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China-net Holding Ltd.
*(Incorporated in British Virgin Islands
with limited liability)*

**Country Garden Property
Services HK Holdings
Company Limited**
*(Incorporated in Hong Kong with
limited liability)*

**Hopefluent Group Holdings
Limited**
*(Incorporated in the Cayman Islands
with limited liability)*
(Stock code: 733)

JOINT ANNOUNCEMENT

- (1) COMPLETION OF THE SALE AND PURCHASE OF THE SALE SHARES;
(2) MANDATORY UNCONDITIONAL CASH OFFER
BY ABCI CAPITAL FOR AND ON BEHALF OF THE JOINT OFFERORS
TO ACQUIRE ALL THE ISSUED SHARES OF
HOPEFLUENT GROUP HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED AND/OR
AGREED TO BE ACQUIRED BY THE JOINT OFFERORS AND/OR
PARTIES ACTING IN CONCERT WITH THEM);
(3) APPOINTMENT OF INDEPENDENT FINANCIAL ADVISER**

AND

- (4) RESUMPTION OF TRADING**

Financial adviser to the Joint Offerors



Independent Financial Adviser to the Independent Board Committee



COMPLETION OF THE SALE AND PURCHASE OF THE SALE SHARES

The Board was notified by the Purchaser that on 15 April 2020 (after trading hours), the Purchaser entered into the following share purchase agreements pursuant to which the Purchaser conditionally agreed to purchase (a) an aggregate of 61,700,263 Shares, representing approximately 9.15% of the total issued share capital of the Company as at the date of this joint announcement; and (b) one share, representing the entire issued share capital, of Happy Chord, which owns 18,344,077 Shares, representing approximately 2.72% of the total issued share capital of the Company as at the date of this joint announcement:

- (i) Share Purchase Agreement A pursuant to which Vendors A conditionally agreed to sell and the Purchaser conditionally agreed to purchase a total of 61,700,263 Shares, representing approximately 9.15% of the total issued share capital of the Company as at the date of this joint announcement, for a total cash consideration of HK\$92,550,394.50 (being HK\$1.50 per Share); and
- (ii) Share Purchase Agreement B pursuant to which Vendor B conditionally agreed to sell and the Purchaser conditionally agreed to purchase one share in Happy Chord, representing its entire issued share capital, for a total cash consideration of HK\$27,516,115.50 (equivalent to HK\$1.50 per Share on a see-through basis).

The total consideration under each of the Share Purchase Agreements was agreed after arm's length negotiations taking into account (i) the historical operating and financial performance of the Group; (ii) the recent market price of the Shares; (iii) the current market conditions (in the case of each of the Share Purchase Agreements); and (iv) Happy Chord's sole asset of 18,344,077 Shares (in the case of Share Purchase Agreement B).

Completion under the Share Purchase Agreements took place simultaneously on 17 April 2020, being the Completion Date.

CONCERT GROUP AGREEMENT

On 15 April 2020 (after trading hours), the Purchaser and CGPS HK entered into the Concert Group Agreement, which took effect on the Completion Date. Pursuant to the Concert Group Agreement, the Purchaser and CGPS HK agreed to accept and acquire all the Offer Shares tendered by the Shareholders to the Joint Offerors on the following basis and proportions:

- (i) CGPS HK will first purchase and accept the Offer Shares subject to the lower of (a) a maximum purchase amount of HK\$120,000,000 (excluding any stamp duty and expenses in connection with such purchase); and (b) a maximum number of 67,380,000 Shares which is less than 10% of the total issued share capital of the Company; and
- (ii) the remaining Offer Shares will be purchased and accepted by the Purchaser.

MANDATORY UNCONDITIONAL CASH OFFER

Immediately prior to the Acquisitions, the Purchaser (being one of the Joint Offerors) was interested in 50,718,000 Shares, representing approximately 7.52% of the total issued share capital of the Company, and together with the Purchaser Concert Group, were interested in a total of 260,325,467 Shares, representing approximately 38.62% of the total issued share capital of the Company.

Immediately after the Acquisitions, the Purchaser was interested in 130,762,340 Shares, representing approximately 19.39% of the total issued share capital of the Company, and together with the Purchaser Concert Group, were interested in a total of 340,369,807 Shares, representing approximately 50.49% of the total issued share capital of the Company. The Purchaser is therefore required under Rule 26.1 of the Takeovers Code to make a mandatory unconditional cash offer for all the issued Shares not already owned or agreed to be acquired by the Purchaser and parties acting in concert with it.

CGPS HK (being the other one of the Joint Offerors) and parties acting in concert with it (other than the Purchaser and the Purchaser Concert Group) were/are not interested in any Share immediately prior to and after the Acquisitions. In connection with the mandatory unconditional cash offer which the Purchaser is required to make pursuant to Rule 26.1 of the Takeovers Code as a result of the Acquisitions, the Purchaser and CGPS HK entered into the Concert Group Agreement and will jointly make the Offer through ABCI Capital in accordance with the Takeovers Code and the terms and conditions of the Concert Group Agreement.

ABCI Capital will make the Offer on behalf of the Joint Offerors in compliance with the Takeovers Code on the following terms:

For each Offer Share. HK\$1.50 in cash

As at the date of this joint announcement, there are 674,149,989 Shares in issue and the Company does not have any outstanding options, warrants or derivatives or securities convertible into Shares.

