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NINEGO CORPORATION

(Incorporated in the British Virgin Islands with limited liability)

Kingwisoft Technology Group Company Limited

金慧科技集團股份有限公司

(Formerly known as ZZ Technology Group Company Limited

中植科技集團股份有限公司)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 08295)

JOINT ANNOUNCEMENT

**(1) VOTING ENTRUSTMENTS ARRANGEMENT AMONG
CERTAIN SHAREHOLDERS OF
KINGWISOFT TECHNOLOGY GROUP COMPANY LIMITED; AND
(2) UNCONDITIONAL MANDATORY CASH OFFER BY OPUS SECURITIES
LIMITED FOR AND ON BEHALF OF THE OFFEROR TO ACQUIRE ALL
THE ISSUED SHARES IN KINGWISOFT TECHNOLOGY GROUP
COMPANY LIMITED (OTHER THAN THOSE ALREADY OWNED AND/OR
AGREED TO BE ACQUIRED BY THE OFFEROR AND/OR PARTIES
ACTING IN CONCERT WITH IT)**

Financial Adviser to the Offeror



Offer Agent to the Offeror



Independent Financial Adviser to the Independent Board Committee



RAINBOW CAPITAL (HK) LIMITED
流博資本有限公司

THE VOTING RIGHTS ENTRUSTMENT DEED

Reference is made to the Rule 3.7 Announcement in relation to the possible Voting Entrustments among Zhongzhi Xinzhuo, Kang Bang (HK) and Mr. Hu, pursuant to which Zhongzhi Xinzhuo, a Shareholder holding 2,409,823,718 Shares (representing approximately 50.46% shareholding interest in the Company as at the date of this joint announcement), and Kang Bang (HK), a Shareholder holding 455,820,525 Shares (representing approximately 9.54% shareholding interest in the Company as at the date of this joint announcement), intended to entrust the voting rights of all the Shares held by them to Mr. Hu. Accordingly, the Offer Period has commenced on the date of the Rule 3.7 Announcement (i.e. 26 July 2023) pursuant to the Takeovers Code.

The Board was informed that, in order to enhance: (i) the stability of the control and the long-term development of the Company; and (ii) the efficiency of the decision making process of the Company at the shareholders' level by virtue of Mr. Hu's knowledge and experience in the relevant industry, on 28 August 2023 (after trading hours), Zhongzhi Xinzhuo, Kang Bang (HK) and Mr. Hu entered into the Voting Rights Entrustment Deed, pursuant to which each of Zhongzhi Xinzhuo and Kang Bang (HK) has entrusted the voting rights over all of its 2,409,823,718 Shares (representing approximately 50.46% shareholding interest in the Company as at the date of this joint announcement) and 455,820,525 Shares (representing approximately 9.54% shareholding interest in the Company as at the date of this joint announcement), respectively, in the Company to Mr. Hu. No cash consideration or other forms of consideration are, or will be, payable by any party to the Voting Rights Entrustment Deed for or as a result of entering into the Voting Rights Entrustment Deed or the Voting Entrustments contemplated thereunder.

Immediately prior to the entering into of the Voting Rights Entrustment Deed, as confirmed by Mr. Hu, Mr. Hu controlled approximately 4.44% shareholding interest in the Company held by the Offeror, while Ms. Zhou controlled approximately 2.38% shareholding interest in the Company held by FUNGHWA (which is wholly-owned by Ms. Zhou). As at the date of this joint announcement, Mr. Hu, Ms. Liu and Ms. Zhou were shareholders of DaLian Kingwisoft holding approximately 32.91%, 40.83% and 9.47% of its shareholding, respectively. By virtue of the co-shareholding in DaLian Kingwisoft and past business cooperation between (among others), Ms. Zhou and FUNGHWA are considered as parties acting in concert with Mr. Hu.^{Note} Upon the signing of the Voting Rights Entrustment Deed and by virtue of the Voting Entrustments contemplated thereunder, Mr. Hu (by himself and through the Offeror and the parties acting in concert with it) shall control the voting rights of 3,077,614,462 Shares, representing approximately 64.44% voting rights in the Company, while Ms. Zhou (through FUNGHWA) shall continue to control the voting rights of 113,560,919 Shares, representing approximately 2.38% shareholding interest in the Company.

Note: since Ms. Zhou and FUNGHWA are considered as parties acting in concert with Mr. Hu, the 113,560,919 Shares held by FUNGHWA are not subject to the Offer.

UNCONDITIONAL MANDATORY CASH OFFER

Prior to the Voting Entrustments, Mr. Hu and his concert parties (the Offeror and Ms. Zhou/FUNGHWA) held approximately 6.82% shareholding interest in the Company. As a result of the Voting Entrustments: (i) Mr. Hu acquires control over 60% of the voting rights of the Company; and (ii) as Mr. Hu, Zhongzhi Xinzhuo and Kang Bang (HK) are considered as parties acting in concert pursuant to the Voting Entrustments, Mr. Hu and his concert parties (including the Offeror, Zhongzhi Xinzhuo, Kang Bang (HK) and Ms. Zhou/FUNGHWA) will collectively control approximately 66.82% of the voting rights of the Company. Accordingly, Mr. Hu is required to make an unconditional mandatory cash offer for all issued Shares (other than those already owned and/or agreed to be acquired by Mr. Hu and his concert parties) under Rule 26.1 of the Takeovers Code. Principal terms of the Offer are set out in the section headed “Unconditional Mandatory Cash Offer” in this joint announcement. Mr. Hu will make the Offer via the Offeror.

Opus Capital has been appointed as the financial adviser to the Offeror (through which Mr. Hu makes the Offer) in respect of the Offer and Opus Securities will make the Offer for and on behalf of the Offeror in compliance with the Takeovers Code on the following terms:

For each Offer ShareHK\$0.0304 in cash

As at the date of this joint announcement, the Company has 4,776,019,590 Shares in issue. The Company does not have any outstanding options, warrants or derivatives or securities which are convertible or exchangeable into Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares.

