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信銘生命科技集團有限公司
Aceso Life Science Group Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00474)

DISCLOSEABLE TRANSACTION
DISPOSAL OF INTEREST IN A SUBSIDIARY

THE DISPOSAL

On 28 July 2021 (after trading hours), the Vendor, an indirectly wholly-owned subsidiary of the Company and the Purchaser, entered into the Sale and Purchase Agreement, pursuant to which the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase, the Sale Shares (representing 8.44% of the total issued share capital of HTICI as at the date of this announcement) at HK\$0.52 each for a total cash consideration of HK\$331,500,000.

As at the date of this announcement, the Group (including the Vendor) held approximately 46.92% of the total issued share capital of HTICI. The shares of HTICI are listed on the Stock Exchange (stock code: 1341) and the HTICI Group is principally engaged in provision of financial services and related financial advisory services, rental and trading of construction machinery, as well as property development business.

Upon completion of the Disposal, the Group (including the Vendor) will hold approximately 38.49% of the total issued share capital of HTICI. After consultation with the auditors of the Company, HTICI will remain as a subsidiary of the Company and its financial results will be consolidated into the financial statements of the Group.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios calculated in accordance with the Listing Rules in respect of the Disposal exceed 5% but are below 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to reporting and announcement requirements under Chapter 14 of the Listing Rules.

THE DISPOSAL

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THE SALE AND PURCHASE AGREEMENT

Date: 28 July 2021 (after trading hours)

Parties: (1) Hao Tian Management (China) Limited (昊天實業管理(中國)有限公司) as the Vendor
(2) Hundred Gain Industrial Investment Company Limited (佰利產業投資有限公司) as the Purchaser

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, as at the date of this announcement, the Purchaser and its ultimate beneficial owner(s) are Independent Third Parties.

CONDITIONS PRECEDENT

Completion of the Sale and Purchase Agreement shall be subject to the following conditions precedent:

- (a) where applicable, the Vendor having obtained all the necessary approval, authorization, consent, registration by or filing with the relevant competent government or regulatory authorities or any third party in connection with the Sale and Purchase Agreement and the transactions contemplated thereunder; and
- (b) the warranties set out in the Sale and Purchase Agreement remaining complete, true and correct and not misleading as at the Completion Date and as if repeated at all time between the date of the Sale and Purchase Agreement and the Completion Date.

The Vendor and the Purchaser shall use their best endeavour to procure the fulfilment of the conditions precedent. In the event that any of the conditions precedent is not fulfilled by 6 August 2021, the Sale and Purchase Agreement shall lapse at the discretion of the parties and none of the parties shall be liable to the other (save for any antecedent breach) unless both parties agree to defer the long-stop date. To the extent applicable, condition (a) cannot be waived.

CONSIDERATION

The total consideration for the Sale Shares is HK\$331,500,000, which shall be payable by the Purchaser in cash at each Completion.

COMPLETION

Completion of disposal of the Sale Shares may take place in tranches within 15 business days upon satisfaction or waiver of the conditions precedent and the Purchaser will settle the consideration for each of tranche of Sale Shares by multiplying the number of Sale Shares and the sale pricing of HK\$0.52 each at a completion.

INFORMATION ON HTICI

HTICI is an exempted company incorporated in the Cayman Islands with limited liability. HTICI is an investment holding company and the HTICI Group is principally engaged in (a) provision of financial services and related financial advisory services through subsidiaries licensed to conduct (i) Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO; (b) rental and trading of construction machinery; and (c) property development business.

Set out below is a summary of the financial information of the HTICI Group for the two years ended 31 March 2021 and 2020 which were prepared in accordance with the Hong Kong Financial Reporting Standards:

| | For the year ended 31 March 2021 | For the year ended 31 March 2020 |
|---|---|---|
| | <i>HK\$'million</i> | <i>HK\$'million</i> |
| Total revenue | 220 | 192 |
| Net profit before tax and extraordinary items | 109 | 68 |
| Net profit after tax and extraordinary items | 100 | 72 |
| Total assets | 2,893 | 1,497 |
| Total net assets value | 1,724 | 988 |

FINANCIAL EFFECT OF THE DISPOSAL AND USE OF PROCEEDS

Upon completion of the Disposal, the Group (including the Vendor) will hold approximately 38% of the total issued share capital of HTICI. After consultation with the auditors of the Company, HTICI will remain as a subsidiary of the Company whose financial results will be consolidated into the financial statements of the Group on the basis that the Group has de facto control over HTICI even though it has less than 50% of voting rights. The Group is the majority shareholder of HTICI; certain minority shareholders holding approximately 13% of voting rights of HTICI have declared that they have no intention to vote and/or authorise any person to vote in any shareholder meetings for every decisions/resolutions of HTICI throughout the period from 5 July 2021 to 31 December 2022; and the other vote holders of HTICI are dispersed. There is no history of other shareholders forming a group to exercise their votes collectively. As the Disposal will not result in Group's loss of control over

HTICI, the Disposal will be accounted for as an equity transaction and will not result in the recognition of any gain or loss in the Group's consolidated statement of profit or loss and other comprehensive income.

