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NEW HUO TECHNOLOGY HOLDINGS LIMITED

新火科技控股有限公司

(Incorporated in the British Virgin Islands with limited liability)

(Stock code: 1611)

MAJOR AND CONNECTED TRANSACTIONS: PROPOSED DISPOSAL OF EQUITY INTERESTS IN THE TARGET COMPANIES

MAJOR AND CONNECTED TRANSACTIONS: DISPOSAL OF EQUITY INTERESTS IN THE TARGET COMPANIES

On 25 August 2023 (after trading hours of the Stock Exchange), the Company as Vendor I and Avenir Cayman Holding Limited as the Purchaser entered into the Sale and Purchase Agreement (Solutions), pursuant to which (i) Vendor I has conditionally agreed to sell, and the Purchaser has conditionally agreed to acquire, the Solutions Sale Shares, representing the entire issued share capital of New Huo Solutions, and (ii) Vendor I has conditionally agreed to assign the Solutions Sale Debt to the Purchaser, at the consideration of HK\$205,706,355.00.

On 25 August 2023 (after trading hours of the Stock Exchange), New Huo Digital, a direct wholly-owned subsidiary of the Company, as Vendor II, entered into the Sale and Purchase Agreement (HBTPower), pursuant to which (i) Vendor II has conditionally agreed to sell, and the Purchaser has conditionally agreed to acquire, the HBTPower Sale Shares, representing 80% of the entire issued share capital of HBTPower (BVI) and 80% of the entire issued share capital of HBTPower (US), and (ii) Vendor II has conditionally agreed to assign the HBTPower Sale Debt to the Purchaser, at the consideration of USD 6,624,740.00 (equivalent to approximately HK\$52,002,023.00).

Completion of the Disposal is subject to the conditions precedent as set out in the paragraph headed “Conditions Precedent” of this announcement.

Upon completion of the Disposal, the Target Companies will cease to be subsidiaries of the Company. Accordingly, the financial results of each of the Target Companies will no longer be consolidated into the consolidated financial statements of the Company.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Mr. Li is beneficially interested in approximately 40.47% of the issued shares of the Company and is therefore a controlling shareholder of the Company. As such, Mr. Li is a connected person of the Company under Rule 14A.07 of the Listing Rules. As the Purchaser is ultimately controlled by Mr. Li, the Purchaser is an associate of Mr. Li and therefore a connected person of the Company under Chapter 14A of the Listing Rules. As at the date of this announcement, New Huo Digital is a wholly-owned subsidiary of the Company. Hence, the transactions contemplated under the Sale and Purchase Agreement (HBTPower) and the Sale and Purchase Agreement (Solutions) constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the relevant percentage ratios calculated by reference to Rule 14.07 of the Listing Rules in respect of the Disposal exceed 25% but are less than 75%, (i) the Disposal is subject to the reporting, announcement and Independent Shareholders' approval requirements pursuant to Chapter 14A of the Listing Rules, and (ii) the Disposal constitutes a major transaction for the Company and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

EGM AND DESPATCH OF CIRCULAR

The EGM will be convened for the Independent Shareholders to consider and, if thought fit, approve the Sale and Purchase Agreement (HBTPower) and the Sale and Purchase Agreement (Solutions) and the transactions contemplated thereunder.

The Independent Board Committee has been established to consider the terms of the Disposal and to advise and provide recommendation to the Independent Shareholders as to whether the same are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. Optima Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among other things, (i) details of the Sale and Purchase Agreement (HBTPower) and the Sale and Purchase Agreement (Solutions); (ii) a letter from the Independent Board Committee containing its opinion and recommendations to the Independent Shareholders in respect of the proposed Disposal; (iii) a letter of advice from Optima Capital Limited to the Independent Board Committee and the Independent Shareholders in respect of the proposed Disposal; and (iv) a notice convening the EGM, is expected to be despatched to the Shareholders on or before 15 September 2023.

Completion is conditional upon the satisfaction of the conditions set out in the section headed "Conditions Precedent" in this announcement. Accordingly, the Disposal may or may not proceed. Shareholders and potential investors of the Company are reminded to exercise cautions when dealing in the securities of the Company and, if in any doubt, are recommended to consult their professional adviser(s).

