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**Manfield Chemical Holdings Limited**

**萬輝化工控股有限公司**

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

**(Stock Code: 1561)**

**(1) DISCLOSEABLE TRANSACTION —  
ACQUISITION OF APPROXIMATELY 30.89% EQUITY INTEREST  
IN AN INFORMATION AND DATA SERVICES BUSINESS VENTURE  
INVOLVING PAYMENT OF CASH AND ISSUE OF  
CONSIDERATION SHARES  
UNDER GENERAL MANDATE;  
AND  
(2) PROPOSED CHANGE OF COMPANY NAME**

**THE ACQUISITION**

On 10 September 2019 (after trading hours), the Company, the Target Company, OPCO, the Vendors and the Guarantors entered into the Share Purchase and Subscription Agreement, pursuant to which, subject to and upon the terms and conditions of the Share Purchase and Subscription Agreement, (i) the Vendors shall as beneficial owners sell, and the Company shall purchase, the Sale Shares free from all Encumbrances with effect from the Completion Date, at the Consideration of RMB45.0 million (equivalent to approximately HK\$49.8 million), which will be satisfied by the allotment and issue of the Consideration Shares by the Company to the Vendors at the Issue Price of HK\$2.85 per Consideration Share; and (ii) the Target Company shall allot and issue and the Company shall subscribe for, the Subscription Shares free from all Encumbrances with effect from the Completion Date, at the Subscription Price of RMB69.0 million (equivalent to approximately HK\$76.4 million), which will be satisfied by the Company in cash.

The Consideration Shares will be allotted and issued pursuant to the General Mandate. An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares in due course.

Upon Completion, the Company will hold approximately 30.89% of the issued share capital of the Target Company and the Target Company will be accounted for as an associate (as that term is defined in relevant accounting standards) of the Company.

The Target Company is an investment holding company which holds all issued shares in BVI Guo Rong. BVI Guo Rong is the beneficial owner of the entire equity interest in HK Guo Rong, which in turn is the beneficial owner of the entire equity interest in Guo Rong WFOE. The Holding Co Group will undergo a group restructuring by, *inter alia*, entering into the Structured Contracts with OPCO and the PRC Equity Owners, through which the Target Company shall have indirect control over the management and operation of OPCO. OPCO is principally engaged in the development of big data mining, modelling and analysis in general, and the provision of digital risk management services in retail financial services. A shareholders agreement will be entered into by and among the Target Company, HK Guo Rong, BVI Guo Rong, Guo Rong WFOE, OPCO, Vendor A, Vendor B, Vendor C, and the Company effective from the Completion Date, relating to management and control of the Target Company amongst other things.

### **LISTING RULES IMPLICATION**

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

**As Completion is subject to fulfillment or waiver (as the case may be) of the Conditions, it may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares.**

### **PROPOSED CHANGE OF COMPANY NAME**

Reflecting the Company's quest to seek suitable opportunities in the information technology sector, the Board proposes to change the English name of the Company from "Manfield Chemical Holdings Limited" to "Pan Asia Data Holdings Inc.", and the dual foreign name in Chinese of the Company from "萬輝化工控股有限公司" to "聯洋智能控股有限公司".

### **GENERAL**

The EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Proposed Change of Company Name. A circular containing, among other matters, details of the Proposed Change of Company Name and a notice convening the EGM and related proxy form is expected to be despatched to the Shareholders as soon as practicable.

## **THE SHARE PURCHASE AND SUBSCRIPTION AGREEMENT**

Reference is made to the announcement of the Company dated 24 June 2019 in relation to the possible acquisition of an equity interest in the Target Company.

The Board is pleased to announce that, on 10 September 2019 (after trading hours), the Company, the Target Company, OPCO, the Vendors and the Guarantors entered into the Share Purchase and Subscription Agreement, the principal terms of which are summarised as follows:

### **Date**

10 September 2019

### **Parties**

- (1) the Company;
- (2) the Target Company;
- (3) OPCO;
- (4) the Vendors; and
- (5) the Guarantors

### **Assets to be acquired**

The Target Company is an investment holding company which holds all the issued shares in BVI Guo Rong. BVI Guo Rong is the beneficial owner of the entire equity interest in HK Guo Rong, which in turn is the beneficial owner of the entire equity interest in Guo Rong WFOE.

The Holding Co Group will undergo a group restructuring by, *inter alia*, entering into the Structured Contracts with OPCO and the PRC Equity Owners. Upon the completion of the Reorganisation, the Target Company shall have indirect control over the management and operation of OPCO through the Structured Contracts.

Subject to and upon the terms and conditions of the Share Purchase and Subscription Agreement:

- (i) the Vendors shall as beneficial owners sell, and the Company shall purchase, the Sale Shares free from all Encumbrances with effect from the Completion Date, at the Consideration of RMB45.0 million (equivalent to approximately HK\$49.8 million), which will be satisfied by the allotment and issue of the Consideration Shares by the Company to the Vendors at the Issue Price of HK\$2.85 per Consideration Share; and
- (ii) the Target Company shall allot and issue, and the Company shall subscribe for, the Subscription Shares free from all Encumbrances with effect from the Completion Date, at the Subscription Price of RMB69.0 million (equivalent to approximately HK\$76.4 million), which will be satisfied by the Company in cash.

Upon Completion, the Company will hold approximately 30.89% of the issued share capital of Target Company and the Target Company will be accounted for as an associate (as that term is defined in relevant accounting standards) of the Company. A shareholders agreement will be entered into by and among the Target Company, HK Guo Rong, BVI Guo Rong, Guo Rong WFOE, OPCO, Vendor A, Vendor B, Vendor C and the Company effective from the Completion Date and relating to management and control of the Target Company amongst other things.

### Consideration

The total Consideration of RMB114.0 million (equivalent to approximately HK\$126.2 million) shall be settled (i) as to RMB69.0 million (equivalent to approximately HK\$76.4 million) with respect to the subscription of the Subscription Shares, in cash deducting refundable earnest money of HK\$21.0 million paid by the Company to OPCO prior to the date of the Share Purchase and Subscription Agreement; and (ii) as to RMB45.0 million (equivalent to approximately HK\$49.8 million) with respect to the sale and purchase of the Sale Shares, by the Company allotting and issuing the Consideration Shares to each of the Vendors in the following manner:

<b>Name</b>	<b>Number of Consideration Shares</b>	<b>Approximate percentage of the total number of Consideration Shares to be allotted and issued by the Company upon Completion</b>
Vendor A	7,641,702	43.73%
Vendor B	2,843,139	16.27%
Vendor C	<u>6,989,894</u>	<u>40.00%</u>
	<u><u>17,474,735</u></u>	<u><u>100.00%</u></u>

The Consideration Shares comprise a total of 17,474,735 new Shares which will be allotted and issued pursuant to the General Mandate. The Consideration Shares, when allotted and issued, will represent approximately 2.71% of the existing issued share capital of the Company as at the date of this announcement and approximately 2.64% of the issued share capital of the Company as enlarged by the allotment and issue of the Consideration Shares.

The Consideration Shares shall rank pari passu in all respects among themselves and with the Shares in issue on the date of issue of the Consideration Shares. An application will be made by the Company to the Stock Exchange for the listing of, and the permission to deal, in the Consideration Shares in due course. There is no restriction on the subsequent sale of the Consideration Shares.

At the annual general meeting of the Company held on 26 June 2019, the General Mandate was granted to the Directors. As at the date of this announcement, the General Mandate has not been utilised. Accordingly, the General Mandate is sufficient for the issue of the Consideration Shares and the issue of the Consideration Shares is not subject to the Shareholders' approval.

The Issue Price of HK\$2.85 per Consideration Share represents:

- (a) a discount of approximately 25.59% to the closing price of HK\$3.83 per Share as quoted on the Stock Exchange on 10 September 2019, being the date of the Share Purchase and Subscription Agreement;
- (b) a discount of approximately 25.59% to the average closing price of approximately HK\$3.83 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days up to and including the date of the Share Purchase and Subscription Agreement; and
- (c) a discount of approximately 27.30% to the average closing price of approximately HK\$3.92 per Share as quoted on the Stock Exchange for the last thirty (30) consecutive trading days up to and including the date of the Share Purchase and Subscription Agreement.

