonds may be converted; (ii) the exercise of the conversion right attached to the New Convertible Bonds will not cause the Company to be unable to meet the public float requirement under the Listing Rules; and (iii) any conversion of the New Convertible Bonds does not trigger a mandatory general offer obligation on the holder of the New Convertible Bonds under Rule 26 of the Takeovers Code.
Early redemption at the option of the Company:	The Company shall be entitled at its sole discretion, by giving not less than fourteen (14) days' notice to the holders of the New Convertible Bonds, propose to the holders to redeem the outstanding New Convertible Bonds (in multiples of HK\$1,000,000 or such lesser amount as may represent the entire principal amount thereof) an amount equivalent to 100% of the principal amount of such outstanding New Convertible Bonds at any time after the date of issue of the New Convertible Bonds up to and including the date falling fourteen (14) days immediately before the maturity date of the New Convertible Bonds.

Ranking of New Convertible Bonds Conversion Shares:	The New Convertible Bonds Conversion Shares, when allotted and issued, shall rank pari passu in all respects with the shares in issue on the relevant conversion date including the right to all dividends or other distributions, paid or made on or after the relevant conversion date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date thereof shall be on or before the relevant conversion date.
Maturity date:	The date falling on the third anniversary of the date of issue of the New Convertible Bonds.
Voting rights:	The holder of the New Convertible Bonds shall not have any right to attend or vote in any general meeting of the Company.
Transferability:	Subject to compliance with the Listing Rules, the New Convertible Bonds may be transferred or assigned in whole or in part in integral multiples of HK\$1,000,000 by holder of the New Convertible Bonds to any party.
Listing:	No application will be made by the Company for the listing of the New Convertible Bonds on the Stock Exchange. Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the New Convertible Bonds Conversion Shares.
Security:	The obligations of the Company under the New Convertible Bonds are unsecured.

### **New Convertible Bonds Conversion Shares**

Upon full conversion of the New Convertible Bonds at the New Convertible Bonds Conversion Price of HK\$0.07 each (subject to adjustments), a maximum of 214,285,714 New Convertible Bonds Conversion Shares will be allotted and issued which represents:

- (i) approximately 120.06% of the total number of Existing Ordinary Shares as at the date of this announcement;
- (ii) approximately 54.56% of the total number of Existing Ordinary Shares as enlarged by the allotment and issue of the 214,285,714 New Convertible Bonds Conversion Shares, assuming that there is no other change to the total number of Existing Ordinary Shares from the date of this announcement to the date when the New Convertible Bonds are converted in full; and

- (iii) approximately 10.46% of the total number of Existing Ordinary Shares as enlarged by the allotment and issue of the 214,285,714 New Convertible Bonds Conversion Shares and the allotment and issue of the 1,656,666,666 Existing Convertible Bonds Conversion Shares, assuming that there is no other change to the total number of Existing Ordinary Shares from the date of this announcement to the date when the New Convertible Bonds are converted in full and assuming the Alteration of Terms being effective.

### **Conversion Price**

The New Convertible Bonds Conversion Price was determined after arm's length negotiations between the Company and the Existing Bondholder 1 with reference to the prevailing market price of the Existing Ordinary Shares on the Stock Exchange before entering into the Subscription Agreement and is not less than the par value of the HK\$0.01 per New Ordinary Share of the Company and represents:

- (i) a discount of approximately 7.89% over the closing price of HK\$0.076 per Existing Ordinary Share on the Last Trading Day; and
- (ii) a discount of approximately 13.37% over the average of the closing prices of HK\$0.0808 per Existing Ordinary Share for the last five trading days immediately preceding the Last Trading Day.

