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Jimu Group Holdings Limited
(Incorporated in the BVI with limited liability)

EVER SMART INTERNATIONAL HOLDINGS LIMITED
永駿國際控股有限公司
(Incorporated in the Cayman Islands with limited liability)
Stock Code : 8187

JOINT ANNOUNCEMENT

(1) ACQUISITION OF SALE SHARES IN EVER SMART INTERNATIONAL HOLDINGS LIMITED BY JIMU GROUP HOLDINGS LIMITED;

(2) MANDATORY UNCONDITIONAL CASH OFFER BY

 **KINGSTON SECURITIES**

**FOR AND ON BEHALF OF
JIMU GROUP HOLDINGS LIMITED
FOR ALL THE ISSUED SHARES IN
EVER SMART INTERNATIONAL HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED
OR AGREED TO BE ACQUIRED
BY JIMU GROUP HOLDINGS LIMITED
AND PARTIES ACTING IN CONCERT WITH IT);**

AND

(3) RESUMPTION OF TRADING

Joint financial advisers to the Offeror

 **KINGSTON CORPORATE FINANCE**

VEDA | CAPITAL
智 略 資 本

THE SALE AND PURCHASE AGREEMENT

The Company was informed by the Vendor that on 10 October 2017 (after trading hours of the Stock Exchange), the Vendor entered into the Sale and Purchase Agreement with the Offeror and the Covenantor, pursuant to which the Offeror agreed to acquire and the Vendor has agreed to sell 350,400,000 Shares, representing 73.00% equity interest in the Company as at the date of this joint announcement for the Consideration of HK\$292,794,240, equivalent to HK\$0.8356 per Sale Share, which was agreed between the Offeror and the Vendor after arm's length negotiations. Completion took place on 11 October 2017.

As a result of the Completion, the Offeror acquired 50% or more of the voting rights of the Company and has therefore incurred an obligation to make an unconditional mandatory offer under the Takeovers Code for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it).

MANDATORY UNCONDITIONAL CASH OFFER

Prior to Completion, the Offeror and parties acting in concert with it did not own any Shares, convertible securities, options, warrants or derivatives in the Company. Immediately after Completion and as at the date of this joint announcement, the Offeror and parties acting in concert with it own 350,400,000 Shares, representing 73.00% of the total issued share capital of the Company. 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 Shares already owned by or agreed to be acquired by the Offeror and parties acting in concert with it). The Offer is unconditional in all respects.

As at the date of this joint announcement, there are no outstanding warrants, options, derivatives or securities convertible into Shares and the Company has not entered into any agreement for the issue of such securities, options, derivatives or warrants of the Company.

Kingston Securities will, for and on behalf of the Offeror, make the Offer for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it) on terms to be set out in the offer document or, as the case may be, the Composite Document in accordance with the Takeovers Code on the following basis:

The Offer:

For each Offer Share HK\$0.8356 in cash

The Offer Price of HK\$0.8356 per Offer Share under the Offer is the same as the purchase price per Sale Share paid by the Offeror under the Sale and Purchase Agreement. The Offer Shares to be acquired under the Offer shall be fully paid and shall be acquired free from all liens, claims, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights attached thereto as at the date on which the Offer is made or subsequently becoming attached to them, including the right to receive in full all dividends and other distributions, if any, declared, paid or made on or after the date of despatch of the offer document or, as the case may be, the Composite Document.

The principal terms of the Offer are set out under the section headed “Mandatory unconditional cash offer” below.

The Undertaking

On 11 October 2017, Asia Matrix and Mr. Ho have irrevocably undertaken to the Offeror that Asia Matrix will (i) not dispose of, and/or not to pledge to any other parties and/or not to transfer and/or otherwise make 9,600,000 Shares (representing 2.00% of the total issued share capital of the Company as at the date of this joint announcement) available for acceptance for the Offer; and (ii) not to accept the Offer in respect of these 9,600,000 Shares.

FINANCIAL RESOURCES AVAILABLE TO THE OFFEROR

As at the date of this joint announcement, there are 480,000,000 Shares in issue. Save for 350,400,000 Shares that are already owned by the Offeror and parties acting in concert with it and 9,600,000 Shares held by Asia Matrix which are subject to the Undertaking, a total of 120,000,000 Shares will be subject to the Offer.

Assuming full acceptance of the Offer, the cash consideration payable by the Offeror at the Offer Price of HK\$0.8356 per Share will amount to HK\$100,272,000. The Offeror intends to fund the aggregate value of the Offer by the Facility granted by Kingston Securities for the purpose of financing the Offer.

Kingston Corporate Finance and Veda Capital, being the joint financial advisers to the Offeror in respect of the Offer, are satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer.

INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprising all the independent non-executive Directors, namely Mr. Yuen Poi Lam William, Mr. Lu Tak Ming and Mr. Liu Chun Kit has been established to advise the Independent Shareholders as to whether the Offer is fair and reasonable and as to its acceptance.

The Independent Financial Adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the Offer, 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 upon the appointment of the Independent Financial Adviser.