The Offer Price is set at the volume weighted average price of the Shares on the Last Trading Day (i.e. 25 July 2023), which is HK\$0.0304 per Share. The Offer Price has been rounded up to four decimal places. The Offer will be made to the Offer Shareholders. As the Offeror, its ultimate beneficial owners and parties acting in concert with any of them control in aggregate the voting rights of 3,191,175,381 Shares immediately following the entering into of the Voting Rights Entrustment Deed, 1,584,844,209 Shares will be subject to the Offer. Based on the Offer Price of HK\$0.0304 per Offer Share, the maximum amount of offer consideration payable under the Offer will be approximately HK\$48,179,264.

FINANCIAL RESOURCES AVAILABLE TO THE OFFEROR

The Offeror will finance and satisfy the maximum amount of offer consideration payable under the Offer by its internal cash resources. Opus 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 maximum amount of offer consideration payable on full acceptance of the Offer.

DESPATCH OF 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, the Composite Document containing, among others, (i) further details on the terms of the Offer; (ii) the recommendation from the Independent Board Committee in respect of the terms of the Offer and as to the acceptance of the Offer; (iii) the letter from the Independent Financial Adviser to the Independent Board Committee in respect of the terms of the Offer and as to the acceptance of the Offer; and (iv) the relevant form(s) of acceptance and transfer, 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.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

An Independent Board Committee, comprising all the independent non-executive Directors who have no direct or indirect interest in the Offer, namely, Mr. Stephen MARKSCHEID, Mr. ZHANG Weidong, Mr. ZENG Liang and Mr. WANG Li, has been established in accordance with Rule 2.1 of the Takeovers Code to advise and give a recommendation to the Offer Shareholders as to whether the terms of the Offer are fair and reasonable and as to the acceptance of the Offer.

The Independent Financial Adviser has been appointed with the approval of the Independent Board Committee to advise the Independent Board Committee in respect of the terms of the Offer and, in particular, as to whether the Offer is fair and reasonable and as to the acceptance of the Offer pursuant to Rule 2.1 of the Takeovers Code.

WARNING

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares. If Shareholders and potential investors of the Company are in any doubt about their position, they should consult their professional advisers.

BACKGROUND

Reference is made to the Rule 3.7 Announcement in relation to the possible Voting Entrustments among Zhongzhi Xinzhuo, Kang Bang (HK) and Mr. Hu, pursuant to which Zhongzhi Xinzhuo, a Shareholder holding 2,409,823,718 Shares (representing approximately 50.46% shareholding interest in the Company as at the date of this joint announcement), and Kang Bang (HK), a Shareholder holding 455,820,525 Shares (representing approximately 9.54% shareholding interest in the Company as at the date of this joint announcement), intended to entrust the voting rights of all the Shares held by them to Mr. Hu. Accordingly, the Offer Period has commenced on the date of the Rule 3.7 Announcement (i.e. 26 July 2023) pursuant to the Takeovers Code.

The Board was informed that, in order to enhance: (i) the stability of the control and the long-term development of the Company; and (ii) the efficiency of the decision making process of the Company at the shareholders' level by virtue of Mr. Hu's knowledge and experience in the relevant industry, on 28 August 2023 (after trading hours), Zhongzhi Xinzhuo, Kang Bang (HK) and Mr. Hu entered into the Voting Rights Entrustment Deed, pursuant to which each of Zhongzhi Xinzhuo and Kang Bang (HK) has entrusted the voting rights over all of its 2,409,823,718 Shares (representing approximately 50.46% shareholding interest in the Company as at the date of this joint announcement) and 455,820,525 Shares (representing approximately 9.54% shareholding interest in the Company as at the date of this joint announcement), respectively, in the Company to Mr. Hu. No cash consideration or other forms of consideration are, or will be, payable by any party to the Voting Rights Entrustment Deed for or as a result of entering into the Voting Rights Entrustment Deed or the Voting Entrustments contemplated thereunder.

Immediately prior to the entering into of the Voting Rights Entrustment Deed, as confirmed by Mr. Hu, Mr. Hu controlled approximately 4.44% shareholding interest in the Company held by the Offeror, while Ms. Zhou controlled approximately 2.38% shareholding interest in the Company held by FUNGHWA (which is wholly-owned by Ms. Zhou). As at the date of this joint announcement, Mr. Hu, Ms. Liu and Ms. Zhou were shareholders of DaLian Kingwisoft holding approximately 32.91%, 40.83% and 9.47% of its shareholding, respectively. By virtue of the co-shareholding in DaLian Kingwisoft and past business cooperation between (among others), Ms. Zhou and FUNGHWA are considered as parties acting in concert with Mr. Hu.^{Note} Upon the signing of the Voting Rights Entrustment Deed and by virtue of the Voting Entrustments contemplated thereunder, Mr. Hu (by himself and through the Offeror and the parties acting in concert with it) shall ultimately control the Company by controlling the voting rights of 3,077,614,462 Shares, representing approximately 64.44% voting rights in the Company, while Ms. Zhou (through FUNGHWA) shall continue to control the voting rights of 113,560,919 Shares, representing approximately 2.38% shareholding interest in the Company.

Note: since Ms. Zhou and FUNGHWA are considered as parties acting in concert with Mr. Hu, the 113,560,919 Shares held by FUNGHWA are not subject to the Offer.

THE VOTING RIGHTS ENTRUSTMENT DEED

The principal terms of the Voting Rights Entrustment Deed are set out below:

Date:

28 August 2023 (after trading hours)

Parties:

- (i) Zhongzhi Xinzhuo (as the entrusting party) ^(Note);
- (ii) Kang Bang (HK) (as the entrusting party) ^(Note); and
- (iii) Mr. Hu (as the trustee)

Mr. Hu is currently a director of KingNine and DaLian Kingwisoft, both are wholly-owned subsidiaries of the Company, and hence a connected person of the Company.

Note:

Each of Zhongzhi Xinzhuo and Kang Bang (HK) is a wholly-owned subsidiary of Tian Xi Capital. Ze Yun Capital, a company wholly-owned by Mr. Xie, controls 100% of the voting power at general meetings of Tian Xi Capital. Mr. Xie passed away on 18 December 2021. As at the date of this joint announcement, no one is exercising the rights of Mr. Xie as the sole shareholder of Ze Yun Capital until the relevant succession procedures are completed. In the meantime, Tian Xi Capital continues to be managed by its sole director, Mr. Xiaojian Qiu.

