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碧生源控股有限公司

BESUNYEN HOLDINGS COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 926)

**FURTHER ANNOUNCEMENT
IN RELATION TO THE DISCLOSEABLE TRANSACTION OF
ACQUISITION OF 100% EQUITY INTEREST IN XUEYINGHUA**

Reference is made to the announcement of Besunyen Holdings Company Limited (the “**Company**”) dated 1 February 2021 (the “**Announcement**”) in relation to the acquisition of 100% equity interest in Xueyinghua. Capitalised terms used herein have the same meanings as those defined in the Announcement unless the context otherwise requires.

VALUATION AND LISTING RULES IMPLICATION

According to the valuation report issued by the Valuer on 1 February 2021 in relation to the valuation of 100% equity interest in Xueyinghua, and assuming that the implementation of the Restructuring Plan was completed on 31 December 2020, the appraised value of 100% equity interest in Xueyinghua as at 31 December 2020 was RMB35.98 million. The Valuer adopted asset-based approach in valuing the 100% equity interest in Xueyinghua. When valuing Xueyinghua’s assets, the Valuer adopted income approach in valuing the Medicine Licenses thereof, the appraised value of which is RMB13 million (the “**Valuation of Medicine Licenses**”). Therefore, the Valuation of Medicine Licenses is regarded as a profit forecast under Rule 14.61 of the Listing Rules and this announcement shall be subject to the requirements under Rules 14.60A and 14.62 of the Listing Rules.

KEY ASSUMPTIONS ADOPTED IN THE VALUATION OF MEDICINE LICENSES

The key assumptions adopted in the Valuation of Medicine Licenses are set out below:

- no material changes in the political, legal, economic and social environment where the appraised assets are located or to be located;
- no material differences between interest rates and exchange rates in where the appraised assets operate and the prevailing interest rates and exchange rates;
- assuming that the forecast outlined in the financial information provided are reasonable and reflecting market conditions and economic fundamentals, and will be materialised;
- the core business activities and operations of Xueyinghua in foreseeable future will not differ materially from those in the past;
- the information provided by the Company is accurate and reliable to a considerable extent in arriving at the opinion of value; and
- no hidden or unexpected conditions associated with the appraised assets that may adversely affect the reported value.

PricewaterhouseCoopers, the Company's auditor, has reported on the calculations of the discounted future estimated cash flows in connection with the Valuation of Medicine Licenses.

The Board confirms that the profit forecast of the Medicine Licenses has been made after due and careful enquiries.

The letter from the Board regarding the profit forecast of the Medicine Licenses and the report from PricewaterhouseCoopers on the calculations of discounted future estimated cash flows in connection with the Valuation of Medicine Licenses are set out in Appendix I and Appendix II to this announcement, respectively.

EXPERTS AND CONSENTS

The qualifications of the experts who have provided their opinions and advises for incorporation in this announcement are as follows:

Name	Qualification	Date of Report
PricewaterhouseCoopers	Certified Public Accountants under Professional Accountants Ordinance (Cap. 50)	8 February 2021

Name	Qualification	Date of Report
Asia-Pacific Consulting and Appraisal Limited	Public Interest Entity Auditor under Financial Reporting Council Ordinance (Cap. 588) Independent Professional Valuer	1 February 2021

Each of PricewaterhouseCoopers and Asia-Pacific Consulting and Appraisal Limited has given and has not withdrawn its consent to the issue of this announcement with the inclusion herein of its report and references to its name in the form and context in which it appears.

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, PricewaterhouseCoopers and Asia-Pacific Consulting and Appraisal Limited are third parties independent of the Group and its connected persons.

As at the date of this announcement, each of PricewaterhouseCoopers and Asia-Pacific Consulting and Appraisal Limited does not have any shareholding, directly or indirectly, in any member of the Group nor any right (whether legally enforceable or not) to subscribe for or to nominate person to subscribe for securities in any member of the Group.

By order of the Board
Besunyen Holdings Company Limited
Zhao Yihong
Chairman and Chief Executive Officer

Hong Kong, 8 February 2021

As at the date of this announcement, the executive Directors of the Company are Mr. Zhao Yihong (Chairman and Chief Executive Officer) and Ms. Gao Yan (Vice Chairman); the non-executive Director of the Company is Mr. Zhuo Fumin; and the independent non-executive Directors of the Company are Mr. Ren Guangming, Mr. He Yuanping and Mr. Fu Shula.

