

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this disclosure, 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 disclosure.



China Health Group Inc.

China Health Group Co., Ltd.

(carrying on business in Hong Kong under the name of "Million Healthcare Group")
 (formerly known as "Wanquan Technology Pharmaceutical Co., Ltd.")
 (a limited company incorporated in the Cayman Islands)
 (stock code: 8225)

Clarification announcement

Six-month interim report and interim results for the period ended 30 June 2023

Reference is made to the interim report and interim results announcement (collectively referred to as the "Announcement") of China Health Group Limited (the "Company") dated 14 August 2023.

We provide additional clarifications. Please take this one as the standard if there is any discrepancy between this clarification and the previous clarification. Due to reasons such as document format conversion and some data import errors, some table separation lines in the original announcement are not fully displayed, and the accounts and data are not on the same corresponding level, thus affecting the data check. To facilitate understanding and review of the announcement, the following explanations are made one by one to address specific issues to avoid ambiguity:

1. Page 4 of the English version of the announcement is adjusted as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)			
For the six months ended 30 June 2023			
<i>Six months ended 30 June</i>			
	Note	2023 RMB'000	2022 RMB'000
Turnover	4	15,025	30,299
Cost of sales		(5,339)	(7,662)
Staff cost		(1,826)	(2,825)
Other income		18	118
Administrative expenses	5	(1,052)	(821)
Profit from operations		6,826	19,109
Finance costs		28	8
Profit before taxation		6,854	19,117
Income tax	7	(1,028)	(2,867)
Profit for the period			
Attributable to:		5,826	16,250
Owners of the Company		5,826	16,250
Earnings per share (cents)	6		
- basic		0.6	1.63
- diluted		0.6	1.63

2. Page 5 of the English version of the announcement is adjusted as follows:

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	Unaudited 30 June 2023 RMB'000	Audited 31 December 2022 RMB'000
Non-current assets			
Property, plant and equipment		2,160	1,399
		2,160	1,399
Current assets			
Investments at fair value through profit or loss		3,601	8,010
Contract costs		43,232	32,916
Trade and bills receivables	9	109,540	108,824
Trade deposit paid		1,000	1,000
Prepayments and other receivables		26,521	22,416
Cash and cash equivalents		4,534	4,060
		188,428	177,226
Current liabilities			
Trade payables, other payables and accrued charges	10	20,534	13,574
Contract liabilities		924	1,014
Tax payable		21,421	22,154
Bank borrowings			
		42,879	36,742
Net current assets		145,549	140,484
Total assets less current liabilities		147,709	141,883
Capital and reserves			
Share capital		88,906	88,906
Reserves		58,803	53,416
		147,709	142,322
Non-controlling interests			(439)
Total equity		147,709	141,883

3. Page 6 of the English version of the announcement is adjusted as follows:

CONDENSED CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)			
	Six months ended 30 June(Unaudited)		
	2023		2022
	RMB'000		RMB'000
Net cash (used in)/generated from operating activities	1,164		716
Net cash used in investing activities	(4,90)		(4,925)
Net cash used in financing activities	(200)		(70)
Net (increase)/decrease in cash and cash equivalents	474		(4,278)
Cash and cash equivalents at beginning of the period	4,060		11,364
Cash and cash equivalents at end of the period	4,534		7,086

4. Page 7 of the English version of the announcement is adjusted as follows:

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)										
For the six months ended 30 June 2023										
	Share capital	Share premium	Payment reserve	Special reserve	Capital reserve	Statutory reserve	Statutory enterprise expansion fund	Retained (losses)/earnings	Non controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2022	88,906	1,402	2,845	6,039	6,231	23,661	6,986	19,502	-	155,572
Profit for the period	-	-	-	-	-	-	-	16,250	-	16,250
At 30 June 2022	88,906	1,402	2,845	6,039	6,231	23,661	6,986	35,751	-	171,821
At 1 January 2023	88,906	1,402	4,970	6,039	6,231	23,661	6,986	4,127	(439)	141,883
Profit for the period	-	-	-	-	-	-	-	5,826	-	5,826
Partial disposal of subsidiary without loss of control	-	-	-	-	-	-	-	(439)	439	-
At 30 June 2023	88,906	1,402	4,970	6,039	6,231	23,661	6,986	9,514	-	147,709

5. Page 4 of the Chinese version of the announcement is adjusted as follows:

簡明綜合損益及其他全面收益表(未經審核)

截至二零二三年六月三十日止六個月

		二零二三年	二零二二年
	附註	人民幣千元	人民幣千元
營業收入	4	15,025	30,299
營業成本		(5,339)	(7,662)
員工成本		(1,826)	(2,825)
其他收入		18	118
行政開支	5	(1,052)	(821)
經營溢利		6,826	19,109
財務費用		28	8
除稅前溢利		6,854	19,117
稅項	7	(1,028)	(2,867)
期內淨溢利		5,826	16,250
應佔：			
本公司擁有人			
期內淨溢利		5,826	16,250
每股盈利（仙）	6		
-基本		0.6	1.63
-攤薄		0.6	1.63

6. Page 5 of the Chinese version of the announcement is adjusted as follows:

簡明綜合財務狀況表

	附注	未經審核	已經審核
		截至二零二三年 六月三十日	截至二零二二年 十二月三十一日
		人民幣千元	人民幣千元
非流動資產			
物業、廠房及設備		2,160	1,399
使用權資產			-
		2,160	1,399
流動資產			
以公允價值計量且其變動計入當期損益的金融資產		3,601	8,010
合同成本		43,232	32,916
貿易應收款項及應收票據	9	109,540	108,824
預付業務押金		1,000	1,000
預付款及其他應收款項		26,521	22,416
現金及現金等價物		4,534	4,060
		188,428	177,226
流動負債			
貿易應付款項、其他應付款項及應計費用	10	20,534	13,574
合同負債		924	1,014
租賃負債			-
應付所得稅		21,421	22,154
銀行貸款			-
		42,879	36,742
淨流動資產		145,549	140,484
淨資產		147,709	141,883
權益			
本公司權益持有者應占權益			
股本		88,906	88,906
儲備		58,803	53,416
		147,709	142,322
非控制性投資			(439)
權益合計		147,709	141,883

