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## **Boill Healthcare Holdings Limited**

**保集健康控股有限公司**

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

**(Stock code: 1246)**

- (1) PROPOSED SHARE CONSOLIDATION;**
- (2) PROPOSED CHANGE IN BOARD LOT SIZE;**
- (3) MAJOR AND CONNECTED TRANSACTION INVOLVING THE ISSUE OF CONSIDERATION SHARES UNDER SPECIFIC MANDATE;**
- (4) APPLICATION FOR WHITEWASH WAIVER; AND**
- (5) APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER**

**Financial adviser to the Company**



**Independent Financial Adviser to the Independent Board Committee,  
the Takeovers Code Independent Board Committee and the Independent Shareholders**



### **THE PROPOSED SHARE CONSOLIDATION**

The Board proposes to implement the Share Consolidation on the basis that every ten (10) Existing Shares of HK\$0.025 each be consolidated into one (1) Consolidated Share of HK\$0.25.

The Share Consolidation is conditional upon, among other things, the passing of an ordinary resolution by the Shareholders at the EGM to approve the Share Consolidation.

## **THE PROPOSED CHANGE IN BOARD LOT SIZE**

As at the date of this announcement, the Existing Shares are traded on the Stock Exchange in the board lot size of 20,000 Existing Shares. The Board proposes to change the board lot size for trading on the Stock Exchange from 20,000 Existing Shares to 10,000 Consolidated Shares conditional upon the Share Consolidation becoming effective.

## **THE ACQUISITION**

The Board is pleased to announce that on 24 July 2020 (after trading hours), the Company (as purchaser) entered into the Agreement with the Vendor (as vendor), pursuant to which the Company conditionally agreed to purchase and the Vendor conditionally agreed to sell the Sale Shares, representing the entire issued share capital of the Target Company, for the Consideration of HK\$157,700,000, which will be satisfied by way of allotment and issue of the Consideration Shares at the Issue Price of HK\$0.35 per Consideration Share.

Upon Completion, the Company will hold the entire issued share capital of the Target Company and the Target Company and its subsidiaries (including the Project Company upon completion of the Pre-Acquisition Reorganisation) will become subsidiaries of the Company and accordingly, their financial results and positions will be consolidated into the consolidated financial statements of the Company.

The Consideration Shares will be allotted and issued pursuant to the Specific Mandate, and shall rank *pari passu* with the Shares in issue.

The Consideration Shares represent (i) approximately 49.66% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 33.18% of the issued share capital of the Company as enlarged by the allotment and issue of the Consideration Shares.

The Company will apply to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares.

### **Listing Rules implications**

As at the date of this announcement, the Vendor is indirectly controlled as to more than 30% of its issued share capital by Mr. Qiu, a substantial shareholder of the Company who is a connected person of the Company under Chapter 14A of the Listing Rules. The Vendor is thus a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the Acquisition constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Acquisition exceed 25% but all of them are less than 100%, the Acquisition therefore constitutes a major and connected transaction of the Company, and is subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapter 14 and Chapter 14A of the Listing Rules.

### **THE WHITEWASH WAIVER**

As at the date of this announcement, the Vendor and parties acting in concert with it, namely Mr. Qiu and Liyao, are interested in an aggregate of 2,600,000,000 Shares, representing approximately 28.65% of the total issued Shares. Immediately following the allotment and issue of the Consideration Shares to the Vendor, the shareholding of the Vendor and parties acting in concert with it will increase to approximately 52.33% of the total issued Shares as enlarged by the allotment and issue of the Consideration Shares (assuming there will be no change in the total number of Shares in issue between the date of this announcement and the allotment and issue of the Consideration Shares, save for the Share Consolidation and the allotment and issue of the Consideration Shares). Under Rule 26.1 of the Takeovers Code, the Vendor would be required to make an unconditional mandatory general offer for all the issued Shares not already owned or agreed to be acquired by it and parties acting in concert with it pursuant to Rule 26 of the Takeovers Code, unless the Whitewash Waiver is granted by the Executive.

An application will therefore be made by the Vendor to the Executive for the Whitewash Waiver pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code. The Whitewash Waiver, if granted by the Executive, will be subject to, among other things, (i) respective resolutions relating to the Whitewash Waiver and the Acquisition being approved by at least 75% and more than 50%, respectively of the votes cast by the Independent Shareholders at the EGM; and (ii) the Vendor and parties acting in concert with it not having made any acquisitions or disposals of voting rights of the Company between the date of this announcement and completion of the issue of the Consideration Shares (save for the allotment and issue of the Consolidated Shares after the Share Consolidation having becoming effective) unless with the prior consent of the Executive.

**The Executive may or may not grant the Whitewash Waiver. It is one of the conditions precedent to Completion that the Whitewash Waiver has been granted. In the event that the Whitewash Waiver is not granted by the Executive or the Whitewash Waiver and the Acquisition are not approved by the Independent Shareholders, the Agreement will lapse and the Acquisition will not proceed.**

## **THE INDEPENDENT BOARD COMMITTEE, THE TAKEOVERS CODE INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

The Independent Board Committee (comprising three independent non-executive Directors) has been established to advise the Independent Shareholders in connection with the Acquisition.

The Takeovers Code Independent Board Committee (comprising one non-executive Director and three independent non-executive Directors) has been established to advise the Independent Shareholders in connection with the Acquisition and the Whitewash Waiver.

Optima Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, has been appointed as the Independent Financial Adviser to make recommendations to the Independent Board Committee, the Takeovers Code Independent Board Committee and the Independent Shareholders on the fairness and reasonableness of the Acquisition and the Whitewash Waiver. The appointment of Optima Capital Limited as the Independent Financial Adviser has been approved by the Independent Board Committee and the Takeovers Code Independent Board Committee pursuant to Rule 2.1 of the Takeovers Code.

## **DESPATCH OF CIRCULAR**

A circular containing, among other things, (i) further details of the Share Consolidation and the Change in Board Lot Size; (ii) further details of the Acquisition; (iii) further information about the Whitewash Waiver; (iv) a letter of recommendation of the Independent Board Committee in relation to the Acquisition; (v) a letter of recommendation of the Takeovers Code Independent Board Committee in relation to the Acquisition and the Whitewash Waiver; (vi) a letter of advice from the Independent Financial Adviser to the Independent Board Committee, the Takeovers Code Independent Board Committee and the Independent Shareholders in relation to the Acquisition and the Whitewash Waiver; (vii) the financial information of the Group, the Target Group and the Project Company; (viii) the unaudited pro forma financial information of the Enlarged Group upon Completion; (ix) the property valuation reports; (x) the notice convening the EGM; and (xi) other information as required under the Listing Rules and the Takeovers Code is required to be despatched to the Shareholders within 21 days from the date of this announcement pursuant to Rule 8.2 of the Takeovers Code. The Company will seek the Executive's consent to despatch the circular to the Shareholders on or before 20 August 2020 as additional time is required to prepare the financial information of the Target Group and the Project Company and the property valuation reports to be included in the circular.

