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PEACE MAP HOLDING LIMITED

天下圖控股有限公司

(In Liquidation)

(incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock code: 402)

**MEMORANDUM OF UNDERSTANDING
IN RELATION TO THE POTENTIAL DISPOSAL**

The JLs announce that on 20 February 2019, the Company and the Purchaser entered into a non-legally binding MOU, pursuant to which, the Company proposed to sell, and the Purchaser proposed to purchase, the Sale Share which represents the entire equity interest in Jichang Investments at a consideration of HK\$10,000,000.

The JLs make this announcement to keep the Shareholders informed of the progress of the Potential Disposal in accordance with Rule 13.09(2) of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Potential Disposal and the transactions contemplated under the MOU are subject to, among others, further negotiation of the terms concerning the Disposal Agreement. At present stage, the terms and conditions of the Disposal Agreement are yet to be finalised and agreed between the Company and the Purchaser. As such, the Potential Disposal and the transactions contemplated under the MOU may or may not proceed. Further announcement(s) in respect of the Potential Disposal or any other transactions contemplated under the MOU shall be made by the Company in the event that the Disposal Agreement has been entered into in accordance with the requirements under the Listing Rules. The Potential Disposal may be subject to certain conditions precedent which may not be able to be fulfilled or waived. Shareholders and potential investors of the Company are advised to exercise with caution when dealing in the securities of the Company.

The JLs make this announcement to keep the Shareholders informed of the progress of the Potential Disposal in accordance with Rule 13.09(2) of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

THE MOU

The JLs announced that on 20 February 2019, the Company and the Purchaser entered into a non-legally binding MOU, pursuant to which, the Company proposed to sell, and the Purchaser proposed to purchase, the Sale Share which represents the entire equity interest in Jichang Investments at a consideration of HK\$10,000,000. The key terms of the MOU are set out as follows:

Date

20 February 2019

Parties

- (a) the Company (as the vendor); and
- (b) the Purchaser (as the purchaser);

Assets to be disposed of

Subject to the entering into of the Disposal Agreement, the Company proposed to sell, and the Purchaser proposed to purchase, the entire equity interest in Jichang Investments. The completion of the Potential Disposal will be subject to, among other things, the following conditions being fulfilled:

- the JLs having obtained the relevant approval(s) to waive the Intra-Group Liabilities; and
- the Company having submitted the relevant documents for updating the register of members of Jichang Investments and filed the notices for the resignation of the existing directors and/or the appointment of the new directors of Jichang Investments, Sinbo Investment and Peace Map (HK) to the relevant authorities in Hong Kong and the British Virgin Islands (as the case may be).

Consideration

The Consideration for the Potential Disposal will be HK\$10,000,000 and it will be paid by the Purchaser to the Company in the following manner:

- (i) a sum of HK\$6,000,000, representing 60% of the Consideration, will be paid upon signing of the Disposal Agreement and obtaining of the relevant approval(s) by the JLs to waive the Intra-Group Liabilities;
- (ii) a sum of HK\$3,000,000, representing 30% of the Consideration, will be paid upon submission of the relevant documents for updating the register of members of Jichang Investments and filing of the notices for the resignation of the existing directors and/ or the appointment of the new directors of Jichang Investments, Sinbo Investment and Peace Map (HK) to the relevant authorities in Hong Kong and the British Virgin Islands (as the case may be); and
- (iii) a sum of HK\$1,000,000, representing 10% of the Consideration, will be paid upon completion of item (ii) above and such information has been subsequently updated in the relevant authorities in Hong Kong and the British Virgin Islands (as the case may be).

The Consideration was determined by the parties to the MOU based on arm's length negotiations on normal commercial terms with reference to (1) the historical loss making results and financial condition of Jichang Investments; (2) the Potential Disposal representing the only formal offer received by the JLs so far; and (3) the unaudited net asset value of Jichang Investments of approximately HK\$258.4 million as at 31 December 2017 (including a goodwill of approximately HK\$392.2 million).

Financial support

Prior to the signing of the Disposal Agreement, the Purchaser shall inject further capital to Peace Map (Beijing) and undertakes to pay the outstanding government fees owed by each of Jichang Investments and Sinbo Investment as a result of the Potential Disposal. The said capital injection shall not constitute part of the Consideration.

