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GoFintech Innovation Limited
國富創新有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 290)
Website: <https://290.com.hk>



华科智能
WEALTHINK AI

WEALTHINK AI-INNOVATION CAPITAL LIMITED
華科智能投資有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1140)

**VERY SUBSTANTIAL
ACQUISITION
AND ISSUE OF
CONSIDERATION SHARES
UNDER SPECIFIC MANDATE**

**VERY SUBSTANTIAL DISPOSAL
AND
CONNECTED TRANSACTION**

**Wealthink AI Independent Financial Adviser to the
Wealthink AI Independent Board Committee and the Wealthink AI Independent Shareholders**



瓏盛資本有限公司
Draco Capital Limited

Draco Capital Limited

THE TRANSACTION

The Sale and Purchase Agreement

The GoFintech Board and the Wealththink AI Board jointly announce that on 31 December 2024 (after trading hours), GoFintech as the Purchaser entered into the Sale and Purchase Agreement with Wealththink AI as the Vendor, pursuant to which the Purchaser has conditionally agreed to purchase and the Vendor has conditionally agreed to sell the Sale Shares, representing 22.50% of the entire issued share capital of the Target Company, at the Consideration in the amount of HK\$1,110,000,000, which shall be settled by the allotment and issuance of the Consideration Shares at the Issue Price (i.e. HK\$0.79 per GoFintech Share) under the Specific Mandate to be sought by GoFintech at the GoFintech EGM.

Conditions Precedent

Completion of the Transaction is conditional upon, among other things: (i) the Listing Committee having granted or agreed to grant approval for the listing of, and permission to deal in, the Consideration Shares; (ii) the GoFintech Shareholders having approved the Acquisition, the Sale and Purchase Agreement, and all transactions contemplated hereunder (including the Specific Mandate and the corresponding allotment and issuance of the Consideration Shares) at the GoFintech EGM; and (iii) the Wealththink AI Independent Shareholders having approved the Disposal, the Sale and Purchase Agreement, and all transactions contemplated hereunder at the Wealththink AI EGM.

An application will be made by GoFintech to the Stock Exchange for the approval for the listing of, and permission to deal in, the Consideration Shares.

Completion

Upon Completion, (i) GoFintech will hold the Sale Shares, representing 22.50% of the entire issued share capital of the Target Company; (ii) the financial results of the Target Company will be accounted for in the consolidated financial statements of GoFintech as investment in an associate using the equity method of accounting; and (iii) GoFintech will become a substantial shareholder of the Target Company.

Pursuant to the Sale and Purchase Agreement, it is agreed among the parties that all Consideration Shares in its entirety will be allotted and issued to Wealththink AI upon Completion. Therefore, upon Completion, Wealththink AI will be beneficially interested in a total number of 1,405,063,292 GoFintech Shares representing approximately 15.85% of the issued share capital of GoFintech as enlarged by the allotment and issuance of the Consideration Shares (assuming that there will be no change in the issued share capital of GoFintech other than the allotment and issuance of Consideration Shares between the date of this joint announcement and Completion).

LISTING RULES IMPLICATIONS

GoFintech

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Acquisition exceeds 100%, the Acquisition constitutes a very substantial acquisition for GoFintech under Chapter 14 of the Listing Rules and is therefore subject to the notification, announcement, circular and shareholder's approval requirements under Chapter 14 of the Listing Rules.

As of the date of this joint announcement, Dr. Liu, a substantial GoFintech Shareholder, is beneficially interested in approximately 21.24% of the issued share capital of GoFintech and 0.22% of the issued share capital of Wealthink AI. Dr. Liu was a Wealthink AI Director in the past 12 months, which he resigned on 9 October 2024. To avoid any doubt of material interests in the Transaction, Dr. Liu will abstain from voting at both the GoFintech EGM and the Wealthink AI EGM.

Save for the aforementioned and to the best of the knowledge, information and belief of the GoFintech Directors having made all reasonable enquiries, no other GoFintech Shareholder has a material interest in the Acquisition and is required to abstain from voting on the resolution(s) approving the Acquisition, the Sale and Purchase Agreement and the transactions contemplated thereunder, including the issuance of the Consideration Shares under the Specific Mandate at the GoFintech EGM.

Wealthink AI

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Disposal exceeds 75%, the Disposal constitutes a very substantial disposal for Wealthink AI under Chapter 14 of the Listing Rules. As at the date of this joint announcement, Wealthink AI is indirectly owned as to 29.13% by GoFintech, hence, GoFintech is a substantial shareholder and a connected person of Wealthink AI under the Listing Rules. Accordingly, the Disposal constitutes a connected transaction for Wealthink AI under Chapter 14A of the Listing Rules and is subject to the notification, announcement, circular, independent financial advice, independent shareholders' approval and reporting requirements under Chapter 14 and Chapter 14A of the Listing Rules.

GoFintech and Dr. Liu (which together controlled or were entitled to exercise control over voting rights of 29.35% of Wealthink AI Shares as at the date of this joint announcement) will abstain from voting at Wealthink AI EGM.

Save for the aforementioned and to the best of the knowledge, information and belief of the Wealthink AI Directors having made all reasonable enquiries, no other Wealthink AI Shareholder has a material interest in the Disposal and is required to abstain from voting on the resolution(s) approving the Disposal, the Sale and Purchase Agreement and the transactions contemplated thereunder at the Wealthink AI EGM.

WEALTHINK AI INDEPENDENT BOARD COMMITTEE AND WEALTHINK AI INDEPENDENT FINANCIAL ADVISER

The Wealthink AI Independent Board Committee comprising all the independent non-executive Wealthink AI Directors has been formed to consider, and make recommendations to the Wealthink AI Independent Shareholders regarding, among other things, whether the terms of the Sale and Purchase Agreement and the transactions contemplated thereunder are fair and reasonable and in the interests of Wealthink AI and the Wealthink AI Shareholders as a whole. None of the members of the Wealthink AI Independent Board Committee has any interest or involvement in the Sale and Purchase Agreement and the transactions contemplated thereunder.

Pursuant to Rule 13.39(6) of the Listing Rules, Draco Capital Limited has been appointed as the Wealthink AI Independent Financial Adviser to advise the Wealthink AI Independent Board Committee and the Wealthink AI Independent Shareholders in respect of the Disposal, the Sale and Purchase Agreement and the transactions contemplated thereunder.

THE GOFINTECH EGM, THE WEALTHINK AI EGM AND DESPATCH OF THE JOINT CIRCULAR

The GoFintech EGM will be convened and held for the GoFintech Shareholders to consider and, if thought fit, pass the resolution(s) to approve, among other things, the Sale and Purchase Agreement and the transactions contemplated thereunder, including the Acquisition and the issuance of the Consideration Shares under the Specific Mandate.

