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## **HUISHENG INTERNATIONAL HOLDINGS LIMITED**

**惠生國際控股有限公司**

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

**(Stock Code: 1340)**

### **DISCLOSEABLE TRANSACTION DISPOSAL OF LISTED SECURITIES**

#### **THE DISPOSAL**

The Board hereby announces that, on 4 August 2021, the Company disposed of the Sale Shares on open market at a total consideration of approximately HK\$4,025,000 (exclusive of transaction costs). As a result of the Disposal, the Board expects the Group will recognise a book gain of approximately HK\$1,042,000 (exclusive of transaction costs), which is calculated on the basis of the difference between the fair value of the Sale Shares as at 31 December 2020, being approximately HK\$2,983,000 and the gross sales proceeds, being approximately HK\$4,025,000 (exclusive of transaction costs).

Upon settlement of the Disposal, the Group has ceased to have any interests in the Target Company.

#### **IMPLICATIONS UNDER LISTING RULES**

As one or more than one of the applicable percentage ratios (as defined under Chapter 14 of the Listing Rules) in relation to the Disposal, is more than 5% but less than 25%. As such, the Disposal contemplated thereunder constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements under the Listing Rules.

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Upon settlement of the Disposal, the Group has ceased to have any interests in the Target Company.

As the Disposal was conducted through the sales in the open market, the Company is not aware of the identities of the purchasers. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the purchasers and their ultimate beneficial owners are the Independent Third Parties.

## INFORMATION OF THE TARGET COMPANY

The Target Company, a company incorporated in Cayman Islands with limited liability, whose issued shares are listed on the GEM of the Stock Exchange (stock code: 8200). The Target Company is principally engaged in the provision of beauty and slimming services from slimming centres, distribution sales of cosmetic and skin care products, sale of other health and beauty products, investments in securities and money lending business.

The following financial information is extracted from the published annual report of the Target Company for the years ended 31 March 2021 and 2020:

	Year ended 31 March	
	2021	2020
	HK\$'000	HK\$'000
	(audited)	(audited)
Revenue	1,793,826	1,359,223
Loss before tax	(6,396)	(37,424)
Loss after tax	(16,585)	(46,858)

	<b>As at 31 March</b>	
	<b>2021</b>	<b>2020</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(audited)	(audited)
Total assets	982,775	1,049,033
Net assets value	808,284	814,154

## **INFORMATION OF THE GROUP**

The Company is an investment holding company. The Group is engaged in the production and sale of daily consumption pork and related meat food products for domestic market as well as hog breeding and hog farming in Changde, Hunan Province, the PRC. Moreover, the Group is also engaged in selling and distributing of pipe system products, and conducting in the provision of technical advisory services on the design, application, implementation and installation.

## **REASON FOR AND BENEFIT OF THE DISPOSAL**

The Group acquired the Sale Shares for investment purpose. As a result of the Disposal, the Board will enhance the liquidity of the Company by liquidating its securities investment and to re-allocate its resources for other investment purposes or the Group's business development. The Board intends to use the net sales proceeds from the Disposal for general working capital.

Based on the above and taking into consideration the recent market condition, the Board considers that the Disposal, including the consideration of the Disposal is on normal commercial terms which is fair and reasonable and is in the best interests of the Company and its Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As one or more than one of the applicable percentage ratios (as defined under Chapter 14 of the Listing Rules) in relation to the Disposal, is more than 5% but less than 25%. As such, the Disposal contemplated thereunder constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements under the Listing Rules.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“%”	per cent
“Board”	the board of Directors
“Company”	Huisheng International Holdings Limited (惠生國際控股有限公司), a company incorporated in the Cayman Islands with limited liability, whose issued Shares are listed on the Main Board of the Stock Exchange
“Directors”	the directors of the Company
“Disposal”	the disposal of the Sale Shares by way of a series of on market transactions at a total consideration of approximately HK\$4,025,000 (exclusive of transaction costs)
“GEM”	GEM operated by the Stock Exchange
“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 People’s Republic of China
“Independent Third Party(ies)”	person(s) or company(ies) and their respective ultimate beneficial owner(s) which, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of and not connected with the Company and its connected person (as defined in the Listing Rules)

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Sale Shares”	2,924,500 ordinary shares of HK\$0.01 each in the existing issued share capital of the Target Company, representing approximately 3.90% of the issued share capital of the Target Company as at the date of this announcement
“Share(s)”	ordinary share of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Sau San Tong Holdings Limited (修身堂控股有限公司*), a company incorporated in the Cayman Islands with limited liability, whose issued shares are listed on the GEM of the Stock Exchange (stock code: 8200)

By Order of the Board  
**Huisheng International Holdings Limited**  
**Chan Chi Ching**  
*Executive Director*

Hong Kong, 6 August 2021

*As at the date of this announcement, the Board comprises Mr. Chan Chi Ching, Mr. Suen Man Fung and Mr. Su Hongbo as executive Directors; and Mr. Chan Hin Hang, Mr. Wong King Shiu, Daniel, Mr. Wong Yuk Lun, Alan and Dr. Wang Guiping as independent non-executive Directors.*

\* For identification purpose only