

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, makes 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.

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)

**(1) MAJOR TRANSACTION IN RELATION TO
THE DISPOSAL OF 51% EQUITY INTEREST IN
FUJIAN CHINA OVERSEAS URBAN DEVELOPMENT CO., LTD*;**

**(2) DISCLOSEABLE TRANSACTION IN RELATION TO
PROVISION OF FINANCIAL ASSISTANCE AND
ADVANCE TO AN ENTITY;**

AND

**(3) DISCLOSEABLE TRANSACTION IN RELATION TO
PROVISION OF GUARANTEE AND ADVANCE TO AN ENTITY**

**(1) MAJOR TRANSACTION IN RELATION TO THE DISPOSAL OF 51%
EQUITY INTEREST IN THE DISPOSAL COMPANY**

On 12 November 2020, the Purchaser (an Independent Third Party) entered into the Agreement with the Vendor and Differ China, both of which are indirect wholly-owned subsidiaries of the Company, pursuant to which the Purchaser has agreed to acquire and the Vendor has agreed to sell the Sale Shares for the Total Consideration which consist of the Cash Consideration and the Dividend Entitlement.

As one or more of the applicable percentage ratios under the Listing Rules exceeds 25% but is less than 75%, the Disposal as contemplated under the Agreement constitutes a major transaction of the Company and is therefore subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

Since (a) no Shareholder is required to abstain from voting if the Company convenes a general meeting to approve the Disposal; and (b) in accordance with Rule 14.44 of the Listing Rules, the Company has obtained written shareholders' approval from (i) Expert Corporate Limited; (ii) Ever Ultimate Limited and (iii) Mr. Ng Chi Chung, which collectively hold 4,129,098,000 Shares in the Company (representing approximately 57.28% of the voting rights at the general meeting of the Company) to approve the Disposal, no general meeting of the Company will be convened and held for approving the Disposal.

(2) DISCLOSEABLE TRANSACTION IN RELATION TO PROVISION OF FINANCIAL ASSISTANCE AND ADVANCE TO AN ENTITY

As at 31 October 2020, the Disposal Group is indebted to the Vendor and Differ China the Debt which is unsecured and still outstanding as at the date of this announcement. Since the Disposal Group will cease to be subsidiaries of the Group upon Completion, the Debt will then constitute as financial assistance.

As certain applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the amount of the provision of the Debt were more than 5% but less than 25%, the Debt constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

As the assets ratio as defined under Rule 14.07(1) of the Listing Rules in respect of the amount of the cap of the Debt exceeds 8%, the Debt is also subject to the general disclosure obligations under Rule 13.13 of the Listing Rules. The information required to be disclosed pursuant to Rule 13.13 of the Listing Rules in respect of the Debt is disclosed in this announcement.

(3) DISCLOSEABLE TRANSACTION IN RELATION TO PROVISION OF GUARANTEE AND ADVANCE TO AN ENTITY

As at 31 October 2020, the Disposal Group had owed respective banks the Loan which were secured by the Vendor and Differ China by the Guarantee. The Loan will not be settled upon the Completion. Since the Disposal Group will cease to be subsidiaries of the Group upon Completion, the Guarantee will then constitute as financial assistance.

As certain applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the amount of the provision of the Guarantee were more than 5% but less than 25%, this constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

As the assets ratio as defined under Rule 14.07(1) of the Listing Rules in respect of the amount of the provision of Guarantee exceeds 8%, the Guarantee is also subject to the general disclosure obligations under Rule 13.16 of the Listing Rules. The information required to be disclosed pursuant to Rule 13.16 of the Listing Rules in respect of the Guarantee is disclosed in this announcement.

GENERAL

A circular containing, among other things, further details of the Disposal, will be despatched to the Shareholders in compliance with the Listing Rules. The Board expects that the circular will be despatched to the Shareholders on or before 3 December 2020.

(1) MAJOR TRANSACTION IN RELATION TO THE DISPOSAL OF 51% EQUITY INTEREST IN THE DISPOSAL COMPANY

On 12 November 2020, the Purchaser entered into the Agreement with the Vendor and Differ China, both indirect wholly-owned subsidiaries of the Company, pursuant to which the Purchaser has agreed to acquire and the Vendor has agreed to sell the Sale Shares for a Total Consideration of RMB438,600,000 (equivalent to approximately HK\$510,000,000) which consists of the Cash Consideration and the Dividend Entitlement.

