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環球戰略集團有限公司

GLOBAL STRATEGIC GROUP LIMITED

環球戰略集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8007)

PRE-ACQUISITION AGREEMENT

This announcement is made by the Company pursuant to Rule 17.10 of the GEM Listing Rules and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

PRE-ACQUISITION AGREEMENT IN RESPECT OF THE POSSIBLE ACQUISITION

The Board is pleased to announce that on 13 February 2018, Shenzhen Energynt, a wholly-owned subsidiary of the Company, Mr. Tang, Mr. Yu, Dezhou Xueyuan, Ningjin Xuedian, Ningjin Xueming and Ningjin Xueren entered into the Pre-acquisition Agreement in relation to the Possible Acquisition.

The Board wishes to emphasise that the Possible Acquisition is subject to certain conditions and the parties will enter into a formal agreement and the Possible Acquisition may or may not proceed. If the Possible Acquisition materialises, it may constitute a notifiable transaction on the part of the Company pursuant to the GEM Listing Rules. Shareholders and potential investors of the Company are urged to exercise caution when dealing in the Shares. Further announcement in respect of the Possible Acquisition will be made by the Company as and when appropriate in compliance with the GEM Listing Rules.

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THE PRE-ACQUISITION AGREEMENT

Date: 13 February 2018

Parties:

- (1) 深圳安捷能特分布式能源有限公司 (Shenzhen Energynt Co. Ltd.)
- (2) 唐東明 (Tang Dongming*)
- (3) 余輝 (Yu Hui*)
- (4) 德州旭源光伏科技有限公司 (Dezhou Xueyuan Photovoltaic Technology Co., Ltd.*)
- (5) 寧津旭電光伏科技有限公司 (Ningjin Xuedian Photovoltaic Technology Co., Ltd.*)
- (6) 寧津旭明光伏科技有限公司 (Ningjin Xueming Photovoltaic Technology Co., Ltd.*)
- (7) 寧津旭仁光伏科技有限公司 (Ningjin Xueren Photovoltaic Technology Co., Ltd.*)

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, (i) Dezhou Xueyuan is a company established in the PRC with limited liability and is principally engaged in photovoltaic power plant development, construction, maintenance and power supply service; (ii) Ningjin Xuedian is a company established in the PRC with limited liability and is principally engaged in photovoltaic power plant development, construction, maintenance and power supply service; (iii) Ningjin Xueming is a company established in the PRC with limited liability and is principally engaged in photovoltaic power plant development, construction, maintenance and power supply service; (iv) Ningjin Xueren is a company established in the PRC with limited liability and is principally engaged in photovoltaic power plant development, construction, maintenance and power supply service; and (v) each of Mr. Tang, Mr. Yu, Dezhou Xueyuan, Ningjin Xuedian, Ningjin Xueming, Ningjin Xueren and their respective ultimate beneficial owner(s) are Independent Third Parties.

Assets to be acquired

Pursuant to the Pre-acquisition Agreement, it is proposed that Shenzhen Energynt will acquire and Mr. Tang and Mr. Yu will sell 100% of the equity interests in Dezhou Xueyuan.

As at the date of this announcement, Dezhou Xueyuan is beneficially owned by Mr. Tang and Mr. Yu. Dezhou Xueyuan is a company established in the PRC with limited liability. Upon completion of the construction of the Photovoltaic Project, Dezhou Xueyuan will hold the Photovoltaic Project.

Consideration

The consideration for the Possible Acquisition is calculated as follows:

The consideration for the Possible Acquisition = (Unit construction cost \times actual grid capacity – construct costs as approved by Shenzhen Energynt) \times 115%

The Consideration shall be payable by Shenzhen Energynt to Mr. Tang and Mr. Yu as follows:

- 1) as to 20% of the Consideration within seven business days of Dezhou Xueyuan having received the approval for the finance leasing for 75% of the funding for the construction of the project from 中電投融和融資租賃有限公司 (Zhongdian Investment and Finance Leasing Co., Ltd*);
- 2) as to 60% of the Consideration within seven business days of the completion of the registration of change of equity interests and completion of the Possible Acquisition;
- 3) the balance of 15% of the Consideration within seven business days after Dezhou Xueyuan having received the first payment for electricity generated by desulfurized coal from its customers, in any event, such balance shall be payable within three months after completion of the Possible Acquisition; and
- 4) the balance of 5% of the Consideration after the one year warranty period of the Photovoltaic Project and the Photovoltaic Project having met the operation standard.

Formal agreement

Subject to the completion of the Photovoltaic Project and network having been examined and accepted, Shenzhen Energynt, Mr. Tang and Mr. Yu will proceed with further negotiation for the entering into of the Formal Agreement within 20 business days.

Shenzhen Energynt shall comply with the construction proposal conditions as set out by 中電投融和融資租賃有限公司 (Zhongdian Investment and Finance Leasing Co., Ltd*) for its approval, which includes (i) complying with the construction standards that are set out by 國家電力投資集團有限公司 (State Power Investment Corporation Limited) (“**State Power**”) and (ii) selecting the supplier(s) from the list of suppliers provided by State Power in relation to the photovoltaic components and inverters that are used during constructions.