The Wealthink AI EGM will be convened and held for the Wealthink AI Independent Shareholders to consider and, if thought fit, pass resolution(s) to approve, among other things, the Sale and Purchase Agreement and the transactions contemplated thereunder, including the Disposal.

A joint circular of GoFintech and Wealthink AI containing, among other things, (i) further details of the Transaction, the Sale and Purchase Agreement and the transactions contemplated thereunder, including the issuance of the Consideration Shares under the Specific Mandate; (ii) financial information on the GoFintech Group; (iii) financial information on the remaining Wealthink AI Group; (iv) a letter of recommendation from the GoFintech Board to the GoFintech Shareholders in relation to the Acquisition; (v) a letter of advice to the Wealthink AI Independent Board Committee and the Wealthink AI Independent Shareholders from the Wealthink AI Independent Financial Adviser in relation to the Disposal; (vi) a notice convening the GoFintech EGM; (vii) a notice convening the Wealthink AI EGM; and (viii) other information required under the Listing Rules, is expected to be despatched to the GoFintech Shareholders and the Wealthink AI Shareholders on or before 21 January 2025.

WARNING

Completion of the Sale and Purchase Agreement is subject to the fulfilment of a number of conditions precedent, which among other things, include the approval of GoFintech Shareholders and the approval of Wealthink AI Independent Shareholders. Hence, the transactions contemplated under the Sale and Purchase Agreement may or may not proceed.

Investors are advised to exercise caution when dealing in the securities of both GoFintech and Wealthink AI and if they are in any doubt about their position, they should consult their professional advisers.

THE SALE AND PURCHASE AGREEMENT

The GoFintech Board and the Wealththink AI Board jointly announce that on 31 December 2024 (after trading hours of the Stock Exchange, GoFintech as the Purchaser entered into the Sale and Purchase Agreement with Wealththink AI as the Vendor, pursuant to which the Purchaser has conditionally agreed to purchase and the Vendor has conditionally agreed to sell the Sale Shares, representing 22.50% of the entire issued share capital of the Target Company, at the Consideration in the amount of HK\$1,110,000,000, which shall be settled by the allotment and issuance of the Consideration Shares at the Issue Price (i.e. HK\$0.79 per GoFintech Share) under the Specific Mandate to be sought by GoFintech at the GoFintech EGM.

The principal terms of the Sale and Purchase Agreement are set out as follows:

Date

31 December 2024 (after trading hours of the Stock Exchange)

Parties to the Sale and Purchase Agreement

- (a) GoFintech as the Purchaser; and
- (b) Wealththink AI as the Vendor

Subject Matter of the Transaction

Pursuant to the terms of the Sale and Purchase Agreement, the Purchaser has conditionally agreed to purchase and the Vendor has conditionally agreed to sell the Sale Shares, representing 22.50% of the entire issued share capital of the Target Company, at the Consideration in the amount of HK\$1,110,000,000 which shall be settled by the allotment and issuance of the Consideration Shares at the Issue Price (i.e. HK\$0.79 per GoFintech Share) under the Specific Mandate to be sought by GoFintech at the GoFintech EGM.

The acquisition cost of the Sale Shares by the Vendor was approximately HK\$60.00 million.

According to valuation report prepared by the Valuer, the fair value of the Sales Shares was HK\$1,110,000,000 as at 30 September 2024 under the market approach.

Conditions Precedent of the Sale and Purchase Agreement

The Transaction is conditional upon the following conditions being fulfilled (or waived, where applicable):

- (a) the Listing Committee shall have granted or agreed to grant the approval for the listing of and permission to deal in the Consideration Shares;
- (b) the GoFintech Shareholders shall have approved the Acquisition, the Sale and Purchase Agreement and all transactions contemplated thereunder (including the Specific Mandate and the corresponding allotment and issuance of the Consideration Shares) at the GoFintech EGM in accordance with the Listing Rules;

- (c) the Wealthink AI Independent Shareholders shall have approved the Disposal, the Sale and Purchase Agreement and all transactions contemplated thereunder at the Wealthink AI EGM in accordance with the Listing Rules;
- (d) the GoFintech Shares remaining listed and traded on the Stock Exchange at all times from the date of the Sale and Purchase Agreement up to and including the date of Completion;
- (e) the respective representations, warranties and undertakings made by the Purchaser and the Vendor under the Sale and Purchase Agreement are true, accurate and not misleading with respect to the Transaction and the transactions contemplated thereunder;
- (f) the entire issued share capital of the Target Company as at the date of the Sale and Purchase Agreement remains the same up to the date of Completion;
- (g) the GoFintech Board and Wealthink AI Board respectively approving the Transaction, the entering into and the execution and performance of the Sale and Purchase Agreement;
- (h) all requisite consents, approvals, waivers and authorisations from any relevant government departments or authorities (including but not limited to the Stock Exchange and/or the SFC), regulatory authorities or other relevant third parties (whether in Hong Kong, the PRC or elsewhere) having been obtained by GoFintech and Wealthink AI (where applicable);
- (i) no applicable laws, rules and regulations in Hong Kong, BVI, Singapore, Cayman Islands, or any relevant jurisdictions prohibiting, restricting or imposing conditions or limitations on, or is reasonably expected to operate to prohibit, restrict or import conditions or limitations on the consummation of the Transaction and/or the transactions contemplated under the Sale and Purchase Agreement (including but not limited to the Listing Rules and the Takeovers Code); and
- (j) no event occurring which constitutes a material adverse change (as set out in the Sale and Purchase Agreement) has occurred on the financial position, business, prospect or results of operations of the Target Company as a whole as at the date of the Sale and Purchase Agreement and up to the date of Completion.

The Vendor and the Purchaser may, in writing, waive in whole or in part of the Conditions Precedent contemplated under (e) and (j) above. Other than the aforesaid, none of the Conditions Precedent may be waived.

As at the date of this joint announcement, Condition Precedent contemplated under (g) above is fulfilled.

If any of the Conditions Precedent is not fulfilled (or as the case may be, waived) on or before 30 April 2025 (i.e. the long stop date contemplated under the Sale and Purchase Agreement for the fulfilment of the above conditions for the Transaction), or such later date as the parties to the Sale and Purchase Agreement may agree in writing, the Sale and Purchase Agreement shall be terminated, and all rights, obligations and liabilities of the parties thereto shall cease and determine and neither party shall have any claim against the other, save for any antecedent breaches of the Sale and Purchase Agreement.

CONSIDERATION FOR THE ACQUISITION

With respect to the Acquisition, the Consideration is in the amount of HK\$1,110,000,000, which shall be settled by the allotment and issuance of the Consideration Shares at the Issue Price (i.e. HK\$0.79 per GoFintech Share) under the Specific Mandate to be sought by GoFintech at the GoFintech EGM.