Undertakings by Mr. Hu

In consideration of the Voting Entrustments contemplated under the Voting Rights Entrustment Deed, Mr. Hu undertakes (the “**Service Undertaking**”) to serve the Group (including but not limited to agreeing to serve as and perform the duties of a director, management, employee or other positions of the Group as reasonably requested by the Group) for the Restriction Period. During the Restriction Period, Mr. Hu undertakes not to: (i) solicit or endeavour to entice away from any member of the Group the business of a Restricted Customer with a view to providing goods or services to that Restricted Customer in competition with any Restricted Business; (ii) solicit or endeavour to entice away from any member of the Group the business of a Restricted Supplier with a view to obtaining goods or services from that Restricted Supplier in competition with any Restricted Business; (iii) offer to employ or engage or otherwise endeavour to entice away from any member of the Group any Restricted Person; (iv) employ or engage or otherwise facilitate

the employment or engagement of any Restricted Person, whether or not such person would be in breach of contract as a result of such employment or engagement; (v) be involved in any capacity with any business concern which is (or intends to be) in competition with any Restricted Business; and (vi) be involved with the provision of goods or services to (or otherwise have any business dealings with) any Restricted Customer in the course of any business which is in competition with any Restricted Business (together, the “**Non-competе Undertakings**”).

The parties to the Voting Rights Entrustment Deed agree that the Service Undertaking and the Non-competе Undertakings shall be automatically terminated and cease to have effect when the following occurs (whichever is earlier): (i) termination of the Voting Rights Entrustment Deed and/or the Voting Entrustments thereunder; or (ii) either one of Zhongzhi Xinzhuo, Tian Xi Capital (the shareholder of Zhongzhi Xinzhuo) or Ze Yun Capital (the shareholder of Tian Xi Capital which controls the voting rights of Tian Xi Capital) is no longer the largest shareholder of the Company (i.e. the shareholder who, directly or indirectly, holds the largest number of Shares).

Other terms

For the avoidance of doubt, the Voting Rights Entrustment Deed and the Voting Entrustments thereunder do not involve any entrustment fees or other fees, and none of the parties to the Voting Rights Entrustment Deed, namely, Zhongzhi Xinzhuo, Kang Bang (HK) and Mr. Hu, is required or will be required to pay any cash consideration or other forms of consideration for or as a result of entering into the Voting Rights Entrustment Deed or the Voting Entrustments contemplated thereunder.

The Voting Rights Entrustment Deed and the Voting Entrustments thereunder do not affect the rights to income (including the rights to receive dividend and other distribution) of Zhongzhi Xinzhuo and Kang Bang (HK) in respect of the Entrusted Shares, nor do they restrict their right to sell, transfer, pledge or dispose of in any other way any of the Entrusted Shares. For the avoidance of doubt, (i) if any of Zhongzhi Xinzhuo and Kang Bang (HK) sells or transfers any (all or part) of the Entrusted Shares to any third party, such Entrusted Shares that have been sold or transferred will no longer be bound by the Voting Rights Entrustment Deed and the Voting Entrustments thereunder, and (ii) any Shares acquired/subscribed by any of Zhongzhi Xinzhuo and Kang Bang (HK) after the date of the Voting Rights Entrustment Deed will not be bound by the Voting Rights Entrustment Deed, that is, the voting rights corresponding to such newly acquired/subscribed Shares will not be automatically entrusted to Mr. Hu.

UNCONDITIONAL MANDATORY CASH OFFER

Prior to the Voting Entrustments, Mr. Hu and his concert parties (the Offeror and Ms. Zhou/FUNGHWA) held approximately 6.82% shareholding interest in the Company. As a result of the Voting Entrustments: (i) Mr. Hu acquires control over 60% of the voting rights of the Company; and (ii) as Mr. Hu, Zhongzhi Xinzhuo and Kang Bang (HK) are considered as parties acting in concert pursuant to the Voting Entrustments, Mr. Hu and his concert parties (including the Offeror, Zhongzhi Xinzhuo, Kang Bang (HK) and Ms. Zhou/FUNGHWA) will collectively control approximately 66.82% of the voting rights of the Company. Accordingly, Mr. Hu is required to make an unconditional mandatory cash offer for all issued Shares (other than those already owned and/or agreed to be acquired by Mr. Hu and his concert parties) under Rule 26.1 of the Takeovers Code. Mr. Hu will make the Offer via the Offeror.

Opus Capital has been appointed as the financial adviser to the Offeror (through which Mr. Hu makes the Offer) in respect of the Offer and Opus Securities will make the Offer for and on behalf of the Offeror in compliance with the Takeovers Code on the following terms:

For each Offer Share HK\$0.0304 in cash

As at the date of this joint announcement, the Company has 4,776,019,590 Shares in issue. The Company does not have any outstanding options, warrants or derivatives or securities which are convertible or exchangeable into Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares.

The Offer Price is set at the volume weighted average price of the Shares on the Last Trading Day (i.e. 25 July 2023), which is HK\$0.0304 per Share. The Offer Price has been rounded up to four decimal places. The Offer will be made to the Offer Shareholders. As the Offeror, its ultimate beneficial owners and parties acting in concert with any of them control in aggregate the voting rights of 3,191,175,381 Shares immediately following the entering into of the Voting Rights Entrustment Deed, 1,584,844,209 Shares will be subject to the Offer. Based on the Offer Price of HK\$0.0304 per Offer Share, the maximum amount of offer consideration payable under the Offer will be approximately HK\$48,179,264. The Company has not declared and has no intention of declaring any dividend or making any distribution before the close of the Offer.

Offer Price

The Offer Price of HK\$0.0304 per Offer Share represents:

- a premium of approximately 1.33% over the closing price of HK\$0.030 per Share as quoted on the Stock Exchange on 25 July 2023, being the Last Trading Day;
- a discount of approximately 5.00% to the average closing price of approximately HK\$0.032 per Share as quoted on the Stock Exchange for the five consecutive trading days immediately prior to and including the Last Trading Day;
- a discount of approximately 13.14% to the average closing price of approximately HK\$0.035 per Share as quoted on the Stock Exchange for the 10 consecutive trading days immediately prior to and including the Last Trading Day;
- a discount of approximately 17.84% to the average closing price of approximately HK\$0.037 per Share as quoted on the Stock Exchange for the 30 consecutive trading days immediately prior to and including the Last Trading Day;
- a discount of approximately 39.20% to the average closing price of approximately HK\$0.050 per Share as quoted on the Stock Exchange for the 60 consecutive trading days immediately prior to and including the Last Trading Day; and
- a discount of approximately 86.72% to the audited consolidated net asset value attributable to the Shareholders of approximately HK\$0.229 per Share as at 31 March 2023 calculated based on the audited consolidated net asset value attributable to the Shareholders as at 31 March 2023 of approximately RMB1,014,166,000 (equivalent to approximately HK\$1,095,299,280) and 4,776,019,590 Shares in issue as at the date of this joint announcement.