**As Completion is conditional upon fulfillment or waiver (where applicable) of a number of conditions precedent, the Acquisition may or may not proceed. In addition, the Whitewash Waiver may or may not be granted. Shareholders and potential investors are urged to exercise extreme caution when dealing in the Shares.**

## **THE PROPOSED SHARE CONSOLIDATION**

The Board proposes to implement the Share Consolidation on the basis that every ten (10) Existing Shares be consolidated into one (1) Consolidated Share.

### **Conditions of the Share Consolidation**

The Share Consolidation is conditional upon the following conditions being satisfied:

- (i) the passing of an ordinary resolution by the Shareholders at the EGM to approve the Share Consolidation;
- (ii) the Listing Committee granting the approval for listing of, and permission to deal in the Consolidated Shares upon the Share Consolidation becoming effective; and
- (iii) the obtaining of all necessary approvals from the regulatory authorities or otherwise as may be required in respect of the Share Consolidation, if any.

Subject to the satisfaction of all the above conditions, it is expected that the Share Consolidation will become effective one clear Business Day after the date of the EGM.

### **Effects of the Share Consolidation**

As at the date of this announcement, the authorised share capital of the Company is HK\$400,000,000 divided into 16,000,000,000 Shares of HK\$0.025 each, of which 9,074,000,000 Existing Shares have been allotted and issued, and are fully paid or credited as fully paid. Upon the Share Consolidation becoming effective and on the basis that the Company does not allot, issue or repurchase any Existing Shares prior thereto, the authorised share capital of the Company will become HK\$400,000,000 divided into 1,600,000,000 Shares of HK\$0.25 each, of which 907,400,000 Consolidated Shares will be in issue.

The Company has no outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Existing Shares as at the date of this announcement.

Other than the relevant expenses incurred, the implementation of the Share Consolidation will have no effect on the consolidated total asset value of the Group, nor will it alter the underlying assets, business, operations, management or financial position of the Group or the interests of the Shareholders as a whole, save for any

fractional Consolidated Shares (if any) to which the Shareholders would otherwise be entitled. The Board believes that the Share Consolidation will not have any material adverse effect on the financial position of the Company.

### **Status of the Consolidated Shares**

Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank *pari passu* in all respects with each other, and the Share Consolidation will not result in any change in the relative rights of the Shareholders.

### **Listing application**

An application will be made by the Company to the Listing Committee for the listing of, and the permission to deal in, the Consolidated Shares.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange upon the Share Consolidation becoming effective, as well as compliance with the stock admission requirements of the HKSCC, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

None of the Existing Shares are listed or dealt in on any other stock exchange other than the Stock Exchange, and at the time the Share Consolidation becoming effective, the Consolidated Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

## **OTHER ARRANGEMENTS**

### **Fractional entitlement to Consolidated Shares**

Fractional Consolidated Shares, if any, will be disregarded and will not be issued to Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefits of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Existing Shares regardless of the number of share certificates held by such holder.



Shareholders who are concerned about losing out on any fractional entitlement are recommended to consult their licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser and may wish to consider the possibility of buying or selling the Existing Shares in a number sufficient to make up an entitlement to receive a whole number of Consolidated Shares.

### **Odd lots trading arrangement**

In order to facilitate the trading of odd lots (if any) of the Consolidated Shares, the Company has appointed Lego Securities Limited to provide matching services, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares. Details of the odd lots arrangement will be set out in the circular to be despatched to the Shareholders.

Holders of odd lots of the Consolidated Shares should note that the matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Shareholders who are in any doubt about the odd lots matching arrangement are recommended to consult their own professional advisers.

### **Exchange of share certificates**

Subject to the Share Consolidation becoming effective, Shareholders may, on or after 16 September 2020 until 27 October 2020 (both days inclusive), submit share certificates for the Existing Shares (in blue colour) to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong to exchange, at the expense of the Company, for new share certificates of the Consolidated Shares (on the basis of ten (10) Existing Shares for one (1) Consolidated Share), which will be in red colour. Thereafter, share certificates of Existing Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such other amount as may from time to time be specified by the Stock Exchange) by the Shareholders for each share certificate for the Existing Shares submitted for cancellation or each new share certificate issued for the Consolidated Shares, whichever the number of certificates cancelled/issued is higher.

Nevertheless, after 4:10 p.m. on 22 October 2020, share certificates for the Existing Shares will continue to be good evidence of legal title and may be exchanged for new share certificates for the Consolidated Shares at any time but will not be accepted for trading, settlement and registration.

## **THE PROPOSED CHANGE IN BOARD LOT SIZE**

As at the date of this announcement, the Existing Shares are currently traded on the Stock Exchange in the board lot size of 20,000 Existing Shares. The Board proposes to change the board lot size for trading on the Stock Exchange from 20,000 Existing Shares to 10,000 Consolidated Shares conditional upon the Share Consolidation becoming effective.

Based on the closing price of HK\$0.036 per Existing Share as quoted on the Stock Exchange on the date of this announcement, (i) the market value per board lot of 20,000 Existing Shares is HK\$720; and (ii) the theoretical market value per board lot of 10,000 Consolidated Shares would be HK\$3,600 assuming the Share Consolidation and the Change in Board Lot Size becoming effective.

The Change in Board Lot Size will not result in change in the relative rights of the Shareholders.

## **REASONS FOR THE PROPOSED SHARE CONSOLIDATION AND THE CHANGE IN BOARD LOT SIZE**

The Company is an investment holding company incorporated in the Cayman Islands with limited liability. The Company and its subsidiaries are principally engaged in the property development, healthcare holiday resort development and operation, foundation piling and securities investment.

It is worth noticing that the Existing Shares have predominantly been trading at below HK\$0.1 during the past 11 months. Pursuant to the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 and updated on 30 August 2019, taking into account the minimum transaction costs for a securities trade, the expected board lot value should be greater than HK\$2,000. As at the date of this announcement, the closing price of the Existing Shares was HK\$0.036 and the Existing Shares were trading at board lot value of HK\$720. For the purpose of reducing transaction costs, the Board proposes the Share Consolidation and the Change in Board Lot Size.

The Share Consolidation and the Change in Board Lot Size reduce the number of new board lots and increases the value of each new board lot. After the Share Consolidation and the Change in Board Lot Size, and based on the closing price of the Existing Shares as at the date of this announcement, the theoretical market value of each new board lot will be HK\$3,600. Typically, transaction fees are charged either per board lot or by trading amount. For transaction fees charged per board lot, transaction costs of dealings in fewer board lots are lower than those for more board lots. For transaction fees charged by trading amount, particularly for those that are subject to a minimum charge, increasing the value of each board lot will save costs for investors. It is expected that the Share Consolidation will bring about a corresponding upward adjustment in the trading



price of the Consolidated Shares on the Stock Exchange and will reduce the overall transaction costs of dealings in the Shares. Further, the Board considers that the Change in Board Lot Size will also reduce the overall transaction and handling costs of dealings in each board lot of the Consolidated Shares, which will improve the liquidity of the Consolidated Shares.

