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DUIBA GROUP LIMITED

兑吧集团有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1753)

**DISCLOSEABLE TRANSACTIONS
SUBSCRIPTION OF WEALTH MANAGEMENT PRODUCTS**

SUBSCRIPTION OF CMBI WEALTH MANAGEMENT PRODUCT AND HXB WEALTH MANAGEMENT PRODUCT

The Board announces that as part of its treasury management policy, on 15 October 2019:

- (1) the Company subscribed for the CMBI Wealth Management Product in the principal amount of USD21 million from CMBI; and
- (2) Hangzhou Duiba subscribed for the HXB Wealth Management Product in the principal amount of RMB250 million from HXB.

Upon completion of the subscription of the wealth management products, the cumulative amount of unsettled wealth management products of the Group with each of CMBI and HXB would be USD41.8 million and RMB250 million, respectively.

LISTING RULES IMPLICATIONS

Pursuant to Rules 14.22 and 14.23 of the Listing Rules, the amount of wealth management products outstanding from time to time with a financial institution should be aggregated for the purpose of calculating the percentage ratios (as defined under Rule 14.07 of the Listing Rules). When aggregated, as one or more of the applicable percentage ratios of the amount of the wealth management products outstanding with each of CMBI and HXB exceeds 5% but is less than 25%, the subscriptions of wealth management products with CMBI and HXB constitute discloseable transactions which are subject to reporting and announcement requirements under Chapter 14 of the Listing Rules.

SUBSCRIPTION OF CMBI WEALTH MANAGEMENT PRODUCT AND HXB WEALTH MANAGEMENT PRODUCT

The Board announces that as part of its treasury management policy, on 15 October 2019, the Group subscribed for wealth management products from CMBI and HXB, namely, the CMBI Wealth Management Product and the HXB Wealth Management Product, respectively, with its cash reserves.

Principal terms of the CMBI Wealth Management Product and the HXB Wealth Management Product are set out below:

1. CMBI Wealth Management Product

Date of subscription:	15 October 2019
Parties:	(1) The Company; and (2) CMBI
Description of the wealth management product:	Open-end, redeemable, non-principal protected unit trust fund managed by a third party
Total subscription amount:	USD21 million
Term of the wealth management product:	No fixed term
Expected rate of investment return:	Variable return rate at about 2.5%-3%
Redemption of principal and return:	Redemption can be applied within the designated time on any dealing day. The redeemed amount will generally be deposited to the Group's designated bank account within seven business days.
Investment portfolio:	The funds under the CMBI Wealth Management Product will be invested in short-term deposits and debt securities of investment grade or above with good liquidity, including but not limited to USD-denominated and settled short-term deposits and debt securities issued by governments, quasi-governments, international organisations, financial institutions, non USD-denominated deposits and debt securities, commercial papers, certificates of deposits and commercial bills, government bonds and fixed and floating rate bonds.

Upon completion of the subscription of the CMBI Wealth Management Product, the cumulative amount of unsettled wealth management products of the Group with CMBI would be USD41.8 million.

2. HXB Wealth Management Product

Date of subscription:	15 October 2019
Parties:	(1) Hangzhou Duiba; and (2) HXB
Description of the wealth management product:	Open-end, redeemable, non-principal protected with variable return
Total subscription amount:	RMB250 million
Term of the wealth management product:	No fixed term
Expected rate of investment return:	Variable return rate with expected highest annualised rate of return at 3.0%-4.1%, depending on the length of the investment period
Redemption of principal and return:	Redemption can be applied within the designated time on any statutory working days in the PRC. The redeemed amount will generally be deposited to the Group's designated bank account within one business day.
Investment portfolio:	The funds under the HXB Wealth Management Product will be invested in money market assets, bonds, non-standardised creditor's rights assets and other assets or portfolios that meet regulatory requirements.