Reasons for and benefits of the Possible Acquisition

The Group is principally engaged in the provision of internet and e-commerce enabling solutions, IT consulting & technical services, strategic investments in technologies and applications, trading of commodities and providing natural gas supply.

Upon completion of the acquisition of the entire equity interest in Shenzhen Energynt in January 2018, the Group has been actively identifying business opportunity to invest in solar power generation projects. The Directors consider that the Possible Acquisition, if materialises, represents a good opportunity for the Group to invest in a solar power generation project and to maximise the return of the Shareholders. The Directors are of the view that the terms of the Pre-acquisition Agreement are fair and reasonable and the Possible Acquisition is in the interests of the Company and the Shareholders as a whole.

General

The Board wishes to emphasise that the Possible Acquisition is subject to certain conditions and the parties will enter into a formal agreement and the Possible Acquisition may or may not proceed. If the Possible Acquisition materialises, it may constitute a notifiable transaction on the part of the Company pursuant to the GEM Listing Rules. Shareholders and potential investors of the Company are urged to exercise caution when dealing in the Shares. Further announcement in respect of the Possible Acquisition will be made by the Company as and when appropriate in compliance with the GEM Listing Rules.

DEFINITION

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Board”	the board of Directors
“business days”	any day (other than a Saturday, Sunday or public holiday in the PRC) on which banks in the PRC are generally open for normal banking business
“Company”	Global Strategic Group Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Consideration”	the consideration for the Possible Acquisition
“Dezhou Xueyuan”	德州旭源光伏科技有限公司 (Dezhou Xueyuan Photovoltaic Technology Co., Ltd.*), a company established in the PRC with limited liability and an Independent Third Party
“Director(s)”	director(s) of the Company
“Formal Agreement”	the formal sale and purchase agreement which may or may not be entered into by Shenzhen Energynt, Mr. Tang and Mr. Yu in relation to the Possible Acquisition
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) who, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons
“Mr. Tang”	唐東明 (Tang Dongming*), an Independent Third Party
“Mr. Yu”	余輝 (Yu Hui*), an Independent Third Party
“Ningjin Xuedian”	寧津旭電光伏科技有限公司 (Ningjin Xuedian Photovoltaic Technology Co., Ltd.*), a company established in the PRC with limited liability and an Independent Third Party
“Ningjin Xueming”	寧津旭明光伏科技有限公司 (Ningjin Xueming Photovoltaic Technology Co., Ltd.*), a company established in the PRC with limited liability and an Independent Third Party
“Ningjin Xueren”	寧津旭仁光伏科技有限公司 (Ningjin Xueren Photovoltaic Technology Co., Ltd.*), a company established in the PRC with limited liability and an Independent Third Party
“Photovoltaic Project”	the rooftop photovoltaic power generation project to be constructed at 山東奧來機械科技有限公司 (Shangdong Aolai Machinery Co., Ltd.*), 德州海天機電科技有限公司 (Dezhou Haitian Electrical and Mechanical Technology Co., Ltd.*), 德州盛躍金屬塑膠有限公司 (Dezhou Shengyue Metal and Plastic Co., Ltd.*), 寧津縣保通五金有限公司 (Ningjin Baotong Hardware Co., Ltd.*) and 寧津縣金秋林家具有限公司 (Ningjin Jinqiulin Furniture Co., Ltd.*) with a capacity of 7.8MW
“Possible Acquisition”	the possible acquisition of certain equity interest in Dezhou Xueyuan by Shenzhen Energynt from Mr. Tang and Mr. Yu as contemplated under the Pre-acquisition Agreement
“PRC”	the People’s Republic of China, for the purposes of this announcement shall exclude Hong Kong, Macau and Taiwan
“Pre-acquisition Agreement”	the pre-acquisition agreement dated 13 February 2018 entered into among Shenzhen Energynt, Mr. Tang, Mr. Yu, Dezhou Xueyuan, Ningjin Xuedian, Ningjin Xueming and Ningjin Xueren in relation to the Possible Acquisition

“Share(s)”	ordinary share(s) of HK\$0.005 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the issued Share(s)
“Shenzhen Energynt”	深圳安捷能特分布式能源有限公司 (Shenzhen Energynt Co. Ltd.) a company established in the PRC with limited liability and a wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.
“MW”	megawatt

* *For reference purposes only, the Chinese names of the PRC entities have been translated into English in this announcement. In the event of any discrepancies between the Chinese names of the PRC entities and their English translation, the Chinese version shall prevail.*

By order of the Board
Global Strategic Group Limited
Weng Lin Lei
Chairman and Executive Director

Hong Kong, 13 February 2018

As at the date of this announcement, the executive Directors are Mr. Weng Lin Lei (Chairman), Mr. Wei Yuetong (Vice Chairman), Mr. Cheung Tuen Ting, Mr. Long Wenming, Mr. Chen Hualiang and Mr. Han Leiping; and the independent non-executive Directors are Ms. Kwan Sin Yee, Mr. Leung Oh Man, Martin, Mr. Sun Zhi Jun and Ms. Huang Yu Jun.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” page for 7 days from the day of its posting and the Company’s website at www.globalstrategicgroup.com.hk.