

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



PROSPER ONE INTERNATIONAL HOLDINGS COMPANY LIMITED

富一國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1470)

CONTINUING CONNECTED TRANSACTIONS AND DISCLOSEABLE AND CONNECTED TRANSACTION

THE CONTINUING CONNECTED TRANSACTIONS

The Company entered into the 2022 CCT Agreements with Ruixing and Nongyuan on 18 February 2022 respectively to regulate the transactions with the Ruixing Group and the Nongyuan Group in relation to the purchase and sale of fertilisers and other products from/to members of the Ruixing Group and the Nongyuan Group.

As Ruixing is controlled by Mr. Meng Guangyin who is the controlling shareholder of the Company, Ruixing is a connected person of the Company and the Ruixing Purchases and the Ruixing Sales constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As Nongyuan is a company owned as to 51% by Mr. Meng Xiao who is a cousin of Mr. Meng Guangyin (the controlling shareholder of the Company), Nongyuan is a connected person of the Company and the Nongyuan Purchases constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the annual caps for each of the Continuing Connected Transactions exceeds 5%, the entering into of the 2022 CCT Agreements (including the respective annual caps) is subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

The EGM will be convened and held to seek approval of the Independent Shareholders for each of the 2022 CCT Agreements and the transactions contemplated thereunder (including the respective annual caps).

The Independent Board Committee comprising all the independent non-executive Directors, namely Mr. Tian Zhiyuan, Mr. Lee Chun Keung and Mr. Wang Luping, has been established to advise the Independent Shareholders on the 2022 CCT Agreements and the transactions contemplated thereunder (including the respective annual caps). Opus Capital Limited has been appointed by the Company as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among other things, (i) further details of the 2022 CCT Agreements and the transactions contemplated thereunder; (ii) a letter of recommendation from the Independent Board Committee in respect of the 2022 CCT Agreements; (iii) a letter of advice from Opus Capital Limited to the Independent Board Committee and the Independent Shareholders in respect of the 2022 CCT Agreements; and (iv) a notice convening the EGM, will be despatched to the Shareholders on or before 9 March 2022.

THE DISPOSAL

On 18 February 2022, the Vendor (an indirect wholly-owned subsidiary of the Company) and the Purchaser entered into the Disposal Agreement, pursuant to which the Vendor agreed to sell, and the Purchaser agreed to purchase, the Sale Share and the Sale Loan at a consideration of HK\$14.4 million. Completion took place upon signing of the Disposal Agreement.

As the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the Disposal exceeds 5% but is less than 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements pursuant to Chapter 14 of the Listing Rules.

As the Purchaser is a director of certain subsidiaries of the Company, the Purchaser is a connected person of the Company at subsidiary level and the Disposal constitutes a connected transaction of the Company under the Listing Rules. As the Board has approved the Disposal and the independent non-executive Directors have confirmed that (i) the terms of the Disposal Agreement are fair and reasonable and (ii) the Disposal is on normal commercial terms and in the interests of the Company and the Shareholders as a whole, the Disposal is exempt from the circular, independent financial advice and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

1. CONTINUING CONNECTED TRANSACTIONS

On 23 September 2019, the Company entered into the 2019 CCT Agreements with Ruixing and Nongyuan respectively to regulate the transactions with the Ruixing Group and the Nongyuan Group in relation to the purchase and sale of fertilisers and other products from/to members of the Ruixing Group and the Nongyuan Group. As the 2019 CCT Agreements will expire on 30 April 2022, the Company entered into the 2022 CCT Agreements with Ruixing and Nongyuan on 18 February 2022 respectively to regulate the above transactions to be conducted during the three years from 1 May 2022 to 30 April 2025.

Details of the terms of the 2022 CCT Agreements are set out below.

The 2022 Ruixing Purchase Agreement

Date

18 February 2022

Parties

- (i) The Company as purchaser; and
- (ii) Ruixing as supplier.

