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

(formerly known as Hao Tian Development Group Limited 昊天發展集團有限公司)
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 00474)

HAO TIAN INTERNATIONAL
CONSTRUCTION INVESTMENT GROUP LIMITED

昊天國際建設投資集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1341)

JOINT ANNOUNCEMENT

**DISCLOSEABLE TRANSACTION
IN RELATION TO
(A) ACQUISITION OF SALE SHARES
INVOLVING ISSUE OF
CONSIDERATION SHARES BY
SUBSIDIARY UNDER GENERAL
MANDATE AND
(B) DEEMED DISPOSAL**

**DISCLOSEABLE TRANSACTION
IN RELATION TO
ACQUISITION OF SALE SHARES
INVOLVING ISSUE OF
CONSIDERATION SHARES UNDER
GENERAL MANDATE**

THE ACQUISITION

Each of the ALS Board and HTICI Board is pleased to announce that on 26 April 2021 (after trading hours), HTICI, the Purchaser, an indirect wholly-owned subsidiary of HTICI and an indirect non-wholly owned subsidiary of ALS, the Vendor and the Target Company entered into the Agreement in relation to the Acquisition pursuant to which the Purchaser has conditionally agreed to acquire and the Vendor has conditionally agreed to sell the Sale Shares (representing 49% of the existing issued share capital of the Target Company) for an aggregate consideration of HK\$286,236,563, which shall be settled by the issue of the Consideration Shares at the Issue Price by HTICI under the General Mandate to the Vendor (or its nominee(s)). The Agreement has provisions governing the management and affairs of the Target Company after Completion. Following Completion, the Target Company is treated as an associate of the ALS Group and HTICI Group and therefore its financial results will be accounted for using equity method in the financial statements of each of the ALS Group and HTICI Group.

LISTING RULES IMPLICATIONS

ALS

As one or more of the percentage ratios (as defined in the Listing Rules) applicable to the Acquisition exceed 5% but are all less than 25%, the Acquisition constitutes a discloseable transaction of ALS under Chapter 14 of the Listing Rules.

The allotment and issue of the Consideration Shares by HTICI, being an indirect non-wholly owned subsidiary of ALS, will result in the dilution of ALS's percentage shareholding in HTICI from 53.24% to 47.11%, and therefore constitutes a deemed disposal of ALS under Chapter 14 of the Listing Rules. As one or more of the percentage ratios (as defined in the Listing Rules) applicable to the Deemed Disposal exceed 5% but are all less than 25%, the Deemed Disposal constitutes a discloseable transaction for ALS under Chapter 14 of the Listing Rules.

The Acquisition and Deemed Disposal are therefore subject to the reporting and announcement requirements but are exempt from shareholders' approval requirement under Chapter 14 of the Listing Rules.

HTICI

As one or more of the percentage ratios (as defined in the Listing Rules) applicable to the Acquisition exceed 5% but are all less than 25%, the Acquisition constitutes a discloseable transaction of HTICI under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements but is exempt from shareholders' approval requirement under Chapter 14 of the Listing Rules.

Completion of the Acquisition is subject to a number of conditions precedent which may or may not be fulfilled. Shareholders of ALS and HTICI and respective potential investors of ALS and HTICI are reminded to exercise caution when dealing in the securities of ALS and HTICI.

INTRODUCTION

Each of the ALS Board and HTICI Board is pleased to announce that on 26 April 2021 (after trading hours), HTICI, the Purchaser, an indirect wholly-owned subsidiary of HTICI and an indirect non-wholly owned subsidiary of ALS, the Vendor and the Target Company entered into the Agreement in relation to the Acquisition pursuant to which the Purchaser has conditionally agreed to acquire and the Vendor has conditionally agreed to sell the Sale Shares (representing 49% of the existing issued share capital of the Target Company) for an aggregate consideration of HK\$286,236,563, which shall be settled by the issue of the Consideration Shares at the Issue Price by HTICI under the General Mandate to the Vendor (or its nominee(s)).

THE AGREEMENT

Principal terms of the Agreement are set out below:

Date:

26 April 2021 (after trading hours)

Parties:

- (1) The Purchaser
- (2) HTICI
- (3) The Vendor
- (4) The Target Company

As at the date of this announcement, the Target Company is owned as to 100% by the Vendor. To the best of the knowledge, information and belief of the ALS Board and HTICI Board, and having made all reasonable enquiries, the Vendor is an Independent Third Party of ALS and HTICI and their respective connected persons (as defined in the Listing Rules).