Principal terms of the Offer are set out in the section headed “Mandatory Unconditional Cash Offer” below.

Assuming that there is no change in the issued share capital of the Company and based on the offer price of HK\$1.50 per Offer Share, the total issued share capital of the Company is valued at HK\$1,011,224,983.50. The Offer will be made to the Independent Shareholders. As the Joint Offerors and parties acting in concert with any of them will hold in aggregate 340,369,807 Shares immediately after the Acquisitions, 333,780,182 Shares will be subject to the Offer. Based on the offer price of HK\$1.50 per Offer Share, the maximum consideration of the Offer would be HK\$500,670,273.

The Purchaser financed the Acquisitions by Fu’s Family Internal Resources. The Joint Offerors intend to finance the Offer by its internal resources (in the case of CGPS HK) and Fu’s Family Internal Resources and a credit facility provided by ABCI Securities (in the case of the Purchaser).

The Joint Offerors intend to maintain the listing of the Shares on the Stock Exchange following the close of the Offer.

COMPOSITE DOCUMENT

It is the intention of the Joint Offerors and the Company to combine the offer document and the offeree board circular in the Composite Document. Pursuant to Rule 8.2 of the Takeovers Code, a composite document containing, among other things, the terms of the Offer, together with the acceptance and transfer form, should normally be posted to the Shareholders within 21 days from the date of this joint announcement or such later date as the Executive may approve. Further announcement(s) will be made when the Composite Document is despatched.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

Pursuant to Rule 2.1 of the Takeovers Code, the Independent Board Committee comprising all the non-executive Directors, namely Mr. Lam King Pui, Mr. Ng Keung, Mrs. Wong Law Kwai Wah, Karen and Mr. Mo Tianquan, has been formed to advise the Independent Shareholders as to whether the terms of the Offer are fair and reasonable and as to acceptance of the Offer.

With the approval of the Independent Board Committee, the Company has appointed the Independent Financial Adviser to advise the Independent Board Committee in respect of the Offer and, in particular, as to whether the Offer is fair and reasonable and as to acceptance of the Offer.

SUSPENSION AND RESUMPTION OF TRADING IN THE SHARES

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on 16 April 2020 pending the release of this joint announcement. Application has been made by the Company for resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 29 April 2020.

WARNING

This joint announcement is made in compliance with the Takeovers Code for the purpose of, amongst other things, informing the Shareholders of the fact that the Company has been informed that the Offer will be made. As the Independent Board Committee has yet to consider and evaluate the Offer, the Directors make no recommendation as to the fairness or reasonableness of the Offer or as to the acceptance of the Offer in this joint announcement.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares. If Shareholders and potential investors are in any doubt about their position, they should consult their professional advisers.

The Board was notified by the Purchaser that on 15 April 2020 (after trading hours), the Purchaser entered into the Share Purchase Agreements pursuant to which the Purchaser conditionally agreed to purchase (a) an aggregate of 61,700,263 Shares, representing approximately 9.15% of the total issued share capital of the Company as at the date of this joint announcement; and (b) one share, representing the entire issued share capital, of Happy Chord, which owns 18,344,077 Shares, representing approximately 2.72% of the total issued share capital of the Company as at the date of this joint announcement. Details of each of the Share Purchase Agreements are set out below.

THE SHARE PURCHASE AGREEMENTS

I. Share Purchase Agreement A

Date:

15 April 2020 (after trading hours)

Parties:

- (i) Vendors A: Mr. Chan Kim Ping, Mr. Liang Guohong, Ever Founder (China) Limited, Ms. Yi Jian, Ms. Yang Xiaojia, Wan Ying Holdings Limited and Apex Honour Investments Limited; and
- (ii) Purchaser: China-net Holding Ltd.

Each of Vendors A confirmed that, he/she is (in the case of an individual) and it and its ultimate beneficial owner are (in the case of a corporation) third parties independent of and not connected with the Purchaser and its ultimate beneficial owner.

Subject of Share Purchase Agreement A

Pursuant to Share Purchase Agreement A, Vendors A conditionally agreed to sell and the Purchaser conditionally agreed to purchase a total of 61,700,263 Shares, representing approximately 9.15% of the total issued share capital of the Company, free from all encumbrances and together with all rights and benefits attached and accrued to them on or after the Completion Date.

Consideration under Share Purchase Agreement A

The total consideration for the purchase of the abovementioned Shares under Share Purchase Agreement A was HK\$92,550,394.50 (equivalent to HK\$1.50 per Share), which was agreed between the Purchaser and Vendors A after arm's length negotiations, taking into account (i) the historical operating and financial performance of the Group; (ii) the recent market price of the Shares; and (iii) the current market conditions. The consideration was paid by the Purchaser before the Completion Date in accordance with the terms of Share Purchase Agreement A.

Obligations of Vendors A

The obligations of each of Vendors A under Share Purchase Agreement A are several (but not joint and several). Each of Vendors A is selling his/her/its own Sale Shares to the Purchaser and receiving his/her/its own consideration.

II. Share Purchase Agreement B

Date:

15 April 2020 (after trading hours)

Parties:

- (i) Vendor B: Tan Liangtao; and
- (ii) Purchaser: China-net Holding Ltd.

Vendor B confirmed that he is a third party independent of and not connected with the Purchaser and its ultimate beneficial owner.