Basis of the Consideration

The Purchaser has conditionally agreed to purchase and the Vendor has conditionally agreed to sell the Sale Shares, representing 22.50% of the entire issued share capital of the Target Company, at the Consideration in the amount of HK\$1,110,000,000. BMI Appraisals Limited was appointed as the Valuer to conduct an independent valuation on the fair value of the Sale Shares (the “**Valuation**”) as at 30 September 2024. A summary of the valuation report is set out below:

Valuation methodology

The Valuer adopted the market approach in conducting the Valuation. The Valuer is of the view that the market approach is the most appropriate valuation approach as the Target Company has goodwill in terms of its market position and market share in asset management business with its excellent team performances. The market approach is the most direct valuation approach which reflects the value obtained as a result of a consensus of what others in the market place have judged it to be.

Valuation multiple

In preparing the Valuation, the Valuer has considered various pricing multiples, including the following:

- enterprise value (“**EV**”) to sales (“**EV/Sales**”) multiple;
- EV to earnings before interest, taxes, depreciation and amortization (“**EV/EBITDA**”) multiple;
- EV to earnings before interest (“**EV/EBIT**”) multiple;
- price to earnings (“**P/E**”) multiple;
- price to book (“**P/B**”) multiple; and
- price to asset under management (“**P/AUM**”) multiple.

EV/Sales multiple

EV/Sales multiple has not been adopted in the Valuation since it does not consider the profitability of the Target Company and only focuses on the number of sales.

EV/EBIT multiple

EV/EBIT refers to the enterprise value of the Target Company, which is the market capitalization plus the amount of debt, minority interest, preferred shares and less any cash divided by earnings before interest. EV/EBIT multiple has not been adopted in the Valuation since it ignores the cost of debt capital of the Target Company or its tax effect.

P/B multiple

P/B multiple has not been adopted in the Valuation since the book value only captures the Target Company's tangible assets but does not capture any intangible assets, specific competencies and advantages of the Target Company.

Selected valuation multiple

The Valuer considered the average (excluding outliers) of (i) EV/EBITDA multiple; (ii) P/E multiple; and (iii) P/AUM multiple to be the most appropriate basis for the Valuation, as the Target Company is an asset management company which has a stable profitability, which EV/EBITDA multiple and P/E multiple are commonly used for companies that are continuously profitable. Also, the Valuer adopted P/AUM multiple to consider the effect of the size of asset management companies, as the difference between Asset Under Management ("AUM") of comparable asset management companies differs greatly.

Major assumptions of the Valuation

Details of the principal assumptions upon which the valuation report was based, are set forth as follows:

General market assumptions

- (1) there will be no material change in the existing political, legal, fiscal, technological, economic and market conditions in the jurisdiction where the Target Company is currently or will be situated;
- (2) there will be no material change in the taxation laws and regulations in the jurisdiction where the Target Company is currently or will be situated, that the tax rates will remain unchanged and that all applicable laws and regulations will be complied with;
- (3) the market return, market risk, interest rates and exchange rates will not differ materially from those of present or expected;
- (4) the supply and demand, both domestically and internationally, of the services of the Target Company or similar services will not differ materially from those of present or expected;

- (5) the market prices and the relevant costs, both domestically and internationally, of the services of the Target Company or similar services will not differ materially from those of present or expected;
- (6) the services of the Target Company or similar services are marketable and liquid, that there are active markets for the exchange of the services of the Target Company or similar services; and
- (7) the market data, industry information and statistical figures obtained from publicly available sources are true and accurate.

Company-specific assumptions

- (1) all licenses, permits, certificates and consents issued by any local, provincial or national government or other authorized entity or organization that will affect the operation of the Target Company have been obtained or can be obtained upon request with an immaterial cost;
- (2) the core operation of the Target Company will not differ materially from those of present or expected;
- (3) the financial and operational information in respect of the Target Company have been prepared on a reasonable basis that have been arrived at after due and careful consideration by the senior management of the Target Company;
- (4) the Target Company currently has, or will have, adequate human capital and capacity required for the provision of the services of the Target Company, and the required human capital and capacity will be acquired in a timely manner that will not affect the operation of the Target Company;
- (5) the Target Company has acquired, or will acquire, adequate financial capital for the investments in projected working capital from time to time, and any scheduled interest or repayment of loan and payable will be paid on time;
- (6) the senior management of the Target Company will implement only those prospective financial and operational strategies that will maximize the efficiency of the operation of the Target Company;
- (7) the senior management of the Target Company has sufficient knowledge and experience in respect of the operation of the Target Company, and the turnover of any director, management or key person will not affect the operation of the Target Company;
- (8) the senior management of the Target Company has adopted reasonable and appropriate contingency measures against any human disruption such as fraud, corruption and strike, and the occurrence of any human disruption will not affect the operation of the Target Company; and
- (9) the senior management of the Target Company has adopted reasonable and appropriate contingency measures against any natural disaster such as fire, flood and hurricane, and the occurrence of any natural disaster will not affect the operation of the Target Company.

Key inputs adopted in the Valuation

The Valuation date was 30 September 2024. The unaudited financial information of the Target Company from 1 October 2023 to 30 September 2024 was used.

(unaudited)
(HK\$'000)

| | |
|------------------------|-------------|
| EBITDA | 377,461 |
| Earnings | 311,230 |
| AUM | 134,161,980 |
| Cash & Cash Equivalent | 283,459 |

The following is the calculation of market value of 100% equity interest in the Target Company as at 30 September 2024 using EV/EBITDA multiple:

(unaudited)
(HK\$'000)

| | |
|--|------------------|
| EBITDA for the Target Company: 12-month period from 1 October 2023 to 30 September 2024 | 377,461 |
| Average of EV/EBITDA multiple | 15.21 |
| <hr/> | |
| EV of the Target Company as at 30 September 2024 | 5,742,668 |
| Add: Cash and Cash Equivalent for the Target Company as at 30 September 2024 | 283,459 |
| <hr/> | |
| Market value using EV/EBITDA multiple (before Discount for lack of marketability) | 6,026,128 |
| Less: Discount for lack of marketability (20.40%) | 1,229,330 |
| <hr/> | |
| Market value of 100% equity interest in the Target Company as at 30 September 2024 using EV/EBITDA multiple | 4,796,798 |
| <hr/> <hr/> | |

The following is the calculation of market value of 100% equity interest in the Target Company as at 30 September 2024 using P/AUM multiple:

| | |
|--|---------------------------|
| | (unaudited) (HK\$'000) |
| AUM for the Target Company as at 30 September 2024 | 134,161,980 |
| Average of P/AUM multiple | 0.04 |
| <hr/> | |
| Market value using P/AUM multiple (before Discount for lack of marketability) | 5,021,626 |
| Less: Discount for lack of marketability (20.40%) | 1,024,412 |
| <hr/> | |
| Market value of 100% equity interest in the Target Company as at 30 September 2024 using P/AUM multiple | 3,997,214 |
| <hr/> <hr/> | |