Subject of the Acquisition

Pursuant to the Agreement, the Purchaser has conditionally agreed to purchase, and the Vendor has conditionally agreed to sell, the Sale Shares, which represent 49% of the existing issued share capital of the Target Company as at the date of the Agreement and upon Completion.

The Sale Shares shall be sold free from any encumbrance and together with all rights as at or after the Completion Date, including but not limited to all dividends, entitlements, distributions or any return on capital declared or accrued in respect thereof, on and subject to the terms and conditions of the Agreement. There is no restriction on the subsequent sale of the Sale Shares.

The Agreement also set out the regulations relating to the governance and operation of the Target Company after the Completion. The Purchaser and the Vendor as the shareholders shall have customary rights in respect of reserved matters.

Consideration

The consideration payable for the sale and purchase of the Sale Shares shall be HK\$286,236,563, which shall be settled by issue of the Consideration Shares at the issue price of HK\$0.33 per Consideration Share to the Vendor (or its nominee(s)).

The consideration for the Acquisition was determined after arms' length negotiations between the Purchaser and the Vendor with reference to, among others, (i) the subscription amount of US\$75,000,000 paid and transaction costs of US\$375,000 incurred for the participating shares in Tisé Equity SP-1; and (ii) the potential investment return of the underlying investment of Tisé Equity SP-1, details of which are set out in the section "Reasons for and benefits of the Acquisition".

Consideration Shares

Pursuant to the Agreement, HTICI will allot and issue, credited as fully paid, 867,383,524 Consideration Shares at the Issue Price to the Vendor (or its nominee(s)) upon Completion.

Number of Consideration Shares

As at the date of this announcement, there are a total of 6,659,383,132 HTICI Shares in issue. Based on the Issue Price, the total number of Consideration Shares represents:

- (i) approximately 13.02% of the total number of HTICI Shares in issue as at the date of this announcement; and
- (ii) approximately 11.52% of the total number of HTICI Shares as enlarged by the allotment and issue of the Consideration Shares.

Issue Price

The issue price of HK\$0.33 per Consideration Share represents:

- (i) a discount of approximately 12% to the closing price of HK\$0.375 per HTICI Share as quoted on the Stock Exchange on the date of the Agreement; and
- (ii) a discount of approximately 12.47% to the average closing price of HK\$0.377 per HTICI Share as quoted on the Stock Exchange for the last five consecutive trading days up to the date immediately before the date of the Agreement.

The Issue Price was determined after arm's length negotiations between the Purchaser and HTICI on one hand and the Vendor on the other, with reference to the prevailing trading price of the HTICI Shares. Each of the ALS Board and HTICI Board considers that the Issue Price is fair and reasonable and in the interests of ALS and HTICI and their respective shareholders as a whole.

The Consideration Shares will be allotted and issued by HTICI under the General Mandate. HTICI is authorized to issue up to 1,010,731,712 new HTICI Shares under the General Mandate. As at the date of this announcement, the General Mandate has not been utilized. Accordingly, the General Mandate is sufficient for the issue of the Consideration Shares and therefore the issue of the Consideration Shares is not subject to the approval of its shareholders.

The Consideration Shares shall rank *pari passu* in all respects with the HTICI Shares in issue on the date of allotment and issue including the rights to all dividends, distributions and other payments made or to be made for which the record date falls on or after the date of allotment and issue.

An application will be made by HTICI to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares on the Stock Exchange.

Conditions

Completion of the Agreement is conditional upon the fulfilment of the following conditions:

- (a) the Purchaser having completed the due diligence on the legal, financial, business and operation of the Target Company and its assets, and being and remaining satisfied with the same in all respects;
- (b) all warranties given by the Vendor under the Agreement remaining true and accurate in all respects;
- (c) the Purchaser and HTICI having complied with all the requirements under the Listing Rules and applicable laws in connection with the entering into and performance of the Agreement;
- (d) the Stock Exchange having granted the listing of, and the permission to deal in, the Consideration Shares; and
- (e) no material adverse change having occurred since the execution of the Agreement.