The Company considers that although increasing its board lot size could achieve similar effects as the Share Consolidation, it will not provide any upward adjustment to the Share price. As a result of the low trading price of the Existing Shares, potential investors are likely to have the impression that the market value of the Company is also low, which makes investing in the Existing Shares less attractive. The Company is confident that after the Share Consolidation and the Change in Board Lot Size, the market image of the Company will become more positive, thereby attracting more investors and leading to more active trading in the Shares. Therefore, with a higher trading price of the Consolidated Shares and reduction in the transaction costs as a proportion of the market value of each board lot, the Company believes that the Share Consolidation and the Change in Board Lot Size will enhance the corporate image of the Company and make investing in the Consolidated Shares more attractive to a broader range of institutional and professional investors and other members of the investing public.

Given the above reasons, the Company considers that the proposed Share Consolidation and the proposed Change in Board Lot Size are justifiable despite the potential costs and negative impact arising from the creation of odd lots to Shareholders. Accordingly, the Directors consider that the Share Consolidation and the Change in Board Lot Size are beneficial to and in the interests of the Company and the Shareholders as a whole.

As at the date of this announcement, the Company has no intention to carry out other corporate actions in the next 12 months which may have an effect of undermining or negating the intended purpose of the Share Consolidation, and the Company does not have any concrete plan to conduct any fund raising activities in the next 12 months. However, the Board cannot rule out the possibility that the Company will conduct debt and/or equity fund raising exercises when suitable fund raising opportunities arise in order to support future development of the Group. The Company will make further announcements in this regard in accordance with the Listing Rules as and when appropriate.

## EXPECTED TIMETABLE

The expected timetable for the implementation of the Share Consolidation and the Change in Board Lot Size is as follows:

<b>Event</b>	<b>Time and date</b>
	<b>2020</b>
Expected date of despatch of the circular with notice and form of proxy of the EGM . . . . .	On or before 20 August
Latest date and time for lodging transfer documents in order to qualify for attending and voting at the EGM . . .	4:30 p.m. on 7 September
Closure of register of members for determining the entitlement to attend and vote at the EGM . . . . .	8 September to 14 September (both days inclusive)
Latest date and time for lodging forms of proxy for the EGM . . . . .	10:00 a.m. on 12 September
Date and time of the EGM . . . . .	10:00 a.m. on 14 September
Announcement of poll results of the EGM . . . . .	14 September

**The following events are conditional upon the fulfilment of the conditions for the implementation of the Share Consolidation as set out in the paragraph headed “Conditions of the Share Consolidation” above:**

<b>Event</b>	<b>Time and date</b>
	<b>2020</b>
Effective date of the Share Consolidation . . . . .	16 September
First day of free exchange of existing share certificates for new share certificates for the Consolidated Shares . . . . .	16 September
Commencement of dealings in the Consolidated Shares. . . . .	9:00 a.m. on 16 September
Original counter for trading in the Existing Shares in board lots of 20,000 Existing Shares (in the form of existing share certificates) temporarily closes . . . . .	9:00 a.m. on 16 September
Temporary counter for trading in the Consolidated Shares in board lots of 2,000 Consolidated Shares (in the form of existing share certificates) opens . . . . .	9:00 a.m. on 16 September
Original counter for trading in the Consolidated Shares in board lots of 10,000 Consolidated Shares (in the form of new share certificates) re-opens . . . . .	9:00 a.m. on 30 September
Parallel trading in the Consolidated Shares (in form of new share certificates and existing share certificates) commences . . . . .	9:00 a.m. on 30 September
Designated broker starts to stand in the market to provide matching services for odd lots of the Consolidated Shares. . . . .	9:00 a.m. on 30 September
Temporary counter for trading in the Consolidated Shares in board lots of 2,000 Consolidated Shares (in the form of existing share certificates) closes . . . . .	4:10 p.m. on 22 October
Parallel trading in Consolidated Shares (in form of new share certificates and existing share certificates) ends. . . . .	4:10 p.m. on 22 October
Designated broker ceases to stand in the market to provide matching services for odd lots of the Consolidated Shares. . . . .	4:10 p.m. on 22 October
Latest date and time for free exchange of existing share certificates for new share certificates for the Consolidated Shares. . . . .	4:30 p.m. on 27 October

All times and dates in this announcement refer to Hong Kong local times and dates. The expected timetable set out above is indicative only and may be subject to change. Further announcement(s) will be made as and when appropriate.

**The Share Consolidation is conditional upon, among other things, (i) the passing of an ordinary resolution by the Shareholders at the EGM to approve the Share Consolidation; and (ii) the Listing Committee granting the approval for listing of, and permission to deal in the Consolidated Shares upon the Share Consolidation becoming effective. In the event that the relevant approval is not granted by the Listing Committee or approved by the Shareholders, the Share Consolidation will lapse and will not proceed.**

## **THE ACQUISITION**

The Board is pleased to announce that on 24 July 2020 (after trading hours), the Company entered into the Agreement, the principal terms of which are set out as follows:

### **Date**

24 July 2020

### **Parties**

Purchaser: the Company (as purchaser)

Vendor: the Vendor (as vendor)

As at the date of this announcement, the Vendor and parties acting in concert with it, namely Mr. Qiu and Liyao, are interested in an aggregate of 2,600,000,000 Shares, representing approximately 28.65% of the total issued Shares. As at the date of this announcement, the Vendor is wholly-owned by Boill Holding Group, which is in turn beneficially owned as to 97.64% and 2.36% by Mr. Qiu and Ms. Huang, respectively. Thus, the Vendor is a connected person of the Company.

### **Assets to be acquired under the Agreement**

Pursuant to the Agreement, the Company conditionally agreed to purchase and the Vendor conditionally agreed to sell the Sale Shares, representing the entire issued share capital of the Target Company, subject to the terms and conditions as set out in the Agreement.

### **Consideration**

The Consideration is HK\$157,700,000, which will be satisfied by way of allotment and issue of the Consideration Shares on the Completion Date at the Issue Price of HK\$0.35 per Consideration Share.

## **Basis for determination of the Consideration**

The Consideration was arrived at after arm's length negotiations between the Company and the Vendor with reference to, among other things, (i) the adjusted net asset value of the Target Group and the Project Company as at 30 April 2020 taking into account the unaudited net asset value of the Target Group and the Project Company as at 30 April 2020 and the market value of the properties held by the Project Company appraised by an independent property valuer as at 30 April 2020; (ii) recent market conditions; and (iii) the reasons and benefits as set out in the paragraph headed "Reasons for and benefits of the Acquisition" below.

The Project Holding Company, which is beneficially owned as to 98.64% by Mr. Qiu and Ms. Huang and 1.36% by an independent third party, acquired the 99% equity interest in the Project Company on 1 May 2018 at RMB99 million.