### **Conditions precedent**

Completion of the Subscription Agreement is conditional upon:

- (i) the passing by the Independent Shareholders of relevant resolutions at the EGM in compliance with the requirements of the Listing Rules approving (a) the Subscription Agreement and the transactions contemplated thereunder; and (b) the issue of the New Convertible Bonds and the grant of the New Convertible Bonds Specific Mandate for the allotment and issue of the New Convertible Bonds Conversion Shares;
- (ii) all necessary consents and approvals required to be obtained on the part of the Company in respect of the Subscription Agreement and the transactions contemplated thereunder having been obtained;
- (iii) the Listing Committee granting listing of and permission to deal in the New Convertible Bonds Conversion Shares to be allotted and issued upon exercise of the conversion rights attaching to the New Convertible Bonds;

- (iv) the Capital Reorganisation having become effective;
- (v) none of the warranties given by the Company thereunder having been breached in any material respect (or, if capable of being remedied, has not been remedied), or is misleading or untrue in any material respect; and
- (vi) none of the warranties given by Mr. Lam Ching Kui thereunder having been breached in any material respect (or, if capable of being remedied, has not been remedied), or is misleading or untrue in any material respect.

The Company shall use its best endeavours to procure the fulfillment of the conditions precedent set out in conditions (i), (ii), (iii), (iv) and (v) above as soon as practicable and in any event on or before the Long Stop Date. Mr. Lam Ching Kui shall use its best endeavours to procure the fulfillment of the condition precedent set out in condition (vi) above as soon as practicable and in any event on or before the Long Stop Date.

The conditions precedent set out in conditions (i), (ii), (iii) and (iv) above are incapable of being waived. Mr. Lam Ching Kui may at any time by notice in writing to the Company waive the condition set out in condition (v) above. The Company may at any time by notice in writing to Mr. Lam Ching Kui to waive the condition set out in condition (vi) above.

In the event that any of the conditions precedent referred to above is not fulfilled or waived (to the extent it is capable of being waived) on or before the Long Stop Date, the Subscription Agreement shall cease and determine and no party shall have any claim against the other party in respect of any matter or thing arising out of or in connection with the Subscription Agreement save in respect of any antecedent breach of any obligation thereof.

As at the date of this announcement, none of the above conditions have been fulfilled.

## **Completion**

Completion of the Subscription Agreement shall take place at 9:00 a.m. on the effective date of the Capital Reorganisation (or such other date as agreed by the Company and the Existing Bondholder 1) after fulfillment of all the conditions precedent set out above, which is expected to be Monday, 30 June 2025.

## **Reasons for the Subscription**

The subscription amount payable by the Existing Bondholder 1 under the Subscription Agreement shall be satisfied by way of offsetting the outstanding principal amount and accrued interest under the Shareholder's Loan and the Other Loan, payable by the Company to the Existing Bondholder 1 and/or its associates which is expected to amount to HK\$15,000,000 as at the Completion Date. The Existing Bondholder 1 had been financing the operations of the Group through the provision of the Shareholder's Loan and the Other Loan to the Group. The Board considers that the Shareholder's Loan which bear interest at 6.25% per annum together with the Other Loan which is also owed to the controlling shareholder, represents a heavy financial burden to the Group as the Company has net current liabilities of approximately HK\$144,540,000 as at 31 December 2024.

In view of the above, the Board has reviewed and explored different approaches to settle the Shareholder's Loan and the Other Loan (together with the accrued interest) and considered the issue of the New Convertible Bonds to be the most effective and suitable for reducing the amount of interest expense incurred by the Group per annum, enhancing the financial position of the Group and reducing the gearing ratio of the Group as (i) the New Convertible Bonds bear a lower interest rate of 2% per annum and will be able to minimize the short-term financial burden to the Group as total interest in three years amounting to approximately HK\$1,912,500 million will be saved; (ii) the financial pressure on the Company for redemption of the New Convertible Bonds at the maturity date would also be lessened because of the redemption discount of 2% at the maturity of the New Convertible Bonds; (iii) the net current liabilities of the Group also will be improved as the Shareholder's Loan and the Other Loan (together with the accrued interest) will be reclassified from current liabilities to non-current liabilities after the Subscription becomes effective; (iv) the principal amount of the Shareholder's Loan and the Other Loan (together with the accrued interest) will be fully settled upon the exercise in full of the conversion rights of the New Convertible Bonds without requiring any cash outflow on the Company; and (v) the issue of the New Convertible Bonds would not have an immediate dilution effect on the shareholding of the Company.

