



IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION

CAUSE NO. FSD OF 2025 ()

IN THE MATTER OF THE COMPANIES ACT (2023 REVISION)
AND IN THE MATTER OF NEW HORIZON HEALTH LIMITED

WINDING UP PETITION

TO: THE GRAND COURT OF THE CAYMAN ISLANDS

The humble petition of **NEW HORIZON HEALTH LIMITED** (the “**Petitioner**” or the “**Company**”) of c/o Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands

A. BACKGROUND OF THE PETITIONER

1. The Company was incorporated in the Cayman Islands on 7 June 2018 as an exempted company with limited liability pursuant to the laws of Cayman Islands and has its registered office at Conyers Trust Company (Cayman) Limited, P.O. Box 2681, Cricket Square, Hutchins Drive, George Town, Cayman Islands.
2. The Company has its principal places of business in the People’s Republic of China (“**PRC**”) at 13/F, T1 Building, 499 Jiang’er Road, Binjiang District, Hangzou, Zhejiang and in Hong Kong at 5/F, Manulife Place, 348 Kwun Tong Road, Kowloon, Hong Kong.
3. The shares of the Company are listed on the Main Board of the Hong Kong Stock Exchange (“**HKSE**”) with effect from 18 February 2021 under stock code 6606. The trading of the Company’s shares has been suspended since 28 March 2024.

4. The authorised share capital of the Company is US\$50,000 divided into 931,665,464 class A ordinary shares of a par value of US\$0.00005 each and 68,334,536 class B ordinary shares of a par value of US\$0.00005 each.
5. As at 31 December 2022, the Company issued 366,904,460 fully paid Class A ordinary shares and 63,097,474 fully paid Class B ordinary shares.
6. The Group was founded by:
 - (a) Mr. YeQing ZHU (朱葉青) (“**Mr. Zhu**”);
 - (b) Dr. Yiyou CHEN (陳一友) (“**Dr. Chen**”); and
 - (c) Mr. Naxin Yao (“**Mr. Yao**”), an “angel investor” of the Company.
7. The Class B ordinary shares of the Company are held by Mr. Zhu and Dr. Chen.
8. The Class A and Class B ordinary shareholders have different voting rights. The holder with each Class A ordinary share has one vote for each share held and the holder of each Class B ordinary has 1.14052169 vote for each share held.
9. The current board of directors of the Company (the “**Board**”) consists of the following individuals:
 - (a) Dr. Chen, the executive director;
 - (b) Mr. Yao, the non-executive director;
 - (c) Mr. Danke YU (“**Mr. Yu**”), an independent non-executive director;
 - (d) Ms. Jiangnan KONG, an independent non-executive director; and
 - (e) Dr. Yang WANG, an independent non-executive director.
10. At all material times, apart from the members of the Board, the Company's senior management consisted of:
 - (a) Mr. Yu GAO (高煜) (“**Mr. Gao**”), chief financial officer; and
 - (b) Dr. Ning LU (呂寧) (“**Dr. Lu**”), the chief technology officer.

The Audit Committee and the Company's Independent Auditor

11. By a Board resolution dated 9 October 2020, the Company established an audit committee (the “**Audit Committee**”). The main duties of the Audit Committee are to review the financial information of the Company and assist the Board by providing an independent view of the effectiveness of the financial reporting

process, internal control and risk management systems of the Group and working with the Company’s external auditor to oversee the audit process.

12. The current members of the Audit Committee compromise of Mr. Danke YU (chairperson), Dr. Yang WANG and Mr. Yao.
13. At all material times up to 9 September 2024, Deloitte Touche Tohmatsu (“**Deloitte**”) was engaged as the Company’s independent auditor. Deloitte resigned as auditor of the Company with effect from 9 September 2024 following its failure/refusal to commit to a tentative timetable for the completion of the audit of the Company’s consolidated financial statements for the year ended 31 December 2023 resulting in delays on the publication of the Company’s 2023 annual report.
14. Zhonghui Anda CPA Limited (“**Zhonghui**”) was appointed as the Company’s new auditor in place of Deloitte with effect from 27 September 2024.