The following is the calculation of market value of 100% equity interest in the Target Company as at 30 September 2024 using P/E multiple:

| | |
|--|---------------------------|
| | (unaudited) (HK\$'000) |
| Earnings for the Target Company: 12-month period from 1 October 2023 to 30 September 2024 | 311,230 |
| Average of P/E multiple | 24.47 |
| <hr/> | |
| Market value using P/E multiple (before Discount for lack of marketability) | 7,614,929 |
| Less: Discount for lack of marketability (20.40%) | 1,553,445 |
| <hr/> | |
| Market value of 100% equity interest in the Target Company as at 30 September 2024 using P/E multiple | 6,061,484 |

The following is the calculation of market value of 22.50% equity interest in the Target Company as at 30 September 2024:

(unaudited)
(HK\$'000)

| | |
|---|--------------------------------|
| Market value of 100% equity interest in the Target Company as at 30 September 2024 using EV/EBITDA multiple | 4,796,798 |
| Market value of 100% equity interest in the Target Company as at 30 September 2024 using P/AUM multiple | 3,997,214 |
| Market value of 100% equity interest in the Target Company as at 30 September 2024 using P/E multiple | <u>6,061,484</u> |
| Average of the market values using the three multiples: | |
| 100% equity interest in the Target Company as at 30 September 2024 | 4,951,832 |
| 22.50% equity interest in the Target Company as at 30 September 2024 | <u><u>1,110,000</u></u> |

Note: Products of the figures and sum of the figures may not equal to the total of the figures due to rounding.

The following formula was applied by the Valuer:

$$EV = \text{Market Cap} + PE + MI + \text{ST Debt} + \text{LT Debt} - \text{Cash}$$

Note:

| | | |
|------------|---|---------------------------|
| EV | = | enterprise value |
| Market Cap | = | market capitalization |
| PE | = | preferred equity |
| MI | = | minority interest |
| ST Debt | = | short-term debt |
| LT Debt | = | long-term debt |
| Cash | = | cash and cash equivalents |

PE, MI, ST Debt and LT Debt are not applicable to the Target Company.

Selection criteria of comparable companies

The Valuer has identified comparable companies in the Valuation based on the following selection criteria:

- (i) the comparable companies mainly operate in the Asia-Pacific region;
- (ii) the comparable companies are engaged in businesses similar to the Target Company, such as the provision of exchange-traded funds services and asset management services;
- (iii) EV/EBITDA multiple, P/AUM multiple and P/E multiple are applicable to the comparable companies;

- (iv) shares of the comparable companies are listed on a major stock exchange and are being actively traded in a reasonable period of time; and
- (v) detailed financial and operational information in respect of the comparable companies are available at publicly available sources.

Market comparable companies

Based on the abovementioned selection criteria, the Valuer has identified an exhaustive list of 9 comparable companies satisfying the above criteria, as tabulated below:

| Name of comparable company | Stock code | EV/EBITDA | P/AUM | P/E |
|---|----------------|--------------|-------------|--------------|
| Ashmore Asset Management Indonesia | IDX: AMOR | 11.51 | 0.00 | 16.47 |
| Australian Ethical Investment Limited | ASX: AEF | 21.59 | 0.05 | 32.86 |
| Azimut Holding S.p.A. | BIT: AZM | 4.07 | 0.06 | 6.14 |
| MFC Asset Management Public Company Limited | SET: MFC | 12.68 | 0.01 | 18.67 |
| Nippon Life India Asset Management Limited | NSE: NAM-INDIA | 29.08 | 0.08 | 36.56 |
| Platinum Asset Management Limited | ASX: PTM | 7.98 | 0.05 | 15.85 |
| SPARX Group Co., Ltd. | TYO: 8739 | 5.86 | 0.00 | 10.57 |
| UTI Asset Management Company Limited | NSE: UTIAMC | 15.27 | 0.01 | 19.31 |
| Value Partners Group Limited | 0806.HK | 28.88 | 0.08 | 63.77 |
| Average: | | 15.21 | 0.04 | 24.47 |

The Valuer is of the view that there are no adjustments to be made regarding the comparable companies listed on the other stock exchanges under normal valuation practice, and there are no reliable sources for adjustments to be made regarding the comparable companies listed on the other stock exchanges under professional practice. The Valuer considered the geographic segments of the comparable companies during the Valuation.

According to the practice of the Valuer, after reviewing the benchmarks of each of the comparable companies, no data is classified as an outlier, and no data is excluded in the analysis of the Valuer.

Discount for Lack of Marketability (“DLOM”)

DLOM is adjusted towards the calculation of the Valuation. DLOM is a downward adjustment to the value of an investment to reflect its reduced level of marketability. The concept of marketability deals with the liquidity of an ownership interest, that is, how quickly and easily it can be converted into cash if the owner chooses to sell.

DLOM reflects the fact that there is no ready market for shares in a closely held company. Ownership interests in closely held companies are typically not readily marketable compared to similar interests in publicly listed companies. Therefore, a share of stock in a privately held company is usually worth less than an otherwise comparable share in a publicly listed company.

As the Target Company was unlikely to undergo public offering and shares of the Target Company were unlikely to be listed in any major stock exchange or be marketable in any over-the-counter market in the near future, referencing the research result of the Stout Restricted Stock Study published by Business Valuation Resources, LLC in 2023, the Valuer adopted a DLOM of 20.40% in the Valuation.

Views of the GoFintech Board and the Wealthink AI Board on the Valuation

Taking into account the above and having considered (i) the Valuation was prepared by the Valuer in accordance with the applicable requirements and standards; (ii) the Valuer has considered the generally accepted business enterprise valuation approaches and the circumstances of the Target Company (including its market position, size and reputation) before adopting the market approach; and (iii) the Valuer has adopted EV/EBITDA multiple, P/AUM multiple and P/E multiple, which are appropriate and relevant for the purpose of the Valuation, with reference to the information of the comparable companies. The GoFintech Board and the Wealthink AI Board are of the view that the adoption of the market approach for the Valuation is fair and reasonable and reflects the expectation of the market, and the Valuation serves as a fair and reasonable reference to determine the Consideration.

The Consideration was arrived at based on normal commercial terms after arm's length negotiation among the parties to the Sale and Purchase Agreement after taking into account, among others, the following:

- (i) the market value of the equity interest of the Target Company based on valuation on the fair value of the Sale Shares of approximately HK\$1,110,000,000 as at 30 September 2024 conducted by the Valuer under the market approach;
- (ii) the historical financial performance and future prospect of the Target Company;
- (iii) assets under management, capital inflow and the market status of the Target Company; and
- (iv) other reasons and benefits as described under the paragraph headed **“REASONS FOR AND BENEFITS OF THE TRANSACTION”** below.