DESPATCH OF COMPOSITE DOCUMENT

The Offeror and the Company intend to combine the offer document and the offeree board circular into a composite document which contains amongst others, details of the Offer, accompanied by the relevant form of acceptance and transfer, and incorporating the recommendation from the Independent Board Committee and the advice letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Offer. Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document is required to be despatched within 21 days of the date of this joint announcement. The Composite Document is expected to be despatched to the Shareholders on or before 10 November 2017.

SUSPENSION AND RESUMPTION OF TRADING IN THE SHARES

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on 11 October 2017 pending the publication of this joint announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 23 October 2017.

WARNING

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

This joint announcement is made by the Company and the Offeror pursuant to the Takeovers Code, and (in the case of the Company) pursuant to Rule 17.10 of the GEM Listing Rules and the Inside Information Provisions (as defined in the GEM Listing Rules) under Part XIVA of the SFO.

Reference is made to the Company's announcement dated 29 September 2017.

The Company was informed by the Vendor that on 10 October 2017 (after trading hours of the Stock Exchange), the Vendor entered into the Sale and Purchase Agreement with the Offeror and the Covenantor, pursuant to which the Offeror has agreed to acquire and the Vendor has agreed to sell 350,400,000 Shares, representing 73.00% equity interest in the Company as at the date of this joint announcement for the Consideration of HK\$292,794,240, equivalent to HK\$0.8356 per Sale Share, which was agreed between the Offeror and the Vendor after arm's length negotiations. Completion took place on 11 October 2017.

THE SALE AND PURCHASE AGREEMENT

Date: 10 October 2017

Parties:

Offeror : Jimu Group Holdings Limited

To the best of the Directors' information and belief having made all reasonable enquiries, immediately before entering into the Sale and Purchase Agreement, the Offeror and its ultimate beneficial owners were third parties independent of the Company and its connected persons and not a party acting in concert with any of them

Vendor : Asia Matrix Investments Limited, which is legally and beneficially wholly-owned by Mr. Ho

Immediately prior to Completion, the Vendor was beneficially interested in 360,000,000 Shares, representing 75.00% of the entire issued share capital of the Company

Covenantor : Mr. Ho, being the sole beneficial owner of the Vendor, has agreed to guarantee the due and punctual performance by the Vendor of its obligations under the Sale and Purchase Agreement

The Sale Shares

The Sale Shares comprise a total of 350,400,000 Shares, representing 73.00% of the total issued share capital of the Company as at the date of this joint announcement. The Sale Shares were acquired by the Offeror free from any encumbrance and together with all rights attached and accrued to them at the date of the Sale and Purchase Agreement including all rights to any dividend or other distribution declared, made or paid on or after the date of the Sale and Purchase Agreement.

The Undertaking

On 11 October 2017, Asia Matrix and Mr. Ho have irrevocably undertaken to the Offeror that Asia Matrix will (i) not dispose of, and/or not to pledge to any other parties and/or not to transfer and/or otherwise make 9,600,000 Shares (representing 2.00% of the total issued share capital of the Company as at the date of this joint announcement) available for acceptance for the Offer; and (ii) not to accept the Offer in respect of these 9,600,000 Shares.

Completion

Completion took place on 11 October 2017.

MANDATORY UNCONDITIONAL CASH OFFER

Prior to Completion, the Offeror and parties acting in concert with it did not own any Shares, convertible securities, options, warrants or derivatives in the Company. Immediately after Completion and as at the date of this joint announcement, the Offeror and parties acting in concert with it own 350,400,000 Shares, representing 73.00% of the total issued share capital of the Company. 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 by or agreed to be acquired by the Offeror and parties acting in concert with it). The Offer is unconditional in all respects.

As at the date of this joint announcement, there are no outstanding warrants, options, derivatives or securities convertible into Shares and the Company has not entered into any agreement for the issue of such securities, options, derivatives or warrants of the Company.

Principal terms of the Offer

Kingston Securities will, for and on behalf of the Offeror, make the Offer for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it) on terms to be set out in the offer document or, as the case may be, the Composite Document in accordance with the Takeovers Code on the following basis:

The Offer:

For each Offer Share HK\$0.8356 in cash

The Offer Price of HK\$0.8356 per Offer Share under the Offer is the same as the purchase price per Sale Share paid by the Offeror under the Sale and Purchase Agreement. The Offer Shares to be acquired under the Offer shall be fully paid and shall be acquired free from all liens, claims, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights attached thereto as at the date on which the Offer is made or subsequently becoming attached to them, including the right to receive in full all dividends and other distributions, if any, declared, paid or made on or after the date of despatch of the offer document or, as the case may be, the Composite Document.