The Issue Price was determined in arm's length negotiations between the Vendors and the Company with reference to the then market prices of the Shares at the time of negotiating the memorandum of understanding in relation to the possible acquisition dated 24 June 2019. The Directors consider that the Issue Price is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### **Basis of the Consideration**

The Consideration was determined after arm's length negotiations between the parties to the Share Purchase and Subscription Agreement after taking into account factors including but not limited to:

- (i) the preliminary valuation result of the entire equity interest in OPCO from a non-controlling perspective of not less than RMB375.0 million (equivalent to approximately HK\$415.0 million) as evaluated by the independent qualified valuer appointed by the Company;

- (ii) the pioneering opportunity for the Target Group to exploit the commercialisation of the extensive data source as further described later in this announcement under “Information of the Target Group”;
- (iii) the business development, inherent business risks and the Directors’ view of the future growth prospects of the Target Group; and
- (iv) the reasons for and the potential benefits of the Acquisition as stated under the section headed “Reasons for and Potential Benefits of the Acquisition” below.

### **Conditions Precedent**

Completion is conditional upon the satisfaction (or, as the case may be, waiver by the Company) of the following:

- (a) completion of the Reorganisation conducted in such manner which is in compliance with the relevant laws and regulations governing the Reorganisation and to the satisfaction of the Company;
- (b) the Company having obtained a PRC legal opinion (in form and substance satisfactory to the Company) issued by the Company’s PRC legal advisers, on, *inter alia*, on the legitimacy and effectiveness of the transaction contemplated under the Share Purchase and Subscription Agreement, the Reorganisation, the Contractual Arrangement and the compliant authorisation of the utilisation by OPCO of the data source operated by 國家計算機網絡應急技術處理協調中心 (also known as “CNCERT”) 科技成果轉化中心 (the Scientific Results Conversion Center of National Computer Network Emergency Response Technical Team/Coordination Center\*) (the “Results Conversion Center”) as well as the technological cooperation and commercialisation through the Joint Laboratory of Financial and Scientific Results Conversion established by the Results Conversion Center and OPCO with physical premises located inside the Results Conversion Center (the “Joint Lab”);
- (c) the Company being satisfied with the results of the due diligence on the Target Group, including, but not limited to, assets, liabilities, operations and regulatory related affairs etc. of each member of the Target Group;
- (d) the Warranties remaining true and accurate in all respects;
- (e) compliance with all applicable notification, announcement and other requirements under the Listing Rules relating to the Share Purchase and Subscription Agreement and the transactions by the Company (where applicable);
- (f) all necessary approvals, consents, authorisations and licences required to be obtained in relation to the transactions contemplated under the Share Purchase and Subscription Agreement having been granted by third party (including all relevant governmental or official or regulatory authorities) and all other necessary consents and approval required pursuant to any legal or regulatory requirements being obtained;



- (g) the issue and delivery of a valuation report of OPCO to the Company by an independent qualified valuer appointed by the Company in form and substance to the satisfaction of the Company and the appraised value of the entire equity interest in OPCO from a non-controlling perspective shall not be less than RMB375.0 million (equivalent to approximately HK\$415.0 million); and
- (h) the Listing Committee of the Stock Exchange shall have granted or agreed to grant (subject to allotment) and shall have not withdrawn or revoked listing of, and permission to deal in, the total Consideration Shares.

The Vendors shall use their best endeavours to assist the Company in connection with the due diligence review to be conducted on the Target Group under the Share Purchase and Subscription Agreement and procure the fulfilment of the Conditions.

The Company may waive any of the Conditions (other than the Conditions (e), (f) and (h) as set out above). If the Conditions have not been satisfied (or as the case may be, waived by the Company) on or before 12:00 noon on the Long Stop Date, the Share Purchase and Subscription Agreement shall cease and terminate (save and except clauses in relation to confidentiality, notices, costs and stamp duty and governing law and jurisdictions which shall continue to have full force and effect) and no party shall have any obligations and liabilities hereunder save for any antecedent breaches of the terms thereof.

As at the date of this announcement, none of the Conditions have been fulfilled.

### **Guarantee by the Guarantors**

The Guarantors have jointly, severally, unconditionally and irrevocably undertaken to the Company to procure the due and punctual performance by each of the Vendors and the Target Company of all the obligations expressed to be imposed on or assumed by them under the Share Purchase and Subscription Agreement and to indemnify and keep effectively indemnified the Company (if necessary by the payment of cash on first demand) against all liabilities, losses, damages, costs and expenses stipulated under the Share Purchase and Subscription Agreement or otherwise which the Company may suffer or incur in connection with any default or delay on the part of the Vendors and the Target Company in the performance of any such obligations.

### **Restrictive Covenants and Undertakings by the Vendors and/or Guarantors**

Pursuant to the Share Purchase and Subscription Agreement, each of the Vendors and the Guarantors has undertaken to the Company that, among other things, until Completion the Target Group shall carry on its business in a manner consistent with past practice.

For the purposes of assuring to the Company the full benefit of the business and the goodwill of the Target Group, 上海百派數字科技合夥企業(有限合夥) (Shanghai Bai Pai Digital Science and Technology LLP\*) has undertaken that it will not and shall procure Mr. Li Jiaming and Mr. Su Xinghui, who are the senior management of OPCO, and their respective associates not to, among other things, in any Relevant Capacity at any time during the Restricted Period directly or indirectly carry on or be engaged or concerned or interested in any business in Hong Kong and the PRC which is competing with the current business of the Target Group.

The Vendors and the Target Company jointly and severally covenant that, unless otherwise agreed in writing by the Company, all proceeds of the Subscription Price shall be, through certain intermediate members of the Target Group, invested into Guo Rong WFOE and/or OPCO via capital increase and/or loan and used solely for the business development and working capital of the members of the Target Group for the purposes of the development of big data mining, modelling and analysis in general, and the provision of digital risk management services business and other purposes determined by the budget plans and business plans of the Target Company approved by the Target Company's board of directors.

上海百派數字科技合夥企業(有限合夥) (Shanghai Bai Pai Digital Science and Technology LLP\*) has unconditionally and irrevocably undertaken that it shall procure Mr. Li Jiaming and Mr. Su Xinghui, who are the senior management of OPCO, remain in the management of the Target Group for not less than two years after the Completion Date.

### **Completion**

Upon compliance with or fulfilment or waiver of all the Conditions set out in the Share Purchase and Subscription Agreement, Completion shall take place on the Completion Date when all the acts and requirements set out in the Share Purchase and Subscription Agreement shall be complied with.

## **INFORMATION OF THE VENDORS AND THE GUARANTORS**

### **Vendor A**

FHJL Investment Limited is an investment holding company incorporated in the British Virgin Islands with limited liability, which is 99.00% by Ms. Xie Yu and 1.00% owned by Mr. Zhang Qi.

### **Vendor B**

An Chen New Technology Holding Ltd is an investment holding company incorporated in the British Virgin Islands with limited liability, which is wholly-owned by Ms. Mao Feifei.

### **Vendor C**

Lian Yang Investment Limited is an investment holding company incorporated in the British Virgin Islands with limited liability. It is beneficially owned as to 32.81% by Mr. Li Jiaming, 32.50% by Ms. Song Shuang, 15.47% by Mr. Ma Bin and as to 19.22% by other 8 other natural persons, the shareholding of each of whom is less than 10.00%.

### **Guarantors**

北京富海金瀾諮詢有限公司 (Beijing Fu Hai Jin Lan Consulting Co., Ltd.\*) is an investment holding company incorporated in Beijing, China with limited liability. It is beneficially owned as to 99.00% by Ms. Xie Yu and 1.00% by Mr. Zhang Qi.



上海百派數字科技合夥企業(有限合夥) (Shanghai Bai Pai Digital Science and Technology LLP\*) is a limited liability partnership established in Shanghai, China and its principal business is investment holding. It is ultimately beneficially owned as to 75.00% by Mr. Li Jiaming, approximately 14.29% by Mr. Zhou Hongren and approximately 10.71% by other five natural persons, the shareholding of each of whom is less than 10.00%.

上海安臣投資管理有限公司 (Shanghai An Cheng Investment Management Co., Ltd.\*) is an investment holding company incorporated in Shanghai, China with limited liability and its principal business is investment holding. It is beneficially owned as to 53.00% by Ms. Mao Feifei and 47.00% by her spouse Mr. Tai Wei.

上海普恩網絡科技合夥企業(有限合夥) (Shanghai Pu En Network Science and Technology LLP\*) is a limited liability partnership established in Shanghai, China and its principal business is investment holding. It is beneficially owned as to 80.00% by Ms. Song Shuang and 20.00% by her mother Ms. Song Yuqin.

上海予暘網絡科技有限公司 (Shanghai Yu Yang Network Science and Technology Co., Ltd.\*) is an investment holding company incorporated in Shanghai, China with limited liability. It is beneficially owned as to 99.00% by Mr. Ma Bin and 1.00% by Ms. Liu Can.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, each of the Vendors, their respective ultimate beneficial owner(s) and the Guarantors is an Independent Third Party.

