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Value Convergence Holdings Limited

(Incorporated in Hong Kong with limited liability)

Website: <http://www.vcgroup.com.hk>

(Stock Code: 821)

DISCLOSEABLE TRANSACTION IN RELATION TO THE ACQUISITIONS OF THE RELEVANT SOFTWARE AND THE ENTIRE ISSUED SHARE CAPITAL IN THE TARGET COMPANY INVOLVING THE ISSUE OF CONSIDERATION SHARES UNDER SPECIFIC MANDATE

THE SALE AND PURCHASE AGREEMENT

The Board is pleased to announce that on 2 July 2021 (after trading hours), the Vendors and the Purchasers entered into the Sale and Purchase Agreement, pursuant to which, (i) the Purchaser II has conditionally agreed to acquire, and the Vendor II has conditionally agreed to sell, the Relevant Software, at the First Consideration of RMB45,000,000 (equivalent to approximately HK\$53,827,751); and (ii) the Purchaser I has conditionally agreed to acquire, and the Vendor I has conditionally agreed to sell, the Sale Shares, representing the entire issued share capital of the Target Company, at the Second Consideration of RMB28,000,000 (equivalent to approximately HK\$33,492,823). The Total Consideration of RMB73,000,000 (equivalent to approximately HK\$87,320,574) will be settled by the allotment and issue of the 425,954,020 Consideration Shares by the Company to the Vendor I and/or its nominee(s) at the Issue Price of HK\$0.205 per Consideration Share on the Completion Date.

Upon the Completion, the Target Company will become a wholly-owned subsidiary of the Company and the financial results of the Target Company will be consolidated into the consolidated financial statements of the Company. The Company will also, via the Purchaser II, own the Relevant Software.

The 425,954,020 Consideration Shares represent (i) approximately 24.97% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 19.98% of the issued share capital of the Company as enlarged by the allotment and issue of the Consideration Shares (assuming there will be no change in the total number of issued Shares between the date of this announcement and the allotment and issue of the Consideration Shares).

THE SPECIFIC MANDATE

Pursuant to the Sale and Purchase Agreement, the Company will allot and issue the Consideration Shares to the Vendor I and/or its nominee(s) under a specific mandate to be obtained at the EGM to settle the Total Consideration. An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares. The Consideration Shares shall, upon allotment and issuance, rank *pari passu* in all respects with the existing Shares in issue.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder has a material interest in the Acquisitions nor will be required to abstain from voting on the resolution to be proposed at the EGM to allot and issue the Consideration Shares.

IMPLICATIONS UNDER THE LISTING RULES

As the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) regarding the Acquisitions exceed 5% but less than 25%, the Acquisitions constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and are subject to the reporting and announcement requirements under the Listing Rules.

GENERAL

The EGM will be convened and held for the purpose of considering and, if thought fit, approving the Specific Mandate by way of poll. A circular containing further information in relation to the Sale and Purchase Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate) and a notice of the EGM, is expected to be despatched to the Shareholders on or before 23 July 2021.

Shareholders and potential investors of the Company should note that the Completion is subject to the fulfilment of the conditions precedent under the Sale and Purchase Agreement. As the Completion may or may not proceed, Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.

The Board is pleased to announce that on 2 July 2021 (after trading hours), the Vendors and the Purchasers entered into the Sale and Purchase Agreement, pursuant to which, (i) the Purchaser II has conditionally agreed to acquire, and the Vendor II has conditionally agreed to sell, the Relevant Software, at the First Consideration of RMB45,000,000 (equivalent to approximately HK\$53,827,751); and (ii) the Purchaser I has conditionally agreed to acquire, and the Vendor I has conditionally agreed to sell, the Sale Shares, representing the entire issued share capital of the Target Company, at the Second Consideration of RMB28,000,000 (equivalent to approximately HK\$33,492,823). The Total Consideration of RMB73,000,000 (equivalent to approximately HK\$87,320,574) will be settled by the allotment and issue of the 425,954,020 Consideration Shares by the Company to the Vendor I and/or its nominee(s) at the Issue Price of HK\$0.205 per Consideration Share on the Completion Date.