Comparison of value

The Offer Price of HK\$0.8356 per Offer Share represents:

- (i) a premium of approximately 12.92% over the closing price of HK\$0.74 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a premium of approximately 23.98% over the average closing price of the Shares as quoted on the Stock Exchange for the 5 consecutive trading days up to and including the Last Trading Day of HK\$0.674 per Share;

- (iii) a premium of approximately 38.80% over the average closing price of the Shares as quoted on the Stock Exchange for the 10 consecutive trading days up to and including the Last Trading Day of approximately HK\$0.602 per Share;
- (iv) a premium of approximately 74.81% over the average closing price of the Shares as quoted on the Stock Exchange for the 30 consecutive trading days up to and including the Last Trading Day of approximately HK\$0.478 per Share;
- (v) a premium of approximately 735.60% over the unaudited consolidated net asset value attributable to owners of the Company of approximately HK\$0.1 per Share (based on the number of issued Shares as at the date of this joint announcement) as at 30 June 2017, the date to which the latest published unaudited financial results of the Group were made up.

Highest and lowest Share prices

During the six-month period preceding the Last Trading Day:

- (i) the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.76 per Share on 9 October 2017; and
- (ii) the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.26 per Share on 14 July 2017 and 14 August 2017.

Total value of the Offer

As at the date of this joint announcement, there are 480,000,000 Shares in issue.

Assuming that there is no change in the issued share capital of the Company prior to the close of the Offer, there would be 480,000,000 Shares in issue. On the basis of the Offer Price at HK\$0.8356 per Share, the entire issued share capital of the Company would be valued at approximately HK\$401,088,000.

Save for 350,400,000 Shares that are already owned by the Offeror and parties acting in concert with it and 9,600,000 Shares held by Asia Matrix which are subject to the Undertaking, a total of 120,000,000 Shares will be subject to the Offer. Based on the Offer Price of HK\$0.8356 per Offer Share and a total of 120,000,000 Offer Shares (assuming there is no change in the total number of issued Shares from the date of this joint announcement up to the making of the Offer), the value of the Offer will amount to HK\$100,272,000.

Financial resources available to the Offeror

As at the date of this joint announcement, there are 480,000,000 Shares in issue. Save for 350,400,000 Shares that are already owned or agreed to be acquired by the Offeror and parties acting in concert with it and 9,600,000 Shares held by Asia Matrix which are subject to the Undertaking, a total of 120,000,000 Shares will be subject to the Offer.

Assuming full acceptance of the Offer, the cash consideration payable by the Offeror at the Offer Price of HK\$0.8356 per Share will amount to HK\$100,272,000. The Offeror intends to fund the aggregate value of the Offer by the Facility granted by Kingston Securities for the purpose of financing the Offer.

Kingston Corporate Finance and Veda Capital, being the joint financial advisers to the Offeror in respect of the Offer, are satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer.

Effect of accepting the Offer

By accepting the Offer, Independent Shareholders will sell their Shares to the Offeror free from all encumbrances and together with all rights attaching to them, including but not limited to all rights to any dividends and other distributions, if any, declared, made or paid by reference to a record date on or after the date on which the Offer is made, being the date of the despatch of the Composite Document.

Acceptance of the Offer by any Independent Shareholder will be deemed to constitute a warranty by such person that all Shares sold by such person under the Offer are free from all encumbrances whatsoever together with all rights attached thereto, including but not limited to all rights to any dividend or other distribution declared, made or paid on or after the date on which the Offer is made.

Acceptance of the Offer would be irrevocable and would not be capable of being withdrawn, subject to the provisions of the Takeovers Code.

Hong Kong stamp duty

The seller's Hong Kong ad valorem stamp duty arising in connection with acceptance of the Offer amounting to 0.1% of the amount payable in respect of the relevant acceptance or if higher, the market value of the Shares, will be deducted from the amount payable to such accepting Shareholders who accept the Offer. The Offeror will bear its own portion of buyer's Hong Kong ad valorem stamp duty at the rate of 0.1% of the amount payable in respect of the relevant acceptances or if higher, the market value of the Shares, and will be responsible to account to the Stamp Office of Hong Kong for stamp duty payable for the sale and purchase of the Shares which are validly tendered for acceptance under the Offer.

Payments

Payment in cash in respect of acceptances of the Offer will be made as soon as possible but in any event within seven (7) business days (as defined in the Takeovers Code) of the date on which the duly completed acceptances of the Offer and the relevant documents of title in respect of such acceptances are received by the Offeror (or its agent) to render each such acceptance complete and valid.

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 the Offeror, the Company, Kingston Securities, Kingston Corporate Finance, Veda Capital and their respective ultimate beneficial owners, directors, officers, advisers, agents or associates or any other person involved in the Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

Overseas Shareholders

The Offer is made in respect of securities of a company incorporated in the Cayman Islands and will be subject to the procedural and disclosure requirements of Hong Kong, which may be different from other jurisdictions. Overseas Shareholders who wish to participate in the Offer will also be subject to, and may be limited by, the laws and regulations of their respective jurisdictions in connection with their participation in the Offer.

Overseas Shareholders whose addresses as shown in the registers of members of the Company are outside Hong Kong and beneficial owners of the Shares who are citizens, residents or nationals of a jurisdiction outside Hong Kong should obtain information about and observe any applicable legal or regulatory requirements and, where necessary, seek legal advice in respect of the Offer. It is the responsibility of the Overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith (including the obtaining of any governmental, exchange control or other consent which may be required or the compliance with other necessary formalities or legal and/or regulatory requirements and the payment of any transfer or other taxes due in respect of such jurisdictions).