The Consideration Shares and Issue Price

The Consideration Shares represent (i) approximately 18.84% of the issued share capital of GoFintech as at the date of this joint announcement; and (ii) approximately 15.85% of the issued share capital of GoFintech as enlarged by the allotment and issuance of the Consideration Shares (assuming that there will be no change in the issued share capital of GoFintech other than the allotment and issuance of Consideration Shares between the date of this joint announcement and Completion).

The Issue Price was arrived at after arm's length negotiation among the parties to the Sale and Purchase Agreement with reference to recent market prices of GoFintech Shares. The Issue Price represents:

- (i) the closing price of HK\$0.79 per GoFintech Share as quoted on the Stock Exchange on the date of the Sale and Purchase Agreement;

- (ii) a premium of approximately 1.54% to the average of the closing price of HK\$0.778 per GoFintech Share as quoted on the Stock Exchange for the five trading days immediately prior to the date of the Sale and Purchase Agreement;
- (iii) a premium of approximately 2.20% to the average of the closing price of HK\$0.773 per GoFintech Share as quoted on the Stock Exchange for the ten trading days immediately prior to the date of the Sale and Purchase Agreement; and
- (iv) the aggregate nominal value of the Consideration Shares will be HK\$140,506,329.

The GoFintech Directors are of the view that the Issue Price is fair and reasonable, and in the interests of GoFintech and the GoFintech Shareholders as a whole.

The Consideration Shares will be allotted and issued under the Specific Mandate to be approved by the GoFintech Shareholders at the GoFintech EGM. The Consideration Shares, credited as fully paid, when allotted and issued, will rank *pari passu* in all respects among themselves and with the GoFintech Shares in issue on the date of such allotment and issue, including the right to receive all dividends and distributions which may be declared, made or paid after Completion and will be issued free and clean of all liens, encumbrances, equities or other third party rights.

An application will be made by GoFintech to the Stock Exchange for the approval for the listing of, and permission to deal in, the Consideration Shares.

Completion

Completion of the Transaction shall take place on the fifth (5th) Business Day after which all Conditions Precedent have been fulfilled (or waived, as the case may be), or on any other date as the parties to the Sale and Purchase Agreement may agree in writing.

Upon Completion, (i) GoFintech will hold the Sale Shares, representing 22.50% of the entire issued share capital of the Target Company; (ii) the financial results of the Target Company will be accounted for in the consolidated financial statements of GoFintech as investment in an associate using the equity method of accounting; and (iii) GoFintech will become a substantial shareholder of the Target Company.

Pursuant to the Sale and Purchase Agreement, it is agreed among the parties that all Consideration Shares in its entirety will be allotted and issued to Wealththink AI upon Completion. Therefore, upon Completion, Wealththink AI will be beneficially interested in a total number of 1,405,063,292 GoFintech Shares representing approximately 15.85% of the issued share capital of GoFintech as enlarged by the allotment and issuance of the Consideration Shares (assuming that there will be no change in the issued share capital of GoFintech other than the allotment and issuance of Consideration Shares between the date of this joint announcement and Completion). The aforesaid equity interest will be treated as “Investments at fair value through profit or loss”, which are subsequently measured at fair value with any gains or losses arising from changes in fair values recognised in profit or loss. The fair value gains or losses recognised in profit or loss are net of any interest income and dividend income. Interest income and dividend income are recognised in profit or loss. There will be no restrictions on the subsequent sale of the Consideration Shares.

It is expected that Wealthink AI will not have any nomination right for GoFintech Directors upon Completion.

EFFECTS ON SHAREHOLDINGS STRUCTURE OF GOFINTECH

Assuming that there will be no change in the issued share capital of GoFintech other than the allotment and issuance of the Consideration Shares between the date of this joint announcement and Completion, the shareholding structure of GoFintech (i) as at the date of this joint announcement; and (ii) immediately upon Completion with the allotment and issuance of the Consideration Shares are set out below for illustrative purposes:

| GoFintech Shareholders | As at the date of this joint announcement | | Immediately upon Completion with the allotment and issuance of the Consideration Shares | |
|-------------------------------------|---|----------------------|---|----------------------|
| | <i>No. of GoFintech Shares</i> | | <i>No. of GoFintech Shares</i> | |
| | | <i>Approximate %</i> | | <i>Approximate %</i> |
| Dr. Liu | 1,584,311,151 | 21.24 | 1,584,311,151 | 17.88 |
| Mr. Wang Tao (<i>Note 1</i>) | 406,102,308 | 5.45 | 406,102,308 | 4.58 |
| Wealthink AI | – | – | 1,405,063,292 | 15.85 |
| Other Public GoFintech Shareholders | 5,468,061,540 | 73.31 | 5,468,061,540 | 61.69 |
| Total (<i>Note 2</i>) | 7,458,474,999 | 100.00 | 8,863,538,291 | 100.00 |

Note:

- As at the date of this joint announcement, Mr. Wang Tao is the beneficial owner of 406,102,308 GoFintech Shares. To the best of the GoFintech Directors' knowledge, information and belief after making reasonable enquiries, Mr. Wang Tao is not related to any GoFintech Director, senior management or substantial shareholder of GoFintech, nor does he hold any positions in GoFintech or its subsidiaries.
- GoFintech Shareholders and public investors should note that the above shareholding percentages for shareholding have been rounded to two decimal places. Accordingly, the total percentage may not be equal to the apparent total percentage.

INFORMATION OF THE PURCHASER

The Purchaser, GoFintech, is an investment holding company incorporated in the Cayman Islands with limited liability. As at the date of this joint announcement, the GoFintech Shares are listed on the main board of the Stock Exchange (stock code: 290). GoFintech and its subsidiaries are collectively a cross-border, cross-industry investment platform based in Hong Kong with focus on financial technology innovation, backed by the Greater Bay Area, and with focus on the international market. GoFintech has a strong presence in the financial services sector, comprising subsidiaries which (i) are corporations licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (Advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO; and (ii) provide money lending services. The principally-engaged businesses of GoFintech include investment banking, securities brokerage, asset management, margin financing, money lending, debt and equity investment and immigration consulting.

INFORMATION OF THE VENDOR

The Vendor, Wealthink AI, was incorporated in the Cayman Islands as an exempted company with limited liability. As at the date of this joint announcement, the Wealthink AI Shares are listed on the main board of the Stock Exchange as an investment company regulated under Chapter 21 of the Listing Rules. Wealthink AI is principally engaged in investment holding activities in Hong Kong, the PRC and the USA, with the involvement of investment in a diversified portfolio of global investments with respect to both listed and private enterprises.

As at the date of this joint announcement, Wealthink AI is indirectly owned as to 29.13% by GoFintech. GoFintech is therefore a substantial shareholder and a connected person of Wealthink AI under the Listing Rules; while Wealthink AI is an associated corporation of GoFintech within the meaning of the SFO.

INFORMATION ON THE TARGET COMPANY

The Target Company was jointly established by Wealthink AI and China Southern Asset Management Co., Ltd. in 2008. As at date of this joint announcement, Wealthink AI owned 22.50% of the entire issued capital of the Target Company.