B. THE BUSINESSES OF THE GROUP

15. The Company is an investment holding company which operates through its subsidiaries and consolidated affiliated entities incorporated in Hong Kong, the PRC and the United States of America.
16. The Group is primarily engaged in research and development of innovative cancer screening products for colorectal cancer, cervical cancer and other types of cancer aiming to help meet the significant medicals needs for cancer screening in the PRC. The Group is engaged in the following businesses:

(a) Development of cancer screening products. The Group focuses on developing non-invasive and/or home-based colorectal cancer screening tests. The main products of the Company have been available in nearly a thousand hospitals across the PRC. The Group’s main products (having completed the development stage, approved by the National Medical Products Administration of the PRC and already in production) include:

(i) **ColoClear** - a proprietary non-invasive stool-based FIT-DNA test that utilizes a multi-target approach to detect DNA and hemoglobin biomarkers associated with colorectal cancer and precancerous adenoma;

(ii) **Pupu Tube** - is a proprietary non-invasive stool-based FIT colorectal cancer screening product to detect hemoglobin biomarkers associated with colorectal cancer; and

- (iii) UU Tube - stool-based self-conducted screening product for gastric cancer by detecting H. pylori, the pathogenic bacteria which is the major causative agent for gastric cancer.
 - (b) Research and development. The Group has an in-house research and development team based in Beijing, Huangzhou and Hong Kong. The team focuses on ongoing research and development of new products and technologies to advance the Group's existing products and to develop new cancer screening tests;
 - (c) Testing facilities. The Group has three licensed laboratories located in Beijing, Huangzhou and Guangzhou, PRC, with a gross floor area of approximately 2,000 square meters, 3,700 square meters and 1,300 square meters, respectively. The laboratories are authorised to perform polymerase chain reaction amplification for clinical use. The laboratories are held by the Group via a VIE structure; and
 - (d) Manufacturing of cancer screening products. The Group has a manufacturing facility located at the Group's headquarters with an aggregate gross floor area of approximately 11,300 square meters in Hangzhou, Zhejiang province, PRC. The facility is primarily used for the production of the Coloclear, Pupu Tube and UU Tube.
17. The launches of Coloclear, Pupu Tube and UU Tube have been successful in the PRC and Hong Kong markets. These innovative products are popular given their effectiveness and simplicity. The Board considers that there are promising prospects for expanding the markets of these products at a global level.
18. On 15 March 2021, the Company and AstraZeneca, a research based biopharmaceutical company, entered into the Co-promotion Agreement, pursuant to which the parties agreed to jointly promote ColoClear in public hospitals, pharmacies and internet hospitals in the PRC.
19. Significantly, the Company entered into a series of strategic partnerships with PRC based companies and businesses including, but not limited to, JD Health (stock code: 06618. HK) in April 2021, Ping An Healthcare (stock code: 01833.HK) in July 2021, Picahealth (雲鵲醫), a leading PRC digital service platform for primary healthcare, in July 2021 and China Post (中國郵政) in August 2021, respectively. These strategic partnerships are aimed at raising public awareness of colorectal cancer screening and increase ColoClear and Pupu Tube's exposure across clinical, direct-to-consumer, and insurance markets.

20. In June 2022, ColoClear by Circle was launched commercially in Hong Kong through the partnership with Prenetic, a company listed on NASDAQ in the United States of America (Nasdaq stock code: PRE).
21. In January 2023, UU Tube debuted in Hong Kong through a partnership between the Company and Phase Scientific, a company with a research and development centre in Hong Kong Science Park focusing on multi-omics research and development including next-generation sequencing and product development.
22. The Board considers that the core businesses of the Group are demonstrably solid and promising. The cancer screening products developed by the Group mark a significant revolutionary development in the area and are expected to become widely popular globally.

C. THE SHORT SELLER REPORTS AND SUBSEQUENT INVESTIGATIONS

The Short Seller Reports

23. On 27 April 2023, the Company published its 2022 Annual Report (“**2022 Annual Report**”).
24. According to the consolidated statement of profit or loss in the 2022 Annual Report, for the year ended 31 December 2022, the Group made a revenue of RMB764,960,000 comprising of revenue generated from the transfer of goods and services in the following major product lines:

(a) to the PRC:

(i) CocoClear: RMB356,003,000;

(ii) Pupu Tube: RMB200,607,000;

(iii) UU Tube: RMB207,771,000;

(iv) Others: RMB15,000; and

(b) International: RMB564,000.
25. The Company’s revenue for the year ended 31 December 2022 increased drastically from the previous year. As of the year ended 31 December 2021, the Company made a revenue of RMB212,761,000 comprising of revenue generated from the transfer of goods and services in the following major product lines to the PRC:

(i) CocoClear: RMB97,216,000;

(ii) Pupu Tube: RMB115,466,000; and

(iii) Others: RMB79,000.