Set out below are the key terms of the Agreement:

Date: 12 November 2020

- Parties: (1) Purchaser : China Overseas Urban Development Co., Ltd* (中海外城市開發有限公司), an Independent Third Party, which is held by (i) China Urban-townization Promotion Council* (中國城鎮化促進會); and (ii) China Industrial Economics Association* (中國工業經濟學會), both of which are set up by various governmental bodies in the PRC
- (2) Vendor : Xiamen Differ Cultural Tourism Group Co., Ltd.* (廈門鼎豐文化旅遊集團有限公司), a wholly-owned subsidiary of the Company
- (3) Differ China : Differ Group (China) Co., Ltd.* (鼎豐集團(中國)有限公司), a wholly-owned subsidiary of the Company

INFORMATION ON THE GROUP AND THE PURCHASER

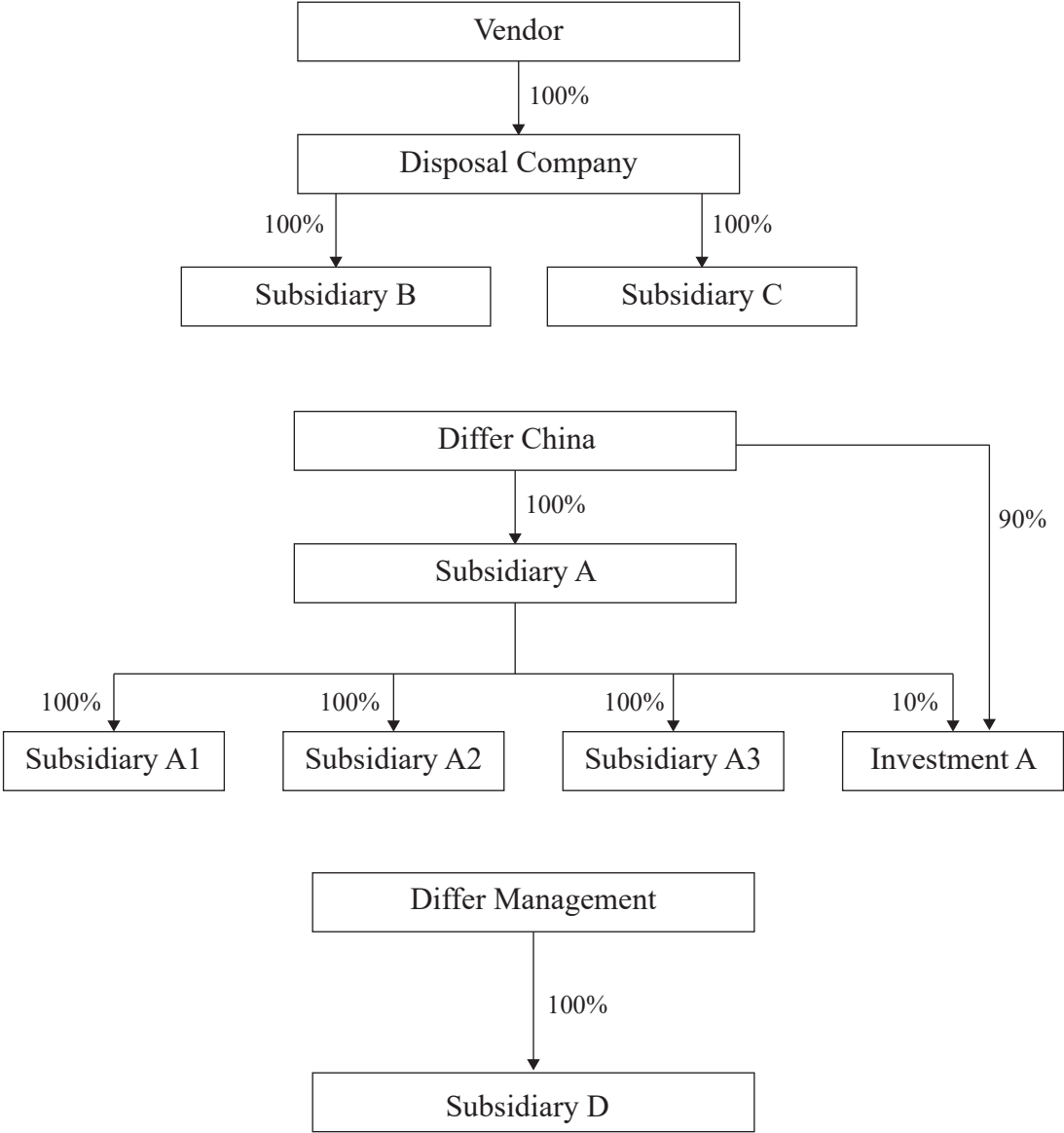
As advised by the Purchaser, the Purchaser is a company incorporated in the PRC with limited liability and its principal businesses include property development, cargo transportation and trading of construction materials.