Ruixing is a company owned as to 46.23% by Mr. Meng Guangyin, an executive Director and the ultimate controlling shareholder of the Company interested in 600,000,000 Shares (representing 75% of the issued share capital of the Company as at the date of this announcement). Accordingly, Ruixing is a connected person of the Company under Chapter 14A of the Listing Rules. The Ruixing Group is a large-scale agriculture enterprise in the PRC and its members are principally engaged in the manufacture and sale of fertilisers, grain storage and processing, land transfers, financial services, technology research and development, and international trading.

Subject matter

Pursuant to the 2022 Ruixing Purchase Agreement, members of the Ruixing Group shall supply fertilisers such as urea and compound fertilisers to the Group based on the specifications, quantity, price and delivery date as agreed between the parties for the period from 1 May 2022 to 30 April 2025.

Pricing and other terms

The parties agree that the prices of fertilisers shall be determined with reference to the prevailing market prices (such as quotes from reputable websites), and the pricing and other terms of the Ruixing Purchases shall be on normal commercial terms and no less favourable to the Group than those available from independent third parties.

Conditions precedent

The 2022 Ruixing Purchase Agreement shall become effective upon fulfilment of all of the following conditions:

- (i) the Shareholders (other than those who are required to abstain from voting under the Listing Rules or other applicable laws and regulations) having passed the ordinary resolution approving the 2022 Ruixing Purchase Agreement and the transactions contemplated thereunder (including the relevant annual caps), if applicable;
- (ii) Ruixing having obtained all approvals for the execution of the 2022 Ruixing Purchase Agreement and the transactions contemplated thereunder; and
- (iii) the Company having obtained all approvals for the execution of the 2022 Ruixing Purchase Agreement and the transactions contemplated thereunder.

None of the conditions above can be waived by any party. If the conditions above are not fulfilled on or before the Long Stop Date, the 2022 Ruixing Purchase Agreement shall be terminated and no parties shall have any obligations and liabilities towards the other thereunder save for any antecedent breaches.

Annual caps

Pursuant to the 2022 Ruixing Purchase Agreement, the transaction value of the products (tax exclusive) to be purchased by the Group from the Ruixing Group must not exceed HK\$500 million, HK\$600 million and HK\$700 million for the three years ending 30 April 2023, 2024 and 2025, respectively.

The annual caps were determined after taking into account (i) the historical transaction values of the Ruixing Purchases; (ii) the Company's intention to gradually shift more purchases of fertilisers to the Ruixing Group as it provides a more stable supply; (iii) the potential growth in demand of fertilisers from the Group's customers; and (iv) the potential exchange rate fluctuation between RMB and HK\$. The historical transaction values for the Ruixing Purchases were approximately HK\$213.4 million, approximately HK\$147.0 million and approximately HK\$241.8 million for the two years ended 30 April 2020 and 2021, and the nine months ended 31 January 2022 respectively.

The 2022 Ruixing Supply Agreement

Date

18 February 2022

Parties

- (i) Ruixing as purchaser; and
- (ii) the Company as supplier.

As mentioned above, Ruixing is a connected person of the Company under Chapter 14A of the Listing Rules.

Subject matter

Pursuant to the 2022 Ruixing Supply Agreement, the Group shall supply crude glycerine to the Ruixing Group based on the specifications, quantity, price and delivery date as agreed between the parties for the period from 1 May 2022 to 30 April 2025.

Pricing and other terms

The parties agree that the prices of crude glycerine shall be determined with reference to the prevailing market prices (such as quotes from reputable websites), and the pricing and other terms of the Ruixing Sales shall be on normal commercial terms and no less favourable to the Group than those offered by the Group to independent third parties.

