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<b>Jianeng Era International Trading Co., Limited</b> <b>嘉能時代國際貿易有限公司</b> <i>(Incorporated in Hong Kong with limited liability)</i>	<b>King's Stone Holdings Group Limited</b> <b>金石控股集團有限公司</b> <i>(Incorporated in the Cayman Islands with limited liability)</i> <b>(Stock Code: 1943)</b>
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## **JOINT ANNOUNCEMENT**

- (1) COMPLETION OF SALE AND PURCHASE OF THE SALE SHARES IN KING'S STONE HOLDINGS GROUP LIMITED;**
- (2) MANDATORY UNCONDITIONAL CASH OFFER BY SILVERBRICKS SECURITIES COMPANY LIMITED FOR AND ON BEHALF OF JIANENG ERA INTERNATIONAL TRADING CO., LIMITED TO ACQUIRE ALL THE ISSUED SHARES OF KING'S STONE HOLDINGS GROUP LIMITED (OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE ACQUIRED BY THE OFFEROR AND/OR PARTIES ACTING IN CONCERT WITH IT); AND**
- (3) RESUMPTION OF TRADING IN THE SHARES OF KING'S STONE HOLDINGS GROUP LIMITED**

**Joint financial advisers to the Offeror**



### **THE SALE AND PURCHASE AGREEMENT**

The Board was informed that on 20 March 2025, the Vendor, the Vendor's Guarantor and the Offeror entered into the Sale and Purchase Agreement, pursuant to which the Vendor has agreed to sell to the Offeror or its nominee, and the Offeror has agreed to acquire, the Sale Shares (representing 75% of the issued share capital of the Company as at the date of this joint announcement), at the Consideration to be fully settled upon the Closing.

The Closing took place immediately upon signing of the Sale and Purchase Agreement on 20 March 2025 pursuant to the terms and conditions of the Sale and Purchase Agreement. Upon the Closing, the Sale Shares have been transferred to Huayu Holdings as the nominee of the Offeror.

### **MANDATORY UNCONDITIONAL CASH OFFER**

Immediately prior to the Closing, the Offeror and parties acting in concert with it did not hold, own, control or have direction over any Shares or voting rights of the Company or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company. Immediately following the Closing and as at the date of this joint announcement, the Offeror, its ultimate beneficial owners and parties acting in concert with any of them are interested in 750,000,000 Shares, representing 75% of the total issued share capital of the Company. Therefore, pursuant to Rule 26.1 of the Takeovers Code, the Offeror is required to make a mandatory unconditional cash offer for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and the parties acting in concert with it).

As at the date of this joint announcement, there are 1,000,000,000 Shares in issue, of which 750,000,000 Shares are held by the Offeror, its ultimate beneficial owners and parties acting in concert with any of them (representing 75% of the total issued share capital of the Company), and the Company does not have any outstanding Shares, options, warrants or derivatives which are convertible or exchangeable into Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company, and has not entered into any agreement for the issue of such Shares, options, derivatives, warrants or securities which are convertible or exchangeable into Shares.

Silverbricks Securities will, for and on behalf of the Offeror, make the Offer on terms to be set out in the Composite Document on the following basis:

**For each Offer Share held ..... HK\$0.08 in cash**

The Offer Price of HK\$0.08 per Offer Share is equal to the price per Sale Share paid by the Offeror under the Sale and Purchase Agreement. Save for the acquisition of the Sale Shares under the Sale and Purchase Agreement, the Offer Facility Agreement, the share charge of the Charged Offer Shares, the Sale Shares Facility and the share charge of the Charged Sale Shares, neither the Offeror, its ultimate beneficial owners nor any parties acting in concert with any of them (including but not limited to Huayu Holdings, Ultra Accord and Ms. Chu Chui Ling) had dealt for value in Shares in the six months prior to and including the date of this joint announcement.

The Offer will be unconditional in all respects when it is made and extended to all Shareholders other than the Offeror and parties acting in concert with it in accordance with the Takeovers Code.

Principal terms of the Offer are set out in the section headed “MANDATORY UNCONDITIONAL CASH OFFER” of this joint announcement.

### **Total value of the Offer**

Based on the 1,000,000,000 Shares in issue as at the date of this joint announcement and excluding the 750,000,000 Shares held by the Offeror, its ultimate beneficial owners and parties acting in concert with any of them immediately after the Closing, a total of 250,000,000 Shares will be subject to the Offer. Assuming there is no change in the issued share capital of the Company prior to the making of the Offer, on the basis of the Offer Price of HK\$0.08 per Offer Share, the total consideration of the Offer would be HK\$20,000,000 in the event that the Offer is accepted in full.

### **FINANCIAL RESOURCES AVAILABLE TO THE OFFEROR**

The Offeror will finance and satisfy the maximum consideration payable under the Offer by its own internal resources and a loan facility provided by Silverbricks Securities under the Offer Facility Agreement, which will be secured by the Offer Shares. Silverbricks Securities and VS Capital, being the Joint Financial Advisers to the Offeror, are satisfied that sufficient financial resources are available to the Offeror to satisfy the maximum consideration payable upon full acceptance of the Offer.

