

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.



Touyun Biotech Group Limited
透雲生物科技集團有限公司
(Incorporated in Bermuda with limited liability)
(Stock Code: 1332)

**SECOND SUPPLEMENTAL FRAMEWORK AGREEMENT
IN RELATION TO
A POSSIBLE ACQUISITION**

This announcement is made by Touyun Biotech Group Limited (the “**Company**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to (i) the announcement of the Company dated 23 November 2021 in relation to, among other things, the framework agreement of a Possible Acquisition; and (ii) the announcement of the Company dated 22 April 2022 in relation to the entering into of the supplemental framework agreement (the “**First Supplemental Framework Agreement**”) to extend the exclusivity period for the Possible Acquisition, and the period to finalise the detailed terms and conditions and execution of the Formal Agreement, to 22 October 2022 (collectively, the “**Announcements**”). Capitalised terms used in this announcement shall have the same meaning as those defined in the Announcements unless otherwise defined.

The Board hereby informs the Shareholders and potential investors of the Company that, due to the ongoing global pandemic of COVID-19, the Purchaser and the Vendors were still unable to enter into a Formal Agreement as (i) due diligence on the Target Company has not yet been completed to the Purchaser’s satisfaction; and (ii) a valuation of the Target Company has not yet been determined.

As additional time is required for the due diligence on the Target Company as well as for negotiations on the terms and conditions of the Formal Agreement, the Purchaser entered into the second supplemental framework agreement (the “**Second Supplemental Framework Agreement**”) with the Vendors on 21 October 2022 (after trading hours) and agreed to further extend the exclusivity period for the Possible Acquisition, and the period to finalise the detailed terms and conditions and execution of the Formal Agreement, to 22 October 2023 or such later date as the Purchaser and Vendors may otherwise agree in writing.

The Purchaser and the Vendors further agreed to revise the terms of the Equity Consideration payable in view of the change of Share price of the Company since the signing of the First Supplemental Framework Agreement. Pursuant to the Second Supplemental Framework Agreement, Equity Consideration for acquiring all the issued shares of the Target Company will be settled by the issue and allotment of the new Shares at the price of HK\$0.6 per Share and/or convertible bonds, instead of HK\$0.8 per Share and/or convertible bonds.

Save for the above, all other terms and conditions of the Framework Agreement shall remain unchanged and shall continue in full force and effect.

The final terms of the Formal Agreement in respect of the Possible Acquisition are subject to further negotiations between the parties and have yet to be finalised and may therefore deviate from those set out in the Framework Agreement.

The Framework Agreement (as amended and supplemented by the First Supplemental Framework Agreement and the Second Supplemental Framework Agreement) is not legally binding. The Possible Acquisition may or may not proceed. Further announcement(s) in respect of the Possible Acquisition will be made by the Company as and when appropriate. Shareholders and possible investors of the Company are reminded to exercise caution when dealing in the Shares.

By Order of the Board
Touyun Biotech Group Limited
Wang Liang
Chairman

Hong Kong, 21 October 2022

As at the date of this announcement, the Board comprised the following Directors:

Executive Directors:

Mr. Wang Liang (*Chairman*)
Mr. Du Dong

Non-executive Directors:

Mr. Chen Hui
Ms. Tian Yuze
Mr. Jia Wenjie
Mr. Zhang Lele

Independent Non-executive Directors:

Mr. Cheung Wing Ping
Mr. Ha Kee Choy Eugene
Mr. To Shing Chuen
Mr. Hu Guohua