The Company intends to use approximately HK\$232,000,000 (approximately 70% of the total consideration) received from the disposal of the Sale Shares towards settlement of a portion of the outstanding debt and the balance will be used for general working of the Group.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Company is an exempted company incorporated in the Cayman Islands with limited liability. The Company is an investment holding company and the Group is principally engaged in (i) money lending; (ii) securities investment; (iii) provision of commodities and securities brokerage and other financial services; (iv) asset management; (v) property leasing and property development; and (vi) rental and trading of construction machinery. The Group has recently expanded its business into bioscience industry and has been endeavouring in identifying and locating acquisition targets in bioscience industry.

The Disposal was made with reference to the prevailing market of HTICI and the Directors considered that the Disposal provides the Group with an opportunity to realise a portion of its investment in HTICI for repayment of its outstanding debt and enhance the liquidity of the Group.

INFORMATION ABOUT THE VENDOR AND THE PURCHASER

The Vendor, an indirectly wholly-owned subsidiary of the Company, is a company incorporated under the laws of Hong Kong and is principally engaged in investment holding.

The Purchaser is a company incorporated under the laws of the British Virgin Islands and is principally engaged in industrial investment. Mr. Fong, Tim holds 100% of the issued share capital of the Purchaser. Hundred Gain Industrial Investment Company Limited is the flagship investment vehicle of Mr. Fong, specialized in investment into real economy, including new materials, new energy, photovoltaic, environmental protection, etc. Mr. Fong is a seasoned investor with extensive business network in Hong Kong, Singapore and Southeast Asia and a long-time partner of several leading industrial groups.

VIEWS OF THE DIRECTORS

The Directors consider that the terms of the Sale and Purchase Agreement and the transactions contemplated thereunder are on normal commercial terms and are fair and reasonable and are in the interest of the Company and the Shareholders as a whole.

As none of the Directors has a material interest in the Disposal, no Director is required to abstain from voting on the relevant resolution of the Board approving the Disposal.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios calculated in accordance with the Listing Rules in respect of the Disposal exceed 5% but are below 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and phrases have the following meanings:

| | |
|-----------------------|--|
| “Board” | the board of Directors |
| “Company” | Aceso Life Science Group Limited (信銘生命科技集團有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 474) |
| “Completion Date” | the date falling within 15 business days upon the fulfilment (or waiver as the case may be) of all the conditions precedent under the Sale and Purchase Agreement or on such other date as may be agreed between the Vendor and the Purchaser in writing |
| “connected person(s)” | has the meanings ascribed to it under the Listing Rules |
| “Directors” | the directors of the Company |
| “Disposal” | the disposal of the Sale Shares by the Vendor pursuant to the Sale and Purchase Agreement |
| “Group” | the Company and its subsidiaries |
| “Hong Kong” | Hong Kong Special Administrative Region of the People’s Republic of China |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “HTICI” | Hao Tian International Construction Investment Group Limited (昊天國際建設投資集團有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1341) |
| “HTICI Group” | HTICI and its subsidiaries |

| | |
|--------------------------------|--|
| “Independent Third Party(ies)” | person(s) or company(ies) and their respective ultimate beneficial owner(s) which, to the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, are third parties independent of and not connected with the Company and its connected persons |
| “Listing Rules” | The Rules Governing the Listing of Securities on the Stock Exchange |
| “Purchaser” | Hundred Gain Industrial Investment Company Limited (佰利產業投資有限公司), a company incorporated in the British Virgin Islands and wholly-owned by Mr. Fong, Tim, and a resolution was passed on 23 July 2021 to adopt its current name for filing with the Registry of Corporate Affairs |
| “Sale and Purchase Agreement” | the sale and purchase agreement in respect of the Disposal dated 28 July 2021 entered into between the Vendor and the Purchaser |
| “Sale Shares” | 637,500,000 shares in HTICI, representing 8.44% of the total issued share capital of HTICI as at the date of this announcement |
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “Shareholders” | the shareholders of the Company |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Vendor” | Hao Tian Management (China) Limited (昊天實業管理(中國)有限公司), an indirectly wholly-owned subsidiary of the Company |
| “%” | per cent |

By order of the Board
Aceso Life Science Group Limited
Fok Chi Tak
Executive Director

Hong Kong, 28 July 2021

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Xu Haiying, Dr. Zhiliang Ou, J.P. (Australia) and Mr. Fok Chi Tak; one non-executive Director, namely Dr. Wang Yu; and three independent non-executive Directors, namely Mr. Chan Ming Sun Jonathan, Mr. Lam Kwan Sing and Mr. Mak Yiu Tong.