Highest and lowest trading prices

During the six-month period immediately preceding and including the Last Trading Day (being the period commencing six months preceding the commencement of the Offer Period and ending on the Last Trading Day): (a) the highest closing price of the Shares quoted on the Stock Exchange was HK\$0.167 per Share on 27 January 2023 and 1 February 2023; and (b) the lowest closing price of the Shares quoted on the Stock Exchange was HK\$0.028 per Share on 24 July 2023.

Total value of the Offer

Immediately following the entering into of the Voting Rights Entrustment Deed and as at the date of this joint announcement, on the basis that there are 1,584,844,209 Shares subject to the Offer and assuming that there is no change in the issued share capital of the Company from the date of this joint announcement up to the Closing Date, in the event that the Offer is accepted in full, and based on the Offer Price of HK\$0.0304 per Offer Share, the maximum amount of offer consideration payable under the Offer is approximately HK\$48,179,264.

Confirmation of financial resources

The Offeror will finance and satisfy the maximum amount of offer consideration payable under the Offer of approximately HK\$48,179,264 by its internal cash resources.

Opus 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 maximum amount of offer consideration payable on full acceptance of the Offer.

Effect of accepting the Offer

The Offer is unconditional in all respects and is not conditional upon acceptances being received in respect of a minimum number of Shares or any other conditions.

By accepting the Offer, the Offer Shareholders shall sell their Shares free from all Encumbrances and with all rights and benefits at any time accruing and attached to them, including the rights to receive all dividends and distributions declared, made or paid on or after the date on which the Offer is made.

Acceptance of the Offer by any Offer 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 free from all Encumbrances and with all rights and benefits at any time accruing and attached to them, including the rights to receive all dividends and distributions 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. The Company has not declared and has no intention of declaring any dividend or making any distribution before the close of the Offer, and there is no dividend or distribution of the Company which remains unpaid as at the date of this joint announcement.

Acceptances of the Offer shall be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

Payment

Payment in cash in respect of acceptances of the Offer will be made as soon as possible but in any event within seven Business Days following the date on which the duly completed acceptance of the Offer and the relevant documents of title of the Offer Shares in respect of such acceptance are received by the Offeror to render each such acceptance complete and valid pursuant to Rule 20.1 and Note 1 to Rule 30.2 of the Takeovers Code.

No fractions of a cent will be payable and the amount of the consideration payable to the Offer Shareholder(s) who accept the Offer will be rounded up to the nearest cent.

Hong Kong stamp duty

The Offer Shareholders' ad valorem stamp duty at a rate of 0.13% of the market value of the Shares or consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is higher, will be deducted from the cash amount payable to the relevant Offer Shareholder on acceptance of the Offer. The Offeror will arrange for payment of the ad valorem stamp duty so deducted on behalf of accepting Offer Shareholders and bear the Offeror's ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Offer Shares.

Overseas Shareholders

As the Offer to persons not being resident in Hong Kong may be affected by the laws and regulations of the relevant jurisdiction in which they are resident, Overseas 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. It is the sole responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant 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 compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in respect of such jurisdictions).

If the receipt of the Composite Document by the Overseas Shareholders is prohibited by any applicable laws and regulations and may only be effected upon compliance with conditions or requirements in such overseas jurisdictions that would be unduly burdensome, the Composite Document, subject to the Executive's consent, will not be despatched to such Overseas Shareholders but salient terms of the Offer will still be provided to those Overseas Shareholders. In those circumstances, the Offeror will apply for any waivers as may be required pursuant to Note 3 to Rule 8 of the Takeovers Code at such time. The relevant Overseas Shareholders may still decide to accept the Offer.

Any acceptance of the Offer by such Overseas Shareholders will be deemed to constitute a representation and warranty from such Overseas Shareholders to the Offeror that the applicable local laws and requirements have been complied with. The Overseas Shareholders should consult their professional advisers if in doubt. The Overseas Shareholders who are in doubt as to the action they should take should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

Taxation advice

The Offer 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, parties acting in concert with the Offeror, the Company and their respective ultimate beneficial owners, directors, advisers, agents 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 SECURITIES OF THE COMPANY

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

- (a) save as disclosed in the section headed “Background” above, none of the Offeror, its ultimate beneficial owners or parties acting in concert with any of them owned or had control or direction over any voting rights or rights over the Shares or convertible securities, warrants, options of the Company or any derivatives in respect of such securities;
- (b) none of the Offeror, its ultimate beneficial owners or parties acting in concert with any of them had dealt for value in any Shares, convertible securities, warrants or options of the Company or any derivatives in respect of such securities in the six months prior to the Last Trading Day up to and including the date of this joint announcement;
- (c) save for the Voting Rights Entrustment Deed, there are no arrangements (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Offeror or the Shares and which might be material to the Offer;
- (d) there are no agreements or arrangements to which the Offeror, its ultimate beneficial owners or parties acting in concert with any of them is a party which relates to circumstances in which the Offeror may or may not seek to invoke a pre-condition or a condition to the Offer;

