

*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.*



## **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)**

**COOPERATION RESTRUCTURING INVOLVING  
A MAJOR ACQUISITION AND A MAJOR DEEMED DISPOSAL  
ISSUE OF THE NEW SHARES UNDER THE SPECIFIC MANDATE  
POTENTIAL CONTINUING CONNECTED TRANSACTIONS  
AND  
RESUMPTION OF TRADING IN THE SHARES**

### **COOPERATION AGREEMENT**

On 7 May 2018 (after trading hours), the Company, Hopefluent HK (a wholly-owned subsidiary of the Company) and Poly Real Estate entered into the Cooperation Agreement in relation to the real estate agency business cooperation between the parties, involving (a) the acquisition by Hopefluent China of the Poly Consultancy Group, in consideration for the issue by Hopefluent China of 43.9% of its entire equity interests to Poly Real Estate, which is regarded as a deemed disposal of the Company's interests in a subsidiary of the Company under Rule 14.29 of the Listing Rules, and (b) the allotment and issue of the New Shares to Poly Real Estate (or its nominee) at an issue price of HK\$4.20 per New Share.

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the acquisition by Hopefluent China of the Poly Consultancy Group is higher than 25% but below 100%, such acquisition will constitute a major transaction of the Company and is subject to reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the issue of 43.9% of the entire equity interests in Hopefluent China to Poly Real Estate is higher than 25% but below 75%, such deemed disposal will constitute a major transaction of the Company and is subject to reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

Pursuant to the terms and conditions of the Cooperation Agreement, the Company agreed to allot and issue, and Poly Real Estate agreed to subscribe for, the New Shares at an issue price of HK\$4.20 per New Share. The New Shares will be allotted and issued under the Specific Mandate.

### **POTENTIAL CONTINUING CONNECTED TRANSACTIONS**

Upon completion of the Cooperation Restructuring, Poly Real Estate will own 43.9% of the entire equity interests in Hopefluent China, and thereby will become a connected person of the Company. As such, any transaction between Poly Real Estate and Hopefluent China or any of its subsidiaries will become continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

The Company will make further announcement(s) in respect of any continuing connected transaction pursuant to the Listing Rules if and when necessary.

### **GENERAL**

A circular containing, among other things, further details of the Cooperation Agreement, the allotment and issue of the New Shares and a notice of the EGM together with the proxy form for the purpose of approving the Cooperation Agreement and the transactions contemplated thereunder (including without limitation the allotment and issue of the New Shares) will be despatched to the Shareholders in accordance with the Listing Rules. Based on the information currently available, the Directors expected that the circular will be despatched on or before 8 June 2018 as the Company will require more than 15 business days (as defined under the Listing Rules) to prepare the relevant information to be included in the circular, in particular the financial information of Hopefluent China.

**Shareholders and potential investors should note that completion of the Cooperation Restructuring and the allotment and issue of the New Shares are subject to various conditions precedent as stated in the sections headed "The Cooperation Agreement — Cooperation Restructuring — Conditions precedents" and "The Cooperation Agreement — Issue of the New Shares — Conditions precedents", respectively, below and therefore the transactions contemplated thereunder may or may not be completed. As such, investors and Shareholders are urged to exercise caution when dealing in the Shares.**

### **RESUMPTION OF TRADING IN THE SHARES**

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 8 May 2018 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 10 May 2018.

Reference is made to the Company's announcement published on 29 January 2018 regarding a business cooperation framework agreement entered into between the Company and Poly Real Estate in relation to a proposed business cooperation of the two parties' respective primary and secondary real estate agency service businesses.

The Board is pleased to announce that on 7 May 2018 (after trading hours), the Company, Hopefluent HK and Poly Real Estate entered into the Cooperation Agreement in relation to the real estate agency business cooperation between the parties.

