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賽伯樂國際控股

**CYBERNAUT INTERNATIONAL HOLDINGS COMPANY LIMITED**

賽伯樂國際控股有限公司

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

**(Stock Code: 1020)**

## **DISCLOSEABLE TRANSACTION IN RELATION TO DISPOSAL OF 100% EQUITY INTERESTS IN A SUBSIDIARY**

### **INTRODUCTION**

The Board is pleased to announce that on 11 February 2020 (after trading hours), the Vendor (an indirect wholly-owned subsidiary of the Company) and the Purchaser entered into the Sale and Purchase Agreement, pursuant to which the Vendor has agreed to sell and the Purchaser has agreed to purchase the Target Equity Interests, representing 100% of the equity interests of the Target Company, at a consideration of HK\$7,000,000 in cash.

After Completion, the Target Company will cease to be a subsidiary of the Company and the Company will not retain any equity interests in the Target Company.

### **LISTING RULES IMPLICATION**

As the highest applicable percentage ratio in respect of the Disposal exceeds 5% but is less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, and is subject to the reporting and announcement requirements but exempt from Shareholders' approval requirement under Chapter 14 of the Listing Rules.

### **THE SALE AND PURCHASE AGREEMENT**

The principal terms of the Sale and Purchase Agreement are set out below:

Date : 11 February 2020

Parties : (1) The Vendor (as vendor)  
(2) The Purchaser (as purchaser)

The Purchaser is principally engaged in investment holding. The ultimate beneficial owner of the Purchaser is Miss Wang Jing. To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner are Independent Third Parties.

## **Assets to be disposed of**

Pursuant to the Sale and Purchase Agreement, the Vendor has agreed to sell and the Purchaser has agreed to purchase the Target Equity Interests, representing 100% of the equity interests of the Target Company.

## **Consideration**

The Consideration for the Disposal is HK\$7,000,000, which shall be payable by the Purchaser to the Vendor in the following manner:

- (1) HK\$4,900,000 being deposit and part payment of the Consideration to be paid in cash within 7 Business Days after signing of the Sale and Purchase Agreement;
- (2) the balance shall be payable in cash upon Completion.

The Consideration was determined after arm's length negotiation between the Vendor and the Purchaser, having regard to the valuation of the 100% equity interest of the Target Company of approximately RMB4,917,000 as at 31 December 2019 prepared by an independent valuer using the asset approach.

## **Conditions precedent**

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

- (a) all necessary consents and approvals required to be obtained on the part of the Vendor, the Target Company and the Purchaser in respect of the sale and Purchase Agreement and the transactions contemplated thereunder having been obtained;
- (b) all necessary waiver, consent, approval, licence, authorisation, permission, order and exemption (if required) from the relevant governmental or regulatory authorities or other third parties which are necessary in connection with the Sale and Purchase Agreement and the transactions contemplated thereunder having been obtained.

If the above conditions are not satisfied on or before 5:00 p.m. on 30 June 2020, or such later date as the Vendor and the Purchaser may agree, the Sale and Purchase Agreement shall cease and determine whereupon the Vendor shall return all deposits to the Purchaser (without interest or cost) and thereafter neither party shall have any obligations and liabilities towards each other thereunder save for any antecedent breaches of the terms hereof.

## **Completion**

Completion shall take place within 10 Business Days after fulfillment of the conditions precedent.

After Completion, the Target Company will cease to be a subsidiary of the Company and the Company will not retain any equity interests in the Target Company.

## INFORMATION ON THE TARGET COMPANY

The Target Company is a limited company incorporated in the PRC and is principally engaged in manufacture and sale of paper converting equipment and other related equipment.

Set out below is the audited financial information of the Target Company extracted from its audited accounts for the year ended 31 December 2017 and 31 December 2018:

	<b>Year ended 31 December 2017 RMB'000</b>	<b>Year ended 31 December 2018 RMB'000</b>
Profit/(Loss) before taxation	327	(703)
Profit/(Loss) after taxation	327	(703)
Net assets	6,068	5,366

According to the unaudited management accounts of the Target Company for the year ended 31 December 2019, the Target Company incurred a loss after taxation of approximately RMB1.64 million and the net liability of the Target Company was approximately RMB2.16 million.