### **INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

An Independent Board Committee comprising all the non-executive Directors, namely Mr. Cai Huihui, Ms. Liu Jingna, Mr. Ruan Dongdong, Mr. Wang Wenxing, Mr. An Wen Long and Ms. Florence Ng, has been established in accordance with Rule 2.1 of the Takeovers Code to make a recommendation to the Independent Shareholders in respect of the Offer as to whether the Offer is fair and reasonable and as to acceptance of the Offer.

The Independent Financial Adviser will be appointed with the approval of the Independent Board Committee pursuant to Rule 2.1 of the Takeovers Code to advise the Independent Board Committee and the Independent Shareholders in respect of the Offer and, in particular, as to whether the Offer is fair and reasonable and as to the acceptance of the Offer. Further announcement(s) will be made by the Company as soon as possible after the Independent Financial Adviser is appointed. The advice of the Independent Financial Adviser and the recommendations of the Independent Board Committee will be included in the Composite Document to be despatched to the Independent Shareholders.

## **COMPOSITE DOCUMENT**

It is the intention of the Offeror and the Company to combine the offer document and the offeree board circular into the Composite Document. Pursuant to Rule 8.2 of the Takeovers Code, a composite document containing, among other things, (i) further details on the terms of the Offer; (ii) the recommendation from the Independent Board Committee in respect of the Offer; (iii) the letter from the Independent Financial Adviser in respect of the Offer, together with the acceptance and transfer form, will be despatched to the Shareholders no later than 21 days after the date of this joint announcement unless the Executive grants a consent for extension. Further announcement(s) will be made when the Composite Document is despatched.

## **SUSPENSION AND RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange has been halted with effect from 9:00 a.m., on 20 March 2025 pending the release of an announcement pursuant to the Takeovers Code, which contains inside information of the Company. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 3 April 2025.

## **WARNING**

**The Directors make no recommendation as to the fairness or reasonableness of the Offer or as to the acceptance of the Offer in this joint announcement, and strongly recommend the Independent Shareholders not to form a view on the Offer unless and until they have received and read the Composite Document, including the recommendation of the Independent Board Committee to the Independent Shareholders and the letter of advice from the Independent Financial Adviser in respect of the Offer.**

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult a licensed securities dealer or registered institution in securities, a bank manager, solicitor, professional accountant, or other professional advisers.**

## **THE SALE AND PURCHASE AGREEMENT**

The Board was informed that on 20 March 2025, the Vendor, the Vendor's Guarantor and the Offeror entered into the Sale and Purchase Agreement in relation to the sale and purchase of the Sale Shares.

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

**Date**

20 March 2025

**Parties**

- (i) The Offeror (as purchaser);
- (ii) The Vendor (as vendor); and
- (iii) The Vendor's Guarantor (as guarantor).

**Subject matter**

Pursuant to the Sale and Purchase Agreement, (i) the Vendor has agreed to sell to the Offeror or its nominee, and the Offeror has agreed to acquire, the Sale Shares (being 750,000,000 Shares, representing 75% of the issued share capital of the Company as at the date of this joint announcement) free from any Encumbrances together with all rights attaching thereto as from the Closing; and (ii) the Vendor's Guarantor has agreed to unconditionally guarantee the performance and observance of all the obligations, commitments and representations and warranties of the Vendor under or pursuant to the Sale and Purchase Agreement and shall indemnify the Offeror for the losses, costs and expenses sustained by the Offeror from any default by the Vendor in respect of any such obligations, commitments, undertakings, representations and warranties given by the Vendor under the Sale and Purchase Agreement.

**Consideration**

The Consideration for the sale and purchase of the Sale Shares amounted to a sum of HK\$60,000,000 (equivalent to HK\$0.08 per Sale Share), which was determined after arm's length negotiations between the Offeror and the Vendor taking into account of the unaudited consolidated net asset value per Share as at 30 September 2024, the financial performance of the Group and the business prospect of the Group.

The Offeror (or its nominee) shall pay to the Vendor or such person or persons as may be designated by the Vendor the Consideration at the Closing.

The Consideration has been settled in full by the Offeror at the Closing by drawing down the Sale Shares Facility. The Sale Shares Facility is secured by, among others, the share charge of the Charged Sale Shares.

Ultra Accord is a licensed money lender under the Money Lenders Ordinance (Chapter 163 of the laws of Hong Kong) and is wholly and beneficially owned by Ms. Chu Chui Ling, who is a Hong Kong citizen and an investor with investments mainly in listed securities and properties in Hong Kong and with experience in the money lending sector in Hong Kong. Ultra Accord and Ms. Chu Chui Ling are parties acting in concert with the Offeror, its ultimate beneficial owners and parties acting in concert with any of them (including but not limited to Huayu Holdings) under class (9) of the presumptions in the definition of “acting in concert” under the Takeovers Code.

