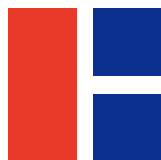


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ICO GROUP LIMITED

揚科集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1460)

**INSIDE INFORMATION
BUSINESS UPDATE RELATING TO
THE ACQUISITION OF
THE ENTIRE ISSUED CAPITAL OF O2O LIMITED**

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcements of ICO Group Limited (the “**Company**”) dated 7 December 2017, 8 January 2018, 5 June 2018, 27 July 2018, 27 August 2018, 9 November 2018, 15 November 2018, 11 January 2019, 12 June 2019, 7 August 2019, 16 January 2020, 17 January 2020 and 6 February 2020 and the circular of the Company dated 28 March 2018 (the “**Circular**”) in relation to the acquisition of the entire issued capital of O2O Limited involving the issue of convertible bonds and promissory notes. Unless the otherwise defined herein, capitalized term in this announcement shall have the same meaning as given to them in the Circular.

FAILURE TO FULFIL CONDITIONS PRECEDENT II

It was disclosed in the business update announcement of the Company dated 6 February 2020 (the “**Announcement**”) relating to the Acquisition that two Conditions Precedent II had not been fulfilled to the satisfaction of the Purchaser and the Vendor had failed to perform its undertaking to appoint the nominee of the Purchaser as director of the Target and Nexus Primo (the “**Undertaking**”) and a notice (the “**Notice**”) was served by the Purchaser to the Vendor on 6 February 2020 to request it to cure the breaches or non-performances of the conditions of the Acquisition Agreement mentioned in the Announcement.

* *For identification purposes only*

The Board wishes to provide update on the developments relating to the Acquisition and the Notice.

Since the Notice, the Purchaser has maintained a dialogue with the Vendor and the following events have taken place:

- (i) the Vendor has taken steps to appoint the nominee of the Purchaser as director of the Target and Nexus Primo;
- (ii) the Vendor has on 24 February 2020 through its Hong Kong legal advisors written to the Purchaser's Hong Kong legal advisors to dispute the contents of the Notice and denied that the Vendor had breached the Undertaking, the Vendor's Hong Kong legal advisors further submitted that the Vendor had fulfilled the two Conditions Precedent II referred to in the Notice and supplied the Purchaser with some fresh documents to support the Vendor's submissions; and
- (iii) the Purchaser has on 28 February 2020 through the Purchaser's Hong Kong legal advisors responded to the Vendor's Hong Kong legal advisors and requested the Vendor to provide further information and documents to the Purchaser to enable the Purchaser to assess whether the Vendor with its submissions, the fresh documents already made available to the Purchaser and the further information and documents requested to be provided by the Vendor, taken together would satisfy the Purchaser that the Vendor has successfully cured the two Conditions Precedent II referred to in the Notice and the Announcement.

The Purchaser is also seeking independent legal advice on the merit of the submissions of the Vendor through its Hong Kong legal advisors based on the fresh documents made available to the Purchaser.

The Board wishes to state that the Group is committed to perform its obligations under the Acquisition Agreement and to complete the Acquisition in accordance with the terms and conditions of the Acquisition Agreement. The provisions requiring the fulfillments of the Conditions Precedent II are included in the Acquisition Agreement for the protection and benefit of the Purchaser. The Purchaser will only proceed with Completion if the Vendor could demonstrate to the Purchaser that the two Conditions Precedent II referred to in the Notice and the Announcement are being fulfilled to the Purchaser's satisfaction in order to safeguard and protect the interests of the Company and its Shareholders as a whole.

The Company will make further announcement to update the Shareholders and potential investors of the Company on the curing of the abovementioned breaches or non-performances of the conditions of the Acquisition Agreement in compliance with the Listing Rules as and when appropriate.

By order of the Board

ICO Group Limited

Lee Cheong Yuen

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 28 February 2020

As at the date of this announcement, the executive Directors of the Company are Mr. Lee Cheong Yuen, Mr. Chan Kwok Pui and Mr. Tam Wing Yuen; the non-executive Directors of the Company are Mr. Tam Kwok Wah, Ms. Tuon Wai Man and Mr. Tso Hon Sai Bosco; and the independent non-executive Directors of the Company are Dr. Cheung Siu Nang Bruce, Mr. Ko Sebastian Yat Fung and Ms. Kam Man Yi Margaret.