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

The Group is principally engaged in the (i) assets 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 security brokerage services) and (iii) commodity trading business.

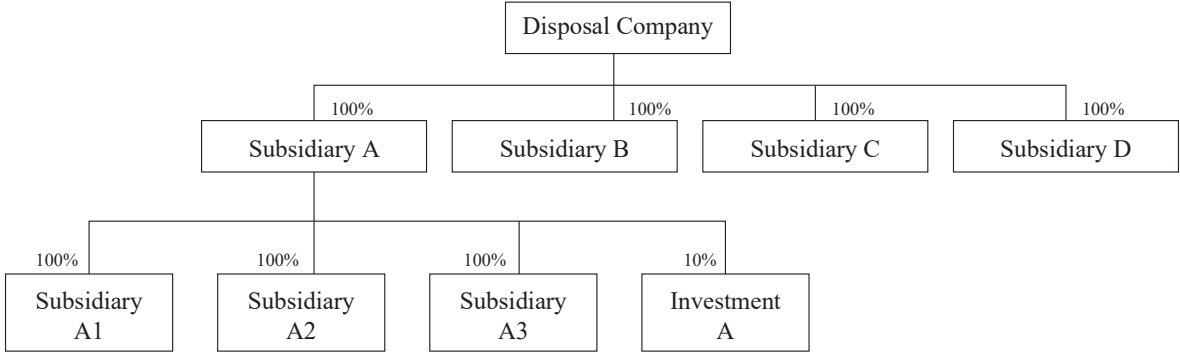
ASSETS TO BE DISPOSED

Pursuant to the Agreement, the Purchaser has agreed to acquire and the Vendor has agreed to sell the Sale Shares, which comprises 51% of the entire issued share capital of the Disposal Company. Set out below is the group structure of the Disposal Group as at the date of this announcement:



Pursuant to the Agreement, (i) Differ China undertakes to transfer (the “**Transfer 1**”) its holding of the entire 100% equity interest in the Subsidiary A to the Disposal Company within 3 days after the Completion at the consideration of RMB30,000,000 (equivalent to approximately HK\$34,884,000); and (ii) the Vendor and/or Differ China shall procure Differ Management to transfer (the “**Transfer 2**”) its holding of the entire 100% equity interest in the Subsidiary D to the Disposal Company within 3 days after the Completion for nil consideration.

Set out below is the group structure of the Disposal Group after the Completion and the Transfers:



Note 1: Subsidiary A will become direct wholly-owned subsidiary of Disposal Company after the Transfer 1.

Note 2: Subsidiary A1, Subsidiary A2 and Subsidiary A3 will become indirect wholly-owned subsidiaries of Disposal Company after the Transfer 1.

Note 3: Subsidiary D will become direct wholly-owned subsidiary of Disposal Company after the Transfer 2.

INFORMATION ON THE DISPOSAL GROUP

The Disposal Company is incorporated in the PRC and is principally engaged in investment holding in the PRC and has no significant business operations.

The Subsidiary A, the Subsidiary A1, the Subsidiary A2 and the Subsidiary A3 are engaged in commodity trading business in the PRC. Investment A is principally engaged in guarantee business in the PRC, which is owned as to 90% by Differ China and 10% by Subsidiary A.

The Subsidiary B is principally engaged in tourism project development and investment in the PRC. The principal asset of Subsidiary B is the land use rights for the Land 1, which is a commercial/cultural development called Chu Zhou Fu Cheng (處州府城). The properties are leased or intended to be leased out as commercial properties for a short to medium-term (i.e. approximately 2 to 15 years) or a long term (i.e. more than 20 years) and comprise a total leaseable gross floor area of approximately 36,863 sq.m as at 31 October 2020.