Save as aforesaid, the Offeror confirms that the Offeror, its ultimate beneficial owners and parties acting in concert with any of them (including but not limited to Huayu Holdings) have no other relationship with Ultra Accord or Ms. Chu Chui Ling. Ultra Accord and Ms. Chu Chui Ling are not Shareholders as at the date of this joint announcement.

### Closing

The Closing took place on 20 March 2025 immediately upon the entering into of the Sale and Purchase Agreement pursuant to the terms and conditions of the Sale and Purchase Agreement. Upon the Closing, the Sale Shares have been transferred to Huayu Holdings as the nominee of the Offeror. Upon the Closing and as at the date of this joint announcement, Huayu Holdings (as the nominee of the Offeror) is directly interested in 750,000,000 Shares. Accordingly, the Offeror, its ultimate beneficial owners and parties acting in concert with any of them are interested in 750,000,000 Shares, representing 75% of the total issued share capital of the Company.

The shareholding structure of the Company immediately before and after the Closing are as follows:

	Immediately before the Closing		Immediately after the Closing and as at the date of this joint announcement	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
<i>Shareholders</i>				
Offeror, its ultimate beneficial owners and their respective concert parties	–	–	750,000,000 <i>Note 1</i>	75.00
Vendor <i>Note 2</i>	750,000,000	75.00	–	–
Public Shareholders	250,000,000	25.00	250,000,000	25.00
<b>Total</b>	<u>1,000,000,000</u>	<u>100.00</u>	<u>1,000,000,000</u>	<u>100.00</u>

*Notes:*

1. These Shares are directly held by Huayu Holdings, which is a party acting in concert with the Offeror under the Takeovers Code. For further details, please refer to the section headed “INFORMATION ON THE OFFEROR AND HUAYU HOLDINGS” in this announcement.
2. These Shares were held by the Vendor, which is wholly owned by Regal Loyalty Limited and Regal Loyalty Limited is in turn wholly owned by Mr. Wang, the chairman of the Board, chief executive officer and an executive Director of the Company. Mr. Wang was deemed to be interested in all the Shares held by the Vendor for the purpose of Part XV of the SFO before the Closing.

As at the date of this joint announcement, save as disclosed above, none of the Directors holds any Shares and any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

### **MANDATORY UNCONDITIONAL CASH OFFER**

Immediately prior to the Closing, the Offeror and parties acting in concert with it did not hold, own, control or have direction over any Shares or voting rights of the Company or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company. Immediately upon the Closing and as at the date of this joint announcement, the Offeror, its ultimate beneficial owners and parties acting in concert with any of them are interested in 750,000,000 Shares, representing 75% of the total issued share capital of the Company. Therefore, pursuant to Rule 26.1 of the Takeovers Code, the Offeror is required to make a mandatory unconditional cash offer for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and the parties acting in concert with it). The Offer will be made to the Independent Shareholders.

As at the date of this joint announcement, there are 1,000,000,000 Shares in issue, of which 750,000,000 Shares are held by the Offeror, its ultimate beneficial owners and parties acting in concert with any of them (representing 75% of the total issued share capital of the Company), and the Company does not have any outstanding Shares, options, warrants or derivatives which are convertible or exchangeable into Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company, and has not entered into any agreement for the issue of such Shares, options, derivatives, warrants or securities which are convertible or exchangeable into Shares.

Silverbricks Securities will, for and on behalf of the Offeror, make the Offer on terms to be set out in the Composite Document on the following basis:

**For each Offer Share held .....HK\$0.08 in cash**



The Offer Price of HK\$0.08 per Offer Share is equal to the price per Sale Share paid by the Offeror under the Sale and Purchase Agreement. Save for the acquisition of the Sale Shares under the Sale and Purchase Agreement, the Offer Facility Agreement, the share charge of the Charged Offer Shares, the Sale Shares Facility and the share charge of the Charged Sale Shares, neither the Offeror, its ultimate beneficial owners nor any parties acting in concert with any of them (including but not limited to Huayu Holdings, Ultra Accord and Ms. Chu Chui Ling) had dealt for value in Shares in the six months prior to and including the date of this joint announcement.

The Offer will be unconditional in all respects when it is made and extended to all Shareholders other than the Offeror and parties acting in concert with it in accordance with the Takeovers Code.

The Company confirms that as at the date of this joint announcement, (i) it does not have any dividend or distribution recommended, declared or made but unpaid; and (ii) it does not have any intention to make, declare or pay any future dividend/make other distributions until the close of the Offer. If, after the date of this joint announcement, any dividend or other distribution is made or paid in respect of the Offer Shares, the Offeror reserves the right to reduce the Offer Price by an amount equal to the gross amount of such dividend or other distribution received or receivable by the Shareholders pursuant to Note 3 to Rule 26.3 of the Takeovers Code.