- (e) none of the Offeror, its ultimate beneficial owners or parties acting in concert with any of them has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;
- (f) none of the Offeror, its ultimate beneficial owners or parties acting in concert with any of them has received any irrevocable commitment to accept or reject the Offer, or any irrevocable undertaking by any Shareholders not to sell or transfer (or cause the same to be done) or otherwise dispose of (or permit any such action to occur in respect of) any interest in any Shares held by he/she/it/them;
- (g) there is no other consideration, compensation or benefit in whatever form paid or to be paid by the Offeror, its ultimate beneficial owners or parties acting in concert with any of them to Zhongzhi Xinzhuo and Kang Bang (HK), their ultimate beneficial owners or parties acting in concert with any of them in connection with the Voting Rights Entrustment Deed;
- (h) there are no agreements or arrangements in relation to outstanding derivative in respect of the securities in the Company which has been entered into by the Offeror, its ultimate beneficial owners or parties acting in concert with any of them;
- (i) save for the Voting Rights Entrustment Deed, the Share Purchase Deed and the Contractual Arrangements, there is no understanding, arrangement and agreement between the Offeror, its ultimate beneficial owners or parties acting in concert with any of them on the one hand, and Zhongzhi Xinzhuo and Kang Bang (HK), their ultimate beneficial owners or parties acting in concert with any of them on the other hand;
- (j) there is no special deal (as defined under Rule 25 of the Takeovers Code) between the Offeror, its ultimate beneficial owners or parties acting in concert with any of them on the one hand, and Zhongzhi Xinzhuo and Kang Bang (HK), their ultimate beneficial owners or parties acting in concert with any of them on the other hand; and
- (k) save for the Share Purchase Deed and the Contractual Arrangements, there is no understanding, arrangement or agreement or special deal (as defined under Rule 25 of the Takeovers Code) between (1) any Shareholders; and (2)(a) the Offeror, its ultimate beneficial owners or parties acting in concert with any of them; or (b) the Company, its subsidiaries or associated companies.

SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this joint announcement, the authorised share capital of the Company was HK\$100,000,000 divided into 10,000,000,000 ordinary shares, and there are 4,776,019,590 Shares in issue. The Company does not have any outstanding options, warrants or derivatives or convertible rights affecting the Shares.

The shareholding structure of the Company before and after the Voting Entrustments are as follows:

	Immediately prior to the entering into of the Voting Rights Entrustment Deed		Immediately after the entering into of the Voting Rights Entrustment Deed and before the Offer ^(Note)	
	No. of Shares	Approximate % of issued Shares	No. of Shares	Approximate % of issued Shares
Offeror and parties acting in concert with it	325,531,138	6.82	Offeror and the parties acting in concert with it	3,191,175,381 66.82
— Offeror	211,970,219	4.44	— Offeror	211,970,219 4.44
— FUNGHWA ^(Note 3)	113,560,919	2.38	— Zhongzhi Xinzhuo ^(Note 2)	2,409,823,718 50.46
Zhongzhi Xinzhuo	2,409,823,718	50.46	— Kang Bang (HK) ^(Note 2)	455,820,525 9.54
Kang Bang (HK)	455,820,525	9.54	— FUNGHWA ^(Note 3)	113,560,919 2.38
Other Offer Shareholders	<u>1,584,844,209</u>	<u>33.18</u>	Other Offer Shareholders	<u>1,584,844,209</u> <u>33.18</u>
Total	<u>4,776,019,590</u>	<u>100.00</u>		<u>4,776,019,590</u> <u>100.00</u>

Notes:

- For the avoidance of doubt, immediately after the entering into of the Voting Rights Entrustment Deed and the Voting Entrustments thereunder, the Offeror, its ultimate beneficial owners and parties acting in concert with any of them control the voting rights of 3,191,175,381 Shares, representing approximately 66.82% shareholding interest in the Company. The Voting Entrustments do not result in any transfer of the ownership of the Shares or constitute any actual change in ownership to the respective Shares held by the Offeror, its ultimate beneficial owners and parties acting in concert with any of them.
- The voting rights over the respective Shares will be controlled by Mr. Hu.
- As at the date of this joint announcement, Mr. Hu, Ms. Liu and Ms. Zhou were shareholders of DaLian Kingwisoft holding approximately 32.91%, 40.83% and 9.47% of DaLian Kingwisoft's shareholding, respectively. By virtue of the co-shareholding in DaLian Kingwisoft and past business cooperation between (among others), Ms. Zhou and FUNGHWA are considered as parties acting in concert with Mr. Hu. Since Ms. Zhou and FUNGHWA are considered as parties acting in concert with Mr. Hu, the 113,560,919 Shares held by FUNGHWA are not subject to the Offer.

INFORMATION OF THE GROUP

The Company is an investment holding company and the Group is principally engaged in investment holding. Its subsidiaries are principally engaged in investment holding, provision of back-office services (primarily provision of customer service solutions, and setting up of contact service systems and centres), comprehensive marketing and agency services and data centre services.

Set out below is a summary of the audited consolidated financial results of the Group for the years ended 31 March 2022 and 2023 which are prepared in accordance with the Hong Kong Financial Reporting Standards:

	For the year ended 31 March	
	2022	2023
	<i>(RMB'000)</i>	<i>(RMB'000)</i>
	<i>(Audited)</i>	<i>(Audited)</i>
Revenue	734,021	888,622
Profit/(loss) before taxation	84,016	(236,956)
Profit/(loss) for the year or period	76,955	(236,014)

	As at 31 March	
	2022	2023
	<i>(RMB'000)</i>	<i>(RMB'000)</i>
	<i>(Audited)</i>	<i>(Audited)</i>
Total assets	1,574,100	1,492,825
Total liabilities	(482,847)	(466,968)
Net assets	1,091,253	1,025,857

Further financial information of the Group will be set out in the Composite Document to be despatched to the Shareholders.

INFORMATION OF THE OFFEROR AND THE PARTIES ACTING IN CONCERT WITH THE OFFEROR

The Offeror

The Offeror is a company incorporated under the Laws of the BVI on 21 November 2019 with limited liability. It is principally engaged in investment holding of approximately 4.44% shareholding interest in the Company and 100% shareholding interest in Omnistar

Holdings HK Limited (全星控股有限公司) (which does not have any business activities, operations or major investments). The Offeror is owned as to 40.60% by Mr. Hu and 59.40% by Ms. Liu, respectively, as at the date of this joint announcement.