Conditions precedent

The 2022 Ruixing Supply Agreement shall become effective upon fulfilment of all of the following conditions:

- (i) the Shareholders (other than those who are required to abstain from voting under the Listing Rules or other applicable laws and regulations) having passed the ordinary resolution approving the 2022 Ruixing Supply Agreement and the transactions contemplated thereunder (including the relevant annual caps), if applicable;
- (ii) Ruixing having obtained all approvals for the execution of the 2022 Ruixing Supply Agreement and the transactions contemplated thereunder; and
- (iii) the Company having obtained all approvals for the execution of the 2022 Ruixing Supply Agreement and the transactions contemplated thereunder.

None of the conditions above can be waived by any party. If the conditions above are not fulfilled on or before the Long Stop Date, the 2022 Ruixing Supply Agreement shall be terminated and no parties shall have any obligations and liabilities towards the other thereunder save for any antecedent breaches.

Annual caps

Pursuant to the 2022 Ruixing Supply Agreement, the transaction value of the products (tax exclusive) to be supplied by the Group to the Ruixing Group must not exceed HK\$35 million, HK\$40 million and HK\$45 million for the three years ending 30 April 2023, 2024 and 2025, respectively.

The annual caps were determined after taking into account (i) the historical transaction volume and value of the Ruixing Sales; (ii) the market price of crude glycerine having increased by more than 140% during 2021; (iii) the potential growth in demand of crude glycerine from the Ruixing Group; and (iv) the potential exchange rate fluctuation between RMB and HK\$. The historical transaction values for the Ruixing Sales were approximately HK\$4.0 million, approximately HK\$9.9 million, and approximately HK\$4.3 million for the two years ended 30 April 2020 and 2021 and the nine months ended 31 January 2022 respectively.

The 2022 Nongyuan Purchase Agreement

Date

18 February 2022

Parties

- (i) The Company as purchaser; and
- (ii) Nongyuan as supplier.

Nongyuan is a company owned as to 51% by Mr. Meng Xiao who is a cousin of Mr. Meng Guangyin (the controlling shareholder of the Company) and as to 49% by a third party independent of the Company and its connected persons. Accordingly, Nongyuan is a connected person of the Company under Chapter 14A of the Listing Rules. The Nongyuan Group is principally engaged in the wholesale and retail sale of pesticides, fertilisers, grains and seeds, and sale of agricultural equipment and accessories.

Subject matter

Pursuant to the 2022 Nongyuan Purchase Agreement, members of the Nongyuan Group shall supply fertilisers such as urea and compound fertilisers to the Group based on the specifications, quantity, price and delivery date as agreed between the parties for the period from 1 May 2022 to 30 April 2025.

Pricing and other terms

The parties agree that the prices of fertilisers shall be determined with reference to the prevailing market prices (such as quotes from reputable websites), and the pricing and other terms for the Nongyuan Purchases shall be on normal commercial terms and no less favourable to the Group than those available from independent third parties.

Conditions precedent

The 2022 Nongyuan Purchase Agreement shall become effective upon fulfilment of all of the following conditions:

- (i) the Shareholders (other than those who are required to abstain from voting under the Listing Rules or other applicable laws and regulations) having passed the ordinary resolution approving the 2022 Nongyuan Purchase Agreement and the transactions contemplated thereunder (including the relevant annual caps), if applicable;
- (ii) Nongyuan having obtained all approvals for the execution of the 2022 Nongyuan Purchase Agreement and the transactions contemplated thereunder; and
- (iii) the Company having obtained all approvals for the execution of the 2022 Nongyuan Purchase Agreement and the transactions contemplated thereunder.

None of the conditions above can be waived by any party. If the conditions above are not fulfilled on or before the Long Stop Date, the 2022 Nongyuan Purchase Agreement shall be terminated and no parties shall have any obligations and liabilities towards the other thereunder save for any antecedent breaches.

Annual caps

Pursuant to the 2022 Nongyuan Purchase Agreement, the transaction value of the products (tax exclusive) to be purchased by the Group from the Nongyuan Group must not exceed HK\$200 million, HK\$150 million and HK\$100 million for the three years ending 30 April 2023, 2024 and 2025 respectively.