The Subsidiary C is principally engaged in property development and management in the PRC. The principal asset of the Subsidiary C is the land use rights for the Land 2, which is a commercial development called She People Ancient City* (畚鄉古城), formerly known as Phoenix Ancient Town* (鳳凰古鎮), which is currently on sale and comprises a total saleable gross floor area of approximately 159,787 sq.m as at 31 October 2020.

The Subsidiary D is principally engaged in property management service in the PRC.

Set out below are the consolidated financial information of the Disposal Company, for the two financial years ended 31 December 2018 and 2019 and ten months ended 31 October 2020 (for illustration purpose only):

	Year ended 31 December 2018 (Audited) <i>RMB'000</i>	Year ended 31 December 2019 (Audited) <i>RMB'000</i>	Ten months ended 31 October 2020 (Unaudited) <i>RMB'000</i>
Revenue	–	275,641	98,169
Profit/(Loss) before tax	49,204	152,009	(10,966)
Profit/(Loss) after tax	36,695	128,427	(10,903)

Note: The financial information of Subsidiary B and Subsidiary C have been consolidated into the financial information of the Disposal Company.

The unaudited consolidated net asset value and total asset value of the Disposal Company and its subsidiaries as at 31 October 2020 amounted to approximately RMB436,412,000 and RMB1,964,721,000 respectively.

Set out below are the consolidated financial information of the Subsidiary A for the two financial years ended 31 December 2018 and 2019 and ten months ended 31 October 2020 (for illustration purpose only):

	Year ended 31 December 2018 (Audited) <i>RMB'000</i>	Year ended 31 December 2019 (Audited) <i>RMB'000</i>	Ten months ended 31 October 2020 (Unaudited) <i>RMB'000</i>
Revenue	2,783	1,312,923	3,274,211
Profit before tax	214	553	1,460
Profit after tax	160	419	1,134

Note: The financial information of Subsidiary A1, Subsidiary A2 and Subsidiary A3 have been consolidated into the financial information of the Subsidiary A in accordance with the respective dates of their acquisition or incorporation.

The unaudited consolidated net asset value and total asset value of the Subsidiary A and its subsidiaries as at 31 October 2020 amounted to approximately RMB33,907,000 and RMB81,138,000 respectively.

Set out below are the financial information of the Subsidiary D for the two financial years ended 31 December 2018 and 2019 and ten months ended 31 October 2020 (for illustration purpose only):

	Year ended 31 December 2018 (Audited) <i>RMB'000</i>	Year ended 31 December 2019 (Audited) <i>RMB'000</i>	Ten months ended 31 October 2020 (Unaudited) <i>RMB'000</i>
Revenue	–	578	6,192
Profit/(Loss) before tax	(2,478)	(3,060)	1,052
Profit/(Loss) after tax	(2,478)	(3,060)	635

The unaudited net liabilities and total asset value of the Subsidiary D as at 31 October 2020 amounted to approximately RMB4,903,000 and RMB3,189,000 respectively.

CONSIDERATION

The Total Consideration for the sale and purchase of the Sale Shares consists of the Cash Consideration and the Dividend Entitlement.

The Cash Consideration for the sale and purchase of the Sale Shares is RMB51,000,000 (equivalent to approximately HK\$59,302,000) to be paid by the Purchaser to a bank account designated by the Vendor within 30 days of execution of the Agreement.

In consideration of the transfer of the Sale Shares by the Vendor to the Purchaser, the Purchaser has further agreed that all respective dividend, up to the amount of RMB387,600,000 (equivalent to approximately HK\$450,698,000) (the “**Dividend Entitlement**”) to be received for the Sale Shares by the Purchaser for the period commencing from the date of the Agreement up to and including 31 December 2023 will be distributed to the Vendor. Any amount in excess of the Dividend Entitlement will then be distributed to the Purchaser and Vendor according to their respective shareholding in the Disposal Company.

As at 31 December 2023, in the event that the total amount of dividends received by the Vendor from the Sale Shares is less than the Dividend Entitlement, the Purchaser shall pay the difference to the Vendor within 120 days by way of cash.

