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Topliu Limited
*(Incorporated in BVI with
limited liability)*



GAMEONE HOLDINGS LIMITED
智傲控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8282)

JOINT ANNOUNCEMENT

- (1) THE CONDITIONAL SALE AND PURCHASE AGREEMENT;
(2) POSSIBLE MANDATORY UNCONDITIONAL CASH OFFER BY
INNOVAX SECURITIES LIMITED FOR AND ON BEHALF OF
THE OFFEROR TO ACQUIRE ALL THE ISSUED SHARES OF
GAMEONE HOLDINGS LIMITED (OTHER THAN THOSE ALREADY OWNED
AND/OR AGREED TO BE ACQUIRED BY THE OFFEROR AND PARTIES
ACTING IN CONCERT WITH IT); AND
(3) RESUMPTION OF TRADING**

Financial adviser to the Offeror



THE SALE AND PURCHASE AGREEMENT

The Company was informed by the Vendors that on 25 November 2021 (after trading hours), the Offeror and Mr. Huang as purchasers entered into the Sale and Purchase Agreement with the Vendors, pursuant to which the Purchasers conditionally agreed to acquire an aggregate of 81,600,000 Shares (equivalent to 51.00% of the total issued share capital of the Company as at the date of this joint announcement) for an aggregate consideration of HK\$48,960,000, equivalent to HK\$0.6 per Sale Share in the following manners:

- (i) the Offeror conditionally agreed to acquire 56,893,000 Shares (representing approximately 35.56% of the total issued share capital of the Company as at the date of this joint announcement) from the First Vendor at the cash consideration of HK\$34,135,800 (equivalent to approximately HK\$0.6 per Sale Share); and
- (ii) Mr. Huang conditionally agreed to acquire 24,707,000 Shares (representing approximately 15.44% of the total issued share capital of the Company as at the date of this joint announcement) from the Second Vendor at the cash consideration of HK\$14,824,200 (equivalent to approximately HK\$0.6 per Sale Share).

Subject to the conditions precedent under the Sale and Purchase Agreement having been fulfilled (or where applicable, waived by the Purchasers) on or before the Long Stop Date, Completion is expected to take place on the Completion Date.

POSSIBLE MANDATORY UNCONDITIONAL CASH OFFER

As at the date of this joint announcement and immediately before Completion, none of the Offeror and the parties acting in concert with it (including Mr. Huang) is interested in any Shares. Upon Completion, the Offeror and the parties acting in concert with it (including Mr. Huang) will be interested in 81,600,000 Shares in aggregate, representing 51.00% of the total issued share capital of the Company, of which the Offeror will hold 56,893,000 Shares, representing approximately 35.56% of the total issued share capital of the Company. Pursuant to Rule 26.1 of the Takeovers Code, upon Completion, the Offeror will be required to make a mandatory offer for the Offer Shares, being all the issued Shares other than those already owned and/or agreed to be acquired by the Offeror and parties acting in concert with it.

As at the date of this joint announcement, the Company has 160,000,000 Shares in issue. The Company does not have any outstanding options, derivatives, warrants or securities which are convertible or exchangeable into the Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into the Shares. Innovax Securities, on behalf of the Offeror and in compliance with the Takeovers Code, will make the Offer to acquire all the Offer Shares on terms to be set out in the Composite Document to be issued in accordance with the Takeovers Code on the following basis:

The Offer

For each Offer Share. HK\$0.6 in cash

The Offer Price of HK\$0.6 per Offer Share is equal to the purchase price per Sale Share payable by the Purchasers pursuant to the Sale and Purchase Agreement.

The Offer will be extended to all Shareholders other than the Offeror and parties acting in concert with it in accordance with the Takeovers Code. The Offer Shares to be acquired under the Offer will be fully paid and free from all encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of despatch of the Composite Document.

As at the date of this joint announcement, the Company has not declared any dividend which remains unpaid, and the Company has no intention to declare, make or pay any dividend or other distributions prior to the close of the Offer.

Subject to Completion, the Offer will be unconditional in all respects when it is made and will not be conditional upon acceptances being received in respect of a minimum number of Shares.

Total value of the Offer

As at the date of this joint announcement, the total number of issued shares of the Company is 160,000,000 Shares. Hence, excluding (i) 81,600,000 Shares, representing 51.00% of the total issued share capital of the Company as at the date of this joint announcement, to be held by the Offeror and parties acting in concert with it (including Mr. Huang) upon Completion; (ii) the Remaining Shares (i.e. 14,191,572 Shares, representing approximately 8.87% of the total issued share capital of the Company as at the date of this joint announcement) held by the Vendors which served the irrevocable undertakings dated 25 November 2021 to the Offeror undertaking not to accept the Offer and not to take any other action to make those Shares available for acceptance; and (iii) the Nineyou's Shares (i.e. 18,367,182 Shares, representing approximately 11.48% of the total issued share capital of the Company as at the date of this joint announcement) held by Nineyou which served an irrevocable undertaking dated 25 November 2021 to the Offeror undertaking not to accept the Offer and not to take any other action to make those Shares available for acceptance, and assuming the Offer is accepted in full and on the basis that there is no change in the issued share capital of the Company up to the close of the Offer, a total of 45,841,246 issued Shares (representing approximately 28.65% of the total issued share capital of the Company as at the date of this joint announcement) will be subject to the Offer and the maximum cash consideration payable by the Offeror under the Offer would be HK\$27,504,747.6 based on the Offer Price of HK\$0.6 per Offer Share.