The annual caps were determined after taking into account (i) the historical transaction values for the Nongyuan Purchases; (ii) the Company's intention to gradually shift more purchases of fertilisers to the Ruixing Group as mentioned above; (iii) the potential growth in demand of fertilisers from the Group's customers; and (iv) the potential exchange rate fluctuation between RMB and HK\$. The historical transaction values for the Nongyuan Purchases were approximately HK\$310.5 million, approximately HK\$251.6 million, and approximately HK\$200.0 million for the two years ended 30 April 2020 and 2021, and the nine months ended 31 January 2022, respectively.

Internal Controls

In addition to the requirements of annual review by external auditors and independent non-executive Directors for the Group's continuing connected transactions under the Listing Rules, the Company has adopted certain control measures over the conduct of the continuing connected transactions, as summarised below.

Specific controls relating to the Ruixing Purchases and the Nongyuan Purchases

- (i) The responsible purchase department staff is required to obtain at least three quotations for the same product in the same quantity from the Group's approved independent suppliers;
- (ii) the responsible purchase department staff will then keep the quotations in record and submit the same to the general manager of the Company for review; and
- (iii) the general manager of the Company is responsible for reviewing the quotations to ensure that the purchase price and other terms offered by the Ruixing Group or the Nongyuan Group are no less favourable to the Group than those available from other independent suppliers, and if so, he will approve the related purchase order.

Specific controls relating to the Ruixing Sales

- (i) When providing quotations to the Ruixing Group, the responsible sales department staff is required to make reference to the recent sale prices offered to other independent customers for the same product (if available), or obtain the latest market price from reputable websites;
- (ii) the responsible sales department staff will then determine the sale price and keep the comparison results in record and submit the same to the general manager of the Company for review; and
- (iii) the general manager of the Company is responsible for reviewing the comparison results to ensure that the sale price and other terms offered by the Group to the Ruixing Group are no more favourable than those offered to independent customers, and if so, he will approve the sales transaction.

Monitoring annual caps

The financial controller of the Group is responsible for monitoring the utilisation of the annual caps for continuing connected transactions. The financial controller of the Group prepares an annual caps utilisation report on a monthly basis, which will be sent to the Board for review. When the transaction amounts of the continuing connected transactions are approaching their respective annual caps, the financial controller will promptly notify the Board for consideration to ensure compliance with the relevant Listing Rules.

Reasons for and Benefits of the Continuing Connected Transactions

The Group is principally engaged in the retail and wholesale of watches in Hong Kong, and sales and trading of fertilisers raw materials, fertilisers products and public consumption products. It is the Group's ordinary and usual course of business to provide procurement services for different raw materials and products based on customer's specifications. The 2022 CCT Agreements are entered into to renew the 2019 CCT Agreements.

The Ruixing Group has been one of the Group's major suppliers of fertilisers with reputable brand, more than 50 years of history and high product quality. Nongyuan is also a major supplier of the Group for fertilisers. The Ruixing Purchases and the Nongyuan Purchases were made to satisfy independent customers' orders and had generated trading profits of approximately HK\$7.6 million and HK\$8.0 million for the two years ended 30 April 2020 and 2021, respectively for the Group. The crude glycerine was procured by the Group for the Ruixing Group as raw materials for its production use as the Ruixing Group does not have the relevant import licence.

Having considered the above, the Directors (excluding the independent non-executive Directors who will form their views after considering the advice of the Independent Financial Adviser) consider that the Continuing Connected Transactions are in the ordinary and usual course of business of the Group, the 2022 CCT Agreements are on normal commercial terms, and the terms of the 2022 CCT Agreements (including the respective annual caps) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

2. THE DISPOSAL

On 18 February 2022, the Vendor (an indirect wholly-owned subsidiary of the Company) and the Purchaser entered into the Disposal Agreement, pursuant to which the Vendor agreed to sell, and the Purchaser agreed to purchase, the Sale Share and the Sale Loan at a consideration of HK\$14.4 million. The principal terms of the Disposal Agreement are set out as follows:

The Disposal Agreement

Date

18 February 2022

Parties

- (i) The Vendor; and
- (ii) the Purchaser.