MAJOR AND CONNECTED TRANSACTIONS: DISPOSAL OF EQUITY INTERESTS IN THE TARGET COMPANIES

On 25 August 2023 (after trading hours of the Stock Exchange), the Company as Vendor I and Avenir Cayman Holding Limited as the Purchaser entered into the Sale and Purchase Agreement (Solutions), pursuant to which (i) Vendor I has conditionally agreed to sell, and the Purchaser has conditionally agreed to acquire, the Solutions Sale Shares, representing the entire issued share capital of New Huo Solutions, and (ii) Vendor I has conditionally agreed to assign the Solutions Sale Debt to the Purchaser, at the consideration of HK\$205,706,355.00.

On 25 August 2023 (after trading hours of the Stock Exchange), New Huo Digital, a direct wholly-owned subsidiary of the Company, as Vendor II, entered into the Sale and Purchase Agreement (HBTPower), pursuant to which (i) Vendor II has conditionally agreed to sell, and the Purchaser has conditionally agreed to acquire, the HBTPower Sale Shares, representing 80% of the entire issued share capital of HBTPower (BVI) and 80% of the entire issued share capital of HBTPower (US), and (ii) Vendor II has conditionally agreed to assign the HBTPower Sale Debt to the Purchaser, at the consideration of USD 6,624,740.00 (equivalent to approximately HK\$52,002,023.00).

PRINCIPAL TERMS OF THE SALE AND PURCHASE AGREEMENTS

The principal terms of the Sale and Purchase Agreement (Solutions) are set out below:

Date	:	25 August 2023
Parties	:	(1) The Company as Vendor I; and (2) The Purchaser.
Subject matter	:	The Company has conditionally agreed to sell and the Purchaser has conditionally agreed to acquire the Solutions Sale Shares, representing 100% equity interest in New Huo Solutions. Further, the Company has conditionally agreed to assign and the Purchaser has conditionally agreed to acquire the Solutions Sale Debt.

Consideration : The consideration shall be HK\$205,706,355.00), which was determined after arm's length negotiations between Vendor I and the Purchaser on normal commercial terms with reference to, among others, (i) the appraised fair value of New Huo Solutions of approximately HK\$201,966,000.00 as at 31 March 2023, being the sum of the fair value of 100% equity interest and the amount due to related companies in New Huo Solutions, by adopting the cost approach, as appraised by an independent third party valuer; (ii) the financial position of New Huo Solutions; (iii) the business prospect of New Huo Solutions; and (iv) the factors set out in the section headed "Reasons for and benefits of the Disposal" in this announcement.

The consideration will be payable by the Purchaser to the Company in cash, by set-off or other way as agreed by both parties upon completion of the Sale and Purchase Agreement (Solutions).

The principal terms of the Sale and Purchase Agreement (HBTPower) are set out below:

Date : 25 August 2023

Parties : (1) New Huo Digital as Vendor II; and
(2) The Purchaser.

Subject matter : Vendor II has conditionally agreed to sell and the Purchaser has conditionally agreed to acquire (i) 80% equity interest in HBTPower (BVI) and (ii) 80% equity interest in HBTPower (US). Further, Vendor II has conditionally agreed to assign and the Purchaser has conditionally agreed to acquire the HBTPower Sale Debt.

Consideration : The consideration for 80% equity interest in HBTPower (BVI) and HBTPower (US) shall be USD 6,624,740.00 (equivalent to approximately HK\$52,002,023.00), which was determined after arm's length negotiations between Vendor II and the Purchaser on normal commercial terms with reference to, among others, (i) the appraised fair value of HBTPower (BVI) and HBTPower (US) in the aggregate value of HK\$42,840,000.00 as at 31 March 2023, being the sum of the fair value of 80% equity interest and the amount due to the related companies in HBTPower (BVI), and 80% equity interest in HBTPower (US), by adopting the cost approach, as appraised by an independent third party valuer; (ii) the financial positions of HBTPower (BVI) and HBTPower (US); (iii) the business prospect of HBTPower (BVI) and HBTPower (US); and (iv) the factors set out in the section headed "Reasons for and benefits of the Disposal" in this announcement.

The consideration will be payable by the Purchaser to the Company in cash, by set-off or other way as agreed by both parties upon completion of the Sale and Purchase Agreement (HBTPower).