THE SALE AND PURCHASE AGREEMENT

Set out below are the principal terms of the Sale and Purchase Agreement:

Date: 2 July 2021 (after trading hours)

Parties: (i) iDreamSky Technology Holdings Limited, as the Vendor I;

(ii) Shenzhen Qianhai iDream Technology Co., Ltd., an indirect wholly-owned subsidiary of the Vendor I, as the Vendor II;

(iii) the Company, as the Purchaser I; and

(iv) Qianhai Hanxiang Investment Management (Shenzhen) Co., Ltd.*(前海漢翔投資管理(深圳)有限公司), a wholly-owned subsidiary of the Company, as the Purchaser II.

(each a “**Party**” and collectively, the “**Parties**”)

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, each of the Vendors are, as at the date of this announcement, independent of and not connected with the Company or its connected persons (as defined in the Listing Rules).

The Restructuring

The Acquisitions are subject to, among others, the completion of the restructuring, of which the Target Company will lead a series of corporate reorganisation involving the Vendor Group. Eventually, the Target Company will legally and beneficially own the entire issued share capital of Zero One Hong Kong, and Zero One Hong Kong will legally and beneficially own 60% of the entire issued share capital of Zero One Zhi He (the “**Restructuring**”).

Assets to be acquired

Subject to the terms and conditions of the Sale and Purchase Agreement, the Vendor II will sell as the legal and beneficial owner, and the Purchaser II will acquire the Relevant Software from the Vendor II to execute and complete the First Acquisition. Similarly, subject to the terms and conditions of the Sale and Purchase Agreement, the Vendor I will sell as the legal and beneficial owner, and the Purchaser I will acquire the Sale Shares from the Vendor I to execute and complete the Second Acquisition. The Parties shall execute relevant documents for the First Acquisition and the Second Acquisition, and according to the relevant documents, apply to the registration authorities of the PRC national copyrights (the “**Copyright Registration**”) on registration of change in copyrights of the Relevant Software, as well as the company registration administration of Cayman Islands (the “**Company Registration**”) on registration of change in shareholding of the Target Company. Both registrations shall be completed within normal time required by the Copyright Registration and the Company Registration, otherwise the Purchasers have the right to terminate the Acquisitions, and the Vendors must not object or have any objections.

Subject to the provisions in the Sale and Purchase Agreement, the Sale Shares, upon the Completion, shall be free from any encumbrances together with all obligations, rights and interests attaching thereto including but not limited to dividends or distributions declared, made or paid in respect thereof after the Completion Date.

Consideration and basis of consideration

The Total Consideration shall be RMB73,000,000 (equivalent to approximately HK\$87,320,574), which includes the First Consideration and the Second Consideration, and will be settled by the Company by allotment and issue of 425,954,020 Consideration Shares under the Specific Mandate at the Issue Price of HK\$0.205 per Consideration Share to the Vendor I and/or its nominee(s) on the Completion Date.

The Total Consideration was arrived at after arm’s length negotiations among the Parties with reference to, among other things, the draft valuation reports of the Relevant Software and the Target Company. The Directors consider that the terms and conditions of the Acquisitions are fair and reasonable and on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

The Consideration Shares and the Issue Price

The 425,954,020 Consideration Shares represent (i) approximately 24.97% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 19.98% of the issued share capital of the Company as enlarged by the allotment and issue of the Consideration Shares (assuming there will be no change in the total number of issued Shares between the date of this announcement and the allotment and issue of the Consideration Shares).

The Issue Price of HK\$0.205 represents:

- (i) a discount of 18.00% to the closing price of HK\$0.2500 per Share as quoted on the Stock Exchange on the date of the Sale and Purchase Agreement; and
- (ii) a discount of approximately 16.46% to the average closing price of HK\$0.2454 per Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to the date of the Sale and Purchase Agreement.

The Issue Price was arrived after arm's length negotiations among the Parties with reference to the prevailing market price of the Shares. The Directors consider that the Issue Price is fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

The Consideration Shares, once allotted and issued on the Completion Date, will rank *pari passu* in all respects with the existing Shares in issue. An application will be made to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares.