## **INFORMATION OF THE TARGET GROUP**

The Target Company is a company incorporated in Cayman Islands with limited liability. The Target Company is the sole shareholder of BVI Guo Rong. BVI Guo Rong is the beneficial owner of the entire equity interest in HK Guo Rong, which in turn is the beneficial owner of the entire equity interest in Guo Rong WFOE. The Target Company, BVI Guo Rong and HK Guo Rong are investment holding companies. Guo Rong WFOE, after completion of the Reorganisation, will be engaged in provision of business consultancy services to OPCO. The Holding Co Group will undergo a group restructuring by, *inter alia*, entering into the Structured Contracts with OPCO, the PRC Equity Owners and the Guarantors. Upon the completion of the Reorganisation, the Target Company shall have indirect control over the management and operation of OPCO through the Structured Contracts.

The Holding Co Group has not carried out any business other than investment holding and did not record any revenue since the date of incorporation.

OPCO is a company incorporated in the PRC with limited liability and is principally engaged in the development of big data mining, modelling and analysis in general, and the provision of digital risk management services in retail financial services in particular since its establishment in September 2018. OPCO was initiated by 中國信息通信研究院 (China Academy of Information and Communications Technology\*), a research institute directly under the Ministry of Industry and Information Technology of the PRC (“MIIT”), which is instrumental in the development of key strategies, plans, policies and standards and test and certification in the information and communications technology industry in the PRC. Its investment vehicle 泰爾信通(北京)投資管理中心 (Taier Information and Communications (Beijing) Investment Management Center\*) (“Taier Information and Communications”) is one of the founding shareholders of OPCO. As at the date of the announcement, Taier Information and Communications is an Independent Third Party which owns 20% equity interest in OPCO.

OPCO derives massive data sources from a number of cooperative agencies (including but not limited to the Results Conversion Center). Currently, OPCO has entered into a five-year scientific results conversion agreement with the Results Conversion Center in order to obtain the legitimate authorisation to use the canonical data of the Results Conversion Center. The agreement has come into force since July 2019 and is renewable upon expiration. The Results Conversion Center was established by the CNCERT, which is a national-level cybersecurity technical center and the key coordination team for China’s cybersecurity emergency response community. Armed with unique fintech monitoring and basic technologies and 20 technological patents, the Results Conversion Center operates an authoritative technological platform in China. The Joint Lab was jointly established by OPCO and the Results Conversion Center to combine the achievements and resources from the fintech monitoring of the Results Conversion Center with the commercial applications of OPCO, thus jointly developing market-oriented products and services. OPCO also owns three computing software copyrights, including the development of cloud based platform for big data and risk management in retail financial services.

According to the unaudited financial information of OPCO provided by the Vendors and prepared in accordance with China Accounting Standards for Business Enterprises, the net loss before and after taxation of OPCO for the period from 7 September 2018 (the date of incorporation) to 31 December 2018 was approximately RMB3.85 million. The net liability of OPCO as at 31 July 2019 was approximately RMB2.12 million.

Upon Completion, the Group will hold approximately 30.89% of the issued share capital of the Target Company, such investment of the Group in the Target Company will be classified as an “interests in associates” (as that term is defined in relevant accounting standards) and accounted for using the equity method of accounting in the consolidated financial statements of the Group.

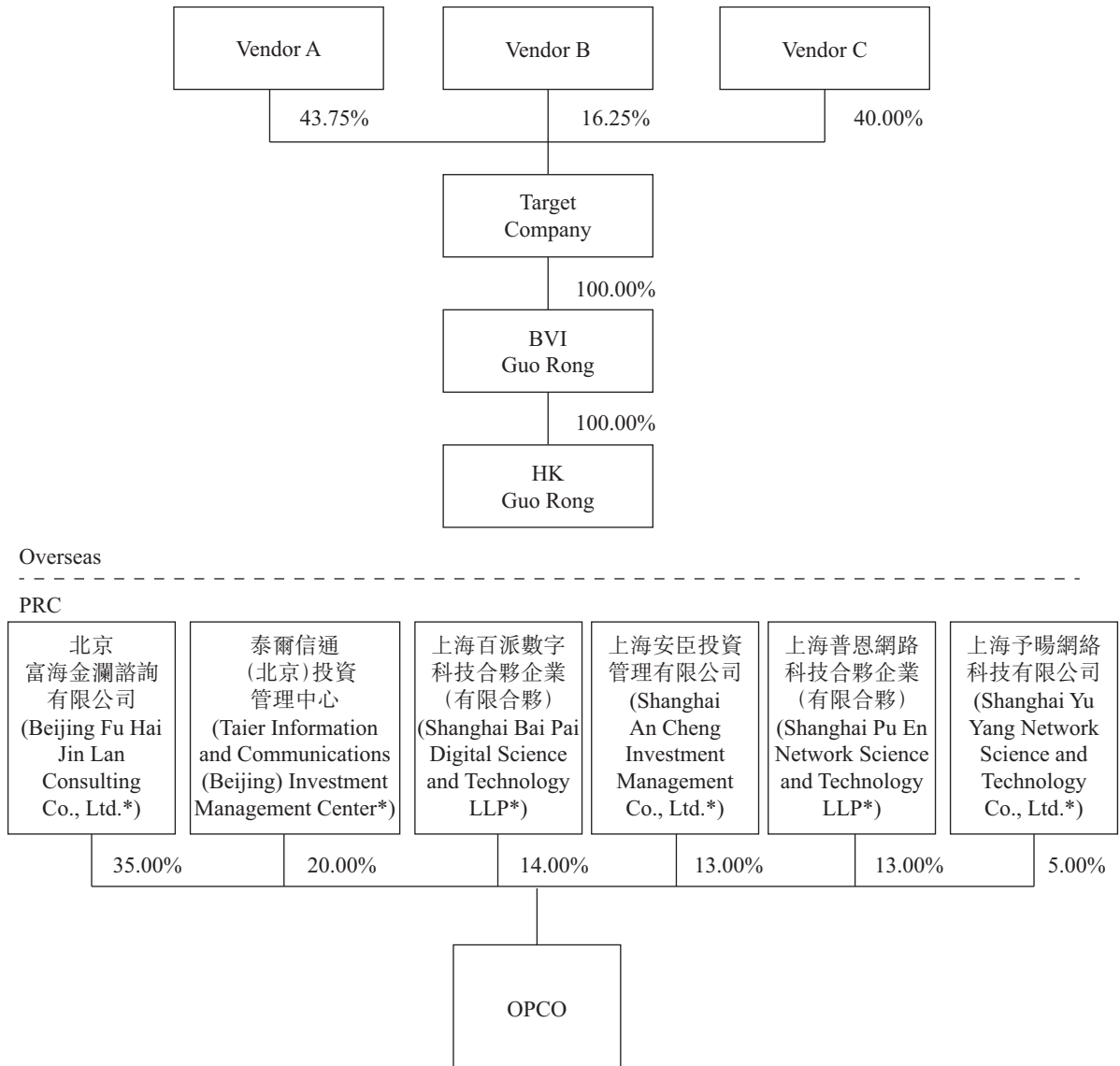
### **Consolidation of the financial results of OPCO in the Target Company’s accounts**

Pursuant to the Structured Contracts, Guo Rong WFOE will be able to have effective control the management and operation of OPCO and be entitled to 80% of the underlying economic interest and benefits to be generated from its business activities despite the lack of registered equity ownership. Having considered the PRC legal opinion obtained from the Company’s PRC legal advisers and discussed with the Company’s auditors, the Directors confirm that by