Irrevocable Undertakings not to accept the Offer

Immediately after Completion, the Vendors will continue to be the beneficial owners of the Remaining Shares. On 25 November 2021, each of the Vendors has given an irrevocable undertaking to the Offeror that, in respect of the respective Remaining Shares held by them, (i) they will not accept the Offer or sell any of the Remaining Shares to the Offeror, Mr. Huang or the parties acting in concert with them under the Offer; (ii) they will not take any other action to make the Remaining Shares available for acceptance of the Offer; and (iii) they will hold the Remaining Shares until, and shall not sell, transfer, dispose of or create or agree to create any encumbrance of or otherwise create any interests on the Remaining Shares before, the close of the Offer. Such irrevocable undertaking will cease upon the close of the Offer.

On 25 November 2021, an irrevocable undertaking has been given by Nineyou to the Offeror pursuant to which Nineyou (i) will not accept the Offer or sell any of the Nineyou's Shares to the Offeror, Mr. Huang or the parties acting in concert with them under the Offer; (ii) will not take any other action to make the Nineyou's Shares available for acceptance of the Offer; and (iii) will hold the Nineyou's Shares until, and shall not sell, transfer, dispose of or create or agree to create any encumbrance of or otherwise create any interests on the Nineyou's Shares before, the close of the Offer. Such irrevocable undertaking will cease upon the close of the Offer.

Financial resources available to the Offeror and Mr. Huang

The Offeror and the Mr. Huang intend to finance and satisfy the Consideration with their internal resources. Innovax Capital, the financial adviser to the Offeror, is satisfied that sufficient financial resources are, and will remain, available to the Offeror and the Mr. Huang to satisfy the Consideration payable for the Sale Shares under the Sale and Purchase Agreement. The Offeror intends to finance and satisfy the consideration payable under the Offer by the loan facility under the Facility Agreement. Innovax Capital, the financial adviser to the Offeror, is satisfied that sufficient financial resources are, and will remain, available to the Offeror to satisfy the consideration payable by the Offeror upon full acceptance of the Offer.

GENERAL

Independent Board Committee and Independent Financial Adviser

As at the date of this joint announcement, the Independent Board Committee, comprising the non-executive Directors who have no direct or indirect interest in the Offer (being Mr. Yung Kai Tai, Dr. Fung Ying Him Anthony and Mr. Iu Tak Meng Teddy), has been established in accordance with Rule 2.1 of the Takeovers Code to advise and give recommendation to the Independent Shareholders as to whether the terms of the Offer are fair and reasonable and as to the acceptance of the Offer. Ms. Wong Pui Yain, who is a non-executive Director and owns 50% shareholding interest in and a director of the First Vendor, has direct interests in the Offer and is not included in the Independent Board Committee.

An Independent Financial Adviser will be appointed by the Company with the approval of the Independent Board Committee to advise the Independent Board Committee in respect of the Offer. Further announcement(s) will be made by the Company as soon as practicable in respect of the Independent Financial Adviser after the appointment thereof.

Despatch of the Composite Document

It is the intention of the Offeror and the Company to combine the offer document and the offeree board circular into the Composite Document. Pursuant to Rule 8.2 of the Takeovers Code, a composite document containing, among other things, (i) further details on the terms of the Offer; (ii) the recommendation from the Independent Board Committee in respect of the Offer; and (iii) the letter from the Independent Financial Adviser in respect of the Offer, together with the acceptance and transfer form, will be despatched to the Shareholders within 21 days from the date of this joint announcement or such later date as the Executive may approve. Further announcement(s) will be made when the Composite Document is despatched.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 25 November 2021 pending the release of this joint announcement. An application has been made by the Company to the Stock Exchange for resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 26 November 2021.

WARNING

Shareholders and potential investors of the Company should note that the Offer is a possible mandatory unconditional cash offer and will only be made if Completion takes place. As Completion is subject to the satisfaction or waiver (as applicable) of the conditions precedent set out in the Sale and Purchase Agreement, it may or may not take place and the Offer may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company. If the Shareholders and potential investors are in any doubt about their position, they should consult their professional advisers.

INTRODUCTION

The Company was informed by the Vendors that on 25 November 2021 (after trading hours), the Offeror and Mr. Huang as purchasers entered into the Sale and Purchase Agreement with the Vendors, pursuant to which (i) the Offeror conditionally agreed to acquire 56,893,000 Shares, representing approximately 35.56% of the total issued share capital of the Company as at the date of this joint announcement, from the First Vendor; and (ii) Mr. Huang conditionally agreed to acquire 24,707,000 Shares, representing approximately 15.44% of the total issued share capital of the Company as at the date of this joint announcement, from the Second Vendor, in aggregate representing a total of 81,600,000 Shares (equivalent to 51.00% of the total issued share capital of the Company as at the date of this joint announcement) for the aggregate Consideration of HK\$48,960,000, equivalent to HK\$0.6 per Sale Share.

THE SALE AND PURCHASE AGREEMENT

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

Date

25 November 2021 (after trading hours)

Parties:

- (i) Offeror;
- (ii) Mr. Huang;
- (iii) First Vendor; and
- (iv) Second Vendor.

Subject matter

The Sales Shares, being 81,600,000 Shares, represent 51.00% of the total issued share capital of the Company as at the date of this joint announcement.

The Purchasers conditionally agreed to acquire the Sale Shares in the following manners:

- (i) the Offeror conditionally agreed to acquire 56,893,000 Shares (representing approximately 35.56% of the total issued share capital of the Company as at the date of this joint announcement) from the First Vendor at the cash consideration of HK\$34,135,800 (equivalent to approximately HK\$0.6 per Sale Share); and
- (ii) Mr. Huang conditionally agreed to acquire 24,707,000 Shares (representing approximately 15.44% of the total issued share capital of the Company as at the date of this joint announcement) from the Second Vendor at the cash consideration of HK\$14,824,200 (equivalent to approximately HK\$0.6 per Sale Share).