Conditions precedent

The Completion shall be subject to the following conditions precedent:

- (1) the Vendors having obtained the necessary approvals and consents from the Vendors as set out in the Sale and Purchase Agreement;
- (2) the Purchasers having obtained the necessary approvals and consents from the Purchasers as set out in the Sale and Purchase Agreement;
- (3) the Restructuring having been completed to the reasonable satisfaction of the Purchasers;

- (4) the Vendor I being the legal and beneficial owner of the Sale Shares, and the Sale Shares being free from any encumbrances and remaining unchanged until the Completion;
- (5) the Vendor II being the legal and beneficial owner of the Relevant Software, and the Relevant Software being free from any encumbrances and remaining unchanged until the Completion;
- (6) the identity of the Purchaser II being a wholly foreign-owned enterprise of the Purchaser I in the PRC remaining unchanged until the Completion;
- (7) the Purchaser II having obtained relevant approvals from the industrial and commercial administrative authorities, foreign exchange administration authority, intellectual property rights administration authority and the Ministry of Commerce of the PRC for the First Acquisition (if necessary);
- (8) the Purchaser I having obtained the Specific Mandate;
- (9) the Stock Exchange having granted the approval for the listing of, and permission to deal in, the Consideration Shares;
- (10) the Purchaser I being reasonably satisfied with the results of the due diligence review to be conducted on the Target Company, Zero One Hong Kong and/or Zero One Zhi He in aspects that the Purchaser I thinks fit;
- (11) the Purchaser II being reasonably satisfied with the results of the due diligence review to be conducted on the Relevant Software in aspects that the Purchaser II thinks fit;
- (12) the warranties given by the Vendors remaining true and accurate in all material respects and not misleading;
- (13) the warranties given by the Purchasers remaining true and accurate in all material respects and not misleading;
- (14) the valuer designated by the Purchaser I and the Purchaser II having issued valuation reports in relation to the Relevant Software and the Sale Shares, and the final total valuation of the Relevant Software and the Sale Shares shall not be less than RMB73,000,000 or the equivalent amount settled in other currencies, and the overall content and conclusion of the valuation reports being accepted by the Purchasers;

- (15) the PRC lawyer designated by the Purchasers having issued a PRC legal opinion in relation to the Acquisitions anticipated under the Sale and Purchase Agreement, and the Purchasers being satisfied and accepted the form and content of such PRC legal opinion at their absolute discretion, such PRC legal opinion shall confirm, among other things, the following matters:
- (i) the legal compliance of the Acquisitions;
 - (ii) Zero One Zhi He is duly incorporated, legally established and validly existing (including the legality of the shareholding structure) and no liquidation or bankruptcy proceeding; and
 - (iii) all necessary approvals, consents, licenses and/or permits obtained for the business operation of the Relevant Software issued by the authorities including but not limited to the industrial and commercial administrative authorities, foreign exchange administration authority, intellectual property rights administration authority and the Ministry of Commerce of the PRC
- (16) the Purchaser I not receiving from the Stock Exchange that the Acquisitions contemplated under the Sale and Purchase Agreement would constitute a reverse takeover and regard as a new listing application according to the Listing Rules, and the Acquisitions contemplated under the Sale and Purchase Agreement not having deemed by the SFC to trigger the mandatory offer under Rule 26 of the Takeovers Code; and
- (17) the listing status of the Shares on the Stock Exchange not having been cancelled, and the Purchaser I not having received written notice from the Stock Exchange or SFC to cancel the listing status of the Shares.

