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DIFFER GROUP HOLDING COMPANY LIMITED

鼎豐集團控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 6878)

DISCLOSEABLE TRANSACTION

IN RELATION TO

(1) ACQUISITION OF 49% EQUITY INTEREST

IN WEIHAI ZHONGTIAN REAL ESTATE LIMITED*;

AND

(2) ACQUISITION OF 51% EQUITY INTEREST IN AND DEBT DUE BY SHANGHANG FENGDA REAL ESTATE CO., LTD*

INVOLVING

ISSUE OF CONSIDERATION SHARES

UNDER GENERAL MANDATE

The Board is pleased to announce that on 18 June 2020 (after trading hours), the Purchaser (an indirect wholly-owned subsidiary of the Company) entered into the Agreement with the Vendor, pursuant to which the Purchaser has conditionally agreed to acquire, and the Vendor has conditionally agreed to procure the respective parties to sell the Target Equity A and Target Equity B, representing 49% equity interest in Target Company A and 51% equity interest in Target Company B respectively and the Debt, to the Purchaser or its nominee at an aggregate consideration of RMB211,120,000 (equivalent to approximately HK\$232,000,000), to be paid in full and satisfied by way of the allotment and issuance of the Consideration Shares.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisitions, including the Land Commitment, are more than 5% but less than 25%, the Acquisitions constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the announcement requirement under the Listing Rules.

Shareholders and potential investors should note that the Acquisitions contemplated under the Agreement are subject to satisfaction of certain conditions precedent and it may or may not be completed. Shareholders and potential investors are therefore advised to exercise caution when dealing in the Shares.

INTRODUCTION

The Board is pleased to announce that on 18 June 2020 (after trading hours), the Purchaser (an indirect wholly-owned subsidiary of the Company) entered into the Agreement with the Vendor, pursuant to which the Purchaser has conditionally agreed to acquire, and the Vendor has conditionally agreed to procure the respective parties to sell the Target Equity A and Target Equity B, representing 49% equity interest in Target Company A and 51% equity interest in Target Company B respectively and the Debt, to the Purchaser or its nominee at an aggregate consideration of RMB211,120,000 (equivalent to approximately HK\$232,000,000), to be paid in full and satisfied by way of the allotment and issuance of the Consideration Shares.

THE ACQUISITIONS

The Agreement

Date: 18 June 2020 (after trading hours)

Parties: (i) Differ Cultural Tours Limited (鼎豐文化旅遊有限公司), an indirect wholly-owned subsidiary of the Company, being the Purchaser; and
(ii) Cai Fangxiang (蔡芳向), being the Vendor;

The Vendor has executed the Strategic Cooperation Agreement with Xiamen Differ, an indirect wholly owned subsidiary of the Company, in respect of the intended future strategic cooperation between Xiamen Differ and the Vendor. For details, please refer to the voluntary announcement of the Company dated 27 April 2020. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Vendor is an Independent Third Party of the Company.

Asset to be acquired

(i) *Target Equity A*

Pursuant to the Agreement, the Vendor has conditionally agreed to procure the current registered shareholder of the Target Equity A to sell, and the Purchaser has conditionally agreed to purchase, the Target Equity A representing 49% equity interest in Target Company A at the Consideration A.

As at the date of this announcement, Target Company A is jointly owned by Xiamen Differ and Zhangzhou Fuyuan as to 51% and 49% respectively. As advised by the Vendor, Zhangzhou Fuyuan currently owes the Vendor and/or his controlled companies a certain debt. By way of repayment of such debt, Zhangzhou Fuyuan has agreed to transfer the Target Equity A to the Vendor's designated person, namely Xiamen Herunxin.

The major asset of the Target Company A was the land use rights for the Target Land A, which was for residential, commercial and community development and on which a property development project named Longdu Lijing* (龍都麗景) is currently under construction and is expected to be completed in the second half year of 2022. The principal business of the Target Company A is property development and the sale of construction material.

Although the Target Company A is owned 51% by Xiamen Differ, which is an indirect wholly-owned subsidiary of the Company, the Target Company A is not a subsidiary of the Group. The Target Company A was classified by the Group as a joint venture company instead of a subsidiary of the Company, due to the absence of control of the board of directors.