Earnest Money

Within 14 days from the date of the MOU, the Purchaser shall pay to the Company a sum of HK\$1,000,000 as the earnest money (the “**Earnest Money**”). The Earnest Money is non-refundable unless the Potential Disposal cannot be completed due to the restriction by laws and regulations or administrative measure from the relevant regulatory authorities in Hong Kong (including the Securities and Futures Commission). In the event that the Disposal Agreement is entered into by the parties during the Exclusivity Period (as defined below), the Earnest Money can be fully applied as partial settlement of the first installment of the Consideration.

Exclusivity

The exclusivity period shall be 60 days from the date of entering into the MOU (or such longer period as both parties may agree in writing) (the “**Exclusivity Period**”). During the Exclusivity Period, the Company shall ensure that Jichang Investments and the shareholders of Jichang Investments not to engage in any discussion or negotiation with any other third parties in relation to the Potential Disposal or accept or respond to the offers or invitations to offer from any other third parties (the “**Exclusivity**”). In the event that the Company breaches the terms of the Exclusivity, the Purchaser has the right to terminate the MOU and to seek for a compensation for loss of not more than HK\$5,000,000 (inclusive of the Earnest Money) from the Company.

Disposal Agreement

The Company and the Purchaser shall use their best endeavours to enter into a legally binding Disposal Agreement in relation to the Potential Disposal on or before 31 March 2019.

Termination

The MOU shall be terminated at the earlier of the following:

- the failure of the Purchaser to pay the Earnest Money within 14 days from the date of the MOU;
- the expiry of the Exclusivity Period; or
- the termination of the MOU by either party serving a notice in writing to the other party.

Legal effect

Save for those provisions relating to the Exclusivity, termination, confidentiality, costs and expenses and the governing law, the MOU does not have any legal effect.

INFORMATION ON JICHANG INVESTMENTS

Jichang Investments is a company incorporated in the British Virgin Islands and is a direct wholly-owned subsidiary of the Company. Jichang Investments is an investment holding company, and through its subsidiaries, is principally engaged in (i) business application and services; (ii) data collection and processing; and (iii) development and sales of equipment which represents the entire business operation of the Group.

INFORMATION ON THE COMPANY

The Company, together with its subsidiaries, is principally engaged in (i) business application and services; (ii) data collection and processing; and (iii) development and sales of equipment and is an investment holding company incorporated in the Cayman Islands and continued in Bermuda. The Company has been ordered by the Supreme Court of Bermuda on 10 August 2018 to be wound up pursuant to section 161(e) of the Bermuda Companies Act 1981. The Company is currently in liquidation and the trading of the Shares on the Stock Exchange has been suspended since 13 August 2018.

INFORMATION ON THE PURCHASER

Based on the information provided by the Purchaser, the Purchaser is a company incorporated in Hong Kong with limited liability. The Purchaser is principally engaged in investment holding.

To the best of the JLs and the Directors' knowledge, information and belief, having made all reasonable enquiries, the Purchaser and its ultimate beneficial owners are third parties independent of the Company and its connected persons as stipulated under the Listing Rules.

REASONS FOR AND BENEFITS OF THE POTENTIAL DISPOSAL AND USE OF PROCEEDS

Since the appointment in August 2018, the JLs have conducted a thorough review of the Group's financial situation and operations and consider that it will require significant new investment in order to formulate a viable resumption plan. The JLs therefore deployed various efforts with an aim to identify suitable investor(s) for the Company and to secure new funds from existing Shareholders and creditors of the Company. Starting from September 2018, the JLs invited potential investors to submit an expression of interest in providing funding for the restructuring of the Company, including but not limited to injection of a suitable business to the Company by way of reverse takeovers and/or acquisition of the existing business operations of the Company. Up to the date of this announcement, the JLs continue to hold exploratory discussions with a number of parties regarding the possibility of restructuring the Company and regarding the options available to the Company for the formulation of a viable resumption plan, but no exclusivity agreement has been entered into.

Up to the date of this announcement, the JLs have only received one formal offer from the Purchaser in relation to the Potential Disposal. In view of this, given the liquidation status of the Company, the limited cashflow available and the historical loss making results and financial condition of Jichang Investments and its subsidiaries, the JLs consider that the Potential Disposal represents a good opportunity for the Company to realise its investment in Jichang Investments for the benefits of the creditors of the Company.