The Sale Shares will be acquired by the Purchasers free from all encumbrances and together with all rights attached and accrued to them at the date of Completion including all rights to any dividend or other distribution declared made or paid on or after Completion.

As at the date of this joint announcement, the Company has not declared any dividend which remains unpaid, and the Company has no intention to declare, make or pay any dividend or other distributions prior to the close of the Offer.

Consideration

The Consideration is HK\$48,960,000, which is equivalent to HK\$0.6 per Sale Share, and has been agreed between the Purchasers and the Vendors after arm's length negotiations and having taken into account of, among others, the Company's historical share prices performance, liquidity of the Shares and financial performance of the Group.

The Consideration shall be payable by the Offeror and Mr. Huang upon Completion in the following manner:

- (i) as to HK\$34,135,800 payable by the Offeror to the First Vendor; and
- (ii) as to HK\$14,824,200 payable by Mr. Huang to the Second Vendor.

Conditions of the Sale and Purchase Agreement

Completion is conditional upon the satisfaction (or waiver by the Purchasers, where applicable) of the following conditions on or prior to the Long Stop Date:

- (a) the Executive and the Stock Exchange having advised that they have no further comment on this joint announcement and the publication of this joint announcement by the Company and the Offeror;
- (b) the Vendors having deposited the Sale Shares into the securities account of the Vendors with Innovax Securities;
- (c) the warranties given by the Vendors being true and accurate and not misleading as at the date of the Sale and Purchase Agreement and as at Completion, and there are no potential or actual events or circumstances the occurrence of which would cause a breach in the warranties by the Vendors so given at Completion;
- (d) there shall have been no material adverse effect with respect to the business, financials, operations or assets of the Group from the date of the Sale and Purchase Agreement, and there is no change in the applicable laws to the Group from the date of the Sale and Purchase Agreement until Completion that would result in material adverse changes to the Group taken as a whole;
- (e) the Shares remaining listed and trading on the Stock Exchange (excluding any suspension in the trading of the Shares in relation to the transaction contemplated under the Sale and Purchase Agreement) from the date of the Sale and Purchase Agreement to the Completion, and no notice from the SFC or the Stock Exchange has been received to the effect that the listing of the Shares will or may be withdrawn or objected to as a result of the Completion or the terms of the Sale and Purchase Agreement (and/or other matters) on or before Completion; and
- (f) no notice, order, judgment, action or proceedings of any authority having been served, issued or made which restrains, prohibits or makes unlawful any transaction contemplated by the Sale and Purchase Agreement.

The Purchasers may, at their absolute discretion, waive any of the conditions (except the conditions (a) and (f)). As at the date of this joint announcement, conditions (a) and (b) have been satisfied.

If any of the conditions is not fulfilled (or where applicable, waived by the Purchasers) on or before the Long Stop Date, the Sale and Purchase Agreement shall lapse and be of no further effect except those in the surviving provisions as specified therein and no party to the Sale and Purchase Agreement shall have any claim against any of the other parties, save in respect of any antecedent breaches of the Sale and Purchase Agreement.

Completion

Subject to the conditions precedent above having been fulfilled (or where applicable, waived by the Purchasers) on or before the Long Stop Date, Completion is expected to take place on the second business day after the date on which the last of the conditions precedent is fulfilled (or otherwise waived) (or on such other date as the Vendors and the Purchasers may agree). At Completion, the Sale Shares will be transferred from the respective securities accounts of the First Vendor and the Second Vendor to the respective securities accounts of the Offeror and Mr. Huang maintained with Innovax Securities through CCASS. An announcement will be made upon Completion in accordance with the GEM Listing Rules and the Takeovers Code.

POSSIBLE MANDATORY UNCONDITIONAL CASH OFFER

As at the date of this joint announcement and immediately before Completion, none of the Offeror or the parties acting in concert with it (including Mr. Huang) is interested in any Shares. Upon Completion, the Offeror and the parties acting in concert with it (including Mr. Huang) will be interested in 81,600,000 Shares, representing 51.00% of the total issued share capital of the Company. Pursuant to Rule 26.1 of the Takeovers Code, upon Completion, the Offeror will be required to make a mandatory offer for the Offer Shares, being all the issued Shares other than those already owned and/or agreed to be acquired by the Offeror and parties acting in concert with it.

As at the date of this joint announcement, the Company has 160,000,000 Shares in issue. The Company does not have any outstanding options, derivatives, warrants or securities which are convertible or exchangeable into the Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into the Shares.

Innovax Securities, on behalf of the Offeror and in compliance with the Takeovers Code, will make the Offer to acquire all the Offer Shares on terms to be set out in the Composite Document to be issued in accordance with the Takeovers Code on the following basis:

The Offer

For each Offer Share. HK\$0.6 in cash

The Offer Price of HK\$0.6 is equal to the purchase price per Sale Share payable by the Purchasers pursuant to the Sale and Purchase Agreement.

The Offer will be extended to all Shareholders other than the Offeror and parties acting in concert with it in accordance with the Takeovers Code. The Offer Shares to be acquired under the Offer will be fully paid and free from all encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, being the date of despatch of the Composite Document.

As at the date of this joint announcement, the Company has not declared any dividend which remains unpaid, and the Company has no intention to declare, make or pay any dividend or other distributions prior to the close of the Offer.

