

*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.*

*This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Company.*



## **Value Convergence Holdings Limited**

*(Incorporated in Hong Kong with limited liability)*

Website: <http://www.vcgroup.com.hk>

(Stock Code: 821)

### **DISCLOSEABLE TRANSACTION IN RELATION TO ACQUISITION OF THE SALE SHARES IN THE TARGET COMPANIES INVOLVING THE ISSUE OF CONSIDERATION SHARES AND FURTHER SHARES UNDER SPECIFIC MANDATE**

#### **THE ACQUISITION**

The Board is pleased to announce that, on 25 November 2022 (after trading hours), the Purchaser, being a direct wholly-owned subsidiary of the Company, and the Vendor entered into the Sale and Purchase Agreement, pursuant to which the Vendor conditionally agreed to sell to the Purchaser, and the Purchaser conditionally agreed to purchase from the Vendor, the Sale Shares at the Consideration of HK\$15,000,000 by issuing Consideration Shares by the Company to the Vendor. In addition, subject to the fulfilment of the conditions of the Earnout, the Vendor shall be entitled to the Earnout of not more than HK\$25,000,000 by issuing Further Shares by the Company to the Vendor.

#### **THE SPECIFIC MANDATE**

Pursuant to the Sale and Purchase Agreement, the Company will allot and issue the Consideration Shares and the Further Shares at the Issue Price of HK\$0.1623 per Share to the Vendor under a specific mandate to be obtained at the EGM to settle the Consideration and the Earnout, respectively. An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares and the Further Shares.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, no Shareholder has a material interest in the Acquisition nor will be required to abstain from voting on the resolution to be proposed at the EGM to allot and issue the Consideration Shares and the Further Shares.

### **IMPLICATIONS UNDER THE LISTING RULES**

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Acquisition exceed 5% but are all less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules.

### **GENERAL**

The EGM will be convened and held for the purpose of considering and, if thought fit, approving the Specific Mandate by way of poll. A circular containing further details of the Sale and Purchase Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate) and a notice convening the EGM, is expected to be despatched to the Shareholders on or before 16 December 2022.

**Shareholders and potential investors of the Company should note that the Completion is subject to the fulfilment of the conditions precedent under the Sale and Purchase Agreement. As the Completion may or may not proceed, Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.**

### **THE ACQUISITION**

The Board is pleased to announce that, on 25 November 2022 (after trading hours), the Purchaser, being a direct wholly-owned subsidiary of the Company, and the Vendor entered into the Sale and Purchase Agreement, pursuant to which the Vendor conditionally agreed to sell to the Purchaser, and the Purchaser conditionally agreed to purchase from the Vendor, the Sale Shares at the Consideration of HK\$15,000,000 by issuing Consideration Shares by the Company to the Vendor. In addition, subject to the fulfilment of the conditions of the Earnout, the Vendor shall be entitled to the Earnout of not more than HK\$25,000,000 by issuing Further Shares by the Company to the Vendor.

Upon the Completion, AAM will become an indirect wholly-owned subsidiary of the Company and its financial results will be consolidated into the financial statements of the Company, whereas AIF will be treated as investee company by the Purchaser and its financial results will not be consolidated into the financial statements of the Company.

## THE SALE AND PURCHASE AGREEMENT

Set out below are the principal terms of the Sale and Purchase Agreement:

- Date: 25 November 2022 (after trading hours)
- Parties: (i) Anli Holdings Limited, as the Vendor; and
- (ii) VC Financial Group Limited, as the Purchaser
- (each a “**Party**”, and collectively, the “**Parties**”)

Save for the disclosed, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the Vendor and its ultimate beneficial owner(s) are, as at the date of this announcement, third parties independent of and not connected with the Company or its connected persons (as defined in the Listing Rules).