In view of the above, the Director (excluding the independent non-executive Directors who will form an opinion after taking into account the recommendation of the Independent Financial Adviser) is of the view that the terms of Subscription Agreement are on normal commercial terms and the issue of the New Convertible Bonds are fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

The New Convertible Bonds Conversion Shares will be issued pursuant to the New Convertible Bonds Specific Mandate proposed to be sought from the Independent Shareholders at the EGM.

## SHAREHOLDING STRUCTURE

The shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately after full conversion of all of the outstanding Existing Convertible Bonds at the Existing Convertible Bonds Conversion Price only (assuming there being no other issue or repurchase of Existing Ordinary Shares or New Ordinary Shares and assuming the Alteration of Terms being effective); (iii) immediately after the full conversion of the New Convertible Bonds at the New Convertible Bonds Conversion Price only (assuming there being no other issue or repurchase of Existing Ordinary Shares or New Ordinary Shares); (iv) immediately after full conversion of all of the outstanding Existing Convertible Bonds at the Existing Convertible Bonds Conversion Price and the full conversion of the New Convertible Bonds Conversion Price (assuming there being no other issue or repurchase of Existing Ordinary Shares or New Ordinary Shares and assuming the Alteration of Terms being effective) is as follows:

Name of Shareholder	As at the date of this announcement		Immediately after full conversion of all the outstanding Existing Convertible Bonds only		Immediately after full conversion of New Convertible Bonds only		Immediately after full conversion of all the outstanding Existing Convertible Bonds and the New Convertible Bonds	
			(note 3)		(note 3)		(note 3)	
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
Existing Bondholder 1 (note 1)	72,400	0.04	1,116,739,066	60.85	214,358,114	54.58	1,331,024,780	64.95
Existing Bondholder 2 (note 2)	<u>91,550,243</u>	<u>51.30</u>	<u>631,550,243</u>	<u>34.41</u>	<u>91,550,243</u>	<u>23.31</u>	<u>631,550,243</u>	<u>30.82</u>
	91,622,643	51.34	1,748,289,309	95.26	305,908,357	77.89	1,962,575,023	95.76
Public Shareholders (note 4)	<u>86,853,810</u>	<u>48.66</u>	<u>86,853,810</u>	<u>4.74</u>	<u>86,853,810</u>	<u>22.11</u>	<u>86,853,810</u>	<u>4.24</u>
<b>Total</b>	<u>178,476,453</u>	<u>100.00</u>	<u>1,835,143,119</u>	<u>100.00</u>	<u>392,762,167</u>	<u>100.00</u>	<u>2,049,428,833</u>	<u>100.00</u>

Notes:

- (1) Mr. Lam Ching Kui, the ultimate controlling shareholder, directly holds 72,400 Existing Ordinary Shares.
- (2) Chinese Success is a company owned as to 100% by Wai Chun Investment Fund, which is wholly-owned by Mr. Lam Ching Kui, Chinese Success Limited holds 91,550,243 Existing Ordinary Shares.
- (3) Certain percentage figures included in the above tables have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

- (4) Pursuant to the terms and conditions of the Existing Convertible Bonds and the New Convertible Bonds, the bondholders shall not exercise the conversion rights attached or attaching to the Existing Convertible Bonds and the New Convertible Bonds if, as a result of such exercise, it will cause the public float of the Company to fall below the percentage prescribed under the Listing Rules, and any conversion shall also be subject to no mandatory general offer being triggered under Rule 26 of the Takeovers Code on the bondholder and not resulting in Existing Bondholder 2 and any parties acting in concert with it (including Existing Bondholder 1) ceasing to be the controlling shareholder of the Company within the meaning of the Listing Rules.