Subject to Completion, the Offer will be unconditional in all respects when it is made and will not be conditional upon acceptances being received in respect of a minimum number of Shares.

The Offer Price

The Offer Price of HK\$0.6 is equal to the purchase price per Sale Share payable by the Purchasers under the Sale and Purchase Agreement and represents:

- (i) a premium of approximately 1.69% to the closing price of HK\$0.590 per Share as quoted on the Stock Exchange on 24 November 2021, being the Last Trading Day;
- (ii) a discount of approximately 1.96% to the average closing price of HK\$0.612 per Share based on the daily closing prices as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior to and including the Last Trading Day;
- (iii) a premium of approximately 9.09% to the average closing price of approximately HK\$0.550 per Share based on the daily closing prices as quoted on the Stock Exchange for the ten (10) consecutive trading days immediately prior to and including the Last Trading Day;
- (iv) a premium of approximately 26.32% to the average closing price of approximately HK\$0.475 per Share based on the daily closing prices as quoted on the Stock Exchange for the thirty (30) consecutive trading days immediately prior to and including the Last Trading Day;
- (v) a premium of approximately 181.93% to the audited consolidated net asset value attributable to the Shareholders of approximately HK\$0.213 per Share as at 31 December 2020, calculated by dividing the Group's audited consolidated net assets attributable to the Shareholders of approximately HK\$34,051,000 as at 31 December 2020 by 160,000,000 Shares in issue as at the date of this joint announcement; and

(vi) a premium of approximately 242.76% to the unaudited consolidated net asset value attributable to the Shareholders of approximately HK\$0.175 per Share as at 30 June 2021, calculated by dividing the Group's unaudited consolidated net assets attributable to the Shareholders of approximately HK\$28,008,000 as at 30 June 2021 by 160,000,000 Shares in issue as at the date of this joint announcement.

Highest and lowest Share prices

The highest and lowest closing prices of the Shares as quoted on the Stock Exchange during the six-month period immediately prior to and including the Last Trading Day (i.e. from 25 May 2021 to 24 November 2021) were HK\$0.270 per Share on 27 May 2021 to 28 May 2021, 31 May 2021 to 4 June 2021 and 7 June 2021 to 9 June 2021 and HK\$0.700 per Share on 23 November 2021, respectively.

Total value of the Offer

As at the date of this joint announcement, the total number of issued shares of the Company is 160,000,000 Shares. Hence, excluding (i) 81,600,000 Shares, representing 51.00% of the total issued share capital of the Company as at the date of this joint announcement, to be held by the Offeror and parties acting in concert with it (including Mr. Huang) upon Completion; (ii) the Remaining Shares (i.e. 14,191,572 Shares, representing approximately 8.87% of the total issued share capital of the Company as at the date of this joint announcement) held by the Vendors which served the irrevocable undertakings dated 25 November 2021 to the Offeror undertaking not to accept the Offer and not to take any other action to make those Shares available for acceptance; and (iii) the Nineyou's Shares (i.e. 18,367,182 Shares, representing approximately 11.48% of the total issued share capital of the Company as at the date of this joint announcement) held by Nineyou which served an irrevocable undertaking dated 25 November 2021 to the Offeror undertaking not to accept the Offer and not to take any other action to make those Shares available for acceptance, and assuming the Offer is accepted in full and on the basis that there is no change in the issued share capital of the Company up to the close of the Offer, a total of 45,841,246 issued Shares (representing approximately 28.65% of the total issued share capital of the Company as at the date of this joint announcement) will be subject to the Offer and the maximum cash consideration payable by the Offeror under the Offer would be HK\$27,504,747.6 based on the Offer Price of HK\$0.6 per Offer Share.

Irrevocable Undertakings not to accept the Offer

Immediately after Completion, the Vendors will continue to be the beneficial owners of the Remaining Shares. On 25 November 2021, each of the Vendors has given an irrevocable undertaking to the Offeror that, in respect of the respective Remaining Shares held by them, (i) they will not accept the Offer or sell any of the Remaining Shares to the Offeror, Mr. Huang or the parties acting in concert with them under the Offer; (ii) they will not take any other action to make the Remaining Shares available for acceptance of the Offer; and (iii) they will hold the Remaining Shares until, and shall not sell, transfer, dispose of or create or agree to create any encumbrance of or otherwise create any interests on the Remaining Shares before, the close of the Offer. Such irrevocable undertakings will cease upon the close of the Offer.

On 25 November 2021, an irrevocable undertaking has been given by Nineyou to the Offeror pursuant to which Nineyou (i) will not accept the Offer or sell any of the Nineyou's Shares to the Offeror, Mr. Huang or the parties acting in concert with them under the Offer; (ii) will not take any other action to make the Nineyou's Shares available for acceptance of the Offer; and (iii) will hold the Nineyou's Shares until, and shall not sell, transfer, dispose of or create or agree to create any encumbrance of or otherwise create any interests on the Nineyou's Shares before, the close of the Offer. Such irrevocable undertaking will cease upon the close of the Offer.