The Target Company is a well-known asset management company incorporated and based in Hong Kong, which manages private and public funds, and provides investment advisory services to Asian and global investors with a dedicated focus on investment in the PRC. As a leading cross-border asset management expert in respect of AUM, the Target Company provides investment solutions across asset classes and strategies to sovereign wealth funds, pension funds, and other institutional investors. The Target Company is committed to providing investors with a flexible and efficient asset allocation tool through simple, transparent, and innovative products.

Upon Completion, the Target Company will be owned as to 52.50% by China Southern Asset Management Co., Ltd., 25.00% by Kingston Smart Limited and 22.50% by GoFintech.

Kingston Smart Limited is an employee shareholding platform of the senior management of the Target Company. To the best knowledge, information and belief of the GoFintech Directors and the Wealthink AI Directors, having made all reasonable enquiries, Kingston Smart Limited and its ultimate beneficial owner(s) are third parties independent of GoFintech and Wealthink AI and their respective connected persons.

The acquisition cost of the Sale Shares by Wealthink AI in the amount of approximately HK\$60.00 million represents the capital injection by Wealthink AI for the establishment of the Target Company.

Financial Information of the Target Company

Set out below is the unaudited consolidated financial information of the Target Company and its subsidiaries for the nine months ended 30 September 2024, and the audited consolidated financial information of the Target Company and its subsidiaries for the years ended 31 December 2022 and 31 December 2023 respectively.

| | For the nine months ended 30 September 2024 (unaudited) <i>(HK\$'000)</i> | For the year ended 31 December 2023 (audited) <i>(HK\$'000)</i> | For the year ended 31 December 2022 (audited) <i>(HK\$'000)</i> |
|-------------------|--|--|--|
| Revenue | 676,927 | 768,419 | 586,460 |
| Profit before tax | 300,806 | 313,671 | 211,021 |
| Profit after tax | 252,897 | 279,190 | 193,128 |
| Net Assets | 671,119 | 691,997 | 596,235 |

REASONS FOR AND BENEFITS OF THE TRANSACTION

GoFintech

On top of GoFintech's strong presence in the financial services sector with subsidiaries being corporations licensed to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (Advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO, GoFintech is also influential in terms of its operation as a cross-border, cross-industry investment platform based in Hong Kong with focus on financial technology innovation. The Acquisition is advantageous to GoFintech for reasons elaborated below:

Achieve Strategic Synergies:

Acquiring the Target Company aligns with GoFintech's core philosophy of integrating investment banking with investment and nurturing tradition with innovation. The Target Company's leadership in managing private and public funds, with a focus on investment in the PRC, complements GoFintech's strengths. This synergy enhances cross-border asset management opportunities, leveraging the Target Company's 99% market share in Mainland China-Hong Kong ETF cross-listing and 76% in ETF interconnection in 2023.

Enhance Market Recognition and Competitiveness:

Acquiring the Target Company will significantly contribute to transforming GoFintech into a high value-added integrated investment platform. As one of the largest ETF issuers in Hong Kong, with an AUM exceeding US\$14.7 billion as of the first quarter of 2024, the Target Company's award-winning product portfolio and 99.8% share in leverage and reverse products by average daily turnover in 2023 will further bolster GoFintech's market presence. The Acquisition aligns with GoFintech's goal of enhancing shareholder returns, securing a greater market share, and achieving a more advantageous market position, attracting a broader investor base.

Gain Access to Stable and Growing Cash Flows:

The Target Company's robust financial performance and market leadership will significantly enhance GoFintech's overall financial health. With substantial market share in various sectors and as the top ETF issuer with the highest capital inflows in 2023, the Target Company's profitability will directly contribute to GoFintech's financial strength. The dividends and cash flows generated by the Target Company will provide a steady income stream, improving liquidity and supporting GoFintech's strategic initiatives. The Acquisition not only reinforces financial stability but also aligns with GoFintech's long-term objectives by leveraging the Target Company's capacity to access investment opportunities in the PRC for international investors, thereby driving sustainable growth and enhancing shareholder value.

On top of the above, the allotment and issuance of the Consideration Shares by GoFintech to satisfy the Consideration will, upon Completion, have a dilution effect on the shareholding of the existing GoFintech Shareholders by approximately 15.85% (as enlarged by the allotment and issuance of the Consideration Shares (assuming that there will be no change in the issued share capital of GoFintech other than the allotment and issuance of Consideration Shares between the date of this announcement and Completion)). Despite the dilution impact to the GoFintech Shareholders, taking into account that (i) by satisfying the Consideration entirely with the

allotment and issuance of the Consideration Shares, the immediate burden to GoFintech's financial resources can be reduced since the issuance of the Consideration Shares will not result in any cash to be paid by GoFintech for the Consideration upon Completion, thereby alleviating the immediate material cash outflow pressure on GoFintech, safeguarding its imminent financial position; and (ii) the dilution impact of 15.85% demonstrated above is minimal and is outweighed by the advantages elaborated above.

Accordingly, the terms of the Sale and Purchase Agreement have been determined after arm's length negotiations between the parties thereto and the GoFintech Directors are of the view that the Sale and Purchase Agreement is on normal commercial terms, fair and reasonable and in the interests of GoFintech Shareholders as a whole.

Wealthink AI

The Wealthink AI Directors are of the view that the Disposal is beneficial to Wealthink AI for reasons elaborated below.

Realization of Asset Value: By disposing the Target Company at its market valuation of HK\$1,110,000,000, Wealthink AI unlocks significant value from the investment, previously recorded at a book value of HK\$151 million. The Disposal, achieving approximately 7 times the price-to-book ratio, allows Wealthink AI to recognize the true economic potential of its assets. This recognition enhances Wealthink AI's financial profile and demonstrates a strategic capability to execute value-accretive transactions.

Increased Liquidity of Assets: Acquiring equity interests in GoFintech provides Wealthink AI with a highly liquid asset, easily convertible into cash. As a listed security, the Consideration Shares offer flexibility for strategic financial management, allowing Wealthink AI to optimize cash flow and manage working capital efficiently. This liquidity supports operational agility, enabling Wealthink AI to swiftly capitalize on emerging market opportunities and invest in future growth initiatives, maintaining a competitive advantage.

Strategic Investment Benefit from the Growth Potentials of GoFintech: the equity interests in GoFintech position Wealthink AI to benefit from its robust prospects as an innovative cross-border, cross-industry investment platform. GoFintech's focus on financial technology innovation, along with its strong presence in the Greater Bay Area and international markets adds attractiveness to the investment. By remaining indirectly involved in the Target Company and benefiting from synergies with GoFintech in investment banking, asset management, and financial services, Wealthink AI will be able to strengthen its position and capitalise on opportunities in the investment industry with the assistance of GoFintech's capabilities. The Wealthink AI Directors are of the view that acquiring equity interests in GoFintech will allow Wealthink AI to benefit from the growth of GoFintech's financial performance as well as its capital market performance.