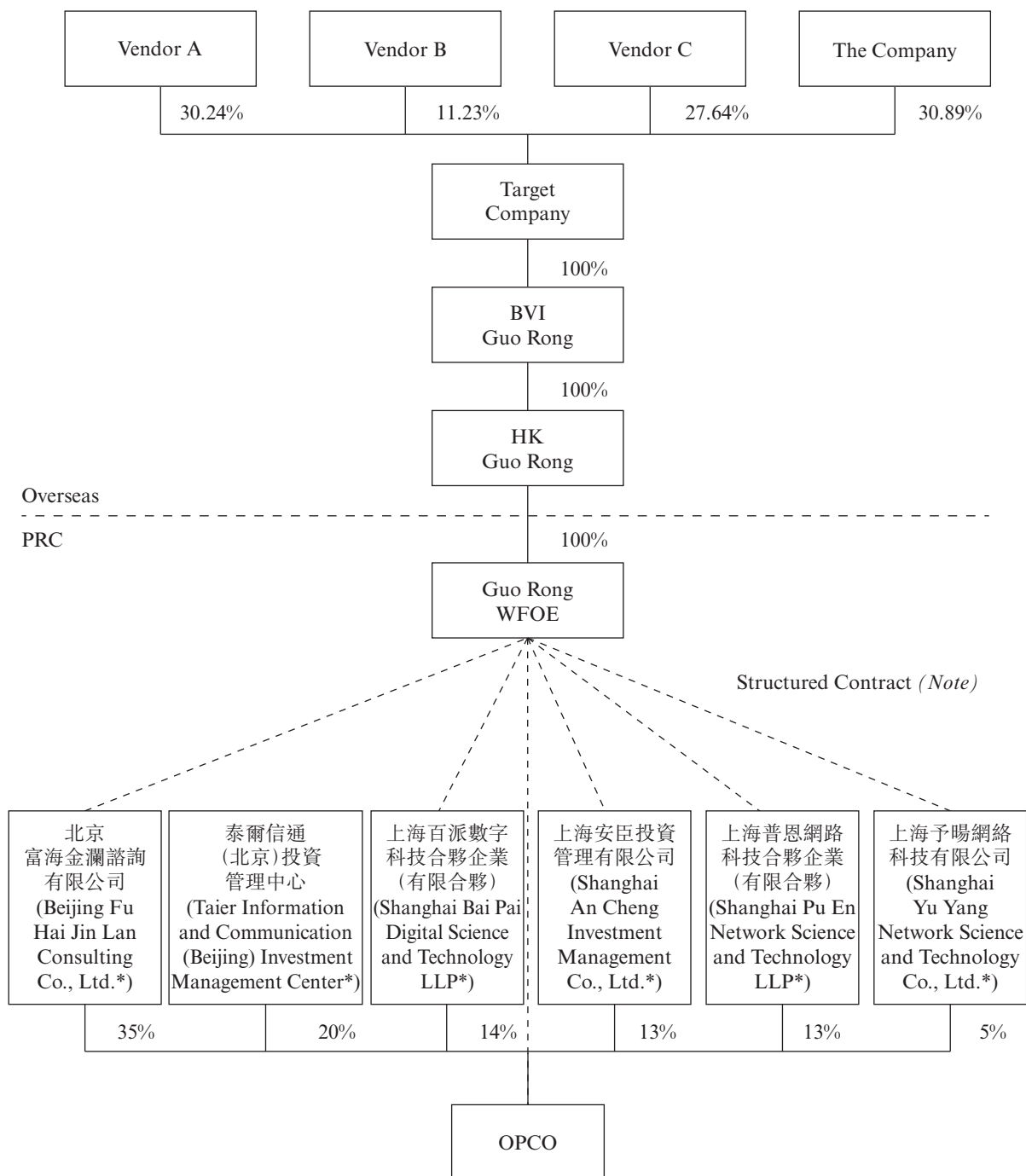
entering into the Structured Contracts, the Target Company will have the right to consolidate the financial results of OPCO in its consolidated accounts upon the Completion as if it were a subsidiary of the Target Company.

### Shareholding structure chart of the Target Group

#### (i) before completion of the Reorganisation



**(ii) after completion of the Reorganisation and the Completion**



*Note:* Guo Rong WFOE will enter into the Structured Contracts with OPCO and the PRC Equity Owners. Under the Exclusive Business Consultancy and Services Agreement, OPCO will agree to pay 80% of its consolidated profit before income tax after deducting costs, expenses, taxes and prior years' losses as required by the PRC laws, subject to adjustment, to Guo Rong WFOE as a fee for the Services (as defined below) on a quarterly basis.

## INFORMATION OF THE STRUCTURED CONTRACTS

OPCO is principally engaged in the development of big data mining, modelling and analysis in general, and the provision of digital risk management services in retail financial services, which involve value-added telecommunication services. OPCO has obtained an ICP License for carrying out its business activities pursuant to the relevant PRC laws and regulations, and thus is subject to foreign ownership restriction.

The granting of the ICP License and operating of value-added telecommunication services in the PRC are subject to the Guidance Catalog of Industries for Foreign Investment (the “Catalog”), the Special Administrative Measures for Access of Foreign Investment (Negative List) (2019 Edition) (the “Negative List”), the Telecommunications Regulations of the People’s Republic of China (the “Telecommunications Regulations”) and the Regulations for the Administration of Foreign-Invested Telecommunications Enterprises. According to these PRC laws, regulations and rules, a foreign investor who invests in a value-added telecommunications services business in the PRC is subject to ownership percentage restrictions and requires prior experience in and a proven track record of operating value-added telecommunications businesses overseas. Neither the Company (a foreign investor) nor Guo Rong WFOE (a foreign-owned company) is currently able to hold any equity interest in OPCO, which has obtained an ICP License.

In order to maintain OPCO’s business operations while complying with the PRC laws, regulations and rules mentioned above, Guo Rong WFOE, OPCO and the PRC Equity Owners shall, as part of the Reorganisation, enter into the Structured Contracts.

The principal terms of the proposed Structured Contracts are set out as follows:

### (i) Exclusive Business Consultancy and Services Agreement

Parties: (a) Guo Rong WFOE; and  
(b) OPCO

Subject matter: OPCO will agree to engage Guo Rong WFOE as the exclusive service provider to provide OPCO with business consultancy and services, including but not limited to, market research, market planning, management, development of website, technical services, public relations services, sales agent services, employment consultation, administrative management and internal control (the “Services”).

During the term of the Exclusive Business Consultancy and Services Agreement, without the prior written consent of Guo Rong WFOE, OPCO will not be allowed to and OPCO will procure its subsidiaries not to engage or co-operate with any third party for the provision of the same or similar Services. OPCO is not contractually entitled to terminate the Exclusive Business Consultancy and Services Agreement.

OPCO will agree to pay 80% of its consolidated profit before income tax after deducting costs, expenses, taxes and prior years' losses as required by the PRC laws, subject to adjustment, to Guo Rong WFOE as a fee for the Services on a quarterly basis.

Term:

The Exclusive Business Consultancy and Services Agreement shall take effect from the date of its execution, and remain in force until any of the following circumstances occurs:

- (i) Guo Rong WFOE provides OPCO a 30-day prior notice to terminate the Exclusive Business Consultancy and Services Agreement;
- (ii) the winding-up, liquidation, termination or dissolution of OPCO;
- (iii) Guo Rong WFOE exercises its call option under the Exclusive Call Option Agreement to acquire the equity interests held by the PRC Equity Owners in OPCO and/or the assets of OPCO attributable to the PRC Equity Owners according to their respective shareholdings in OPCO; or
- (iv) under applicable PRC laws and regulations, Guo Rong WFOE will be allowed to register itself as the shareholder of OPCO other than Taier Information and Communications and operate the businesses of OPCO.

**(ii) Exclusive Call Option Agreement**

Parties:

- (a) Guo Rong WFOE;
- (b) OPCO; and
- (c) PRC Equity Owners



Subject matter:

OPCO and the PRC Equity Owners will irrevocably agree to grant exclusive call options to Guo Rong WFOE, pursuant to which Guo Rong WFOE may, to the extent permitted under applicable PRC laws and regulations, require:

- (i) the PRC Equity Owners to transfer entirely or partially their or their nominees' equity interests in OPCO to Guo Rong WFOE or its nominee once or at multiple times at any time at a consideration of the amount which is the minimum as permitted under applicable PRC laws, or, unless the PRC laws require valuation of the equity interests at the time of transfer, the consideration shall be adjusted in compliance with the PRC laws; and
- (ii) OPCO to transfer entirely or partially its or its nominees' assets attributable to the PRC Equity Owners according to their respective shareholdings in OPCO to Guo Rong WFOE or its nominee once or at multiple times at any time at a consideration of the amount which is the minimum as permitted under applicable PRC laws, or, unless the PRC laws require valuation of the assets at the time of transfer, the consideration shall be adjusted in compliance with the PRC laws.

Any consideration received by OPCO and/or the PRC Equity Owners for such transfer will be returned to Guo Rong WFOE.

In addition, without the prior written consent of Guo Rong WFOE, OPCO, among other things:

- (i) shall not alter the articles of association and registered capital of OPCO;
- (ii) shall not sell, transfer or mortgage any assets, businesses or income of OPCO;
- (iii) and its subsidiaries shall not enter into any merger, acquisition or investment;
- (iv) shall not distribute any profits, bonus or dividend in any manner; and
- (v) and its subsidiaries shall not enter into any material contracts, save as in the ordinary course of business of OPCO.