Taking into consideration the above, the Directors (excluding the members of the Independent Board Committee and the Takeovers Code Independent Board Committee who will express their views after having considered the advice of the Independent Financial Adviser) are of the view that the Consideration and the terms and conditions of the Acquisition are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

## **Consideration Shares**

450,600,000 Consideration Shares will be allotted and issued by the Company to the Vendor on the Completion Date. Such Consideration Shares represent (i) approximately 49.66% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 33.18% of the issued share capital of the Company as enlarged by the allotment and issue of the Consideration Shares, after taking into account the effect of the Share Consolidation.

The Consideration Shares will be allotted and issued by the Company pursuant to the Specific Mandate and will rank *pari passu* with the Shares in issue. There are no restrictions on any subsequent sale of the Consideration Shares.

An application will be made by the Company to the Listing Committee for the listing of, and permission to deal in, the Consideration Shares.

The Issue Price for the Consideration Shares of HK\$0.35 per Consideration Share was determined based on arm's length negotiations between the Parties with reference to the prevailing market prices of the Shares, the recent fluctuations in the price of the Shares and the recent market conditions. The Issue Price represents:

- (a) a discount of approximately 10.26% to the theoretical closing price of HK\$0.39 per Consolidated Share based on the closing price of HK\$0.039 per Share on the Last Trading Day and taking into account the effect of the Share Consolidation;

- (b) a discount of approximately 14.63% to the theoretical closing price of HK\$0.41 per Consolidated Share based on the average closing price of HK\$0.041 per Share for the last five trading days up to and including the Last Trading Day and taking into account the effect of the Share Consolidation;
- (c) a discount of approximately 16.67% to the theoretical closing price of HK\$0.42 per Consolidated Share based on the average closing price of HK\$0.042 per Share for the last ten trading days up to and including the Last Trading Day and taking into account the effect of the Share Consolidation; and
- (d) a discount of approximately 22.22% to the theoretical net asset value per Consolidated Share of approximately HK\$0.45 based on the net asset value per Share of approximately HK\$0.045 as at 31 March 2020, which is based on the Company's audited consolidated net asset value attributable to the Shareholders of approximately HK\$407,207,000 as at 31 March 2020 and the 9,074,000,000 Shares in issue as at the date of the Agreement.

### **Conditions precedent**

Completion is conditional upon the satisfaction (or waiver) of the following conditions:

- (a) the Company having been satisfied with the results of such enquiries, investigations and due diligence reviews of the business, affairs, operations and financial position of the Target Group and the Project Company by the Company or any of its officers, employees, agents, professional advisers or other agents as the Company in its discretion deems necessary, desirable or appropriate to undertake;
- (b) the passing of an ordinary resolution at the EGM with at least 75% of the votes of the Independent Shareholders that are cast either in person or by proxy approving the Whitewash Waiver, and more than 50% of the votes of the Independent Shareholders that are cast either in person or by proxy approving the Agreement and the transactions contemplated thereunder, as required under the Takeovers Code;
- (c) the passing of an ordinary resolution at the EGM by way of poll approving the Agreement and the transactions contemplated thereunder, including the Specific Mandate, as required under the Listing Rules;
- (d) the Pre-Acquisition Reorganisation having been completed;
- (e) the listing of, and permission to deal in, all the Consideration Shares being granted by the Listing Committee (the "**Listing Approval**") and the Listing Approval not having been revoked prior to the Completion Date;
- (f) the Executive having granted the Whitewash Waiver;
- (g) the Share Consolidation and the Change in Board Lot Size having become effective;



- (h) the warranties given by the Vendor remaining true and accurate in all respects and not misleading in any respect as of the Completion Date by reference to the facts and circumstances subsisting as at the Completion Date;
- (i) no notice, order, judgement, action or proceeding of any court, arbitrator, authority, statutory or regulatory body having been served, issued or made which restrains, prohibits or makes unlawful any transaction contemplated by the Agreement or which is reasonably likely to materially and adversely affect the right of the Company to own the legal and beneficial title to the Sale Shares, free from encumbrances, following the Completion Date; and
- (j) all consents of any authority or of any other person that are required to be obtained in connection with the consummation of the transactions contemplated by the Agreement (including but not limited to those related to the transfer of the Sale Shares, and any waivers of notice requirements under the articles of association of the Company) shall have been duly obtained and effective as of the Completion Date.

The Vendor shall use its best endeavours to ensure the satisfaction of the foregoing condition (other than the conditions (b) and (c)) as soon as possible after the date of the Agreement but in any event no later than the Long-Stop Date.

In respect of condition (j), the Project Company is in the process of obtaining consent for the change of its shareholders under a loan amounted to RMB300 million from the relevant lender which is an independent third party. Save as disclosed above, to the best knowledge and awareness of the Company, no other specific consents of any authority or any other person are required to be obtained in connection with the consummation of the transactions contemplated by the Agreement.

The Company may at any time waive in whole or in part and conditionally or unconditionally any of the foregoing conditions (other than the conditions (b), (c), (d), (e), (f) and (g) which are not waivable by any Parties in any event) by notice in writing to the Vendor.

If any of the conditions (b), (c), (d), (e), (f) and (g) is not satisfied on or before the Long-Stop Date or any of the other conditions is not satisfied or waived on or before the Completion Date, the Company may terminate the Agreement by notice in writing to the Vendor, provided however that (i) the surviving provisions shall continue in force following the termination of the Agreement; and (ii) the termination of the Agreement shall be without prejudice to the rights and liabilities of any Party accrued prior to such termination. In all other such circumstances, the Agreement shall lapse without liability to any Party.

## Completion

Completion will take place in Hong Kong on the fifth Business Days after the fulfillment or waiver of all conditions precedent set out in the Agreement, or at such other time and place as the Parties may agree in writing.

## SPECIFIC MANDATE

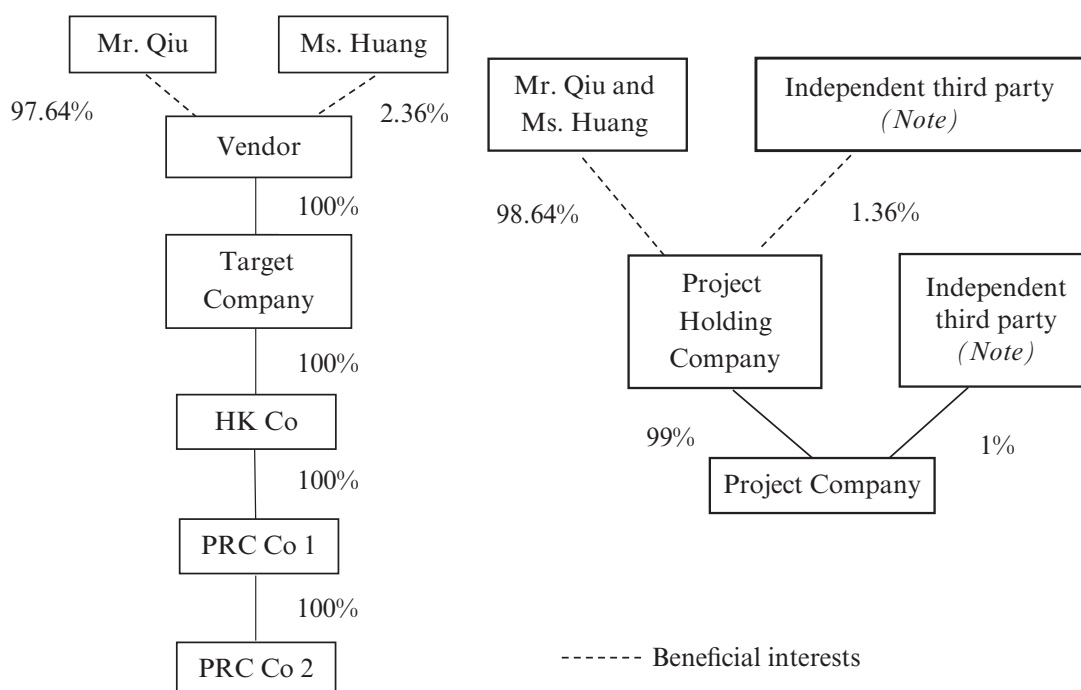
The Company will issue 450,600,000 Consideration Shares to satisfy the Consideration for the Acquisition. The Consideration Shares will be issued under the Specific Mandate proposed to be granted by the Independent Shareholders at the EGM.