### **Assets to be acquired**

Pursuant to the Sale and Purchase Agreement and subject to the conditions thereunder, the Vendor agreed to sell to the Purchaser, and the Purchaser agreed to purchase from the Vendor, the Sale Shares free from any encumbrance which are comprised of 7,775,000 issued ordinary shares in AAM, representing the entire issued share capital of AAM and 100 Management Shares, representing the entire issued Management Shares in the share capital of AIF.

### **The Consideration, the Earnout and basis of the Consideration and the Earnout**

#### ***The Consideration***

The Consideration shall be HK\$15,000,000, and the Consideration shall be settled by the Purchaser’s procuring the Company to allot and issue the Consideration Shares at the issue price of HK\$0.1623 per Share to the Vendor at the Completion.

#### ***The Earnout***

Subject to the Completion having taken place on the Completion Date in accordance with the Sale and Purchase Agreement as well as the satisfaction and/or fulfilment of the conditions precedent set out in the Sale and Purchase Agreement in relation to the Earnout, the Vendor may be entitled to the Earnout, and the quantum of the Earnout shall be computed in accordance with the following formula:

$$A \times B - C = D$$

Where:

“A” means the actual audited net profit after tax of AAM as set out in the audited accounts of AAM for the 12 months ended on the first anniversary of the Completion Date

“B” means the agreed price-earning multiple of 10.49

“C” means the Consideration; and

“D” means the amount of the Earnout (if any), which in any event shall not be more than HK\$25,000,000, in case “D” is zero or in the negative, the Vendor shall not be entitled to any Earnout, and no Further Shares shall have to be allotted or issued to the Vendor.

According to a preliminary valuation report prepared by an independent valuer in relation to the valuation of the market value of 100% equity interest of AAM, based on its analysis and adjustment, the mean of the price to earning ratio of the comparable companies was approximately 10.49.

The Vendor shall not be entitled to any Earnout unless the Vendor has not breached any provision of the Sale and Purchase Agreement prior to the Relevant Date and the following conditions precedent are satisfied or fulfilled by the first anniversary of the Completion Date:

- (a) Completion having taken place on the Completion Date in accordance with the Sale and Purchase Agreement;
- (b) the Completion Audited Accounts having been prepared within thirty (30) Business Days of the Completion Date in which it shall be specifically confirmed that with the Waiver having been granted, no money is due and owing by any of the Target Companies to the Vendor or any other party, and the Purchaser being satisfied with the content of the Completion Audited Accounts;
- (c) AIF having continuously managed the Anli Greater China Opportunity Fund Segregated Portfolio and the Anli Opportunity Fund Segregated Portfolio at all times from the Completion Date to the first anniversary of the Completion Date (both days inclusive);
- (d) the licence of AAM to carry on type 9 (asset management) regulated activity as defined in the SFO under Central Entity No. AEL743 (the “Licence”) not having been varied, revoked, suspended, cancelled, withdrawn or otherwise affected in any manner or threatened to be varied, revoked, suspended, cancelled, withdrawn or otherwise affected in any manner at any time prior to the Completion;
- (e) such responsible officers and authorised representatives of AAM as specifically identified by the Purchaser having continued, and the Vendor having procured them to continue, working for AAM on their respective current remuneration package from the Completion Date to the first anniversary of the Completion Date (both days inclusive) or further and/or in the alternative, the Vendor having procured such engagement of responsible officers and/or authorised representatives to the satisfaction of the Purchaser at all times from the Completion Date to the first anniversary of the Completion Date (both days inclusive); and

- (f) during the period commencing on the Completion Date and expiring on the first anniversary of the Completion Date (both days inclusive), the Target Companies not having conducted any business other than, or beyond the scope of, their respective usual business prior to the date of execution of the Sale and Purchase Agreement.

The Earnout, if any, shall be settled by the Purchaser's procuring the Company to allot and issue the Further Shares to the Vendor. The entire portfolio of Further Shares shall not exceed 154,035,736 new Shares.

The aggregate of the Consideration and the maximum of the Earnout will amount to HK\$40 million.