Accordingly, the Wealthink AI Directors (excluding the members of the Wealthink AI Independent Board Committee who will form their view after receiving advice from the Wealthink AI Independent Financial Adviser) are of the view that the Sale and Purchase Agreement is in the interests of Wealthink AI and on normal commercial terms, fair and reasonable and in the interests of Wealthink AI Independent Shareholders as a whole.

FINANCIAL IMPACT OF THE TRANSACTION

Upon completion of the Disposal, Wealthink AI will cease to have any interest in the Target Company. The financial results of the Target Company will cease to be accounted for in the consolidated financial statements of Wealthink AI as investment in an associate using the equity method of accounting.

It is estimated that Wealthink AI will record an unaudited gain on the Disposal of approximately HK\$957,888,000, calculated with reference to the difference between (i) the fair value of the Sale Shares of approximately HK\$1,110,000,000 as at 30 September 2024; (ii) the carrying amount of the Sale Shares of HK\$151,002,000 as at 30 September 2024; and (iii) the taxation expenses of approximately HK\$1,110,000.

The above financial impact is shown for illustrative purpose only and the actual gain or loss as a result of the Disposal is subject to, among other things, the audited consolidated net asset value of the Target Company on the date of Completion and the audit to be conducted by the auditors of Wealthink AI.

LISTING RULES IMPLICATIONS

GoFintech

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Acquisition exceeds 100%, the Acquisition constitutes a very substantial acquisition for GoFintech under Chapter 14 of the Listing Rules and is therefore subject to the notification, announcement, circular and shareholder's approval requirements under Chapter 14 of the Listing Rules.

As of the date of this joint announcement, Dr. Liu, a substantial shareholder of GoFintech, is beneficially interested in 21.24% of the issued share capital of GoFintech and 0.22% of the issued share capital of Wealthink AI. Dr. Liu was a Wealthink AI Director in the past 12 months, which he resigned on 9 October 2024. To avoid any doubt of material interests in the Transaction, Dr. Liu will abstain from voting at both the GoFintech EGM and the Wealthink AI EGM.

Save for the aforementioned and to the best of the knowledge, information and belief of the GoFintech Directors having made all reasonable enquiries, no other GoFintech Shareholder has a material interest in the Acquisition and is required to abstain from voting on the resolution(s) approving the Acquisition, the Sale and Purchase Agreement and the transactions contemplated thereunder, including the issuance of the Consideration Shares under the Specific Mandate at the GoFintech EGM.

Wealthink AI

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Disposal exceeds 75%, the Disposal constitutes a very substantial disposal for Wealthink AI under Chapter 14 of the Listing Rules. As at the date of this joint announcement, Wealthink AI is indirectly owned as to 29.13% by GoFintech, hence, GoFintech is a substantial shareholder and a connected person of Wealthink AI. Accordingly, the Disposal constitutes a connected transaction for Wealthink AI under Chapter 14A of the Listing Rules and is subject to the notification, announcement, circular, independent financial advice, independent shareholders' approval and reporting requirements under Chapter 14 and Chapter 14A of the Listing Rules.

GoFintech and Dr. Liu (which together controlled or were entitled to exercise control over voting rights of 29.35% of Wealthink AI Shares as at the date of this joint announcement) will abstain from voting at the Wealthink AI EGM.

Save for the aforementioned and to the best of the knowledge, information and belief of the Wealthink AI Directors having made all reasonable enquiries, no other Wealthink AI Shareholder has a material interest in the Disposal and is required to abstain from voting on the resolution(s) approving the Disposal, the Sale and Purchase Agreement and the transactions contemplated thereunder at the Wealthink AI EGM.

WEALTHINK AI INDEPENDENT BOARD COMMITTEE AND WEALTHINK AI INDEPENDENT FINANCIAL ADVISER

The Wealthink AI Independent Board Committee comprising all the independent non-executive Wealthink AI Directors has been formed to consider, and make recommendations to the Wealthink AI Independent Shareholders regarding, among other things, whether the terms of the Sale and Purchase Agreement and the transactions contemplated thereunder are fair and reasonable and in the interests of Wealthink AI and the Wealthink AI Shareholders as a whole. None of the members of the Wealthink AI Independent Board Committee has any interest or involvement in the transactions contemplated under the Sale and Purchase Agreement.

Pursuant to Rule 13.39(6) of the Listing Rules, Draco Capital Limited has been appointed as the Wealthink AI Independent Financial Adviser to advise the Wealthink AI Independent Board Committee and the Wealthink AI Independent Shareholders in respect of the Disposal, the Sale and Purchase Agreement and the transactions contemplated thereunder.

THE GOFINTECH EGM, THE WEALTHINK AI EGM AND DESPATCH OF THE JOINT CIRCULAR

The GoFintech EGM will be convened and held for the GoFintech Shareholders to consider and, if thought fit, pass the resolution(s) to approve, among other things, the Sale and Purchase Agreement and the transactions contemplated thereunder, including the Acquisition and the issuance of the Consideration Shares under the Specific Mandate.

The Wealthink AI EGM will be convened and held for the Wealthink AI Independent Shareholders to consider and, if thought fit, pass resolution(s) to approve, among other things, the Sale and Purchase Agreement and the transactions contemplated thereunder, including the Disposal.

A joint circular of GoFintech and Wealthink AI containing, among other things, (i) further details of the Transaction, the Sale and Purchase Agreement and the transactions contemplated thereunder, including the issuance of the Consideration Shares under the Specific Mandate; (ii) financial information on the GoFintech Group; (iii) financial information on the remaining Wealthink AI Group; (iv) a letter of recommendation from the GoFintech Board to the GoFintech Shareholders in relation to the Acquisition; (v) a letter of advice to the Wealthink AI Independent Board Committee and the Wealthink AI Independent Shareholders from the Wealthink AI Independent Financial Adviser in relation to the Disposal; (vi) a notice convening the GoFintech EGM; (vii) a notice convening the Wealthink AI EGM; and (viii) other information required under the Listing Rules, is expected to be despatched to the GoFintech Shareholders and the Wealthink AI Shareholders on or before 21 January 2025.

WARNING

Completion of the Sale and Purchase Agreement is subject to the fulfilment of a number of conditions precedent, which among other things, include the approval of GoFintech Shareholders and the approval of Wealthink AI Independent Shareholders. Hence, the transactions contemplated under the Sale and Purchase Agreement may or may not proceed.

Investors are advised to exercise caution when dealing in the securities of both GoFintech and Wealthink AI and if they are in any doubt about their position, they should consult their professional advisers.

