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## **Hopefluent Group Holdings Limited**

**合富輝煌集團控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 733)**

### **DISCLOSEABLE TRANSACTION**

On 15 December 2015 (after trading hours), the Vendor (a wholly-owned subsidiary of the Company) entered into the Agreement with the Purchaser, pursuant to which the Vendor agreed to sell and the Purchaser agreed to purchase the Sale Share for a consideration of HK\$180,000,000.

As one of the percentage ratios under Rule 14.07 of the Listing Rules in respect of the Disposal is 5% or more but less than 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to reporting and announcement requirements under Chapter 14 of the Listing Rules.

### **SALE AND PURCHASE AGREEMENT**

The major terms of the Agreement are as follows:

Date: 15 December 2015

Parties: 1. Vendor  
2. Purchaser

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Purchaser is a third party independent of the Company and its connected persons (as defined in the Listing Rules).

### **Asset to be disposed of**

Pursuant to the Agreement, the Vendor agreed to sell and the Purchaser agreed to purchase the Sale Share, representing the entire issued share capital of the Target Company, on Completion. Upon completion of the Disposal, save as the Share Charge to be entered into, the Company will have no further interest in the Target Group.

## **Consideration and payment terms**

Pursuant to the Agreement, the consideration for the Sale Share is HK\$180,000,000 which will be satisfied in the following manner:

- (a) as to HK\$36,000,000, on or before 22 December 2015;
- (b) as to HK\$72,000,000, on or before 22 March 2016; and
- (c) as to HK\$72,000,000, on or before 22 June 2016.

The Consideration will be paid in cash or in a cashier order, Upon Completion, the Purchaser will execute the Share Charge in favour of the Vendor for the purpose of securing the payment of the second and third installments of the Consideration by the Purchaser.

The Consideration was arrived at based on normal commercial terms after arm's length negotiation between the parties to the Agreement and with reference to (i) the market value of the Property as at 31 October 2015 of RMB202,000,000 as valued by an independent valuer engaged by the Company, and (ii) the estimated potential tax liabilities which may arise from the sale of the Property of not less than RMB50,000,000.

## **Completion**

Completion of the Disposal will take place on 22 December 2015 (or such other date to be agreed between the Purchaser and the Vendor).

## **INFORMATION ON THE TARGET GROUP**

The Target Company is an investment holding company incorporated under the laws of the British Virgin Islands with limited liability on 1 July 2008 and is a wholly-owned subsidiary of the Vendor.

The Target Company wholly owns Top Trade International Investment Limited, a company incorporated under the laws of Hong Kong on 22 May 2009, which in turn wholly owns Guangzhou Yintao, a wholly-owned foreign enterprise established under the laws of the PRC on 31 August 2009 with a registered capital of HK\$3,000,000 (fully paid-up).

Guangzhou Yintao owns 26% of Guangzhou Baolai, a limited company established under the laws of the PRC on 4 August 2006 with a registered capital of RMB5,000,000 (fully paid-up). Guangzhou Baolai owns 51% of Guangzhou Hongsheng, a limited company established under the laws of the PRC on 6 July 2006 with a registered capital of RMB50,000,000 (fully paid-up) and is principally engaged in property development. The Target Group has the right to the Property which is part of a commercial and office building known as "One Bravo Plaza".

Guangzhou Hongsheng currently owns a piece of land located at Section A of Luxury Residential and Commercial District, Zhu Jiang Xin Cheng, Tianhe District, Guangzhou City, Guangdong Province, PRC (中國廣東省廣州市天河區珠江新城高級商住A區) on which the commercial and office building known as "One Bravo Plaza" was built. The Vendor has an effective interest of 13.26% in Guangzhou Hongsheng.

The group chart of the Target Company and its subsidiaries and associates before Completion is as follows:



The unaudited consolidated net loss of the Target Company before and after taxation for the financial year ended 31 December 2014 was approximately HK\$6,270,143. The unaudited consolidated net loss of the Target Company before and after taxation for the financial year ended 31 December 2013 was approximately HK\$6,735,935. The unaudited consolidated net asset value of the Target Company as at 31 December 2014 was approximately HK\$490,945,000.