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

Dealing and interest in the Company's securities

For the six months immediately prior to 29 September 2017 (being the date of the Rule 3.7 Announcement) and up to the date of this joint announcement, save for the acquisition of the Sale Shares, the Offeror and parties acting in concert with it had not dealt for value in any Shares, options, derivatives, warrants or other securities convertible into Shares.

Other arrangements

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

- (i) save for the Sale Shares, none of the Offeror, its ultimate beneficial owners and/or parties acting in concert with any one of them owns or has control or direction over any voting rights or rights over the Shares or options, derivatives or warrants or other securities convertible into Shares;

- (ii) there is no outstanding derivatives in respect of the securities in the Company which has been entered into by the Offeror, its ultimate beneficial owners and/or any person acting in concert with any one of them;
- (iii) there is no other arrangement (whether by way of option, indemnity or otherwise) of the kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Offeror or the Company and which might be material to the Offer;
- (iv) there is no agreement or arrangement to which the Offeror, its ultimate beneficial owners and/or parties acting in concert with any one of them is a party which relates to circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Offer;
- (v) save for the Undertaking, none of the Offeror, its ultimate beneficial owners and/or parties acting in concert with any one of them has received any irrevocable commitment to accept or reject the Offer; and
- (vi) none of the Offeror, its ultimate beneficial owners and parties acting in concert with any one of them has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company.

SHAREHOLDING STRUCTURE OF THE COMPANY

The table below sets out the shareholding structure of the Company (i) immediately before Completion; and (ii) immediately following Completion and as at the date of this joint announcement and before the commencement of the Offer:

Shareholders	(i) Immediately before Completion		(ii) Immediately after Completion	
	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>
Asia Matrix	360,000,000	75.00	9,600,000	2.00
The Offeror and parties acting in concert with it	–	–	350,400,000	73.00
Independent Shareholders	120,000,000	25.00	120,000,000	25.00
Total	480,000,000	100.00	480,000,000	100.00

INFORMATION ON THE GROUP

The Company is incorporated in the Cayman Islands with limited liability and the Shares are listed on GEM. The Company is an investment holding company and its subsidiaries are principally engaged in the provision of footwear design and development, production management (including quality control) and logistics management service. The Group offers formal and casual footwear for men, women and children to its customers.

Financial information

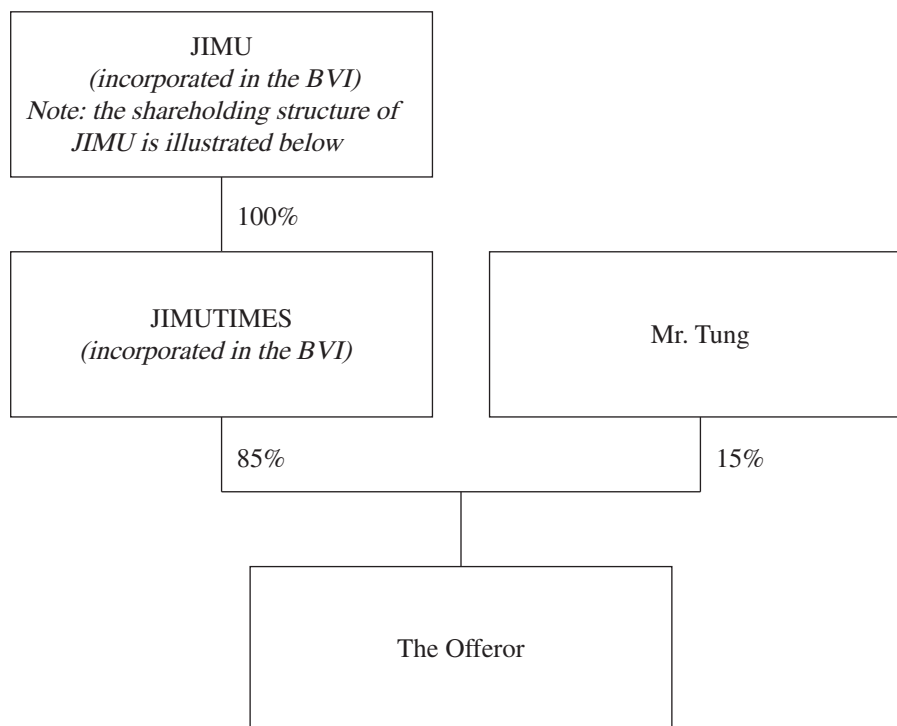
Set out below is the audited consolidated results of the Group for each of the two years ended on 31 December 2015 and 2016 and its unaudited results for the six months ended on 30 June 2017, as extracted from the annual report of the Company for the year ended 31 December 2016 and the interim report of the Company for the six months ended on 30 June 2017 respectively.

