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CHINA BRILLIANT GLOBAL LIMITED

朗華國際集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8026)

DISCLOSEABLE TRANSACTION DISPOSAL OF 6% SHAREHOLDING IN HONG KONG NET TV LIMITED

THE DISPOSAL

The Board is pleased to announce that on 17 January 2020, Prosten Development Limited (“**Prosten Development**”), a wholly-owned subsidiary of the Company, and the purchaser, Join Gold Limited (“**Join Gold**”), entered into the Disposal Agreement, pursuant to which Prosten Development agreed to sell, and Join Gold agreed to acquire, the Disposed Shares representing 100% of issued share capital of Meteor Storm Holdings Limited (“**Meteor Storm**”).

Hong Kong NET TV Limited (the “**Target Company**”) was owned as to 6% by Meteor Storm immediately prior to Completion. Completion has taken place immediately after the signing of the Disposal Agreement and the Meteor Storm and the Target Company have ceased to be an indirectly wholly-owned subsidiary and an investment of the Company, respectively, since then.

IMPLICATIONS UNDER THE GEM LISTING RULES

As the relevant percentage ratio (as defined in the GEM Listing Rules) in respect of the transaction(s) contemplated under the SPA exceed 5% but are less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules.

Reference is made to the announcement of China Brilliant Global Limited (the “**Company**”) dated 23 October 2015 (the “**Announcement**”) and 28 March 2018 in relation to the acquisition of 6% shareholding in Hong Kong Net TV Limited (the “**Target Company**”) which constituted a discloseable transaction for the Company. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

The principal terms of the Disposal Agreement are set out below:

THE DISPOSAL AGREEMENT

Date

17 January 2020

Parties

Vendor: Prosten Development Limited (“**Prosten Development**”), a wholly-owned subsidiary of the Company

Purchaser: Join Gold Limited (“**Join Gold**”)

Immediately prior to Completion, the Target Company was an investment indirectly held by the Company and Prosten Development which was owned as to 6% directly by Meteor Storm.

Assets disposed of

Prosten Development agreed to sell, and Join Gold agreed to acquire, the Disposed Shares at the aggregate Consideration of HK\$15,100,000. The Disposed Shares represent 100% of the issued share capital of the Meteor Storm.

Consideration and Payment Term

The aggregate consideration for the sale and purchase of the Disposed Shares shall be HK\$15,100,000 which shall be satisfied in the following manner:

- (1) Within seven (7) business days upon signing of the Disposal Agreement, the Purchaser shall pay HK\$6,000,000 as deposit to the Company (or as directed by the Company in writing) in a lump sum in cheque or in immediately available funds by electronic transfer to the Company’s bank account.
- (2) Within seven (7) business days upon Completion, the Purchaser shall pay the remaining HK\$9,100,000 to the Company (or as directed by the Company in writing) in a lump sum in cheque or in immediately available funds by electronic transfer to the Company’s bank account.

Completion

The Disposal Agreement is unconditional and Completion has taken place immediately after the signing of the Disposal Agreement. Upon Completion, Meteor Storm and the Target Company has ceased to be an indirectly wholly subsidiary and an investment of the Company, respectively.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Group is principally engaged in trading, distribution and manufacturing of medical, pharmaceutical and healthcare food products; design, research, development, wholesale and retail of jewelry and luxury goods; and provision of financial services, including money lending services.

As mentioned in the announcement of the Company made on 28 March 2018, the Company is aimed as disposed the Disposed Shares at a price higher than the original unit Purchase Price to generate investment return.

The actual amount of gain or loss as a result of the Disposal to be recorded by the Company will be subject to review and final audit by the auditors of the Company.

It is expected that the net proceeds from the Disposal will be used as general working capital of the Group.

The terms of the Disposal Agreement were determined after arm's length negotiations between the Company and Join Gold. In light of the reasons above, the Directors (including the independent non-executive Directors) are of the view that the Disposal is in the interests of the Company and that the terms of the Disposal Agreement are fair and reasonable and in the interests of the Shareholders as a whole. The Disposal has been approved by the Board. As none of the Directors had material interests in the Disposal Agreement, no Director was required to abstain from voting on the resolutions approving the Disposal Agreement and the transactions contemplated thereunder.

The Group will continue to seek business and investment opportunities with a view to providing growth potential of the Group and bringing higher returns to the Shareholders.

IMPLICATIONS UNDER THE GEM LISTING RULES

As the relevant percentage ratio (as defined in the GEM Listing Rules) in respect of the transaction(s) contemplated under the SPA exceed 5% but are less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules.

DEFINITIONS

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

- “Announcement” means the Company’s announcement released on 23 October 2015;
- “Company” means China Brilliant Global Limited (朗華國際集團有限公司), a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM (stock code: 8026);
- “Completion” means completion of the disposal in accordance with the terms and conditions of the Disposal Agreement;
- “Disposal” means the proposed disposal of the shares of Meteor Storm pursuant to the terms and conditions of the Disposal Agreement;
- “Disposal Agreement” means the sale and purchase agreement dated 17 January 2020 entered into between Prosten Development and Join Gold in relation to the Disposal;
- “Disposed Shares” means 100% issued share capital of Meteor Storm held by Prosten Development;
- “Join Gold” means Join Gold Limited, a company incorporated in Hong Kong;
- “Prosten Development” means Prosten Development Limited, a company incorporated in the British Virgin Islands.

By Order of the Board
China Brilliant Global Limited
Zhang Chunhua
Chairman and Executive Director

Hong Kong, 17 January 2020

As at the date of this announcement, the Board comprises the following directors:

Mr. Zhang Chunhua (Executive Director (Chairman))

Ms. Chung Elizabeth Ching Yee (Executive Director and Chief Executive Officer)

Ms. Zhang Chunping (Executive Director)

Ms. Chan Mei Yan Hidy (Independent Non-executive Director)

Mr. Kwan Chi Hong (Independent Non-executive Director)

Ms. Lee Kwun Ling, May Jean (Independent Non-executive Director)

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the Stock Exchange's website at www.hkexnews.hk and the GEM website at www.hkgem.com and in the case of this announcement, on the "Latest Company Announcements" page for at least seven days from the date of its posting. This announcement will also be published on the Company's website at www.cbg.com.hk.