The Purchaser is a director of certain subsidiaries of the Company, therefore the Purchaser is a connected person of the Company at subsidiary level pursuant to Rule 14A.06 of the Listing Rules.

Subject matter

Pursuant to the Disposal Agreement, the Vendor agreed to sell, and the Purchaser agreed to purchase, the Sale Share and the Sale Loan. The Sale Share represents the entire issued share capital of the Target Company whereas the Sale Loan represents the shareholder's loan owed by the Target Company to the Vendor as at the date of Completion. The principal assets of the Target Company are a yacht and marine club membership, collectively the "**Principal Assets**"), details of which are set out in the section headed "Information on the Target Company" below. As at 31 January 2022, the Sale Loan amounted to approximately HK\$13.6 million.

Consideration

The aggregate consideration for the Sale Share and the Sale Loan was HK\$14.4 million, of which the consideration for the Sale Loan shall be equal to the face value of the Sale Loan as at the date of Completion on a dollar-to-dollar basis. The aggregate consideration for the Disposal was determined after arm's length negotiations between the Vendor and the Purchaser by reference to (i) the valuation of the Principal Assets assessed by an independent professional valuer based on a combination of cost and market approaches showing an aggregate market value of HK\$14.4 million as at 31 January 2022 (the "**Valuation**"); (ii) the unaudited book value of the Principal Assets of approximately HK\$7.03 million as at 31 January 2022; (iii) the unaudited net liabilities of approximately HK\$6.54 million recorded by the Target Company as at 31 January 2022; and (iv) the amount of the Sale Loan of approximately HK\$13.6 million as at 31 January 2022.

The consideration for the Disposal has been paid by the Purchaser to the Vendor in cash upon Completion, which took place upon signing of the Disposal Agreement. Upon Completion, the Target Company ceased to be a subsidiary of the Company.

Information on the Target Company

The Target Company is a company incorporated in Hong Kong with limited liability. The Principal Assets comprise an Azimut 60 yacht (the “**Yacht**”) and a marine club membership including the right of occupying a berth in Hong Kong (the “**Membership**”). The Target Company does not have other material assets and liabilities other than the Yacht, the Membership and the Sale Loan.

The Yacht

The Yacht was purchased by the Target Company from the dealer in 2019 at the price of HK\$14 million. As at 31 January 2022, the market value of the Yacht amounted to HK\$10.3 million according to the Valuation.

The Membership

The Membership is a corporate membership of Marine Club of Hong Kong Marina Limited with a berthing right of a 60 feet berth. As at 31 January 2022, the market value of the Membership amounted to HK\$4.1 million according to the Valuation.

The Sale Loan

The Sale Loan represents the shareholder’s loan owed by the Target Company to the Vendor as at the date of Completion. As at 31 January 2022, the Sale Loan amounted to approximately HK\$13.6 million.

Financial Information of the Target Company

Set out below is a summary of the financial information of the Target Company for the two years ended 30 April 2020 and 2021 prepared in accordance with the Hong Kong Financial Reporting Standards:

	For the year ended 30 April	
	2020	2021
	(HK\$'000)	(HK\$'000)
Loss before tax	3,196	2,625
Loss after tax	3,196	2,625

The losses for the year ended 30 April 2020 and 2021 were mainly due to depreciation of the Yacht. As at 31 January 2022, the Target Company had net liabilities of approximately HK\$6.5 million.

Financial Impact of the Disposal

Based on the consideration for the Disposal of HK\$14.4 million, the unaudited net liabilities of the Target Company of approximately HK\$6.5 million and the amount of the Sale Loan of approximately HK\$13.6 million as at 31 January 2022, the Company is expected to record a gain from the Disposal of approximately HK\$7.3 million (before tax and expenses) as a result of the Disposal (subject to audit).