## **EQUITY FUND-RAISING EXERCISES OF THE COMPANY IN THE PAST TWELVE MONTHS**

In the past twelve months immediately preceding the date of this announcement, the Company and the Existing Bondholders have entered into alteration consent letters and conditionally agreed to amend the terms of all the outstanding Existing Convertible Bonds with total principal amount of HK\$99,400,000 under specific mandate as disclosed in the announcement of the Company dated on 27 December 2024 and which is subject to approval in the EGM to be held on 30 April 2025. The subscription amount was satisfied by way of offsetting certain debt liabilities owed by the Company to the Existing Bondholder 1 and/or its associates and there was no remaining net proceeds from such fund-raising exercise to be utilised by the Company.

Save for the above, the Company did not raise funds on any issue of equity securities raising activities during the past twelve months immediately preceding the date of this announcement.

## **INFORMATION ABOUT THE GROUP**

The Group is principally engaged in the manufacturing and sales of modified starch and other co-related bio-chemical products and general trading of electronic parts and components and electrical appliances.

## **LISTING RULES IMPLICATIONS**

Mr. Lam Ching Kui, the Existing Bondholder 1, is the ultimate controlling Shareholder, who is interested in 72,400 Existing Ordinary Shares personally, representing approximately 0.04% of the total number of Existing Ordinary Shares, and through his indirect interests in the Existing Bondholder 2, Chinese Success, was taken to be interested in total 91,622,643 Existing Ordinary Shares representing approximately 51.34% of Existing Ordinary Shares of the Company as at the date of this announcement. Therefore, the Existing Bondholder 1 and its associates (including the Existing Bondholder 2) are connected persons of the Company, and the Subscription constitutes a connected transaction of the Company and is subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Save for the alteration to the terms of the Existing Convertible Bonds as disclosed in the announcement of the Company dated on 27 December 2024, the Company has not conducted any rights issue, open offer or specific mandate placing within the 12-month period immediately preceding the date of this announcement, or prior to such 12-month period where dealings in respect of the Existing Ordinary Shares issued pursuant thereto commenced within such 12-month period, nor has it granted any bonus securities, warrants or other convertible securities within such 12-month period as part of such rights issue, open offer or specific mandate placing. Based on the terms of the Subscription and assuming that the maximum number of Existing Convertible Bonds Conversion Shares and New Convertible Bonds Conversion Shares is issued, the Subscription, on its own or when aggregated with the issue of the Existing Convertible Bonds, will not result in theoretical dilution effects of 25% or more and thus complies with the requirement under Rule 7.27B of the Listing Rules.

An application will be made to the Stock Exchange for its approval of: (i) the Subscription; and (ii) the listing of, and permission to deal in, the New Convertible Bonds Conversion Shares arising from the conversion of the New Convertible Bonds.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Existing Bondholder 1 and its associates (including the Existing Bondholder 2) are required to abstain from voting on the resolutions in respect of the Subscription at the EGM. To the best of the information, belief and knowledge of the Directors, save for the Existing Bondholder 1 and its associates (including the Existing Bondholder 2), no other Shareholder has any material interest in the Subscription. Save that Mr. Lam Ka Chun, who is an executive director of the Company and the son of the Existing Bondholder 1, is deemed to be interested in the Subscription and the transactions contemplated thereunder (including the grant of the New Convertible Bonds Specific Mandate), who had abstained from voting, none of the Directors had a material interest in the Subscription and was required to abstain from voting on the resolutions passed by the Board to approve the Subscription and the transactions contemplated thereunder (including the grant of the New Convertible Bonds Specific Mandate).

