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途屹控股

TU YI HOLDING COMPANY LIMITED

途屹控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1701)

**DISCLOSEABLE TRANSACTION
DISPOSAL OF LISTED SECURITIES**

This announcement is made by Tu Yi Holding Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) under Chapter 14 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

THE DISPOSAL OF LISTED SECURITIES

The board of directors of the Company (the “**Directors**”) has resolved to commence to dispose of an aggregate of 25,000,000 ordinary shares (the “**Disposal**”) of Raily Aesthetic Medicine International Holdings Limited (“**Raily Aesthetic**”), a company incorporated in the Cayman Islands and whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 02135.HK) (the “**Disposed Shares**”) on the open market through a series of transactions since 12 July 2021, representing approximately 1.1967% of the total issued ordinary shares of Raily Aesthetic in aggregate as at the date of this announcement upon completion of the Disposal. The Directors expect that the aggregate consideration in respect of the Disposal calculated based on the closing price of Raily Aesthetic as at 9 July 2021 shall be no more than HK\$15.00 million (exclusive of transaction costs). The Directors expect the Disposal will be completed within approximately three months since the date of this announcement.

As the Disposal is and will be made through the open market, the Company is not aware of the identities of the buyers of the Disposed Shares and accordingly, to the best knowledge, information and belief of the Directors having made all reasonable enquires, the buyers of the Disposed Shares and their respective ultimate beneficial owners are independent third parties (as defined under the Listing Rules) as at the date of this announcement. The Company will cease to hold any shares of Raily Aesthetic upon the completion of the Disposal.

REASONS AND BENEFITS OF THE DISPOSAL

The Group is principally engaged in the provision of outbound travel products and services in the People's Republic of China, focusing on the design, development and sale of Japan outbound travel package tours and day tours and Japan free independent traveller products; the provision of visa application processing services and other ancillary travel-related products and services; and the operation of self-owned Shuzenji Onsen Hotel Takitei and Hotel Comfact in Japan.

The Group acquired the Disposed Shares in December 2020 (the “**Acquisition**”) for the purpose of better utilising the spare cash at the time of the Acquisition. As all of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisition were less than 5%, at the time of the Acquisition, the Company was therefore not subject to the reporting and announcement requirement under Chapter 14 of the Listing Rules.

The Directors consider that the Disposal would enable the Group to realise the return from its investment in the Disposed Shares. As a result of the Disposal, the Group is expected to receive the proceeds of no more than HK\$15.00 million (excluding transaction costs) in aggregate and recognise a total gain of approximately HK\$3.50 million which is calculated on the basis of the difference between the cost of the Acquisition and expected amount of proceeds to be received from the Disposal (excluding transaction costs). The proceeds from the Disposal will be used as working capital of the Company. As the Disposal is and will be made at market price, the Directors are of the view that the Disposal is fair and reasonable, on normal commercial terms and in the interests of the Company and its shareholders as a whole.

INFORMATION OF RAILY AESTHETIC MEDICINE INTERNATIONAL HOLDINGS LIMITED

Raily Aesthetic is a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 02135.HK). Raily Aesthetic and its subsidiaries are principally engaged in the provision of aesthetic medical services and consulting services

The following financial information is extracted from the annual report of Raily Aesthetic for the year ended 31 December 2020 (the “**2020 Annual Report**”):

	For the year ended	
	31 December	
	2020	2019
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	164,545	191,156
Profit before tax	11,567	16,388
Profit for the year	<u>4,911</u>	<u>10,277</u>

As extracted from the 2020 Annual Report, the consolidated net assets of Raily Aesthetic as at 31 December 2019 and 2020 were approximately RMB93,275,000 and RMB186,750,000, respectively.

IMPLICATIONS UNDER THE LISTING RULES

Each of the disposals comprising the Disposal, on a standalone basis, does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules. However, as the Disposal will be implemented within a 12-month period and are similar in nature, all the disposals comprising the Disposal shall be aggregated as a series of transactions pursuant to Rules 14.22 and 14.23 of the Listing Rules. As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Disposal shall exceed 5% but will be less than 25% based on the assessment of the Directors as at the date of this announcement, the Disposal shall constitute a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirement under Chapter 14 of the Listing Rules.

By order of the Board
Tu Yi Holding Company Limited
Yu Dingxin
Chairman and executive Director

The People's Republic of China, 12 July 2021

As at the date of this announcement, the Board comprises four executive Directors: Mr. Yu Dingxin, Mr. Pan Wei, Mr. Xu Jiong and Mr. An Jiajin and four independent non-executive Directors: Mr. Zhao Jianbo, Ms. Zhou Li, Mr. Zheng Cheng and Mr. Ying Luming.