Reasons for and benefits of the Disposal

The Disposal enables the Group to re-allocate its resources to its core businesses effectively. The net proceeds from the Disposal in the sum of approximately HK\$14.2 million will be used as the general working capital of the Group.

The Board (including the independent non-executive Directors) considers that the terms of the Disposal Agreement are fair and reasonable, and the Disposal is on normal commercial terms and in the interests of the Company and Shareholders as a whole.

3. LISTING RULES IMPLICATIONS

The Continuing Connected Transactions

As Ruixing is controlled by Mr. Meng Guangyin who is the controlling shareholder of the Company, Ruixing is a connected person of the Company and the Ruixing Purchases and the Ruixing Sales constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As Nongyuan is a company owned as to 51% by Mr. Meng Xiao who is a cousin of Mr. Meng Guangyin (the controlling shareholder of the Company), Nongyuan is a connected person of the Company and the Nongyuan Purchases constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the annual caps for each of the Continuing Connected Transactions exceeds 5%, the entering into of the 2022 CCT Agreements (including the respective annual caps) is subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

By virtue of Mr. Meng Guangyin being the controlling shareholder of Ruixing and the cousin of Mr. Meng Xiao who is the controlling shareholder of Nongyuan, Mr. Meng Guangyin has a material interest in the 2022 CCT Agreements and has abstained from voting on the Board resolutions approving the 2022 CCT Agreements and the transactions contemplated thereunder. Save for the above, none of the Directors had a material interest in the 2022 CCT Agreements who would otherwise be required to abstain from voting on the relevant Board resolutions approving the 2022 CCT Agreements.

The EGM will be convened and held to seek approval of the Independent Shareholders for each of the 2022 CCT Agreements and the transactions contemplated thereunder (including the respective annual caps). As at the date of this announcement, Prosper One Enterprises Limited (a company wholly-owned by Mr. Meng Guangyin) holds 600,000,000 Shares (representing 75% of the issued share capital of the Company) and shall abstain from voting on the relevant resolutions at the EGM.

The Independent Board Committee comprising all the independent non-executive Directors, namely Mr. Tian Zhiyuan, Mr. Lee Chun Keung and Mr. Wang Luping, has been established to advise the Independent Shareholders on the 2022 CCT Agreements and the transactions contemplated thereunder (including the respective annual caps). Opus Capital Limited has been appointed by the Company as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among other things, (i) further details of the 2022 CCT Agreements and the transactions contemplated thereunder; (ii) a letter of recommendation from the Independent Board Committee in respect the 2022 CCT Agreements; (iii) a letter of advice from Opus Capital Limited to the Independent Board Committee and the Independent Shareholders in respect of the 2022 CCT Agreements; and (iv) a notice convening the EGM, will be despatched to the Shareholders on or before 9 March 2022.

The Disposal

As the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the Disposal exceeds 5% but is less than 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements pursuant to Chapter 14 of the Listing Rules.

As the Purchaser is a director of certain subsidiaries of the Company, the Purchaser is a connected person of the Company at subsidiary level and the Disposal constitutes a connected transaction of the Company under the Listing Rules. As the Board has approved the Disposal and the independent non-executive Directors have confirmed that (i) the terms of the Disposal Agreement are fair and reasonable and (ii) the Disposal is on normal commercial terms and in the interests of the Company and the Shareholders as a whole, the Disposal is exempt from the circular, independent financial advice and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

4. DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“2019 CCT Agreements”	(i) the purchase agreement dated 23 September 2019 and the supply agreement dated 23 September 2019, both entered into between the Company and Ruixing, pursuant to which the Group purchased fertilisers and sold crude glycerine to the Ruixing Group, and (ii) the purchase agreement dated 23 September 2019 entered between the Company and Nongyuan, pursuant to which the Group purchased fertilisers from the Nongyuan Group
“2022 CCT Agreements”	the 2022 Nongyuan Purchase Agreement, the 2022 Ruixing Purchase Agreement and the 2022 Ruixing Supply Agreement
“2022 Nongyuan Purchase Agreement”	the framework agreement dated 18 February 2022 entered into between the Company and Nongyuan in relation to the Nongyuan Purchases
“2022 Ruixing Purchase Agreement”	the framework agreement dated 18 February 2022 entered into between the Company and Ruixing in relation to the Ruixing Purchases

