

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.



Ahsay Backup Software Development Company Limited

亞勢備份軟件開發有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8290)

DISCLOSEABLE TRANSACTION ACQUISITION OF PROPERTY

The Board is pleased to announce that on 9 October 2019, the Purchaser, a representative office of an indirect wholly-owned subsidiary of the Company, and the Vendor entered into the Agreement, pursuant to which the Purchaser has agreed to acquire and the Vendor has agreed to sell the Property at a Consideration of approximately Php50,999,000, inclusive of 12% Value Added Tax (“VAT”).

As one or more of the applicable percentage ratios (as defined under the GEM Listing Rules) in respect of the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to the notification and announcement requirements under the GEM Listing Rules.

THE ACQUISITION

The Board is pleased to announce that on 9 October 2019, the Purchaser, a representative office of an indirect wholly-owned subsidiary of the Company, and the Vendor entered into the Agreement, pursuant to which the Purchaser has agreed to acquire and the Vendor has agreed to sell the Property at a Consideration of approximately Php50,999,000, inclusive of 12% VAT.

A summary of the principal terms of the Agreement are set out below:

Date

9 October 2019

Parties

- (1) The Purchaser
- (2) The Vendor

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendor and its ultimate beneficial owner are Independent Third Parties.

Assets to be acquired

Pursuant to the Agreement, the Purchaser has agreed to acquire, and the Vendor has agreed to sell the Property at Units C & D, 24th Floor, Chatham House Condominium Project at No. 116 Valero corner Rufino Sts., Salcedo Village, Makati City, Manila, Philippines, together with four parking slots.

Consideration

The Consideration for the Acquisition is approximately Php50,999,000 (equivalent to approximately HK\$7,754,000), inclusive of 12% VAT, which shall be payable by the Purchaser to the Vendor in the following manner:

- (i) an initial deposit of approximately Php10,200,000 on the date of the Agreement; and
- (ii) the balance of the Consideration of approximately Php40,799,000 on or before 15 January 2020.

The Consideration was determined based on normal commercial terms after arm's length negotiations between the Vendor and the Purchaser with reference to, amongst other things, the current market prices of similar properties in similar locations. The Company intends to settle the Consideration by the use of net proceeds generated from the listing of the Company of HK\$6.0 million and the remainder from the internal resources of the Group.

Completion

Completion of the Acquisition shall take place on or before 15 January 2020 (or such earlier date as may be agreed between the Vendor and the Purchaser in writing).

INFORMATION ON THE VENDOR

The Vendor is a domestic corporation duly organized and existing under and by virtue of the laws of the Philippines and is principally engaged as a trading business.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is principally engaged in the provision of online backup software solutions to client via internet.

The Property is intended to be held by the Group for its own use as office. Currently, the Group has an office located in the Philippines and would like to further expand its operations. The Directors consider that the Property can accommodate additional staff for its future expansion, which would in turn improve our financial performance and competitiveness in the market.

The Board is of the view that the Acquisition and the terms of the Agreement are on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole.

IMPLICATIONS UNDER THE GEM LISTING RULES

As one or more of the applicable percentage ratios (as defined under the GEM Listing Rules) in respect of the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is therefore subject to the notification and announcement requirements under the GEM Listing Rules.

DEFINITIONS

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

“Acquisition”	the acquisition of the Property by the Purchaser from the Vendor pursuant to the terms of the Agreement
“Agreement”	the agreement to sale and purchase of the Property dated 9 October 2019 entered into between the Vendor and the Purchaser
“Board”	the board of Directors
“Company”	Ahsay Backup Software Development Company Limited, a company incorporated in Cayman Islands with limited liability, the shares of which are listed on GEM
“Completion”	completion of the Acquisition pursuant to the terms of the Agreement

“Consideration”	the sum of approximately Php50,999,000 payable by the Purchaser to the Vendor for the Acquisition pursuant to the terms of the Agreement
“Director(s)”	the director(s) of the Company
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	the lawful currency of Hong Kong
“Independent Third Party(ies)”	third party(ies) independent of the Company and connected persons of the Company
“Purchaser”	Ahsay Service Centre Limited — Representative Office, a representative office of an indirect wholly-owned subsidiary of the Company, incorporated in Hong Kong with limited liability
“Property”	the property located at Units C & D, 24th Floor, Chatham House Condominium Project at No. 116 Valero corner Rufino Sts., Salcedo Village, Makati City, Manila, Philippines, together with four parking slots.
“Php”	Philippine Peso, the lawful currency of the Philippines
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Vendor”

Solid Mills, INC., a domestic corporation duly organized and existing under and by virtue of the laws of the Philippines and the legal and beneficial owner of the Property

By order of the Board
Ahsay Backup Software Development Company Limited
Chong King Fan
Chairman and Executive Director

Hong Kong, 9 October 2019

As at the date of this announcement, the executive Directors are Mr. CHONG King Fan, Mr. CHONG Siu Pui, Mr. CHONG Siu Ning and Ms. CHONG Siu Fan; and the independent non-executive Directors are Mr. WONG Cho Kei Bonnie, Ms. WONG Pui Man and Mr. WONG Yau Sing.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Listed Company Information” page on the GEM website at www.hkgem.com for at least 7 days from the date of its posting and will also be published on the Company’s website at <http://www.ahsay.com.hk>.