The Offer Price of HK\$0.08 per Offer Share represents:

- a discount of approximately 18.37% to the closing price of HK\$0.098 per Share as quoted on the Stock Exchange on 19 March 2025, being the Last Trading Day;
- a discount of approximately 15.79% to the average closing price of approximately HK\$0.0950 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 13.33% to the average closing price of approximately HK\$0.0923 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 4.65% to the average closing price of approximately HK\$0.0839 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 HK\$0.1038 (being approximately 56.47%) to the audited consolidated net asset value of the Group of approximately HK\$0.1838 per Share as at 31 March 2024 calculated based on the audited net asset of the Group as at 31 March 2024 of approximately HK\$183,843,000 and 1,000,000,000 Shares in issue as at the date of this joint announcement; and



- a discount of approximately HK\$0.0413 (being approximately 34.05%) to the unaudited consolidated net asset value of the Group of approximately HK\$0.1213 per Share as at 30 September 2024 calculated based on the unaudited net asset of the Group as at 30 September 2024 of approximately HK\$121,304,000 and 1,000,000,000 Shares in issue as at the date of this joint announcement.

### **Highest and lowest Share prices**

During the six-month period immediately preceding and including the Last Trading Day, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.74 on 28 October 2024 and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.06 on 22 January 2025.

### **No Increase Statement**

The Offer Price will not be increased and the Offeror does not reserve the right to do so.

Shareholders and potential investors of the Company should be aware that, following the making of such statement, the Offeror will not be allowed to increase the Offer Price save in wholly exceptional circumstances, as provided in Rule 18.3 of the Takeovers Code.

### **Total value of the Offer**

Based on the 1,000,000,000 Shares in issue as at the date of this joint announcement and excluding the 750,000,000 Shares held by the Offeror, its ultimate beneficial owners and parties acting in concert with any of them immediately after the Closing and as at the date of this joint announcement, a total of 250,000,000 Shares will be subject to the Offer. Assuming there is no change in the issued share capital of the Company prior to the making of the Offer, on the basis of the Offer Price of HK\$0.08 per Offer Share, the total consideration of the Offer would be HK\$20,000,000 in the event that the Offer is accepted in full.

### **Financial resources available to the Offeror**

The Offeror will finance and satisfy the maximum consideration payable under the Offer by its own internal resources and a loan facility provided by Silverbricks Securities under the Offer Facility Agreement, which will be secured by the Offer Shares. The Offeror confirms that the repayment of the interest on, or security for any liability (contingent or otherwise) of the loan facility under the Offer Facility Agreement will not depend on any significant extent on the business of the Company. Silverbricks Securities and VS Capital, being the Joint Financial Advisers to the Offeror, are satisfied that sufficient financial resources are available to the Offeror to satisfy the maximum consideration payable upon full acceptance of the Offer.

### **Effect of accepting the Offer**

Acceptance of the Offer by any Independent Shareholders will constitute a warranty by such person that all Offer Shares to be sold by such person under the Offer are fully paid and free and clear of all lien whatsoever together with all rights and interests attaching thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date of the Composite Document.

As the Offer, if and when made, will be unconditional, acceptance of the Offer would be irrevocable and would not be capable of being withdrawn in accordance with the Takeovers Code, except as permitted under the Takeovers Code.

### **Payment**

Payment in cash in respect of acceptances of the Offer will be made by the Offeror as soon as possible but in any event no later than seven (7) Business Days after the receipt of duly completed acceptances of the Offer. Relevant documents evidencing title must be received by or on behalf of the Offeror to render such acceptance of the Offer complete and valid in accordance with the Takeovers Code.

No fractions of a Hong Kong cent will be payable and the amount of cash consideration payable to an Independent Shareholder who accepts the Offer will be rounded up to the nearest Hong Kong cent.

### **Hong Kong Stamp duty**

The seller's ad valorem stamp duty at a rate of 0.1% 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 Independent Shareholder on acceptance of the Offer. The Offeror will arrange for payment of the seller's ad valorem stamp duty on behalf of accepting Independent Shareholders and pay the buyer's ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Offer Shares.

### **Taxation advice**

Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Offer. None of the Offeror, parties acting in concert with it, the Company, the Vendor, the Vendor's Guarantor, Silverbricks Securities and VS Capital, and their respective ultimate beneficial owners, directors, advisers, agents or associates or any other person involved in the Offer accepts responsibility for any taxation or other effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

### **Overseas Independent Shareholders**

The Offeror intends to make the Offer available to all Independent Shareholders including the Overseas Independent Shareholders.

However, the Offer to persons not resident in Hong Kong may be affected by the laws of the relevant jurisdiction in which they are resident. The making of the offer to persons with a registered address in jurisdictions outside Hong Kong may be prohibited or limited by the laws or regulations of the relevant jurisdictions. Overseas Independent Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek independent legal advice. It is the responsibility of Overseas Independent 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 or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due from the accepting Overseas Independent Shareholders in respect of such jurisdictions).