Conditions Precedent

Completion of each of transactions under the Disposal is conditional upon:

- (a) the passing of the necessary resolutions by the board of the Vendors and the Purchaser approving the agreement and all other transactions contemplated thereunder;
- (b) the representation, warranties and/or undertakings given by the Vendors and Purchaser under the agreement shall remain true, accurate and not misleading in all material respects throughout the period from the date of the agreement to the Completion Date, and there having been no breach by any party of the agreement;
- (c) all requisite approvals, consents and waivers required to be obtained by each of the Vendors, the Purchaser and each of the Target Companies in respect of the entering into of the agreement and the implementation of the transactions contemplated thereunder having been obtained and remaining in full force and effect, with full compliance of all applicable laws and regulations (including but not limited to the Listing Rules); and

- (d) the passing of the ordinary resolution(s) to approve the agreement and the transactions contemplated thereunder by the Independent Shareholders at the EGM to be convened and held in accordance with the Listing Rules and the applicable laws and regulations and such approval remaining valid and effective and not being subsequently revoked prior to completion.

Condition (b) may be waived by the Vendors and/or the Purchaser (as the case may be) at their absolute discretion in writing to the other party.

If any of the conditions precedent set out above is not fulfilled or otherwise waived (where applicable) on or before the Long Stop Date, the Sale and Purchase Agreement(s) shall automatically cease and terminate (other than in respect of surviving provisions as set out therein).

Completion

Completion of the Sale and Purchase Agreements shall take place on a date falling on the 5th Business Day upon the fulfilment (or the waiver, as the case may be) of the conditions precedent referred to above and shall not be later than the Long Stop Date.

Upon Completion, the Group will cease to hold any interests in the Target Companies and each of the Target Companies will cease to be a subsidiary of the Company. Accordingly, the financial results of each of the Target Companies will no longer be consolidated into the consolidated financial statements of the Group.

INFORMATION OF THE COMPANY AND THE VENDORS

The Company (Vendor I) is an investment holding company and the Group is principally engaged in the provision of technology solution services, a variety of services in virtual asset ecosystem, such as asset management, trust and custodian businesses and cryptocurrency trading.

New Huo Digital (Vendor II) is a company incorporated in Hong Kong and a direct wholly-owned subsidiary of the Company. It is primarily engaged in investment holding.

INFORMATION OF THE PURCHASER

The Purchaser is a company incorporated in the Cayman Islands and is primarily engaged in investment holding. As the Purchaser is ultimately controlled by Mr. Li, the Purchaser is an associate of Mr. Li and therefore a connected person of the Company under Chapter 14A of the Listing Rules.

INFORMATION OF THE TARGET COMPANIES

New Huo Solutions

New Huo Solutions is a company incorporated in Hong Kong and is primarily engaged in investment holding. As at the date of this announcement, New Huo Solutions holds 50% partnership interest in the New World Fund, 100% partnership interest in the New Era Fund and 96.61% partnership interest in Multi Strategy SP.

Set out below is the audited financial information of New Huo Solutions for the two financial years ended 30 September 2021 and 2022, and the unaudited financial information for the six months ended 31 March 2023:

	For the six months ended 31 March 2023	For the year ended 30 September	
	<i>HK\$'000</i>	<i>2022</i>	<i>2021</i>
	(unaudited)	(audited)	(audited)
Net assets/(liabilities)	4,293	(3,693)	(456)
Profit/(Loss) before tax	12,493	(27,628)	(447)
Profit/(Loss) after tax	12,493	(27,628)	(447)

The appraised net asset value of New Huo Solutions as at 31 March 2023 was approximately HK\$(3,448,000.00), which shows no economic value. According to the valuation report prepared by an independent third party valuer, the sum of the fair value of 100% equity interest and the amount due to related companies in New Huo Solutions, by adopting the cost approach, was HK\$201,966,000.00.

HBTPower (BVI)

HBTPower (BVI) is a company incorporated in the British Virgin Islands and is primarily engaged in cryptocurrency mining business in the United States.

Set out below is the unaudited financial information of HBTPower (BVI) for the period from 29 April 2022, the registration date, to 30 September 2022, and the unaudited financial information for the six months ended 31 March 2023:

	For the six months ended 31 March 2023	For the period from 29 April 2022 to 30 September 2022
	<i>HK\$'000</i> (unaudited)	<i>HK\$'000</i> (unaudited)
Net assets/(liabilities)	3,237	(5,803)
Loss before tax	(7,447)	(5,803)
Loss after tax	(7,447)	(5,803)

The net asset value of HBTPower (BVI) as at 31 March 2023 was approximately HK\$3,237,000.00. According to the valuation report prepared by an independent third party valuer, the sum of the fair value of 80% equity interest and the amount due to the related companies in HBTPower (BVI), by adopting the cost approach, was HK\$42,840,000.00.