In addition, the PRC Equity Owners, among other things:

- (i) without the prior written consent of Guo Rong WFOE, shall not sell, transfer or charge the equity interests of OPCO, save as pursuant to the Equity Pledge Agreement with the PRC Equity Owners;
- (ii) without the prior written consent of Guo Rong WFOE, shall procure OPCO not to enter into any merger, acquisition or investment;
- (iii) shall transfer their equity interests of OPCO to Guo Rong WFOE or a person designated by Guo Rong WFOE upon the request of Guo Rong WFOE;
- (iv) shall transfer any dividend and/or assets received from OPCO to Guo Rong WFOE at nil consideration; and
- (v) shall comply with their obligation and any agreement jointly or severally entered into among Guo Rong WFOE, OPCO and the PRC Equity owners and shall not take any action which will affect the legality and enforceability of such agreement.

Term:

The Exclusive Call Option Agreement with OPCO shall take effect from the date of its execution until the assets of OPCO and/or the equity interests in OPCO held by the PRC Equity Owners are transferred to Guo Rong WFOE or its designated person.

### **(iii) Equity Pledge Agreement**

Parties:

- (a) Guo Rong WFOE;
- (b) OPCO; and
- (c) PRC Equity Owners

Subject matter:

The PRC Equity Owners will agree to pledge all of their equity interests in OPCO to Guo Rong WFOE to secure the performance of the obligations of OPCO under the Exclusive Business and Consultancy and Services Agreement, including but not limited to the payment of the fee for the Services.

If there is any breach of the Equity Pledge Agreement by the PRC Equity Owners and/or OPCO, including but not limited to breach of obligation under the Exclusive Business and Consultancy and Services Agreement by OPCO, the PRC Equity Owners and OPCO shall immediately issue a notice in writing to Guo Rong WFOE. In general, when there is a breach of the Equity Pledge Agreement with the PRC Equity Owners, unless such breach is rectified to the satisfaction of Guo Rong WFOE, Guo Rong WFOE shall have the rights to, among others, dispose the pledged equity interests in OPCO.

In addition, pursuant to the Equity Pledge Agreement, the PRC Equity Owners and OPCO will undertake to Guo Rong WFOE, among other things, that the PRC Equity Owners, save pursuant to the Exclusive Call Option Agreement and the Equity Pledge Agreement, shall not transfer their interests in OPCO and not create or allow to create any Encumbrances thereon without prior written consent of Guo Rong WFOE.

The PRC Equity Owners and OPCO shall register the equity pledge with the relevant authorities within 10 Business Days from the date of the Equity Pledge Agreement.

Terms:

The Equity Pledge Agreement shall become effective upon registration of this equity pledge agreement and shall remain binding until:

- (i) the term of the Exclusive Business and Consultancy and Services Agreement ends or has an early termination and all the outstanding fees owed to Guo Rong WFOE by OPCO under the Exclusive Business and Consultancy and Services Agreement are paid; or
- (ii) Guo Rong WFOE has exercised its rights in relation to the pledged equity interests under the Equity Pledge Agreement.

#### **(iv) Power of Attorney**

##### *Power of attorney from the PRC Equity Owners*

Each of the PRC Equity Owners will unconditionally and irrevocably agree to entrust a director of a corporate shareholder of Guo Rong WFOE (either with direct or indirect interest) or persons designated by Guo Rong WFOE and their successors (including liquidator) (“Designated Person”) all its respective voting rights in OPCO, including but not limited to:

- (a) as an exclusive agent of the PRC Equity Owners, to attend the shareholders’ meetings and sign the minutes of OPCO;
- (b) exercise all rights as a shareholder of OPCO pursuant to the PRC laws and regulations, regulatory documents and the articles of association of OPCO, including but not limited to the right to vote in shareholders’ meeting, sale, transfer, pledge or dispose the shares in OPCO;
- (c) as an authorised person of the PRC Equity Owners to nominate and appoint the legal representative, chairman, director, supervisor, general manager and other senior management of OPCO;
- (d) sign documents, minutes and file the documents with the relevant companies registry; and
- (e) exercise voting rights on behalf of the registered shareholders of OPCO in the event of bankruptcy of OPCO.

In addition, the PRC Equity Owners will represent and undertake, among other things, that their authorisation pursuant to the power of attorney of the PRC Equity Owners would not cause any actual or potential conflict of interest between the PRC Equity Owners and the Designated Person. If there is any potential conflict of interest between the PRC Equity Owners and OPCO with Guo Rong WFOE or parent company outside the PRC of Guo Rong WFOE or the subsidiaries of Guo Rong WFOE, the PRC Equity Owners shall protect the interest of Guo Rong WFOE or parent company outside the PRC of Guo Rong WFOE.

The PRC Equity Owners will represent and undertake that in the event of bankruptcy of the PRC Equity Owners or any event that would affect the shareholding of the PRC Equity Owners in OPCO, the PRC Equity Owners would confirm that their successor in title or the then shareholder of OPCO or the assignee to execute another power of attorney to grant the same rights and obligations under the power of attorney from the PRC Equity Owners.

#### **Dispute Resolutions**

Each of the Exclusive Business Consultancy and Service Agreement, Exclusive Call Option Agreement and the Equity Pledge Agreement will contain a dispute resolution clause to the effect that, amongst others, in the event any dispute which arises under the relevant Structured Contracts cannot be resolved among the parties through negotiation, such dispute

shall provide for arbitration by Arbitration Commission in accordance with the then arbitration rules. The place of arbitration shall be in Beijing and the language of arbitration shall be Chinese. The decision of the arbitration shall be final, conclusive and binding on the parties.

Further, each of the Exclusive Business Consultancy and Service Agreement, Exclusive Call Option Agreement and the Equity Pledge Agreement will contain provisions to the effect that (i) the arbitrators may award remedies over the shares and/or assets of OPCO, injunctive reliefs (such as mandatory transfer of assets) and/or winding up of OPCO; and (ii) the courts in the PRC, Hong Kong, and Cayman Islands are empowered to grant interim remedies in supporting of the arbitration pending the formation of an arbitral tribunal.

### **Liquidation**

Pursuant to the Exclusive Call Option Agreement, in the event of liquidation or winding up of OPCO pursuant to the applicable PRC laws, OPCO shall sell all of its residual assets attributable to the PRC Equity Owners according to their respective shareholdings in OPCO (to the extent permitted by the PRC laws) to Guo Rong WFOE or another qualifying entity designated by Guo Rong WFOE at the lowest price permitted by applicable PRC laws. The proceeds from the sale of OPCO's residual assets received by the PRC Equity Owners will be returned to Guo Rong WFOE.

### **Conflict of interests**

The Company confirms that appropriate arrangements have been made to address the potential conflict of interests between the PRC Equity Owners and the Group. In particular, each of the Power of Attorney provides that each of the PRC Equity Owners represent and undertake respectively, among other things, that its authorisation pursuant to the respective power of attorney would not cause any actual or potential conflict of interest with Guo Rong WFOE and/or Designated Person. If there is any potential conflict of interest with Guo Rong WFOE or parent company of Guo Rong WFOE or its subsidiaries, the PRC Equity Owners shall protect the interest of Guo Rong WFOE or parent company of Guo Rong WFOE.

## **EFFECT AND LEGALITY OF THE STRUCTURED CONTRACTS**

### **Compliance of Structured Contracts with PRC laws, rules and regulations**

As advised by the Company's PRC legal advisers, upon the execution of the Structured Contracts, each of the Structured Contracts shall be legal, effective, binding among the parties thereto, enforceable pursuant to PRC laws (save for the dispute resolution clauses contained in the Exclusive Business Consultancy and Service Agreement, Exclusive Call Option Agreement and the Equity Pledge Agreement, further details of which are set out in the paragraph headed "Certain terms of the Structured Contracts may not be enforceable under PRC laws" under the section headed "Risk factors in relation to the Structured Contracts" and the paragraph headed "Dispute resolutions in the Structured Contracts" in this announcement) and shall not contravene relevant PRC contract law and other applicable PRC laws, and regulations, including those applicable to the business of Guo Rong WFOE and OPCO. The Structured Contracts would not be deemed as "concealing illegal intentions with a lawful form" and void under the PRC contract law. The Company's PRC legal advisers are of the view that the adoption of the Contractual Arrangement is unlikely to be

deemed ineffective or invalid under the applicable PRC laws and regulations. As at the date of this announcement, pursuant to the confirmation of OPCO and reasonable enquiry by the Company's PRC legal advisers, there is no pending or potential litigation, arbitration or other regulatory penalty in relation to the effect and legality of the Structured Contracts.