	For the six months ended 30 June 2017	For the year ended 31 December	
	<i>HK\$'000</i> (unaudited)	<i>HK\$'000</i> (audited)	<i>HK\$'000</i> (audited)
Revenue	91,011	241,389	302,672
Gross profit	9,017	24,585	41,198
(Loss)/profit before taxation	(6,062)	(13,009)	9,287
(Loss)/profit for the period/year	(6,062)	(13,671)	6,436
	As at 30 June 2017	As at 31 December 2016	As at 31 December 2015
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Consolidated net asset value attributable to owners of the Company	47,834	53,920	15,766

INFORMATION OF THE OFFEROR

The Offeror is a company incorporated in the BVI on 4 September 2014 with limited liability. It is principally engaged in investment holding. The Offeror is owned as to 85% by Jimu Times Limited (“**JIMUTIMES**”) and 15% by Mr. Tung Sun Tat, Clement (“**Mr. Tung**”). Mr. Tung, Mr. Xie Qun (“**Mr. Xie**”) and Ms. Long Jingjie (“**Ms. Long**”) are the directors of the Offeror.

JIMUTIMES is a company incorporated in the BVI on 19 January 2016 with limited liability and is principally engaged in investment holding. It is wholly-owned by Pintec Holdings Limited (“JIMU”). Mr. Dong Jun, Ms. Guo Jia, Ms. Peng Xiaomei, Mr. Wei Wei, Mr. Barry Freeman, Mr. Hong Feng and Mr. Man Ho Kee Harry are the directors of JIMU. The following diagram and table illustrate the shareholding structure of the Offeror:



Shareholders of JIMU	Ultimate beneficial owner(s)	Existing director(s) of the shareholders	General partner(s) (if applicable)	Limited partner(s) (if applicable)	Assuming no conversion of the convertible bonds of JIMU and as at the date of this joint announcement <i>Approximate Shareholding %</i>	Assuming full conversion of the convertible bonds of JIMU (Note 2) <i>Approximate Shareholding %</i>	
1	Victory Bridge Capital Partners Limited	Mr. Dong Jun	Mr. Dong Jun	N/A	N/A	14.69	13.77
2	Ventech China II SICAR	N/A	N/A	Ventech China Sarl.	Compagnie Financiere De La Bred (34.95%)	10.95	10.27
3	Spacelink Holdings Limited	Mr. Wei Wei	Mr. Wei Wei	N/A	N/A	9.72	9.12
4	Xiaomi Ventures Limited	Mr. Lei Jun	Mr. Kong Kat Wong	N/A	N/A	9.31	9.85
5	Blue Sky Dynamo Holdings Limited	Ms. Peng Xiaomei	Ms. Peng Xiaomei	N/A	N/A	7.65	7.18

						Assuming no conversion of the convertible bonds of JIMU and as at the date of this joint announcement <i>Approximate Shareholding %</i>	Assuming full conversion of the convertible bonds of JIMU (Note 2) <i>Approximate Shareholding %</i>
	Shareholders of JIMU	Ultimate beneficial owner(s)	Existing director(s) of the shareholders	General partner(s) (if applicable)	Limited partner(s) (if applicable)		
6	Matrix Partners China III Hong Kong Limited	N/A	Mr. Timothy A. Barrows, Mr. David Ying Zhang and Mr. Yibo Shao	Matrix China III GP, Ltd.	MIT Investments 2010, L.P. holding 6.7429%; The Wellcome Trust Limited, as Trustee of the Wellcome Trust holding 7.1429%; Horsley Bridge International V,L.P. holding 8.5714%	7.03	7.04
7	Investec Bank plc	Investec PLC	Mr. Fani Titi, Mr. Ian Robert Wohlman, Mr. Stephen Koseff, Mr. Kevin Patrick Mckenna, Mr. James Kieran Colum Whelan and Mr. Bernard Kantor	N/A	N/A	6.38	6.21
8	Penny Sun Investment Holdings Limited	Mr. Li Yu Yang	Mr. Li Yu Yang	N/A	N/A	4.32	4.05
9	Shunwei TMT III Limited	Mr. Koh Tuck Lye	Mr. Koh Tuck Lye and Ms. Leung Yuk Kuen	N/A	N/A	3.58	3.78
10	Moon Wan Sun Investments Company Limited	Ms. Lau Kwai Ching Denise	Ms. Lau Kwai Ching Denise	N/A	N/A	3.47	3.65
11	Bigwave Ventures Limited	Mr. Dong Hao	Mr. Dong Hao	N/A	N/A	3.36	3.15
12	Vertex Asia Fund Pte. Limited	Temasek Holdings (Private) Limited	Mr. Chua Kee Lock and Mr. Pang Seow Lan	N/A	N/A	2.61	2.89
13	CH Financial Holdings Limited	Mr. Freeman JR Richard Barry	Mr. Freeman JR Richard Barry	N/A	N/A	2.59	2.43
14	Zhong Capital Fund, L.P.	N/A	N/A	Shine China GP, L.P.	The sole limited partner is Jiangtong Xijin (Shanghai) Equity Investment Fund (Limited Partnership)	2.36	2.22
15	Magic Stone Alternative Private Equity Fund, L.P.	N/A	N/A	Magic Stone Alternative Private Equity Fund, G.P.	Snowville Business Limited (99%)	2.36	3.33
16	Peak Capital Advisory Limited	Mr. Bai Ye Feng	Mr. Bai Ye Feng	N/A	N/A	1.55	1.45
17	Magic Stone Hong Tao Alternative Fund, L.P.	N/A	N/A	Magic Stone Hong Tao Alternative Fund, G.P.	Darga International Limited (96%)	1.24	1.16
18	Shanghai Haitong XuYu Equity Investment Co., Limited (Note 3)	Haitong Securities Co., Ltd.	Mr. Zhang Xiangyang, Mr. Wang Yiming, Mr. Qiu Xiaping, Mr. Liao Rongyao and Ms. Wang Meijuan.	N/A	N/A	1.18	1.11

