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恆泰裕集團控股有限公司
HANG TAI YUE GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock Code: 8081)

**DISCLOSEABLE TRANSACTIONS:
DISPOSALS OF LISTED SHARES**

THE DISPOSAL

The Board announces that after the Previous Disposal, on 10 March 2021, the Group disposed of 81,374,000 TH Shares for an aggregate cash consideration of approximately HK\$22,886,000 (excluding transaction costs) on the open market of the Stock Exchange via Southbound Trading of Shanghai-Hong Kong Stock Connect.

IMPLICATIONS UNDER THE GEM LISTING RULES

The Disposal, on a standalone basis, constitutes a discloseable transaction of the Company under the GEM Listing Rules. The Disposal, aggregated with the Previous Disposal, remains as a discloseable transaction of the Company under the GEM Listing Rules, and is therefore subject to the notification and announcement requirements under Chapter 19 of the GEM Listing Rules.

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The Board announces that after the Previous Disposal, on 10 March 2021, the Group disposed of 81,374,000 TH Shares for an aggregate cash consideration of approximately HK\$22,886,000 (excluding transaction costs) on the open market of the Stock Exchange via Southbound Trading of Shanghai-Hong Kong Stock Connect.

As the Aggregated Disposals were made on the open market of the Stock Exchange via Southbound Trading of Shanghai-Hong Kong Stock Connect, the Company is not aware of the identities of the counterparties to the Aggregated Disposals or of their respective principal business activities (if applicable). To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, each of the counterparties to the Aggregated Disposals and (if applicable) their respective ultimate beneficial owners is an Independent Third Party.

Assets disposed of

The TH Shares disposed of by the Group under the Aggregated Disposals, amounted to approximately 1.08% of the total issued shares of TH as at 10 March 2021. The TH Shares disposed of by the Group under the Aggregated Disposals represent all the TH Shares used by the Group to secure the repayment of the loan and the liabilities owed to Essence Securities Co., Limited (“**Essence**”) under the Loan Agreement (“**Relevant Shares**”).

Consideration

The aggregate cash consideration (excluding transaction costs) of the Aggregated Disposals amounted to approximately HK\$22,889,000. As each of the Aggregated Disposals was conducted on the open market of the Stock Exchange via Southbound Trading of Shanghai-Hong Kong Stock Connect, the respective consideration for each of the Aggregated Disposals represented the prevailing market price of the TH Shares at the time of each of the Aggregated Disposals.

Completion

Settlement of each of the Aggregated Disposals has taken place or will take place on the second trading day after the order regarding the relevant transaction has been made.

INFORMATION ON TH

TH and its subsidiaries are principally engaged in (i) provision of medical and dental services in Hong Kong; (ii) managing healthcare networks and provision of third party medical network administrator services in Hong Kong; (iii) provision of medical and dental services, as well as hospital management and related services in the PRC; (iv) trading of listed securities and leasing of properties; and (v) provision of miscellaneous healthcare related services.

Set out below are certain financial information of TH extracted from its audited consolidated financial statements for the two financial years ended 31 December 2019 and 31 December 2018 published on the Stock Exchange:

	For the year ended 31 December 2019 <i>HK\$'000</i> (Audited)	For the year ended 31 December 2018 <i>HK\$'000</i> (Audited)
Net profit (before taxation)	38,773	115,003
Net profit (after taxation)	10,519	85,509

The unaudited consolidated total asset value and net asset value of TH as at 30 June 2020 prepared in accordance with the Hong Kong Accounting Standards were approximately HK\$4,593,526,000 and HK\$4,173,490,000, respectively.

REASONS FOR AND BENEFITS OF THE DISPOSALS

The Group is principally engaged in (i) mobile internet cultural business and provision of information technology contract services and maintenance services; (ii) provision of hospitality and related services in Australia; (iii) money lending business; and (iv) assets investments business.