The Consideration and the Earnout was determined after arm's length negotiations between the Purchaser and the Vendor on normal commercial terms, with reference to (i) the track record of the Target Companies, (ii) the net asset value of the Target Companies, (iii) the potential synergy benefits generated through the Acquisition to the Group; and (iv) the calculation of the Earnout with reference to the projected price-earning ratio of the market comparables of the same industry of the Target Companies with the cap of HK\$40 million of the aggregate of the Consideration and the Earnout. As such, the Directors are of the view that consideration and the Earnout is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **The Consideration Shares, the Further Shares and the Issue Price**

### ***Consideration Shares***

The 92,421,442 Consideration Shares represent:

- (i) approximately 4.45% of the total number of issued Shares of the Company as at the date of this announcement;
- (ii) approximately 4.26% of the total number of issued Shares of the Company as enlarged by the allotment and issue of the Consideration Shares immediately after the Completion (assuming there will be no other changes in the total number of issued Shares between the date of this announcement and the allotment and issue of the Consideration Shares); and
- (iii) approximately 3.98% of the total number of issued Shares of the Company as enlarged by the allotment and issue of the Consideration Shares and the Further Shares immediately after the Completion and the Relevant Date, respectively (assuming there will be no other changes in the total number of issued Shares between the date of this announcement and the allotment and issue of the Consideration Shares and the Further Shares).

### ***Further Shares***

The maximum of 154,035,736 Further Shares represent:

- (i) approximately 7.41% of the total number of issued Shares of the Company as at the date of this announcement;
- (ii) approximately 7.10% of the total number of issued Shares of the Company as enlarged by the allotment and issue of the Consideration Shares immediately after the Completion (assuming there will be no other changes in the total number of issued Shares between the date of this announcement and the allotment and issue of the Consideration Shares); and
- (iii) approximately 6.63% of the total number of issued Shares of the Company as enlarged by the allotment and issue of the Consideration Shares and the Further Shares immediately after the Completion and the Relevant Date, respectively (assuming there will be no other changes in the total number of issued Shares between the date of this announcement and the allotment and issue of the Consideration Shares and the Further Shares).

### ***Issue Price***

The Issue Price of HK\$0.1623 represents:

- (i) a discount of approximately 0.43% to the closing price of HK\$0.163 per Share as quoted on the Stock Exchange on the date of the Sale and Purchase Agreement; and
- (ii) a discount of approximately 0.18% to the average closing price of approximately HK\$0.1626 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days immediately prior to the date of the Sale and Purchase Agreement.

The Issue Price was determined after arm's length negotiation between the Company and the Vendor with reference to, among others, the prevailing market prices of the Shares. The Directors consider that the Issue Price is fair and reasonable.

## Conditions precedent of the Acquisition

The Completion shall be subject to the following conditions precedents:

- (a) the Specific Mandate having been granted;
- (b) all necessary consents, confirmations, permits, approvals (including approval of the Acquisition by the Shareholders, if required), licenses and authorisations having been granted by the SFC, the Stock Exchange and, if so required, other relevant governmental departments and/or regulatory authorities in Hong Kong with respect to and/or in connection with the Acquisition as well as the implementation of the Sale and Purchase Agreement, in particular, the approval by SFC to the application of the Purchaser to be the sole shareholder of AAM (collectively, the “**Necessary Approvals**”) which Necessary Approvals shall remain valid and effective up to and including the time immediately prior to Completion and not threatened with any revocation, withdrawal, cancellation or suspension at any time prior to the Completion;
- (c) the Licence not having been varied, revoked, suspended, cancelled, withdrawn or otherwise affected in any manner up to the Completion or threatened to be varied, revoked, suspended, cancelled, withdrawn or otherwise affected in any manner at any time prior to the Completion;
- (d) trading of the Shares on the Stock Exchange not having been suspended for a continuous period of more than thirty (30) trading days (save in respect of any suspension in trading of the Shares for the purposes of clearing the relevant announcement(s) or otherwise in relation to the Acquisition);
- (e) the listing status of the Shares not having been revoked, cancelled, withdrawn or suspended, or further or in the alternative, threatened with any revocation, cancellation, withdrawal or suspension at any time prior to Completion;
- (f) the Shareholding Structure (as defined and shown in the section headed “SHAREHOLDING STRUCTURE OF THE TARGET COMPANIES” below) remaining intact, with the Vendor remaining as the sole legal and beneficial owner of the Sale Shares free from any encumbrance whatsoever;