The Vendors shall be responsible for the abovementioned conditions precedent (1), (3), (4), (5) and (12) (the “**Vendors’ Conditions Precedent**”). The Purchasers shall be responsible for the abovementioned conditions precedent (2), (6) to (11) and (13) to (17) (the “**Purchasers’ Conditions Precedent**”). Save for the abovementioned conditions precedent (10) to (13) which can be waived based on the following, the remaining conditions precedent cannot be waived. The Vendors may inform the Purchasers by written notice to waive the abovementioned condition precedent (13) on or before the Long Stop Date, and the Purchasers may inform the Vendors by written notice to waive the abovementioned conditions precedent (10) to (12) on or before the Long Stop Date. The Vendors’ Conditions Precedent (other than being waived by the Purchasers according to this paragraph) must be completed and/or satisfied by the Vendors on or before the Long Stop Date, and similarly, the Purchasers’ Conditions Precedent (other than being waived by the Vendors according to this paragraph) must be completed and/or satisfied by the Purchasers on or before the Long Stop Date. As such, the Parties shall use their best endeavours to procure the fulfilment of the abovementioned conditions precedent (other than being waived by the Vendors or the Purchasers according to this paragraph). Once the Vendors fulfill the Vendors’ Conditions Precedent (other than being waived by the Purchasers according to this paragraph), the Vendors shall promptly issue a confirmation letter to the Purchasers in relation to the satisfaction of the Vendors’ Conditions Precedent, and similarly, once the Purchasers fulfill the Purchasers’ Conditions Precedent (other than being waived by the Vendors according to this paragraph), the Purchasers shall promptly issue a confirmation letter to the Vendors in relation to the satisfaction of the Purchasers’ Conditions Precedent. If any of the abovementioned conditions precedent (other than being waived by the Vendors or the Purchasers according to this paragraph) cannot be completed and/or satisfied on or before the Long Stop Date, the Sale and Purchase Agreement shall immediately terminate and lapse and no longer be binding on the Parties. Save as the antecedent breaches under the Sale and Purchase Agreement at that time, no Party shall have any claim or any indemnity against the other Party.

Completion

Subject to the conditions precedent above having been completed and/or satisfied, fulfilled or waived, the Completion shall take place on the Completion Date.

THE SPECIFIC MANDATE

Pursuant to the Sale and Purchase Agreement, the Company will allot and issue the Consideration Shares to the Vendor I and/or its nominee(s) under a specific mandate to be obtained at the EGM to settle the Total Consideration. An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares. The Consideration Shares shall, upon allotment and issuance, rank *pari passu* in all respects with the existing Shares in issue.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder has a material interest in the Acquisitions nor will be required to abstain from voting on the resolution to be proposed at the EGM to allot and issue the Consideration Shares.

INFORMATION ON THE VENDORS

The Vendor I is an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange under stock code 1119. The Vendor I is an investment holding company. The current businesses of the Vendor Group (including structured entities) include research and development and operation of online and mobile games, provision of information services, development of SaaS and other related services and offline entertainment.

The Vendor II is a company established in the PRC and an indirect wholly-owned subsidiary of the Vendor I. It is principally engaged in the provision of, including but not limited to, technical support, development, maintenance and update of software, business management consultation, marketing and promotion services, leasing, assignment or disposal of equipment or properties, and other services.

INFORMATION ON THE RELEVANT SOFTWARE AND THE TARGET GROUP

The Rainbow Software is a software system providing whole-process data support for game development and operation, for demonstration of game quality and operation conditions facilitating game design or achieving operation target.

The Dolphin Software is a personalised operation platform integrating AI and big data application. Through the amalgamation of AI and user's portrait, it provides users with valuable contents, achieves precise sales and marketing and recommends suitable gift packages for users. It can also tune the difficulty of the game level to improve the games' retention, activation and payment rate. An AB test system (which is to conduct a comparative test with A plan verses B plan, and to find the optimal operation strategy through the test) can also establish to complete the operational and promotional strategies based on the AB test content.

The Nvwa Software is a technical service platform software system that provides one-stop solutions and operation solutions for game developers and game agency publishers to release the games in the application markets.

As at the date of this announcement, the Vendor II legally and beneficially owns the Relevant Software.

The Target Company is a company incorporated in the Cayman Islands in February 2020 with limited liability. As at the date of this announcement, it is a direct wholly-owned subsidiary of the Vendor I, and it is principally engaged in investment holding.

Zero One Hong Kong is a company incorporated in Hong Kong in August 2010 with limited liability. It is principally engaged in investment holding. Upon the completion of the Restructuring, Zero One Hong Kong will be the wholly-owned subsidiary of the Target Company.

Zero One Zhi He is a company established in the PRC in February 2020 with limited liability. It is principally engaged in technology development and transfer, provision of technology consultation and technology services in professional fields such as network information, computer and system integration technology. Upon the completion of the Restructuring, 60% of the entire issued share capital of Zero One Zhi He will be owned by Zero One Hong Kong.