Subject of Share Purchase Agreement B

Pursuant to Share Purchase Agreement B, Vendor B conditionally agreed to sell and the Purchaser conditionally agreed to purchase one share in Happy Chord, representing its entire issued share capital, free from all encumbrances and together with all rights and benefits attached and accrued to it on or after the Completion Date. The sole asset of Happy Chord is 18,344,077 Shares.

Consideration under Share Purchase Agreement B

The total consideration for the purchase of one share, representing the entire issued share capital, of Happy Chord under Share Purchase Agreement B was HK\$27,516,115.50 (equivalent to HK\$1.50 per Share on a see-through basis), which was agreed between the Purchaser and Vendor B after arm's length negotiations, taking into account: (i) Happy Chord's sole asset of 18,344,077 Shares, representing approximately 2.72% of the total issued share capital of the Company as at the date of this joint announcement; (ii) the historical operating and financial performance of the Group; (iii) the recent market price of the Shares; and (iv) the current market conditions. The consideration was paid by the Purchaser before the Completion Date in accordance with the terms of Share Purchase Agreement B.

Completion under the Share Purchase Agreements

Completion under the Share Purchase Agreements took place simultaneously on 17 April 2020, being the Completion Date.

CONCERT GROUP AGREEMENT

Background

Immediately prior to the Acquisitions, the Purchaser (being one of the Joint Offerors) was interested in 50,718,000 Shares, representing approximately 7.52% of the total issued share capital of the Company, and together with the Purchaser Concert Group, were interested in a total of 260,325,467 Shares, representing approximately 38.62% of the total issued share capital of the Company.

Immediately after the Acquisitions, the Purchaser was interested in 130,762,340 Shares, representing approximately 19.39% of the total issued share capital of the Company, and together with the Purchaser Concert Group, were interested in a total of 340,369,807 Shares, representing approximately 50.49% of the total issued share capital of the Company. The Purchaser is therefore required under Rule 26.1 of the Takeovers Code to make a mandatory unconditional cash offer for all the issued Shares not already owned or agreed to be acquired by the Purchaser and parties acting in concert with it.

CGPS HK (being the other one of the Joint Offerors) and parties acting in concert with it (other than the Purchaser and the Purchaser Concert Group) were/are not interested in any Share immediately prior to and after the Acquisitions. CGPS HK is not a party to the Share Purchase Agreements and did not participate in the negotiation of the Acquisitions. In connection with the mandatory unconditional cash offer which the Purchaser is required to make pursuant to Rule 26.1 of the Takeovers Code as a result of the Acquisitions, the Purchaser and CGPS HK entered into the Concert Group Agreement, and will jointly make the Offer in accordance with the Takeovers Code and the terms and conditions of the Concert Group Agreement.

Principal terms of Concert Group Agreement

On 15 April 2020 (after trading hours), the Purchaser and CGPS HK entered into the Concert Group Agreement, which took effect on the Completion Date. Pursuant to the Concert Group Agreement, the Purchaser and CGPS HK agreed to accept and acquire all the Offer Shares tendered by the Shareholders to the Joint Offerors on the following basis and proportions:

- (i) CGPS HK will first purchase and accept the Offer Shares subject to the lower of (a) a maximum purchase amount of HK\$120,000,000 (excluding any stamp duty and expenses in connection with such purchase); and (b) a maximum number of 67,380,000 Shares which is less than 10% of the total issued share capital of the Company; and
- (ii) the remaining Offer Shares will be purchased and accepted by the Purchaser.

On the basis of the offer price of HK\$1.50 per Offer Share, CGPS HK will first purchase up to a maximum of 67,380,000 Offer Shares, representing approximately 9.99% of the total issued share capital of the Company as at the date of this joint announcement, and pay an amount of HK\$101,070,000 for such Offer Shares. Any additional Offer Shares tendered in the Offer will be acquired and paid for by the Purchaser.

MANDATORY UNCONDITIONAL CASH OFFER

The Offer

ABCI Capital will make the Offer on behalf of the Joint Offerors in compliance with the Takeovers Code on the following terms:

For each Offer Share. HK\$1.50 in cash

As at the date of this joint announcement, there are 674,149,989 Shares in issue and the Company does not have any outstanding options, warrants or derivatives or securities convertible into Shares.

Assuming that there is no change in the issued share capital of the Company and based on the offer price of HK\$1.50 per Offer Share, the total issued share capital of the Company is valued at HK\$1,011,224,983.50. The Offer will be made to the Independent Shareholders. As the Joint Offerors and parties acting in concert with them will hold in aggregate 340,369,807 Shares immediately after the Acquisitions, 333,780,182 Shares will be subject to the Offer. Based on the offer price of HK\$1.50 per Offer Share, the maximum consideration of the Offer would be HK\$500,670,273. The Offer Shares to be acquired under the Offer shall be fully paid and free from all encumbrances and together with all rights and benefits attached thereto, including all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made. A final dividend of HK8 cents per Share was proposed by the Board for the year ended 31 December 2019 as disclosed in the Company's announcement dated 30 March 2020. Subject to the approval of the Shareholders at the forthcoming annual general meeting of the Company, the final dividend will be payable on or about 30 July 2020 to Shareholders whose names appear on the register of members of the Company at the close of business on 10 July 2020. In the event that the relevant Offer Shares are acquired by any one of the Joint Offerors before the Record Date, the declared dividend in respect of such Offer Shares will become its entitlement. In the event that the relevant Offer Shares are acquired by any one of the Joint Offerors after the Record Date, the declared dividend in respect of such Offer Shares will be the entitlement of the Shareholders whose names appear on the register of members on the Record Date, and the Offer Price after deducting the declared dividend will become the consideration for each Offer Share for such Shareholders. Except as noted above, as at the date of this joint announcement, (i) the Company has no outstanding dividends/distribution declared; and (ii) the Company does not have any intention to make, declare or pay and future dividend/make other distribution during offer period under the Takeovers Code.