## **THE COOPERATION AGREEMENT**

**Date** 7 May 2018

### **Parties**

1. the Company;
2. Hopefluent HK; and
3. Poly Real Estate.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Poly Real Estate and its ultimate beneficial owners are Independent Third Parties.

### **Assets involved**

The Company and Poly Real Estate have agreed to integrate their respective primary and secondary real estate agency service businesses.

For the purpose of the Cooperation Restructuring, each of the Company and Poly Real Estate will undergo a corporate reorganisation within its group of companies whereby (i) the Hopefluent China Group will be formed with Hopefluent China being the holding company holding 95 companies all of which are engaged in the provision of primary and secondary real estate agency services or related services, and (ii) the Poly Consultancy Group will be formed with Poly Consultancy being the holding company holding 4 companies all of which are engaged in the provision of primary and secondary real estate agency services or related services.

For the real estate agency business integration and cooperation of the Company and Poly Real Estate, Poly Real Estate will inject its entire interests in the Poly Consultancy Group into Hopefluent China as capital contribution and in return obtain 43.9% of the entire equity interests in Hopefluent China. Upon completion of the Cooperation Restructuring:

- (a) Hopefluent China will own the entire interests in the Poly Consultancy Group as well as the Hopefluent China Group; and
- (b) Hopefluent China will be owned as to 56.1% by Hopefluent HK and 43.9% by Poly Real Estate.

Following the completion of the Cooperation Restructuring, as Hopefluent China will be indirectly owned as to 56.1% by the Company, Hopefluent China will remain as a subsidiary of the Company.

The Company and Poly Real Estate will develop the primary and secondary real estate agency service businesses with Hopefluent China being the principal cooperating company.

### **Valuation**

Based on the valuation undertaken by an independent valuer using the market approach, (a) the valuation of the Hopefluent China Group as at 31 January 2018 was HK\$2.15 billion; and (b) the valuation of the Poly Consultancy Group as at 31 January 2018 was HK\$1.68 billion.

Based on the above valuation:

- (a) the parties have agreed that upon completion of the Cooperation Restructuring, the Company will own 56.1% of the entire equity interests in Hopefluent China while Poly Real Estate will own 43.9%;
- (b) the acquisition by Hopefluent China of the Poly Consultancy Group will constitute a major acquisition of the Company; and
- (c) the issue of 43.9% of the entire equity interests in Hopefluent China to Poly Real Estate, which is regarded as a deemed disposal of the Company's interests in a subsidiary of the Company under Rule 14.29 of the Listing Rules, will constitute a major deemed disposal of the Company.

### **Cooperation Restructuring**

#### *Conditions precedent*

The obligation of the Company to complete the Cooperation Restructuring is subject to the fulfillment of, *inter alia*, the following conditions precedent:

- (a) a due diligence investigation on the assets, liabilities, business and prospect of the Poly Consultancy Group in legal, financial and business aspects by the Company having been completed to the satisfaction of the Company in its absolute discretion;
- (b) a due diligence investigation on the assets, liabilities, business and prospect of the Hopefluent China Group in legal, financial and business aspects by Poly Real Estate having been completed to the satisfaction of Poly Real Estate in its absolute discretion;
- (c) the Company and Poly Real Estate having obtained a valuation report, the contents and form of which are acceptable to the Company, issued by an independent valuer with local and international experience confirming the value of the entire equity interests of the Poly Consultancy Group being not less than HK\$1.68 billion;