## **GENERAL**

The Independent Board Committee has been established to make recommendation to the Independent Shareholders regarding the Subscription Agreement and the transactions contemplated thereunder (including the grant of the New Convertible Bonds Specific Mandate), including the issue of the New Convertible Bonds. The Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Subscription Agreement including the terms of the New Convertible Bonds, are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

An EGM will be convened and held to consider and, if thought fit, approve the Subscription and the transactions contemplated thereunder (including the grant of the New Convertible Bonds Specific Mandate). A circular containing, *inter alia*, (i) further information of the Subscription; (ii) the recommendation of the Independent Board Committee to the Independent Shareholders in relation to the Subscription; (iii) the letter of advice from the Independent Financial Adviser; (iv) details of the New Convertible Bonds; and (v) notice of the EGM, is expected to be despatched to the Shareholders on or before Tuesday, 12 May 2025.

**Completion of the Subscription Agreement is subject to the fulfillment and/or waiver (as the case may be) of the conditions precedent set out in the Subscription Agreement and therefore may or may not proceed. Shareholders and potential investors of the Company should exercise caution when dealing in the Shares or any other securities of the Company.**

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following terms have the meanings set opposite to them below:

“Alteration of Terms”	the proposed alteration to the terms of the Existing Convertible Bonds set out in the circular of the Company dated 28 March 2025
“associate”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Capital Reduction”	the proposed reduction of the issued share capital of the Company whereby the nominal value of each of the issued Existing Ordinary Shares will be reduced from HK\$0.25 each to HK\$0.01 by cancelling the paid up capital to the extent of HK\$0.24 on each issued Existing Ordinary Share, as disclosed in the announcement of the Company dated 27 December 2024
“Capital Reorganisation”	the Capital Reduction and the Share Sub-division collectively
“Chinese Success”	Chinese Success Limited, a company incorporated in the British Virgin Islands and wholly-owned by Mr. Lam Ching Kui, being the controlling shareholder of the Company
“Company”	Wai Chun Bio-Technology Limited, a company incorporated in the Cayman Islands, whose issued Shares are listed on the main board of the Stock Exchange

“Completion Date”	the effective date of the Capital Reorganisation (or such other day as agreed by the Company and the Existing Bondholder 1) after fulfillment of all the conditions precedent set out in the Subscription Agreement which is expected to be Monday, 30 June 2025
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“controlling shareholder”	has the meaning ascribed thereto under the Listing Rules
“Conversion Share(s)”	the Existing Convertible Bonds Conversion Share(s) or the New Convertible Bonds Conversion Share(s), as the case may be
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held to consider and, if thought fit, approve the Subscription and the issue of the New Convertible Bonds (including the grant of the New Convertible Bonds Specific Mandate)
“Existing Bondholders”	Existing Bondholder 1 and Existing Bondholder 2 collectively
“Existing Bondholder 1”	Mr. Lam Ching Kui, being the ultimate controlling shareholder of the Company
“Existing Bondholder 2”	Chinese Success, being the immediate parent company of the Company
“Existing Convertible Bonds”	Existing Convertible Bonds 1 with principal amount of HK\$67,000,000, Existing Convertible Bonds 2 with outstanding principal amount of HK\$20,150,000 and Existing Convertible Bonds 3 with outstanding principal amount of HK\$12,250,000 collectively
“Existing Convertible Bonds Conversion Price”	the proposed conversion price of HK\$0.06 per Conversion Share assuming the Alteration of Terms being effective, and subject to adjustment under the terms and conditions of the Existing Convertible Bonds
“Existing Convertible Bonds Conversion Share(s)”	new Conversion Shares to be issued by the Company upon the exercise of the conversion rights attached to the Existing Convertible Bonds by the Existing Bondholders