26. On 16 August 2023, CapitalWatch, a news outlet aimed at delivering breaking news, market analysis and economic insights focused on Chinese companies, published a short seller report titled "*Investigation on Financial Data Fraud of New Horizon Health*" ("**First Short Seller Report**") on the internet.
27. The First Short Seller Report alleged that the Company had committed financial data fraud and had inflated its 2022 sales revenue.
28. On the same date, the Company made an announcement stating that the First Short Seller Report contained numerous inaccurate, unfounded and misleading allegations designed to negatively impact the Company's share price for the short seller's own benefit.
29. On 17 August 2023, the Company made a further announcement informing its shareholders and potential investors that the allegations set out in the First Short Seller Reports are "*blatantly false and misleading*". Further, the Company announced that it had held a conference call on 16 August 2023 where the Company has reiterated that the published financial information in the previous disclosure were true and accurate.
30. On 4 September 2023, CapitalWatch published a second, more detailed, short seller report (the "**Second Short Seller Report**", and together with the First Short Seller Report, the "**Short Seller Reports**"). The Second Short Seller Report again alleged that the Company had inflated its sales revenue through the strategy of overstocking and speculated that for the full year sales data for the year 2022, the actual sales amount may only be RMB76.95 million, nine times less than the announcement amount of RMB765 million.
31. On 21 September 2023, the Company published an interim report (the "**2023 Interim Report**"). According to the 2023 Interim Report, Revenue was RMB822,700,000 for the six months ended 30 June 2023, representing a 264.6% increase from RMB225,700,000 for the same period in 2022.
32. The Short Seller Reports prompted the Board to look into the allegations with the then Chief Financial Officer of the Group, Mr. Gao, Deloitte and its legal advisors, and to conduct internal investigation.

The Audit Issues

33. On 13 February 2024, the Board received a letter from Deloitte dated 9 February 2024 referring to the Short Seller Reports and recommending the Company and the Audit Committee to appoint a competent forensic investigation firm to undertake an independent investigation into the allegations set out therein.

34. On 6 March 2024, Deloitte issued a further letter to the Audit Committee raising concerns over the following audit issues in relation to the consolidated financial statements of the Group for the year ended 31 December 2023 (the “**Audit Issues**”):
- (a) the validity of certain sales transactions of ColoClear and commercial substance and business rationale of the relevant sales models such as group purchase by designated leaders or group inspection by distributors;
 - (b) the validity of certain sales transactions of Pupu Tube or UU Tube; and
 - (c) the validity of certain selling and marketing expenses and commercial substance and business rationale of the relevant underlying marketing activities.
35. Following the publication of the Short Seller Reports and receipt of the letters from Deloitte dated 13 February 2024 and 6 March 2024, the Audit Committee engaged Zhonghui and Fangda Partners to carry out the independent forensic investigations.
36. On 27 March 2024, Deloitte issued a further letter to the Board and the Audit Committee reiterating its concerns over the Audit Issues and setting out the limitations of the independent forensic investigations, being that, the investigators’ inability to:
- (a) verify the validity of the end users of certain group purchases;
 - (b) validate the existence of any round tripping of fund flows; and
 - (c) trace the fund inflows or outflow from or to certain of the Group’s customers and vendors.
37. On 28 March 2024, the Company announced that the Company would not be able to publish the annual results for the year ended 31 December 2023 following concerns raised by Deloitte in letters to the Board and the Audit Committee; and following Deloitte’s recommendation, third-party specialists were engaged by the Company to conduct an independent investigation over the Audit Issues (the “**March 2024 Announcement**”).
38. The March 2024 Announcement further announced that as a result of the Company’s failure to publish its financial information in accordance with Hong Kong Listing Rules, trading in the shares of the Company was halted with effect from 9:00am 28 March 2024 and would continue to be suspended pending the publication of the 2023 annual results. Trading has remained halted up to now.