Financial resources available to the Offeror and Mr. Huang

The Offeror and Mr. Huang intend to finance and satisfy the Consideration with their internal resources. Innovax Capital, the financial adviser to the Offeror, is satisfied that sufficient financial resources are, and will remain, available to the Offeror and Mr. Huang to satisfy the Consideration payable for the Sale Shares under the Sale and Purchase Agreement. The Offeror intends to finance and satisfy the consideration payable under the Offer by the loan facility provided by Innovax Securities under the Facility Agreement. Pursuant to the Facility Agreement, for the purpose of ensuring the Offeror will have sufficient resources for the repayment of the loan, (i) the Sale Shares to be acquired by the Offeror under the Sale and Purchase Agreement and any Offer Shares to be acquired by the Offeror under the Offer will be deposited into the Offeror's securities account maintained with Innovax Securities; (ii) the Offeror shall not withdraw any amounts or Shares from its securities account without the prior written consent of Innovax Securities; and (iii) the Shares deposited into such securities account will be treated as collateral under the Facility Agreement if any amount of the facility is utilised.

The Offeror confirms that the payment of interest on, repayment of or security for any liability (contingent or otherwise) in relation to the Facility Agreement will not depend to any significant extent on the business of the Group. Innovax Capital, being the financial adviser to the Offeror, is satisfied that sufficient financial resources are, and will remain, available to the Offeror to satisfy the consideration payable by the Offeror upon full acceptance of the Offer.

Effects of accepting the Offer

By accepting the Offer, the Independent Shareholders shall sell their Shares free from all encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made. Acceptance of the Offer by any Independent Shareholders will be deemed to constitute a warranty by such person that all the Shares to be sold by such person under the Offer are fully paid and free from all encumbrances together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made, that is, the date of posting of the Composite Document.

As at the date of this joint announcement, the Company has not declared any dividend which remains unpaid, and the Company has no intention to declare, make or pay any dividend or other distributions prior to the close of the Offer.

The Offer, if made, will be unconditional in all respects. Acceptance of the Offer by any Independent Shareholders will be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

Hong Kong stamp duty

Seller's ad valorem stamp duty on acceptances of the Offer will be payable by the relevant Independent Shareholders at a rate of 0.13% of (i) the market value of the Offer Shares; or (ii) the consideration payable in respect of the relevant acceptances of the Offer by the Offeror, whichever is higher, and will be deducted from the cash amount payable by the Offeror to such Independent Shareholder on acceptance of the Offer (where the amount of stamp duty is a fraction of a dollar, the stamp duty will be rounded up to the nearest dollar).

The Offeror will arrange for payment of the seller's ad valorem stamp duty on behalf of the relevant Independent Shareholders who accept the Offer and pay the buyer's ad valorem stamp duty in connection with the acceptances of the Offer and the transfers of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

Payment

Payment in cash in respect of the acceptances of the Offer will be made as soon as possible but in any event within seven (7) business days (as defined in the Takeovers Code) of the date on which the duly completed acceptances of the Offer are received. Relevant documents evidencing title in respect of such acceptances must be received by the Offeror (or its agent) to render such acceptance of the Offer complete and valid in accordance with Note 1 to Rule 30.2 of the Takeovers Code.

Availability of the Offer

The Offeror intends to make the Offer available to all the Independent Shareholders, including those with registered addresses in a jurisdiction outside Hong Kong. The availability of the Offer to persons with a registered address in a jurisdiction outside Hong Kong may be affected by the laws of the relevant overseas jurisdictions. The making of the Offer to persons with registered addresses in jurisdictions outside Hong Kong may be prohibited or limited by the laws or regulations of the relevant jurisdictions. Such Independent Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek legal advice. Persons who are residents, citizens or nationals outside Hong Kong should inform themselves about and observe, at their own responsibility, any applicable laws, regulations, requirements and restrictions in their own jurisdictions in connection with the acceptance of the Offer, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with the other necessary formalities and the payment of any issue, transfer or other taxes due in respect of such jurisdiction.

Any acceptance by the Independent Shareholders with a registered address in a jurisdiction outside Hong Kong will be deemed to constitute a representation and warranty from such overseas Independent Shareholders to the Offeror that the local laws and requirements have been complied with and such acceptance shall be valid and binding in accordance with all applicable laws. Such overseas Independent Shareholders should consult their respective professional advisers if in doubt.

Taxation advice

Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Offeror and/or the parties acting in concert with it, the Company, the financial adviser to the Offeror, Innovax Securities and (as the case may be) their respective ultimate beneficial owners, directors, officers, agents, advisers or associates or any other person involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

DEALING AND INTERESTS IN THE SECURITIES OF THE COMPANY

The Offeror confirms that, as at the date of this joint announcement:

- (i) save for the Sale Shares to be acquired upon Completion, the Offeror and/or parties acting in concert with it (including Mr. Huang) does not own or has control or direction over any voting rights or rights over the Shares or convertible securities, options, warrants or derivatives of the Company;
- (ii) save for the undertaking not to accept the Offer given by each of the Vendors in respect of their respective Remaining Shares and the undertaking not to accept the Offer given by Nineyou in respect of the Nineyou's Shares, the Offeror, its ultimate beneficial owners and parties acting in concert with any one of them have not received any irrevocable commitment to accept or not to accept the Offer;
- (iii) there is no agreement or arrangement in relation to outstanding derivative in respect of securities in the Company which has been entered into by the Offeror and/or any person acting in concert with it;
- (iv) there are no conditions to which the Offer is subject;
- (v) save for the Sale and Purchase Agreement and the Facility Agreement, there is no arrangement (whether by way of option, indemnity or otherwise) in relation to the Shares which may be material to the Offer (as referred to in Note 8 to Rule 22 of the Takeovers Code);
- (vi) save for the Sale and Purchase Agreement, there is no agreement or arrangement to which the Offeror and/or parties acting in concert with it is a party which relates to circumstances in which they may or may not invoke or seek to invoke a pre-condition or a condition to the Offer;