The Offer will be unconditional in all aspects when it is made.

Offer Price

The offer price of the Offer of HK\$1.50 per Offer Share represents:

- a premium of approximately 7.14% on the closing price of HK\$1.40 per Share as quoted on the Stock Exchange on the Last Trading Day;

- a premium of approximately 8.70% on the average closing price of approximately HK\$1.38 per Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the Last Trading Day;
- a premium of approximately 11.94% on the average closing price of approximately HK\$1.34 per Share as quoted on the Stock Exchange for the 10 consecutive trading days immediately prior to and including the Last Trading Day;
- a premium of approximately 7.14% on the average closing price of approximately HK\$1.40 as quoted on the Stock Exchange for the 30 consecutive trading days immediately prior to and including the Last Trading Day; and
- a discount of approximately 69.07% over the Group's audited consolidated net asset value attributable to the Shareholders per Share of approximately HK\$4.85 as at 31 December 2019.

Highest and lowest Share Prices

During the six-month period immediately preceding and including the Last Trading Day:

- (a) the highest closing price of the Shares quoted on the Stock Exchange was HK\$1.83 per Share on 25 October 2019; and
- (b) the lowest closing price of the Shares quoted on the Stock Exchange was HK\$1.29 per Share on 31 March 2020.

Confirmation of financial resources

The Purchaser financed the Acquisitions by Fu's Family Internal Resources. The maximum amount of cash payable by the Joint Offerors in respect of acceptances of the Offer is approximately HK\$500,670,273, assuming full acceptance of the Offer and there is no change in the issued share capital of the Company from the date of this joint announcement up to the close of the Offer. The Joint Offerors intend to finance the Offer by its internal resources (in the case of CGPS HK) and Fu's Family Internal Resources and a credit facility provided by ABCI Securities (in the case of the Purchaser).

The credit facility provided by ABCI Securities to the Purchaser which may be used by the Purchaser for the acquisition of the Offer Shares under the Offer and is secured by, among others, share charges over (i) the aggregate of 260,325,467 Shares, representing approximately 38.62% of the total issued share capital of the Company as at the date of this joint announcement, held by the Purchaser Concert Group immediately prior to the Acquisitions; (ii) the Sale Shares acquired by the Purchaser under the Acquisitions; and (iii) the Offer Shares to be acquired by the Purchaser under the Offer.

ABCI Capital, the financial adviser to the Joint Offerors, is satisfied that sufficient financial resources are, and will remain, available to the Joint Offerors to satisfy full acceptance of the Offer.

Effect of accepting the Offer

By accepting the Offer, the Independent Shareholders shall sell their Shares free from all encumbrances and with all rights and benefits at any time accruing and attached to them, including the rights to receive all dividends and distributions declared, made or paid on or after the date on which the Offer is made. A final dividend of HK8 cents per Share was proposed by the Board for the year ended 31 December 2019 as disclosed in the Company's announcement dated 30 March 2020. Subject to the approval of the Shareholders at the forthcoming annual general meeting of the Company, the final dividend will be payable on or about 30 July 2020 to Shareholders whose names appear on the register of members of the Company at the close of business on 10 July 2020. In the event that the relevant Offer Shares are acquired by any one of the Joint Offerors before the Record Date, the declared dividend in respect of such Offer Shares will become its entitlement. In the event that the relevant Offer Shares are acquired by any one of the Joint Offerors after the Record Date, the declared dividend in respect of such Offer Shares will be the entitlement of the Shareholders whose names appear on the register of members on the Record Date, and the Offer Price after deducting the declared dividend will become the consideration for each Offer Share for such Shareholders. Except as noted above, as at the date of this joint announcement, (i) the Company has no outstanding dividends/distribution declared; and (ii) the Company does not have any intention to make, declare or pay and future dividend/make other distribution during offer period under the Takeovers Code.

Acceptance of the Offer by any Independent Shareholders will be deemed to constitute a warranty by such person that all the Shares sold by such person under the Offer are free from all encumbrances and with all rights and benefits at any time accruing and attached to them, including the rights to receive all dividends and distributions declared, made or paid on or after the date on which the Offer is made.

Acceptance of the Offer will be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

Payment

Payment in cash in respect of acceptances of the Offer will be made as soon as possible within seven business days (as defined in the Takeovers Code) of the date of receipt of a duly completed acceptance. Relevant documents evidencing title must be received by or on behalf of the Joint Offerors to render such acceptance of the Offer complete and valid.

Hong Kong stamp duty

Seller's ad valorem stamp duty at a rate of 0.1% of the market value of the Shares or consideration payable by the Joint Offerors in respect of the relevant acceptances of the Offer, whichever is higher, will be deducted from the consideration payable to the relevant Shareholders on acceptances of the Offer. The Joint Offerors will arrange for payment of the sellers' ad valorem stamp duty on behalf of the accepting Shareholders and pay the buyer's ad valorem stamp duty in connection with the acceptances of the Offer and the transfer of the Offer Shares.