- (g) the Stock Exchange having granted listing approval for the Consideration Shares and the Further Shares;
- (h) the Waiver having been granted;
- (i) there not having been any material adverse change in the respective financial position of AAM and AIF from 31 October 2021 for AAM and 31 October 2022 for AIF, respectively, up to and inclusive of the Completion Date;
- (j) the Purchaser having completed due diligence examinations on compliance, legal, commercial, financial, management and such other aspects of the respective Target Companies as the Purchaser deems fit and appropriate (the “**DD Examinations**”), with the results of the DD Examinations being satisfactory to the Purchaser;
- (k) the Target Companies not having been disciplined or threatened with any disciplinary action, and not having been subject to any investigation by the SFC, the Stock Exchange, other relevant governmental departments and/or regulatory authorities in Hong Kong up to the Completion; and
- (l) the Vendor’s representations, warranties and undertakings given by the Vendor contained or referred to in the Sale and Purchase Agreement, including certain provisions in the Sale and Purchase Agreement, remaining true and accurate in all respects at the Completion.

Save and except such conditions precedent as set out in conditions precedent (i) to (l) above which may be waived in whole or in part by the Purchaser unilaterally at any time no later than the Long Stop Date by notice in writing to the Vendor, none of the conditions precedent above can be waived by any Party. The Parties shall use their respective best endeavours to ensure that the conditions precedent above (save and except such conditions precedent which has/have been waived by the Purchaser unilaterally pursuant to the foregoing provisions of this paragraph) shall be fulfilled and/or satisfied as soon as possible after the execution of the Sale and Purchase Agreement, and in any event, no later than the Long Stop Date as set out in the paragraph below.



Save as otherwise stated, if any conditions precedent above (save and except such conditions precedent which have been waived by the Purchaser in accordance with the above paragraph) shall not have been fulfilled or satisfied by 5:00 pm on the Long Stop Date, the Sale and Purchase Agreement shall, unless the Parties agree in writing to postpone the Long Stop Date to another date (being a Business Day), automatically terminate and cease to be of any effect except for certain clauses in the Sale and Purchase Agreement which shall remain valid, binding and effective, and none of the Parties shall have any claim of any nature or liabilities thereunder whatsoever against the other Party save for any antecedent breaches of the terms of the Sale and Purchase Agreement.

Without prejudice to any provision of the Sale and Purchase Agreement, if any conditions precedent above (save and except such conditions precedent which have been waived by the Purchaser in accordance with the aforementioned paragraph) shall not have been fulfilled or satisfied by the Long Stop Date, no completion shall take place on the date initially scheduled to be the Completion Date, and no Consideration Shares or Further Shares shall have to be allotted or issued by the Company to the Vendor at all.

### **Completion**

Subject to the conditions precedent of the Acquisition above having been fulfilled and/or satisfied or waived, the Completion shall take place on the Completion Date (or such other time as shall be mutually agreed by the Parties in writing).

Upon the Completion, AAM will become an indirect wholly-owned subsidiary of the Company and its financial results will be consolidated into the financial statements of the Company, whereas AIF will be treated as investee company by the Purchaser and its financial results will not be consolidated into the financial statements of the Company.

