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Kindstar Globalgene Technology, Inc.
康聖環球基因技術有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 9960)

UPDATE ANNOUNCEMENT ON CONNECTED TRANSACTION IN RELATION TO THE ACQUISITION OF 43% EQUITY INTEREST IN THE TARGET COMPANY

Reference is made to the announcement of Kindstar Globalgene Technology, Inc. (the “**Company**”, together with its subsidiaries, the “**Group**”) dated August 19, 2021 (the “**Announcement**”) in relation to the Acquisition of 43% equity interest in the Target Company. Unless otherwise specified, capitalized terms used herein shall have the same meanings as those defined in the Announcement.

The Board is pleased to announce that on December 29, 2021, the parties to the Equity Transfer Agreement, namely the Purchaser, the Vendors and the Target Company entered into a supplemental equity transfer agreement (the “**Supplemental Equity Transfer Agreement**”), under which the consideration adjustment mechanism in the payment terms of the Equity Transfer Agreement was amended.

As previously disclosed in the Announcement, the third installment of the consideration for the Acquisition shall be payable to the Vendors upon Mr. Zheng Jianhua collecting outstanding receivables of RMB16,411,232 for the Target Company in respect of its nucleic acid testing business. In the event where the amount of outstanding receivables collected by Mr. Zheng Jianhua for the Target Company falls below RMB16,411,232, the total consideration for the Acquisition will be adjusted as follows:

$$\begin{array}{l} \text{Adjusted total} \\ \text{consideration} \end{array} = \begin{array}{l} \text{RMB25,800,000 (being the} \\ \text{original total consideration)} \end{array} \times \frac{\begin{array}{l} \text{Actual outstanding receivables} \\ \text{collected as of December 31, 2021} \end{array}}{\begin{array}{l} \text{RMB16,411,232 (being the expected} \\ \text{outstanding receivables to be collected)} \end{array}}$$

The difference between the original total consideration and the adjusted total consideration shall be deducted from the third installment.

As Mr. Zheng Jianhua is still in the process of collecting outstanding receivables for the Target Company as of the date of this update announcement, the parties to the Equity Transfer Agreement agree to postpone the adjustment date from December 31, 2021 to May 31, 2022 in the Supplemental Equity Transfer Agreement.

REASONS FOR AND BENEFITS OF THE AMENDMENT

As the outstanding receivables were accrued before the Acquisition and Mr. Zheng Jianhua was the general manager of the Target Company and responsible for collection of the said outstanding receivables at the time, the above amendment could assist the Target Company to collect outstanding accounts receivable.

In view of the above and the reasons for and benefits of the Acquisition as previously disclosed in the Announcement, the Directors (including the independent non-executive Directors) consider that the terms of the Acquisition as amended by the Supplemental Equity Transfer Agreement are fair and reasonable and in the interests of the Company's shareholders as a whole.

Save as disclosed above, all information as set out in the Announcement remains unchanged and shall continue to be valid for all purposes, while this announcement is an update to and should be read in conjunction with the Announcement.

By order of the Board
Kindstar Globalgene Technology, Inc.
康聖環球基因技術有限公司
HUANG Shiang
Chairman

Hong Kong, December 29, 2021

As of the date of this announcement, the Board comprises Dr. Huang Shiang, Mr. Tu Zanbing and Ms. Chai Haijie as executive Directors, Mr. Huang Zuie-Chin, Mr. Peng Wei and Ms. Huang Lu as non-executive Directors, and Dr. Yao Shanglong, Dr. Xia Xiping and Mr. Gu Huaming as independent non-executive Directors.