### **Dispute resolutions in the Structured Contracts**

The Exclusive Business Consultancy and Service Agreement, Exclusive Call Option Agreement and the Equity Pledge Agreement will be governed by and construed in accordance with PRC laws and contain a provision for resolving disputes by arbitration by Arbitration Commission in accordance with the then arbitration rules. Such provision will provide that (i) the arbitrators may award remedies over the shares and/or assets of OPCO, injunctive reliefs (such as mandatory transfer of assets) and/or winding up of OPCO; and (ii) the courts in the PRC, Hong Kong, and Cayman Islands are empowered to grant interim remedies in supporting of the arbitration pending the formation of an arbitral tribunal. However, the Company's PRC legal advisers are of the view that pursuant to PRC laws, the arbitration tribunal may have no power to grant the aforementioned remedies or injunctive relief or to order the winding up of OPCO. In addition, even though the Structured Contracts provide that overseas courts (e.g. courts in Hong Kong and the Cayman Islands) shall have the power to grant certain relief or remedies, such relief or remedies may not be recognised or enforced under PRC laws.

### **Developments in the PRC Legislation on Foreign Investment**

The Foreign Investment Law of the PRC (《中華人民共和國外商投資法》), the "Foreign Investment Law") was adopted at the Second Session of the Thirteenth National People's Congress of the PRC on 15 March 2019 and will come into effect starting 1 January 2020, replacing the Law on Sino-Foreign Equity Joint Ventures, the Law on Sino-Foreign Contractual Joint Ventures and the Law on Foreign-Capital Enterprises to become the legal foundation for foreign investment in the PRC.

The Foreign Investment Law regulates foreign investments by way of giving foreign investors equal treatment as those given to domestic investors, except in situations where the foreign investors intend to invest in certain industries specified in the Negative List. The Negative List, which will be separately issued by, or issued upon the approval of, the State Council, designates certain industries with respect to which foreign investors are either "prohibited" or "restricted" to access. A foreign investor is not allowed to invest in any industry designated as a "prohibited" industry, and must meet the conditions stipulated under the Negative List before it may invest in any industry designated as a "restricted" industry.

The Foreign Investment Law stipulates several forms of foreign investment, but does not explicitly stipulate whether the foreign investments via contractual arrangements would be considered as a form of foreign investment. Conducting operations through contractual arrangements has been adopted by many PRC-based companies, and will be adopted by the Target Group in the form of the Contractual Arrangements upon completion of the Reorganisation, to establish control of OPCO, through which it operates its business in the PRC.



The Foreign Investment Law does not stipulate that the “foreign investment” as defined thereunder shall include contractual arrangements. Instead, a catch-all provision was added to the definition of foreign investment to include “investments through other means stipulated under laws or administrative regulations or by the State Council” without elaboration on “other means”.

Given the above, unless the competent government authorities clearly stipulate that the use of contractual arrangements by a foreign investor to indirectly control an enterprise incorporated in the PRC is one of the “other means” of foreign investment referred to in the Foreign Investment Law, the Foreign Investment Law is not applicable to the use of contractual arrangements, and the legality and validity of the Contractual Arrangements would not be affected by the Foreign Investment Law. However, there are possibilities that future laws, administrative regulations or provisions on the interpretation and implementation of the Foreign Investment Law may regard contractual arrangements as a form of foreign investment, at which time it will be uncertain whether the Contractual Arrangements will be deemed to be in violation of the foreign investment access requirements and how the Contractual Arrangements will be handled. Therefore, there is no guarantee that the Contractual Arrangements and the business of the Target Group will not be adversely affected in the future due to developments and changes in PRC laws and regulations.

#### **Board’s view on the Structured Contracts**

Based on the above, the Board is of the view that the Structured Contracts will be narrowly tailored to achieve the Target Group’s business purpose and to manage any potential conflict with and will be enforceable under the relevant PRC laws and regulations. The Structured Contracts enable Guo Rong WFOE to gain control over the financing and business operations of OPCO, and is entitled to the economic interest and benefits of OPCO. The Structured Contracts will also provide that Guo Rong WFOE may unwind the Structured Contracts as soon as relevant PRC laws and regulations governing foreign investment in value-added telecommunication services are issued which allow Guo Rong WFOE to register itself as the shareholder of OPCO.

#### **RISK FACTORS IN RELATION TO THE STRUCTURED CONTRACTS**

##### **(1) The PRC government may determine that the Structured Contracts do not comply with the applicable laws and regulations**

There can be no assurance that the Structured Contracts will be deemed by the relevant governmental or judicial authorities to be in compliance with the existing or future applicable PRC laws and regulations, or that the relevant governmental or judicial authorities may in the future interpret the existing laws or regulations with the result that the Structured Contracts will be not deemed to be in compliance of the PRC laws and regulations. Please also refer to the paragraph headed “Developments in the PRC Legislation on Foreign Investment” under the section headed “Effect and Legality of the Structured Contracts”.

If OPCO were deemed as foreign-invested enterprises under any of such future laws, regulations and rules, and any of the businesses that the Target Group operate would be in any Negative List for foreign investment and therefore be subject to any foreign investment restrictions or prohibitions, further actions will be required to be taken by the Target Group under such laws, regulations and rules and may materially and adversely affect the Target Group's business and financial condition. Furthermore, if future laws, administrative regulations or provisions mandate further actions to be taken by companies with respect to existing contractual arrangements, the Target Group may face uncertainties as to whether it can complete such actions in a timely manner, or at all. Failure to take timely and appropriate measures to cope with any of these or similar regulatory compliance challenges could adversely affect its corporate structure and business operations.

**(2) The Structured Contracts may not be as effective as direct ownership in providing control over OPCO**

The Target Group will rely on the Contractual Arrangement with OPCO to operate the business of the development of big data mining, modelling and analysis in general, and the provision of digital risk management services in retail financial services in the PRC. These contractual arrangements may not be as effective in providing the Target Group with control over OPCO as direct ownership.

**(3) The PRC Equity Owners may potentially have a conflict of interests with the Target Company**

The Target Company's control over OPCO will be based on the Contractual Arrangement. Conflict of interests of the PRC Equity Owners may adversely affect the interests of the Target Company. Pursuant to the Power of Attorney, the PRC Equity Owners will irrevocably authorise the Designated Person as their representatives to exercise their rights as shareholders of OPCO. It is therefore unlikely that there will be potential conflict of interests between the Target Company and the PRC Equity Owners. However, in the event that a conflict of interests arises and cannot be resolved, the Target Company will consider removing and replacing the PRC Equity Owners.

**(4) The contractual arrangements may be subject to scrutiny of the PRC tax authorities and transfer pricing adjustments and additional tax may be imposed**

The Target Group could face material adverse tax consequences if the PRC tax authorities determine that the Contractual Arrangement, when put in place, was not entered into based on arm's length negotiations. If the PRC tax authorities determine that these agreements were not entered into on an arm's length basis, they may adjust our income and expenses for PRC tax purposes in the form of a transfer pricing adjustment. A transfer pricing adjustment could adversely affect the Target Group's financial position by increasing the relevant tax liability without reducing the tax liabilities of OPCO, and this could further result in late payment fees and other penalties to OPCO for under-paid taxes. As a result, any transfer pricing adjustment could have a material adverse effect on the Target Group's financial position and results of operations.

The Vendors will execute a deed of tax indemnity with the Company pursuant to which the Vendor shall indemnify any tax liability incurred by OPCO.

**(5) Certain terms of the Structured Contracts may not be enforceable under PRC laws**

The Structured Contracts will provide for dispute resolution by way of arbitration in accordance with the arbitration rules of the Arbitration Commission. The Structured Contracts will contain provisions to the effect that the arbitrators may award remedies over the shares and/or assets of OPCO or provide mandatory remedies to Guo Rong WFOE (such as mandatory transfer of asset). In addition, the parties to the Structured Contracts may also by itself/himself/herself or through the Arbitration Commission to apply for interim remedies in the place of incorporation of Guo Rong WFOE in appropriate cases. Under PRC laws, an arbitral body does not have the power to grant any injunctive relief or provisional or final liquidation order to preserve the assets of or any equity interest in OPCO in case of disputes. Such remedies therefore may not be available, notwithstanding the relevant contractual provisions contained in the Structured Contracts.

**(6) A substantial amount of costs and time may be involved in transferring the ownership of OPCO to the Target Company under the Exclusive Call Option Agreement**

The Exclusive Call Option Agreement will grant Guo Rong WFOE a right to acquire part or all of the equity interest in the registered capital or part or all of the assets of OPCO attributable to the PRC Equity Owners according to their respective shareholdings in OPCO at the lowest price permitted by PRC law, under which Guo Rong WFOE or its designed will be entitled to acquire all or part of the equity interest of OPCO from the PRC Equity Owners and the assets of OPCO attributable to the PRC Equity Owners according to their respective shareholdings in OPCO.