### **THE SPECIFIC MANDATE**

Pursuant to the Sale and Purchase Agreement, the Company will allot and issue the Consideration Shares and the Further Shares at the Issue Price of HK\$0.1623 per Share to the Vendor under a specific mandate to be obtained at the EGM to settle the Consideration and the Earnout, respectively. An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares and the Further Shares.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, no Shareholder has a material interest in the Acquisition nor will be required to abstain from voting on the resolution to be proposed at the EGM to allot and issue the Consideration Shares and the Further Shares.

### **INFORMATION ON THE PURCHASER**

The Purchaser is a company incorporated in the British Virgin Islands with limited liability and is a direct wholly-owned subsidiary of the Company. The Purchaser is principally engaged in investment holding in Hong Kong.

### **INFORMATION ON THE VENDOR**

The Vendor is a company incorporated in Hong Kong with limited liability. Its subsidiaries are principally engaged in provision of financial services including securities brokerage business, asset management, provision of financial communication service, advising on securities and digital media. As at the date of this announcement, it is beneficially owned as to 80.66% by Wong Wai Hong, 9.67% by Lu Zhonglou and 9.67% by Sun Ruimin, respectively.

The Vendor is a client of VC Finance Limited, a fellow subsidiary of the Purchaser. VC Finance Limited has granted a loan to the Vendor on 3 August 2021 and subsequently renewed on 31 December 2021 and 31 March 2022. The grant of the loan did not constitute a notifiable transaction to the Company.

### **INFORMATION ON THE TARGET COMPANIES**

#### **AAM**

AAM is a company incorporated in Hong Kong with limited liability and is licensed by the SFC to carry on type 9 (asset management) regulated activities as defined in the SFO. AAM is principally engaged in asset/fund management. As at the date of this announcement, it is beneficially owned as at 100% by the Vendor.

The summary of the audited financial information of AAM for the year ended 31 October 2020 and 31 October 2021 is set out as follows:

	<b>For the years ended</b>	
	<b>31 October</b>	
	<b>2021</b>	<b>2020</b>
	<b>HK\$</b>	<b>HK\$</b>
Revenue	<b>2,273,133</b>	4,565,821
(Loss)/profit before taxation	<b>(3,069,379)</b>	22,903
Net (loss)/profit after taxation	<b>(2,539,340)</b>	21,021

The net asset values of AAM were approximately HK\$935,028 as at 31 October 2021 and HK\$629,368 as at 31 October 2020 according to its audited statement of financial position as at 31 October 2021.

The summary of the unaudited financial information of AAM for the year ended 31 October 2022 is set out below:

	<b>For the year ended 31 October 2022 HK\$ Approximately</b>
Net profit for the year	<b>3,151,404</b>

The net asset value of AAM was approximately HK\$8,016,434 according to its unaudited balance sheet as at 31 October 2022.

On 7 July 2021, AAM and AIF entered into the Investment Management Agreement, pursuant to which AAM was appointed by AIF to provide investment management services for the segregated portfolios.

#### **AIF**

AIF is an exempted segregated portfolio company limited by shares duly incorporated in the Cayman Islands. It is established for the management of segregated portfolios.

The summary of the unaudited financial information of AIF for the ten months ended 31 October 2022 is set out below:

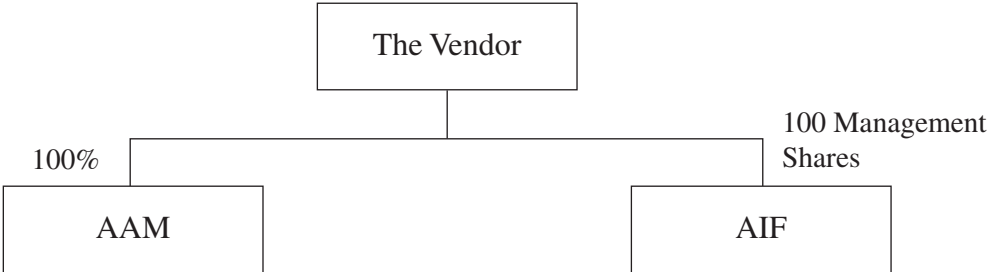
	<b>For the ten months ended 31 October 2022 HK\$</b>
Revenue	<b>0</b>
Net loss	<b>(7.85)</b>

The net asset value of AIF was HK\$nil according to its unaudited balance sheet as at 31 October 2022.