## REASONS FOR AND BENEFITS OF DISPOSAL AND USE OF PROCEEDS

As disclosed above, the Target Company incurred a loss for the financial year 2018 and 2019 and was in net liability as at 31 December 2019. The Group had been providing working capital and continuous support to help the subsidiary turn around in the recent two years despite the recorded losses in the subsidiary. As it will be more difficult to achieve significant improvements in the performance in the absence of new and fresh working capital, the Company considers that the Disposal will enable the Company to realize the Target Company at a fair value and to focus the Group's resources in its other principal business.

The Disposal will not have material effect on the business and performance of the Group, and it is expected the proceeds from the Disposal will be used as general working capital of the Group.

Having considered the benefits of the Disposal and the terms of the Disposal, the Board is of the view that the terms of the Sale and Purchase Agreement and the transaction contemplated thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## FINANCIAL EFFECTS OF THE DISPOSAL

Based on the net assets value of the Target Company as at 31 December 2018 of approximately RMB5.37 million and the Consideration of HK\$7 million (equivalent to approximately RMB6.30 million), the Group will incur a profit (before tax) of approximately RMB0.93 million from the Disposal. However, the actual financial effect of the Disposal will depend on the carrying amount of the Target Company as at the date of completion of the Sale and Purchase Agreement.

The exact amount of gain to be recorded in the consolidated statement of profit or loss of the Group is subject to audit, and therefore may be different from the figure provided above. In addition, the actual gain or loss in connection with the Disposal may be different from the above and will be determined based on the financial position of the Target Company as at the date of completion and the actual amount of expenses incidental to the Disposal.

Upon the Completion, the Company will no longer hold any interest in the Target Company. The Target Company will cease to be a subsidiary of the Company and the Target Group will no longer be consolidated into the financial results of the Group.

## **LISTING RULES IMPLICATION**

As the highest applicable percentage ratio in respect of the Disposal exceeds 5% but is less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, and is subject to the reporting and announcement requirements but exempt from Shareholders' approval requirement under Chapter 14 of the Listing Rules.

## **DEFINITIONS**

“Board”	the board of Directors
“Business Day”	a day (other than a Saturday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“Company”	Cybernaut International Holdings Company Limited, a company incorporated in Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Disposal
“connected person”	has the meaning ascribed to it under the Listing Rules
“Consideration”	HK\$7,000,000, being the consideration for the Target Equity Interests under the Sale and Purchase Agreement
“Directors”	the directors of the Company
“Disposal”	the proposed disposal of the Target Equity Interests by the Vendor to the Purchaser pursuant to the Sale and Purchase Agreement
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	a third party 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 of Hong Kong Limited
“PRC”	the People’s Republic of China which, for the purposes of this announcement only, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Purchaser”	Yu Kam International Limited (譽金國際有限公司), a company established under the laws of the British Virgin Islands with limited liability
“RMB”	Renminbi, the lawful currency of the PRC
“Sale and Purchase Agreement”	a sale and purchase agreement dated 11 February 2020 entered into between the Vendor and the Purchaser in relation to the Disposal
“Share(s)”	the ordinary share(s) of par value HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	雅高機械(太倉)有限公司 Accura Machinery & Manufacturing (Taicang) Company Limited*, a company established under the laws of the PRC with limited liability and a direct wholly-owned subsidiary of the Vendor
“Target Equity Interests”	100% of the equity interests in the Target Company
“Vendor”	Great Select Global Limited, a company established under the laws of the Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company

For the purpose of illustration only, amounts denominated in RMB in this announcement have been translated into HK\$ at the rate of HK\$1 = RMB0.9. Such translations should not be construed as a representation that the amounts in question have been, could have been or could be converted at any particular rate at all.

By Order of the Board of  
**Cybernaut International Holdings Company Limited**  
**Mr. Zhu Min**  
*Chairman*

Hong Kong, 11 February 2020

*As at the date of this announcement, the executive Directors are Mr. Zhu Min, Mr. Sin Kwok Wai Ronald, Mr. Lu Yongchao, and Dr. Chen Huabei; the non-executive Directors are Mr. Chow Chi Wa and Ms. Yip Sum Yu; and the independent non-executive Directors are Mr. Cao Ke, Mr. Tong Yiu On and Mr. Li Yik Sang.*