

# Update on Intended Acquisition

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Fragrant Prosperity Holdings Ltd

08 March 2022

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Fragrant Prosperity Holdings Limited

("FPP" or the "Company")

Update on Intended Acquisition

Further to its statement on 24 May 2021, the Company announces that discussions with CiiTECH about a planned reverse takeover of the Company, (the "RTO" or "Intended Acquisition") have ceased. The exclusivity period agreed between the parties in their letter of intent expired on 31 October 2021, since when it has not been possible to conclude a combination of the two businesses.

Simon Retter, Chairman, said:

"The Board will continue to evaluate potential transactions in line with its strategy to invest in innovative technologies with high growth potential in the fintech, health care and health care therapeutics sectors."

Clifton Flack, Founder and CEO of CiiTECH, said:

"The transaction faced a number of challenges as we worked with various groups of shareholders to agree a deal. Movements in equity capital markets have been volatile, not least driven by geopolitical uncertainty. CiiTECH has therefore decided to withdraw from the process.

"CiiTECH continues to grow its business as its main markets emerge from the pandemic and we implement our strategy for the business. We remain optimistic for the future of the business and are exploring a range of options to sustainably finance the company.

"We thank FPP's board for its efforts and wish them every success in pursuing other opportunities."

The company is in the process of putting a request in to the FCA for the shares to be restored and it is expected that the Company's ordinary shares will resume trading on the Main Market of the London Stock Exchange in due course. In the meantime, they remain suspended from trading.

A further announcement will be made as appropriate in due course.

Shareholders and potential target companies should note that the recent change to the Listing Rules announced by the FCA in December 2021 that imposed a minimum market capitalisation of £30m on companies coming to the Official List does not apply to FPP in relation to its first reverse takeover, provided that it makes a complete submission to the FCA for an eligibility review for listing and a prospectus review relating to that reverse takeover which does not lapse and is not withdrawn, prior to 4pm on 1 December 2023. The Company will therefore, following a reverse takeover, be eligible to re-list with a market capitalisation of £700,000 or more provided that it meets that timeframe.

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) 596/2014 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018. Upon the publication of this announcement this information is considered to be in the public domain.

- Ends -

Enquiries

Fragrant Prosperity Holdings Limited

+44 (0)20 3137 1902

Simon Retter

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