- (vii) there are no relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Offeror and/or any parties acting in concert with it has borrowed or lent;
- (viii) save for the Consideration under the Sale and Purchase Agreement, there is no consideration, compensation or benefit in whatever form paid or to be paid by the Offeror or any parties acting in concert with it to the Vendors, their respective ultimate beneficial owners and/or any parties acting in concert with any of them in connection with the sale and purchase of the Sale Shares;
- (ix) there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between the Offeror and/or parties acting in concert with it on one hand, and the Vendors, their respective ultimate beneficial owners and parties acting in concert with any of them on the other hand;
- (x) there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (1) any Shareholder, and (2)(a) the Offeror and any parties acting in concert with it, or (b) the Company, its subsidiaries or associated companies; and
- (xi) save for the Sale Shares to be acquired upon Completion, none of the Offeror and/or any parties acting in concert with it had dealt for value in any Shares, convertible securities, warrants or options of the Company or any derivatives in respect of such securities during the six months prior to the date of this joint announcement.

SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company (i) immediately before Completion and as at the date of this joint announcement; and (ii) immediately after Completion.

	Immediately before Completion and as at the date of this joint announcement		Immediately after Completion	
	<i>Number of Shares held</i>	<i>Approximate percentage of interest in the Company (%)</i>	<i>Number of Shares held</i>	<i>Approximate percentage of interest in the Company (%)</i>
Offeror and parties acting in concert with it	–	–	81,600,000	51.00
– Offeror			56,893,000	35.56
– Mr. Huang			24,707,000	15.44
First Vendor	66,787,235	41.74	9,894,235	6.18
Second Vendor	29,004,337	18.13	4,297,337	2.69
Independent Shareholders (Note)	64,208,428	40.13	64,208,428	40.13
Total	160,000,000	100.00	160,000,000	100.00

Note:

Include the Nineyou's Shares (i.e. 18,367,182 Shares, representing approximately 11.48% of the total issued share capital of the Company as at the date of this joint announcement) held by Nineyou which served an irrevocable undertaking dated 25 November 2021 to the Offeror undertaking not to accept the Offer and not to take any other action to make those Shares available for acceptance.

INFORMATION ON THE GROUP

The Company was incorporated in the Cayman Islands with limited liability. The Shares are listed on GEM. The principal activity of the Company is investment holding. The Group is principally engaged in development, operation, publishing and distribution of online and mobile games in Hong Kong and Taiwan.

Set out below is a summary of the financial information of the Group for (i) each of the three financial years ended 31 December 2018, 2019 and 2020 as extracted from the annual reports of the Company for the years ended 31 December 2019 and 31 December 2020 and for (ii) the nine months ended 30 September 2021 as extracted from the third quarterly report of the Company for the nine months ended 30 September 2021:

	For the nine months ended 30 September 2021	For the year ended 31 December		
	2021	2020	2019	2018
	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>	<i>(HK\$'000)</i>
	<i>(Unaudited)</i>	<i>(Audited)</i>	<i>(Audited)</i>	<i>(Audited)</i>
Revenue	61,080	51,304	80,180	105,447
Loss before income tax	(1,771)	(10,070)	(1,963)	(24,634)
Loss for the year/period	(1,771)	(10,070)	(1,963)	(24,634)

The unaudited consolidated net assets of the Group as at 30 September 2021 was approximately HK\$32,125,000.

INFORMATION ON THE OFFEROR AND MR. HUANG

The Offeror is a company incorporated in the British Virgin Islands with limited liability and is an investment holding company. As at the date of this joint announcement, the Offeror is wholly-owned by Mr. Liu. Mr. Liu is the sole director of the Offeror.

Mr. Liu, aged 37, obtained his master degree in advanced computer science from the University of Cambridge in July 2012. Mr. Liu is currently a non-independent director of Anhui Wantong Technology Co., Ltd.* (安徽皖通科技股份有限公司), a company listed on the Shenzhen Stock Exchange with a stock code of 002331.SZ. Since 2018, Mr. Liu is the executive director and general manager of Hangzhou Zifu Interactive Network Technology Co., Ltd., a company principally engaged in the business of research and development of information technology and information integration system. Since 2020, Mr. Liu is the executive director and general manager of Yawang Zhiye (Hangzhou) Co., Ltd.* (樞網置業(杭州)有限公司), a private company engaged in property management and development of commercial and office buildings in Hangzhou, the PRC.

In August 2020, Mr. Liu was accredited as a Class B High-Level Talent under the Measure of Yuhang District of Hangzhou on the Classification and Identification of High-Level Talents* (杭州市余杭區高層次人才分類認定辦法). Currently, Mr. Liu serves as a standing member of the Chinese People's Political Consultative Conference of Hangzhou Linping District and vice chairman of Hangzhou Linping District Federation of Overseas Chinese* (杭州市臨平區歸國華僑聯合會).

Mr. Huang, aged 53, obtained his master degree in business administration from Zhejiang University (浙江大學) in June 2006. He has extensive experience in the management and garment industry. Since 2002, Mr. Huang is the chairman and general manager of a private garment company in the PRC.

INTENTION OF THE OFFEROR IN RELATION TO THE GROUP

The Offeror intends to continue the existing businesses of the Group. The Offeror has no plan to inject any assets or businesses into the Group or to procure the Group to acquire or dispose of any assets immediately after the close of the Offer. Following the close of the Offer, the Offeror will conduct a detailed review of the business operations and financial position of the Group for the purpose of formulating business plans and strategies for the future business development of the Group and explore other investment or business opportunities to diversify the business of the Group with an objective to broaden its income source. As at the date of this joint announcement, no such investment or business opportunity had been identified. The Offeror has no intention to terminate the employment of any employees of the Group or to make significant changes to any employment (except for the proposed change of the Board composition as detailed in the section sub-headed "Proposed change to the composition of the Board" below).