- (d) the Company and Poly Real Estate having obtained a valuation report, the contents and form of which are acceptable to the Company, issued by an independent valuer with local and international experience confirming the value of the entire equity interests of the Hopefluent China Group being not less than HK\$2.15 billion;
- (e) the Company having obtained an audit report, the contents and form of which are acceptable to the Company, in respect of the Poly Consultancy Group for the three financial years ended 31 December 2017 prepared by a Hong Kong certified public accountant acceptable to the Company in accordance with Hong Kong accounting standards;
- (f) the board of directors and shareholders of Poly Consultancy having passed all necessary resolutions to approve the capital contribution by Poly Real Estate to Hopefluent China by way of injecting the entire equity interests of Poly Consultancy held by Poly Real Estate and in return obtaining 43.9% of the entire equity interests in Hopefluent China as contemplated under the Cooperation Agreement;
- (g) the board of directors and shareholders of Hopefluent China having passed all necessary resolutions to approve the capital contribution by Poly Real Estate to Hopefluent China by way of injecting the entire equity interests of Poly Consultancy held by Poly Real Estate and in return obtaining 43.9% of the entire equity interests in Hopefluent China as contemplated under the Cooperation Agreement;
- (h) all the representations and warranties set out in the Cooperation Agreement having remained true and accurate in all aspects as at the Capital Contribution Completion Date, which will have the effect as if the Cooperation Agreement has been re-entered into during the period from the date of the Cooperation Agreement to the Capital Contribution Completion Date;
- (i) all necessary resolutions of the Shareholders at the EGM to approve the terms and conditions of the Cooperation Agreement and the transactions contemplated thereunder (including without limitation the allotment and issue of the New Shares) having been obtained; and
- (j) all necessary resolutions of the board of directors of Poly Real Estate to approve the terms and conditions of the Cooperation Agreement and the transactions contemplated thereunder (including without limitation the subscription of the New Shares) having been obtained.

The parties to the Cooperation Agreement may from time to time waive in writing any of the conditions precedent set out above (except for those conditions in paragraphs (f), (g) (i) and (j)). If any of the above conditions precedent are not fulfilled or abandoned or waived prior to the later of 30 September 2018 or such other date to be agreed among the parties to the Cooperation Agreement in writing, the parties shall revise the above conditions precedent or otherwise negotiate specific proposals for the cooperation stated in the agreement in compliance with the Listing Rules, in order to facilitate the transactions contemplated under the Cooperation Agreement.

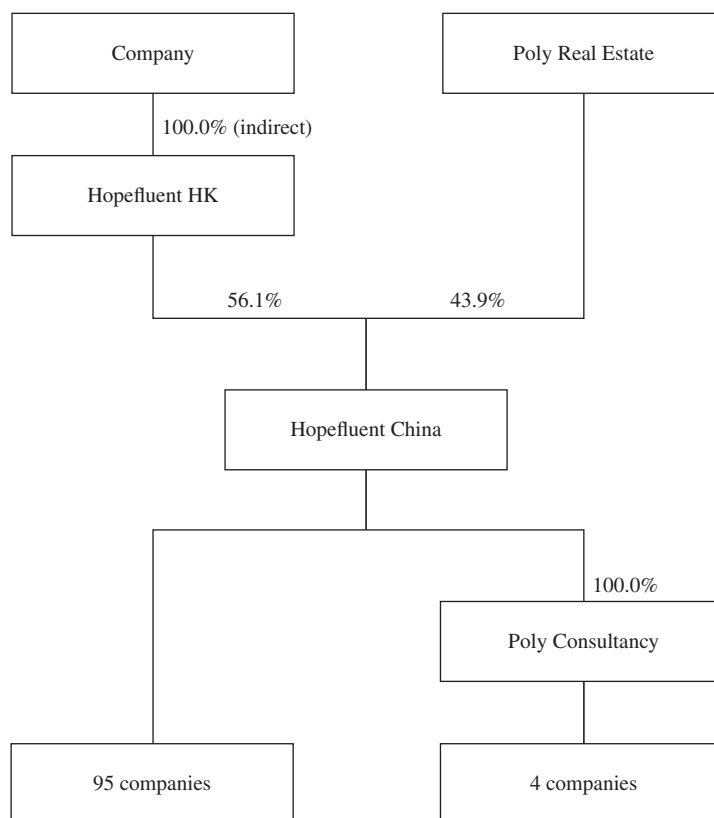
### *Completion*

As soon as all the conditions precedent set out above are satisfied or waived, the parties to the Cooperation Agreement will proceed to the completion of the Cooperation Restructuring, including:

- (1) Hopefluent China applying for and obtaining the approval from the competent commerce authority for conducting centralised reporting of business operators in respect of the entire equity interests of Poly Consultancy acquired by Hopefluent China as contemplated under the Cooperation Agreement;
- (2) Poly Real Estate applying for the consent, approval, waiver and authorisation from the relevant state-owned assets supervision and management authorities for the capital contribution to Hopefluent China by way of injecting the entire equity interests in Poly Consultancy held by it and in return acquiring 43.9% of the entire equity interests in Hopefluent China, and the subscription of the New Shares; and
- (3) procuring Hopefluent China to set up a board of directors; the board of directors will consist of nine directors, each with a term of office of three years and subject to re-election; Hopefluent HK is entitled to nominate five directors and Poly Real Estate is entitled to nominate four directors; and the chairman of the first board of directors will be nominated by Hopefluent HK.

### *Corporate structure*

The corporate structure of Hopefluent China immediately after completion of the Cooperation Restructuring is as follows:



### *Dividend distribution*

The parties to the Cooperation Agreement agreed that after the execution of the Cooperation Agreement and prior to the issue of 43.9% of the entire equity interests in Hopefluent China to Poly Real Estate, each of Hopefluent China and Poly Consultancy is entitled to distribute in cash its distributable profits as at 31 January 2018 to its respective shareholder (namely, Hopefluent HK and Poly Real Estate, respectively) according to the schedule and conditions of the distribution arrangement agreed between the parties. The aggregate maximum amount of dividend that can be distributed in cash by Hopefluent China to Hopefluent HK is RMB800,000,000 and that by Poly Consultancy to Poly Real Estate is RMB340,000,000.

### *Preferential right*

Poly Real Estate has undertaken to the Group that after completion of the Cooperation Restructuring, for those property development projects effectively controlled by Poly Real Estate, Poly Real Estate will continue to engage property agents for selling the properties thereof, and the Poly Consultancy Group or Hopefluent China will have the preferential rights to be engaged as property agents for such property development projects on the same commercial terms.

## Issue of the New Shares

### *Conditions precedent*

The obligation of the Company to allot and issue the New Shares to Poly Real Estate (or its nominee) is subject to the fulfillment of, *inter alia*, the following conditions precedent:

- (a) Hopefluent China having completed the procedures for the amendments to the commerce and industry registrations and record-filing in respect of the change of foreign invested enterprises in relation to the capital increase;
- (b) the Listing Committee of the Stock Exchange having granted or having agreed to grant the listing of, and permission to deal in, the New Shares;
- (c) Poly Real Estate or its designated associates having obtained all necessary government consents, approvals, waivers or authorisations for the subscription of New Shares; and
- (d) all warranties set out in the Cooperation Agreement remaining true and correct in all aspects on the date of allotment and issue of the New Shares, which shall have the effect as if this agreement has been re-entered into during the period from the date of execution of this agreement to the date of allotment and issue of the New Shares.

The Company and Poly Real Estate may from time to time waive in writing any of the conditions precedent set out above (except for the condition in paragraph (b)).

### *Completion*

Subject to the satisfaction or waiver of all the conditions precedent set out above, Poly Real Estate will, within seven Business Days (or such other date to be agreed between the parties to the Cooperation Agreement) after the satisfaction or waiver of all the conditions precedent, pay the subscription monies in a total sum of HK\$151,200,000 to the Company for subscription of the New Shares. Upon payment of the subscription monies by Poly Real Estate, the Company will allot and issue the New Shares to Poly Real Estate (or its nominee).