Overseas Shareholders

As the Offer to persons not being resident in Hong Kong may be affected by the laws of the relevant jurisdiction in which they are resident, the Overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek legal advice. It is the sole responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Offer (including the obtaining of any governmental, exchange control or other consent which may be required, the compliance with other necessary formalities and the payment of any transfer or other taxes due in respect of such jurisdictions).

If the receipt of the Composite Document by the Overseas Shareholders is prohibited by any applicable laws and regulations and may only be effected upon compliance with conditions or requirements in such overseas jurisdictions that would be unduly burdensome, the Composite Document, subject to the Executive's consent, will not be despatched to such Overseas Shareholders. In those circumstances, the Joint Offerors will apply for any waiver as may be required by the Executive pursuant to Note 3 to Rule 8 of the Takeovers Code at such time.

Any acceptance of the Offer by such Overseas Shareholders will be deemed to constitute a representation and warranty from such Overseas Shareholders to the Joint Offerors that the applicable local laws and requirements have been complied with. The Overseas Shareholders should consult their professional advisers if in doubt.

Taxation advice

The Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Joint Offerors, parties acting in concert with the Joint Offerors, the Company, the Vendors, and their respective ultimate beneficial owners, directors, advisers, agents or associates or any other person involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

DEALING AND INTERESTS IN SECURITIES OF THE COMPANY

The Joint Offerors confirm that as at the date of this joint announcement:

- (a) save as disclosed under the section headed "Shareholding Structure of the Company" below, none of the Joint Offerors nor any person acting in concert with any of them owned or had control or direction over any voting rights or rights over the Shares or convertible securities, warrants, options of the Company or any derivatives in respect of such securities;

- (b) save for acquisition of the Sale Shares, none of the Joint Offerors nor any person acting in concert with any of them had dealt for value in any Shares, convertible securities, warrants or options of the Company or any derivatives in respect of such securities in the six months prior to 28 April 2020, being the date of this joint announcement and the commencement date of the offer period under the Takeovers Code;
- (c) there is no arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Joint Offerors or the Shares and which might be material to the Offer;
- (d) save for the Share Purchase Agreements, there is no agreement or arrangement to which the Joint Offerors or any person acting in concert with any of them, is a party which relates to circumstances in which the Joint Offerors may or may not invoke or seek to invoke a pre-condition or a condition to the Offer;
- (e) none of the Joint Offerors nor any person acting in concert with any of them has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;
- (f) none of the Joint Offerors nor any person acting in concert with any of them has received any irrevocable commitment to accept the Offer;
- (g) there is no agreement or arrangement in relation to outstanding derivative in respect of the securities in the Company which has been entered into by any of the Joint Offerors, nor any person acting in concert with any of them;
- (h) other than the consideration for the sale and purchase of the Sale Shares under the Share Purchase Agreements, there is no other consideration, compensation or benefits in whatever form paid or to be paid by the Joint Offerors or any parties acting in concert with any of them to the Vendors or any party acting in concert with any of the Vendors in connection with the sale and purchase of the Sale Shares under the Share Purchase Agreements;
- (i) save for the Share Purchase Agreements, there is no understanding, arrangement or special deal (as defined under Rule 25 of the Takeovers Code) between each of the Vendors and any parties acting in concert with any of them on one hand, and the Joint Offerors or any parties acting in concert with any of them on the other hand; and
- (j) save for the Share Purchase Agreements, there is no understanding, arrangement or agreement or special deal (as defined under Rule 25 of the Takeover Code) between (i) any Shareholder; and (ii)(a) the Joint Offerors and any parties acting in concert with any of them or (ii)(b) the Company, its subsidiaries or associated companies.

INFORMATION ON THE GROUP

The Company was incorporated in the Cayman Islands with limited liability and its issued shares have been listed on Main Board since 15 July 2004.

The Group is principally engaged in the property real estate agency businesses. The Company mainly operates through two segments. Property real estate agency segment is engaged in the provision of first-hand real estate services to property developers and secondary real estate services. The financial services segment is engaged in the provision of mortgage referral and loan financing services to individuals or companies.

SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this joint announcement, the authorised share capital of the Company is HK\$80,000,000 divided into 8,000,000,000 ordinary shares, and there are 674,149,989 Shares in issue. The Company does not have any outstanding options, warrants or derivatives or convertible rights affecting the Shares.