## INFORMATION ON THE GROUP

The Company is an investment holding company incorporated in the Cayman Islands with limited liability. The Company and its subsidiaries are principally engaged in the property development, healthcare holiday resort development and operation, foundation piling and securities investment. Mr. Qiu is a substantial shareholder of the Company as at the date of this announcement.

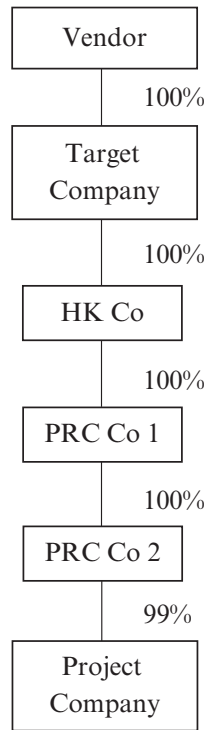
## THE SHAREHOLDING STRUCTURE OF THE TARGET GROUP

The following diagram sets out the shareholding structure of the Target Company and the Project Company immediately prior to completion of the Pre-Acquisition Reorganisation:

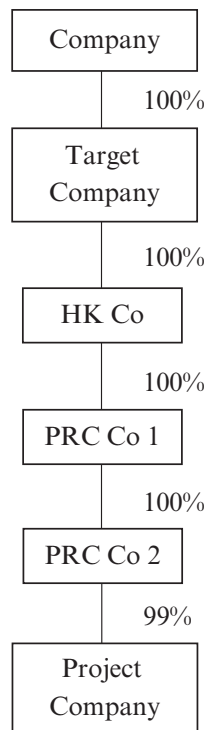


*Note:* The independent third parties are separate individuals and are not Shareholders as at the date of this announcement.

The following diagram sets out the shareholding structure of the Target Company immediately after completion of the Pre-Acquisition Reorganisation and prior to Completion:



The following diagram sets out the shareholding structure of the Enlarged Group immediately following Completion:



Upon Completion, the Target Company and its subsidiaries (including the Project Company upon completion of the Pre-Acquisition Reorganisation) will become subsidiaries of the Company and accordingly, their financial results and positions will be consolidated into the consolidated financial statements of the Company.

## SHAREHOLDING STRUCTURE OF THE COMPANY

The following shareholding table shows the shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately after the Share Consolidation having become effective; and (iii) immediately after the allotment and issue of the Consideration Shares and taking into account the effect of the Share Consolidation, assuming that no other further Shares will be allotted and issued after the date of this announcement and prior to Completion:

Name of Shareholders	As at the date of this announcement		Immediately after the Share Consolidation having become effective		Immediately after the allotment and issue of the Consideration Shares and taking into account the effect of the Share Consolidation	
	No. of Shares	Approximate % of the issued share capital of the Company	No. of Shares	Approximate % of the issued share capital of the Company	No. of Shares	Approximate % of the issued share capital of the Company
Vendor (Note 1)	—	—	—	—	450,600,000	33.18
Liyao (Note 2)	<u>2,600,000,000</u>	<u>28.65</u>	<u>260,000,000</u>	<u>28.65</u>	<u>260,000,000</u>	<u>19.15</u>
Sub-total for the Vendor and parties acting in concert with it	2,600,000,000	28.65	260,000,000	28.65	710,600,000	52.33
Public Shareholders	<u>6,474,000,000</u>	<u>71.35</u>	<u>647,400,000</u>	<u>71.35</u>	<u>647,400,000</u>	<u>47.67</u>
<b>Total</b>	<u><u>9,074,000,000</u></u>	<u><u>100</u></u>	<u><u>907,400,000</u></u>	<u><u>100</u></u>	<u><u>1,358,000,000</u></u>	<u><u>100</u></u>

Notes:

- The Vendor is wholly-owned by Boill Holding Group, which is in turn beneficially owned as to 97.64% and 2.36% by Mr. Qiu and Ms. Huang, respectively, as at the date of this announcement. Mr. Qiu is the sole director of the Vendor.
- Mr. Qiu is the sole shareholder of Liyao as at the date of this announcement.

## INFORMATION ON THE VENDOR

The Vendor is a company incorporated in Hong Kong with limited liability. As at the date of this announcement, the Vendor is wholly-owned by Boill Holding Group, which is in turn beneficially owned as to 97.64% and 2.36% by Mr. Qiu and Ms. Huang, respectively. The Vendor is principally engaged in investment holding and overseas equity investment. Boill Holding Group is principally engaged in trading and property businesses.

Mr. Qiu is a substantial shareholder of the Company and the sole director of the Vendor. Mr. Qiu is a PRC citizen and the spouse of Ms. Huang. He is also the chairman and president of Boill Holding Group as at the date of this announcement.

Ms. Huang is an Australian citizen and the spouse of Mr. Qiu. She is also the chief financial officer and audit director of Boill Holding Group as at the date of this announcement.

## **INFORMATION ON THE TARGET GROUP**

### **Structure and business of the Target Group**

As at the date of this announcement, each of the Target Company, HK Co, PRC Co 1 and PRC Co 2 is principally engaged in investment holding.

The Project Company is principally engaged in development of the Project. Upon completion of the Pre-Acquisition Reorganisation, the Project Company will become a member of the Target Group. The Target Group is principally engaged in property development in the PRC.

