

27 May 2021

**High Concentration of Shareholding
in
Austar Lifesciences Limited (Stock Code: 06118)**

This announcement is made by the Securities and Futures Commission (“SFC”) in respect of the concentration of the shareholding of Austar Lifesciences Limited (“the Company”) in the hands of a limited number of shareholders as at 11 May 2021.

In view of the high concentration of shareholding in a small number of shareholders, shareholders and prospective investors should be aware that the price of the shares of the Company (“Shares”) could fluctuate substantially even with a small number of shares traded, and should exercise extreme caution when dealing in the Shares.

The SFC has recently completed an enquiry into the shareholding of the Company. Our findings suggested that, as at 11 May 2021, a group of 18 shareholders held an aggregate of 99,550,000 Shares, representing 19.42% of the issued Shares. Such shareholding, together with 376,950,000 Shares (representing 73.54% of the issued Shares) held by two substantial shareholders of the Company, represented 92.96% of the issued Shares as at 11 May 2021. Therefore, only 36,082,000 Shares (representing 7.04% of the issued Shares) were held by other shareholders.

As at 11 May 2021, the shareholding structure of the Company was as follows:

	Number of Shares held (Shares)	% of total number of issued Shares (%)
Mr. Ho Kwok Keung, Mars & Madam Gu Xun (Note 1)	339,679,000	66.27
Mr. Ho Kin Hung (Note 2)	37,271,000	7.27
A group of 18 shareholders	99,550,000	19.42
Other shareholders	36,082,000	7.04
Total	512,582,000	100.00

Note 1: Out of the 339,679,000 shares, 335,929,000 shares were held by Standard Fortune Holdings Limited and 3,750,000 shares were held by Honour Choice Ventures Limited. Standard Fortune Holdings Limited is wholly owned by Mr. Ho Kwok Keung, Mars, the Chairman and Chief Executive Officer of the Company. Honour Choice Ventures Limited is wholly owned by Madam Gu Xun, the spouse of Mr. Ho Kwok Keung, Mars. According to Part XV of the Securities & Futures Ordinance, Mr. Ho Kwok Keung, Mars and Madam Gu Xun were both deemed to be interested in the 339,679,000 shares.

Note 2: The 37,271,000 shares were held by True Worth Global Limited, which is wholly owned by Mr. Ho Kin Hung, an Executive Director of the Company.



Share price of the Company closed between HK\$3.18 and HK\$3.73 during 4 August 2020 to 23 December 2020, with an average daily turnover of 186,398 Shares (HK\$643,038).

From 24 December 2020 to 11 May 2021, the closing price of the Shares increased 141.1% from HK\$3.60 on 23 December 2020 to HK\$8.68 on 11 May 2021, while the average daily turnover rose to 616,771 Shares (HK\$3,618,217).

During the period from 23 December 2020 to 11 May 2021, the Company made the following announcements, among others:

- On 22 January 2021, the Company announced a positive profit alert that it expected to record a profit attributable to the owners of the Company in the range of RMB30 million to RMB40 million for the year ended 31 December 2020, as compared to the profit attributable to the owners of the Company of RMB8.1 million for the year ended 31 December 2019.
- On 15 February 2021, the Company announced the disposal of its entire 60% interest in PALL-AUSTAR Lifesciences Limited at an aggregate consideration of US\$34,500,000 (equivalent to approximately RMB223,139,100). The Company expected to recognize a gain of approximately RMB160 million from the disposal.
- On 26 March 2021, the Company announced the annual results for the year ended 31 December 2020, which recorded a profit attributable to the owners of the Company of RMB33.1 million, representing an increase of 309.1% from the profit attributable to the owners of the Company of RMB8.1 million for the year ended 31 December 2019.

As at 26 May 2021, the Shares closed at HK\$9.66, which was 168.3% higher than the closing price of HK\$3.60 on 23 December 2020.

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