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信銘生命科技集團有限公司
Aceso Life Science Group Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 00474)

ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2025
SUPPLEMENTAL ANNOUNCEMENT

Reference is made to the annual report of the Company for the year ended 31 March 2025 dated 27 June 2025 (the “**Annual Report**”). Unless otherwise stated, capitalized terms herein shall have the same meanings as those defined in the Annual Report.

Further details on differences in the views of the auditor and the management of the Company

During the audit process on the financial statements of the Group for the year ended 31 March 2025, the auditors requested certain supporting information. However, the Company was unable to provide sufficient documentary evidence at the material time to substantiate the assumptions underlying the cash flow forecast, including, as disclosed in the Independent Auditor’s Report on page 74 of the Annual Report, no written contractual agreement from the potential lender or confirmation from the corporate note holder that grants extension of repayment, were available to the Group. The realisation plans of the Charged Property and the Group’s unsecured assets were also not sufficiently detailed for the auditor to assess their feasibility. In the absence of adequate and concrete documents or evidence, the auditor issued a Disclaimer of Opinion on the annual financial results of the Company for the year ended 31 March 2025.

Nonetheless, the management, considering the progress of the negotiations on the refinancing of the UK Loans and other tentative arrangements on the HK Loans, maintains the view that the Company is able to continue operation as a going concern, based on the factors and assessments as set out in the paragraph headed “Financial Statements with Auditor’s Modified Opinions” under the Report of Directors of the Annual Report.

Accordingly, the management’s position and rationale regarding the key judgmental area – namely, the going concern assumption – differed from that of the auditors.

As disclosed on pages 70 to 71 of the Annual Report, the Audit Committee of the Company has reviewed the management’s assessment and concurs with the position that the Company remains capable of operating on a going concern basis. The Audit Committee acknowledges the loan defaults disclosed in the Annual Report and has evaluated the likelihood of successful refinancing, particularly in relation to the UK Loans. Based on the management’s active engagement with reputable financial institutions and the anticipated conclusion of refinancing arrangements in the near future, the Audit Committee considers the risk on going concern can be significantly mitigated.

Disclosure in the Corporate Governance Report

According to the code provision D.1.3 of the Corporate Governance Code as set out in Appendix C1 of the Listing Rules, where the Directors are aware of material uncertainties relating to events or conditions that may cast significant doubt on the issuer’s ability to continue as a going concern, they should be clearly and prominently disclosed and discussed at length in the Corporate Governance Report.

The following should be included in the Corporate Governance Report of the Annual Report:

FINANCIAL STATEMENTS WITH AUDITOR’S MODIFIED OPINIONS

- (1) Details of modifications and their actual or potential impact on the Company’s financial position

The auditor of the Company does not express an opinion on the consolidated financial statements of the Group.

For the details of the modification and their actual or potential impact on the Company’s financial position, please refer to page 72 of the annual report under the section headed “Independent Auditor’s Report”.

As disclosed in the Company's announcements dated 16 and 23 April 2025, the Group was in default on the following loans:

1. Loans in an aggregate principal amount of approximately GBP79 million (the "**UK Loans**") were in default as of mid-April 2025. These loans are secured by the Group's investment properties located in London, United Kingdom (the "**UK Property**"); and
2. Loans in an aggregate principal amount of approximately HK\$345 million (the "**HK Loans**") were also in default during the same period.

Upon default, lenders are contractually entitled to demand repayment and proceed with enforcement actions under the respective loan agreements. Nevertheless, the lenders were aware that the Group has been actively engaged in refinancing efforts and, up to the date of the Corporate Governance Report, none of the lenders have initiated any enforcement actions.

However, should the refinancing efforts fail or lenders proceed with legal or other enforcement actions, the following potential impacts may arise:

- UK Property risk: If the UK Loans remain unpaid and the lender enforces its security rights over the UK Property, the Group may lose ownership of a significant asset. This would materially reduce the Group's total asset base and eliminate rental income generated from the UK Property.
- HK Loans risk: The HK Loans are not secured by any assets of the Group but secured by a property beneficially owned by the substantial shareholder of the Company, Ms. Li Shao Yu ("**Ms. Li**"). In the event the lender enforces its security, and Ms. Li refrains from demanding repayment from the Group as indicated in the executed letter of support given to the Company, the Group's financial position is expected to remain unaffected, provided that the property's current market value exceeds the outstanding loan balance, thereby ensuring adequate collateral coverage. Ms. Li has committed not to pursue repayment by the Company until the Company's liquidity position has improved.
- Corporate note payables: In addition to the UK Loans and HK Loans, there is a corporate note in the principal amount of HK\$370 million which is scheduled to mature in September 2025. Should the noteholder declines to extend the maturity date, the Group may face a shortfall in available cash for repayment. Nevertheless, the Group is proactively engaged in negotiations with the noteholder to secure an 18-month or more extension and remains confident, based on ongoing discussions, that the extension will be granted.