### **Property interests**

The following table sets out the particulars in relation to the Project owned by the Project Company as at the date of this announcement:

<b>Location</b>	<b>Approximate total gross floor area (“GFA”)/site area</b>	<b>Current development status</b>
The Project No. 1 Yihe Road, located at the east of Xinyang Road, south of Yihe Road, Sanmao Street, Yangzhong City, Zhenjiang City, Jiangsu Province, the PRC	173,457 sq.m./ 53,339.83 sq.m.	Under construction

### **Development and business plan in relation to the Project**

#### ***The Project***

The Project is situated at No. 1 Yihe Road, located at the east of Xinyang Road, south of Yihe Road, Sanmao Street, the central business district of Yangzhong City, Zhenjiang City, Jiangsu Province, the PRC, with a total site area of approximately 53,339.83 sq.m.. The land use rights of the Project have been granted for terms commencing from 20 April 2018 and expiring on 19 April 2088 and 19 April 2058 for residential and commercial use, respectively. The Project is under construction as at the date of this announcement. Given the Project is situated at the central business district of Yangzhong City, Zhenjiang

City, Jiangsu Province, the PRC and the recent sale and rental prices of office premises in the district have been increasing drastically over the past decade, the Company proposes to construct 12 six to 34-storey buildings with a total estimated gross floor area of approximately 173,457 sq.m., excluding the basement with a gross area of approximately 31,065 sq.m. on it for residential and commercial use and 1,336 carparking spaces at basement one and basement two. It is estimated that the construction of the Project will be completed in 2021.

### Financial information of the Target Group

Set out below is certain unaudited consolidated financial information of the Target Company and its subsidiaries, prior to the Pre-Acquisition Reorganisation, for the two years ended 31 December 2018 and 2019 and the four months ended 30 April 2020 prepared in accordance with the HKFRSs:

	For the year ended 31 December		For the four months ended
	2018	2019	30 April
	HK\$'000	HK\$'000	2020
	(Unaudited)	(Unaudited)	HK\$'000
			(Unaudited)
Net profit/(loss) before taxation	30	13	(1)
Net profit/(loss) after taxation	24	13	(1)

As at 30 April 2020, the unaudited consolidated net asset value of the Target Company and its subsidiaries amounted to approximately HK\$23,000.

Set out below is certain financial information of the Project Company for the two years ended 31 December 2018 and 2019 and the four months ended 30 April 2020 prepared in accordance with the HKFRSs:

	For the year ended 31 December				For the four months ended 30 April	
	2018		2019		2020	
	<i>RMB'000</i>	<i>Equivalent to HK\$'000</i>	<i>RMB'000</i>	<i>Equivalent to HK\$'000</i>	<i>RMB'000</i>	<i>Equivalent to HK\$'000</i>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Net loss before taxation	17,263	18,941	16,039	17,598	2,470	2,710
Net loss after taxation	17,320	19,004	16,039	17,598	2,470	2,710

As at 30 April 2020, the unaudited net asset value of the Project Company amounted to approximately RMB75.9 million (equivalent to approximately HK\$83.3 million).



Pursuant to Rules 14.58(6) and (7) of the Listing Rules, the unaudited consolidated net assets/liabilities as at 30 April 2020, and the net profit/(loss) before and after taxation for the two years ended 31 December 2018 and 2019 and the four months ended 30 April 2020 of the Target Company and its subsidiaries and the Project Company (the “**Target Financial Information**”) are required to be disclosed in this announcement.

Pursuant to Rule 10 of the Takeovers Code, the Target Financial Information constitutes a profit forecast, which needs to be reported on by the auditor or accountant and the financial adviser or independent financial adviser of the Company (the “**Reports**”). However, as additional time is required for the preparation of the Reports by the financial adviser and auditor or accountants, the Company would like to draw to the attention of the Shareholders and potential investors of the Company that the Target Financial Information does not meet the standard required by Rule 10 of the Takeovers Code.

**Shareholders and potential investors should exercise caution in placing reliance on the Target Financial Information when assessing the merits and demerits of the Agreement and the transactions contemplated thereunder, including the Specific Mandate and the Whitewash Waiver, and when dealing in the securities of the Company. Under Practice Note 2 of the Takeovers Code and in accordance with Rule 10.4 of the Takeovers Code, the Reports are required to be included in the next document to be despatched to the Shareholders. The full sets of the accountants’ reports relating to the Target Company and its subsidiaries and the Project Company for the three years ended 31 December 2019 and the four months ended 30 April 2020 prepared under the HKFRSs will be included in the circular which will be issued on or after the publication of the annual report for the year ended 31 March 2020 of the Company. Shareholders should note that there may be differences between the financial information as presented in this announcement and the financial information to be presented in the circular to be despatched by the Company to the Shareholders.**

## **REASONS FOR AND BENEFITS OF THE ACQUISITION**

The Group has been engaging in the property development business since November 2015.

The Target Company, upon completion of the Pre-Acquisition Reorganisation, will indirectly hold the Project which is designated for residential and commercial uses. The Acquisition allows the Company to enhance its landbank in the PRC, which is in line with the Group’s strategy to obtain premium land sites to enhance its property development business as disclosed in the annual report of the Company for the financial year ended 31 March 2019. The Board considers that the Acquisition is a good investment opportunity with great development potential in view of the physical locations of the Project, local policy support, demand in properties in the vicinities and the outlook of the property market and economic development in the regions in general. The Board believes that the Company will benefit from the sale and leasing of the

properties and the anticipated growth in the value of the Project. Upon Completion, the Company intends to retain the present management team of the Target Group who have profound management expertise and experience in property development. Leveraging on the Target Group's experience in developing and selling residential properties, leasing and managing commercial properties, the Directors consider that the Acquisition is an opportune investment for the Group to enhance the property investment portfolio of the Group in long run and would bring synergy and enhance the competitive edge of the Group.

The Company has no intention, and has not entered into any agreement, arrangement, understanding or undertaking, whether formal or informal and whether express or implied, and negotiation (concluded or otherwise) with an intention to dispose of or downsize the existing businesses of the Company as at the date of this announcement.

As at the date of this announcement, the Company has no intention to change the composition of the Board as a result of the Acquisition.

The Directors (excluding the members of the Independent Board Committee and the Takeovers Code Independent Board Committee who will express their views after having considered the advice of the Independent Financial Adviser) are of the opinion that the terms of the Agreement, including the Consideration and the Issue Price of the Consideration Shares, are fair and reasonable, and the Acquisition is in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As at the date of this announcement, the Vendor is indirectly controlled as to more than 30% of its issued share capital by Mr. Qiu, a substantial shareholder of the Company who is a connected person of the Company under Chapter 14A of the Listing Rules. The Vendor is thus a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the Acquisition constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Acquisition exceed 25% but all of them are less than 100%, the Acquisition therefore constitutes a major and connected transaction of the Company, and is subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapter 14 and Chapter 14A of the Listing Rules.

## **IMPLICATIONS OF THE ACQUISITION UNDER THE TAKEOVERS CODE AND APPLICATION FOR THE WHITEWASH WAIVER**

As at the date of this announcement, the Vendor and parties acting in concert with it, namely Mr. Qiu and Liyao, are interested in an aggregate of 2,600,000,000 Shares, representing approximately 28.65% of the total issued Shares. Immediately following the allotment and issue of the Consideration Shares to the Vendor, the shareholding of the

Vendor and parties acting in concert with it will increase to approximately 52.33% of the total Shares in issue as enlarged by the allotment and issue of the Consideration Shares (assuming there will be no change in the total number of Shares in issue between the date of this announcement and the allotment and issue of the Consideration Shares, save for the Share Consolidation and the allotment and issue of the Consideration Shares). Under Rule 26.1 of the Takeovers Code, the Vendor would be required to make an unconditional mandatory general offer for all the issued Shares not already owned or agreed to be acquired by it and parties acting in concert with it pursuant to Rule 26 of the Takeovers Code, unless the Whitewash Waiver is granted by the Executive.