Upon completion of the subscription of the HXB Wealth Management Product, the cumulative amount of unsettled wealth management products of the Group with HXB would be RMB250 million.

REASONS FOR AND BENEFITS OF SUBSCRIBING FOR THE CMBI WEALTH MANAGEMENT PRODUCT AND THE HXB WEALTH MANAGEMENT PRODUCT

As disclosed in the Company's interim results announcement dated 15 August 2019, during the six months ended 30 June 2019, the Company had generated significant capital reserves from its business operations and initial public offering on the Stock Exchange. In line with the Company's treasury policy, the Company has the option of placing such funds into fixed-term time deposits or similar form of wealth management products. The Company has been utilising its idle funds to subscribe for wealth management products from commercial banks and financial institutions with an aim to improving returns on the available capital of the Group. Having considered that the wealth management products have low investment risk and are highly flexible in terms of withdrawal and deposits, the Board considers that placement of idle funds into such wealth management products was entered into on normal commercial terms and in the ordinary course of the Company's business. The Directors also consider that the terms of such wealth management products were and are fair and reasonable and in the interest of the Company and its shareholders as a whole.

INFORMATION ABOUT THE PARTIES

The Company

The Company is principally engaged in the operating of user management SaaS business, interactive advertising business and other services in the PRC.

CMBI

To the best knowledge of the Directors, CMBI is a licensed corporation under the SFO for type 1 (dealing in securities) and type 4 (advising on securities) regulated activities as defined under the SFO.

HXB

To the best knowledge of the Directors, HXB is a licensed commercial bank in the PRC, which is principally engaged in the provision of banking and related financial services.

To the best knowledge, information and belief of the Directors having made all reasonable enquiry, both CMBI and HXB are third parties independent of the Company and connected persons of the Company.

LISTING RULES IMPLICATIONS

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DEFINITIONS

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

“Board” the board of Directors

“CMBI” CMB International Securities Limited, a company incorporated under the laws of Hong Kong and a licensed corporation under the SFO for type 1 (dealing in securities) and type 4 (advising on securities) regulated activities as defined under the SFO

“CMBI Wealth Management Product”	the wealth management product offered by CMBI in the principal amount of USD21 million and subscribed by the Company on 15 October 2019, details of which are set out in the paragraph headed “Subscription of CMBI Wealth Management Product and HXB Wealth Management Product — 1. CMBI Wealth Management Product” in this announcement
“Company”	Duiba Group 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
“Director(s)”	the director(s) of the Company
“Hangzhou Duiba”	Hangzhou Duiba Internet Technology Company Limited* (杭州兌吧網絡科技有限公司), a company with limited liability established under the laws of the PRC on 13 May 2011 and a wholly-owned subsidiary of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HXB”	Huaxia Bank Co., Ltd.* (華夏銀行股份有限公司), a licensed bank established under the laws of the PRC
“HXB Wealth Management Products”	the wealth management product offered by HXB in the principal amount of RMB250 million and subscribed by Hangzhou Duiba on 15 October 2019, details of which are set out in the paragraph headed “Subscription of CMBI Wealth Management Product and HXB Wealth Management Product — 2. HXB Wealth Management Product” in this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented, or otherwise modified from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“USD” United States dollar, the lawful currency of the United States of America

“%” per cent

By Order of the Board
DUIBA GROUP LIMITED
Chen Xiaoliang
Chairman

Hangzhou, 15 October 2019

As at the date of this announcement, the Board comprises Mr. Chen Xiaoliang, Mr. Fang Hua, Mr. Xu Hengfei and Mr. Zhu Jiangbo as executive Directors, Mr. Huang Tao and Mr. Sun Qiang Chang as non-executive Directors and Mr. Kam Wai Man, Dr. Ou-Yang Hui and Dr. Gao Fuping as independent non-executive Directors.

* *The English transliteration of the Chinese names in this announcement, where indicated, is included for information only, and should not be regarded as the official English names of such Chinese names.*