### *New Shares*

The New Shares will be allotted and issued to Poly Real Estate (or its nominee) at an issue price of HK\$4.20 per New Share, which was determined after arm's length negotiations between the Company and Poly Real Estate with reference to the net asset value of the Company and the market price of the Shares on the date of the framework agreement entered into between the Company and Poly Real Estate (i.e. 29 January 2018), which represents: (i) a premium of approximately 21.74% to the closing price of HK\$3.45 per Share as quoted on the Stock Exchange on the Last Trading Day, and (ii) a premium of approximately 19.66% to the average closing price of approximately HK\$3.51 per Share as quoted on the Stock Exchange on the last five trading days immediately prior to the Last Trading Day.



The New Shares represent approximately 5.39% of the issued share capital of the Company as at the date of this announcement and approximately 5.11% of the issued share capital of the Company as enlarged by the issue of the New Shares. The New Shares, when issued, will rank equally in all respects with the Shares in issue on the date of allotment and issue.

The New Shares will be allotted and issued under the Specific Mandate. An application will be made to the Stock Exchange for the listing of, and permission to deal in, the New Shares.

## SHAREHOLDING STRUCTURE OF THE COMPANY BEFORE AND AFTER COMPLETION

Details of the shareholding structure of the Company (i) as at the date of this announcement and (ii) immediately after Completion and the allotment and issue of the New Shares, assuming that there are no other changes in the share capital of the Company, are set out below:

Shareholders	As at the date of this announcement		Immediately after the allotment and issue of the New Shares	
	No. of Shares	Approximately %	No. of Shares	Approximately %
Fu's Family Limited (Note 1)	174,184,799	26.08	174,184,799	24.74
China-net Holding Ltd. (Note 2)	47,718,000	7.14	47,718,000	6.78
Fu Wai Chung	26,984,334	4.04	26,984,334	3.83
Ng Wan (Note 3)	6,176,334	0.92	6,176,334	0.88
Poly Real Estate (or its nominee)	—	—	36,000,000	5.11
Other Shareholders	<u>412,935,341</u>	<u>61.82</u>	<u>412,935,341</u>	<u>58.66</u>
	<u>667,998,808</u>	<u>100.00</u>	<u>703,998,808</u>	<u>100.00</u>

Notes:

1. Fu's Family Limited is a company incorporated under the laws of the British Virgin Islands and is legally and beneficially owned as to 70% by Mr. Fu Wai Chung, the chairman of the Board and an executive Director; 15% by Ms. Ng Wan, the spouse of Mr. Fu Wai Chung and an executive Director; and 15% by Ms. Fu Man, sister of Mr. Fu Wai Chung and an executive Director.
2. China-net Holding Ltd. is a company incorporated under the laws of the British Virgin Islands and is legally, beneficially and wholly owned by Mr. Fu Wai Chung, the chairman of the Board and an executive Director.
3. Ms. Ng Wan is the spouse of Mr. Fu Wai Chung and an executive Director.

## **INFORMATION OF POLY REAL ESTATE AND THE POLY CONSULTANCY GROUP**

Poly Real Estate is a joint stock company incorporated in the PRC with limited liability and its shares are listed on the Shanghai Stock Exchange (stock code: 600048) and, together with its subsidiaries, is principally engaged in real estate businesses. As at the date of the Cooperation Agreement, Poly Consultancy is wholly-owned by Poly Real Estate.

Poly Consultancy is a company established in the PRC with limited liability on 22 March 2001 with a fully paid-up registered capital of RMB50,000,000 as at the date of the Cooperation Agreement. It is principally engaged in real estate agency and consultancy services.

For the purpose of the Cooperation Restructuring, Poly Real Estate will undergo an internal corporate reorganisation within its group of companies whereby the Poly Consultancy Group will be formed with Poly Consultancy being the holding company holding 4 companies all of which are engaged in the provision of primary and secondary real estate agency services or related services.

