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## **VISION VALUES HOLDINGS LIMITED**

**遠見控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 862)**

### **DISCLOSEABLE TRANSACTION INVOLVING FORMATION OF A JOINT VENTURE COMPANY**

The Board is pleased to announce that on 15 September 2021, VVL, an indirect wholly-owned subsidiary of the Company, entered into the Joint Venture Agreement with XPHY, an independent third party, pursuant to which the Joint Venture Parties thereto agreed to establish the Joint Venture Company in Xinjiang, the PRC.

The Joint Venture Company will be engaged principally in the provision of minerals and resources transportation services in the northwest of the PRC. The Joint Venture Company will be owned beneficially as to 60% by VVL and the remaining 40% by XPHY. Pursuant to the terms of the Joint Venture Agreement, the proposed registered capital of the Joint Venture Company will be RMB37,050,000 and the total investment by VVL will be RMB22,230,000. The Joint Venture Company will become an indirect non-wholly owned subsidiary of the Company and its financial results will be consolidated into the financial statements of the Company.

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Joint Venture Agreement exceed 5% but less than 25%, the entering into of the Joint Venture Agreement constitutes a discloseable transaction on the part of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

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## **THE JOINT VENTURE AGREEMENT**

Date: 15 September 2021

Parties: (a) VVL; and

(b) XPHY

XPHY is a limited liability company incorporated in 2018 in Xinjiang, the PRC and is principally engaged in transportation and logistics businesses in the Xinjiang area. The shareholders are Mr. Guo and Ms. Zheng. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, both XPHY and its shareholders are third parties independent of and not connected with the Company and its connected persons.

VVL is specifically set up for this joint venture project.

### **Establishment of the Joint Venture Company**

Pursuant to the Joint Venture Agreement, the Joint Venture Parties thereto agreed to set up the Joint Venture Company in Xinjiang, the PRC, subject to the approval by the relevant regulatory authority in the PRC. The name of the Joint Venture Company shall be determined by the Joint Venture Parties on its set up and registration. The Joint Venture Company will principally be engaged in provision of minerals and resources transportation services in the northwest of the PRC.

### **Registered capital**

Pursuant to the terms of the Joint Venture Agreement, the proposed registered capital of the Joint Venture Company will be RMB37,050,000. VVL will contribute a total of RMB22,230,000 by way of cash representing 60% of the equity interest in the Joint Venture Company. The remaining RMB14,820,000 of the proposed registered capital representing 40% equity interest in the Joint Venture Company will be contributed by XPHY by way of cash and/or assets. The assets to be injected shall be those transport vehicles required for the operation of the business of the Joint Venture Company and they shall be valued by an independent PRC professional valuer. The value of the assets assessed shall be agreed between the Joint Venture Parties before injection into the Joint Venture Company. The proportion of cash and assets contributing to the registered capital of the Joint Venture Company by XPHY has yet to be determined.

The Joint Venture Parties shall within three years from the establishment of the Joint Venture Company to make all their respective capital and/or asset contribution to the Joint Venture Company. The arrangements will enable the Joint Venture Company to operate its business flexibly in response to the market conditions. The Joint Venture Company may engage sub-contractors or to purchase appropriate transportation vehicles for the provision of services to its customers.

Upon establishment, the Joint Venture Company will be owned as to 60% of the equity interest by VVL and will become an indirect non-wholly owned subsidiary of the Company. The financial results of the Joint Venture Company will be consolidated in the Company's consolidated financial statements.

The Group will finance the capital contribution in the Joint Venture Company by way of internal resources.

### **Board of directors**

The board of directors of the Joint Venture Company will have a total of three (3) directors, two (2) of which will be nominated by VVL and XPHY will nominate one director. The legal representative of the Joint Venture Company shall be appointed by VVL.

The board of directors of the Joint Venture Company will be responsible for management of the business and affairs of the Joint Venture Company in accordance with the articles of association of the Joint Venture Company.