An application will therefore be made by the Vendor to the Executive for the Whitewash Waiver pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code. The Whitewash Waiver, if granted by the Executive, will be subject to, among other things, (i) respective resolutions relating to the Whitewash Waiver and the Acquisition being approved by at least 75% and more than 50%, respectively of the votes cast by the Independent Shareholders at the EGM; and (ii) the Vendor and parties acting in concert with it not having made any acquisitions or disposals of voting rights of the Company between the date of this announcement and completion of the issue of the Consideration Shares (save for the allotment and issue of the Consolidated Shares after the Share Consolidation having becoming effective) unless with the prior consent of the Executive.

The Vendor confirms that it and the parties acting in concert with it have not acquired voting rights in any Share in the six months immediately prior to and including the date of this announcement.

As at the date of this announcement, the Vendor has further confirmed that:

- (a) the Vendor and parties acting in concert with it have not dealt in any Shares, options, warrants or convertible securities of the Company or any derivatives in respect of such securities in the six months prior to the date of this announcement;
- (b) the Vendor and parties acting in concert with it have not entered into any outstanding derivative in respect of securities in the Company;
- (c) the Vendor and parties acting in concert with it have not entered into any arrangement referred to in Note 8 to Rule 22 of the Takeovers Code (whether by way of option, indemnity or otherwise) in relation to the Shares which might be material to the Acquisition or the Whitewash Waiver;
- (d) save for the Agreement, the Vendor has not entered into any agreements or arrangements which relate to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Acquisition or the Whitewash Waiver;

- (e) the Vendor has not borrowed or lent any relevant securities in the Company (as defined in Note 4 to Rule 22 of the Takeovers Code);
- (f) the Vendor has not received any irrevocable commitment from any Independent Shareholders that they will vote in favour of the resolution approving the Acquisition and the Whitewash Waiver at the EGM;
- (g) save for issuance of the Consideration Shares, there is no other consideration or compensation or benefit in whatever form paid or payable by the Company and parties acting in concert with it to the Vendor and parties acting in concert with it in connection with the Acquisition;
- (h) there is no other understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between the Company and parties acting in concert with it on the one hand, and the Vendor and parties acting in concert with it on the other hand; and
- (i) there is no other understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between any Shareholder; and (i) the Vendor and parties acting in concert with it, or (ii) the Company, its subsidiaries or associated companies.

**The Executive may or may not grant the Whitewash Waiver. It is one of the conditions precedent to Completion that the Whitewash Waiver has been granted. In the event that the Whitewash Waiver is not granted by the Executive or the Whitewash Waiver and the Acquisition are not approved by the Independent Shareholders, the Agreement will lapse and the Acquisition will not proceed.**

The Acquisition and the Whitewash Waiver are subject to the approval by the Independent Shareholders at the EGM. The Vendor, and its associates and parties acting in concert with it, together with those who are interested in, or involved in, the Acquisition and/or the Whitewash Waiver are required to abstain from voting on the relevant resolutions relating to the Acquisition and the Whitewash Waiver at the EGM. As at the date of this announcement, the Company does not believe that the Acquisition gives rise to any concerns in relation to compliance with other applicable rules or regulations (including the Listing Rules). If a concern should arise after the release of this announcement, the Company will endeavour to resolve the matter to the satisfaction of the relevant authority as soon as possible but in any event before the despatch of the circular. The Company notes that the Executive may not grant the Whitewash Waiver if the Acquisition does not comply with other applicable rules and regulations.

## **GENERAL INFORMATION**

### **The Independent Board Committee, the Takeovers Code Independent Board Committee and Independent Financial Adviser**

The Independent Board Committee (comprising three independent non-executive Directors) has been established to advise the Independent Shareholders in connection with the Acquisition.

The Takeovers Code Independent Board Committee (comprising one non-executive Director and three independent non-executive Directors) has been established to advise the Independent Shareholders in connection with the Acquisition and the Whitewash Waiver.

Optima Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, has been appointed as the Independent Financial Adviser to make recommendations to the Independent Board Committee, the Takeovers Code Independent Board Committee and the Independent Shareholders on the fairness and reasonableness of the Acquisition and the Whitewash Waiver. The appointment of Optima Capital Limited as the Independent Financial Adviser has been approved by the Independent Board Committee and the Takeovers Code Independent Board Committee pursuant to Rule 2.1 of the Takeovers Code.

### **Despatch of circular**

A circular containing, among other things, (i) further details of the Share Consolidation and the Change in Board Lot Size; (ii) further details of the Acquisition; (iii) further information about the Whitewash Waiver; (iv) a letter of recommendation of the Independent Board Committee in relation to the Acquisition; (v) a letter of recommendation of the Takeovers Code Independent Board Committee in relation to the Acquisition and the Whitewash Waiver; (vi) a letter of advice from the Independent Financial Adviser to the Independent Board Committee, the Takeovers Code Independent Board Committee and the Independent Shareholders in relation to the Acquisition and the Whitewash Waiver; (vii) the financial information of the Group, the Target Group and the Project Company; (viii) the unaudited pro forma financial information of the Enlarged Group upon Completion; (ix) the property valuation reports; (x) the notice convening the EGM; and (xi) other information as required under the Listing Rules and the Takeovers Code is required to be despatched to the Shareholders within 21 days from the date of this announcement pursuant to Rule 8.2 of the Takeovers Code. The Company will seek the Executive's consent to despatch the circular to the Shareholders on or before 20 August 2020 as additional time is required to prepare the financial information of the Target Group and the Project Company and the property valuation reports to be included in the circular.

**As the Share Consolidation and Completion is conditional upon fulfillment or waiver (where applicable) of a number of conditions precedent, the Share Consolidation and the Acquisition may or may not proceed, respectively. In addition, the Whitewash Waiver may or may not be granted.**

**Shareholders and potential investors are urged to exercise extreme caution when dealing in the Shares. If they are in any doubt, they should consult their professional advisers.**

## **DEFINITIONS**

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

- “Acquisition” the acquisition of the entire issued share capital of the Target Company by the Company from the Vendor pursuant to the terms and conditions of the Agreement;
- “acting in concert” has the meaning ascribed to it under the Takeovers Code;
- “Agreement” the conditional sale and purchase agreement dated 24 July 2020 entered into between the Company as purchaser and the Vendor as vendor for the Acquisition;
- “associate(s)” has the meaning ascribed to it under the Listing Rules;
- “Board” the board of Directors;
- “Boill Holding Group” 保集控股集團有限公司 (Boill Holding Group Co., Ltd.\*), a company established in the PRC with limited liability;
- “Business Day” a day on which banks are generally open for business in Hong Kong (excluding Saturdays, Sundays, public holidays and any weekday on which a tropical cyclone warning No. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rain storm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon);
- “CCASS” the Central Clearing and Settlement System established and operated by HKSCC;
- “CCASS Operational Procedures” the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time;