Prior to Completion, only share of results of the joint venture (i.e. Target Company A) have been included into the financial results of the Group. Upon Completion, the Target Company A will become an indirect wholly-owned subsidiary of the Company and the financial results of the Target Company A will be fully consolidated into the financial results of the Group.

(ii) Target Equity B

Pursuant to the Agreement, the Vendor has conditionally agreed to procure his indirect wholly-owned company, Longyan Management, the current shareholder of the Target Equity B to sell, and the Purchaser has conditionally agreed to purchase, the Target Equity B, representing 51% equity interest in Target Company B and the Debt at the Consideration B.

As at the date of this announcement, Target Company B is jointly owned by Fujian Liantai and Longyan Management as to 49% and 51% respectively. The Target Company B has acquired the interest of the Target Land B from Shanghang County Natural Resources Bureau* (上杭縣自然資源局), a local PRC government authority at the consideration of RMB372,200,000. As advised by the Vendor, the Target Company B has paid 50% of the consideration for the Target Land B as at the date of this announcement, and the remaining 50% of the consideration of RMB186,100,000 for the Target Land B shall be borne by the Purchaser and Fujian Liantai (the “Land Commitment”) on a pro rata basis according to their respective shareholding in the Target Company B after Completion. The principal business of the Target Company B is property development.

Upon Completion, the Target Company B will become an indirect 51%-owned subsidiary of the Company and the financial results of the Target Company B will be consolidated into the financial results of the Group.

(iii) Debt

As at the date of this announcement, the Target Company B owes the Vendor and/or his nominee the Debt.

Consideration

The total Consideration for the Acquisitions is RMB211,120,000 (equivalent to approximately HK\$232,000,000), which shall be satisfied by way of allotment and issue of 580,000,000 Consideration Shares under the General Mandate to the Vendor or its nominee within 5 Business Days after Completion. Pursuant to the Agreement, the Vendor and the Purchaser have agreed the exchange rate to be at the rate of HK\$1 = RMB0.91.

The Consideration A was determined by the Purchaser and the Vendor after arm's length negotiations with reference to (i) the proportionate interest of 49% of the unaudited adjusted consolidated net asset value of Target Company A (the "**Adjusted NAV**") as at 31 May 2020; (ii) the business development plans, prospects and future cost analysis of the Target Land A; and (iii) the average closing price of the Shares as quoted on the Stock Exchange for the last five trading days immediately prior to the date of the Agreement.

The Adjusted NAV of RMB92,406,000 represents an aggregate value of:

- (a) the unaudited consolidated net asset of Target Company A as at 31 May 2020 in the amount of approximately RMB27,496,000; plus
- (b) the amount of (i) the valuation of the market value of the Target Land A held by the Target Company A as at 31 May 2020 as determined by an independent valuer in the sum of RMB460,000,000; less (ii) the relevant book value in the sum of RMB395,090,000, in the amount of approximately RMB64,910,000.

The Consideration B was determined by the Purchaser and the Vendor after arm's length negotiations with reference to (i) the payment made by the Vendor in the sum of RMB94,911,000 as partial consideration for the Target Land B; (ii) the business development plans, prospects, future cost analysis of the Target Land; (iii) the synergy effect of the Target Land B with another land plot of the Group located in Shanghang County of the Fujian Province and (iv) the average closing price of the Shares as quoted on the Stock Exchange for the last five trading days immediately prior to the date of the Agreement.

The Directors consider that the Consideration to be fair and reasonable and on normal commercial terms and the Acquisition is in the interests of the Company and the Shareholders as a whole.

Conditions Precedent

Completion is conditional upon the satisfaction (or waiver, if applicable) of, inter alia, the following conditions precedent on or before the Conditions Fulfilment Date in accordance with the terms of the Agreement:

- (i) the Listing Committee of the Stock Exchange has granted the listing of, and permission to deal in, the Consideration Shares;
- (ii) the Purchaser having completed the due diligence review (including but not limited to the assets, the lands, debts, operation and business conditions of the Target Companies) and the Purchaser being satisfied with the results of such due diligence review;
- (iii) Zhangzhou Fuyuan being the legal and beneficial owner of the Target Equity A, and the Target Equity A being free from encumbrance and other third party rights;
- (iv) the Purchaser having received (and being satisfied with) the relevant documents showing that the Vendor has the right to procure the transfer of the Target Equity A from Zhangzhou Fuyuan to Xiamen Herunxin as its legal and beneficial owner;
- (v) Longyan Management being the legal and beneficial owner of the Target Equity B and the Debt, and the Target Equity B and the Debt free from encumbrance and other third party rights;
- (vi) the Purchaser having received (and being satisfied with) the relevant documents showing that the Vendor has the right to procure the transfer of the Target Equity B from Longyan Management to Xiamen Differ as its legal and beneficial owner;
- (vii) Target Company B has legally and effectively obtained the contractual right to transfer the land use rights of the Target Land B;
- (viii) the Purchaser having received (and being satisfied with) the relevant transfer documents showing that the Target Equity A and Target Equity B have been transferred from the Vendor to the Purchaser's nominees;
- (ix) the Purchaser having received (and being satisfied with) the relevant documents to show that the persons specified by the Purchaser have been appointed as the Target Companies' director and legal representative and such documents have been registered with the relevant authorities;
- (x) the Purchaser received the deed of tax indemnity duly executed by the Target Companies and the Vendor;

- (xi) the Target Companies having obtained the relevant required approvals relating to the Acquisitions contemplated under the Agreement, from its board of directors and/or shareholders;
- (xii) there being no substantial change in the present management of the Target Companies or any action taken that leads to a material adverse impact on the business, assets, property, financial condition, operation and future aspects of the Target Companies prior to and at Completion and all warranties remain true and accurate as at the Completion Date;
- (xiii) the Purchaser having received all other documents requested by the Purchaser to be supplied and/or executed by the Vendor or the Target Companies before the Completion Date.

Save and except condition (i) above, all the above conditions may be waived by the Purchaser in writing at its discretion. As at the date of this announcement, to the best knowledge of the Purchaser, the Purchaser does not have any intention to waive any of the conditions precedent.

If any of the above conditions have not been fulfilled or waived (as the case may be) on or before the Conditions Fulfilment Date, the Agreement shall lapse and thereafter neither party shall make any claims against any other parties pursuant to the terms nor conditions of the Agreement, save for any antecedent breaches of the terms of the Agreement.

Completion

Completion for the Acquisitions shall take place 5 Business Days after the Conditions Fulfilment Date, or on any other date as agreed in writing by the Purchaser and the Vendor.

Upon Completion, the Vendor will (i) procure the transfer of the Target Equity A from Zhangzhou Fuyuan to Xiamen Herunxin (as the Purchaser's nominee); and (ii) procure the transfer of the Target Equity B and the Debt from Longyan Management to Xiamen Differ (as the Purchaser's nominee);

Subsequently, the Target Company A will become an indirect wholly-owned subsidiary of the Company and the Target Company B will become an indirect 51%-owned subsidiary of the Company. The financial results of the Target Company A and the Target Company B will be consolidated into the financial results of the Group.

Consideration Shares

The Consideration Shares will be allotted and issued pursuant to the General Mandate at the Issue Price of HK\$0.40 each, credited as fully paid. The Consideration Shares, when allotted and issued, shall rank pari passu in all respects with the Shares in issue on the date of allotment and issue of the Consideration Shares including the right to all dividends, distributions and other payments made or to be made, on the record date which falls on or after the date of such allotment and issue.

Since the date of its grant and up to the date of this announcement, upon completion of the allotment and issue of the Consideration Shares, 427,677,576 Shares under the General Mandate will remain unutilised by the Company. Accordingly, the allotment and issue of the Consideration Shares is not subject to any further approval by the Shareholders. The Consideration Shares represent approximately 8.75% of the issued share capital of the Company as at the date of this announcement and approximately 8.05% of the issued share capital of the Company as enlarged by the allotment and issue of the Consideration Shares (assuming that there is no change in the issued share capital of the Company from the date of this announcement to the date of Completion, save as the issue of the Consideration Shares). The details of the shareholdings are set out in the paragraph headed “EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY” below.

