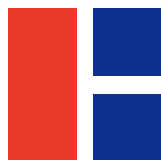


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This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Company.



ICO GROUP LIMITED

揚科集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1460)

**DISCLOSEABLE TRANSACTION IN RELATION TO
FURTHER ACQUISITION OF EQUITY INTEREST
IN THE TARGET COMPANY
AND
PLACING OF NEW SHARES UNDER GENERAL MANDATE**

Financial Advisor to the Company



Placing Agent



THE ACQUISITION

On 27 August 2020 (after trading hours), the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Vendors, pursuant to which the Purchaser has conditionally agreed to purchase and the Vendors have conditionally agreed to sell the Sale Shares, representing 30% of the equity interest in the Target Company at a total Consideration of HK\$18,000,000 which shall be fully satisfied by cash that will be financed by part of the net proceeds from the Placing.

The Acquisition Completion is subject to, amongst other things, the Placing having been completed. The Acquisition is subject to the terms and conditions detailed below in the section headed “The Sale and Purchase Agreement” in this announcement.

* For identification purpose only

As at the date of this announcement, the Group held 40% of the equity interest in the Target Company. Upon the Acquisition Completion, the Group will hold a total of 70% equity interest in the Target Company and the Target Company will become a non-wholly owned subsidiary of the Company.

THE PLACING

On 27 August 2020 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent, pursuant to which the Placing Agent has conditionally agreed, as agent of the Company, to procure, on a fully underwritten basis, not less than six Places who and whose ultimate beneficial owners shall be Independent Third Parties to subscribe for 839,000,000 Placing Shares at the Placing Price of HK\$0.028 per Placing Share.

The Placing Shares represents: (a) approximately 13.48% of the total existing issued Shares as at the date of this announcement; and (b) approximately 11.88% of the total issued Shares as enlarged by the allotment and issue of the Placing Shares (assuming there will be no change to the total number of Shares in issue from the date of this announcement to the Placing Completion Date other than the issue of the Placing Shares).

The Placing Shares will be allotted and issued under the General Mandate and is not subject to further Shareholders' approval. Application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Placing Shares.

The aggregate gross proceeds from the Placing are expected to be HK\$23,492,000. The net proceeds (after deducting related costs and expenses) from the Placing, are estimated to be approximately HK\$22,597,000, representing a net issue price of approximately HK\$0.027 per Placing Share. The Company intends to use the net proceeds from the Placing in the following manner: as to (i) HK\$18,000,000 for settling the Consideration; and (ii) HK\$4,597,000 to be reserved for the further business development of PointSoft.

LISTING RULES IMPLICATIONS

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

WARNING

As the Acquisition Completion is conditional upon fulfilment of the Acquisition Conditions including, among others, the Placing Completion, set out in the Sale and Purchase Agreement, the Acquisition may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares.

As the Placing Completion is conditional upon fulfilment of the Placing Conditions set out in the Placing Agreement, the Placing may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares.

THE ACQUISITION

On 27 August 2020 (after trading hours), the Purchaser, an indirect wholly-owned subsidiary of the Company, entered in the Sale and Purchase Agreement with the Vendors, pursuant to which the Purchaser has conditionally agreed to purchase and the Vendors have conditionally agreed to sell the Sale Shares representing 30% of the equity interest in the Target Company at a total Consideration of HK\$18,000,000 which shall be fully satisfied by cash that will be financed by part of the net proceeds from the Placing.

As at the date of this announcement, the Group held 40% of the equity interest in the Target Company. Upon the Acquisition Completion, the Group will hold a total of 70% equity interest in the Target Company and the Target Company will become a non-wholly owned subsidiary of the Company.

SALE AND PURCHASE AGREEMENT

Date

27 August 2020 (after trading hours)

Parties

Vendors : Mr. Yuen and Mr. Chai

Purchaser : Catering Automation

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendors and their respective associates are Independent Third Parties.

Asset to be acquired

The assets to be acquired under the Acquisition are the Sale Shares, representing 30% of the equity interests in the Target Company. The Target Company legally and beneficially owns the entire issued share capital of PointSoft.

Consideration

The total Consideration is HK\$18,000,000.

