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TEMPUS

騰邦控股

TEMPUS HOLDINGS LIMITED

騰邦控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 06880)

DISCLOSEABLE TRANSACTION DISPOSAL OF A RESIDENTIAL PROPERTY IN HONG KONG

On 5 July 2019, the Vendor, a wholly-owned subsidiary of the Company, entered into the Agreement with the Purchaser for the sale of the Property for a cash consideration of HK\$10,800,000.

As one or more of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules exceed 5% but are less than 25%, the Disposal constitutes a discloseable transaction for the Company and is subject to announcement requirement.

A. THE AGREEMENT

The material terms of the Agreement are set out below:

Date

5 July 2019

Parties

Vendor: OTO Bodycare (H.K.) Limited, a wholly-owned subsidiary of the Company

Purchaser: An individual

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the Purchaser is a third party independent of the Company and its connected persons.

Assets being disposed of

The Property is known as Flat G on 27th Floor of Tower 25, South Horizons, No.25 Yi Nam Road, Hong Kong.

Consideration

The total consideration is HK\$10,800,000, which will be settled in the manner below:-

- (a) the deposit of HK\$5,000,000 (i.e. approximately 46.3% of the total consideration) has been paid by the Purchaser upon the signing of the Agreement; and
- (b) the balance of the consideration, being HK\$5,800,000 (i.e. approximately 53.7% of the total consideration), shall be paid by the Purchaser on completion.

The consideration has been arrived at after arm's length negotiations between the parties and determined with reference to, among other things, (i) the market value of the Property of approximately HK\$12,000,000 as at 19 June 2019 as appraised by an independent firm of qualified professional valuers; (ii) the above payment schedule of the consideration; and (iii) the cash flow and financing requirements of the Group.

Completion

Completion of the Disposal will take place within 35 days from the date of the Agreement, that is, 9 August 2019.

B. INFORMATION ABOUT THE PROPERTY

The Property is a residential unit known as “Flat G on 27th Floor of Tower 25, South Horizons, No.25 Yi Nam Road, Hong Kong”. It is currently provided as the accommodation for one of the Directors as part of his remuneration, and accordingly, the Property is categorized as “property, plant and equipment” in the audited consolidated financial statements of the Group for the year ended 31 December 2018.

As at 31 December 2018, the audited carrying value of the Property was approximately HK\$2,063,000. For the years ended 31 December 2017 and 2018, the net rental income attributable to the Property was nil.

C. REASONS FOR AND BENEFITS OF THE DISPOSAL

The Company is an investment holding company. The Group is principally engaged in sales and research and development of health and wellness products, cross-border trading and logistics business.

The property market in Hong Kong has been growing quickly over the years. However, it is uncertain whether the boom in the property market in Hong Kong may sustain in view of the recent political upheaval in Hong Kong as well as the deterioration of the global economic situation caused by tension between China and the U.S.. In addition, reference was made to the announcements of the Company dated 31 May 2019 and 11 June 2019 where the Company announced that an event of default has technically been triggered under the terms and conditions of the instrument of the convertible bonds with a principal amount of HK\$160,000,000 which were due on 30 May 2019 (the “**First Convertible Bonds**”) and the instrument of the convertible bonds with a principal amount of HK\$30,000,000 which were due on 14 October 2019 (the “**Second Convertible Bonds**”), and that the First Convertible Bonds which were due on 30 May 2019 have not yet been redeemed after its due date. The Company considers it is an appropriate time to realise its asset to enhance its cash position and to ease its liquidity pressure in view of the abovementioned circumstances.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Disposal are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

D. GAIN EXPECTED TO ACCRUE AND INTENDED APPLICATION OF SALE PROCEEDS

It is expected that the Group will recognise a gain of approximately HK\$8,527,000 in connection with the Disposal, being the premium of the net proceeds from the Disposal (being the consideration of the Disposal less related transaction costs) over the carrying value of the Property. The actual gain will be assessed after the completion and is subject to audit. The Group intends to use the net proceeds from the Disposal, estimated to be approximately HK\$10,590,000, for the redemption and/or interest payment of the First Convertible Bonds.

E. GENERAL

As one or more of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules exceed 5% but are less than 25%, the Disposal constitutes a discloseable transaction for the Company and is subject to announcement requirement.

F. DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“Agreement”	the provisional agreement for sale and purchase dated 5 July 2019 entered into between the Vendor and the Purchaser in relation to the sale and purchase of the Property
“Board”	the board of Directors
“Company”	Tempus Holdings Limited (stock code: 06880), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Property by the Vendor pursuant to the terms of the Agreement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Property”	Flat G on 27th Floor of Tower 25, South Horizons, No.25 Yi Nam Road, Hong Kong
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Vendor”

OTO Bodycare (H.K.) Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company

By Order of the Board
Tempus Holdings Limited
Zhong Baisheng
Chairman

Hong Kong, 5 July 2019

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Zhong Baisheng, Mr. Li Dongming, Mr. Huang Jingkai and Mr. Yip Chee Lai, Charlie; and three independent non-executive Directors, namely Mr. Han Biao, Mr. Li Qi and Mr. Choi Tan Yee.