“Change in Board Lot Size”	the change in board lot size of the Shares for trading on the Stock Exchange from 20,000 Existing Shares to 10,000 Consolidated Shares;
“Company”	Boill Healthcare Holdings Limited (保集健康控股有限公司), a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1246);
“Completion”	completion of the Acquisition;
“Completion Date”	the fifth Business Day following the date on which all the conditions precedent have been satisfied or waived in accordance with the Agreement or such other Business Day as the Parties may agree in writing;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Consideration”	the total consideration of HK\$157,700,000 payable by the Company in respect of the Acquisition under the Agreement;
“Consideration Shares”	new Consolidated Shares (after the Share Consolidation having become effective) to be allotted and issued by the Company to the Vendor to settle the Consideration on the Completion Date, and a “Consideration Share” shall be construed accordingly;
“Consolidated Share(s)”	ordinary share(s) of the Company of HK\$0.25 each immediately after the Share Consolidation having become effective;
“Director(s)”	the director(s) of the Company;
“EGM”	the extraordinary general meeting of the Company to be convened to approve, among others, the Share Consolidation, the Acquisition, the Whitewash Waiver, the proposed grant of the Specific Mandate and the allotment and issue of the Consideration Shares in accordance with the Listing Rules and the Takeovers Code;
“Enlarged Group”	the Group as enlarged by the Target Group and the Project Company;
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director;

“Existing Share(s)”	ordinary share(s) of the Company of HK\$0.025 each prior to the Share Consolidation having become effective;
“General Rules of CCASS”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the CCASS Operational Procedures;
“Group”	the Company and its subsidiaries;
“HK Co”	Able Well International Investment Limited (佳匯國際投資有限公司), a company incorporated in Hong Kong with limited liability;
“HKFRSs”	Hong Kong Financial Reporting Standards;
“HKSCC”	Hong Kong Securities Clearing Company Limited;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Board Committee”	the independent board committee, comprising all three independent non-executive Directors, established by the Company to advise the Independent Shareholders in connection with the Acquisition;
“Independent Financial Adviser”	Optima Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser to the Independent Board Committee, the Takeovers Code Independent Board Committee and the Independent Shareholders in relation to the Acquisition and the Whitewash Waiver;
“Independent Shareholders”	Shareholders other than (i) the Vendor, its associates and parties acting in concert with it, namely Mr. Qiu, Ms. Huang and Liyao; and (ii) those who are interested in, or involved in, the Acquisition and/or the Whitewash Waiver;
“Issue Price”	HK\$0.35 per Consideration Share;
“Last Trading Day”	23 July 2020, being the last trading day for the Shares on the Stock Exchange prior to the date of the Agreement;
“Listing Committee”	the Listing Committee of the Stock Exchange;

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Liyao”	Liyao Investment Limited (立耀投資有限公司), a company incorporated in the British Virgin Islands with limited liability and is wholly-owned by Mr. Qiu;
“Long-Stop Date”	31 December 2020, or such other date as agreed between the Vendor and the Company in writing;
“Mr. Qiu”	Mr. Qiu Dongfang, a substantial shareholder of the Company;
“Ms. Huang”	Ms. Huang Jian, spouse of Mr. Qiu;
“Party(ies)”	parties to the Agreement;
“PRC”	the People’s Republic of China;
“PRC Co 1”	象山保集國際貿易有限公司 (Xiangshan Boill International Trade Company Limited*), a company established in the PRC with limited liability;
“PRC Co 2”	上海匯暉資產管理有限公司 (Shanghai Huixuan Asset Management Company Limited*), a company established in the PRC with limited liability;
“Pre-Acquisition Reorganisation”	the proposed reorganisation involving the transfer of 99% equity interests in the Project Company from the Project Holding Company to the Target Group at an expected consideration of RMB99,000,000 based on the registered share capital of the Project Company, details of which can be found in the paragraph headed “The shareholding structure of the Target Group” in this announcement;
“Project”	the property development project at No. 1 Yihe Road, located at the east of Xinyang Road, south of Yihe Road, Sanmao Street, Yangzhong City, Zhenjiang City, Jiangsu Province, the PRC with a total gross floor area of approximately 173,457 sq.m. and a total site area of approximately 53,339.83 sq.m.;
“Project Company”	鎮江保揚置業有限公司 (Zhenjiang Baoyang Real Estate Company Limited*), a company established in the PRC with limited liability;

“Project Holding Company”	上海垚都實業有限公司 (Shanghai Diedu Industrial Company Limited*), a company established in the PRC with limited liability;
“RMB”	Renminbi, the lawful currency of the PRC;
“Sale Shares”	the entire issued share capital of the Target Company;
“SFC”	the Securities and Futures Commission of Hong Kong;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	the Existing Share(s) or the Consolidated Share(s), as the case may be;
“Share Consolidation”	the proposed consolidation of every ten (10) Existing Shares into one (1) Consolidated Share;
“Shareholder(s)”	holder(s) of the Share(s);
“Specific Mandate”	the specific mandate to be obtained by the Board from the Independent Shareholders at the EGM for the allotment and issue of the Consideration Shares;
“sq.m.”	square metres;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers;
“Takeovers Code Independent Board Committee”	the independent board committee, comprising a non-executive Director and all three independent non-executive Directors, established by the Company in accordance with the Takeovers Code to advise the Independent Shareholders in connection with the Acquisition and the Whitewash Waiver;
“Target Company”	Set Flourish Ventures Limited (立興創投有限公司), a company incorporated in the British Virgin Islands with limited liability and is wholly owned by the Vendor as at the date of this announcement;
“Target Group”	the Target Company and its subsidiaries;

“Vendor”	Boill International Co., Limited (保集國際有限公司), a company incorporated in Hong Kong with limited liability;
“Whitewash Waiver”	a waiver by the Executive pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code from the obligation of the Vendor to make a mandatory general offer for all the Shares that are not already owned or agreed to be acquired by it and parties acting in concert with it as a result of the Company allotting and issuing the Consideration Shares to the Vendor on the Completion Date; and
“%”	per cent

\* *The English translation of the Chinese names is included for information purposes only and should not be regarded as their official English translation.*

By Order of the Board  
**Boill Healthcare Holdings Limited**  
**Dai Dong Xing**  
*Executive Director and Chairman*

Hong Kong, 24 July 2020

*As at the date of this announcement, the Company has (i) two executive Directors, namely Mr. Dai Dong Xing and Mr. Zhang Sheng Hai; (ii) one non-executive Director, namely Mr. Chui Kwong Kau; and (iii) three independent non-executive Directors, namely Mr. Chan Chi Keung Billy, Mr. Xu Liang Wei and Mr. Wang Zhe.*

*For the purpose of this announcement, the exchange rate of RMB1.00 = HK\$1.0972 has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amount has been, could have been or may be exchanged at such a rate or at any other rates.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*