						Assuming no conversion of the convertible bonds of JIMU and as at the date of this joint announcement <i>Approximate Shareholding %</i>	Assuming full conversion of the convertible bonds of JIMU (Note 2) <i>Approximate Shareholding %</i>
	Shareholders of JIMU	Ultimate beneficial owner(s)	Existing director(s) of the shareholders	General partner(s) (if applicable)	Limited partner(s) (if applicable)		
19	Woo Foong Hong Limited	Moonchu Foundation (charitable organization), Mr. Zhang Songyi and Ms. Mui Bing How	Mr. Zhang Songyi and Ms. Mui Bing How	N/A	N/A	1.18	1.11
20	Diversity Ventures Limited	Mr. Bai Ye Feng	Mr. Bai Ye Feng	N/A	N/A	1.07	1.00
21	Halvorson Ventures Limited	Mr. Bai Ye Feng	Mr. Bai Ye Feng	N/A	N/A	0.93	0.87
22	Mandra iBase Limited	Mr. Zhang Songyi and Ms. Mui Bing How	Mr. Zhang Songyi	N/A	N/A	0.90	0.84
23	Black Swan Investment Holdings Limited	Ms. Zhou Jing	Ms. Zhou Jing	N/A	N/A	0.62	0.58
24	Hillingdon Ventures Limited	Mr. Choy Chung Wai Louis and Ms. Wong Jocelyn	Mr. Choy Chung Wai Louis and Ms. Wong Jocelyn	N/A	N/A	0.37	0.39
25	Lake Magic Investments Limited	Mr. Hu Wei	Mr. Hu Wei	N/A	N/A	0.25	0.23
26	China eCapital Investment Holdings Limited	Mr. Wang Ran	Mr. Wang Ran and Ms. Irene Hong Tanner	N/A	N/A	0.19	0.18
27	Dreamland Ventures Limited	Ms. Cai Qinghong, Mr. Guo Yupeng and Ms. Lu Xi	Ms. Cai Qinghong	N/A	N/A	0.12	0.12
28	Sheen Profit Holdings Limited	Mr. Kent Ho	Mr. Kent Ho	N/A	N/A	0.02	0.02
29	Delight Treasure Holdings Limited	Mr. Wen Cyrus Jun-ming	Mr. Wen Cyrus Jun-ming	N/A	N/A	–	0.27
30	Prime Ever Group Limited	Mr. Tung	Mr. Tung	N/A	N/A	–	0.62
31	Cheer Fortune Investment Limited (福至投資 有限公司)	Ms. Guo Jia	Ms. Guo Jia	N/A	N/A	–	0.98
32	Fuda Investment Inc.	Ms. Guo Jia	Ms. Guo Jia	N/A	N/A	–	0.13
	Total					100.00	100.00

Notes:

- The information pertaining to JIMU as contained in this joint announcement is provided by JIMU to the Offeror and is true and accurate to the best knowledge of the directors of the Offeror and reflects the information available to the Offeror as at the date of this joint announcement.

2. JIMU has received relevant confirmations from the holders of the convertible bonds (the “**CB Holders**”) in relation to the conversion of the convertible bonds before 26 September 2017. The parties have been on a best effort basis to arrange the conversion of the convertible bonds which is expected to be completed by end of October 2017. There are 12 CB Holders in total. The convertible bonds entitle the CB Holders to convert up to approximately 6.20% of the entire issued share capital of JIMU after taking into account the shares to be issued upon exercise of the conversion rights attaching to the convertible bonds.
3. Haitong has entered into a term sheet on 22 September 2017 with a potential purchaser to dispose of its entire shareholding interest in JIMU. It is expected that the parties will enter into the sale and purchase agreement regarding the shareholding interest in JIMU held by Haitong on or before the end of October 2017.

Mr. Tung is a seasoned professional investor with about 10 years experience of the investment industry, covering foreign exchange trading, stock trading and private equities investments.

Mr. Xie is currently the chief executive officer of Jimubox, a business operated under JIMU. He has about 20 years of experience at international financial institutions. Mr. Xie has worked at GE Capital in the United States of America as a risk manager. He has worked at the Citigroup as a vice president in credit card and small and medium-sized enterprises loans with responsibility in managing acquiring risk assets. He also served as a risk management consultant to China Everbright Bank Co., Ltd., and an internal auditor for Bank of China (Hong Kong) Limited. Mr. Xie holds a Ph.D in statistics from Yale University and a bachelor’s degree in mathematics from Nankai University.