Mr. Yuen and Mr. Chai are the legal and beneficial owners of the Target Company as to 36% and 24% respectively. Subject to the terms and conditions of the Sale and Purchase Agreement, the Consideration will be paid to Mr. Yuen and Mr. Chai in proportion to their respective shareholdings in the Target Company to be sold to the Purchaser of 6% and 24% respectively. At Acquisition Completion, (i) a sum of HK\$3,600,000 shall be paid by the Purchaser to Mr. Yuen; and (ii) a sum of HK\$14,400,000 shall be paid by the Purchaser to Mr. Chai in cash.

The Consideration was based on normal commercial terms after arm's length negotiations between the Purchaser and the Vendors and was determined with reference to the following factors:

- (i) the past performance of PointSoft;
- (ii) the business development and future prospects of PointSoft; and
- (iii) the Profit Guarantee.

Profit Guarantee

The Vendors irrevocably warrants and guarantees to the Purchaser that the audited consolidated net profit before tax but excluding any extraordinary or exceptional items of the Target Group on a consolidated basis for the six months ending 30 September 2020 ("**Profit Guaranteed Period**") shall be no less than HK\$5,000,000 ("**Guaranteed Profit**").

If the actual audited net profit before tax but excluding any extraordinary or exceptional items of the Target Group for the Profit Guaranteed Period ("**Actual Profit**") is less than the Guaranteed Profit, then the Vendors shall jointly and severally pay the Purchaser in cash within seven (7) days after the delivery of the audited financial statements of the Target Company for the six months ending 30 September 2020 in an amount (the "**Compensation**") calculated with the following formula:

$$\text{Compensation} = \frac{(\text{Guaranteed Profit} - \text{Actual Profit})}{\text{Guaranteed Profit}} \times \text{HK\$18,000,000}$$

The maximum amount of the Compensation will be capped at HK\$18,000,000. For the avoidance of doubt, should the Target Company record a loss in its audited financial statements for the six months ending 30 September 2020, the Actual Profit for the purpose of calculating the Compensation will be deemed as zero.

The Vendors and the Purchaser shall procure that the audited financial statements of the Target Company for the six months ending 30 September 2020 shall be prepared and reported on by the auditors for the time being of the Company by 30 November 2020.

The Vendor shall not be obliged to pay the Purchaser in accordance with the Profit Guarantee if and only if the Target Company cannot meet the Guaranteed Profit as a result of:

- (1) any material adverse change in national, international, financial, exchange control, economic conditions in Hong Kong which would be at the reasonable opinion of the Vendors and the Purchaser materially adverse the business operations of the Target Company; or
- (2) any event of force majeure including, without limiting the generality thereof, any act of God, military action, riot, public disorder, civil commotion, fire, flood, tsunami, explosion, epidemic, terrorism (whether or not responsibility has been claimed), strike or lock-out which would be at the reasonable opinion of the Vendors and the Purchaser materially adverse the business operations of the Target Company.

Acquisition Conditions

The Acquisition Completion is conditional upon the following conditions being fulfilled or waived (as the case may be) on or before the Long Stop Date:

- (i) the Purchaser being reasonably satisfied with the results of a due diligence review of the Target Group;
- (ii) all necessary consents, licences and approvals required to be obtained on the part of the Vendors, the Company in respect of the Sale and Purchase Agreement and the transactions contemplated hereby having been obtained and remain in full force and effect;
- (iii) all necessary consents, licences and approvals required to be obtained on the part of the Purchaser in respect of the Sale and Purchase Agreement and the transactions contemplated hereby having been obtained and remain in full force and effect;
- (iv) there being no material adverse changes to the Group from the date of the Sale and Purchase Agreement until the Acquisition Completion;
- (v) the representations, warranties and undertakings provided by the Vendors under the Sale and Purchase Agreement remaining true and accurate in all respects; and
- (vi) the Placing having been completed.

The Purchaser may at its absolute discretion at any time waive in writing any of the conditions (i), (iv) and (v) (to the extent it is capable of being waived) and such waiver may be made subject to such terms and conditions as are determined by the Purchaser. If the Conditions have not been satisfied (or as the case may be, waived) on or before 4:00 p.m. on the Long Stop Date, the Sale and Purchase Agreement shall cease and determine (save and except the survival clauses) and neither the Purchaser nor the Vendors shall have any obligations and liabilities towards each other hereunder save for any antecedent breaches of the terms hereof.