In the event that any of the above conditions is not fulfilled or waived by the Purchaser on or prior to the Completion Date or such later date as may be agreed between the parties in writing, the Agreement shall become null and void and be of no further effect whatsoever and all the obligations and liabilities of the parties under the Agreement shall cease and determine except in respect of the any rights and liabilities which have accrued prior to such termination.

Completion

Completion shall take place within three Business Days after the fulfilment (or waiver as the case may be) of all the conditions precedent under the Agreement and in any event no later than 7 May 2021 or such other date as may be agreed between the parties in writing.

Following Completion, the Target Company is treated as an associate of the ALS Group and HTICI Group and therefore its financial results will be accounted for using equity method in the financial statements of each of the ALS Group and HTICI Group.

INFORMATION OF THE TARGET COMPANY

The Target Company is a company incorporated in the British Virgin Islands on 18 July 2018 and is principally engaged in investment holding.

The following information is extracted from the unaudited financial statements of the Target Company for the two financial years ended 31 December 2020 and 2019:

	For the year ended 31 December 2020 (HK\$'000)	For the year ended 31 December 2019 (HK\$'000)
Profit (loss) before taxation	—	—
Profit (loss) after taxation	—	—

As at 21 April 2021, the Target Company had net assets of approximately HK\$586,118,000.

All information relating to the Target Company, including information relating its business and its financial information, as disclosed in this announcement is provided by the Vendor.

INFORMATION OF THE VENDOR

The Vendor is a merchant.

INFORMATION OF THE ALS GROUP, THE HTICI GROUP AND THE PURCHASER

ALS is an exempted company incorporated in the Cayman Islands with limited liability. ALS is an investment holding company and the ALS 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; (vi) rental and trading of construction machinery; and (vii) bioscience.

HTICI is an exempted company incorporated in the Cayman Islands with limited liability. The Purchaser is an indirect wholly-owned subsidiary of HTICI principally engaged in investment holding.

The HTICI Group is principally engaged in the following principal activities:

- (a) the construction machinery business, serving primarily the construction sector in Hong Kong, including (i) rental of construction machinery; (ii) trading of construction machinery and spare parts; and (iii) provision of machinery transportation services; and
- (b) the provision of financial services, conducting: (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 Securities and Futures Ordinance; and (ii) money lending activities.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The HTICI Group acquires 49% of the issued share capital of the Target Company for investment purpose. The Target Company, through its interests in Tisé Equity SP-1, acquired shares of New Gains Group Limited (“**NGG**”) which owns FCB, a company established in the PRC and a subsidiary of China Evergrande Group, 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: 3333) based on the announcement of China Evergrande Group dated 29 March 2021. FCB applies big data, artificial intelligence, cloud computing, virtual reality and other digital technologies to realize resource and information sharing and accurate matching between buyers and sellers, and builds an online and offline full-channel comprehensive real estate and automobile transaction service platform. NGG intends to complete an initial public offering and the listing of the shares on the Nasdaq Stock Market or any other suitable stock exchange with a pre-financing valuation of not less than Renminbi 150 billion (or its equivalent currency) (the “**Qualified IPO**”). If the said Qualified IPO cannot be achieved within the specified timeline, Tisé Equity SP-1 would be able to request for redemption of its investment in NGG with a 15% premium. As such, the HTICI Group is able, through its interests in Tisé Equity SP-1, to earn the potential investment return from the increase in market value of NGG’s shares upon listing or regain the investment with premium if such Qualified IPO cannot be achieved.

Taking into consideration of the aforesaid, each of the ALS Board and HTICI Board considers that the terms and conditions of the Agreement are on normal commercial terms and are fair and reasonable and that the Acquisition is in the interests of ALS and HTICI and their respective shareholders as a whole.

EFFECT ON THE ISSUE OF THE CONSIDERATION SHARES ON THE SHAREHOLDING STRUCTURE OF HTICI

The shareholding structure of HTICI before and after the Completion are as follows (assuming there is no change in the issued share capital of HTICI between the date of this announcement and the Completion Date save for the issuance of the Consideration Shares):

Name of shareholders	Immediately before the Completion		Immediately after the Completion	
	Number of HTICI Shares	Approximate %	Number of HTICI Shares	Approximate %
ALS (<i>note 1</i>)	3,545,725,259	53.24%	3,545,725,259	47.11%
Lin Yuan (<i>note 2</i>)	1,000,000,000	15.02%	1,000,000,000	13.29%
Vendor (or its nominee(s))	0	0.00%	867,383,524	11.52%
Public				
Other public shareholders	<u>2,113,657,873</u>	31.74%	<u>2,113,657,873</u>	28.08%
Total	<u><u>6,659,383,132</u></u>	100.00%	<u><u>7,526,766,656</u></u>	100.00%

