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**Tomson Group**

## **TOMSON GROUP LIMITED**

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

**(Stock Code: 258)**

### **DISCLOSEABLE TRANSACTION SUPPLEMENTAL AGREEMENT IN RELATION TO THE DISPOSAL OF 100% EQUITY INTEREST IN SHANGHAI CHENG QI**

Reference is made to the announcements of Tomson Group Limited (the “**Company**”) dated 22 September 2023, 27 October 2023 and 8 December 2023 in relation to the disposal of 100% equity interest in Shanghai Cheng Qi. Unless the context otherwise requires, capitalised terms used in this announcement shall have the same meanings as those defined in the announcement of the Company dated 22 September 2023.

The Board announces that on 21 December 2023 (after trading hours), the Vendor, CMCG and Ustar entered into a supplemental agreement to the Equity Transfer Agreement (the “**Supplemental Agreement**”), pursuant to which (i) the Parties agree to amend, among other things, the Settlement Date, the Long Stop Date and the payment schedule of the Consideration as set out in the Equity Transfer Agreement; and (ii) CMCG agrees to assign all of its rights and obligations in relation to the Equity Transfer Agreement to Ustar.

The principal amendments under the Supplemental Agreement are as follows:

#### **Settlement Date**

The Settlement Date shall be extended to 13 December 2023.

#### **Long Stop Date**

The Long Stop Date shall be extended to 15 March 2024.

#### **Consideration and payment**

Pursuant to the Equity Transfer Agreement, the Consideration represents the NAV of Shanghai Cheng Qi as at the Settlement Date. The Consideration is fixed as RMB405,843,314 in the Supplemental Agreement after confirming the Settlement Date.

The Consideration shall be settled in accordance with the following amended schedule:

- (a) an amount of RMB80,869,647 (representing 20% of the NAV of Shanghai Cheng Qi as at 27 October 2023, being the original expected Settlement Date) (the “**Partial Deposit**”) has been paid by the Purchasers on or before 5 December 2023 as partial deposit;

- (b) an amount of RMB299,017 (representing the difference between the Deposit (i.e. 20% of the Consideration) and the Partial Deposit), and penalty resulting from the Purchasers' default in payment of the Deposit have been paid by the Purchasers on or before 19 December 2023;
- (c) the penalty resulting from the Purchasers' default in payment of the Third Payment (i.e. 20% of the Consideration) for the period from 8 December 2023, being the original expected payment date, up to and including 21 December 2023 shall be payable by the Purchasers on or before the date of the Supplemental Agreement. As at the date of this announcement, the Vendor has duly received the said penalty;
- (d) the Third Payment shall be settled by two equal instalments, the first instalment (the "**Third Payment A**") and the second instalment (the "**Third Payment B**");
- (e) the Third Payment A (i.e. 10% of the Consideration) and penalty resulting from the Purchasers' default in payment of the Third Payment for the period from 22 December 2023 up to and including the date of full payment of the Third Payment A shall be payable on or before 5 January 2024;
- (f) the Third Payment B (i.e. 10% of the Consideration) and penalty resulting from the Purchasers' default in payment of the Third Payment B for the period from the date following the date of payment of the penalty as stated in (e) above up to and including the date of full payment of the Third Payment B shall be payable on or before 19 January 2024; and
- (g) the Fourth Payment (i.e. 60% of the Consideration) and penalty resulting from the Purchasers' default in payment of the Consideration (if any) shall be payable on or before 13 March 2024.

### **Assignment of rights and obligations of CMCG under the Equity Transfer Agreement to Ustar**

CMCG assigns, and Ustar agrees to be assigned, all of CMCG's rights and obligations in relation to the Equity Transfer Agreement. The Parties agree that any amounts of (i) the Deposit; (ii) the penalty resulting from CMCG's default in payment of the Deposit; and (iii) the penalty resulting from CMCG's default in payment of the Third Payment for the period from 8 December 2023 up to and including 21 December 2023 that have been paid by CMCG to the Vendor (collectively, the "**CMCG Paid Amounts**") would be treated as if paid by Ustar, and Ustar shall return the CMCG Paid Amounts to CMCG. The validity of the Equity Transfer Agreement and the Supplemental Agreement, and the assumption of the obligations of CMCG under the Equity Transfer Agreement by Ustar since the date of the Supplemental Agreement shall not be affected regardless of whether the CMCG Paid Amounts are returned to CMCG.

Upon the signing of the Supplemental Agreement, all of CMCG's rights and obligations shall cease, save and except CMCG shall procure certain guarantees in favour of the Vendor as described below.

### **Guarantees**

On the date of signing of the Supplemental Agreement, CMCG and Ustar shall undertake the following:

- (i) CMCG shall cause each of its guarantors (i.e. Suzhou Tongbao New Material Group Co., Limited and Ningxia Tongle New Material Technology Co., Limited as disclosed in the Company's announcement of 22 September 2023) to provide a confirmation letter to the Vendor to confirm that each of them will continue to act as the joint liability guarantor for the due performance of the obligations of Ustar under the Equity Transfer Agreement as supplemented by the Supplemental Agreement; and
- (ii) Ustar shall cause Mr. Wang Yueqian, the sole shareholder of Ustar, to provide a confirmation letter to the Vendor to confirm that he will continue to act as the joint liability guarantor for the due performance of the obligations of Ustar under the Equity Transfer Agreement as supplemented by the Supplemental Agreement.

### **Termination**

The Vendor is entitled to terminate the Equity Transfer Agreement as supplemented by the Supplemental Agreement if the Third Payment A, the Third Payment B or the Fourth Payment is not paid in accordance with the above payment schedule and in such case of termination, the Vendor is entitled to a penalty equal to the amount of the Deposit.

If the Equity Transfer Agreement as supplemented by the Supplemental Agreement is terminated, the Parties shall be released and discharged from their respective obligations thereunder (save in respect of any antecedent breach of any obligation thereunder), provided however that the surviving provisions shall continue in full force and effect following such termination.

Save as aforesaid, all other terms and conditions of the Equity Transfer Agreement remain substantively unchanged and shall continue to be in full force and effect.

By Order of the Board of  
**TOMSON GROUP LIMITED**  
**Hsu Feng**  
*Chairman & Managing Director*

Hong Kong, 21 December 2023

*As at the date of this announcement, the Board comprises three executive Directors, Madam Hsu Feng (Chairman and Managing Director), Mr. Albert Tong (Vice-Chairman) and Mr. Tong Chi Kar Charles (Vice-Chairman), and three independent non-executive Directors, Mr. Cheung Siu Ping, Oscar, Mr. Lee Chan Fai and Mr. Ng Chi Him.*