

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.

This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase, or subscribe for the securities.



Century Sage Scientific Holdings Limited

世紀睿科控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1450)

DISCLOSEABLE TRANSACTION IN RELATION TO ACQUISITION OF 49% EQUITY INTEREST IN THE TARGET: SUPPLEMENTAL AGREEMENT FURTHER ANNOUNCEMENT

Reference is made to the Company's announcements dated 14 August 2015 ("**August Announcement**"), 29 September 2015, 26 April 2016 ("**April Announcement**"), 12 May 2016 and 28 December 2017 ("**December Announcement**") relating to the Company's acquisition of 49% equity interest in the Target. Terms used herein shall have the same meanings as defined in the August Announcement, the April Announcement and the December Announcement.

As set out in the December Announcement, upon the entering into of the 4th Supplemental Agreement in relation to the Amendment, no adjustment to the Consideration will be made whether the Actual Profit is more than or less than RMB23.8 million.

As stated in the 2017 interim report of the Company, under the favourable government policies in the PRC, the Group is further expanding its business and is optimistic about the prospects of the development of the all-media industry. Based on the information currently available to the Company, it is expected that the Actual Profit might slightly fall short of RMB23.8 million by about RMB2 million; and the shortfall would be payable by the Vendors to the Target if the Consideration were subject to the adjustment mechanism.

However, taking in account the following factors, the parties agreed to terminate the adjustment mechanism to the Consideration after arm's length negotiation:

- (i) the Board is optimistic about the financial performance of the Target based on the macro-economic situation in the PRC. There has been a moderate increase in the net profit after taxation of the Target for the year ended 31 December 2016 when compared to that of the year ended 31 December 2015, and the Board expects a steady growth in the financial performance of the Target for the year ending 31 December 2017 and in the coming few years ahead based on the expected realisation of economic benefits derived from self-developed products of the Target and the increasing demand for the Target's products by television stations across the nation for, including but not limited to, virtual broadcasting (虛擬化發佈) and IP based infrastructure (IP化的基礎架構);
- (ii) the Board believed that the recent financial performance of the Target does not accurately reflect the actual business performance of the Target since the Target has been developing new products during the year ended 31 December 2017 and the revenue attributable to these new products will only be recognised in 2018. The Board is optimistic about the prospects of the development of the all-media industry, and it believes that the new products will be able to promote revenue growth in the Target and benefit the Group as its shareholder in the long run;
- (iii) since the Acquisition, the Vendors remained as the shareholders and the senior management of the Target, who have been responsible for the operations of the Target and the development of its new products. The Board believed that the Amendment could provide incentive to the Vendors to continue to concentrate on the business development of the Target for long term benefit of the Target as a whole; and
- (iv) the Amendment can minimise future administrative expenses for the implementation of adjustment to the Consideration.

Based on the above reasons, the Directors (including the independent non-executive Directors) consider that the terms of the 4th Supplemental Agreement are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

By Order of the Board
Century Sage Scientific Holdings Limited
Lo Chi Sum
Chairman

Hong Kong, 9 January 2018

As at the date of this announcement, the executive Directors are Mr. Lo Chi Sum, Mr. Leung Wing Fai and Mr. Wong Kwok Fai, and the independent non-executive Directors are Dr. Ng Chi Yeung, Simon, Mr. Hung Muk Ming and Mr. Mak Kwok Wing.