Accordingly, other than the potential financial impacts as stated above, there is no material and immediate impact on the Group's financial position as at the date of the Corporate Governance Report.

- (2) Management's position and basis on major judgmental areas (i.e. the going concern assumption) and the Company's proposed plan to address the modification

The management maintains the view that the Company can continue as a going concern based on the following considerations:

(i) UK Loans

The Company was in active negotiations on a term sheet (the “**Term Sheet**”) with an international and sizeable financial institution (the “**FI**”) and the same is expected to be finalised and signed in around July 2025. Once secured, the FI will start to carry out due diligence procedures for the re-financing process. The proceeds from the refinancing arrangement will be used to fully repay the UK Loans, thereby resolving the concerns or the UK Loans. As at the date of the annual report, no definitive refinancing arrangement had been concluded. Nevertheless, if the Term Sheet is signed and refinancing procedures are kicked off, the management is confident that the refinancing will be completed in around September 2025, which would remove the primary uncertainty surrounding the going concern assessment.

(ii) HK Loans

The management was considering various possible ways of realizing some of its investment securities in around July or August 2025. The proceeds from the realization of securities can be used to fully settle the HK Loans.

(iii) Corporate note payables

Referring to paragraph (1) above, the Group is actively engaged in discussions with the noteholder regarding the HK\$370 million corporate note which will mature in September 2025, with a view to securing an 18-month or more extension. The noteholder, Shandong Hi-Speed Holdings Group Limited, which is a company listed on the Main Board of the Hong Kong Stock Exchange (stock code: 0412), is understood to have strong liquidity. Based on the noteholder's financial position, the management considers that it is highly likely that an extension will be granted upon maturity in around August 2025.

Conclusion

Taking into account the expected successful refinancing of the UK Loans, the possible realization of some of the Company's investment securities to repay the HK Loans and the probable extension to be granted by the corporate noteholder, the management believes that the Company remains capable of meeting its obligations and continuing its operations. Therefore, from the management's view, it is reasonable to prepare the financial statements on a going concern basis.

- (3) Audit committee's view towards the Disclaimer, and whether the audit committee agrees with the management's position and basis, especially on matters involving management's substantial judgments

The Audit Committee had discussed with the auditor of the Company and generally understood the specific concerns of the auditor and the primary reason for issuing the Disclaimer of Opinion, i.e. the Company was unable to provide sufficient documentary evidence at the material time to substantiate the assumptions underlying the cash flow forecast. Nevertheless, the Audit Committee has reviewed the management's assessment and concurs with the position that the Company remains capable of operating on a going concern basis.

The Audit Committee acknowledges the loan defaults disclosed and has evaluated the likelihood of successful refinancing, particularly in relation to the UK Loans. Based on the management's active engagement with reputable financial institutions and the anticipated conclusion of refinancing arrangements in the near future, the Audit Committee considers the risk on going concern can be significantly mitigated.

Regarding the HK Loans, the Audit Committee notes that the management was considering various possible ways of realizing some of its investment securities to repay the HK Loans. This provides further assurance of the Company's ability to meet its financial obligations and reinforces the validity of the going concern assumption.

Considering that the Company has been actively working on various financing arrangement and in view of the above-mentioned arrangements, the Audit Committee agrees with the management's judgment and believes the financial statements can be appropriately prepared on a going concern basis.

By Order of the Board
Aceso Life Science Group Limited
Zhiliang Ou
Executive Director

Hong Kong, 5 September 2025

As at the date of this announcement, the board of directors of the Company comprises two executive directors, namely Dr. Zhiliang Ou, J. P. (Australia) and Mr. Fok Chi Tak; one non-executive director, namely Ms. Jiang Yang; and three independent non-executive directors, namely Mr. Chan Ming Sun Jonathan, Mr. Lam Kwan Sing and Mr. Mak Yiu Tong.