The Total Consideration was determined by the Purchaser and the Vendor after arm's length negotiation with reference to the proportionate interest of 51% of the unaudited adjusted consolidated net asset value of Disposal Group (the "**Adjusted NAV**") as at 31 October 2020. The Adjusted NAV in the amount of RMB860,094,000 represents an aggregate value of:

- (a) the unaudited consolidated net asset of the Disposal Group as at 31 October 2020 (assuming after the completion of Transfers) in the amount of approximately RMB435,416,000; plus
- (b) the amount of the valuation of the reference value, by using the market approach, of the Land 1 and Land 2 as at 31 October 2020 as determined by an independent valuer in the sum of RMB2,422,000,000; less
- (c) the relevant book value of the Land 1 and Land 2 as at 31 October 2020 in the sum of approximately RMB1,855,763,000 and the relevant deferred tax liabilities of approximately RMB141,559,000.

Accordingly, the Board considers that the Total Consideration and the terms and conditions of the Agreement are to be fair and reasonable and on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

DISPOSAL CONDITIONS

Completion is subject to the fulfilment of the following conditions (the "**Disposal Conditions**") on or before 31 December 2020 (the "**Conditions Fulfilment Date**"):

- (1) the written shareholders' approval having been obtained from a shareholder or closely allied group of shareholders who together hold more than 50% of the voting rights at that general meeting to approve the Agreement and the transactions contemplated thereunder; and
- (2) the circular for the Disposal has been issued and dispatched by the Company in accordance with the Listing Rules.

The Disposal Conditions may not be waived by the Parties. If the Disposal Conditions are not fulfilled on or before 31 December 2020, the Agreement will be lapsed and neither Parties will have any obligations or liabilities toward each other arising from the Agreement. As at the date of this announcement, Disposal Condition (1) has been fulfilled as the Company has obtained the respective written shareholders' approvals.

COMPLETION

The date of the transfer of the Sale Shares from the Vendor to the Purchaser will be the date of completion of the sale and purchase of the Sale Shares.

POSSIBLE FINANCIAL EFFECT OF THE DISPOSAL AND USE OF PROCEEDS

Upon the Completion, the Group's equity interest in the Disposal Company will decrease from 100% to 49%. The Disposal Company, Subsidiary B and Subsidiary C will then all cease to be indirect wholly-owned subsidiaries of the Company and will instead become associates of the Company. As a result, the financial results of the Disposal Company, Subsidiary B and Subsidiary C will cease to be consolidated with the Group's financial statements and the Group will share the financial results of associates.

Subject to the Completion and after the Transfers, the Subsidiary A, Subsidiary A1, Subsidiary A2 and Subsidiary A3 and Subsidiary D will all cease to be indirect wholly-owned subsidiaries of the Company and will instead become associates of the Company. As a result, the financial results of the Subsidiary A, Subsidiary A1, Subsidiary A2 and Subsidiary A3 and Subsidiary D will also cease to be consolidated with the Group's financial statements and the Group will share the financial results of associates.

After the Disposal, trading of commodities will continue to be one of the principal activities of the Group, but the relevant products will differ to those traded by the Disposal Group.

Based on the preliminary assessment (i) on the financial information of the Disposal Group as at 31 October 2020 and (ii) the Consideration, it is estimated that the Company will realise an unaudited gain on the Disposal of approximately RMB240,284,000 (equivalent to approximately HK\$279,400,000) before tax, relevant interests to be received from Debts, relevant guarantee fee income to be received from Guarantee and other transaction costs as a result of the Disposal. The actual gain or loss as a result of the Disposal to be recorded by the Group is subject to a final audit to be performed by the auditors of the Company.

The Board intends to apply the net proceeds from the Disposal of approximately RMB437,972,000 for (i) lending to the Group's customers and acquisition of valuable assets in the ordinary and usual course of the Group's business, and (ii) general working capital of the Group.

REASONS FOR THE DISPOSAL

The Disposal Group is principally engaged in (i) property development; and (ii) commodity trading business. The Group will retain 49% of the entire equity interest of the Disposal Group. The Directors consider that it is a good opportunity for the Group to dispose the Sale Shares so as to realise a profit from the Disposal and release funds which will be used for the purposes mentioned above under the section headed "Possible Financial Effect of the Disposal and Use of Proceeds".