HBTPower (US)

HBTPower (US) is a company incorporated in the United States and is in the set-up stage without any operating business.

Set out below is the unaudited financial information of HBTPower (US) for the period from 27 May 2022, the registration date, to 30 September 2022, and the unaudited financial information for the six months ended 31 March 2023:

	For the six months ended 31 March 2023	For the period from 25 May 2022 to 30 September 2022
	<i>USD</i> (unaudited)	<i>USD</i> (unaudited)
Net liabilities	(1,250)	(1,250)
Loss before tax	–	(1,250)
Loss after tax	–	(1,250)

The net asset value of HBTPower (US) as at 31 March 2023 was approximately USD(1,250.00) (equivalent to approximately HK\$(9,812.00)). According to the valuation report prepared by an independent third party valuer, the fair value of 80% equity interest in HBTPower (US) as at 31 March 2023 was approximately USD(1,000.00) (equivalent to approximately HK\$(7,850.00), which shows no economic value).

FINANCIAL EFFECT OF THE DISPOSAL AND THE INTENDED USE OF PROCEEDS

Upon completion of the disposal of Target Companies, (i) the Group is expected to recognise an unaudited gain of approximately HK\$4.51 million, representing the difference between the total consideration of approximately HK\$257.71 million, the net asset value of the Target Companies of approximately HK\$6.88 million, assignment of HBTPower Sale Debt and Solutions Sale Debt of approximately HK\$245.66 million as at 31 March 2023 after deducting all estimated costs and expenses relating to the Disposal. The actual gain or loss in connection with the Disposal will be assessed after completion and is subject to the review and audit by the auditors of the Company; and (ii) the total assets of the Group will be reduced by approximately HK\$268.68 million, and the total liabilities will be reduced by approximately HK\$272.54 million.

Upon completion of the Disposal, the Target Companies will cease to be subsidiaries of the Company. Accordingly, the financial results of each of the Target Companies will no longer be consolidated into the consolidated financial statements of the Company. Net proceeds from the Disposal, after deducting the administrative and external expenses, are estimated to be approximately HK\$257.06 million. The Company intends to use the net proceeds from the Disposal to settle liabilities of the Group. The consideration payable will be in cash, by set-off or other way as agreed by the parties.

REASONS FOR AND BENEFITS OF THE DISPOSAL

New Huo Solutions is principally engaged in the cryptocurrency funds and financial assets investments, and HBTPower (BVI) and HBTPower (US) are principally engaged in cryptocurrency mining business in the United States.

For the year ended 30 September 2022, the Target Companies recorded a net loss of approximately HK\$33.43 million. For the six months ended 31 March 2023, the Target Companies recorded a net profit of approximately HK\$5.05 million including the exchange gain of approximately HK\$3.59 million, and the Target Companies had no revenues for the respective periods. The aggregate net losses in the past years from the Target Companies are mainly attributable to (i) the net costs and expenses in the mining business in the United States of HBTPower (BVI), which is still in the set-up stage and has not started operation; and (ii) the global economy downturn and ongoing bear market in virtual assets, causing a negative return recorded by the crypto funds of New Huo Solutions.

The Group has an unhealthy increase in its gearing ratio. The gearing ratio as at 31 March 2023, 30 September 2022 and 30 September 2021 were approximately -660.1%, 317.5% and 105.7% respectively. The Group is undergoing a subscription of new shares under specific mandate where part of the funds raised of approximately HK\$235 million will be used to repay the outstanding loans of the Company. Further, due to the change in business focus and planning, the Group intends to focus its business on the Multi-Party Computation (the “MPC”) self-custody service platform in future. The Group intends to dispose the cryptocurrency mining related business and Funds to Mr. Li and settle part of the outstanding loans due and owing to Mr. Li. It is expected that the outstanding loans of approximately HK\$257.06 million will be settled after the Disposal.