Proposed change to the composition of the Board

As at the date of this joint announcement, the Board consists of six Directors, comprising two executive Directors, namely Mr. Sze Yan Ngai and Mr. Cheung Chung Wai; one non-executive Director, namely Ms. Wong Pui Yain; and three independent non-executive Directors, namely Mr. Yung Kai Tai, Dr. Fung Ying Him Anthony and Mr. Iu Tak Meng Teddy.

It is expected that all executive Directors (except Mr. Sze Yan Ngai) and non-executive Director will resign from the Board with effect from the earliest time permitted under the Takeovers Code. It is expected that Mr. Sze Yan Ngai will remain as a Director after the close of the Offer.

The Offeror and Mr. Huang intend to nominate new directors (including Mr. Liu and Mr. Huang) for appointment to the Board with effect from the earliest time permitted under the Takeovers Code. Any changes to the members of the Board will be made in compliance with the Takeovers Code and the GEM Listing Rules and a further announcement will be made accordingly.

Public float and maintaining the listing status of the Company

The Stock Exchange has stated that if, at the closing of the Offer, the number of Shares held in the hands of the public falls below the minimum percentage as prescribed under Rule 11.23 of the GEM Listing Rules, being 25% of the issued share capital of the Company, or if the Stock Exchange believes that:

- (i) a false market exists or may exist in the trading of the Shares; or
- (ii) there are insufficient Shares in public hands to maintain an orderly market,

the Stock Exchange will consider exercising its discretion to suspend dealing in the Shares. Therefore, it should be noted that upon closing of the Offer, there may be insufficient public float of the Shares and the trading in the Shares may be suspended until sufficient public float exists for the Shares. The Offeror intends the Company to remain listed on the Stock Exchange. The Offeror and the Directors will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares after the close of the Offer.

GENERAL

Independent Board Committee and Independent Financial Adviser

As at the date of this joint announcement, the Independent Board Committee, comprising the non-executive Directors who have no direct or indirect interest in the Offer (including Mr. Yung Kai Tai, Dr. Fung Ying Him Anthony and Mr. Iu Tak Meng Teddy), has been established in accordance with Rule 2.1 of the Takeovers Code to advise and give a recommendation to the Independent Shareholders as to whether the terms of the Offer are fair and reasonable and as to the acceptance of the Offer. Ms. Wong Pui Yain, who is a non-executive Director and owns 50% shareholding interest in and a director of the First Vendor, has direct interests in the Offer and is not included in the Independent Board Committee.

An Independent Financial Adviser will be appointed by the Company with the approval of the Independent Board Committee to advise the Independent Board Committee in respect of the Offer. Further announcement(s) will be made by the Company as soon as practicable in respect of the Independent Financial Adviser after the appointment thereof.

Despatch of the Composite Document

It is the intention of the Offeror and the Company to combine the offer document and the offeree board circular into the Composite Document. Pursuant to Rule 8.2 of the Takeovers Code, a composite document containing, among other things, (i) further details on the terms of the Offer; (ii) the recommendation from the Independent Board Committee in respect of the Offer; (iii) the letter from the Independent Financial Adviser in respect of the Offer, together with the acceptance and transfer form, will be despatched to the Shareholders within 21 days from the date of this joint announcement or such later date as the Executive may approve. Further announcement(s) will be made when the Composite Document is despatched.

Dealings disclosure

For the purposes of the Takeovers Code, the Offer Period has commenced on the date of this joint announcement.

In accordance with Rule 3.8 of the Takeovers Code, associates of the Company and the Offeror (including but not limited to a person who owns or controls 5% or more of any class of relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company and the Offeror) are hereby reminded to disclose their dealings in the relevant securities of the Company pursuant to the requirements of the Takeovers Code.

The full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below pursuant to Rule 3.8 of the Takeovers Code:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates (as defined in the Takeovers Code) of an offeror or the offeree company and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.

This dispensation does not alter the obligation of principals, associates (as defined in the Takeovers Code) and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 25 November 2021 pending the release of this joint announcement. An application has been made by the Company to the Stock Exchange for resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 26 November 2021.

WARNING

Shareholders and potential investors of the Company should note that the Offer is a possible mandatory unconditional cash offer and will only be made if Completion takes place. As Completion is subject to the satisfaction or waiver (as applicable) of the conditions precedent set out in the Sale and Purchase Agreement, it may or may not take place and the Offer may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company. If the Shareholders and potential investors are in any doubt about their position, they should consult their professional advisers.

DEFINITIONS

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

“Board”	the board of Directors
“CCASS”	the Central Clearing and Settlement System established and operated by the Hong Kong Securities Clearing Company Limited
“Company”	Gameone Holdings Limited (stock code: 8282), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM of the Stock Exchange
“Completion”	completion of the sale and purchase of the Sale Shares in accordance with the Sale and Purchase Agreement
“Completion Date”	the date on which Completion takes place, being the second business day after the date on which the last of the conditions precedent under the Sale and Purchase Agreement is fulfilled (or otherwise waived) (or on such other date as the Vendors and the Purchasers may agree)
“Composite Document”	the composite offer and response document to be jointly issued by the Offeror and the Company to the Shareholders in connection with the Offer in compliance with the Takeovers Code