Acquisition Completion

Acquisition Completion shall take place at 4:00 p.m. on the Acquisition Completion Date after all the Acquisition Conditions have been fulfilled or waived (as the case may be).

Information on the Target Group

As at the date of the Sale and Purchase Agreement, the Target Company is an investment holding company incorporated in BVI and is wholly-owned by the Purchaser, Mr. Yuen and Mr. Chai as to 40%, 36% and 24% respectively.

As the Target Company has no material assets or business activities other than holding the share of PointSoft, the Target Company recorded no revenue nor profit or loss as at the date of this announcement.

PointSoft is a company incorporated under the laws of Hong Kong on 23 March 1995 with limited liability and is the only operating company in the Target Group. PointSoft is principally engaged in the businesses of developing, promoting, selling and offering turn-key point-of-sale solutions for a variety of food and beverage establishments, ranging from table service restaurants, cafes, quick service and fast food chains, foodcourts, and home delivery services in Hong Kong. Most of the clients of PointSoft are the first tier operators in the field of food and beverage, and are operating large scale chain restaurants.

Financial information of the Target Group

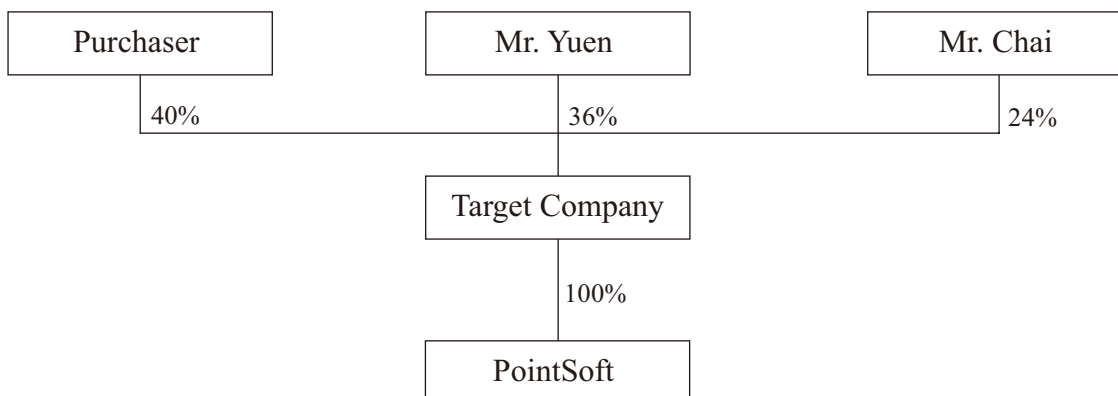
Set out below is the financial information on PointSoft extracted from its audited financial statements for the years ended 31 March 2019 and 31 March 2020:

	As at 31 March 2020 (HK\$)	As at 31 March 2019 (HK\$)
Net Asset Value	5,527,529	10,551,588
	For the year ended 31 March 2020 (HK\$)	For the year ended 31 March 2019 (HK\$)
Profit before taxation	11,538,131	14,093,293
Profit after taxation	9,975,941	11,793,293

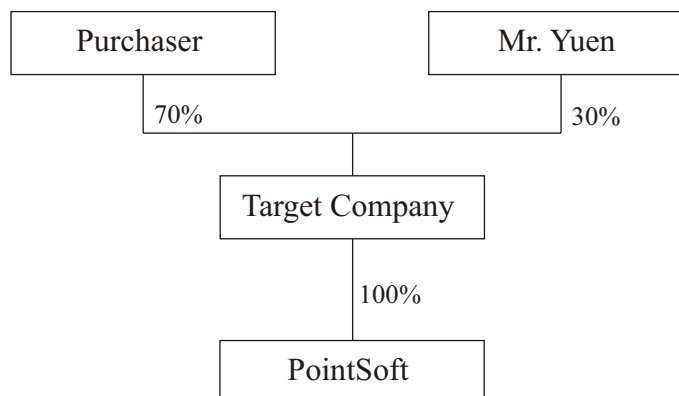
After the Acquisition Completion, the Company will, through the Purchaser, own 70% interest in the Target Group and the Target Company will become a non-wholly owned subsidiary of the Group. As such the financial results of the Target Group will be consolidated into the financial statements of the Group.