Mr. Hu

Mr. Hu is the sole director of the Offeror and a director of KingNine and DaLian Kingwisoft. He is also a shareholder holding approximately 32.91% shareholding interest in DaLian Kingwisoft as at the date of this joint announcement. He joined DaLian Kingwisoft in January 2014 as the legal representative. Prior to joining DaLian Kingwisoft, Mr. Hu served as the manager of operating centre of Shanghai Hewlett-Packard Co., Ltd. (Dalian Branch)* (上海惠普有限公司(大連分公司)) from July 2004 to September 2008. From September 2008 to November 2013, Mr. Hu served as the China regional sales manager of Neusoft Cloud Technology Co., Ltd.* (東軟雲科技有限公司) (previously known as Neusoft IT Service Co., Ltd.* (東軟信息技術服務有限公司)). Mr. Hu is the spouse of Ms. Liu.

Ms. Liu

Ms. Liu is a shareholder holding approximately 40.83% shareholding interest in DaLian Kingwisoft as at the date of this joint announcement. She was a director of DaLian Kingwisoft from October 2015 to December 2020. She joined DaLian Kingwisoft in August 2014 as the chief executive. From May 2007 to November 2008, Ms. Liu served as the specialist of Shanghai Hewlett-Packard Co., Ltd. (Dalian Branch)* (上海惠普有限公司(大連分公司)). She then served as the regional manager of eastern China region of Neusoft Cloud Technology Co., Ltd.* (東軟雲科技有限公司) (previously known as Neusoft IT Service Co., Ltd.* (東軟信息技術服務有限公司)) from March 2009 to July 2011 and served as the human resource assistant of BPO Matter Management Department of Yidatec Co., Ltd. (億達資訊技術有限公司) from August 2011 to April 2014. Ms. Liu is the spouse of Mr. Hu.

Zhongzhi Xinzhuo

Zhongzhi Xinzhuo is a company incorporated in the BVI with limited liability and an existing Shareholder holding 2,409,823,718 Shares (representing approximately 50.46% shareholding interest in the Company) as at the date of this joint announcement. It is ultimately beneficially owned by Mr. Xie. Zhongzhi Xinzhuo has the requisite power and capacity to enter into the Voting Rights Entrustment Deed.

Kang Bang (HK)

Kang Bang (HK) is a company incorporated in Hong Kong with limited liability and an existing Shareholder holding 455,820,525 Shares (representing approximately 9.54% shareholding interest in the Company) as at the date of this joint announcement. It is ultimately beneficially owned by Mr. Xie. Kang Bang (HK) has the requisite power and capacity to enter into the Voting Rights Entrustment Deed.

Ms. Zhou

Ms. Zhou (the sole shareholder of FUNGHWA) is holding approximately 9.47% shareholding interest in DaLian Kingwisoft through FUNGHWA as at the date of this joint announcement.

Mr. Hu, Ms. Liu and Ms. Zhou, among others, have entered into the Contractual Arrangements so as to enable KingNine to maintain control over DaLian Kingwisoft. For further details of the Contractual Arrangements, please refer to the announcement of the Company dated 10 September 2020 and the circular of the Company dated 18 September 2020.

INTENTIONS OF THE OFFEROR REGARDING THE GROUP

The Offeror intends to continue the employment of the existing management and employees of the Group (except for a proposed change to the members of the Board at such time permitted under the GEM Listing Rules and the Takeovers Code). As at the date of this joint announcement, the Offeror intends to continue the principal business of the Group. The Offeror will, following the completion of the Offer, conduct a detailed review of the business operations and financial position of the Group for the purpose of developing a sustainable business plan or strategy for the Group. Subject to the result of the review and should suitable investment or business opportunities arise, the Offeror may diversify the business of the Group with the objective of broadening its sources of income. As at the date of this joint announcement, no investment or business opportunities has been identified nor has the Offeror entered into any agreement, arrangements, understandings or negotiation in relation to the injection of any assets or business into the Group.

PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY

The Stock Exchange has stated that if, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the issued Shares, are held by the public at all times, or if the Stock Exchange believes that:

— a false market exists or may exist in the trading of the Shares; or

— that there are insufficient Shares in public hands to maintain an orderly market,

it will consider exercising its discretion to suspend dealings in the Shares. Therefore, it should be noted that upon close 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 Directors will jointly and severally undertake to the Stock Exchange to take appropriate steps to ensure that sufficient public float exists in the Shares. The Offeror intends to maintain the listing of the Shares on GEM and will take appropriate steps (including but not limited to placement of Shares) as soon as possible following the close of the Offer to ensure that a sufficient public float exists for the Shares.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

An Independent Board Committee comprising all the independent non-executive Directors who have no direct or indirect interest in the Offer, namely, Mr. Stephen MARKSCHEID, Mr. ZHANG Weidong, Mr. ZENG Liang and Mr. WANG Li, has been established in accordance with Rule 2.1 of the Takeovers Code to advise and give a recommendation to the Offer Shareholders as to whether the terms of the Offer are fair and reasonable and as to the acceptance of the Offer.

The Independent Financial Adviser has been appointed with the approval of the Independent Board Committee to advise the Independent Board Committee in respect of the terms of the Offer and, in particular, as to whether the Offer is fair and reasonable and as to the acceptance of the Offer pursuant to Rule 2.1 of the Takeovers Code.

DESPATCH OF THE COMPOSITE DOCUMENT

It is the intention of the Offeror and the Company to combine the offer document and the offeree's board circular in the Composite Document to be posted. Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document containing, among others, (i) further details on the terms of the Offer and as to the acceptance of the Offer; (ii) the recommendation from the Independent Board Committee in respect of the terms of the Offer and as to the acceptance of the Offer; (iii) the letter from the Independent Financial Adviser to the Independent Board Committee in respect of the terms of the Offer and as to the acceptance of the Offer; and (iv) the relevant form(s) of acceptance and transfer 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.

The Offer Shareholders are encouraged to read the Composite Document carefully, including the advice of the Independent Financial Adviser to the Independent Board Committee and the recommendation from the Independent Board Committee to the Offer Shareholders in respect of the terms of the Offer and as to the acceptance of the Offer.

Further announcement(s) will be made when the Composite Document is despatched.

DISCLOSURE OF DEALINGS

In accordance with Rule 3.8 of the Takeovers Code, associates of the Company or the Offeror (including persons holding 5% or more of a class of relevant securities (as defined under Note 4 to Rule 22 of the Takeovers Code) of the Company or the Offeror) are reminded to disclose their dealings in any relevant securities of the Company pursuant to the requirements of the Takeovers Code.

The full text of Note 11 of 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 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 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.”