### **REASONS FOR ENTERING INTO THE JOINT VENTURE AGREEMENT**

The Group is principally engaged in the provision of network solutions and project services, property investment, yacht building, minerals exploration and aircraft management.

Xinjiang is the largest province in the PRC, spanning over 1.6 million square kilometers and has about 25 million inhabitants. Though remote in geographic perspective, Xinjiang is a place rich in coal and mineral resources and many large refineries are located in the Xinjiang area. There is a high demand of transportation services for coal and mineral resources.

Mr. Guo is a seasoned businessman who has over twenty years of experience in the logistics industry in Xinjiang. He has good experience in this industry and business connection. Ms. Zheng has ample experience in truck management and operation in Xinjiang. The Directors

believes that by entering into the Joint Venture Agreement, the Group could leverage on their business experience and connection to invest in a new business which will diversify and contribute income to the Group.

The Directors consider that the establishment of the Joint Venture Company offers the Group a good opportunity to gain investment returns and grasp the local economic development opportunities.

The Directors consider that the terms of the Joint Venture Agreement are entered into upon normal commercial terms following arm's length negotiations among the Joint Venture Parties and that the terms of the Joint Venture Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Joint Venture Agreement exceed 5% but less than 25%, the entering into of the Joint Venture Agreement constitutes a discloseable transaction on the part of the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## **DEFINITIONS**

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

<b>“Board”</b>	the board of Directors
<b>“Company”</b>	Vision Values Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Stock Exchange (stock code: 862)
<b>“connected person(s)”</b>	has the meaning ascribed to it under the Listing Rules
<b>“Directors”</b>	directors of the Company
<b>“Group”</b>	the Company and its subsidiaries

<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the PRC
<b>“HK\$”</b>	Hong Kong dollars, the lawful currency of Hong Kong
<b>“Joint Venture Agreement”</b>	the joint venture agreement dated 15 September 2021 and entered into between VVL, an indirect wholly-owned subsidiary of the Company, and XPHY, in relation to the establishment of the Joint Venture Company
<b>“Joint Venture Company”</b>	the joint venture company to be established in the PRC under the Joint Venture Agreement
<b>“Joint Venture Parties”</b>	VVL and XPHY
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange
<b>“Mr. Guo”</b>	Mr. Guo, Changhong (郭長紅先生), a businessman who has been engaging in the logistics industry of Xinjiang for over twenty years
<b>“Ms. Zheng”</b>	Ms. Zheng Juan (鄭娟女士), a businesswoman who has ample experience in truck management and operation in the logistics industry of Xinjiang
<b>“PRC”</b>	the People’s Republic of China excluding, for the purpose of this announcement, Hong Kong, Macau Special Administrative Region and Taiwan
<b>“RMB”</b>	Renminbi, the lawful currency of the PRC
<b>“Share(s)”</b>	ordinary share(s) of HK\$0.01 each in the share capital of the Company
<b>“Shareholder(s)”</b>	holder(s) of the Share(s)

“ <b>Stock Exchange</b> ”	The Stock Exchange of Hong Kong Limited
“ <b>VVL</b> ”	新疆遠見物流有限公司, a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“ <b>XPHY</b> ”	新疆鑫鵬鴻業物流有限公司, a company established in Xinjiang, the PRC with limited liability and the shareholders are Mr. Guo and Ms. Zheng
“ <b>%</b> ”	per cent

By Order of the Board  
**Vision Values Holdings Limited**  
**Tang Chi Kei**  
*Company Secretary*

Hong Kong, 15 September, 2021

*As at the date of this announcement, the Board comprises eight Directors, including Mr. Lo Lin Shing, Simon, Mr. Ho Hau Chong, Norman, Ms. Yvette Ong, Mr. Lo, Rex Cze Kei and Mr. Lo, Chris Cze Wai as Executive Directors, Mr. Tsui Hing Chuen, William JP, Mr. Lau Wai Piu and Mr. Lee Kee Wai, Frank as Independent Non-executive Directors.*