In the event that the despatch of the Composite Document to Overseas Independent Shareholders is prohibited by any relevant law or regulation or may only be effected after compliance with conditions or requirements that the Directors regard as unduly burdensome (or otherwise not in the best interests of the Company or Shareholders), the Composite Document will not be despatched to such Overseas Independent Shareholders.

For that purpose, the Offeror will apply for any waivers as may be required by the Executive pursuant to Note 3 to Rule 8 of the Takeovers Code at such time. Any such waiver will only be granted if the Executive is satisfied that it would be unduly burdensome to despatch the Composite Document to such Overseas Independent Shareholders, but the Composite Document will be published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company ([www.kshgl.com](http://www.kshgl.com)), and all material information in the Composite Documents will be made available to such Overseas Independent Shareholders.

**Any acceptance of the Offer by any Overseas Independent Shareholder will be deemed to constitute a representation and warranty from such Overseas Independent Shareholder to the Offeror that the local laws and requirements have been complied with. Overseas Independent Shareholders should consult their professional advisers if in doubt. The Overseas Independent 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.**

Based on the register of members of the Company, as at the date of this joint announcement, there is no Overseas Independent Shareholder.

## **DEALING AND INTERESTS IN SECURITIES OF THE COMPANY**

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

- (a) save for the Sale Shares under the Sale and Purchase Agreement, none of the Offeror, Huayu Holdings, their respective ultimate beneficial owners nor any person acting in concert with any of them owns or has 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) save for the Sale Shares under the Sale and Purchase Agreement, the Offer Facility Agreement, the share charge of the Charged Offer Shares, the Sale Shares Facility and the share charge of the Charged Sale Shares, none of the Offeror, Huayu Holdings, their respective ultimate beneficial owners nor any person 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 Sale and Purchase Agreement, the Offer Facility Agreement, the share charge of the Charged Offer Shares, the Sale Shares Facility and the share charge of the Charged Sale Shares, 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) save for the Sale and Purchase Agreement, there are no agreements or arrangements to which the Offeror, Huayu Holdings, their respective ultimate beneficial owners or any person acting in concert with any of them is a party which relates to circumstances in which the Offeror may or may not invoke or seek to invoke a pre-condition or a condition to the Offer;
- (e) none of the Offeror, its ultimate beneficial owner nor any person 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, Huayu Holdings, their respective ultimate beneficial owners nor any person acting in concert with any of them has received any irrevocable commitment to accept the Offer;
- (g) save for the Consideration paid by the Offeror to the Vendor under the Sale and Purchase Agreement, there is no consideration, compensation or benefit in whatever form paid or to be paid by the Offeror, Huayu Holdings, their respective ultimate beneficial owners or any parties acting in concert with any of them to either of the Vendor, the Vendor's Guarantor (also being the Vendor's ultimate beneficial owner) or any party acting in concert with any of them in connection with the sale and purchase of the Sale Shares;

- (h) save for the Sale and Purchase Agreement, 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, Huayu Holdings, their respective ultimate beneficial owners or any person acting in concert with any of them; and
- (i) save for the Sale and Purchase Agreement, there is no understanding, arrangement or agreement or special deal (as defined in Rule 25 of the Takeovers Code) between (1) the Offeror, Huayu Holdings, their respective ultimate beneficial owners and/or any party acting in concert with any of them and (2)(a) the Vendor, the Vendor's Guarantor (also being the Vendor's ultimate beneficial owner) and any party acting in concert with any of them or (2)(b) any Shareholders.

The Company confirms that, as at the date of this joint announcement, there is no understanding, arrangement, agreement or special deal (as defined under Rule 25 of the Takeovers Code) between any Shareholder and the Company, its subsidiaries or associated companies.

## INFORMATION ON THE GROUP

The Company is incorporated in the Cayman Islands with limited liability and the Shares are listed on the Main Board of the Stock Exchange. The Company acts as an investment holding company and its subsidiaries are principally engaged in (i) providing construction services including traditional formwork using timber and plywood, system formwork using aluminium and steel, and ancillary works such as concrete works and reinforcement works for the public and private sectors in Hong Kong and (ii) business of dealing in securities in Hong Kong.

