

**PROPOSED DISPOSAL OF THE COMPANY'S EXISTING BUSINESS – TERMINATION OF
PROPOSED DISPOSAL**

Unless otherwise stated, all capitalised terms used in this announcement shall have the meanings ascribed to them in the Disposal Announcement (as defined below)

1. Introduction

The board of directors (the “**Board**” or “**Directors**”) of AEI Corporation Ltd. (the “**Company**”) refers to its announcement dated 11 November 2019 (“**Disposal Announcement**”) in relation to the Disposal SPA for the Proposed Disposal of the Vendor Business.

2. Termination of Proposed Disposal

Due to challenging and uncertain economic conditions caused by the outbreak of COVID-19, which is still evolving globally, the parties (“**Parties**”) to the Disposal SPA have mutually agreed to terminate the Disposal SPA with effect from 27 February 2020 pursuant to a termination agreement entered into between the Parties. Accordingly, the Disposal SPA will cease to have any effect and the Parties shall have no further obligations or claims against one another thereunder.

3. Financial Impact of the Termination

The termination of the Proposed Disposal is not expected to have any material impact on the financial performance of the Company for the financial year ending 31 December 2020. For the avoidance of doubt, following the termination of the Proposed Disposal, the Vendor Business remains as the core business of the Group.

Shareholders are advised to exercise caution in trading their shares in the capital of the Company. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

The Directors (including any Director who may have delegated detailed supervision of the preparation of this announcement) collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm, after making all reasonable enquiries that to the best of their knowledge and belief, the facts stated and opinions expressed herein are fair and accurate in all material respects as at the date hereof and that this announcement constitutes full and true disclosure of all material facts about the Proposed Disposal, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading.

By Order of the Board

Sun Quan
Non-Executive Chairman

27 February 2020