Notes:

- As at the date of this announcement, ALS, which is an indirect controlling shareholder of HTICI, is interested in an aggregate of 3,545,725,259 HTICI Shares, comprising of (i) 2,388,944,688 HTICI Shares through its wholly-owned companies Win Team Investments Limited and Hao Tian Management (China) Limited; (ii) 785,352,000 HTICI Shares through its wholly-owned company Win Team Investments Limited and non-wholly owned subsidiary Hao Tian Management (Hong Kong) Limited; and (iii) 371,428,571 HTICI Shares through its wholly-owned companies Guo Guang Limited and Hao Tian Finance Company Limited.
- According to the information available, Ms. Lin is beneficially interested in a total of 1,000,000,000 HTICI Shares, among which, 500,000,000 HTICI Shares are held by Ms. Lin as beneficial owner, and 500,000,000 HTICI Shares are shares held by Soaring Wealth Ventures Limited which is wholly-owned by Ms. Lin.

FINANCIAL EFFECT OF THE DEEMED DISPOSAL

HTICI is a subsidiary of ALS. As at the date of this announcement, ALS is interested in approximately 53.24% of the total issued number of HTICI Shares.

Set out below are the audited consolidated financial information of the HTICI Group for the two years ended 31 March 2019 and 2020 as extracted from the 2019/20 annual report of HTICI:

	For the year ended 31 March 2020	For the year ended 31 March 2019
	<i>(HK\$'million)</i>	<i>(HK\$'million)</i>
Net profit (loss) before tax and extraordinary items	67	(7)
Net profit (loss) after tax and extraordinary items	72	(6)

According to the unaudited consolidated financial statements prepared in accordance with the applicable Hong Kong Financial Reporting Standards, the net asset value of the HTICI Group as at 30 September 2020 was approximately HK\$1,129 million.

The allotment and issue of the Consideration Shares upon Completion will have the effect of diluting the percentage shareholding of ALS in HTICI. The percentage shareholding in the total number of HTICI Shares in issue held by ALS will be diluted from approximately 53.24% to approximately 47.11%. Having assessed the size of ALS's holding of voting rights relative to the size and dispersion of holdings of the other vote holders, the ALS Board considers that ALS still has sufficient power to direct relevant activities of HTICI. Accordingly, HTICI will remain as an indirect non-wholly owned subsidiary of ALS and its financial results, assets, liabilities and cash flows will continue to be consolidated into the ALS's consolidated financial statements. As the Deemed Disposal will not result in ALS's loss of control over HTICI, the Deemed Disposal will be accounted for as an equity transaction and will not result in the recognition of any gain or loss in ALS's consolidated statement of profit or loss and other comprehensive income.

LISTING RULES IMPLICATIONS

ALS

As one or more of the percentage ratios (as defined in the Listing Rules) applicable to the Acquisition exceed 5% but are all less than 25%, the Acquisition constitutes a discloseable transaction of ALS under Chapter 14 of the Listing Rules.

The allotment and issue of the Consideration Shares by HTICI, being an indirect non-wholly owned subsidiary of ALS, will result in the dilution of ALS's percentage shareholding in HTICI from 53.24% to 47.11%, and therefore constitutes a deemed disposal of ALS under Chapter 14 of the Listing Rules. As one or more of the percentage ratios (as defined in the Listing Rules) applicable to the Deemed Disposal exceed 5% but are all less than 25%, the Deemed Disposal constitutes a discloseable transaction for ALS under Chapter 14 of the Listing Rules.

The Acquisition and Deemed Disposal are therefore subject to the reporting and announcement requirements but are exempt from shareholders' approval requirement under Chapter 14 of the Listing Rules.

HTICI

As one or more of the percentage ratios (as defined in the Listing Rules) applicable to the Acquisition exceed 5% but are all less than 25%, the Acquisition constitutes a discloseable transaction of HTICI under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements but is exempt from shareholders' approval requirement under Chapter 14 of the Listing Rules.