WARNING

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares. If Shareholders and potential investors of the Company are in any doubt about their position, they should consult their professional advisers.

DEFINITIONS

In this joint announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“acting in concert”	has the meaning as ascribed to it under the Takeovers Code
“associate(s)”	has the meaning ascribed to it under the Takeovers Code
“Board”	the board of Directors
“Business Day”	a day on which the Stock Exchange is open for the transaction of business
“BVI”	the British Virgin Islands
“Closing Date”	the date to be stated in the Composite Document as the closing date of the Offer or any subsequent closing date as may be announced by the Offeror in accordance with the Takeovers Code
“Company”	Kingwisoft Technology Group Company Limited (金慧科技集團股份有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the GEM of the Stock Exchange (stock code: 08295)
“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 containing, among other things, details of the Offer (accompanied by the relevant form(s) of acceptance and transfer) and the respective letters of advice from the Independent Board Committee and the Independent Financial Adviser
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules

“Contractual Arrangements”	a series of contractual arrangements entered into among the subsidiary of KingNine, DaLian Kingwisoft and the registered shareholders (namely, Mr. Hu, Ms. Liu, Ms. Zhou and Changzhou Xiangjia Zhongzhou Enterprise Management Partnership (Limited Partnership)* (常州翔嘉中舟企業管理合夥企業(有限合夥)), holding 32.91%, 40.83%, 9.47% and 16.79%, respectively, as at the date of this joint announcement) of DaLian Kingwisoft on 12 June 2020. As at the date of this joint announcement, Changzhou Xiangjia Zhongzhou Enterprise Management Partnership (Limited Partnership) is controlled by its general partner, namely Changzhou Jingjiang Capital Management Co., Ltd.* (常州京江資本管理有限公司), which is a wholly-owned subsidiary of Zhongzhi Capital Management Company Limited* (中植資本管理有限公司), which is in turn indirectly wholly-owned by Mr. Xie. For further details, please refer to the announcement of the Company dated 10 September 2020 and the circular of the Company dated 18 September 2020
“controlling shareholders”	has the meaning ascribed to it under the GEM Listing Rules
“DaLian Kingwisoft”	DaLian Kingwisoft Technology Co., Ltd.* (大連金慧融智科技股份有限公司), a joint stock limited company established under the PRC laws on 18 May 2016 and a wholly-owned subsidiary of the Company
“Director(s)”	the director(s) of the Company
“Encumbrances”	any mortgage, charge, pledge, lien, hypothecation, encumbrance or other security arrangement of any kind, option, equity, claim, adverse interest or other third party right of any kind, any arrangement by which any right is subordinated to any right of such third party or any contractual right of set-off (including any agreement or commitment to create or procure to create, or to permit or suffer to be created or subsisted any of the above)

“Entrusted Shares”	collectively, the 2,409,823,718 Shares (representing approximately 50.46% shareholding interest in the Company) held by Zhongzhi Xinzhuo and 455,820,525 Shares (representing approximately 9.54% shareholding interest in the Company) held by Kang Bang (HK) as at the date of this joint announcement
“Executive”	the Executive Director of the Corporate Finance Division of the SFC and any of his delegates
“FUNGHWA”	FUNGHWA Ltd., a company incorporated in the BVI with limited liability and wholly-owned by Ms. Zhou
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“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 People’s Republic of China
“Independent Board Committee”	the independent board committee of the Board, comprising Mr. Stephen MARKSCHEID, Mr. ZHANG Weidong, Mr. ZENG Liang and Mr. WANG Li, being all the independent non-executive Directors who have no direct or indirect interest in the Offer, which has been formed for the purpose of advising the Offer Shareholders in respect of the terms of the Offer and as to the acceptance of the Offer
“Independent Financial Adviser”	Rainbow Capital (HK) Limited, a corporation licensed under the SFO to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities, being the independent financial adviser to the Independent Board Committee in respect of the terms of the Offer and as to the acceptance of the Offer

“Kang Bang (HK)”	Kang Bang Qi Hui (HK) Company Limited (康邦齊輝(香港)有限公司), a company incorporated in Hong Kong with limited liability and an existing Shareholder holding 455,820,525 Shares (representing approximately 9.54% shareholding interest in the Company) as at the date of this joint announcement. It is ultimately beneficially owned by Mr. Xie
“KingNine”	KingNine Holdings Limited, a company incorporated in the Cayman Islands with limited liability and a wholly-owned subsidiary of the Company as at the date of this joint announcement
“Last Trading Day”	25 July 2023, being the last trading day immediately prior to the date of the Rule 3.7 Announcement
“Mr. Hu”	Mr. Hu Shilong (胡仕龍), the entrustee under the Voting Rights Entrustment Deed, one of the shareholders holding 40.60% shareholding interest in the Offeror as at the date of this joint announcement, a director of KingNine and one of the registered shareholders holding approximately 32.91% shareholding interest in DaLian Kingwisoft as at the date of this joint announcement
“Ms. Liu”	Ms. Liu Yingying (劉瑩瑩), the spouse of Mr. Hu and one of the shareholders holding 59.40% shareholding interest in the Offeror and one of the registered shareholders holding approximately 40.83% shareholding interest in DaLian Kingwisoft as at the date of this joint announcement
“Mr. Xie”	Mr. Xie Zhikun (解直錕), the sole shareholder of Ze Yun Capital, who passed away on 18 December 2021
“Ms. Zhou”	Ms. Zhou Fang (周芳), the sole shareholder of FUNGHWA and one of the registered shareholders holding approximately 9.47% shareholding interest in DaLian Kingwisoft as at the date of this joint announcement