Upon the Completion, the Target Company will become a wholly-owned subsidiary of the Company and the financial results of the Target Company will be consolidated into the consolidated financial statements of the Company. The Company will also, via the Purchaser II, own the Relevant Software.

Financial information of the Target Group

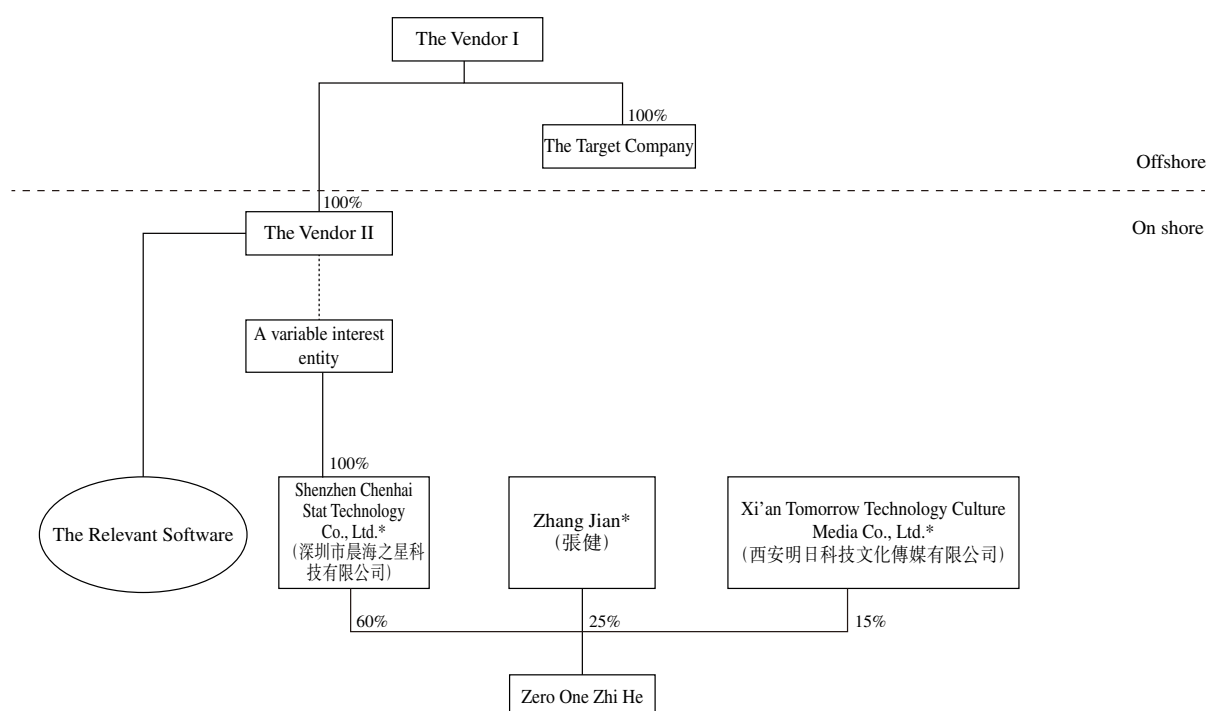
The summary of the unaudited consolidated financial information of the Target Group for the year ended 31 December 2019 and 31 December 2020 is set out as follows:

	For the year ended 31 December 2019 RMB'000 (Unaudited) <i>Approximately</i>	For the year ended 31 December 2020 RMB'000 (Unaudited) <i>Approximately</i>
Revenue	–	2,963
Loss before tax	(10)	(154)
Loss after tax	(10)	(154)
Net assets	(10)	1,327