The shareholding structure of the Company (i) immediately before Completion; and (ii) immediately after Completion and as at the date of this joint announcement:

	Immediately before Completion		Immediately after Completion and as at the date of this joint announcement	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Joint Offerors				
Purchaser (Notes 1 & 4)	50,718,000	7.52	130,762,340	19.39
CGPS HK	—	—	—	—
Parties acting in concert with the Joint Offerors				
Purchaser Concert Group:				
Fu's Family Limited (Note 2)	174,184,799	25.84	174,184,799	25.84
Mr. Fu (Note 1)	28,024,334	4.16	28,024,334	4.16
Ms. Ng Wan (Note 2)	7,398,334	1.10	7,398,334	1.10
Parties acting in concert with CGPS HK	—	—	—	—
Sub-total of the Joint Offerors and the parties acting in concert with them	260,325,467	38.62	340,369,807	50.49
Other substantial shareholders				
Fang Holdings Limited (Note 3)	111,885,625	16.60	111,885,625	16.60
Vendors (Note 4)	80,044,340	11.87	—	—
Independent Shareholders	221,894,557	32.91	221,894,557	32.91
	674,149,989	100.00	674,149,989	100.00

Notes:

- (1) Mr. Fu is the sole director and sole legal and beneficial owner of the Purchaser.
- (2) Fu's Family Limited is owned as to 70% by Mr. Fu, 15% by Ms. Ng Wan and 15% by Ms. Fu Man. Ms. Ng Wan is an executive Director and the spouse of Mr. Fu. Ms. Fu Man is an executive Director and the sister of Mr. Fu.
- (3) Fang Holdings Limited (formerly known as SouFun Holdings Limited) is a trust in which the trustees are Caldstone Enterprises Limited, Seletar Limited and Serangoon Limited. Next Decade Investments Limited and Media Partner Technology Limited are its controlling shareholders. The founder of the trust is Mr. Mo Tianquan, the non-executive Director.
- (4) The above interest of the Vendors as at the date of this joint announcement and interest of the Purchaser immediately after Completion but before the Offer includes the indirect interest in 18,344,077 Shares through ownership of the one share of Happy Chord.

INFORMATION ON THE JOINT OFFERORS

The Joint Offerors are China-net Holding Ltd. and Country Garden Property Services HK Holdings Company Limited.

Information on China-net Holding Ltd.

China-net Holding Ltd. is a company incorporated in the BVI with limited liability and is principally engaged in investment holding. As at the date of this joint announcement, save for holding of the Shares, it is not engaged in any other business activities. As at the date of this joint announcement, its sole director and sole legal and beneficial owner is Mr. Fu Wai Chung, the chairman and an executive director of the Company.

Information on Country Garden Property Services HK Holdings Company Limited

CGPS HK, a company incorporated in Hong Kong with limited liability, is an indirect wholly-owned subsidiary of CGSH, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board (stock code: 6098). CGSH and CGPS HK are investment holding companies, together with their subsidiaries, principally engaged in provision of property management services, community value-added services and value-added services to non-property owners and provision of heat supply services in the PRC. The ultimate controlling shareholder of CGSH is Ms. Yang Huiyan, who is interested in approximately 53.04% of the total issued shares of CGSH as at the date of this joint announcement.

Both CGSH and the Company are engaged in the property industry in the PRC. CGSH and its subsidiaries are principally engaged in, among others, provision of property management services while the Company and its subsidiaries are principally engaged in property real estate agency businesses.

INTENTIONS OF THE JOINT OFFERORS REGARDING THE GROUP

Immediately following the close of the Offer, the Joint Offerors intend that the Group will continue its existing property real estate agency businesses.

The Joint Offerors intend to continue the employment of the existing management and employees of the Group. Any future changes to the members of the Board will be made in compliance with the Takeovers Codes and/or the Listing Rules and further announcement(s) will be made as and when appropriate.

Save for the intention of the Joint Offerors regarding the Group as set out above, (i) the Joint Offerors have no intention to make material changes to the employment of the employees of the Group; (ii) the Joint Offerors have no intention to dispose of or re-deploy the assets of the Group other than those in its ordinary course of business; and (iii) as at the date of this joint announcement, no investment or business opportunity has been identified nor has any of the Joint Offerors entered into any agreement, arrangement, understandings or negotiation in relation to the injection of any assets or business into the Group.

PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY

The Stock Exchange has stated that if, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares, are held by the public at all times, or if the Stock Exchange believes that:

- a false market exists or may exist in the trading of the Shares;
- that there are insufficient Shares in public hands to maintain an orderly market;

it will consider exercising its discretion to suspend dealings in the Shares.

The Joint Offerors intend to maintain the listing of the Shares on the Stock Exchange. The directors of the Joint Offerors and the new Directors to be appointed to the Board will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

Pursuant to Rule 2.1 of the Takeovers Code, the Independent Board Committee comprising all the non-executive Directors namely Mr. Lam King Pui, Mr. Ng Keung, Mrs. Wong Law Kwai Wah, Karen and Mr. Mo Tianquan, has been formed to advise the Independent Shareholders as to whether the terms of the Offer are fair and reasonable and as to acceptance of the Offer.

With the approval of the Independent Board Committee, the Company has appointed the Independent Financial Adviser to advise the Independent Board Committee in respect of the Offer and, in particular, as to whether the Offer is fair and reasonable and as to acceptance of the Offer.

The advice of the Independent Financial Adviser and the recommendations of the Independent Board Committee will be included in the Composite Document despatched to the Shareholders.

DESPATCH OF THE COMPOSITE DOCUMENT

It is the intention of the Joint Offerors and the Company to combine the offer document and the offeree's board circular in the Composite Document to be posted.

Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document setting out, among others, (i) further details of the Offer; (ii) a letter of recommendation from the Independent Board Committee; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee in respect of the terms of the Offer and as to the acceptance of the Offer; and (iv) the relevant form(s) of acceptance and transfer, will be despatched to the Shareholders within 21 days after the date of this joint announcement or such later date as the Executive may approve. Further announcement(s) will be made when the Composite Document is despatched.

