

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**ART GROUP HOLDINGS LIMITED**

**錦藝集團控股有限公司**

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

**(Stock Code: 565)**

**VOLUNTARY ANNOUNCEMENT  
LETTER OF INTENT  
IN RELATION TO POSSIBLE TRANSACTION**

This is a voluntary announcement made by Art Group Holdings Limited (the “**Company**”).

**LETTER OF INTENT**

On 3 October 2023, Highly Develop Limited, an indirect wholly-owned subsidiary of the Company (“**Highly Develop**”), entered into a non-legally binding letter of intent (the “**LOI**”) with Du Liudong (杜劉東) (the “**Founder Shareholder**”), pursuant to which Highly Develop intends to invest, in the form of but not limited to equity interests, loans or convertible bonds (the “**Possible Transaction**”), in Hebei Wanma Biomedical Company Limited\* (河北萬瑪生物醫藥有限公司), a limited liability company established in the People’s Republic of China (the “**Target Company**”, together with its subsidiaries, the “**Target Group**”) and the Founder Shareholder intends to enter into the Possible Transaction with Highly Develop.

Based on the Founder Shareholder, the Company was given to understand that the Target Company is a biotechnology company which is principally engaged in providing immune cell and stem cell storage services, and carrying out Tumor-infiltrating lymphocytes, Chimeric antigen receptor (CAR)-T cell therapy, T cell receptor-engineered T cell therapy, Cytokine-induced killer cell therapy, Lymphokine activated killer, Immune checkpoint inhibitors, Induced pluripotent stem cells etc. It conducts research on a number of world-leading biotherapeutics, as well as the research and development of biopharmaceuticals and preparations, and is committed to developing biological solutions to a variety of difficult-to-treat diseases.

To the best knowledge, information and belief of the directors of the Company, having made all reasonable enquiries, the Founder Shareholder is independent of and not connected with the Company and its connected persons (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

### **Due Diligence**

The parties agree that Highly Develop shall conduct pre-acquisition due diligence on the Target Group. After the signing of the LOI, the Founder Shareholder shall provide all books, records, details of finance and assets to Highly Develop and its adviser for purpose of conducting a pre-acquisition due diligence. The Founder Shareholder shall, and shall procure the relevant parties to provide assistance in this regard.

### **Exclusivity**

After the signing of the LOI, the Founder Shareholder shall (i) stop all current proposals, offers, discussions or arrangements (if any) in relation to any transactions contemplated under the LOI, including but not limited to the possible transfer of his shares in the Target Company or the Possible Transaction, (ii) not directly or indirectly commence any discussions, negotiations, arrangements or sign any documents (whether legally binding or not) and (iii) procure members of the Target Group not to, directly or indirectly, carry out any discussions, negotiations, arrangements or sign any documents (whether legally binding or not), with respect to any transactions contemplated under the LOI.

### **Formal agreement**

Highly Develop and the Founder Shareholder will continue to proceed with further negotiation of and enter into of a formal and binding agreement in respect of the Possible Transaction (the “**Formal Agreement**”).

## **Termination**

The LOI shall terminate upon the earlier of (i) the date of the Formal Agreement; and (ii) the expiry of 3 months from the date of the LOI.

## **Binding effect**

The LOI does not constitute any legal and binding obligations on the parties thereto save for provisions relating to termination, due diligence, exclusivity, costs, confidentiality, notice and governing law.

## **GENERAL**

If the Formal Agreement materializes, the Possible Transaction may constitute a notifiable transaction of the Company under the Listing Rules. Further announcement(s) will be made by the Company in accordance with all applicable requirements of the Listing Rules as and when appropriate.

**As the LOI is not legally binding, the Possible Transaction may or may not proceed. Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By order of the Board  
**Art Group Holdings Limited**  
**Chen Jinyan**  
*Chairman*

Hong Kong, 3 October 2023

*As at the date of this announcement, the executive directors of the Company are Mr. Chen Jinyan and Mr. Chen Jindong; and the independent non-executive directors of the Company are Mr. Kwan Chi Fai, Ms. Chong Sze Pui Joanne and Ms. Wang Yuqin.*

\* *For identification purpose only. If there is any inconsistency between the Chinese names of the entities and their English translations, the Chinese version shall prevail.*