DEFINITIONS

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

| | |
|--------------------------|---|
| “Acquisition” | the acquisition by the Purchaser of the Sale Shares on the terms and subject to the conditions set out in the Sale and Purchase Agreement. |
| “associates” | has the meaning ascribed thereto in the Listing Rules. |
| “Board” | the board of Directors. |
| “Business Day” | means a day (other than Saturday, Sunday, 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. |
| “Completion” | the completion of the Transaction in accordance with the terms and conditions set out in the Sale and Purchase Agreement. |
| “Condition(s) Precedent” | the condition(s) precedent to Completion as set out under the paragraph headed “Conditions Precedent of the Sale and Purchase Agreement”. |

| | |
|-------------------------------|---|
| “connected person(s)” | has the meaning ascribed thereto in the Listing Rules. |
| “Consideration” | the consideration in the amount of HK\$1,110,000,000 for the Transaction. |
| “Consideration Share(s)” | 1,405,063,292 GoFintech Shares to be allotted and issued as the Consideration payable by the Purchaser. |
| “Director(s)” | the respective director(s) of GoFintech and Wealthink AI. |
| “Disposal” | the disposal by the Vendor of the Sale Shares on the terms and subject to the conditions set out in the Sale and Purchase Agreement. |
| “Dr. Liu” | Dr. Liu Zhiwei, a substantial shareholder of GoFintech as at the date of this joint announcement. |
| “GoFintech” or “Purchaser” | GoFintech Innovation Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (stock code: 290). |
| “GoFintech Board” | the Board of GoFintech. |
| “GoFintech Director(s)” | the Director(s) of GoFintech. |
| “GoFintech EGM” | the extraordinary general meeting of GoFintech to be convened and held for the GoFintech Shareholders to consider and, if thought fit, pass ordinary resolution(s) to approve, among other things, the Sale and Purchase Agreement and the transactions contemplated thereunder, including the Acquisition and the issuance of the Consideration Shares under the Specific Mandate. |
| “GoFintech Group” | GoFintech and its subsidiaries. |
| “GoFintech Shareholder(s)” | holder(s) of GoFintech Share(s). |
| “GoFintech Shares” | ordinary shares of HK\$0.10 each in the issued share capital of GoFintech. |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong. |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC. |
| “Issue Price” | HK\$0.79 per GoFintech Share, being the issue price of each Consideration Share. |

| | |
|-------------------------------|--|
| “Listing Committee” | the listing committee of the Stock Exchange. |
| “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 joint announcement, excluding Hong Kong, Macau Special Administrative Region, and Taiwan. |
| “Sale and Purchase Agreement” | the conditional sale and purchase agreement entered into by Purchaser and the Vendor, pursuant to which the Purchaser has conditionally agreed to acquire and the Vendor has conditionally agreed to sell the Sale Shares, being 60,000,000 Target Shares (representing 22.50% of the entire issued share capital of the Target Company), at the Consideration in the amount of HK\$1,110,000,000, with such Consideration to be satisfied by the allotment and issuance of the Consideration Shares at the Issue Price. |
| “Sale Shares” | 60,000,000 Target Shares (representing 22.50% of the entire issued share capital of the Target Company). |
| “SFC” | the Securities and Futures Commission of Hong Kong. |
| “Specific Mandate” | the specific mandate to be sought from the GoFintech Shareholders at the GoFintech EGM to grant to the GoFintech Board the authority for the allotment and issuance of the Consideration Shares. |
| “Stock Exchange” | the Stock Exchange of Hong Kong Limited. |
| “substantial shareholder” | has the meaning ascribed thereto in the Listing Rules. |
| “Takeovers Code” | The Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong. |
| “Target Company” | CSOP Asset Management Limited, a company incorporated in Hong Kong with limited liability. |
| “Target Shares” | ordinary share(s) of HK\$0.10 each in the issued share capital of the Target Company. |
| “trading day” | means a day on which the Stock Exchange is open for the trading of securities. |
| “Transaction” | collectively, the Acquisition and the Disposal. |
| “USA” | United States of America. |

| | |
|--|---|
| “Valuer” | BMI Appraisals Limited, an independent valuer engaged by GoFintech. |
| “Wealthink AI” or “Vendor” | Wealthink AI-Innovation Capital Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange (Stock Code: 1140). |
| “Wealthink AI Board” | the Board of Wealthink AI. |
| “Wealthink AI Director(s)” | the Director(s) of Wealthink AI. |
| “Wealthink AI EGM” | the extraordinary general meeting of Wealthink AI to be convened and held for the Wealthink AI Independent Shareholders to consider and, if thought fit, pass ordinary resolution(s) to approve, among other things, the Sale and Purchase Agreement and the transactions contemplated thereunder, including the Disposal. |
| “Wealthink AI Group” | Wealthink AI and its subsidiaries. |
| “Wealthink AI Independent Board Committee” | an independent board committee of Wealthink AI comprising all the independent non-executive Wealthink AI Directors, which has been established to make recommendations to the Wealthink AI Independent Shareholders on the Disposal, the Sale and Purchase Agreement, and the transactions contemplated thereunder. |
| “Wealthink AI Independent Financial Adviser” | Draco Capital Limited, a corporation licensed to carry out type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed by Wealthink AI to advise the Wealthink AI Independent Board Committee and the Wealthink AI Independent Shareholders in respect of the Disposal, the Sale and Purchase Agreement, and the transactions contemplated thereunder. |
| “Wealthink AI Independent Shareholders” | the Wealthink AI Shareholders, who have no material interest in the Disposal, the Sale and Purchase Agreement, and the transactions contemplated thereunder to be proposed at the Wealthink AI EGM and are not required under the Listing Rules to abstain from voting at the Wealthink AI EGM. |
| “Wealthink AI Shareholder(s)” | holder(s) of Wealthink AI Share(s). |

“Wealthink AI Shares” ordinary shares of HK\$0.10 each in the issued share capital of Wealthink AI.

“%” per cent.

By order of the GoFintech Board
GoFintech Innovation Limited
CHAN Kin Sang
*Chairman and Independent Non-executive
Director*

By order of the Wealthink AI Board
Wealthink AI-Innovation Capital Limited
Wang Qin
Chairman

Hong Kong SAR, 31 December 2024

As at the date of this joint announcement, the GoFintech Board consists of one executive Director, namely Ms. SUN Qing; three non-executive Directors, namely Dr. NIE Riming, Mr. LI Chunguang and Mr. HUA Yang; and three independent non-executive Directors, namely Mr. CHAN Kin Sang (Chairman), Mr. CHIU Kung Chik and Ms. LUI Mei Ka.

As at the date of this joint announcement, the Wealthink AI Board comprises four non-executive Directors, namely Dr. Wang Qin, Dr. Fu Weigang, Dr. Wang Shibin and Ms. Sun Qing; and three independent non-executive Directors, namely Mr. Yan Xiaotian, Mr. Zhao Kai and Mr. Yang Songbin.