The Independent Shareholders are encouraged to read the Composite Document carefully, including the advice from the Independent Financial Adviser to the Independent Board Committee and the recommendation from the Independent Board Committee to the Independent Shareholders in respect of the terms of the Offer and as to the acceptance of the Offer.

WARNING

This joint announcement is made in compliance with the Takeovers Code for the purpose of, amongst other things, informing Shareholders of the fact that the Company has been informed that the Offer will be made. The Directors make no recommendation as to the fairness or reasonableness of the Offer or as to the acceptance of the Offer in this joint announcement.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares. If Shareholders and potential investors are in any doubt about their position, they should consult their professional advisers.

TRADING SUSPENSION AND RESUMPTION OF TRADING IN THE SHARES

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on 16 April 2020 pending the release of this joint announcement. Application has been made by the Company for resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 29 April 2020.

DISCLOSURE OF DEALINGS

In accordance with Rule 3.8 of the Takeovers Code, associates of the Company or the Joint Offerors (including persons holding 5% or more of a class of relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) of the Company or the Joint Offerors) are reminded to disclose their dealings in the securities of the Company pursuant to the Takeovers Code.

The full text of Note 11 of Rule 22 of the Takeovers Code is reproduced below pursuant to Rule 3.8 of the Takeovers Code:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates of an offeror or the offeree company and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

DEFINITIONS

In this joint announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“ABCI Capital”	ABCI Capital Limited, a licensed corporation to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activity under the SFO, the financial adviser to the Joint Offerors
“ABCI Securities”	ABCI Securities Company Limited, a licensed corporation to carry out type 1 (dealing in securities) and type 4 (advising on securities) regulated activity under the SFO
“Acquisitions”	the purchase of the Sale Shares by the Purchaser from the Vendors in accordance with the terms and conditions of the Share Purchase Agreements
“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“associate(s)”	has the meaning ascribed to it under the Takeovers Code
“Board”	the board of Directors
“Bravo Group”	Bravo Group Holdings Limited is a company incorporated in Hong Kong with limited liability and wholly owned by Win Ever

“Business Day(s)”	a day on which the Stock Exchange is open for the transaction of business
“BVI”	the British Virgin Islands
“CGSH”	Country Garden Services Holdings Company Limited, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board (stock code: 6098)
“CGPS HK”	Country Garden Property Services HK Holdings Company Limited, a company incorporated in Hong Kong with limited liability, being one of the Joint Offerors and an indirect wholly owned subsidiary of CGSH
“Company”	Hopefluent Group Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability whose ordinary shares are listed on the Main Board (stock code: 733)
“Completion”	completion of the Acquisitions in accordance with the terms and conditions precedent of the Share Purchase Agreements
“Completion Date”	17 April 2020, being the date of Completion in accordance with the terms of the Share Purchase Agreements
“Composite Document”	the composite offer and response document to be jointly issued by the Joint Offerors and the Company to the Shareholders in connection with the Offer in compliance with the Takeovers Code containing, among other things, details of the Offer (accompanied by the forms of acceptance and transfer), a letter of recommendation from the Independent Board Committee, and a letter of advice from the Independent Financial Adviser
“Concert Group Agreement”	the conditional concert group agreement dated 15 April 2020 between the Purchaser and CGPS HK
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“controlling shareholder”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any of his delegates
“Fu’s Family Internal Resources”	the internal resources of (i) Mr. Fu; and (ii) companies wholly and beneficially owned by Mr. Fu Ear Ly

“Group”	the Company together with its subsidiaries
“Happy Chord”	Happy Chord Limited, a company incorporated in BVI with limited liability, which owns approximately 2.72% of the total issued share capital of the Company as at the date of this joint announcement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent committee of the Board comprising all the non-executive Directors who have no direct or indirect interest in the Offer, established for the purpose of advising the Independent Shareholders in respect of the Offer and in particular as to whether the terms of the Offer are fair and reasonable and as to the acceptance of the Offer
“Independent Financial Adviser”	Octal Capital Limited, a licensed corporation to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activity under the SFO, the independent financial adviser appointed for the purpose of advising the Independent Board Committee in respect of the terms of the Offer and as to acceptance of the Offer
“Independent Shareholder(s)”	holder(s) of Share(s), other than the Joint Offerors and parties acting in concert with any of them
“Joint Offerors”	collectively, the Purchaser and CGPS HK
“Last Trading Day”	15 April 2020, being the last trading day immediately prior to the suspension of trading in the Shares pending the release of this joint announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	the main board maintained and operated by the Stock Exchange
“Mr. Fu”	Mr. Fu Wai Chung, the chairman and an executive director of the Company
“Mr. Fu Ear Ly”	Fu Ear Ly, the son of Mr. Fu and Ms. Ng Wan