APPENDIX I — LETTER FROM THE BOARD

The following is the text of a letter from the Board in connection with the Valuation of Medicine Licenses for the purpose of incorporation in this announcement.

Listing Division of Hong Kong Exchanges and Clearing Limited
12th Floor, Two Exchange Square,
8 Connaught Place, Central, Hong Kong

Dear Sir/Madam,

Discloseable Transaction: Acquisition of 100% Equity Interest in Xueyinghua

We refer to the announcement of the Company dated 1 February 2021 (the “Announcement”). Capitalised terms used herein have the same meanings as those defined in the Announcement unless the context otherwise requires.

We have reviewed the bases and assumptions upon which the valuation of the Medicine Licenses was based in the valuation report on the 100% equity interest in Xueyinghua prepared by Asia-Pacific Consulting and Appraisal Limited. We have also considered the report from PricewaterhouseCoopers, the auditor of the Company, regarding whether the calculations of discounted future estimated cash flows in connection with the Valuation of Medicine Licenses have been properly compiled in all material respects in accordance with their respective bases and assumptions.

Based on the above, we confirm that the profit forecast of the Medicine Licenses has been made after due and careful enquiries of us in accordance with Rule 14.62(3) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

By order of the Board
Besunyen Holdings Company Limited
Zhao Yihong
Chairman and Chief Executive Officer

8 February 2021

APPENDIX II — REPORT FROM PRICEWATERHOUSECOOPERS

The following is the text of a report received from PricewaterhouseCoopers, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this announcement.



羅兵咸永道

INDEPENDENT REPORTING ACCOUNTANT’S ASSURANCE REPORT ON THE CALCULATIONS OF DISCOUNTED FUTURE ESTIMATED CASH FLOWS IN CONNECTION WITH THE VALUATION OF MEDICINE LICENSES IN HENAN XUEYINGHUA PHARMACEUTICAL CO., LTD.

TO THE BOARD OF DIRECTORS OF BESUNYEN HOLDINGS COMPANY LIMITED

We have completed our assurance engagement to report on the calculations of the discounted future estimated cash flows on which the valuation of medicine licenses (the “**Valuation**”) in Henan Xueyinghua Pharmaceutical Co. Ltd. (the “**Target Company**”) dated 1 February 2021 prepared by Asia-Pacific Consulting and Appraisal Limited, which forms part of the appraisal of the market value of the 100% equity interests in the Target Company as at 31 December 2020, is based. The Valuation is set out in the announcement of Besunyen Holdings Company Limited (the “**Company**”) dated 8 February 2021 (the “**Announcement**”) in connection with the acquisition of a 100% equity interest in the Target Company by the Company. The Valuation based on the discounted future estimated cash flows is regarded as a profit forecast under Rule 14.61 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

Directors’ Responsibility for the Discounted Future Estimated Cash Flows

The directors of the Company are responsible for the preparation of the discounted future estimated cash flows in accordance with the bases and assumptions determined by the directors and as set on page 2 of the Announcement. This responsibility includes carrying out appropriate procedures relevant to the preparation of the discounted future estimated cash flows for the Valuation and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Hong Kong Standard on Quality Control 1 issued by the HKICPA and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant’s Responsibilities

It is our responsibility to report, as required by paragraph 14.62(2) of the Listing Rules, on the calculations of the discounted future estimated cash flows on which the Valuation is based. We are not reporting on the appropriateness and validity of the bases and assumptions on which the discounted future estimated cash flows are based and our work does not constitute any valuation of the Target Company.

We conducted our work in accordance with the International Standard on Assurance Engagements 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform the assurance engagement to obtain reasonable assurance on whether the discounted future estimated cash flows, so far as the calculations are concerned, has been properly compiled in accordance with the bases and assumptions as set out on page 2 of the Announcement. We reviewed the arithmetical calculations and the compilation of the discounted future estimated cash flows in accordance with the bases and assumptions.

The discounted cash flows do not involve the adoption of accounting policies. The discounted cash flows depend on future events and on a number of assumptions which cannot be confirmed and verified in the same way as past results and not all of which may remain valid throughout the period. Our work has been undertaken for the purpose of reporting solely to you under paragraph 14.62(2) of the Listing Rules and for no other purpose. We accept no responsibility to any other person in respect of our work, or arising out of or in connection with our work.

Opinion

In our opinion, based on the foregoing, so far as the calculations are concerned, the discounted future estimated cash flows, has been properly compiled in all material respects in accordance with the bases and assumptions made by the directors of the Company as set out on page 2 of the Announcement.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong,

8 February 2021