“Offer”	the unconditional mandatory cash offer to be made by Opus Securities, for and on behalf of the Offeror, to acquire all the issued Shares (other than those already owned and/or agreed to be acquired by the Offeror, its ultimate beneficial owners and parties acting in concert with any of them) on the terms and conditions set out in this joint announcement and pursuant to Rule 26.1 of the Takeovers Code
“Offer Period”	has the meaning ascribed to it under the Takeovers Code, being the period commencing from the date of the Rule 3.7 Announcement (i.e. 26 July 2023), and ending on the date of the close of the Offer, or such other time or date to which the Offeror may decide to extend the Offer in accordance with the Takeovers Code
“Offer Price”	HK\$0.0304 per Share
“Offer Shares”	any of the 1,584,844,209 Shares that are subject to the Offer
“Offer Shareholder(s)”	holder(s) of the Share(s), other than the Offeror, its ultimate beneficial owners and parties acting in concert with any of them
“Offeror”	NINEGO Corporation, a company incorporated in the BVI and held as to 40.60% by Mr. Hu and 59.40% by Ms. Liu, respectively. It is an existing Shareholder holding approximately 4.44% shareholding interest in the Company as at the date of this joint announcement
“Opus Capital”	Opus Capital Limited, a corporation licensed under the SFO to conduct Type 6 (advising on corporate finance) regulated activity, being the financial adviser to the Offeror in relation to the Offer
“Opus Securities”	Opus Securities Limited, a corporation licensed under the SFO to conduct Type 1 (dealing in securities) regulated activity under the SFO, being the agent making the Offer on behalf of the Offeror
“Overseas Shareholder(s)”	Shareholder(s) whose address(es), as shown on the register of members of the Company is/are outside Hong Kong

“PRC”	the People’s Republic of China, which for the purpose of this joint announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Restricted Business”	the business of the Group during the period from twenty-four (24) months prior to the date of the Voting Rights Entrustment Deed and up to the end of the Restriction Period
“Restricted Customer”	any firm, company or person who, during the period from twenty-four (24) months prior to the date of the Voting Rights Entrustment Deed and up to the end of the Restriction Period, was a customer or prospective customer of or in the habit of dealing with any member of the Group for the purpose of any part of the Restricted Business
“Restricted Person”	any firm, company or person employed or engaged by any Group member, who could materially damage the interests of any member of the Group if they were involved in any capacity in any business concern which competes with the Restricted Business
“Restricted Supplier”	any firm, company or person who, during the period from twenty-four (24) months prior to the date of the Voting Rights Entrustment Deed and up to the end of the Restriction Period, was a supplier or prospective supplier of or in the habit of dealing with any member of the Group for the purpose of any part of the Restricted Business
“Restriction Period”	the period of not less than ten years from the date of the Voting Rights Entrustment Deed or until the date of termination of the Voting Rights Entrustment Deed (whichever is earlier) during which Mr. Hu undertakes to serve the Group (including but not limited to agreeing to serve as and perform the duties of a director, management, employee or other positions of the Group as reasonably requested by the Group)
“RMB”	Renminbi, the lawful currency of the PRC

“Rule 3.7 Announcement”	the announcement of the Company dated 26 July 2023 in relation to the possible Voting Entrustments among Zhongzhi Xinzhuo, Kang Bang (HK) and Mr. Hu
“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)”	share(s) of nominal value of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	registered holder(s) of the issued Share(s)
“Share Purchase Deed”	(i) On 10 September 2020, the Company entered into the share purchase deed with the Offeror, FUNGHWA and Zhongzhi Xinzhuo (as sellers) and Mr. Hu, Ms. Liu and Ms. Zhou (as guarantors) for the acquisition of the entire issued capital of KingNine Holdings Limited. For further details, please refer to the announcements of the Company dated 10 September 2020, 16 April 2023 and 26 June 2023, and the circular of the Company dated 18 September 2020; and (ii) in July 2023, the parties to the Share Purchase Deed entered into the supplemental deed to change the payer of any compensation in relation to the non-fulfillment of profit guarantee in relation to the acquisition of the entire issued capital of KingNine Holdings Limited from Mr. Hu and Ms. Liu to NINEGO
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers issued by the SFC
“Tian Xi Capital”	Tian Xi Capital Company Limited, an exempted company incorporated in the Cayman Islands on 4 November 2019, where Ze Yun Capital controls 100% voting power at its general meetings

“Voting Entrustments”	the entrustment of the voting rights by Zhongzhi Xinzhuo and Kang Bang (HK) over all of its 2,409,823,718 Shares (representing approximately 50.46% shareholding interest in the Company as at the date of this joint announcement) and 455,820,525 Shares (representing approximately 9.54% shareholding interest in the Company as at the date of this joint announcement), respectively, in the Company to Mr. Hu in accordance with the Voting Rights Entrustment Deed
“Voting Rights Entrustment Deed”	the voting rights entrustment deed (《投票表決權委託契據》) dated 28 August 2023 and entered into by and among Zhongzhi Xinzhuo, Kang Bang (HK) and Mr. Hu
“Ze Yun Capital”	Zhong Zhi Ze Yun Capital Company Limited, a company incorporated in the BVI on 22 October 2019 and wholly-owned by Mr. Xie, and it controls 100% voting power at general meetings of Tian Xi Capital
“Zhongzhi Xinzhuo”	Zhong Zhi Xin Zhuo Capital Company Limited, a company incorporated in the BVI with limited liability and an existing Shareholder holding 2,409,823,718 Shares (representing approximately 50.46% shareholding interest in the Company) as at the date of this joint announcement. It is ultimately beneficially owned by Mr. Xie
“%”	per cent

By order of the Board
Kingwisoft Technology Group Company Limited
 金慧科技集團股份有限公司
QIU Xiaojian
Chairman

Hong Kong, 28 August 2023

For the purposes of this joint announcement, unless otherwise specified, conversion of RMB into HK\$ in this joint announcement is based on the exchange rate of RMB1.0 to HK\$1.08.

As at the date of this joint announcement, Mr. Hu Shilong is the sole director of the Offeror. As the sole director of the Offeror, Mr. Hu Shilong accepts full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Directors, the Group and parties acting in concert with any of them) and confirm, having made all reasonable inquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than that 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 statements in this joint announcement misleading.

As at the date of this joint announcement, the executive Directors are Mr. QIU Xiaojian (Chairman) and Mr. LI Xiang; and the independent non-executive Directors are Mr. Stephen MARKSCHEID, Mr. ZHANG Weidong, Mr. ZENG Liang and Mr. WANG Li.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Offeror, its ultimate beneficial owners and parties acting in concert with any of them) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than that 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 statements in this joint announcement misleading.

This joint announcement will remain on the “Latest Listed Company Information” page of the website of GEM at www.hkgem.com for at least 7 days from the date of its publication and on the website of the Company at www.kwtech-group.com.

** for identification purpose only*