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AESO HOLDING LIMITED

艾碩控股有限公司

(Provisional Liquidators Appointed)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8341)

(1) BUSINESS UPDATE; (2) UPDATE ON LITIGATION; (3) RESIGNATION OF AUDITOR AND APPOINTMENT OF AUDITOR

This announcement is made by Aeso Holding Limited (Provisional Liquidators Appointed) (the “**Company**”) pursuant to Rules 17.10 and 17.50(4) of the Rules Governing the Listing of Securities on GEM on The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions (as defined in the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap.571 of the Laws of Hong Kong).

BUSINESS UPDATE

Since appointment of the Provisional Liquidators on 31 May 2018 to 29 October 2018, the contract sum of tenders submitted by Aeso Limited, the wholly-owned subsidiary of the Company, amounted to approximately HK\$413.7 million.

During that period, Aeso Limited was awarded eight new projects from four clients and the contract sum amounted to approximately HK\$109.8 million of contract value. Two of these four clients are major developers in Hong Kong with one of the contracts amounted to HK\$85.5 million.

UPDATE ON LITIGATION

Reference is made to the announcement made by the Provisional Liquidators on behalf of the Company dated 27 August 2018, the announcement made by Ms. Zhang Qi, an executive director of the Company, on behalf of the Company dated 12 April 2018, and the announcements made by Mr. Chan Siu Chung (“**Mr. Chan**”), an executive director of the Company, on behalf of the Company dated 6 February 2018 and 9 February 2018.

HCCW 218/2017 (the “Winding-up Action”)

The Provisional Liquidators have made the application to the High Court of Hong Kong (the “**Court**”) and have obtained approval from the Court on 10 September 2018 on the following:

- (i) To carry on the existing business of the Company and its subsidiary Aeso Limited, including to submit tenders and enter into contracts for new fitting out and renovation projects;
- (ii) To carry on correspondence with regulators and take all such steps necessary to comply with the regulatory obligations of the Company, including compliance with the resumption conditions set out by the Hong Kong Exchanges and Clearing Limited.

In addition, regarding the summons taken out by W&Q Investment Limited, Liu Chang Kien Wilson, Zhang Qi and Law Wing Kit Gary (the “**1st to 4th Respondents**”) for leave to appeal against the order of the Court made on 31 May 2018 in relation to the appointment of the Provisional Liquidators, written consent of all parties to the action to withdraw the said summons was filed with the Court on 30 August 2018 and was approved by the Court on 31 August 2018. The 1st to 4th Respondents withdrew the action with effect from 31 August 2018.

HCA 1737/2017 and HCMP 1647/2017 (collectively, the “Consolidated Actions”)

Mr. Chan and Mr. Cheung Hiu Tung (collectively, the “**2nd and 3rd Defendants**”) filed their Defence with the Court on 27 August 2018. As at the date of this announcement, no hearing date has been fixed.

An order was made by the Court on 29 August 2018 that:

- (i) The Provisional Liquidators be authorized to take part, including but not limited to defending the interim payment application, in the Consolidated Actions for and on behalf of the Company and to employ Kwok Yih & Chan as solicitors for such purpose;
- (ii) Should the Provisional Liquidators be minded to defend the Consolidated Actions or the interim payment application substantively, i.e. other than having the Company as a nominal defendant and being bound by the result in those proceedings, the Provisional Liquidators should report to the Court on the merits on defence and the estimated costs before proceeding further.

Further, an order was made by the Court on 24 September 2018 that the Injunction Order, which was made by the Court against Mr. Chan in HCA 1737/2017 on 24 July 2017 and continued pursuant to a further order made by the Court on 21 December 2017, be discharged.

As at the date hereof, the Provisional Liquidators are not aware of any material development in HCA 1496/2017, HCA 1357/2017, HCMP 1721/2017 and HCMP 571/2018. No hearing date has been fixed for these actions.

RESIGNATION OF AUDITOR AND APPOINTMENT OF AUDITOR

On 15 May 2018, Deloitte Touche Tohmatsu has resigned as auditors of Aeso Holding Limited and its subsidiaries (the “**Group**”) with effect from 15 May 2018.

In their letter of resignation dated 15 May 2018 to the Board of Directors and the Audit Committee of the Company, Deloitte Touche Tohmatsu stated that they came to a decision to resign as they considered the shareholder dispute “presented an impediment to their having a proper basis to finalize the audit of the Group’s consolidated financial statements for the year ended 31 March 2017”.

Apart from the matters set out above, Deloitte Touche Tohmatsu confirmed that there were no other matters that needed to be brought to the attention of holders of securities or creditors of the Company from their perspective. In addition, Deloitte Touche Tohmatsu confirmed that there were no circumstances connected with their resignation that they considered ought to be brought to the attention of the members or creditors of those subsidiaries incorporated in Hong Kong.

The Provisional Liquidators have acknowledged that save for the reasons disclosed above, there are no matters in respect of the resignation of Deloitte Touche Tohmatsu as the auditor of the Company that need to be brought to the attention of the holders of the securities of the Company and the creditors of the Company.

The Company engaged HLB Hodgson Impey Cheng Limited for the audit for the financial year ended 31 March 2017 and 2018 to fill the vacancy of auditors.

CONTINUED SUSPENSION OF TRADING IN THE SHARES

At the direction of the Stock Exchange, trading in the Shares on the Stock Exchange was halted with effect from 9:30 a.m. on 12 June 2017 until further notice.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

For and on behalf of
Aeso Holding Limited (Provisional Liquidators Appointed)
Kan Lap Kee and Hou Chung Man
Joint and Several Provisional Liquidators
(acting without personal liability)

Hong Kong, 1 November 2018

As at the date of this announcement, the Board comprises Ms. Zhang Qi and Mr. Chan Siu Chung as Executive Directors; Mr. Law Wing Kit as Non-executive Director; Mr. To Man Choy Jacky, Mr. Ko Kwok Fai Dennis and Ms. Tsang Kwok Shan Sandy as Independent non-executive Directors.