“Consideration”	the consideration of HK\$48,960,000 payable by the Purchasers to the Vendors for the acquisition of the Sale Shares under the Sale and Purchase Agreement
“Director”	the director(s) of the Company from time to time
“Executive”	the executive director of the Corporate Finance Division of the SFC or any delegate of the executive director
“Facility Agreement”	the facility agreement entered into by Innovax Securities as the lender, the Offeror as the borrower and Mr. Liu as the guarantor in relation to a loan facility of up to HK\$28,000,000 for financing the consideration payable by the Offeror pursuant to the Offer
“First Vendor”	PC Investment Limited, a company incorporated in Hong Kong with limited liability, which is beneficially owned as to 50% by Ms. Wong Pui Yain and 50% by Mr. Wong Kiam Seng
“GEM”	the GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM as amended by the Stock Exchange from time to time
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent committee of the Board comprising all the non-executive Directors who have no direct or indirect interest in the Offer, being Mr. Yung Kai Tai, Dr. Fung Ying Him Anthony and Mr. Iu Tak Meng Teddy, which has been established for the purpose of advising and giving a recommendation to the Independent Shareholders in respect of the Offer
“Independent Financial Adviser”	the independent financial adviser to be appointed by the Company with the approval of the Independent Board Committee to advise the Independent Board Committee in respect of the Offer
“Independent Shareholders”	the Shareholders other than the Offeror and parties acting in concert with it

“Innovax Capital”	Innovax Capital Limited, a corporation licensed to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, the financial adviser to the Offeror in respect of the Offer
“Innovax Securities”	Innovax Securities Limited, a corporation licensed to carry on Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the SFO
“Last Trading Day”	24 November 2021, being the last trading day on which the Shares were traded on the Stock Exchange before the publication of this joint announcement
“Long Stop Date”	3 December 2021 (or such later date as may be agreed between the Vendors and Purchasers in writing)
“Mr. Huang”	Mr. Huang Jianying (黃健穎), one of the Purchasers
“Mr. Liu”	Mr. Liu Yi (劉漪), the sole director and sole beneficial shareholder of the Offeror
“Nineyou”	Nineyou International Limited, a company incorporated in the Cayman Islands and the beneficial owner of the Nineyou’s Shares
“Nineyou’s Shares”	18,367,182 Shares, representing approximately 11.48% of the total issued share capital of the Company
“Offer”	the possible mandatory unconditional cash offer for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it) to be made by Innovax Securities on behalf of the Offeror at the Offer Price in accordance with the Takeovers Code for the Offer Shares
“Offer Period”	has the same meaning ascribed to it under the Takeovers Code and commencing from 25 November 2021, being the date of this joint announcement, and ending on the date when the Offer closes
“Offer Price”	HK\$0.6 per Offer Share in respect of the Offer
“Offer Share(s)”	all the Share(s) in issue, other than those Shares already owned and/or agreed to be acquired by the Offeror and parties acting in concert with it (including Mr. Huang)

“Offeror”	Topliu Limited, a company incorporated in the British Virgin Islands with limited liability, which is beneficially and wholly-owned by Mr. Liu
“PRC”	the People’s Republic of China and for the purpose of this joint announcement, excluding Hong Kong, Taiwan and the Macau Special Administrative Region of the PRC
“Purchasers”	collectively, the Offeror and Mr. Huang
“Remaining Shares”	14,191,572 Shares, representing 8.87% of the total issued share capital of the Company, in which 9,894,235 Shares, representing approximately 6.18% of the total issued share capital of the Company, will be held by the First Vendor, and 4,297,337 Shares, representing approximately 2.69% of the total issued share capital of the Company, will be held by the Second Vendor, respectively, immediately after Completion
“Sale and Purchase Agreement”	the conditional sale and purchase agreement dated 25 November 2021 entered into by and among the Vendors and the Purchasers in relation to the sale and purchase of the Sale Shares
“Sale Shares”	81,600,000 Shares, representing 51.00% of the total issued share capital of the Company as at the date of this joint announcement, to be sold by the Vendors to the Purchasers pursuant to the Sale and Purchase Agreement, and each a Sale Share
“Second Vendor”	Right One Global Limited, a company incorporated in the British Virgin Islands with limited liability, which is beneficially owned as to 50% by Mr. Sze Yan Ngai and 50% by Ms. Chan Lai Chu
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of nominal value of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers

“Vendors” collectively, the First Vendor and the Second Vendor

“%” per cent.

By order of the board of
Topliu Limited
Liu Yi
Sole Director

By order of the Board
Gameone Holdings Limited
Sze Yan Ngai
Chairman and Executive Director

Hong Kong, 25 November 2021

* *For identification purpose only*

As at the date of this announcement, the executive Directors are Mr. Sze Yan Ngai and Mr. Cheung Chung Wai; the non-executive Director is Ms. Wong Pui Yain; and the independent non-executive Directors are Mr. Yung Kai Tai, Dr. Fung Ying Him Anthony and Mr. Iu Tak Meng Teddy.

The Directors jointly and severally accept full responsibility for the accuracy of information contained in this joint announcement (other than any information relating to the Offeror and parties acting in concert with it) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those opinions expressed by the sole director of the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the sole director of the Offeror is Mr. Liu Yi. The sole director of the Offeror accepts full responsibility for the accuracy of information contained in this joint announcement (other than any information relating to the Group, the Directors and the Vendors) and confirm, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than those opinions expressed by the Directors) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

This announcement will remain on the website of the Stock Exchange at www.hkexnews.com on the “Latest Listed Company Information” page for at least 7 days from the date of its posting and on the Company’s website at www.gameone.com.hk.

The English text of this joint announcement shall prevail over its Chinese text.