Given that the Company is in liquidation, this transaction does not require any approval by the Directors. Nonetheless, the Directors express no opinion on the fairness and reasonableness of the Potential Disposal.

The net proceeds derived from the Potential Disposal will be used to settle the liquidation costs and/or to make distributions to the Company's creditors.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the Shares of the Company on the Stock Exchange has been suspended since 13 August 2018 and will remain suspended until further notice. Further announcement(s) will be made as and when appropriate.

The Potential Disposal and the transactions contemplated under the MOU are subject to, among others, further negotiation of the terms concerning the Disposal Agreement. At present stage, the terms and conditions of the Disposal Agreement are yet to be finalised and agreed between the Company and the Purchaser. As such, the Potential Disposal and the transactions contemplated under the MOU may or may not proceed. Further announcement(s) in respect of the Potential Disposal or any other transactions contemplated under the MOU shall be made by the Company in the event that the Disposal Agreement has been entered into in accordance with the requirements under the Listing Rules. The Potential Disposal may be subject to certain conditions precedent which may not be able to be fulfilled or waived. Shareholders and potential investors of the Company are advised to exercise with caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the meanings ascribed to them below:

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| “Board” | the board of Directors |
| “Company” | Peace Map Holding Limited (In Liquidation), a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange |
| “Consideration” | the total consideration payable by the Purchaser to the Company for the sale and purchase of the Sale Share |
| “connected person” | has the meaning ascribed to it under the Listing Rules |
| “Directors” | directors of the Company |
| “Disposal Agreement” | the formal sale and purchase agreement entered into among the Company and the Purchaser in respect of the Potential Disposal |
| “Group” | the Company and its subsidiaries |

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| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Intra-Group Liabilities” | any intra-group debts between the Company and its subsidiaries |
| “Jichang Investments” | Jichang Investments Limited, a company incorporated in British Virgin Islands with limited liability and is a direct wholly-owned subsidiary of the Company |
| “JLs” | Mr. David Yen Ching Wai and Ms. Anita So Kit Yee of Ernst & Young Transactions Limited and Mr. Keiran Hutchison of EY Bermuda Limited, being the joint liquidators of the Company |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “MOU” | the memorandum of understanding dated 20 February 2019 entered into between the Company and the Purchaser in relation to the Potential Disposal |
| “Peace Map (Beijing)” | Beijing Peace Map Information and Technology Limited*, a company incorporated in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company |
| “Peace Map (HK)” | Peace Map Information Limited, a company incorporated in Hong Kong with limited liability and is an indirect wholly-owned subsidiary of the Company |
| “Potential Disposal” | the potential disposal of the entire equity interest in Jichang Investments |
| “PRC” | the People’s Republic of China, which for the purpose of this announcement, does not include Hong Kong, the Macau Special Administrative Region and Taiwan |
| “Purchaser” | Kaihung Consultancy Management Limited, a company incorporated in Hong Kong with limited liability |

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| “Sale Share” | one share of Jichang Investments, representing the entire equity interests in Jichang Investments held by the Company |
| “Share(s)” | ordinary share(s) of the Company of HK\$0.01 each |
| “Shareholder(s)” | holder(s) of the Share(s) |
| “Sinbo Investment” | Sinbo Investment Limited, a company incorporated in the British Virgin Islands with limited liability and is an indirect wholly-owned subsidiary of the Company |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “subsidiaries” | has the meaning ascribed to it in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) |
| “%” | per cent |

The English names of the PRC entities mentioned herein and marked with “” are translation from their Chinese names and are for identification purpose only.*

By order of the Board of
Peace Map Holding Limited
(In Liquidation)
David Yen Ching Wai,
Anita So Kit Yee and
Keiran Hutchison
Joint Liquidators

*Acting as agents of the Company only and
without personal liability*

Hong Kong, 20 February 2019

As at the date of this announcement, the executive directors of the Company are Mr. GUAN Hongliang (Chairman), Mr. WANG Zheng (Chief Executive Officer), Mr. LI Bin, Ms. MU Yan, Mr. LI Chengning and Mr. XU Jian (Chief Financial Officer) and the independent non-executive directors of the Company are Mr. ZHANG Songlin, Ms. LI Nan and Mr. XU Lei.