Set out below is a summary of the audited consolidated financial results of the Group for the financial years ended 31 March 2023 and 2024, and the unaudited consolidated financial results of the Group for the six months ended 30 September 2023 and 2024:

	<b>For the year ended or as at 31 March</b>		<b>For the six months ended or as at 30 September</b>	
	<b>2023</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>
	<b>(audited)</b>	<b>(audited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	372,086	452,666	254,563	103,297
(Loss)/Profit before taxation	11,576	(33,459)	(1,952)	(62,539)
(Loss)/Profit for the year/ period	4,967	(32,092)	(2,394)	(62,539)
Net assets	216,109	183,843	213,715	121,304

## **INFORMATION ON THE OFFEROR AND HUAYU HOLDINGS**

The Offeror was incorporated in Hong Kong with limited liability to engage in the provision of import and export trading, wholesale and sales of electronic products, sales of electronic components and agent of selling memory chips. The sole director of the Offeror is Ms. Tang. The Offeror is directly owned as to 95% and 5% by Ms. Zeng and Ms. Tang, respectively. As at the date of this joint announcement, Ms. Zeng and Ms. Tang expect and will initiate the procedures to align the shareholding structure of the Offeror with Huayu Holdings as soon as practicable, so that both Huayu Holdings and the Offeror will be held as to 98% and 2% by Ms. Zeng and Ms. Tang, respectively.

Huayu Holdings was incorporated in the BVI with limited liability as an investment holding company and is directly owned as to 98% and 2% by Ms. Zeng and Ms. Tang, respectively. Since the Offeror and Huayu Holdings are companies controlled by the same ultimate beneficial owner, i.e. Ms. Zeng, they are deemed to be acting in concert under class (8) of the presumptions in the definition of “acting in concert” under the Takeovers Code.

As at the date of this joint announcement, the Offeror, its ultimate beneficial owners and parties acting in concert with any of them are interested in 750,000,000 Shares.

Ms. Zeng Jingwen, aged 28, obtained a bachelor’s degree in events management from the University College Birmingham in September 2019. Ms. Zeng has several years of experience in procurement of electronic parts and components in the PRC.

As of the date of this joint announcement, Ms. Zeng does not hold any directorship in any listed company in Hong Kong and is not a substantial shareholder of any listed company in Hong Kong.

Ms. Tang Jingjing, aged 44, has several years of experience in sales management in the new energy sector across the PRC for companies engaging in research, production, and sales of lithium batteries.

As of the date of this joint announcement, Ms. Tang does not hold any directorship in any listed company in Hong Kong and is not a substantial shareholder of any listed company in Hong Kong.

Immediately before the Closing, the Offeror, its ultimate beneficial owners and parties acting in concert with any of them are third parties independent of, and not connected with, either the Company or any of its connected persons.

## **INTENTIONS OF THE OFFEROR IN RELATION TO THE GROUP**

It is the intention of the Offeror to continue with the Group’s existing principal business activities. In particular, the Offeror intends to expand the existing businesses of the Group through, among others, exploring business opportunities in electronic components market.



Upon completion of the Offer, while continuing the principal business of the Group, the Offeror will conduct a review of the existing principal businesses, operations, financial position, investments, proposed investments of the Group for the purpose of formulating long-term business plans and strategies for the future business development of the Group.

Further, subject to the results of the review, the Offeror may explore other business opportunities and consider whether any asset disposals, asset acquisitions, business rationalization, business divestment, fund raising, restructuring of the business and/or business diversification will be appropriate in order to enhance the long-term growth potential of the Group. As at the date of this joint announcement, the Offeror has no intention to introduce major changes to the existing business of the Group and intends to maintain the Company's existing principal activities.

As at the date of this joint announcement, no material investment or business opportunity has been identified nor has the Offeror, its ultimate beneficial owners or any party acting in concert with any of them entered into any agreement, arrangement, understandings or negotiation in relation to the injection of any asset or business into the Group.

The Offeror will, depending on the business operations and development of the Group in the future, constantly review the employee structure of the Group so as to meet the needs of the Group from time to time. As at the date of this joint announcement, the Offeror has no intention to (i) discontinue the employment of any employees of the Group (who are not Directors of the Company); or (ii) redeploy the fixed assets of the Company other than those in its ordinary and usual course of business. However, the Offeror reserves the right to make such changes that it deems necessary or appropriate to the Group's business and operations to optimise the value of the Group.

## **PROPOSED CHANGES TO THE COMPOSITION OF THE BOARD**

As at the date of this joint announcement, the Board comprises Mr. Wang Jianfeng as executive Director, Mr. Cai Huihui, Ms. Liu Jingna and Mr. Ruan Dongdong as non-executive Directors, and Mr. Wang Wenxing, Mr. An Wen Long and Ms. Florence Ng as independent non-executive Directors.

It is intended that all seven Directors will resign with effect from the earliest time permitted under the Listing Rules and Rule 7 of the Takeovers Code. The Offeror intends to nominate new Directors to the Board immediately upon the said resignation becoming effective and any such appointment will be made in compliance with the Takeovers Codes and the Listing Rules and further announcement(s) will be made as and when appropriate.

As at the date of this joint announcement, the Offeror has not reached any final decision as to who will be nominated as new Director(s) of the Company. Any changes to the members of the Board will be made in compliance with the Takeovers Codes and the Listing Rules and further announcement(s) will be made as and when appropriate.