The Directors consider that the remaining business of the Group after the Disposal, including cryptocurrency trading, provision of technology solution services and provision of asset management services through the licensed corporation in Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the Securities and Futures Ordinance, has constituted the major source of revenue for the Group from 2022. The Group expected that the above restructuring can reduce the debt burden and allow the Group to focus its resources on other core business given the current financial position. The Group expected that the Disposal will not have a material effect on the Group’s business operation.

Having taken into account the above factors, the Directors (excluding Mr. Li who has material interest in the transaction and does not express his opinion) are of the view that the Disposal is carried out on normal commercial terms, fair and reasonable and in the interest of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Mr. Li is beneficially interested in approximately 40.47% of the issued shares of the Company and is therefore a controlling shareholder of the Company. As such, Mr. Li is a connected person of the Company under Rule 14A.07 of the Listing Rules. As the Purchaser is ultimately controlled by Mr. Li, the Purchaser is an associate of Mr. Li and therefore a connected person of the Company under Chapter 14A of the Listing Rules. As at the date of this announcement, New Huo Digital is a wholly-owned subsidiary of the Company. Hence, the transactions contemplated under the Sale and Purchase Agreement (HBTPower) and the Sale and Purchase Agreement (Solutions) constitute connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the relevant percentage ratios calculated by reference to Rule 14.07 of the Listing Rules in respect of the Disposal exceed 25% but are less than 75%, (i) the Disposal is subject to the reporting, announcement and Independent Shareholders' approval requirements pursuant to Chapter 14A of the Listing Rules, and (ii) the Disposal constitutes a major transaction for the Company and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

As Mr. Li is considered to have a material interest in the Disposal, he had abstained from voting on the Board resolution(s) of the Company to approve the Disposal.

In accordance with Rule 14A.36 of the Listing Rules, Mr. Li and his associates will be required to abstain from voting on the resolution(s) to approve the Disposal and the transactions contemplated thereunder at the EGM. Save as disclosed above, to the best of the knowledge, information and belief of the Directors, other than Mr. Li, no other Shareholder has a material interest in the transactions contemplated under the Disposal and will be required to abstain from voting on the resolution(s) to approve the Disposal and the transactions contemplated thereunder at the EGM.

EGM AND DESPATCH OF THE CIRCULAR

The EGM will be convened for the Independent Shareholders to consider and, if thought fit, approve the Sale and Purchase Agreement (HBTPower) and the Sale and Purchase Agreement (Solutions) and the transactions contemplated thereunder.

The Independent Board Committee has been established to consider the terms of the Disposal and to advise and provide recommendation to the Independent Shareholders as to whether the same are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. Optima Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among other things, (i) details of the Sale and Purchase Agreement (HBTPower) and the Sale and Purchase Agreement (Solutions); (ii) a letter from the Independent Board Committee containing its opinion and recommendations to the Independent Shareholders in respect of the proposed Disposal; (iii) a letter of advice from Optima Capital Limited to the Independent Board Committee and the Independent Shareholders in respect of the proposed Disposal; and (iv) a notice convening the EGM, is expected to be despatched to the Shareholders on or before 15 September 2023.

Completion is conditional upon the satisfaction of the conditions set out in the section headed “Conditions Precedent” in this announcement. Accordingly, the Disposal may or may not proceed. Shareholders and potential investors of the Company are reminded to exercise cautions when dealing in the securities of the Company and, if in any doubt, are recommended to consult their professional adviser(s).

DEFINITIONS

“Board”	the board of Directors
“Business Day”	a day (other than any Saturday or Sunday) on which banks in Hong Kong are open to general public for business
“Company”	New Huo Technology Holdings Limited, a company incorporated in the British Virgin Islands with limited liability, the issued Shares of which are listed on the main board of the Stock Exchange
“connected persons”	has the meaning as ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the HBTPower Sale Shares and Solutions Sale Shares by the Group to the Purchaser pursuant to the terms and conditions of the Sale and Purchase Agreement (HBTPower) and the Sale and Purchase Agreement (Solutions)
“EGM”	the extraordinary general meeting of the Company to be convened and held to consider and, if thought fit, approve the Disposal
“Funds”	collectively, the New Era Fund, New World Fund and Multi Strategy SP
“Group”	the Company and its subsidiaries