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

The Group is principally engaged in the provision of real estate agency services and provision of property management services in the PRC.

The Company considers that the Disposal will contribute reasonable return and strengthen the financial position of the Group. The Company will be able to continue to provide the quality real estate agency services for customers for which it is renowned. The proceeds of the Disposal will allow the Group to strive to secure more agency projects for top quality properties in order to expand its market shares and to further develop its secondary property real estate agency service business. The development of the Group's Internet point-to-point property financial service, which is at its initial stage, will also be benefited by the additional financial resources provided by the Group.

The Directors (including the independent non-executive Directors) consider that the terms of the Agreement and the transactions contemplated thereunder are fair and reasonable and the Disposal is in the interests of the Company and its shareholders as a whole.

Upon completion of the Disposal, a profit of approximately HK\$50,000,000, being the sale proceeds less the carrying amount of the net assets of the Target Group, will arise. Shareholders should note that the actual amount of gain or loss on the Disposal to be recognised by the Group will depend on the net assets of the Target Group as at the date of Completion. The proceeds from the Sale Share will be used as the Group's general working capital.

## **LISTING RULES IMPLICATIONS**

As one of the percentage ratios under Rule 14.07 of the Listing Rules in respect of the Disposal is 5% or more but less than 25%, the Disposal constitutes a discloseable transaction of the Company and is subject to reporting and announcement requirements under Chapter 14 of the Listing Rules.

## **DEFINITIONS**

In this announcement, unless the context otherwise required, the following terms and expressions shall have the following meanings when used herein.

“Agreement”	a sale and purchase agreement dated 15 December 2015 made between the Vendor and the Purchaser in respect of the Disposal
“Company”	Hopefluent Group Holdings Limited, a company incorporated under the laws of the Cayman Islands with limited liability whose shares are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Agreement
“Consideration”	the consideration for the Sale Share payable by the Purchaser to the Vendor pursuant to the provisions of the Agreement
“Directors”	directors of the Company
“Disposal”	the sale and purchase of the Sale Share contemplated under the Agreement
“Group”	the Company and its subsidiaries
“Guangzhou Baolai”	廣州保來環保科技有限公司 (in English, for identification purposes, Guangzhou Bao Lai Recycle Technology Company Ltd.), a limited liability company established under the laws of the PRC, and an associate of the Target Company

“Guangzhou Hongsheng”	廣州宏昇房地產實業有限公司 (in English, for identification purposes, Guangzhou Hong Sheng Estate Company Ltd.), a limited liability company established under the laws of the PRC, and an associate of the Target Company
“Guangzhou Yintao”	廣州銀滔環保科技有限公司 (in English, for identification purposes, Guangzhou Yin Tao Environmental Technology Co., Ltd.), a wholly foreign-owned foreign enterprise established under the laws of the PRC, and an indirect wholly-owned subsidiary of the Target Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities of the Stock Exchange
“PRC”	People’s Republic of China
“Property”	a property which comprises two office units on 35th Floor, the whole of 33rd Floor and 34th Floor and 58 car parking spaces on B3 level of a commercial and office building known as “One Bravo Plaza”
“Purchaser”	Mr. Chung Tat Fun, a Hong Kong citizen
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Share”	one share of the Target Company, representing the entire issued share capital of the Target Company, legally and beneficially owned by the Vendor immediately prior to Completion
“Share Charge”	a deed of charge over the Sale Share to be executed by the Purchaser as charger in favour of the Vendor as chargee
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Firstnet Group Limited, a company incorporated under the laws of the British Virgin Islands, and an indirect wholly-owned subsidiary of the Company immediately prior to Completion
“Target Group”	the Target Company, its subsidiaries and associates

“Vendor”

Hope Land Realty Investment Ltd., a company incorporated under the laws of the British Virgin Islands and an indirect wholly-owned subsidiary of the Company

By order of the Board  
**Hopefluent Group Holdings Limited**  
**Fu Wai Chung**  
*Chairman*

Hong Kong, 15 December 2015

*As at the date of this announcement, the executive directors of the Company are Mr. FU Wai Chung, Ms. NG Wan, 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.*