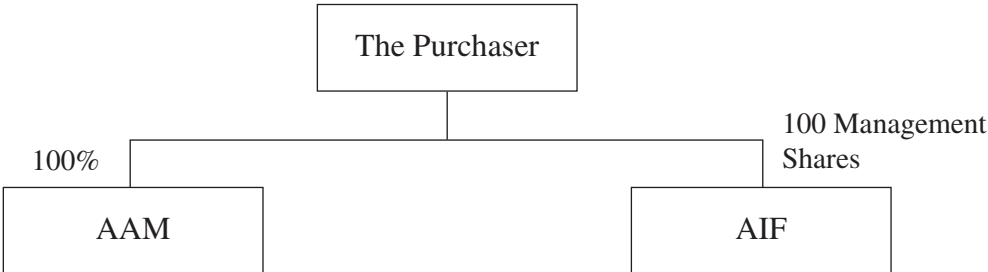
**SHAREHOLDING STRUCTURE OF THE TARGET COMPANIES**

For illustration purposes only, the shareholding structure of the Vendor and the Target Companies (i) as at the date of the Sale and Purchase Agreement (the “**Shareholding Structure**”); and (ii) immediately after the Completion are set out as follows:

(i) As at the date of the Sale and Purchase Agreement



(ii) Immediately after the Completion



**EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY**

For illustration purposes only, the shareholding structure of the Company (i) as at date of this announcement; (ii) immediately after the allotment and issue of the Consideration Shares (assuming (a) there will be no change in the total number of issued Shares between the date of this announcement and the allotment and issue of the Consideration Shares; and (b) no allotment and issue of the Further Shares); and (iii) immediately after the allotment and issue of the Consideration Shares and the Further Shares (assuming (a) there will be no change in the total number of issued Shares between the date of this announcement and the allotment and issue of the Consideration Shares and the Further Shares; and (b) full allotment and issue of the Further Shares) are set out as follows:

	(i) As at the date of this announcement		(ii) Immediately after the allotment and issue of the Consideration Shares (assuming (a) there will be no change in the total number of issued Shares between the date of this announcement and the allotment and issue of the Consideration Shares; and (b) no allotment and issue of the Further Shares)		(iii) Immediately after the allotment and issue of the Consideration Shares and the Further Shares (assuming (a) there will be no change in the total number of issued Shares between the date of this announcement and the allotment and issue of the Consideration Shares and the Further Shares; and (b) full allotment and issue of the Further Shares)	
	<i>Number of Shares</i>	<i>Approximate</i>	<i>Number of Shares</i>	<i>Approximate</i>	<i>Number of Shares</i>	<i>Approximate</i>
<i>Directors</i>						
Mr. Wong Chung Kin, Quentin ( <i>Note 1</i> )	500,000	0.02%	500,000	0.02%	500,000	0.02%
Mr. Fu Yiu Man, Peter	20,000,000	0.96%	20,000,000	0.92%	20,000,000	0.86%
<i>Substantial Shareholder</i>						
Mr. Chung Chi Shing, Eric (“Mr. Chung”) ( <i>Note 2</i> )	368,352,000	17.72%	368,352,000	16.97%	368,352,000	15.84%
The Vendor	—	—	92,421,442	4.26%	246,457,178	10.60%
Public Shareholders	<u>1,689,749,598</u>	<u>81.30%</u>	<u>1,689,749,598</u>	<u>77.83%</u>	<u>1,689,749,598</u>	<u>72.68%</u>
<b>Total</b>	<b><u><u>2,078,601,598</u></u></b>	<b><u><u>100.00%</u></u></b>	<b><u><u>2,171,023,040</u></u></b>	<b><u><u>100.00%</u></u></b>	<b><u><u>2,325,058,776</u></u></b>	<b><u><u>100.00%</u></u></b>

*Notes:*

- As at the date of this announcement, Mr. Wong Chung Kin, Quentin is beneficially interested in 500,000 Shares, and a total of 1,228,000 share options granted by the Company under the share option scheme on 27 July 2020.
- As at the date of this announcement, Mr. Chung is beneficially interested in 368,352,000 Shares, and a total of 1,228,000 share options granted by the Company under the share option scheme on 27 July 2020.