As the Group has breached the Loan Agreement as set out in the Company's announcement dated 16 September 2019 and the trading of the TH Shares, which had been suspended with effect from 9:00 a.m. on 27 November 2017, was resumed with effect from 9:00 a.m. on 1 March 2021, Essence demanded the Group to dispose of the Relevant Shares before 12 March 2021 and use the proceeds from the disposal to repay the loan and the liabilities owed to Essence under the Loan Agreement, as required in the judgement issued by the Shenzhen Intermediate People's Court pursuant to the summons issued by Essence against the Group in relation to the breach of the Loan Agreement by the Group ("**Essence Liabilities**"), further details of which are set out in the announcements of the Company dated 18 January 2020 and 20 November 2020, respectively. The Board expects to recognise an unaudited loss of approximately HK\$9.0 million from the Aggregated Disposals, being the difference between the aggregate consideration with respect to the Aggregated Disposals and the unaudited book value as at 31 December 2020 of the TH Shares disposed of by the Group under the Aggregated Disposals. The actual amount of the gain or loss as a result of the Aggregated Disposals to be recorded by the Group is subject to the audit to be performed by the Company's auditors. The aggregate gross proceeds from the Aggregated Disposals amounted to approximately HK\$22.9 million. The net proceeds from the Aggregated Disposals which amount to approximately HK\$22.8 million, will be used by the Group to fund part of its repayment of the Essence Liabilities, which amount to approximately HK\$115 million in aggregate as at the date of this announcement.

As the Aggregated Disposals were made on the open market of the Stock Exchange via Southbound Trading of Shanghai-Hong Kong Stock Connect, the Directors (including the independent non-executive Directors) consider that all the TH Shares were disposed of by the Group under the Aggregated Disposals at the then prevailing market prices and each of the Aggregated Disposals is fair and reasonable, on normal commercial terms and in the interests of the Company and the shareholders of the Company as a whole.

IMPLICATIONS UNDER THE GEM LISTING RULES

The Disposal, on a standalone basis, constitutes a discloseable transaction of the Company under the GEM Listing Rules. The Disposal, aggregated with the Previous Disposal, remains as a discloseable transaction of the Company under the GEM Listing Rules, and is therefore subject to the notification and announcement requirements under Chapter 19 of the GEM Listing Rules.

DEFINITIONS

Unless the context otherwise requires, the following words and phrases used in this announcement have the following meanings:

“Aggregated Disposals”	collectively, the Previous Disposal and the Disposal
“Board”	the board of Directors
“Company”	Hang Tai Yue Group Holdings Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability and the issued shares of which are listed on GEM
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	director(s) of the Company
“Disposal”	the disposal of 81,374,000 TH Shares for an aggregate cash consideration (excluding transaction costs) of approximately HK\$22,886,000 on the open market of the Stock Exchange via Southbound Trading of Shanghai-Hong Kong Stock Connect by the Group on 10 March 2021
“GEM”	GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	a party who is not a connected person of the Company and is independent of the Company and its connected persons
“Loan Agreement”	the loan agreement dated 20 October 2016 entered into between 跡象信息技術(上海)有限公司 (in English for identification purpose only, Jixiang Information Technology (Shanghai) Co., Ltd.), a subsidiary of the Company, as borrower, and Essence Securities Co., Limited, as lender, in relation to a 6% per annum loan in the principal amount of approximately RMB80 million due on 16 September 2019, further details of which are set out in the announcements of the Company dated 16 September 2019, 25 September 2019, 18 January 2020 and 20 November 2020, respectively

“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Previous Disposal”	the disposal of 4,000 TH Shares for an aggregate cash consideration (excluding transaction costs) of approximately HK\$3,000 on the open market of the Stock Exchange via Southbound Trading of Shanghai-Hong Kong Stock Connect by the Group on 3 March 2021
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“TH”	Town Health International Medical Group Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 3886)
“TH Shares”	ordinary shares of HK\$0.01 each in the share capital of TH
“%”	per cent

On behalf of the Board
Hang Tai Yue Group Holdings Limited
Hui Chun Sum
Chairman

10 March 2021

As at the date of this announcement, the Board comprises (i) three executive Directors, namely Mr. Hui Chun Sum, Ms. Lam Ching Yee and Ms. Pauline Lam; and (ii) three independent non-executive Directors, namely Mr. Wong Siu Keung, Joe, Mr. Mui Wai Lun and Professor Tsui Ka Kin Kevin.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at <http://www.hkgem.com> for a minimum period of seven days from the date of publication and on the website of the Company at <http://www.hangtaiyue.com>.