Set out below is the shareholding structure of the Target Group (a) as at the date of the Sale and Purchase Agreement; and (b) immediately after the Acquisition Completion:

(a) as at the date of the Sale and Purchase Agreement



(b) immediately after the Acquisition Completion



REASONS FOR THE ACQUISITION

The Group is principally engaged in the following businesses: (i) provision of IT application and solution development services; (ii) provision of secondment services; (iii) provision of maintenance and support services; and (iv) provision of IT infrastructure solutions.

The Group has always been looking for suitable investment opportunity in the IT market in Hong Kong. The Group always aims to strengthen its core business and extend the scope of its existing IT businesses in order to further enhance the Group’s product portfolio and its future earning capability.

The Target Group is the market leader of promoting, selling and offering food and beverage point-of-sale system and its existing clients are all first tier restaurants and chain food stores. The Target Group has had a continuous profit-making history. Since the original acquisition of 40% interest in the Target Group, the Company has been satisfied with the financial performance of the Target Group and is optimistic about its future prospects.

The Company is now interested in more directly overseeing the operations of the Target Group beyond an investment. The further acquisition of 30% equity interest in the Target Company will result in the Target Group becoming a non-wholly owned subsidiary of the Group and the Target Group's financials will be consolidated into the financial statements of the Group.

In light of the above, the Directors consider the entering into of the Sale and Purchase Agreement is on fair and reasonable commercial terms and in the interests of the Company and the Shareholders as a whole.

THE PLACING AGREEMENT

Date

27 August 2020 (after trading hours)

Parties

- (i) The Company; and
- (ii) The Placing Agent

The Placing Agent

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owners are independent of the Company and the connected persons of the Company.

Pursuant to the terms of the Placing Agreement, the Placing Agent will receive a placing commission of 1% of the amount which is equal to the Placing Price multiplied by the number of Placing Shares actually placed by the Placing Agent. The placing commission in respect of the Placing was negotiated on arm's length basis between the Company and the Placing Agent and was determined with reference to, among other things, the prevailing commission rate charged by other placing agents, the size of the Placing and the price performance of the Shares.

The Directors consider that the placing commission in respect of the Placing is fair and reasonable based on the current market conditions.

Number of the Placing Shares

The Placing Agent has conditionally agreed to act as agent of the Company to procure, on a fully underwritten basis, not less than six Placees who and whose ultimate beneficial owners shall be Independent Third Parties to subscribe for 839,000,000 new Shares at the Placing Price (excluding brokerage, the SFC transaction levy and the Stock Exchange trading fee payable by the purchasers), upon the terms and subject to the conditions set out in the Placing Agreement.

The Placing Shares represents: (a) approximately 13.48% of the total existing issued Shares as at the date of this announcement; and (b) approximately 11.88% of the total issued Shares as enlarged by the allotment and issue of the Placing Shares (assuming there will be no change to the total number of Shares in issue from the date of this announcement to the Placing Completion Date other than the issue of the Placing Shares).

Rights of the Placing Shares

The Placing Shares will rank *pari passu* in all respects among themselves and with the other existing Shares upon issuance.

Placees

The Placing Shares are expected to be placed to no less than six independent Placees, who and whose respective ultimate beneficial owners are independent of the Company and the connected persons of the Company.

Upon completion of the Placing, it is expected that none of the Placees will become a substantial shareholder (as defined under the Listing Rules) of the Company. If any of the Placees will become a substantial shareholder (as defined under the Listing Rules) of the Company after Placing Completion, further announcement will be made by the Company.

Placing Price

The Placing Price is HK\$0.028 per Placing Share and represents:

- (i) a discount of approximately 12.50% to the closing price of HK\$0.032 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 12.50% to the average closing price of approximately HK\$0.032 per Share as quoted on the Stock Exchange for the last five consecutive trading days prior to and including the Last Trading Day; and
- (iii) a discount of approximately 12.50% to the average closing price of approximately HK\$0.032 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days prior to and including the Last Trading Day.