## **REASONS FOR AND BENEFITS OF THE ACQUISITION**

The Group's expertise includes (i) provision of financial services comprising securities, options brokering and dealing, financing services, corporate finance and other advisory services, asset management and insurance brokerage; (ii) proprietary trading; and (iii) sales and marketing of digital assets.

As aforementioned, AAM, being one of the Target Companies, is a licensed corporation to carry out type 9 (asset management) regulated activities under the SFO. The business of AAM therefore aligns with the principal business of the Group. The Group believes that with the brand, reputation and management expertise of the Target Companies, the Company can expand its customer base and improve the quality of asset management services provided. The Directors are of the view that the Acquisition represents a good opportunity for the Company to further expand its business in asset management and enhance its overall status in the industry.

In view of the basis of the Consideration and the Earnout as mentioned above, the Directors consider that the terms of the Sale and Purchase Agreement are fair and reasonable on normal commercial terms and the Acquisition is in the interests of the Company and the Shareholders as a whole.

## **IMPLICATIONS UNDER THE LISTING RULES**

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Acquisition exceed 5% but are all less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under the Listing Rules.

## **GENERAL**

The EGM will be convened and held for the purpose of considering and, if thought fit, approving the Specific Mandate by way of poll. A circular containing further details of the Sale and Purchase Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate) and a notice convening the EGM, is expected to be despatched to the Shareholders on or before 16 December 2022.

**Shareholders and potential investors of the Company should note that the Completion is subject to the fulfilment of the conditions precedent under the Sale and Purchase Agreement. As the Completion may or may not proceed, Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.**

## DEFINITIONS

The following terms have the following meanings in this announcement unless the context otherwise requires:

“AAM”	Anli Asset Management Limited, a company incorporated in Hong Kong with limited liability and a licensed corporation by the SFC to carry out type 9 (asset management) regulated services under and pursuant to the SFO, being one of the Target Companies
“Acquisition”	the acquisition of the Sale Shares pursuant to the terms and conditions of the Sale and Purchase Agreement
“AIF”	Anli Investment Fund SPC, an exempted segregated portfolio company limited by shares duly incorporated in the Cayman Islands, being one of the Target Companies
“Board”	the board of Directors
“Business Day(s)”	a day (excluding Saturday, Sunday or public holiday) on which no tropical cyclone warning signal No. 8 or above is hoisted, no “black rainstorm warning signal” is issued and no “extreme conditions” is announced in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) and on which licensed banks in Hong Kong are open for general banking business
“Company”	Value Convergence Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Completion”	completion of the Acquisition in accordance with the Sale and Purchase Agreement
“Completion Audited Accounts”	the audited financial statements of AAM for the period commencing on 1 November 2021 and ending on the Completion Date (both days inclusive) and the audited financial statements of AIF for the period commencing on 1 January 2022 and ending on the Completion Date (both days inclusive), which financial statements shall comprise of balance sheet, profit and loss account, notes thereto and directors’ and auditors’ report) prepared by an auditor approved by the Purchaser, and the completion audited accounts shall be issued to the satisfaction of the Purchaser within thirty (30) Business Days after the Completion Date