Nevertheless, such rights can only be exercised by Guo Rong WFOE as and when permitted by the relevant PRC laws and regulations, in particular, when there are no limitations on foreign ownership in PRC companies that are engaged in the business of the development of big data mining, modelling and analysis in general, and the provision of digital risk management services in retail financial services.

In addition, a substantial amount of costs and time may be involved in transferring the ownership or assets of OPCO to Guo Rong WFOE if it chooses to exercise the exclusive right to acquire all or part of the 80% equity interest and the corresponding assets in OPCO under the Exclusive Call Option Agreement, which may have a material adverse impact on the Target Group's business, prospects and results of operation.

**(7) The Company does not have any insurance which covers the risks relating to the Structured Contracts and the transactions contemplated thereunder**

The insurance of the Group does not cover the risks relating to the Structured Contracts and the transactions contemplated thereunder and the Company has no intention to purchase any new insurance in this regard. If any risk arises from the Structured Contracts in the future, such as those affecting the enforceability of the Structured Contracts and the relevant agreements for the transactions contemplated thereunder and

the operation of OPCO, the results of the Group may be adversely affected. However, the Group will monitor the relevant legal and operational environment from time to time to comply with the applicable laws and regulations. In addition, the Group will implement relevant internal control measures to reduce the operational risk.

**(8) Economic risks Guo Rong WFOE bears as the primary beneficiary of OPCO, financial support to OPCO and potential exposure of the Target Company to losses**

As the primary beneficiary of OPCO, Guo Rong WFOE will share both profit and loss of OPCO. Equally, Guo Rong WFOE will bear economic risks which may arise from the operation of OPCO's business. Guo Rong WFOE may have to provide financial support in the event of financial difficulty of OPCO. Under these circumstances, the Group's financial results and financial position may be adversely affected by the worsening financial performance of OPCO and the need to provide financial support to OPCO.

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

The Group is principally engaged in the manufacturing and sale of industrial coatings in the forms of customised liquids and powders at present. The Company has also entered into an agreement to invest in a payment services company as detailed in the Company's circular dated 18 April 2019.

In recent years, the demand for efficient digital risk management services in retail financial services business in the PRC has been rapidly increasing and is driven by, among others, the big data and artificial intelligence mega trend of the growth in consumer spending. In line with the strategic directions of the offeror as stated in the circular of the Company dated 10 December 2018, the Company intends to explore possible opportunities with new economy sector (including digital application for retail and quasi-retail area), the Directors consider the Acquisition as a very valuable opportunity to participate in the big data based risk management services in retail financial services business. As at the date of this announcement, OPCO has entered into a five-year scientific results conversion agreement with the Results Conversion Center in order to obtain the legitimate authorisation to use the canonical data of the Results Conversion Center. The agreement has come into force since July 2019 and is renewable upon expiration. Meanwhile, the Joint Lab was jointly established by OPCO and the Results Conversion Center to combine the achievements and resources from the fintech monitoring of the Results Conversion Center with the commercial applications of OPCO, thus jointly developing market-oriented products and services. Based on which, OPCO systematically realizes the scientific results conversion and compliance business applications by applying the authoritative massive data sources and authoritative data technologies in a step-by-step manner, thus making continuous contributions to the social operating efficiency of the PRC through enhanced digital applications. The Directors believe that the utilisation right of such canonical data source and the resources and technological advantages of the Joint Lab would provide unparalleled support for OPCO's data modelling, analytical and reporting capabilities in big data based risk management services in retail financial services, centered round the primary themes of anti-fraud namely preventing fraud and chasing fraud, and control-default, and provide unique competitive

advantages to OPCO in the market. It is expected that, through the Acquisition, there will be a substantially positive and sustainable impact on the Group's valuation and growth and profitability.

The Directors believe that the issue of the Consideration Shares would align the interests of the Vendors with the Company, and that the arrangements under the Structured Contracts would entitle the Company to receive, through the Target Company, a pro-rata portion of 80% of the consolidated profit before income tax to be generated from OPCO.

In view of the above and the basis of the Consideration set out in this announcement, the Board considers that the Share Purchase and Subscription Agreement and the transactions contemplated thereunder are fair and reasonable, on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

## EFFECTS ON THE SHAREHOLDING STRUCTURE

The following table summarises the shareholding structure of the Company as at the date of this announcement and immediately following the issue of the Consideration Shares:

	As at the date of this announcement		Immediately after the allotment and issue of the Consideration Shares upon Completion	
	No. of Shares	Approx.%	No. of Shares	Approx.%
Timenew Limited ( <i>Note</i> )	450,000,000	69.70%	450,000,000	67.87%
Vendor A	—	—	7,641,702	1.15%
Vendor B	—	—	2,843,139	0.43%
Vendor C	—	—	6,989,894	1.05%
Public Shareholders	<u>195,614,035</u>	<u>30.30%</u>	<u>195,614,035</u>	<u>29.50%</u>
<b>Total</b>	<u><u>645,614,035</u></u>	<u><u>100.00%</u></u>	<u><u>663,088,770</u></u>	<u><u>100.00%</u></u>

*Note:* Dr. Li Zhong Yuan is legally interested in 49% and beneficially interested in 19.0476% of the entire issued share capital of Timenew Limited, a substantial shareholder of the Company, which is interested in 450,000,000 issued ordinary shares of the Company. Dr. Li Zhong Yuan is therefore deemed to have a corporate interest of 69.70% of the Company as at the date of this announcement.

## LISTING RULES IMPLICATION

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

**As Completion is subject to fulfilment or waiver (as the case may be) of the Conditions, it may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares.**



## **PROPOSED CHANGE OF COMPANY NAME**

Reflecting the Company's quest to seek suitable opportunities in the information technology sector, the Board proposes to change the English name of the Company from "Manfield Chemical Holdings Limited" to "Pan Asia Data Holdings Inc.", and the dual foreign name in Chinese of the Company from "萬輝化工控股有限公司" to "聯洋智能控股有限公司".

## **CONDITIONS OF THE PROPOSED CHANGE OF COMPANY NAME**

The Proposed Change of Company Name is subject to the following conditions:

- (i) the passing of a special resolution by the Shareholders at an EGM to approve the Proposed Change of Company Name; and
- (ii) the Registrar of Companies in the Cayman Islands approving the Proposed Change of Company Name.

Subject to the satisfaction of the conditions set out above, the Proposed Change of Company Name will take effect from the date of issue of the certificate of incorporation on change of name by the Registrar of Companies in the Cayman Islands. The Company will then carry out all necessary filing procedures with the Companies Registry in Hong Kong.

## **REASONS FOR THE PROPOSED CHANGE OF COMPANY NAME**

The Board considers that the Proposed Change of Company Name will better reflect the business nature of the Group upon completion of the Acquisition and its direction of future development. The Board believes that the new English and Chinese names of the Company will provide the Company with a new corporate image which will benefit the Company's future business development. Therefore, the Board considers that the Proposed Change of Company Name is in the best interests of the Company and the Shareholders as a whole.

## **EFFECT OF THE PROPOSED CHANGE OF COMPANY NAME**

The Proposed Change of Company Name will not affect any of the rights of the Shareholders.

All existing share certificates in issue bearing the Company's existing name shall continue to be evidence of legal title and valid for trading, settlement, registration and delivery purposes. Accordingly, there will not be any arrangement for free exchange of existing share certificates for new share certificates bearing the new name of the Company. Once the Proposed Change of Company Name becomes effective, share certificates of the Company will be issued in the new name of the Company and the shares of the Company will be traded on the Main Board of the Stock Exchange under the new name.

In addition, subject to confirmation by the Stock Exchange, the Company will change the English and Chinese stock short names of the Company for trading in the shares on the Stock Exchange after the Proposed Change of Company Name becomes effective. Subject to the Proposed Change of Company Name becoming effective, the Company will also adopt a new company logo.



## GENERAL

The EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Proposed Change of Company Name. A circular containing, among other matters, details of the Proposed Change of Company Name and a notice convening the EGM and the related proxy form is expected to be despatched to the Shareholders as soon as practicable.

Further announcement(s) will be made by the Company to inform the Shareholders of the results of the EGM, the effective date of the Proposed Change of Company Name, the new stock short names of the Company for trading of its shares on the Main Board and other relevant information as and when appropriate.

## DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Acquisition”	the acquisition of the Sale Shares and the subscription for the Subscription Shares by the Company pursuant to the Share Purchase and Subscription Agreement;
“Arbitration Commission”	the China International Economic and Trade Arbitration Commission;
“associate(s)”	has the meaning ascribed to it in the Listing Rules;
“Board”	the board of Directors;
“Business Day”	a day (excluding Saturday and any day on which a tropical cyclone warning no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 5:00 p.m. and is not lowered at or before 5:00 p.m. or on which a “black” rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 5:00 p.m. and is not discontinued at or before 5:00 p.m.) on which licensed banks in Hong Kong and the PRC are generally open for business throughout their normal business hours;
“BVI Guo Rong”	Guo Rong International Limited, a company incorporated in the British Virgin Islands with limited liability;
“Company”	Manfield Chemical Holdings Limited (萬輝化工控股有限公司), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1561);

“Completion”	completion of the sale and purchase of the Sale Shares and the subscription of the Subscription Shares in accordance with the terms and conditions of the Share Purchase and Subscription Agreement;
“Completion Date”	the date of Completion, which shall take place on the fifteenth (15th) Business Day after all conditions set out in the Share Purchase and Subscription Agreement have been fulfilled or waived or such other date as may be agreed between the Vendors and the Company in writing;
“Condition(s)”	the condition(s) precedent to the Completion as set out in the Share Purchase and Subscription Agreement;
“connected person(s)”	has the meaning ascribed to it under the Listing Rules;
“Consideration”	the consideration payable by the Company to the Vendor for the sale and purchase of the Sale Shares and the subscription for the Subscription Shares;
“Consideration Shares”	an aggregate of 17,474,735 new Shares to be allotted and issued by the Company to the Vendors at the Issue Price pursuant to the Share Purchase and Subscription Agreement;
“Contractual Arrangement”	the contractual arrangement contemplated under the Structured Contracts through which the Target Company indirectly own and control any part of the business of OPCO;
“Director(s)”	the director(s) of the Company;
“EGM”	the extraordinary general meeting of the Company to be convened to consider and, if thought fit, approve the Proposed Change of Company Name;
“Encumbrance”	any mortgage, charge, pledge, lien, (otherwise than arising by statute or operation of law), equities, hypothecation or other encumbrance, priority or security interest, deferred purchase, title retention, leasing, sale-and-repurchase or sale-and-leaseback arrangement whatsoever over or in any property, assets or rights of whatsoever nature and includes any agreement for any of the same;
“Equity Pledge Agreement”	the agreement to be entered into between Guo Rong WFOE, OPCO and PRC Equity Owners in relation to, among others, the PRC Equity Owners agree to pledge all of their equity interests in OPCO to Guo Rong WFOE;

“Exclusive Business Consultancy Services Agreement”	the agreement to be entered into between Guo Rong WFOE and OPCO in relation to, among others, the provision of business consultancy and services by Guo Rong WFOE to OPCO;
“Exclusive Call Option Agreement”	the agreement to be entered into between Guo Rong WFOE, OPCO and PRC Equity Owners in relation to, among others, the grant of exclusive call option to Guo Rong WFOE by OPCO and the PRC Equity Owners;
“General Mandate”	the general unconditional mandate granted by the Shareholders to the Board at the annual general meeting of the Company held on 26 June 2019 to allot, issue and deal with up to 120,000,000 new Shares;
“Group”	the Company and its subsidiaries from time to time;
“Guarantors” or “PRC Equity Owners”	北京富海金瀾諮詢有限公司 (Beijing Fu Hai Jin Lan Consulting Co., Ltd.*), 上海百派數字科技合夥企業(有限合夥) (Shanghai Bai Pai Digital Science and Technology LLP*), 上海安臣投資管理有限公司 (Shanghai An Cheng Investment Management Co., Ltd*), 上海普恩網絡科技合夥企業(有限合夥) (Shanghai Pu En Network Science and Technology LLP*) and 上海予暘網絡科技有限公司 (Shanghai Yu Yang Network Science and Technology Co., Ltd*), which own 35.00%, 14.00%, 13.00%, 13.00% and 5.00% equity interests in OPCO respectively;
“Guo Rong WFOE”	Lian Yang Guo Xin (Beijing) Science and Technology Co., Ltd. (聯洋國信(北京)科技有限公司) a wholly foreign owned enterprise incorporated in Beijing, the PRC, under the Reorganisation, the registered shareholder of which is HK Guo Rong;
“Holding Co Group”	the Target Company and its subsidiaries (including BVI Guo Rong, HK Guo Rong and Guo Rong WFOE and their subsidiaries);
“HK Guo Rong”	Lian Yang Guo Rong (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability;
“HK\$”	Hong Kong dollars, the lawful currency for the time being of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“ICP Licence”	Value-added Telecommunication Service Operation Permit for Internet Information Service issued to internet content providers in the PRC by MIIT;

“Independent Third Party”	an individual or company which is not connected with any Directors, chief executive or substantial shareholders of the Company, its subsidiaries or any of their respective associates and is/are independent of the Company;
“Issue Price”	an issue price of HK\$2.85 per Consideration Share;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Long Stop Date”	30 November 2019 or such other date as the parties to the Share Purchase and Subscription Agreement may agree in writing;
“OPCO”	聯洋國融(北京)科技有限公司 (Lian Yang Guo Rong (Beijing) Science and Technology Co., Ltd.*), a company incorporated in Beijing, the PRC;
“Power of Attorney”	the power of attorney from the PRC Equity Owner;
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and the territory of Taiwan;
“Proposed Change of Company Name”	the proposed change of the English name of the Company from “Manfield Chemical Holdings Limited” to “Pan Asia Data Holdings Inc.”, and the dual foreign name in Chinese of the Company from “萬輝化工控股有限公司” to “聯洋智能控股有限公司”;
“Relevant Capacity”	as far as a person is concerned, for his own account or for that of any person, firm or company other than the Company or the Target Group and whether through the medium of any company which is his associate or as principal, partner, director, employee, consultant or agent;
“Reorganisation”	(i) the reorganisation of the corporate structure of Holding Co Group; and (ii) the execution of the Structured Contracts to complete the Contractual Arrangement;
“Restricted Period”	two years from the Completion Date;
“RMB”	Renminbi, the lawful currency for the time being of the PRC;
“Sale Shares”	3,750 shares of the Target Company registered in the name of, and beneficially owned by, the Vendors, representing 15% of the entire issued share capital of the Target Company as at the date of this announcement;

“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of the Share(s);
“Share Purchase and Subscription Agreement”	the agreement dated 10 September 2019 for the purchase of the Sale Shares and the subscription for the Subscription Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Structured Contracts”	collectively, (i) the Exclusive Business Consultancy and Services Agreement; (ii) the Exclusive Call Option Agreement; (iii) the Equity Pledge Agreement; and (iv) the Power of Attorney;
“Subscription Price”	an aggregate subscription price of RMB69,000,000 for the Subscription Shares;
“Subscription Shares”	5,750 shares of the Target Company to be allotted and issued by the Target Company and subscribed by the Company pursuant to the Share Purchase and Subscription Agreement;
“subsidiaries”	has the meaning ascribed to it in the Listing Rules;
“substantial shareholder”	has the meaning ascribed to it in the Listing Rules;
“Target Company”	Lian Yang Guo Rong Holdings Limited, a company incorporated in the Cayman Islands with limited liability;
“Target Group”	the Target Company and its subsidiaries and any other entities which are directly or indirectly controlled by the Target Company, including but not limited to OPCO;
“Vendors”	collectively, the Vendor A, the Vendor B and the Vendor C;
“Vendor A”	FHJL Investment Limited, a company incorporated in the British Virgin Islands with limited liability, which owns an approximately 43.75% equity interest in the Target Company as at the date of this announcement;
“Vendor B”	An Chen New Technology Holding Ltd, a company incorporated in the British Virgin Islands with limited liability, which owns an approximately 16.25% equity interest in the Target Company as at the date of this announcement;

“Vendor C”	Lian Yang Investment Limited, a company incorporated in the British Virgin Islands with limited liability, which owns an approximately 40.00% equity interest in the Target Company as at the date of this announcement;
“Warranties”	representations, warranties and undertakings made by or on behalf of the Vendors in the Share Purchase and Subscription Agreement or which have become the terms of the Share Purchase and Subscription Agreement; and
“%”	per cent.

By order of the Board  
**Manfield Chemical Holdings Limited**  
**Dr. Li Zhong Yuan**  
*Chairman*

Hong Kong, 10 September 2019

*For the purpose of this announcement, translations of Renminbi into Hong Kong dollars or vice versa have been calculated by using an exchange rate of HK\$1.00 equal to RMB0.90356. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were, may have been or will be exchanged at such rate or any other rates or at all.*

*As at the date of this announcement, the Board comprises:*

*Executive Directors:*

Dr. Li Zhong Yuan  
Ms. Liu Rong-Rong

*Non-executive Directors:*

Mr. Kong Muk Yin  
Ms. Zuo Yi

*Independent non-executive Directors:*

Mr. Li Gong  
Mr. Wang Jianping  
Dr. Shi Ping

\* *for identification purposes only*