### **Financial information**

The unaudited net asset value of the Poly Consultancy Group was approximately HK\$920,328,000 as at 31 December 2017. The unaudited net profit attributable to the Poly Consultancy Group for the two years ended 31 December 2016 and 2017 were as follows:

	<b>For the year ended</b>	
	<b>31 December</b>	
	<b>2016</b>	<b>2017</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)
Net profit before taxation	370,478	281,390
Net profit after taxation	277,174	213,019

## **INFORMATION OF THE COMPANY AND THE HOPEFLUENT CHINA GROUP**

The Company is an investment holding company and its subsidiaries are principally engaged in the provision of real estate agency services, property management services and financial services in the PRC. For the real estate business, the Group mainly operates through four segments. The primary real estate agency segment of the Group is engaged in the provision of first-hand property services to property developers. The secondary real estate agency segment of the Group is engaged in the provision of secondary property services. The financial services segment of the Group is engaged in the provision of mortgage referral and loan financing services to individuals or companies. The property management segment of the Group is engaged in the provision of building management services to property owners and residents.

Hopefluent China is a company established in the PRC with limited liability on 31 July 2001 with a fully paid-up registered capital of HK\$75,000,000 as at the date of the Cooperation Agreement. It is principally engaged in real estate consultancy and agency services.

For the purpose of the Cooperation Restructuring, the Company will undergo an internal corporate reorganisation within its group of companies whereby the Hopefluent China Group will be formed with Hopefluent China being the holding company holding 95 companies all of which are engaged in the provision of primary and secondary real estate agency services or related services.

The unaudited net asset value of the Hopefluent China Group was approximately HK\$1,960,487,000 as at 31 December 2017. The unaudited net profit attributable to the Hopefluent China Group for the two years ended 31 December 2016 and 2017 were as follows:

	<b>For the year ended</b>	
	<b>31 December</b>	
	<b>2016</b>	<b>2017</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)
Net profit before taxation	329,525	394,975
Net profit after taxation	234,724	277,948

#### **REASONS FOR ENTERING INTO THE COOPERATION AGREEMENT**

It is expected that the consolidation of the real estate agency business of the Company and Poly Real Estate could allow the two groups of companies to cooperate with each other to further develop and expand their primary and secondary real estate agency service business in the PRC.

The Company and Poly Real Estate will cooperate to enhance the core competitiveness of Hopefluent China by contributing their respective quality resources and establish Hopefluent China as a leading enterprise in the real estate agency service sector of the PRC. Upon completion of the Cooperation Restructuring, the primary and secondary real estate agency businesses of the Company and Poly Real Estate will be exclusively operated by Hopefluent China. Both the Company and Poly Real Estate, including entities under their respective control, will not invest in other entities engaged in primary and secondary real estate agency businesses or operate any business similar to that of Hopefluent China.

Upon completion of the Cooperation Restructuring, Hopefluent China will enjoy preferential rights to be engaged as the real estate agent for the property development projects effectively controlled by Poly Real Estate. The Directors believe that such rights could improve the operating and financial performance and position of the Group. Through the real estate agency business consolidation between the Company and Poly Real Estate, the Directors further believe that Hopefluent China will provide solid business growth to the Group.

Based on the reasons mentioned above, the Directors are of the view that the terms and conditions of the Cooperation Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **FINANCIAL EFFECTS OF THE ISSUE OF 43.9% OF THE ENTIRE EQUITY INTERESTS IN HOPEFLUENT CHINA**

Immediately following the allotment and issue of the New Shares, the equity interests in Hopefluent China held by Hopefluent HK (a wholly-owned subsidiary of the Company) will be diluted from 100.0% to approximately 56.1%. Notwithstanding such dilution, Hopefluent China will remain as a subsidiary of the Company and its financial results, assets, liabilities and cash flows will continue to be consolidated into the Company's consolidated financial statements. As the issue of 43.9% of the entire equity interests in Hopefluent China will not result in the Company's loss of control over Hopefluent China, such issue, which constitutes a deemed disposal of equity interests in Hopefluent China by the Company under Rule 14.29 of the Listing Rules, will not result in the recognition of any gain or loss by the Company according to the Hong Kong Financial Reporting Standards.