The Independent Special Committee

39. The Board considered it necessary to conduct a thorough investigation with a view to bottoming out the validity of the various serious allegations in the Short Seller Reports. It was also crucial to ensure independence of the investigation. On 8 April 2024, by way of a Board written resolution, the Board resolved to establish an independent special committee (“ISC”) for the purpose of undertaking and supervising the conduct of the investigations on the Audit Issues.
40. The members of the ISC comprise of the then five independent non-executive directors of the Company at the material time including Dr. Danke Yu, Prof. Hong Wu, Dr. Donald Kwok Tung Li, Mr. Lau Ngai Kee Ricky and Ms. Ng Wen Sin Stella with Mr. Lau Ngai Kee Ricky being appointed as the chairman of the ISC.
41. On 29 April 2024, the Board passed a resolution noting that on 19 April 2024, the Board approved the appointment of Fangda Partners as the legal advisers of the ISC as to Hong Kong law and the instructions to engage Ernest & Young (“EY”) as the independent forensic firm to assist in and conduct an investigation on the Audit Issues.
42. Following the resignation of Prof. Hong Wu, Ms. Jiangnan Kong was appointed as an independent non-executive director of the Company and a member of the ISC with effect from 1 October 2024.
43. On 14 April 2025, the Company announced that Mr. Lau Ngai Kee Ricky and Ms. Ng Wen Sin Stella had resigned as the Company’s independent non-executive directors and members of the ISC with effect from 14 April 2025.
44. As disclosed in the Company’s announcement dated 28 March 2025, the independent forensic investigation remains to be concluded. The Company, with the ISC having overall oversight of the investigation, has been proactively assisting EY to advance and complete the investigation and maintaining active dialogues with all relevant parties of the investigation to resolve the Audit Issues. The Company will announce the relevant findings of the investigation as and when appropriate in accordance with the requirements under the HKSE Listing Rules upon completion of the investigation or any major stage(s) thereof, and will, if necessary, take appropriate remedial actions.

D. THE COMPANY’S CURRENT FINANCIAL POSITION

45. Despite engaging legal counsels and EY to conduct the investigations, more than 14 months have passed, yet, the Audit Issues are not yet resolved.
46. The Board recognises that there existed certain limitations that hindered EY’s investigation and it is unlikely that EY (or the Company) is able to overcome such

limitations. The Board is of the view that the longer the investigation is prolonged, the more difficult it will become to ensure that the interests of the Company's creditors and/or members are adequately protected.

47. To this date, given that the investigation is not yet completed, the Board is still unable to ascertain the amount of the inflated revenue and make the relevant accounting adjustment in the Company's financial statement.
48. The Board is unable to confirm whether the Company is solvent or not or in the verge of insolvency. That said, the Board's view is that it is in the best interest of the Company's creditors, members and stakeholders for independent professional insolvency experts to be appointed to the Company to investigate the solvency status of the Company and take measures to protect and safeguard their relevant interest.

E. GROUNDS TO WIND UP THE COMPANY

49. This Petition is presented for the purpose of allowing the Company to file an application to appoint joint provisional liquidators ("**JPLs**") over the Company. It will be for the JPLs to assess the Company's position after their appointment, including the feasibility for any restructuring or, in the alternative, whether it would be in the best interest of the Company's stakeholder for it to be wound up in an orderly manner. Due to the uncertainties as to whether and how the Audit Issues could be resolved, the Board at this stage is unable to determine which would be the more appropriate approach to ensure that the interest of the Company's stakeholders is best taken care of.
50. Pursuant to article 162(1) of the Seven Amended and Restated Articles of Association (the "**Articles**") of the Company adopted at an annual general meeting held on 24 June 2022, the Board shall have power in the name and on behalf of the Company to present a petition to the Court for the Company to be wound up.
51. On 25 June 2025, the Board passed a resolution authorizing the Company to present a petition to this Honourable Court to wind up the Company in light of the Audit Issues for the purpose of appointing independent insolvency experts to handle the affairs of the Company and to conduct an investigation with respect to the Company's affairs (including but not limited to the Audit Issues).
52. Based on legal advice and without waiving privilege in such advice, the Board considers that it is just and equitable to wind up the Company, taking into account the Short Seller Reports, the seriousness of the Audit Issues and the limitations to the investigation undertaken by EY. Although the current Board has been trying its best endeavor to resolve the issues and to undertake appropriate remedial action, given the seriousness of the Audit Issues, understandably, the