“HBTPower (BVI)”	HBTPower Limited, a company incorporated in the British Virgin Islands, an indirect non-wholly owned subsidiary of the Company
“HBTPower (US)”	HBTPower Inc., a company incorporated in the United States, an indirect non-wholly owned subsidiary of the Company
“HBTPower Sale Debt”	the amount, whether principal or interest, owing by HBTPower (BVI) and HBTPower (US) to Vendor II immediately before completion of the Sale and Purchase Agreement (HBTPower)
“HBTPower Sale Shares”	80% of the entire issued share capital of HBTPower (BVI) and 80% of the entire issued share capital of HBTPower (US)
“HKD”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	an independent committee of the Board comprising all the independent non-executive Directors
“Independent Financial Adviser”	Optima Capital Limited, a licensed corporation to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the Disposal
“Independent Shareholders”	Shareholder(s) other than those who are required under the Listing Rules to abstain from voting on the resolution(s) to be proposed at the EGM
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and the connected persons of the Company in accordance with the Listing Rules

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	31 December 2023 or such other date as may be agreed between the parties to the Sale and Purchase Agreements in writing
“Mr. Li”	Mr. Li Lin, the chairman of the Board, a non-executive Director and a controlling shareholder of the Company
“Multi Strategy SP”	Multi Strategy Crypto Fund SP, a segregated portfolio of a fund established under the laws of Cayman Islands
“New Era Fund”	New Era Pioneer Mining Fund 1 LPF, a Hong Kong limited partnership fund registered under the Limited Partnership Fund Ordinance (Cap. 637 of the laws of Hong Kong)
“New Huo Asset Management”	New Huo Asset Management (Hong Kong) Limited, a company incorporated in Hong Kong and a licensed corporation for carrying on businesses in Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the Securities and Futures Ordinance, and an indirect wholly-owned subsidiary of the Company
“New Huo Digital”	New Huo Digital Limited, a company incorporated in Hong Kong and a direct wholly-owned subsidiary of the Company
“New Huo Solutions”	New Huo Solutions Limited, a company incorporated in Hong Kong and a direct wholly-owned subsidiary of the Company
“New World Fund”	New World Pioneer Mining Fund 1 LPF, a Hong Kong limited partnership fund registered under the Limited Partnership Fund Ordinance (Cap. 637 of the laws of Hong Kong)
“Purchaser”	Avenir Cayman Holding Limited, a company incorporated in the Cayman Islands, the ultimate beneficial owner of which is Mr. Li

“Sale and Purchase Agreement (HBTPower)”	the agreement entered into on 25 August 2023 (after trading hours of the Stock Exchange) between Vendor II as the vendor and the Purchaser as the purchaser in relation to the sale and purchase of the HBTPower Sale Shares
“Sale and Purchase Agreement (Solutions)”	the agreement entered into on 25 August 2023 (after trading hours of the Stock Exchange) between Vendor I as the vendor and the Purchaser as the purchaser in relation to the sale and purchase of the Solutions Sale Shares
“Sale and Purchase Agreements”	collectively, the Sale and Purchase Agreement (HBTPower) and Sale and Purchase Agreement (Solutions)
“Share(s)”	ordinary share(s) of nominal value of HK\$0.001 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Solutions Sale Debt”	the amount, whether principal or interest, owing by New Huo Solutions to Vendor I immediately before completion of the Sale and Purchase Agreement (Solutions)
“Solutions Sale Shares”	the entire issued share capital of New Huo Solutions
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Companies”	collectively, New Huo Solutions, HBTPower (US) and HBTPower (BVI)
“Vendor I”	the Company
“Vendor II”	New Huo Digital
“Vendors”	collectively, Vendor I and Vendor II
“%”	per cent

For the purpose of this announcement, the exchange rate of US\$1.00 = HK\$7.84967 have been used for currency conversion, where applicable. Such an exchange rate is for illustrative purposes and does not constitute representations that any amount in HK\$ or USD has been, could have been or may be converted at such a rate.

By Order of the Board
NEW HUO TECHNOLOGY HOLDINGS LIMITED
Du Jun
Executive Director

Hong Kong, 25 August 2023

As at the date of this announcement, the Board comprises (1) Mr. Li Lin as a non-executive Director; (2) Mr. Du Jun and Ms. Zhang Li as executive Directors; and (3) Mr. Yu Chun Kit, Mr. Yip Wai Ming and Dr. LAM, Lee G., BBS, JP as independent non-executive Directors.