## **PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF THE COMPANY**

The Offeror does not intend to avail itself of any powers of compulsory acquisition of any Shares outstanding after the close of the Offer and has no intention to privatize the Company. It intends the issued Shares to remain listed on the Stock Exchange after the close of the Offer.

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 (excluding treasury shares), are held by the public at all times or if the Stock Exchange believes that: (i) a false market exists or may exist in the trading of the Shares; or (ii) there are insufficient Shares in public hands to maintain an orderly market, it will consider exercising its discretion to suspend trading in the Shares until the prescribed level of public float is restored.

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 sole director of the Offeror, the Directors and any new Director(s) to be proposed by the Offeror will jointly and severally undertake to the Stock Exchange to take appropriate steps following the close of the Offer to ensure that such number of Shares as may be required by the Stock Exchange are held by the public within the prescribed time frame.

## **INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

An Independent Board Committee comprising all the non-executive Directors, namely Mr. Cai Huihui, Ms. Liu Jingna, Mr. Ruan Dongdong, Mr. Wang Wenxing, Mr. An Wen Long and Ms. Florence Ng, has been established in accordance with Rule 2.1 of the Takeovers Code to make a recommendation to the Independent Shareholders in respect of the Offer as to whether the Offer is fair and reasonable and as to acceptance of the Offer.

The Independent Financial Adviser will be appointed with the approval of the Independent Board Committee pursuant to Rule 2.1 of the Takeovers Code to advise the Independent Board Committee and the Independent Shareholders in respect of the Offer and, in particular, as to whether the Offer is fair and reasonable and as to the acceptance of the Offer. Further announcement(s) will be made by the Company as soon as possible after the Independent Financial Adviser is appointed. The advice of the Independent Financial Adviser and the recommendations of the Independent Board Committee will be included in the Composite Document to be despatched to the Independent Shareholders.

## **COMPOSITE DOCUMENT**

It is the intention of the Offeror and the Company to combine the offer document and the offeree board circular into the Composite Document. Pursuant to Rule 8.2 of the Takeovers Code, a composite document containing, among other things, (i) further details on the terms of the Offer; (ii) the recommendation from the Independent Board Committee in respect of the Offer; (iii) the letter from the Independent Financial Adviser in respect of the Offer, together with the acceptance and transfer form, will be despatched to the Shareholders no later than 21 days after the date of this joint announcement unless the Executive grants a consent for extension. Further announcement(s) will be made when the Composite Document is despatched.

The Independent 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 Independent Shareholders as to whether the Offer is, or is not, fair and reasonable and as to the acceptance of the Offer.

## **SUSPENSION AND RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange has been halted with effect from 9:00 a.m., on 20 March 2025 pending the release of an announcement pursuant to the Takeovers Code, which contains inside information of the Company. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 3 April 2025.

## **DISCLOSURE OF DEALINGS**

For the purposes of the Takeovers Code, the offer period of the Offer has commenced on the date of this joint announcement (i.e. 2 April 2025).

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

In accordance with Rule 3.8 of the Takeovers Code, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below:

***“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**

**The Directors make no recommendation as to the fairness or reasonableness of the Offer or as to the acceptance of the Offer in this joint announcement, and strongly recommend the Independent Shareholders not to form a view on the Offer unless and until they have received and read the Composite Document, including the recommendation of the Independent Board Committee to the Independent Shareholders and the letter of advice from the Independent Financial Adviser in respect of the Offer.**

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult a licensed securities dealer or registered institution in securities, a bank manager, solicitor, professional accountant, or other professional advisers.**

## DEFINITIONS

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

“acting in concert”	has the meaning ascribed to it under the Takeovers Code and “concert parties” shall be construed accordingly
“associate”	has the meaning ascribed to it in the Takeovers Code
“Board”	the board of Directors
“Business Day(s)”	a day on which the Stock Exchange is open for transaction of business
“BVI”	the British Virgin Islands
“Charged Offer Shares”	the Offer Shares to be acquired by the Offeror pursuant to the Offer which will be charged to Silverbricks Securities pursuant to the Offer Facility Agreement
“Charged Sale Shares”	the Sale Shares charged to Ultra Accord pursuant to the Sale Shares Facility
“Closing”	completion of the transfer of the Sale Shares pursuant to the Sale and Purchase Agreement
“Closing Date”	the date on which the Closing took place, being 20 March 2025
“Company”	King’s Stone Holdings Group Limited, a company established in the Cayman Islands, the shares of which are listed on the Stock Exchange (stock code: 1943)
“Composite Document”	the composite offer and response document to be jointly issued by the Offeror and the Company to the Independent Shareholders in connection with the Offer in compliance with the Takeovers Code containing, among other things, details of the Offer (accompanied by the form 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 Listing Rules