The net Placing Price (after deducting the costs and expenses of the Placing) is approximately HK\$0.027 per Placing Share. Based on a nominal value of HK\$0.0025 per Share, the aggregate nominal value of the Placing Shares is HK\$2,097,500.

The Placing Price was negotiated on an arm's length basis between the Company and the Placing Agent after taking into account factors including the recent market price of the Shares and the current market conditions.

Placing Conditions

The Placing Completion is conditional upon the satisfaction of the following conditions:

- (i) the grant by the Stock Exchange of the listing of, and permission to deal in, all of the Placing Shares;
- (ii) all necessary consents and approvals to be obtained on the part of each of the Placing Agent and the Company in respect of the Placing Agreement and the transactions contemplated hereunder having obtained on or before 12 September 2020 (or such later date as may be agreed between the Company and the Placing Agent in writing).

If the Placing Conditions shall not be so satisfied, all obligations of the Placing Agent and of the Company hereunder shall cease and determine and none of the parties hereto shall have any claim against the other in relation thereto (save in respect of any antecedent breach of any obligation and liabilities under the Placing Agreement).

Application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Placing Shares.

Placing Completion

The Placing Completion shall take place at 12:00 noon on the Placing Completion Date.

Termination

The Placing Agent may, in its reasonable opinion, after consultation with the Company, terminate the Placing Agreement by notice in writing to the Company at any time up to 8:00 a.m. on the Placing Completion Date if:

- (i) there is any local, national, international event or circumstance or change (whether or not forming part of a series of events or changes occurring or continuing before and/or after the date hereof) in relation to the financial, exchange control, political, economic conditions or other nature in Hong Kong which in the reasonable opinion of the Placing Agent would be materially and adversely affect the consummation of the Placing or the business or the financial or trading position or prospects of the Group as a whole; or
- (ii) there is any breach of the warranties, representations and undertakings given by the Company in the Placing Agreement and such breach is considered by the Placing Agent on reasonable grounds to be material in the context of the Placing; or
- (iii) there is any material change (whether or not forming part of a series of changes) in market conditions which in the reasonable opinion of the Placing Agent would materially and prejudicially affect the Placing or makes it inadvisable or inexpedient for the Placing to proceed; or

- (iv) any statement contained in this announcement or the previous announcements and circulars issued by the Company since the publication of the annual report of the Company for the year ended 31 March 2020 has become or been discovered to be untrue, incorrect or misleading in any material respect which in the opinion of the Placing Agent would be materially adverse in the consummation of the Placing; or
- (v) there is any suspension of dealings in the Shares on the Stock Exchange for more than five consecutive Business Days (other than as a result of or in connection with the Placing); or
- (vi) the introduction of any new laws or regulations or any change in existing laws or regulations (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may, in the reasonable opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
- (vii) any event of force majeure (being an event beyond the control of the parties and which is unforeseeable or unavoidable), including but without limiting the generality hereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out, occurs which prevents the performance of the contractual obligations of the parties hereunder.

Upon termination of the Placing Agreement, all liabilities of the Company and the Placing Agent hereto hereunder shall cease and determine and no party hereto shall have any claim against the other party in respect of any matter or thing arising out of or in connection with the Placing Agreement save in respect of any antecedent breach of any obligation and liabilities under the Placing Agreement.

GENERAL MANDATE TO ISSUE THE PLACING SHARES

As disclosed in the Company's circular and poll results announcement dated 26 July 2019 and 30 August 2019 respectively, the grant of the General Mandate was approved by the Shareholders at the annual general meeting of the Company held on 30 August 2019. Under the General Mandate, the Company is authorised to issue up to 1,012,328,822 new Shares.

As of the date of this announcement, 172,811,060 Shares have been allotted and issued under the General Mandate. The Placing Shares will be allotted and issued pursuant to the General Mandate and is not subject to further Shareholders' approval.

REASONS FOR THE PLACING AND USE OF PROCEEDS

The Target Group has had a continuous profit-making history. Since the original acquisition of 40% interest in the Target Group, the Company has been satisfied with the financial performance of the Target Group and is optimistic about its future prospects. The Company is now interested in more directly overseeing the operations of the Target Group beyond an investment. The cash maintained by the Company has been reserved for other projects of the Company or for the operations of the Group, as such, the Company intends to fund the Acquisition by raising additional funds through the Placing.