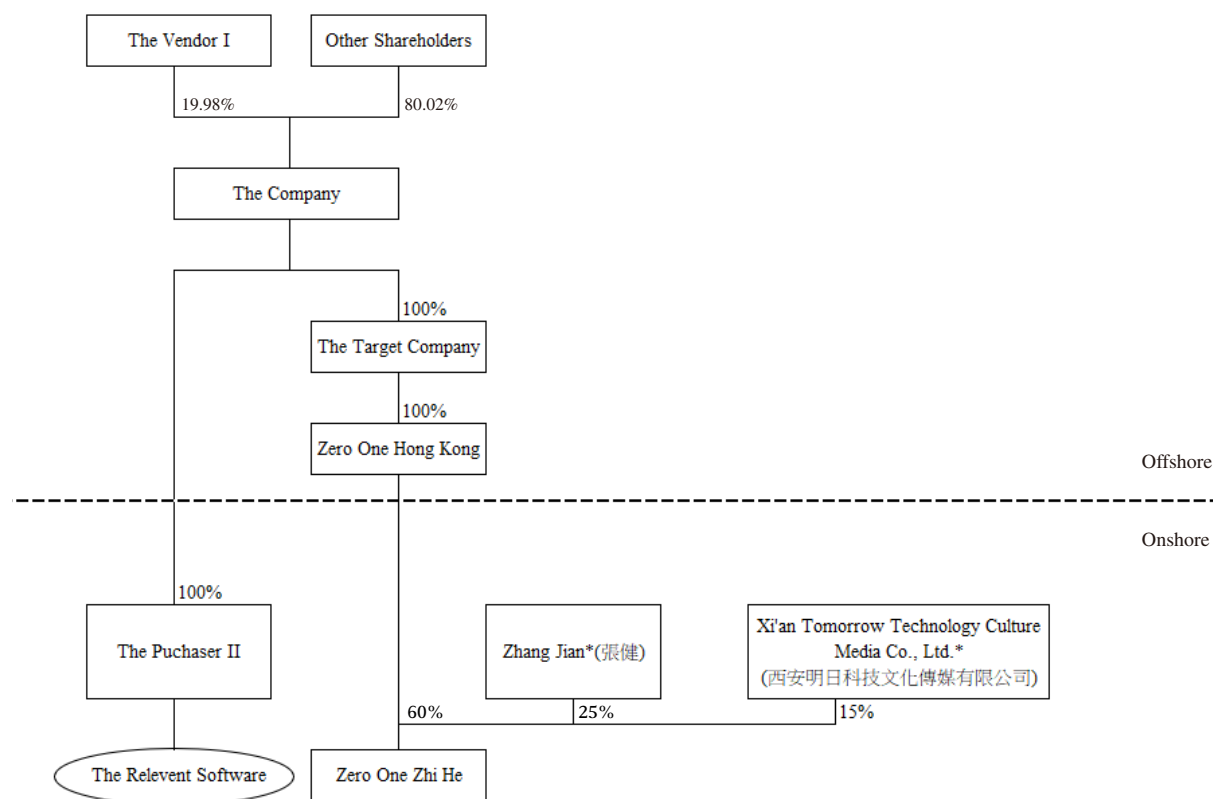
SHAREHOLDING STRUCTURE OF THE VENDORS AND THE TARGET GROUP

For illustration purposes only, the shareholding structure of the Vendors and the Target Group (i) as at the date of the Sale and Purchase Agreement; and (ii) immediately after the Completion set out as follows:

(i) As at the date of the Sale and Purchase Agreement



(ii) Immediately after the Completion



SHAREHOLDING STRUCTURE OF THE COMPANY

For illustration purposes only, the shareholding structure of the Company (i) as at date of this announcement; and (ii) immediately after the allotment and issue of the Consideration Shares (assuming there will be no change in the total number of issued Shares between the date of this announcement and the allotment and issue of the Consideration Shares) set out as follows:

	(i) As at the date of this announcement		(ii) Immediately after the allotment and issue of the Consideration Shares (assuming there will be no change in the total number of issued Shares between the date of this announcement and the allotment and issue of the Consideration Shares)	
	<i>No. of Shares</i>	<i>Approx.</i>	<i>No. of Shares</i>	<i>Approx.</i>
<i>Director</i>				
Mr. Wong Chung Kin, Quentin (<i>Note 1</i>)	500,000	0.03%	500,000	0.02%
<i>Substantial Shareholder</i>				
Mr. Chung Chi Shing, Eric (<i>Note 2</i>)	368,352,000	21.59%	368,352,000	17.28%
The Vendor I and/or its nominee(s)	–	–	425,954,020	19.98%
Public Shareholders	1,336,899,598	78.38%	1,336,899,598	62.72%
Total	1,705,751,598	100.00%	2,131,705,618	100.00%