“Existing Ordinary Share(s)”	ordinary share(s) of par value of HK\$0.25 each in the share capital of the Company prior to the Capital Reorganisation becoming effective
“Existing Preference Share(s)”	preference share(s) of par value of HK\$0.25 each in the share capital of the Company prior to the Capital Reorganisation becoming effective
“Existing Share(s)”	Existing Ordinary Shares and Existing Preference Shares
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	an independent board committee comprising the independent non-executive Directors to advise the Independent Shareholders as to the fairness and reasonableness of the Subscription Agreement and the transactions contemplated respectively thereunder
“Independent Financial Adviser”	INCU Corporate Finance Limited, a corporation licensed to carry out business in Type 6 (advising on corporate finance) regulated activity under the SFO, being the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Subscription and the transactions contemplated thereunder (including the grant of the New Convertible Bonds Specific Mandate)
“Independent Shareholder(s)”	in respect of the Subscription Agreement, Shareholder(s) other than the Existing Bondholder 1 and its associates (including the Existing Bondholder 2) not required under the Listing Rules to abstain from voting on the resolution(s) approving the Subscription Agreement and the transactions contemplated thereunder at the EGM
“Last Trading Day”	14 April 2025, being the date of this announcement
“Listing Committee”	has the meaning ascribed to it in the Listing Rules

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	30 June 2025 or such other date as may be agreed by the Company and the Existing Bondholder 1
“New Convertible Bonds”	convertible bonds in an aggregate principal amount of HK\$15,000,000 to be issued by the Company, and subscribed by the Existing Bondholder 1 pursuant to the Subscription Agreement
“New Convertible Bonds Conversion Share(s)”	new Conversion Shares to be issued by the Company upon the exercise of the conversion rights attaching to the New Convertible Bonds by the Existing Bondholder 1
“New Convertible Bonds Conversion Price”	the proposed conversion price of HK\$0.07 per Conversion Share, subject to adjustment under the terms and conditions of the New Convertible Bonds
“New Convertible Bonds Specific Mandate”	the specific mandate to the Board to allot, issue and deal with the New Convertible Bonds Conversion Shares to be proposed for approval as an ordinary resolution of the Independent Shareholders at the EGM
“New Ordinary Share(s)”	the ordinary share(s) of par value HK\$0.01 each in the issued and unissued share capital of the Company upon the Capital Reorganisation becoming effective
“New Preference Share(s)”	the preference share(s) of par value HK\$0.01 each in the unissued share capital of the Company upon the Capital Reorganisation becoming effective
“New Share(s)”	New Ordinary Shares and New Preference Shares collectively
“Other Loan”	liabilities due by the Company to its controlling shareholder, Mr. Lam Ching Kui for their assumption or payment of debts, liabilities, office rents and other expenses on behalf of the Group, which is expected to amount to HK\$4,000,000 as at Completion Date, bearing interest at the rate of 6.25% per annum

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	holder(s) of the Share(s)
“Shareholder’s Loan”	shareholder’s loan due by the Company to Wai Chun Investment Fund (being the holding company of Chinese Success) which is expected to amount to HK\$11,000,000 as at Completion Date, bearing interest at the rate of 6.25% per annum
“Share Sub-division”	the proposed sub-division of each authorised but unissued Existing Shares (including the authorized but unissued shares arising from the Capital Reduction) into twenty-five (25) authorised and unissued New Shares, as disclosed in the announcement of the Company dated on 27 December 2024
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription of the New Convertible Bonds by the Existing Bondholder 1 pursuant to the terms of the Subscription Agreement
“Subscription Agreement”	the conditional subscription agreement dated 14 April 2025 entered between the Company and the Existing Bondholder 1 in relation to the Subscription
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“%”	per cent.

By order of the board of  
**Wai Chun Bio-Technology Limited**  
**Lam Ka Chun**  
*Chairman and Chief Executive Office*

Hong Kong, 14 April 2025

*As at the date of this announcement, the Board comprises one executive Director, namely Mr. Lam Ka Chun, and two independent non-executive Directors, namely Mr. He Tao and Mr. Wan Bo.*