

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

## **HOPE LIFE INTERNATIONAL HOLDINGS LIMITED**

**曠逸國際控股有限公司**

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

(Stock Code: 1683)

### **DISCLOSEABLE TRANSACTION: DISPOSAL OF ENTIRE ISSUED SHARE CAPITAL OF A SUBSIDIARY**

On 28 December 2020, the Company as vendor entered into the Sale and Purchase Agreement with the Purchaser pursuant to which the Vendor agreed to sell and the Purchaser agreed to acquire the Sale Shares for an aggregate consideration of HK\$2,863,000.

The Disposal constitutes a discloseable transaction on the part of the Company under Chapter 14 of the Listing Rules.

### **BACKGROUND OF THE TRANSACTION**

On 28 December 2020, the Company as vendor entered into the Sale and Purchase Agreement with the Purchaser pursuant to which the Vendor agreed to sell and the Purchaser agreed to acquire the Sale Shares for an aggregate consideration of HK\$2,863,000.

### **SALE AND PURCHASE AGREEMENT**

**Date:** 28 December 2020 (after trading hours)

**Parties:** (1) Vendor: the Company  
(2) Purchaser: Ms. SONG Yunjuan

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Purchaser is an Independent Third Party.

### **Assets to be disposed**

Pursuant to the Sale and Purchase Agreement, the Vendor has agreed to dispose and the Purchaser has agreed to acquire the Sale Shares, which represent the entire issued share capital of Atlas Reach Limited, the holding company of Hope Life Group Holdings Limited.

### **Consideration**

The aggregate consideration for the Disposal is HK\$2,863,000, which shall be payable by the Purchase on or before 31 December 2020.

The consideration for the Disposal was arrived at after arm's length negotiations between the parties to the Sale and Purchase Agreement after taking into consideration of various factors, in particular, the acquisition costs of Hope Life Group Holdings Limited.

The Directors (including the independent non-executive Directors) consider the terms and conditions of the Disposal to be fair and reasonable and on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

### **Unconditional Agreement**

The Disposal is not subject to any conditions precedent.

### **Completion**

Completion is expected to take place within 3 working days from the date of the Sale and Purchase Agreement (or such later date as the parties may agree).

Upon Completion, Atlas Reach Limited will cease to be a wholly owned subsidiary of the Company and the Company will cease to have any equity interests in the Disposal Group.

**INFORMATION ON THE DISPOSAL GROUP**

Atlas Reach Limited is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in investment holding and is wholly and beneficially owned by the Company.

Atlas Reach Limited is the holding company of Hope Life Group Holdings Limited, which in turn holds 曠逸國際控股(深圳)有限公司 (**Hope Life International Holding (Shenzhen) Co. Ltd\***). The Disposal Group is principally engaged in provision of health related services and products to customers.

The group structure of the Disposal Group immediately before the entering into of the Sale and Purchase Agreement and upon Completion are as follows

*Immediately before the entering into of the Sale and Purchase Agreement*



*Immediately after Completion*



The unaudited financial information of the Disposal Group for the year ended 31 December 2018, for the year ended 31 December 2019 and for the period from 1 January 2020 to 27 December 2020 are as follows:

	<b>For the year ended 31 December 2018</b>	<b>For the year ended 31 December 2019</b>	<b>For the period ended 27 December 2020</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Turnover	–	7,645	2,666
Net loss before taxation	–	514	957
Net loss after taxation	–	514	963
Net asset value	–	511	2,862

Based on the financial statements of the Disposal Group as at 27 December 2020, it is estimated that upon Completion, the Group will record a gain of approximately HK\$1 thousand on the Disposal being the difference between the consideration and the net asset value of the Disposal Group. The actual gain or loss from Completion of the Disposal shall be subject to relevant recognition under applicable accounting standards and shall be subject to audit to be performed by its auditors.

#### **REASONS FOR THE DISPOSAL**

The principal activity of the Company is investment holding. The Group is principally engaged in construction and ancillary services which include design, fitting-out, decoration, alteration and addition, construction and other related businesses, health business and financial services. The Group also engages in Chinese traditional yellow wine production and sales.

The Group has experienced fierce competition from other market players and the outbreak of COVID-19. The Company believes that with reference to the current financial position of the Disposal Group, it may not contribute positively to the profitability of the Group in future. Taking into consideration of the gain from the Disposal and also that the management can concentrate on other business operations of the Group, the Board considers that the Disposal represents an opportunity for the Group to reallocate its resources.

Taking into consideration of the aforesaid, the Directors, including the independent non-executive Directors, consider that the terms and conditions of the Sale and Purchase Agreement are fair and reasonable and are on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

After deducting expenses relating to the Disposal, the net proceeds of approximately HK\$2.6 million will be expected to apply toward the general working capital of the Group.

## **LISTING RULES IMPLICATION**

The Disposal constitutes a discloseable transaction on the part of the Company under Chapter 14 of the Listing Rules.

As the applicable percentage ratios under the Listing Rules exceed 5% but are less than 25%, the Disposal constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

## **DEFINITIONS**

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

“associate”	has the meaning ascribed to it in the Listing Rules
“Atlas Reach Limited”	Atlas Reach Limited, a company incorporated in the British Virgin Islands with limited liability, being a wholly-owned subsidiary of the Company
“Board”	board of the Directors
“Business Day”	a day (other than Saturday, Sunday or public holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“Company” or “Vendor”	Hope Life International Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Disposal in accordance with the terms and conditions of the Sale and Purchase Agreement
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“connected person(s) at the subsidiary level”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company

“Disposal”	the disposal of the Sale Shares as contemplated under the Sale and Purchase Agreement
“Disposal Group”	together Atlas Reach Limited and its subsidiaries
“Group”	the Company together with its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Hope Life Group Holdings Limited”	Hope Life Group Holdings Limited, a company incorporated in Hong Kong with limited liability
“Independent Third Party”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third party(ies) independent of the Company and its connected persons in accordance with the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Purchaser”	SONG Yunjuan, a PRC citizen
“Sale and Purchase Agreement”	the sale and purchase agreement dated 28 December 2020 and entered into between the Vendor and the Purchaser in respect of the Disposal
“Sale Shares”	one share of US\$1.00 each in the issued share capital of Elite Depot, being the entire issued share capital of Elite Depot
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company

“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“%”	per cent.

By order of the Board of  
**Hope Life International Holdings Limited**  
**HUI Kee Fung**  
*Chairman*

Hong Kong, 28 December 2020

*As at the date of this announcement, the Board of Directors of the Company comprises Mr. HUI Kee Fung, Ms. SHEN Jie and Mr. LIANG Zhichao as Executive Directors; and Mr. LU Zhuohui, Ms. XIE Yanbin and Ms. FU Ling as Independent Non-executive Directors.*

\* *For identification purpose only*