Note:

- As at the date of this announcement, Mr. Wong Chung Kin, Quentin is beneficially interested in 500,000 Shares, and a total of 1,228,000 share options granted by the Company under the share option scheme on 27 July 2020.
- As at the date of this announcement, Mr. Chung Chi Shing, Eric (“**Mr. Chung**”), is beneficially interested in 293,352,000 Shares, and is deemed to be interested in 75,000,000 Shares owned by Power Global Group Limited, the entire issued shares of which is legally and beneficially owned by Mr. Chung, under Part XV of The Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong). Mr. Chung is also beneficially interested in a total of 1,228,000 shares option granted by the Company under the share option scheme of the Company on 27 July 2020.

REASONS FOR AND BENEFITS OF THE ACQUISITIONS

The Group's expertise includes (i) provision of financial services comprising securities, futures and options brokering and dealing, financing services, corporate finance and other advisory services, asset management and insurance brokerage; (ii) proprietary trading; and (iii) sale and distribution of healthcare products.

The Company have been committed to providing professional and all-rounded financial services to the clients. Over the last two decades, the Company have successfully built a solid client base. One of the Company's visions is to focus on the financial market and aggressively pursue innovations. Since the inception of the digital era, the Company has introduced online securities transaction services for many years.

Communication patterns with mobile devices have become more powerful and cloud computing has becoming more popular in the recent years. Most people own multiple devices, and an increasing proportion of them are substituting their desktop or notebook computers with mobile phones and tablets. The software industry responds to this trend by transforming their software into online services which are available to the users on-demand.

The Company believes that the Acquisitions represent an opportunity for the Company to consolidate its existing business and to further expand the clientele and to enhance user experience by combining SaaS and FinTech in the securities industry.

In addition, SaaS is transforming the business and revenue models of modern industries. Not only software such as Microsoft Office, Adobe Suites, Google, etc. are going cloud, the trend of SaaS has also spread to entertainment, gaming, news reporting, ERP, etc. Service providers could cater the needs of different customers by providing different levels of value-added service such as big data analysis and AI decision making services. The Company is of the view that the application of SaaS in different software and application will broaden the income stream of the Group.

In view of the above and given the Consideration will be satisfied by the issue of new Shares, there will be no cash outflow from the Company in respect of the Acquisitions, the Directors consider that the terms of the Sale and Purchase Agreement and the transactions contemplated thereunder are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) regarding the Acquisitions exceed 5% but less than 25%, the Acquisitions constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and are subject to the reporting and announcement requirements under the Listing Rules.

GENERAL

The EGM will be convened and held for the purpose of considering and, if thought fit, approving the Specific Mandate by way of poll. A circular containing further information in relation to the Sale and Purchase Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate) and a notice of the EGM, is expected to be despatched to the Shareholders on or before 23 July 2021.

Shareholders and potential investors of the Company should note that the Completion is subject to the fulfilment of the conditions precedent under the Sale and Purchase Agreement. As the Completion may or may not proceed, Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.

DEFINITIONS

The following terms have the following meanings in this announcement unless the context otherwise requires:

“Acquisitions”	collectively, the First Acquisition and the Second Acquisition
“AI”	the artificial intelligence
“Board”	the board of Directors
“Business Days”	a day (other than Saturday and days on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which banks are open in Hong Kong for general banking business
“Company” or “Purchaser I”	Value Convergence Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Completion”	the completion of the Acquisitions in accordance with the terms and conditions set out in the Sale and Purchase Agreement