Although the Group's interest in the Disposal Group will be reduced and the Disposal Group will cease to be subsidiaries of the Group, the Company still retains 49% equity interest in the Disposal Company, hence the Disposal Group will be classified as associates of the Company. The introduction of the Purchaser as a shareholder of the Disposal Company will provide synergy effect to the Company and its Shareholders as a whole. As the Purchaser is a PRC state-owned enterprise, the Company believes that the Purchaser will have valuable connections and resources in the PRC which means that it will be comparatively easier for the Disposal Group to promote the leases and sales of properties on Land 1 and Land 2 in the theme of cultural tourism and obtain external finance on better financial terms for the Disposal Group's future operations and development. This will also allow the Disposal Group to speed up its repayment of certain borrowings to the Company, which will in turn improve the Company's cash flow and financial position. Further, as disclosed above, Subsidiary A, Subsidiary A1, Subsidiary A2 and Subsidiary A3 are principally engaged in the commodities trading business which is one of the core businesses of the Group. With the introduction of the Purchaser as a shareholder of the Disposal Company, the Disposal Group will further expand such business to the interest of the Disposal Group. This will in turn benefit the Company and its Shareholders as a whole.

As such, the Company believes that the scale and income of such business will be able to increase as the Company expects the Disposal Group to be able to secure more financing due to the Purchaser's strong connections and established background in the PRC.

As the Disposal is being conducted after arm's length negotiations based on normal commercial terms, and the Group is expected to make a gain on the Disposal, the Directors are of the view that the Disposal is fair and reasonable and is in the interest of the Company and its Shareholders as a whole.

LISTING RULES IMPLICATION

As one or more of the applicable percentage ratios under the Listing Rules exceeds 25% but is less than 75%, the Disposal constitutes a major transaction of the Company and is therefore subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder has a material interest in the Disposal and no Shareholder is required to abstain from voting if the Company were to convene a general meeting to approve the Disposal. In accordance with Rule 14.44 of the Listing Rules, the Company has obtained written shareholders' approval from (i) Expert Corporate Limited; (ii) Ever Ultimate Limited and (iii) Mr. Ng Chi Chung, which holds collectively 4,129,098,000, Shares in the Company (representing approximately 57.28% of the voting rights at the general meeting of the Company) to approve the Disposal, in lieu of holding a general meeting.

(2) DISCLOSEABLE TRANSACTION IN RELATION TO PROVISION OF FINANCIAL ASSISTANCE AND ADVANCE TO AN ENTITY

As at 31 October 2020, the Disposal Group is indebted to the Vendor and Differ China in the sum of RMB531,239,000 (equivalent to approximately HK\$617,720,000), (the “**Debt**”) which is unsecured and still outstanding as at the date of this announcement.

It is provided in the Agreement that the abovementioned sum will not be settled upon the Completion. In addition, upon Completion, the Disposal Company will owe Differ China a further sum of RMB30,000,000 (equivalent to approximately HK\$34,884,000), being the agreed consideration for the Transfer of Subsidiary A, Subsidiary A1, Subsidiary A2, Subsidiary A3 and Investment A to the Disposal Company within 3 days after the Completion. The Parties have further agreed that the total amount owed from the Disposal Group to the Vendor and Differ China after the Completion and the Transfer (the “**Debt**”) will be capped at RMB750,000,000 (equivalent to approximately HK\$872,093,000).

Pursuant to the Agreement, the Vendor and Differ China have agreed to waive the interest for the Debt for the first year after the date of Completion as the Disposal Group will become associates of the Company. Subsequently, the interest rate of the Debt thereafter will be at 10% per annum (the “**Interest**”) until the Debt is fully settled by the Disposal Group. Currently, there is no fixed repayment date for the Debt.

REASONS FOR AND BENEFITS OF THE PROVISION OF FINANCIAL ASSISTANCE AND ADVANCE TO AN ENTITY

Taking into account the principal business activities of the Group, the provision of Debt is in the ordinary and usual course of business of the Group.

The terms of the Debt as contained in the Agreement were negotiated on an arm’s length basis between the Parties. The Directors are of the view that the Debt was entered into on normal commercial terms. Taking into account the income that is expected to be generated from the Interest as a result of providing the Debt, the Directors consider that the terms of the Debt are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATION

Since the Disposal Group will cease to be subsidiaries of the Group upon Completion, the Debt will then constitute as financial assistance.