Moreover, the Directors consider that the Placing represents a good opportunity for the Company to broaden its shareholder and capital bases while raising funds for the Acquisition and further development of the newly integrated operations of the Target Group, in particular the development and sale of point-of-sale systems.

The Directors are of the opinion that the terms of the Placing Agreement, including the Placing Price, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The aggregate gross proceeds from the Placing are expected to be HK\$23,492,000. The net proceeds (after deducting related costs and expenses) from the Placing, are estimated to be approximately HK\$22,597,000, representing a net issue price of approximately HK\$0.027 per Placing Share.

The Company intends to use the net proceeds from the Placing in the following manner: as to (i) HK\$18,000,000 for settling the maximum amount of the Consideration; and (ii) HK\$4,597,000 to be reserved for the further business development of PointSoft.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

Assuming there are no other changes in the share capital of the Company from the date of this announcement up to the date of issue of the Placing Shares, set out below is the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after the issue of the Placing Shares:

Shareholders	As at the date of this announcement		Immediately upon Placing Completion	
	<i>Number of Shares held</i>	<i>Approximate % of total issued Shares</i>	<i>Number of Shares held</i>	<i>Approximate % of total issued Shares</i>
Mr. Lee Cheong Yuen (Note 1)	1,718,948,000	27.61%	1,718,948,000	24.33%
Mr. Tam Kwok Wah (Note 1)	1,718,948,000	27.61%	1,718,948,000	24.33%
Mr. Chan Kwok Pui (Note 1)	1,718,948,000	27.61%	1,718,948,000	24.33%
Mr. Leong Yeng Kit	990,937,960	15.92%	990,937,960	14.03%
Public	3,515,507,169	56.47%	4,354,507,169	61.64%
– Placees	–	–	839,000,000	11.88%
– Other Public Shareholders	3,515,507,169	56.47%	3,515,507,169	49.76%
Total	<u>6,225,393,129</u>	<u>100.00%</u>	<u>7,064,393,129</u>	<u>100.00%</u>

Note:

1. Mr. Lee Cheong Yuen, Mr. Chan Kwok Pui, and Mr. Tam Kwok Wah, were parties acting in concert pursuant to a confirmation deed in 2015 and they were interested in the Shares held by their controlled corporations, namely, BIZ Cloud Limited, Cloud Gear Limited, Friends True Limited and Imagine Cloud Limited. As such, each of them were deemed to be interested in an aggregate of 1,718,948,000 shares held by each others.

EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not conducted any equity fund raising exercises in the past twelve months immediately before the date of this announcement.

LISTING RULES IMPLICATIONS

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

WARNING

As the Acquisition Completion is conditional upon fulfilment of the Acquisition Conditions, including among others, the completion of the Placing, set out in the Sale and Purchase Agreement, the Acquisition may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares.

As the Placing Completion is conditional upon fulfilment of the Placing Conditions set out in the Placing Agreement, the Placing may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares.

DEFINITIONS

Unless the context requires otherwise, the capitalised terms used herein shall have the same meanings as set forth below:

“Acquisition”	the sale and purchase of the Sale Shares pursuant to the Sale and Purchase Agreement
“Acquisition Completion”	completion of the sale and purchase of the Sale Shares under the terms and conditions of the Sale and Purchase Agreement
“Acquisition Completion Date”	the date falling within three Business Days after the fulfillment (or waiver) of the Acquisition Conditions or such other date as the Vendors and the Purchaser may agree

“Acquisition Condition(s)”	the conditions precedent set out in the Sale and Purchase Agreement
“associate(s)”	has the meaning ascribed to it in the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day (other than a Saturday, Sunday or statutory holiday and days on which a typical cyclone warning signal no. 8 or above or a black rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which licensed banks in Hong Kong are generally open for ordinary banking business throughout their normal business hours
“BVI”	British Virgin Islands
“Catering Automation” or “Purchaser”	Catering Automation Limited, a company incorporated in the BVI, an indirect wholly-owned subsidiary of the Company
“Company”	ICO Group Limited, incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange (stock code: 01460)
“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“Consideration”	the aggregate consideration for the Acquisition, being HK\$18,000,000
“Director(s)”	director(s) of the Company from time to time
“General Mandate”	the general mandate granted to the Directors pursuant to an ordinary resolution of the Company passed at the Company’s annual general meeting held on 30 August 2019 to allot, issue and deal with up to 20% of the then issued Shares
“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)”	third party(ies) independent of and not connected with the Company and its connected persons