As part of the Cooperation Restructuring, the Group does not receive any cash proceeds as a result of the issue of 43.9% of the entire equity interests in Hopefluent China pursuant to the terms and conditions of the Cooperation Agreement.

## **REASONS FOR THE ALLOTMENT AND ISSUE OF THE NEW SHARES AND USE OF PROCEEDS**

The Directors consider that the allotment and issue of the New Shares to Poly Real Estate (or its nominee) will enhance the cooperation between the Group and Poly Real Estate as contemplated under the Cooperation Agreement. The allotment and issue of the New Shares to Poly Real Estate (or its nominee) also tie its interest to the performance of the Group, in particular, Hopefluent China, after completion of the Cooperation Restructuring which serves as an incentive to Poly Real Estate to create value in the business of Hopefluent China. Based on the reasons mentioned above, the Directors are of the view that the allotment and issue of the New Shares to Poly Real Estate (or its nominee) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The gross proceeds from the subscription of the New Shares by Poly Real Estate (or its nominee) are HK\$151,200,000. The net proceeds from the subscription of the New Shares (after deducting all fees, costs and expenses properly incurred by the Company in connection with the allotment and issue of the New Shares) are expected to be approximately HK\$146,000,000. The net subscription price, after deducting such fees, costs and expenses, is therefore approximately HK\$4.06 per New Share.

The Company intends to use the net proceeds from the subscription of the New Shares for the following purposes:

- (a) as to approximately HK\$100,000,000, will be used for future development of the primary and secondary real estate agency businesses; and
- (b) as to approximately HK\$46,000,000, will be used for general working capital of the Group.

## **FUND RAISING ACTIVITY DURING THE PAST TWELVE MONTHS**

The Company has not conducted any other fund raising exercise in the past twelve months immediately before the date of this announcement.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the acquisition of the Poly Consultancy Group by Hopefluent China pursuant to the provisions of the Cooperation Agreement is higher than 25% but below 100%, the acquisition constitutes a major transaction of the Company and is subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the issue of 43.9% of the entire equity interests in Hopefluent China pursuant to the provisions of the Cooperation Agreement is higher than 25% but below 75%, the issue of 43.9% of the entire equity interests in Hopefluent China constitutes a major deemed disposal of the Company and is subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

A circular containing, among other things, further details of the Cooperation Agreement, the allotment and issue of the New Shares and a notice of the EGM together with the proxy form for the purpose of approving the Cooperation Agreement and the transactions contemplated thereunder (including without limitation the allotment and issue of the New Shares) will be despatched to the Shareholders in accordance with the Listing Rules. Based on the information currently available, the Directors expected that the circular will be despatched on or before 8 June 2018 as the Company will require more than 15 business days (as defined under the Listing Rules) to prepare the relevant information to be included in the circular, in particular the financial information of Hopefluent China.

## **POTENTIAL CONTINUING CONNECTED TRANSACTIONS**

Upon completion of the Cooperation Restructuring, Poly Real Estate will own 43.9% of the entire equity interests in Hopefluent China, an indirect non-wholly owned subsidiary of the Company, and thereby will become a connected person of the Company. As such, any transaction between Poly Real Estate and Hopefluent China or any of its subsidiaries will become continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

The Company will make further announcement(s) in respect of any continuing connected transaction pursuant to the Listing Rules if and when necessary.

## **RESUMPTION OF TRADING IN THE SHARES**

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 8 May 2018 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 10 May 2018.