Ms. Long is currently the vice president of strategy at 北京積木時代信息諮詢有限公司 (Beijing Jimu Times Information Consulting Co., Ltd.), a member of the JIMU group. She was previously at The Boston Consulting Group where she worked on various projects advising financial institutions, including banks, credit card centers, private equities and micro-lenders. After joining JIMU in 2014, she has been responsible for strategy, capital market and innovative businesses. Ms. Long holds a Master of Business Administration from Yale University and a bachelor’s degree from Beihang University.

Prior to Completion, the Offeror and parties acting in concert with it did not own any Shares, convertible securities, options, warrants or derivatives in the Company or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) and were third parties independent of the Company and its connected persons.

OFFEROR’S INTENTION ON THE COMPANY

The Offeror intends that the Group will continue its existing principal activities. The Offeror will conduct a detailed review of the business operations and financial position of the Group for the purpose of developing a sustainable business plan or strategy for the Group. Subject to the result of the review and should suitable investment or business opportunities arise, the Offeror may diversify the business of the Group with the objective of broadening its sources of income, which may cover, among others, the financial services industry in the PRC or Hong Kong. However, as of the date of this joint announcement, no such investment or business opportunities have been identified nor has the Offeror entered into any agreement, arrangements, understandings, intention or negotiation in relation to the injection of any assets or business into the Group. Notwithstanding the foregoing, the Offeror has not entered into any agreement, arrangements, understandings,

intention or negotiations in relation to the continued employment of the employees, disposal and/or re-deployment of the assets (including fixed assets) of the Group, or termination or scaling down of any Group's business, other than in its ordinary course of business.

PROPOSED CHANGE TO THE BOARD COMPOSITION OF THE COMPANY

The Board is currently made up of five Directors, comprising two executive Directors and three independent non-executive Directors. The Offeror intends to nominate new Directors to the Board and such appointments will not take effect earlier than the date of posting of the Composite Document in relation to the Offer or such other date as permitted under the Takeovers Code. As at the date of this joint announcement, the Offeror has not reached any final decision as to who will be nominated. Any changes to the Board will be made in compliance with the Takeovers Code and the GEM Listing Rules and separate announcement(s) will be made in this regard as and when appropriate.

MAINTENANCE OF LISTING AND SUFFICIENT PUBLIC FLOAT OF THE COMPANY

The Offeror intends to maintain the listing of the Shares on GEM following the close of the Offer. The Offeror and the proposed Directors who would be nominated by the Offeror and appointed as Directors will jointly and severally undertake to the Stock Exchange to take appropriate steps (which may include, without limitation, placing down or selling down of Shares to independent third parties not connected with or acting in concert with the Offeror, its ultimate beneficial owners and associates, the Directors, chief executive or substantial Shareholders of the Company or any of their respective subsidiaries or any of their respective associates) as soon as possible following the close of the Offer to ensure that a sufficient public float exists for the Shares.

The Stock Exchange has stated that if, upon closing of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the Shares, are held by the public 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.

INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprising all the independent non-executive Directors, namely Mr. Yuen Poi Lam William, Mr. Lu Tak Ming and Mr. Liu Chun Kit has been established to advise the Independent Shareholders as to whether the Offer is fair and reasonable and as to its acceptance.

The Independent Financial Adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the Offer, 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 upon the appointment of the Independent Financial Adviser.

DESPATCH OF COMPOSITE DOCUMENT

The Offeror and the Company intend to combine the offer document and the offeree board circular into a composite document which contains amongst others, details of the Offer, accompanied by the relevant form of acceptance and transfer, and incorporating the recommendation from the Independent Board Committee and the advice letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Offer. Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document is required to be despatched within 21 days of the date of this joint announcement. The Composite Document is expected to be despatched to the Shareholders on or before 10 November 2017.

Further announcement(s) regarding the despatch of the Composite Document will be made by the Offeror and the Company in due course.

SUSPENSION AND RESUMPTION OF TRADING IN THE SHARES

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on 11 October 2017 pending the publication of this joint announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 23 October 2017.

WARNING

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

DEFINITIONS

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

“acting in concert”	has the same meaning ascribed to it under the Takeovers Code
“Asia Matrix” or “Vendor”	Asia Matrix Investments Limited, a company incorporated with limited liability in the BVI, the owner of the Sale Shares and the controlling shareholder of the Company prior to Completion, which is wholly and beneficially owned by Mr. Ho
“associate”	has the same meaning ascribed to it under the GEM Listing Rules
“Board”	the board of Directors
“BVI”	the British Virgin Islands