7. Page 7 of the Chinese version of the announcement is adjusted as follows:

	股本	股本溢價	股份基礎 支付儲備	特別儲備	資本儲備	法定公積	法定企業 發展基金	累積(虧 損)/溢利	非控制權益	合計權益
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
於二零二二年 一月一日	88,906	1,402	2,845	6,039	6,231	23,661	6,986	19,502	-	155,572
期內淨溢利	-	-	-	-	-	-	-	16,250	-	16,250
於二零二二年 六月三十日	88,906	1,402	2,845	6,039	6,231	23,661	6,986	35,751	-	171,821
於二零二三年 一月一日	88,906	1,402	4,970	6,039	6,231	23,661	6,986	4,127	(439)	141,883
期內淨溢利	-	-	-	-	-	-	-	5,826	-	5,826
部分處置子公司而 不喪失控制權	-	-	-	-	-	-	-	(439)	439	-
於二零二三年 六月三十日	88,906	1,402	4,970	6,039	6,231	23,661	6,986	9,514	-	147,709

8. Page 11 of the English version of the announcement is adjusted as follows:

9. Trade and bills receivables

	Unaudited 30 June 2023 RMB'000	Audited 31 December 2022 RMB'000
Trade and bills receivables	117,748	117,032
Less: allowance	(8,208)	(8,208)
	109,540	108,824

An aged analysis of the trade and bills receivables at the end of the reporting period, based on the invoice date and net of allowances, is as follows:

	Unaudited 30 June 2023 RMB'000	Audited 31 December 2022 RMB'000
Within 6 months	6,390	6,681
7 to 12 months	6,007	3,680
13 to 18 months	2,380	26,697
19 to 24 months	22,997	33,140
25 to 30 months	33,140	23,696
31 to 36 months	23,696	15,350
over 36 months	23,138	7,788
	117,748	117,032

9. Page 12 of the English version of the announcement is adjusted as follows:

10. Trade payables, other payables and accrued charges

	Unaudited	Audited
	30 June 2023	31 December 2022
	RMB'000	RMB'000
Trade payables	11,053	5,784
Litigation claims payables	567	452
Accrued staff costs, welfare and benefits	1,326	991
Value-added tax and sundry taxes payable	3,606	2,842
Other payables	3,982	3,505
	20,534	13,574

As of the end of the reporting period, the aging analysis of trade payables, based on the invoice date, is as follows:

	Unaudited	Audited
	30 June 2023	31 December 2022
	RMB'000	RMB'000
Within 30 days	5,686	492
31 to 90 days	3,886	105
91 to 365 days	326	450
Over 365 days	1,155	4,737
	11,053	5,784

10. Page 11 of the Chinese version of the announcement is adjusted as follows:

9. 貿易應收款項及應收票據

	未經審核 二零二三年 六月三十日 人民幣千元	已經審核 二零二二年 十二月三十一日 人民幣千元
貿易應收款項及應收票據	117,748	117,032
減：損失津貼	(8,208)	(8,208)
	109,540	108,824

根據發票日期和折讓淨額，對報告期末的貿易應收款項及應收票據進行賬齡分析如下：

	未經審核 二零二三年 六月三十日 人民幣千元	已經審核 二零二二年 十二月三十一日 人民幣千元
6個月以內	6,390	6,681
7至12月	6,007	3,680
13至18月	2,380	26,697
19至24月	22,997	33,140
25至30月	33,140	23,696
31至36月	23,696	15,350
超過36月	23,138	7,788
	117,748	117,032

10. 貿易應付款項，其他應付款項及應計費用

	未經審核 二零二三年 六月三十日 人民幣千元	已經審核 二零二二年 十二月三十一日 人民幣千元
貿易應付款項	11,053	5,784
應付法律訴訟賠償	567	452
應計員工成本和福利	1,326	991
應付增值稅及其它稅費	3,606	2,842
其他應付款項	3,982	3,505
	20,534	13,574

截至公佈期末，根據發票日期的貿易應付款項賬齡分析如下：

	未經審核 二零二三年 六月三十日 人民幣千元	已經審核 二零二二年 十二月三十一日 人民幣千元
30日內	5,686	492
31至90日	3,886	105
91至365日	326	450
超過365日	1,155	4,737
	11,053	5,784

Except for the above ten clarifications, all other information in the announcement remains unchanged.

On the orders of the board of directors

China Health Group Co., Ltd.

Chairman

Guo Xia

China, Hong Kong, 21 August 2023

As at the date of this announcement, the Board comprises two executive Directors, namely, Mr. Guo Xia (Chairman) and Dr. Song Xuemei; One non-executive Director, Ms. Zhang Li; And four independent non-executive Directors, Mr. Qiu Rui, Dr. Ni Binhui, Mr. Zhen Ling and Mr. Guo Tong.

This announcement contains details of the information required to be furnished in relation to the Company under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") GEM and the Directors are jointly and severally liable in their entirety for this announcement. The Directors confirm, after making all reasonable enquiries, that to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and is free from misleading or deceptive elements and that there is nothing else missing that would cause any statement contained in this announcement or this announcement to be misleading.

The announcement will remain on the "Latest Listed Company Information" page of the website of the Stock Exchange at www.hkexnews.hk for 7 days from the date of its posting, and published at the company's website at www.chgi.net web page log out.