shareholders and stakeholders would have serious doubts over the internal control of the Company and whether it is appropriate for the management of the Company to continue to manage the business of the Company. It is in the best interest of all stakeholders for independent insolvency practitioners to be appointed to take over the management of the Company to help restore trust in the Company and ensure that the Company is properly managed. Further, there is a loss of substratum. Given the doubts over the solvency of the Company, it has become impractical and impossible for the Board to carry on the Company's business or to make any decisions relating to any dealings or transactions as they may risk putting the Company in a financially worse off position or causing it to become insolvent. As such, until the JPLs complete their investigation into the Audit Issues, it will be difficult for any informed business decisions to be made for the Company.

53. That said, the Petition is presented on just and equitable grounds so as to facilitate a subsequent application to be filed by the Company for the appointment of joint provisional liquidators over the Company ("**JPLs Application**").
54. The purpose of the JPLs Application is to safeguard the interest of the Company's stakeholders and ensure proper investigation into the Audit Issues. Further, it is to ensure that affairs of the Company are being properly managed and that the Company's assets can be protected/preserved.

The Petitioner therefore humbly prays that:

- (1) The Company be wound up in accordance with Section 92(e) of the Companies Act (2023 Revision) (the "**Act**").
- (2) Mr. Lai Wing Lun and Osman Mohammed Arab of Acclime Corporate Advisory (Hong Kong) Limited and Martin Nicholas John Trott of R&H Restructuring (Cayman) Ltd, be appointed as Joint Official Liquidators of the Company ("**JOLs**") with power to act jointly and severally.
- (3) The JOLs shall not be required to give security for their appointment.
- (4) In addition to the powers prescribed in Part II of the Third Schedule to the Act which are exercisable without sanction of the Court, the JOLs are hereby sanctioned to exercise the following powers set out in Part I of the Third Schedule of the Act:
 - (a) engage staff (whether or not as employees of the Company) to assist the JOLs in the performance of their functions;
 - (b) engage attorneys and other professionally qualified persons to assist the JOLs in the performance of their functions, including in the Cayman Islands, Hong Kong and/or the People's Republic of China, and on such

terms as the JOLs may think fit, and to remunerate them out of the assets of the Company as an expense of the official liquidation;

- (c) bring legal proceedings in the Hong Kong and/or in the People's Republic of China (or in such other jurisdiction as the JOLs may deem necessary) in order to seek recognition of their appointment (if so advised), without further order of this Court; and
 - (d) control and otherwise deal with all existing bank accounts in the name of the Company and to open new bank accounts in the name of the Company.
- (5) The powers bestowed upon the JOLs may be exercised by them within and outside of the Cayman Islands.
 - (6) Unless the Court otherwise directs, the JOLs shall not be required to take steps to establish a liquidation committee.
 - (7) The JOLs are authorised to render and pay invoices out of the assets of the Company for their own remuneration, and are also authorised to meet all disbursements in connection with the performance of their duties out of the assets of the Company as an expense of the official liquidation.
 - (8) No suit, action or other proceeding may be proceeded with or commenced against the Company except with the leave of the Court and subject to such terms as the Court may impose.
 - (9) No disposition of the Company's property by or with the authority of the JOLs in carrying out their duties and functions and exercise of their powers under this Order shall be voided by virtue of section 99 of the Act.
 - (10) The JOLs be at liberty to apply generally.
 - (11) The costs of this Petition shall be paid out of the assets of the Company, as an expense of the official liquidation.
 - (12) Such further or other relief be granted as the Court deems appropriate.

Dated this 2nd day of July 2025



Conyers Dill & Pearman LLP

This Petition was filed by Conyers Dill & Pearman LLP, Attorneys-at-Law for and on behalf of the Petitioner herein whose address for service is SIX, Cricket Square, P. O. Box 2681, George Town, Grand Cayman, KY1-1111

Notice of Hearing

TAKE NOTICE THAT the hearing of this petition will take place at the Law Courts, George Town, Grand Cayman on the ____ day of _____ 2025 at _____ am/pm.

Any correspondence or communication with the Court relating to the hearing of this petition should be addressed to the Registrar of the Financial Services Division of the Grand Court at PO Box 495, Grand Cayman, KY1-1106, telephone 345 949 4296.