As none of the directors of ALS and HTICI has a material interest in the Acquisition, no director has abstained from voting on the relevant resolution of the ALS Board and HTICI Board approving the Acquisition.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“Acquisition”	the acquisition of the Sale Shares by the Purchaser from the Vendor pursuant to the terms and conditions of the Agreement
“Agreement”	the share purchase and shareholders' agreement dated 26 April 2021 entered into among HTICI, the Purchaser, the Vendor and the Target Company and in relation to the Acquisition and the management and affairs of the Target Company
“ALS”	Aceso Life Science Group Limited (信銘生命科技集團有限公司) (formerly known as Hao Tian Development Group Limited 昊天發展集團有限公司), 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: 474), which is an indirect controlling shareholder of HTICI
“ALS Board”	the board of directors of ALS
“ALS Group”	ALS and its subsidiaries, including without limitation the HTICI Group
“Business Day(s)”	a day (other than a Saturday, Sunday and public holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“Completion”	completion of the Acquisition in accordance with the terms and conditions of the Agreement

“Completion Date”	the date falling within three Business Days upon the fulfilment (or waiver as the case may be) of all the conditions precedent under the Agreement and in any event no later than 7 May 2021 or on such other date as may be agreed between the Vendor and the Purchaser in writing
“Consideration Share(s)”	867,383,524 HTICI Shares to be issued at the Issue Price by HTICI to the Vendor (or its nominee(s))
“Deemed Disposal”	the deemed disposal of ALS resulting from the allotment and issue of the Consideration Shares by HTICI
“FCB”	Fangchebao Group Co. Ltd.* (房車寶集團股份有限公司)
“General Mandate”	the general mandate granted by the shareholders of HTICI to the HTICI Board at its annual general meeting on 18 September 2020 to allot, issue and otherwise deal with the HTICI Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of HTICI as at 18 September 2020
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“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, whose shares are listed on the Main Board of the Stock Exchange (stock code: 1341)
“HTICI Board”	the board of directors of HTICI
“HTICI Group”	HTICI and its subsidiaries
“HTICI Share(s)”	ordinary share(s) in the capital of HTICI
“Independent Third Party(ies)”	third party(ies) independent of and not connected with ALS or HTICI (as the case may be) and their respective connected persons
“Issue Price”	the issue price of HK\$0.33 per Consideration Share
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which for the purpose of this announcement, shall exclude Hong Kong, Macao Special Administrative Region of the PRC and Taiwan

“Purchaser”	Excel Chance Global Limited (佳昌環球有限公司), a company incorporated in the British Virgin Islands with limited liability, being an indirect wholly-owned subsidiary of HTICI
“Sale Shares”	4,900 issued shares of the Target Company, representing 49% of the entire issued share capital of the Target Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Kingdom Future Limited (帝暉有限公司), a company incorporated under the laws of the British Virgin Islands with limited liability and wholly-owned by the Vendor
“Tisé Equity SP-1”	a segregated portfolio of Tisé Opportunities SPC, an exempted company incorporated with limited liability and registered as a segregated portfolio company under the laws of the Cayman Islands
“US\$”	United States dollar(s), the lawful currency of the United States
“Vendor”	Mr. Su Junhao (蘇俊豪), a merchant and the ultimate beneficial owner of the Target Company
“%”	per cent

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

By order of the board of directors of
Hao Tian International Construction
Investment Group Limited
Fok Chi Tak
Executive Director

Hong Kong, 26 April 2021

As at the date of this announcement, the ALS Board comprises three executive directors, namely Mr. Xu Haiying, Dr. Zhiliang Ou, J.P. (Australia) and Mr. Fok Chi Tak; two non-executive directors, namely Dr. Wang Yu and Dr. Li Yao; and three independent non-executive directors, namely Mr. Chan Ming Sun Jonathan, Mr. Lam Kwan Sing and Mr. Lee Chi Hwa Joshua.

As at the date of this announcement, the HTICI Board comprises four executive directors, namely Mr. Fok Chi Tak, Mr. Zheng Li, Mr. Tang Yiu Chi James and Dr. Zhiliang Ou, J.P. (Australia); two non-executive directors, namely Mr. Xu Lin and Mr. Wei Bin; and four independent non-executive directors, namely Mr. Lee Chi Hwa Joshua, Mr. Mak Yiu Tong, Mr. Li Chi Keung Eliot and Mr. Shek Lai Him Abraham.

* *for identification purpose only*