As certain applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the amount of the provision of the Debt were more than 5% but less than 25%, the Debt constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

As the assets ratio as defined under Rule 14.07(1) of the Listing Rules in respect of the amount of the cap of the Debt exceeds 8%, the Debt is also subject to the general disclosure obligations under Rule 13.13 of the Listing Rules. The information required to be disclosed pursuant to Rule 13.13 of the Listing Rules in respect of the Debt is disclosed in this announcement.

(3) DISCLOSEABLE TRANSACTION IN RELATION TO PROVISION OF GUARANTEE AND ADVANCE TO AN ENTITY

As at 31 October 2020, the Disposal Group had various outstanding bank loans amounting to approximately RMB542 million (equivalent to approximately HK\$630,233,000) (the “**Loan**”), which were guaranteed (the “**Guarantee**”) by the Vendor and Differ China (i) separately as to RMB355 million and RMB47 million respectively; and (ii) jointly as to RMB140 million. The Loan will not be settled upon the Completion so the Guarantee will constitute as financial assistance by way of provision of guarantee from the Vendor and Differ China to the Disposal Group. The Loan will be repayable in installments to the respective banks on or before 21 January 2026.

The Parties have further agreed that the amount of the Guarantee will be capped at RMB542 million (equivalent to approximately HK\$630,233,000).

Pursuant to the Agreement, in exchange for the continuous provision of the Guarantee by the Vendor and Differ China, the Disposal Group will pay the guarantee service fee (the “**Guarantee Fee**”) to the Vendor and Differ China of 3.1% per annum of the outstanding bank balance of the Guarantee until the Loan is fully settled by the Disposal Group.

The respective banks, who are providing the Loan to the Disposal Group, are local branches of several PRC commercial banks principally engaged in the provision of a range of banking services and related financial services. To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the respective banks and their ultimate beneficial owners are Independent Third Parties.

REASONS FOR AND BENEFITS OF THE PROVISION OF THE GUARANTEE

Taking into account the principal business activities of the Group, the provision of the Guarantee is in the ordinary and usual course of business of the Group.

The terms of the Guarantee were previously negotiated with the respective banks when the Disposal Group was held by the Group. The terms of the continuous provision of the Guarantee and the Guarantee Fee as contained in the Agreement were negotiated on an arm's length basis between the Parties. The Directors are of the view that the terms for the continuous provision of the Guarantee was entered into on normal commercial terms. Taking into account the income that is expected to be generated from the Guarantee Fee as a result of providing the Guarantee, the Directors consider that the terms of the Guarantee are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATION

Since the Disposal Group will cease to be subsidiaries of the Group upon Completion, the Guarantee, will then constitute as financial assistance. As certain applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the amount of the provision of the Guarantee were more than 5% but less than 25%, this constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

As the assets ratio as defined under Rule 14.07(1) of the Listing Rules in respect of the amount of the provision of Guarantee exceeds 8%, the Guarantee is also subject to the general disclosure obligations under Rule 13.16 of the Listing Rules. The information required to be disclosed pursuant to Rule 13.16 of the Listing Rules in respect of the Guarantee is disclosed in this announcement.

GENERAL

A circular containing, among other things, further details of the Disposal will be despatched to the Shareholders in compliance with the Listing Rules. The Board expects that the circular will be despatched to the Shareholders on or before 3 December 2020.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

“Agreement”	the reorganisation agreement dated 12 November 2020 entered into between the Parties in relation to Disposal
“Board”	the board of Directors

“Cash Consideration”	the consideration of RMB51,000,000 (equivalent to approximately HK\$59,302,000) payable by the Purchaser for the Sale Shares pursuant to the Agreement
“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 sale and purchase of the Sale Shares in accordance with the terms and conditions of the Agreement
“Conditions Fulfilment Date”	31 December 2020, unless otherwise extended by the mutual agreement of the Parties in writing
“connected persons”	has the meaning ascribed to this term under the Listing Rules
“Differ China”	Differ Group (China) Co., Ltd.* (鼎豐集團(中國)有限公司), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Company
“Differ Management”	Differ Commercial Management Company Limited (鼎豐商業管理有限公司), a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“Directors”	the directors of the Company
“Disposal”	the disposal of the Sale Shares by the Vendor to the Purchaser as contemplated under the Agreement
“Disposal Company”	Fujian China Overseas Urban Development Co., Ltd* (福建中海外城市開發有限公司), formerly known as Ganzhou Jiaheng Business Consulting Co., Ltd.* (贛州市嘉恒商務諮詢有限公司), a company incorporated in the PRC with limited liability and wholly-owned by the Vendor as at the date of this announcement
“Disposal Group”	collectively the Disposal Company, Subsidiary A, Subsidiary B, Subsidiary C, Subsidiary D, Subsidiary A1, Subsidiary A2, Subsidiary A3 and Investment A
“Group”	the Company and its subsidiaries