“Completion Date”	any Business Day within five (5) Business Days following the date on which all the conditions precedent have been fulfilled or satisfied (or otherwise waived under and pursuant to Sale and Purchase Agreement), or such later date as the Parties may agree in writing
“Consideration”	the consideration to be paid by the Purchaser to the Vendor for the Sale Shares of HK\$15,000,000
“Consideration Shares”	the 92,421,442 new Shares to be allotted and issued by the Company at the Issue Price under the Specific Mandate to the Vendor for settlement of the Consideration at Completion in accordance with the Sale and Purchase Agreement
“Director(s)”	the director(s) of the Company
“Earnout”	such earnout (if any) to which the Vendor may, subject to the satisfaction and/or fulfilment of the conditions precedent in relation to such earnout set out in the Sale and Purchase Agreement, be entitled, with the quantum of such earnout to be determined in accordance with such formula as set out in the Sale and Purchase Agreement
“EGM”	the extraordinary general meeting to be convened by the Company for approving and granting the Specific Mandate
“Further Share(s)”	the portfolio of up to 154,035,736 new Shares to be allotted and issued by the Company at the Issue Price under the Specific Mandate to the Vendor on the Relevant Date for settlement of the Earnout in accordance with the Sale and Purchase Agreement
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Investment Management Agreement”	the investment management agreement dated 7 July 2021 entered into between AIF and AAM in relation to the appointment of AAM by AIF as the investment manager for managing the segregated portfolios
“Issue Price”	HK\$0.1623, being the issue price of the Consideration Shares and the Further Shares which is equivalent to the average closing price of the Shares for the 10 consecutive trading days immediately prior to the date of execution of the Sale and Purchase Agreement



“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	31 March 2023 or such other date as may be agreed between the Vendor and the Purchaser in writing
“Management Share(s)”	the management share(s) issued by AIF, with each management share being a voting non-participating non-redeemable share of US\$0.001 par value in the share capital of AIF having the rights provided in the Articles of Association of AIF
“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region and Taiwan)
“Purchaser”	VC Financial Group Limited, a company incorporated in the British Virgin Islands with limited liability and a direct wholly-owned subsidiary of the Company
“Relevant Date”	the date of allotment and issuance of the Further Shares (if any), which shall be a Business Day falling within such period commencing on the first Business Day of the calendar month which falls on or before six (6) months after the first anniversary of the Completion Date and expiring on the last Business Day of that particular calendar month (both days inclusive), and for avoidance of any doubt, there shall not be any Relevant Date if no Further Shares shall have to be issued
“Sale and Purchase Agreement”	the sale and purchase agreement dated 25 November 2022 entered into between the Vendor and the Purchaser in relation to the Acquisition
“Sale Shares”	the entire portfolio of 7,775,000 issued ordinary shares in AAM and the entire portfolio of 100 Management Shares in AIF as at the date of the Sale and Purchase Agreement
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and any subsidiary legislation (where applicable)
“Shareholders”	holders of the Shares for the time being
“Share(s)”	ordinary share(s) in the share capital of the Company

“Specific Mandate”	the specific mandate to be granted by the Shareholders at the EGM to allot and issue the Consideration Shares and the Further Shares (if any)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Companies”	collectively, AAM and AIF
“Vendor”	Anli Holdings Limited, a company incorporated in Hong Kong with limited liability
“Waiver”	the waiver by AAM of HK\$2,463,421.02 (or such lesser amount as the Parties shall confirm in writing by the Long Stop Date), being the amount due from the Vendor to AAM, on or before the Completion Date
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

By order of the Board of  
**Value Convergence Holdings Limited**  
**Fu Yiu Man, Peter**  
*Chairman & Executive Director*

Hong Kong, 25 November 2022

*As at the date of this announcement, the Board comprises five executive Directors, namely, Mr. Fu Yiu Man, Peter (Chairman), Mr. Wong Kam Fat, Tony (Vice chairman), Mr. Lin Hoi Kwong, Aristo, Ms. Li Cindy Chen and Mr. Zhang Nu; and three independent non-executive Directors, namely, Mr. Wong Chung Kin, Quentin, Mr. Siu Miu Man, Simon, MH and Mr. Au Tin Fung, Edmund.*