The Issue Price represents:

- (i) a discount of approximately 12.09% to the closing price per Share of HK\$0.455 as quoted on the Stock Exchange on 18 June 2020, being the date of the Agreement;
- (ii) a discount of approximately 11.31% to the average closing price per Share of HK\$0.451 as quoted on the Stock Exchange for the five consecutive trading days immediately preceding the date of the Agreement; and
- (iii) a discount of approximately 10.71% to the average closing price per Share of HK\$0.448 as quoted on the Stock Exchange for the ten consecutive trading days immediately preceding the date of the Agreement.

The Issue Price was arrived at after arm’s length negotiations between the Company, the Purchaser and the Vendor with reference to the prevailing market price of the Shares and the current market conditions. The Directors consider the Issue Price, the Consideration and the terms and conditions of the Agreement are fair and reasonable, based on the current market conditions, on normal commercial terms and in the interests of the Group and the Shareholders as a whole.

An application will be made by the Company to the Listing Committee for the listing of, and permission to deal in, the Consideration Shares.

INFORMATION ON THE VENDOR

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, as advised by the Vendor, the Vendor is a citizen and businessman in Hong Kong, who is an Independent Third Party.

INFORMATION ON THE TARGET COMPANIES

As at the date of this announcement, the Target Company A is a limited company incorporated in the PRC and its principal business is property development and the sale of construction material.

As at the date of this announcement, the Target Company B is a limited company incorporated in the PRC and its principal business is property development.

FINANCIAL INFORMATION OF THE TARGET COMPANIES

Set out below is the unaudited financial information of the Target Company A for the financial year ended 31 December 2019 (for illustration purposes only):

	For the year ended 31 December 2019 (unaudited) RMB'000
Net loss before taxation	1,981
Net loss after taxation	1,981

The Target Company A previously commenced winding up proceedings on 6 June 2017 and the Group has then acquired the 51% of the Target Company A by way of acquisition of a distressed asset. The Target Company A has not operated since 6 June 2017, up until after the completion of the Group's acquisition of the said distressed asset. Accordingly, there is no financial information of the Target Company A for the financial year ended 31 December 2018. (For details, please refer to the Company's announcement dated 15 January 2019.)

As the Target Company B was incorporated on 12 May 2020, there is no financial information of the Target Company B for the financial years ended 31 December 2018 and 31 December 2019.

Based on the unaudited management accounts of the Target Companies, the unaudited total asset value and the unaudited net asset value of the Target Company A as at 31 May 2020 was approximately RMB416,599,000 and RMB27,496,000 respectively. The unaudited total asset value and the unaudited net liability value of the Target Company B as at 17 June 2020 was approximately RMB186,170,000 and RMB183,000 respectively.

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this announcement, the Company has 6,628,387,880 Shares in issue. Set out below is the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately upon the allotment and issue of the Consideration Shares, assuming there are no other changes in the share capital of the Company from the date of this announcement to the Completion Date:

	As at the date of this announcement		Immediately upon the allotment and issuance of the Consideration Shares	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Expert Corporate Limited (<i>Note 1</i>)	3,001,200,000	45.28%	3,001,200,000	41.63%
Ever Ultimate Limited (<i>Note 2</i>)	1,115,800,000	16.83%	1,115,800,000	15.48%
Mr. Ng Chi Chung (<i>Note 2</i>)	12,098,000	0.18%	12,098,000	0.17%
Vendor	–	–	580,000,000	8.05%
Other public shareholders	2,499,289,880	37.71%	2,499,289,880	34.67%
Total:	<u>6,628,387,880</u>	<u>100.00%</u>	<u>7,208,387,880</u>	<u>100.00%</u>

Notes:

1. Expert Corporate is beneficially wholly-owned by Mr. Hong Mingxian, the chairman, an executive Director and a substantial shareholder of the Company. Mr. Hong Mingxian is therefore deemed to be interested in the Shares owned by Expert Corporate.
2. Ever Ultimate is beneficially wholly-owned by Mr. Ng Chi Chung. Mr. Ng Chi Chung is therefore deemed to be interested in the Shares owned by Ever Ultimate Limited.

REASONS FOR AND BENEFITS OF THE ACQUISITIONS

The Group is principally engaged in the (i) asset management business (including a) property development and investment and b) distressed assets, equities investment and fund management), (ii) provision of financial related services (including finance lease services, express loan services, consultancy services, guarantee services and the security brokerage services) and (iii) commodity trading business.