“Company”	Ever Smart International Holdings Limited, a company incorporated in the Cayman Islands with limited liability whose shares are listed on GEM (Stock Code: 8187)
“Completion”	completion of the sale and purchase of the Sale Shares pursuant to the Sale and Purchase Agreement
“Composite Document”	the composite offer and response document to be issued jointly by the Offeror and the Company to all the Shareholders in accordance with the Takeovers Code containing, amongst other things, the detailed terms of the Offer
“connected person(s)”	has the same meaning ascribed to it under the GEM Listing Rules
“Consideration”	the total consideration of HK\$292,794,240 payable by the Offeror to the Vendor for the Sale Shares pursuant to the Sale and Purchase Agreement
“Covenantor”	Mr. Ho
“Director(s)”	the director(s) of the Company
“Executive”	the Executive Director of the Corporate Finance Division of the SFC, or any delegate of the Executive Director
“Facility”	a loan facility granted by Kingston Securities as lender to the Offeror as borrower for financing the Offer
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent committee of the Board comprising all the independent non-executive Directors, namely Mr. Yuen Poi Lam William, Mr. Lu Tak Ming and Mr. Liu Chun Kit, established for the purpose of advising the Independent Shareholders as to whether the terms of the Offer is fair and reasonable and as to the acceptance of the Offer

“Independent Financial Adviser”	the independent financial adviser to be appointed by the Company for the purpose of advising the Independent Board Committee and the Independent Shareholders in respect of the terms of the Offer and as to their acceptance
“Independent Shareholder(s)”	the Shareholders other than the Offeror and parties acting in concert with it
“Kingston Corporate Finance”	Kingston Corporate Finance Limited, a corporation licensed by the SFC to carry on business in Type 6 (advising on corporate finance) regulated activity under the SFO
“Kingston Securities”	Kingston Securities Limited, a corporation licensed by the SFC to carry on business in Type 1 (dealing in securities) regulated activity under the SFO
“Last Trading Day”	10 October 2017, being the last full trading day for the Shares prior to the suspension of trading in the Shares pending the release of this joint announcement
“Mr. Ho”	Mr. Ho Kin Wai, an executive Director and the ultimate beneficial owner of Asia Matrix, which was the controlling shareholder of the Company prior to Completion
“Offer”	the mandatory unconditional cash offer to be made by Kingston Securities for and on behalf of the Offeror, for all the issued Shares not already owned or agreed to be acquired by the Offeror and parties acting in concert with it in accordance with the Takeovers Code
“Offer Period”	the period commencing on the date of the Rule 3.7 Announcement up to and including the closing date of the Offer, which is 21 days after the date on which the Composite Document is posted, or if the Offer is revised or extended, any subsequent closing date of the Offer as revised or extended and announced by the Offeror in accordance with the Takeovers Code
“Offer Price”	the price of HK\$0.8356 per Offer Share payable by the Offeror to the Independent Shareholders for each Offer Share accepted under the Offer
“Offer Share(s)”	all the Share(s) in issue, other than those Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it

“Offeror”	Jimu Group Holdings Limited, a company incorporated in the BVI with limited liability
“Overseas Shareholder(s)”	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 which, for the purpose of this joint announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Rule 3.7 Announcement”	the announcement issued by the Company dated 29 September 2017 in relation to the possible sale of all or part of Asia Matrix’s shareholding interest in the Company
“Sale and Purchase Agreement”	the sale and purchase agreement dated 10 October 2017 entered into between the Vendor, the Covenantor and the Offeror in relation to the sale and purchase of the Sale Shares
“Sale Shares”	a total of 350,400,000 Shares acquired by the Offeror from the Vendor, representing approximately 73.00% of the total issued share capital of the Company as at the date of this joint announcement, and “Sale Share” means any of them
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Code on Takeovers and Mergers
“Undertaking”	an irrevocable undertaking dated 11 October 2017 given by Asia Matrix and Mr. Ho that, among others, Asia Matrix will not transfer or tender 9,600,000 Shares held by it for acceptance of the Offer

“Veda Capital” Veda Capital Limited, a corporation licensed to carry on business in Type 6 (advising on corporate finance) regulated activity under the SFO

“%” per cent

By Order of the Board
Jimu Group Holdings Limited
Tung Sun Tat, Clement
Director

By Order of the Board
Ever Smart International Holdings Limited
Ho Kin Wai
Chairman and Executive Director

Hong Kong, 20 October 2017

As at the date of this announcement, the Company’s executive Directors are Mr. Ho Kin Wai and Mr. Ho Kin Pong; and the Company’s independent non-executive Directors are Mr. Yuen Poi Lam William, Mr. Lu Tak Ming and Mr. Liu Chun Kit.

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

As at the date of this joint announcement, the directors of the Offeror are Mr. Tung Sun Tat, Clement, Mr. Xie Qun and Ms. Long Jingjie and the directors of JIMU are Mr. Dong Jun, Ms. Guo Jia, Ms. Peng Xiaomei, Mr. Wei Wei, Mr. Barry Freeman, Mr. Hong Feng and Mr. Man Ho Kee Harry..

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

This joint announcement will appear on the GEM website (www.hkgem.com) for at least seven days after the date of publication and on the website of the Company (<http://esmart.hk>).

The English text of this joint announcement shall prevail over its Chinese text.