“Offer”	the mandatory unconditional cash offer to be made by ABCI Capital, on behalf of the Joint Offerors, to acquire all the issued Shares not already owned or agreed to be acquired by the Joint Offerors and parties acting in concert with them subject to the conditions summarised in this joint announcement and in accordance with the Takeovers Code
“Offer Shares”	any of the 333,780,182 Shares that are subject to the Offer
“Overseas Shareholders”	Shareholder(s) whose address(es), as shown on the register of members of the Company is/are outside Hong Kong
“PRC”	the People’s Republic of China, which for the purpose of this joint announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Purchaser”	China-net Holding Ltd., a company incorporated in the BVI with limited liability, being the purchaser under the Share Purchase Agreements and one of the Joint Offerors
“Purchaser Concert Group”	the parties acting in concert or presumed to be acting in concert with the Purchaser under the Takeovers Code, including Mr. Fu, Ms. Ng Wan, Mr. Fu Ear Ly, Fu’s Family Limited, Win Ever and Bravo Group but excluding CGPS HK
“Record Date”	10 July 2020, being the expected record date for the purpose of ascertaining the entitlements to the final dividends for the year ended 31 December 2019 of HK8 cents per Share as proposed by the Board and subject to the approval of the Shareholders at the forthcoming annual general meeting of the Company
“Sale Shares”	61,700,263 Shares agreed to be sold by Vendors A and agreed to be acquired by the Purchaser pursuant to the terms and conditions of Share Purchase Agreement A and one share of Happy Chord agreed to be sold by the Vendor B and agreed to be acquired by the Purchaser pursuant to the terms and conditions of Share Purchase Agreement B
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) in the issued share capital of the Company
“Share Purchase Agreement A”	the conditional agreement dated 15 April 2020 and entered into among Vendors A and the Purchaser for the sale and purchase of a total of 61,700,263 Shares

“Share Purchase Agreement B”	the conditional agreement dated 15 April 2020 and entered into among Vendor B and the Purchaser for the sale and purchase of one share of Happy Chord representing its entire issued share capital
“Share Purchase Agreements”	collectively, Share Purchase Agreement A and Share Purchase Agreement B
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Vendors A”	collectively, Mr. Chan Kim Ping, Mr. Liang Guohong, Ever Founder (China) Limited, Ms. Yi Jian, Ms. Yang Xiaojia, Wan Ying Holdings Limited and Apex Honour Investments Limited
	Ever Founder (China) Limited is a company incorporated in Hong Kong with limited liability and beneficially and wholly owned by Mr. Zheng Songjie
	Wan Ying Holdings Limited is a company incorporated in BVI with limited liability and is beneficially and wholly owned by Mr. Deng Ting
	Apex Honour Investments Limited is a company incorporated in BVI with limited liability and is beneficially and wholly owned by Ms. Cui Ran
	Mr. Liang Guohong, Ms. Yi Jian, Ms. Yang Xiaojia Mr. Zheng Songjie are each an employee of the Group
“Vendor B”	Mr. Tan Liangtao
“Vendors”	collectively, Vendors A and Vendor B
“Win Ever”	Win Ever Group Holdings Ltd, a company incorporated in BVI with limited liability and wholly owned by Mr. Fu Ear Ly
“%”	per cent.

Certain amounts and percentage figures in this joint announcement have been subject to rounding adjustments.

By order of the board of
director of
China-net Holding Ltd.
Fu Wai Chung
Sole Director

By order of the board of
directors of
**Country Garden Property
Services HK Holdings
Company Limited**
Li Changjiang
Director

By order of the Board of
**Hopefluent Group Holdings
Limited**
Lo Yat Fung
Executive Director

Hong Kong, 28 April 2020

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than those relating to the Vendors, CGSH, the Joint Offerors and parties acting in concert with any of them) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Vendors, the sole director of the Purchaser, the directors of CGPS HK and the directors of CGSH) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statements in this joint announcement misleading.

As at the date of this joint announcement, the executive directors of the Company are Mr. FU Wai Chung, Ms. NG Wan, and Ms. FU Man and Mr. LO Yat Fung; the non-executive director of the Company is Mr. MO Tianquan; and the independent non-executive directors of the Company are Mr. LAM King Pui, Mr. NG Keung and Mrs. WONG LAW Kwai Wah, Karen.

As at the date of this joint announcement, the sole director of the Purchaser is Mr. FU Wai Chung. Mr. FU Wai Chung accepts full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to CGSH and CGPS HK, their respective associates and parties acting in concert) and confirm, having made all reasonable inquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than that expressed by the directors of CGPS HK and the directors of CGSH) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statements in this joint announcement misleading.

As at the date of this joint announcement, the directors of CGPS HK are Ms. YANG Huiyan, Mr. YANG Zhicheng and Mr. LI Changjiang. The directors of CGPS HK jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than those relating to the Group, the Vendors and the Purchaser, their respective associates and parties acting in concert) and confirm, having made all reasonable inquiries, that to the best of his/her knowledge, opinions expressed in this joint announcement (other than those expressed by the Directors, the Vendors and the sole director of the Purchaser) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statements in this joint announcement misleading.

As at the date of this joint announcement, the executive directors of CGSH are Mr. LI Changjiang, Mr. XIAO Hua and Mr. GUO Zhanjun; the non-executive directors of CGSH are Ms. YANG Huiyan (Chairman), Mr. YANG Zhicheng and Ms. WU Bijun; and the independent non-executive directors of CGSH are Mr. MEI Wenjue, Mr. RUI Meng and Mr. CHEN Weiru. The directors of CGSH jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than those relating to the Group, the Vendors and the Purchaser, their respective associates and parties acting in concert) and confirm, having made all reasonable inquiries, that to the best of his/her knowledge, opinions expressed in this joint announcement (other than those expressed by the Directors, the Vendors and the sole director of the Purchaser) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statements in this joint announcement misleading.