In relation to the acquisition of the Target Equity A, the Board believes that this would allow the Company to gain full ownership and control in Target Company A, more effective implementation of the Company's growth strategies in the PRC, and to avoid operating the business with any unfamiliar third party.

In relation to the acquisition of Target Equity B and the Debt, the Group considers the property development of asset management business to be its key growth driver. As the Group currently owns another land plot in the Shanghang County of the Fujian Province, the Board believes that this current acquisition of the Target Land B through the Target Company B would offer a valuable business opportunity and would bring synergy effect to the Company and its shareholders as a whole.

As the Consideration will be fully satisfied by the issue of the Consideration Shares, the Company will not face any immediate cash outflow for the Consideration, and hence can utilise its existing fund on the general working capital of the Group or other investment opportunities, if appropriate.

Accordingly, the Board believes that the Acquisitions are in the interests of the Group and the Shareholders as a whole as the Acquisitions represents a strategic expansion of the Group's asset management segment in line with the Group's general business strategy. Based on the above, the Board is of the view that the Acquisitions (including the Consideration) is fair and reasonable and that the entering into of the Acquisitions is in the interests of the Company and the Shareholders as a whole.

EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE-MONTH PERIOD IMMEDIATELY PRECEDING THE DATE OF THIS ANNOUNCEMENT

During the past 12 months immediately preceding the date of this announcement, the Company has conducted the following equity fund raising activities:

Date of announcement	Event	Net Proceeds (approximately)	Intended use of proceed	Actual use of Proceeds
2 June 2020	Placing of existing shares and top-up subscription of new shares under general mandate	HK\$100,191,246	Repayment of indebtedness of the Group	As intended

IMPLICATION UNDER THE LISTING RULES

As one or more of the applicable percentage ratios (as defined in the Listing Rules) in respect of the Acquisitions, including the Land Commitment, are more than 5% but less than 25%, the Acquisitions constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is subject to the announcement requirement under the Listing Rules.

Shareholders and potential investors should note that the Acquisitions contemplated under the Agreement are subject to satisfaction of certain conditions precedent and it may or may not be completed. Shareholders and potential investors are therefore advised to exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, the following expressions shall have the following means unless the context requires otherwise:

“Acquisitions”	the acquisition of the Target Equity A, Target Equity B and the Debt
“Agreement”	the sale and purchase agreement dated 18 June 2020 entered into between the Vendor and the Purchaser in respect of the Acquisitions
“Board”	the board of Directors
“Business Day”	a day (excluding a Saturday, Sunday or public holiday or days on which a typhoon signal No. 8 or above or black rainstorm warning is hosted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which banks are generally open for business in Hong Kong
“Company”	Differ Group Holding Company Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the main board of the Stock Exchange
“Completion”	completion of the Acquisitions pursuant to the terms and conditions of the Agreement
“Completion Date”	within 5 Business Days after the Conditions Fulfilment Date, unless otherwise agreed by the Purchaser and Vendor in writing
“Conditions Fulfilment Date”	Friday, 31 July 2020, unless otherwise extended by the mutual agreement of the Purchaser and Vendor in writing
“Consideration”	collectively, Consideration A and Consideration B
“Consideration A”	the sum of RMB69,160,000 to be paid by the Purchaser to the Vendor for the Target Equity A
“Consideration B”	the sum of RMB141,960,000 to be paid by the Purchaser to the Vendor for the Target Equity B and the Debt
“Consideration Shares”	the 580,000,000 new Shares to be allotted and issued by the Company at the Issue Price to the Vendor to satisfy the Consideration