“Consideration”	HK\$60,000,000, being the consideration payable by the Offeror to the Vendor for the acquisition of the Sale Shares under the Sale and Purchase Agreement
“controlling shareholder(s)”	the meaning ascribed thereto under the Listing Rules
“Directors”	directors of the Company
“Encumbrances”	any mortgage, charge (whether fixed or floating), debenture, pledge, lien, option, right of first refusal, ownership, retention right, equitable interests, third-party right or interest, other security interest of any kind, or obligation which may give rise to any of the above encumbrances (including any conditional obligations)
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any of his delegates
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Huayu Holdings”	Huayu Holdings Limited, a company incorporated in the BVI with limited liability
“Independent Board Committee”	the independent board committee of the Board, comprising all of the non-executive Directors, formed to advise the Independent Shareholders in respect of the Offer
“Independent Financial Adviser”	the independent financial adviser to be appointed for the purpose of advising the Independent Board Committee and the Independent Shareholders as to whether the Offer is, or is not, fair and reasonable, and as to the acceptance of the Offer
“Independent Shareholders”	all Shareholders other than the Offeror and parties acting in concert with it
“Joint Financial Advisers”	Silverbricks Securities and VS Capital, the joint financial advisers to the Offeror
“Last Trading Day”	19 March 2025, being the last trading day of the Shares before the publication of this joint announcement

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Ms. Tang”	Ms. Tang Jingjing, the sole director of the Offeror directly holding 5% of the total issued share capital of the Offeror
“Ms. Zeng”	Ms. Zeng Jingwen, the controlling shareholder of the Offeror directly holding 95% of the total issued share capital of the Offeror
“Offer”	the mandatory unconditional cash offer to be made by Silverbricks Securities for and on behalf of the Offeror to acquire all the issued Shares not already owned and/or agreed to be acquired by the Offeror and parties acting in concert with it in accordance with the Takeovers Code
“Offer Facility Agreement”	the loan facility agreement in relation to the Offer provided by Silverbricks Securities entered into between the Offeror as the borrower and Silverbricks Securities as the lender dated 20 March 2025
“Offer Price”	the price of HK\$0.08 per Offer Share payable by the Offeror to the Shareholders for each Offer Share accepted under the Offer
“Offer Shares”	all the Shares in issue, other than those Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it
“Offeror”	Jianeng Era International Trading Co., Limited, a company incorporated in Hong Kong with limited liability
“Overseas Independent Shareholders”	the Independent Shareholders whose addresses, as shown on the register of members of the Company, are outside Hong Kong
“PRC”	the People’s Republic of China
“Sale and Purchase Agreement”	the agreement for sale and purchase of shares dated 20 March 2025 entered into between the Vendor, the Vendor’s Guarantor and the Offeror in relation to the sale and purchase of the Sale Shares

“Sale Shares”	an aggregate of 750,000,000 Shares acquired by Haiyu Holdings (as the nominee of the Offeror) pursuant to the Sale and Purchase Agreement, which represents 75% of the total issued Shares as at the date of this joint announcement
“Sale Shares Facility”	a loan facility of up to HK\$60,000,000 made available by Ultra Accord to Huayu Holdings for financing the Consideration
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholders”	holders of the Shares
“Shares”	the ordinary shares of HK\$0.01 each in the capital of the Company
“Silverbricks Securities”	Silverbricks Securities Company Limited, a corporation licensed by the SFC to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts) and Type 6 (advising on corporate finance) regulated activities under the SFO, being one of the Joint Financial Advisers to the Offeror and the agent making the Offer for and on behalf of the Offeror
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Code on Takeovers and Mergers issued by the SFC
“Ultra Accord”	Ultra Accord Limited, a company incorporated in Hong Kong with limited liability and a licensed money lender under the Money Lenders Ordinance (Chapter 163 of the laws of Hong Kong)
“Vendor”	Central Force Premium Group Limited, a company incorporated in the BVI with limited liability
“Vendor’s Guarantor” or “Mr. Wang”	Mr. Wang Jianfeng, the chairman of the Board, chief executive officer and an executive Director of the Company



“VS Capital”

VS Capital Limited, a corporation licensed by the SFC to carry out Type 6 (advising on corporate finance) regulated activity under the SFO, being one of the Joint Financial Advisers to the Offeror

“%”

per cent.

By order of the Board  
**Jianeng Era International  
Trading Co., Limited**  
**Tang Jingjing**  
*Sole Director*

By order of the Board  
**King’s Stone Holdings Group Limited**  
**Wang Jianfeng**  
*Chairman, Chief Executive Officer and  
Executive Director*

Hong Kong, 2 April 2025

*As at the date of this joint announcement, the Board comprises Mr. Wang Jianfeng (Chairman and Chief Executive Officer) as executive Director, Mr. Cai Huihui, Ms. Liu Jingna and Mr. Ruan Dongdong as non-executive Directors, and Mr. Wang Wenxing, Mr. An Wen Long and Ms. Florence Ng as independent non-executive Directors.*

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

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

*In the event of any inconsistency, the English text of this joint announcement shall prevail over the Chinese text.*

\* For identification purpose only