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Investment A”	Differ Guarantee Company Limited* (鼎豐擔保股份有限公司), a company incorporated in the PRC with limited liability, owned as to 90% by Differ China and 10% by the Subsidiary A
“Independent Third Party”	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, is/are not a connected person(s) of the Company within the meaning of the Listing Rules
“Land 1”	the two land parcels legally owned by the Subsidiary B situated at northwest side of the intersection of Dayou Street and Dayang Road, Lishui, Zhejiang Province, the PRC, with a total site area of approximately 74,721 sq.m.
“Land 2”	the two land parcels legally owned by the Subsidiary C situated at Northern side of Renmin North Road and the Eastern side of Waishe Road, Waishe Zone, Jingning Town, Lishui City, Zhejiang Province, the PRC, with a total site area of approximately 173,934 sq.m
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Parties”	the parties to the Agreement, namely the Purchaser, the Vendor and Differ China
“PRC”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Purchaser”	China Overseas Urban Development Co., Ltd* (中海外城市開發有限公司), a company incorporated in the PRC with limited liability and an Independent Third Party
“Sale Shares”	51% of the entire issued share capital of the Disposal Company
“Shares”	the ordinary share(s) of HK\$0.0025 each in the issued share capital of the Company
“Shareholder”	the holder(s) of the Shares(s)

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary A”	Xiamen Purchasing Supply Chain Technology Co., Ltd* (廈門採購寶供應鏈科技有限公司) (formerly known as Xiamen Differ Supply Chain Development Co., Ltd* (廈門鼎豐供應鏈發展有限公司)), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of Differ China
“Subsidiary A1”	Xiamen Jiayi Supply Chain Management Co., Limited* (廈門佳逸供應鏈管理有限公司) (formerly known as Xiamen Gongxin Trading Co., Ltd* (廈門共鑫貿易有限公司)), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Subsidiary A
“Subsidiary A2”	Lishui Jiayi Supply Chain Management Co., Limited* (麗水佳逸供應鏈管理有限公司) (formerly known as Jingning Differ Supply Chain Management Co., Limited* (景寧鼎豐供應鏈管理有限公司)), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of Subsidiary A
“Subsidiary A3”	Ganzhou Jiayi Supply Chain Management Co., Limited* (贛州佳逸供應鏈管理有限公司) (formerly known as Ganzhou Jiachuang Supply Chain Management Co., Ltd.* (贛州嘉創供應鏈管理有限公司)), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of Subsidiary A
“Subsidiary B”	Lishui Fu Feng Cultural Tours Company Limited* (麗水市富豐文化旅遊有限公司), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Disposal Company
“Subsidiary C”	Jingning Outdoor Residence Tour Investment Development Co., Limited* (景寧外舍古鎮旅遊投資發展有限公司), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Disposal Company
“Subsidiary D”	Xiamen Wending Commercial Operation Management Company Limited* (廈門問鼎商業運營管理有限公司), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of Differ Management

“Total Consideration”	the aggregate of the Cash Consideration payable by the Purchaser for the Sale Shares pursuant to the Agreement, together with the Dividend Entitlement
“Transfers”	collectively, the Transfer 1 and the Transfer 2
“Vendor”	Xiamen Differ Cultural Tourism Group Co., Ltd.* (廈門鼎豐文化旅遊集團有限公司), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.
“sq.m”	square meter

* for identification purpose only.

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

Hong Kong, 12 November 2020

For the purpose of illustration in this announcement only, the translation of RMB into HK\$ is based on the rate of HK\$1: RMB0.86. The above conversion rates are for illustrative purpose only and do not constitute a representation that any amounts have been, could have been, or may be exchanged at the aforesaid or any other rates or 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 and 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.