“connected person”	has the meanings as ascribed thereto under the Listing Rules
“Debt”	all amounts (whether principal, interest or otherwise) of the amounts owing by the Target Company B to the Vendor at Completion, which will not be less than RMB95,164,200 (equivalent to approximately HK\$104,576,044)
“Directors”	director(s) of the Company
“Expert Corporate”	Expert Corporate Limited, a company incorporated in the British Virgin Islands, wholly and beneficially owned by Mr. Hong Mingxian, an executive Director
“Fujian Liantai”	Fujian Liantai Real Estate Development Co., Ltd.* (福建聯泰房地產開發有限公司), a limited company incorporated in the PRC
“General Mandate”	the general mandate granted by the Shareholders to the Board at the annual general meeting of the Company held on 27 June 2019 to allot, issue and deal with up to 1,272,677,576 new Shares which may be allotted and issued by the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	any person or company and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are not connected persons of the Company and are third parties independent of the Company and its connected persons in accordance with the Listing Rules
“Issue Price”	the issue price of HK\$0.40 per Consideration Share
“Listing Committee”	has the meaning ascribed to it in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Longyan Management”	Longyan Ding Prosperity Commercial Complex Management Co., Ltd.* (龍岩市鼎豐盛商業綜合體管理有限公司), a limited company incorporated in the PRC, indirectly wholly-owned by the Vendor
“PRC”	the People’s Republic of China, and for the purpose of this Agreement, excluding Taiwan, Hong Kong and Macau Special Administrative Region
“Purchaser”	Differ Cultural Tours Limited (鼎豐文化旅遊有限公司), an indirect wholly-owned subsidiary of the Company, which is a limited company incorporated in the Cayman Islands
“Share(s)”	ordinary share(s) of HK\$0.0025 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Strategic Cooperation Agreement”	the non-legally binding strategic cooperation agreement entered into between Xiamen Differ and the Vendor on 27 April 2020, as disclosed in the Company’s voluntary announcement dated 27 April 2020
“Target Company A”	Weihai Zhongtian Real Estate Limited* (威海中天房地產有限公司) (formerly known as Weihai Rong Jing Property Development Limited* (威海融璟房地產開發有限公司)), a limited liability company established in the PRC, which is owned by Xiamen Differ and Zhangzhou Fuyuan as to 51% and 49%, respectively, which is not a subsidiary of the Company as at the date of this announcement
“Target Company B”	Shanghang Fengda Real Estate Co., Ltd* (上杭豐達置業有限公司), a limited liability established in the PRC, which is owned by Fujian Liantai and Longyan Management as to 49% and 51% respectively
“Target Companies”	collectively, the Target Company A and Target Company B
“Target Land A”	the land parcel situated at North of Mishan Road and East of Zhengqi Road, Wendeng District, Weihai, Shandong Province, the PRC, with land area of approximately 72,290 square meters

“Target Land B”	the land parcel situated on the east side of Jinshan Road on the south side of the Second Ring Road, Lincheng Town, Shanghang County, the PRC, with a total site area of approximately 69,994 square meters
“Target Equity A”	49% of the equity interest in Target Company A, which is owned by Zhangzhou Fuyuan
“Target Equity B”	51% of the equity interest in Target Company B
“Vendor”	Cai Fangxiang (蔡芳向), a citizen and businessman in Hong Kong and an Independent Third Party
“Xiamen Differ”	Xiamen Differ Cultural Tours Group Co., Ltd. (廈門鼎豐文化旅遊集團有限公司), an indirect wholly-owned subsidiary of the Company, which is a limited company incorporated in the PRC
“Xiamen Herunxin”	Xiamen Herunxin Business Consulting Co., Ltd.* (廈門禾潤信商務諮詢有限公司), a limited company incorporated in the PRC and an indirect wholly owned subsidiary of the Company
“Zhangzhou Fuyuan”	Zhangzhou Fuyi Investment Co., Ltd.* (漳州福源投資有限公司), a limited company incorporated in the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

* For identification purpose only.

By order of the Board
Differ Group Holding Company Limited
HONG Mingxian
Chairman and Executive Director

Hong Kong, 18 June 2020

For the purposes of illustration only, any amount denominated in RMB in this announcement was translated into HK\$ at the rate of HK\$1=RMB0.91. Such translations should not be construed as a representation that the amounts in question have been, could have been or could be, converted at any particular rate at all.

If there is any inconsistency in this announcement between the Chinese and English versions, the English version shall prevail.

As at the date of this announcement, the executive Directors are Mr. HONG Mingxian, Mr. NG Chi Chung; the non-executive Directors are Mr. CAI Huatan and Mr. WU Qinghan; and the independent non-executive Directors are Mr. CHAN Sing Nun, Mr. LAM Kit Lam and Mr. CHEN Naike.