## DEFINITIONS

“Board”	the board of Directors
“Business Day(s)”	day(s) (other than Saturdays and Sundays) on which banks are open for general banking transactions in the PRC
“Capital Contribution Completion Date”	the date of issuance of the new business license of Hopefluent China after completing the procedures for business registration in relation to the increase in registered capital and the commerce and industry registrations in response to the capital increase
“Company”	Hopefluent Group Holdings Limited, a company incorporated under the laws of the Cayman Islands with limited liability and the shares of which are listed on the Stock Exchange (stock code: 733)
“Cooperation Agreement”	a cooperation reorganisation agreement (合作重組協議) dated 7 May 2018 entered into by the Company, Hopefluent HK and Poly Real Estate regarding the Cooperation Restructuring and the allotment and issue of the New Shares
“Cooperation Restructuring”	the cooperation restructuring of Hopefluent China and Poly Consultancy where Poly Real Estate will make a capital contribution to Hopefluent China by way of injecting the entire equity interests of Poly Consultancy held by it into Hopefluent China and in return obtaining 43.9% of the entire equity interests in Hopefluent China as contemplated under the Cooperation Agreement
“Director(s)”	director(s) of the Company
“EGM”	an extraordinary general meeting of the Company to be convened for the purpose of considering, and if thought fit, approving, <i>inter alia</i> , the Cooperation Agreement and the transactions contemplated thereunder, including the allotment and issue of the New Shares
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Hopefluent China”	合富輝煌(中國)房地產顧問有限公司 (in English, for identification purpose only, Hopefluent (China) Real Estate Consultancy Co., Ltd.), a company established under the laws of the PRC with limited liability and an indirectly wholly-owned subsidiary of the Company prior to the completion of the Cooperation Restructuring

<b>“Hopefluent China Group”</b>	Hopefluent China and its 95 companies after the internal corporate reorganisation being conducted by Hopefluent China for the purpose of the Cooperation Restructuring
<b>“Hopefluent HK”</b>	Hopefluent (Hong Kong) Limited (合富輝煌(香港)有限公司), a company incorporated under the laws of Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
<b>“Independent Third Party”</b>	party who is not connected person(s) (as defined in the Listing Rules) of the Company and who together with its/their ultimate beneficial owner(s) are independent of the Company and of connected persons (as defined in the Listing Rules) of the Company
<b>“Last Trading Day”</b>	7 May 2018, being the last full trading day for the Shares before the date of this announcement
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on the Stock Exchange
<b>“New Shares”</b>	being 36,000,000 new Shares to be allotted and issued at the issue price of HK\$4.20 per Share, credited as fully paid, by the Company
<b>“Poly Consultancy”</b>	保利地產投資顧問有限公司 (in English, for identification purpose only, Poly Real Estate Investment Consultancy Co., Ltd.), a company established under the laws of the PRC and a direct wholly-owned subsidiary of Poly Real Estate prior to the Cooperation Restructuring
<b>“Poly Consultancy Group”</b>	Poly Consultancy and its 4 companies after the internal corporate reorganisation being conducted by Poly Consultancy for the purpose of the Cooperation Restructuring
<b>“Poly Real Estate”</b>	Poly Real Estate Group Co., Ltd. (保利房地產(集團)股份有限公司), a company established under the laws of the PRC and whose shares are listed on the Shanghai Stock Exchange (stock code: 600048)
<b>“PRC”</b>	People’s Republic of China
<b>“Share(s)”</b>	ordinary share(s) of HK\$0.01 each in the existing issued share capital of the Company
<b>“Shareholder(s)”</b>	holder(s) of the Shares

“ <b>Specific Mandate</b> ”	the specific mandate proposed to be granted to the Directors in relation to the allotment and issue of the New Shares at the EGM
“ <b>Stock Exchange</b> ”	The Stock Exchange of Hong Kong Limited
“ <b>HK\$</b> ”	Hong Kong dollars, the lawful currency of Hong Kong
“ <b>RMB</b> ”	Renminbi, the lawful currency of the PRC
“ <b>%</b> ”	per cent.

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

Hong Kong, 9 May 2018

*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.*