“2022 Ruixing Supply Agreement”	the framework agreement dated 18 February 2022 entered into between the Company and Ruixing in relation to the Ruixing Sales
“Board”	the board of Directors
“Company”	Prosper One International Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability with its issued Shares listed and traded on the Main Board of the Stock Exchange (stock code: 1470)
“Completion”	completion of the Disposal pursuant to the terms and conditions of the Disposal Agreement
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Continuing Connected Transactions”	the Nongyuan Purchases, the Ruixing Purchases and the Ruixing Sales
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Sale Share and the Sale Loan by the Vendor to the Purchaser pursuant to the Disposal Agreement
“Disposal Agreement”	the sale and purchase agreement dated 18 February 2022 entered into between the Vendor and the Purchaser in relation to the Disposal
“EGM”	the extraordinary general meeting of the Company to be convened to consider and, if thought fit, approve the 2022 CCT Agreements and the transactions contemplated thereunder (including the respective annual caps)
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Independent Board Committee”	the independent committee of the Board, comprising all the independent non-executive Directors, namely Mr. Tian Zhiyuan, Mr. Lee Chun Keung and Mr. Wang Luping, which has been established to give recommendation to the Independent Shareholders in respect of 2022 CCT Agreements and the transactions contemplated thereunder (including the respective annual caps)
“Independent Financial Adviser”	Opus Capital Limited, a corporation licensed under the SFO to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the 2022 CCT Agreements and the transactions contemplated thereunder (including the respective annual caps)
“Independent Shareholder(s)”	the Shareholders other than those who are required to abstain from voting at the EGM for the resolution(s) approving the 2022 CCT Agreements and the transactions contemplated thereunder (including the respective annual caps) under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	4:00 p.m. on 30 April 2022 (or such other date as agreed between the parties in writing)
“Nongyuan”	山東農源農資有限公司 (Shandong Nongyuan Nongzi Co., Ltd.*), a company established in the PRC and owned as to 51% by Mr. Meng Xiao (a cousin of Mr. Meng Guangyin)
“Nongyuan Group”	Nongyuan and its subsidiaries
“Nongyuan Purchases”	the purchases of fertilisers by the Group from the Nongyuan Group

“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Purchaser”	Mr. Lam Man Wah
“Ruixing”	瑞星集團有限公司 (Ruixing Group Company Limited*), a company established in the PRC and controlled by Mr. Meng Guangyin
“Ruixing Group”	Ruixing and its subsidiaries
“Ruixing Purchases”	the purchases of fertilisers by the Group from the Ruixing Group
“Ruixing Sales”	the supply of crude glycerine by the Group to the Ruixing Group
“Sale Loan”	the shareholder’s loan owed by the Target Company to the Vendor
“Sale Share”	the entire issued share capital of the Target Company
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Fulham Corporation Limited, a company incorporated in Hong Kong and wholly owned by the Vendor immediately before Completion
“Vendor”	Treasure Ascent International Limited, a company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong

“RMB” Renminbi, the lawful currency of the PRC

“%” per cent.

For and on behalf of
Prosper One International Holdings Company Limited
Meng Guangyin
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 18 February 2022

As at the date of this announcement, the Board comprises Mr. Meng Guangyin (chairman and chief executive officer), Mr. Liu Guoqing (chief financial officer), Mr. Liu Jiaqiang and Mr. Li Dongpo as the executive Directors; and Mr. Tian Zhiyuan, Mr. Lee Chun Keung and Mr. Wang Luping as the independent non-executive Directors.

** The English translation of the Chinese names in this announcement, where indicated, are included for information purpose only, and should not be regarded as the official English names of such Chinese names.*