“Last Trading Day”	27 August 2020, being the last full trading day for the Shares before publication of this announcement
“Listing Committee”	has the meaning ascribed to it under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	31 October 2020 (or such later date as the Vendors and the Purchaser may agree)
“Mr. Chai”	Mr. Chai Shui Yin Edwin, the legal and beneficial owner of 24% of the entire issued share capital of the Target Company as at the date of the Sale and Purchase Agreement and an Independent Third Party
“Mr. Yuen”	Mr. Yuen Yat Kwai, the legal and beneficial owner of 36% of the entire issued share capital of the Target Company as at the date of the Sale and Purchase Agreement and an Independent Third Party
“Placee(s)”	any professional, institutional or other investor(s) procured by the Placing Agent or its agent(s) to subscribe for any Placing Shares pursuant to the Placing Agreement
“Placing”	the placing, on a fully underwritten basis, of 839,000,000 Placing Shares on and subject to the terms and condition set out in the Placing Agreement
“Placing Agent”	Get Nice Securities Limited, being a corporation licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Cap 571, Laws of Hong Kong)
“Placing Agreement”	the conditional placing agreement dated 27 August 2020 (after trading hours) entered into between the Company and the Placing Agent in relation to the Placing
“Placing Completion”	completion of the Placing in accordance with the terms and conditions of the Placing Agreement
“Placing Completion Date”	the third Business Day after the fulfillment of the Placing Conditions (or such other date and place as the Company and the Placing Agent hereto may agree in writing)

“Placing Condition(s)”	the conditions precedent set out in the Placing Agreement
“Placing Price”	HK\$0.028 per Placing Share (exclusive of any brokerage, SFC transaction levy and Stock Exchange trading fee as may be payable)
“Placing Share(s)”	a total of 839,000,000 new Shares to be placed pursuant to the Placing Agreement and to be issued under the General Mandate, each a “Placing Share”
“PointSoft”	PointSoft Limited (軟件科技有限公司) a company incorporated in Hong Kong and a wholly-owned subsidiary of the Target Company
“PRC”	People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Profit Guarantee”	the profit guarantee provided by the Vendors to the Purchaser in relation to the actual audited net profit before tax of the Target Group on a consolidated basis for the six months ending 30 September 2020
“Sale and Purchase Agreement”	the sale and purchase agreement dated 27 August 2020 (after trading hours) entered into between the Purchaser and the Vendors in relation to the Acquisition
“Sale Shares”	600 ordinary shares and 2,400 ordinary shares in the capital of the Target Company legally and beneficially owned by Mr. Yuen and Mr. Chai respectively, representing an aggregate of 30% of the entire issued share capital of the Target Company as at the date of the Sale and Purchase Agreement
“SFC”	the Securities and Futures Commission of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.0025 each in the share capital of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Target Company”	PS International Company Limited, a company incorporated in the BVI and is owned by the Purchaser, Mr. Yuen and Mr. Chai as to 40%, 36% and 24% respectively and the sole legal and beneficial owner of PointSoft
“Target Group”	the Target Company and PointSoft
“Vendors”	collectively refers to Mr. Yuen and Mr. Chai
“%”	per cent.

By order of the Board
ICO Group Limited
Leong Yeng Kit
Chairman and Executive Director

Hong Kong, 27 August 2020

As at the date of this announcement, the executive Directors of the Company are Mr. Leong Yeng Kit and Ms. Lee Pei Ling; the non-executive Directors of the Company are Mr. Leong Yeng Kong, Ms. Leong Poh Chih, Mr. Leong Yeng Weng, Ms. Walaiporn Orakij and Ms. Durgadewi Yoganathan; and the independent non-executive Directors of the Company are Mr. Tan Eng Wah, Mr. Gan Cheng Khuan, Ms. Yvonne Low Win Kum and Mr. Chiu King Yan.