“Completion Date”	20 Business Days after the fulfillment (or waived, if applicable) of the conditions precedent as set out in the Sale and Purchase Agreement (such conditions precedent shall remain valid and satisfied at the Completion), and the completion date shall not be later than 31 December 2021 or such other date as may be agreed by the Parties in writing
“Consideration Share(s)”	425,954,020 new Shares to be allotted and issued by the Company to the Vendor I and/or its nominee(s) at the Issue Price under the Specific Mandate to settle the Total Consideration
“Directors”	the director(s) of the Company
“Dolphin Software”	the User Gift Package Recommendation System Based on Data Analysis V1.2.0* (基於數據分析的用戶禮包推薦系統V1.2.0), being one of the Relevant Software
“EGM”	an extraordinary general meeting to be convened by the Company to consider and approve the Specific Mandate
“First Acquisition”	the acquisition of the Relevant Software by the Purchaser II from the Vendor II
“First Consideration”	the consideration for the First Acquisition, being RMB45,000,000 (equivalent to approximately HK\$53,827,751)
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Price”	HK\$0.205 per Consideration Share
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	30 November 2021 or such later date as may be agreed by the Parties in writing
“Nvwa Software”	the Nvwa issuance service platform V3.6.0* (女媧發行服務平台V3.6.0), being one of the Relevant Software

“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region and Taiwan)
“Purchaser II”	Qianhai Hanxiang Investment Management (Shenzhen) Company Limited* (前海漢翔投資管理(深圳)有限公司), a wholly foreign-owned enterprise established in the PRC with limited liability, and a wholly-owned subsidiary of the Company
“Purchasers”	the Purchaser I and the Purchaser II, or the Purchaser I and/or the Purchaser II (whichever is suitable)
“Rainbow Software”	the Rainbow Game Operation Analysis Platform V3.5.4* (彩虹遊戲運營分析平台V3.5.4), being one of the Relevant Software
“Relevant Software”	collectively, the Rainbow Software, the Nvwa Software and the Dolphin Software
“SaaS”	Software-as-a-Service, a cloud-based method of providing software to users and allowing data to be accessed from any device with an internet connection and a web browser
“Sale and Purchase Agreement”	the sale and purchase agreement dated 2 July 2021 entered into among the Vendors and the Purchasers in relation to the Acquisitions
“Sale Shares”	the entire issued share capital of the Target Company
“Second Acquisition”	the acquisition of the Sale Shares by the Purchaser I from the Vendor I upon the completion of the Restructuring
“Second Consideration”	the consideration for the Second Acquisition, being RMB28,000,000 (equivalent to approximately HK\$33,492,823)
“SFC”	the Securities and Futures Commission of Hong Kong
“Share(s)”	the ordinary share(s) of the Company
“Shareholders”	holder(s) of the Share(s) from time to time

“Specific Mandate”	the specific mandate proposed to be granted to the Directors by the Shareholders to allot and issue the Consideration Shares at the EGM
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Target Company”	Dream Impression Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability, and a direct wholly-owned subsidiary of the Vendor I
“Target Group”	the Target Company and its subsidiaries, being Zero One Hong Kong and Zero One Zhi He upon the completion of the Restructuring
“Total Consideration”	the aggregate of the First Consideration and the Second Consideration, being RMB73,000,000 (equivalent to approximately HK\$87,320,574)
“Vendor I”	iDreamSky Technology Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Vendor II”	Shenzhen Qianhai iDream Technology Co., Ltd. (深圳市前海創夢科技有限公司), a company established in PRC with limited liability, and an indirect wholly-owned subsidiary of the Vendor I
“Vendors”	the Vendor I and the Vendor II, or the Vendor I and/or the Vendor II (whichever is suitable)
“Vendor Group”	the Vendor I and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“Zero One Hong Kong”	Capital Energy Technology Limited, a company incorporated in Hong Kong with limited liability

“Zero One Zhi He”

Shenzhen Zero One Zhi He Technology Co., Ltd.* (深圳市零一智合科技有限公司), a company established in the PRC with limited liability

“%”

per cent.

By order of the Board of
Value Convergence Holdings Limited
Fu Yiu Man, Peter
Chairman & Executive Director

Hong Kong, 2 July 2021

As at the date of this announcement, the Board comprises two executive Directors, namely, Mr. Fu Yiu Man, Peter (Chairman) and Mr. Lin Hoi Kwong, Aristo; and three independent non-executive Directors, namely, Mr. Wong Chung Kin, Quentin, Mr. Wong Kam Choi, Kerry, MH and Mr. Siu Miu Man, Simon, MH.

For illustration purposes in this announcement, the amounts in RMB are translated to HK\$ at the rate of RMB0.836 = HK\$1.00. No representation is made that any amount in RMB has been or could be converted at the above rate or at any other rates or at all.

* For identification purpose only