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## **FURNIWEB HOLDINGS LIMITED**

**飛霓控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8480)**

### **DISCLOSEABLE AND CONNECTED TRANSACTION: ACQUISITION OF 37.25% INTEREST IN ENERGY SOLUTION GLOBAL LIMITED INVOLVING ISSUE OF CONSIDERATION SHARES UNDER GENERAL MANDATE; AND FORMATION OF JOINT VENTURE**

#### **INTRODUCTION**

On 1 November 2021, the Company as purchaser entered into the Sale and Purchase Agreement with the Vendors as vendors, pursuant to which the Vendors have conditionally agreed to sell and the Company has conditionally agreed to acquire the Sale Shares at the Consideration of HK\$9,564,496.00, of which approximately 30% shall be satisfied by the Cash Consideration and approximately 70% shall be satisfied by the allotment and issuance of Consideration Shares.

Immediately after entering into the Sale and Purchase Agreement and on 1 November 2021, the Company, Dato' Ng (a connected person of the Company for being the father of a non-executive Director) and Mr. Lee as shareholders of the Target Company entered into the Shareholders' Agreement regulating, among others, their relationship among them as shareholders and the management and operation of the Target Company, which shall take effect upon the Completion.

Upon Completion, the Target Company will be an associate of the Company and the results of operation and financial position of the Target Group will be accounted for in the financial statements of the Group on an equity basis.

## IMPLICATIONS OF THE GEM LISTING RULES

### Chapter 19

The Shareholders' Agreement entered into by the Company, Mr. Lee and Dato' Ng upon Completion will constitute a formation of joint venture by the Company under Rule 19.04(1)(f) of the GEM Listing Rules. The Company has no capital commitment under the Shareholders' Agreement. Pursuant to Rule 19.22 of the GEM Listing Rules, the Acquisition and the formation of joint venture should be aggregated for the purposes of the size tests as they are relating to the same subject matter or are otherwise related. As more than one of the applicable percentage ratios (as defined in the GEM Listing Rules) in respect of the Acquisition, alone or when aggregated with those in respect of the formation of joint venture, are more than 5% but lower than 25%, the Acquisition, alone or when aggregated with the Shareholders' Agreement constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules and is subject to the reporting and announcement requirements under the GEM Listing Rules.

### Chapter 20

Mr. Ng Tzee Penn, a non-executive Director, is a controller of the Company under Rule 20.26(1) of the GEM Listing Rules. The Acquisition therefore constitutes a connected transaction for the Company under Rule 20.26(2) of the GEM Listing Rules for Dato' Ng (an existing substantial shareholder of the Target Company holding 51% shares in the Target Company) is an associate of a controller of the Company. As Dato' Ng is a connected person for being the father of Mr. Ng Tzee Penn, the formation of joint venture also constitutes a connected transaction under Rule 20.22(5) of the GEM Listing Rules. The Company has no capital commitment under the Shareholders' Agreement. Pursuant to Rule 20.79 of the GEM Listing Rules, the Acquisition and the formation of joint venture should be aggregated as they are relating to the same subject matter or are otherwise related. As more than one of applicable percentage ratios (as defined in the GEM Listing Rules) in respect of the Acquisition, alone or when aggregated with those in respect of the formation of joint venture, are more than 5% but lower than 25% and the Consideration is less than HK\$10,000,000, the Acquisition is exempted from the circular and Shareholders' approval requirements and is only subject to the reporting and announcement requirements under Rule 20.74(2)(b) of the GEM Listing Rules.

**As Completion is subject to and conditional upon the fulfilment of the Conditions Precedent, the Acquisition and the transactions contemplated thereunder may or may not materialise. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.**

## **INTRODUCTION**

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Immediately after entering into the Sale and Purchase Agreement and on 1 November 2021, the Company, Dato' Ng (a connected person of the Company for being the father of a non-executive Director) and Mr. Lee as shareholders of the Target Company entered into the Shareholders' Agreement regulating, among others, their relationship among them as shareholders and the management and operation of the Target Company, which shall take effect upon the Completion.

## **THE SALE AND PURCHASE AGREEMENT**

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

Date: 1 November 2021

Parties: (1) the Company (as purchaser); and  
(2) Ms. Pua Lay Cheng and Mr. Lee (as Vendors)

To the best of the knowledge, information and belief of the Directors after having made all reasonable enquiries, the Vendors are third parties independent of and not connected with the Company and its connected persons.

Subject matter: The Sale Shares, i.e. 3,725 ordinary shares in issue of the Target Company representing 37.25% of the entire ordinary shares in issue of the Target Company, of which:

- (1) 1,225 ordinary shares in issue of the Target Company are held by Ms. Pua Lay Cheng, representing approximately 32.89% of the Sale Shares; and
- (2) 2,500 ordinary shares in issue of the Target Company are held by Mr. Lee, representing approximately 67.11% of the Sale Shares.

Consideration and payment terms:

The total consideration for the Sale Shares is HK\$9,564,496.00, of which:

- (1) approximately 30% shall be paid by the Cash Consideration in the amount of HK\$2,869,349.00; and
- (2) approximately 70% shall be paid by the allotment and issuance of the Consideration Shares at an aggregate Issue Price of HK\$6,695,147.00, to the Vendors, in each case in proportionate with their respective percentage interests in the Sale Shares.

The Consideration shall be paid 14 days after the date of fulfilment of all the Conditions Precedent.

The Consideration was determined after arm's length negotiation between the Vendors and the Company having regard to the unaudited combined net tangible assets of the Subsidiaries of the Target Company at RM14,127,000 (equivalent to approximately HK\$26,276,220) as at 31 July 2021 as set out in "Information of the Target Group" in this announcement. The Directors consider that the Consideration is fair and reasonable and in the interest of the Company and its Shareholders as a whole. The Consideration will be funded by internal resources of the Group.

Conditions Precedent:

Completion is subject to the satisfaction of, among others, the following Conditions Precedent before the Cut-Off Date:

- (1) the Company being satisfied with the results of its due diligence investigation in respect of, among others, the Vendors' title to the Sale Shares and the financial and legal due diligence on the Subsidiaries of the Target Company, which shall be completed by the Company within sixty (60) days from the date of the Sale and Purchase Agreement or any other date to be mutually agreed by the parties to the Sale and Purchase Agreement;
- (2) (if required) the obtaining of the necessary approvals by the Company from the relevant governmental and/or regulatory authorities to the Acquisition;
- (3) (if required) the obtaining of the necessary directors and/or shareholders approval to the Acquisition; and

- (4) the obtaining of the necessary approvals by the Vendors from the relevant governmental and/or regulatory authorities for the sale of the Sale Shares, change in shareholders of the Target Company and change in control of the Target Company upon Completion to take effect.

The Sale and Purchase Agreement shall become unconditional on the day upon which the Conditions Precedent have been fulfilled.

Completion:

Completion shall take place within ninety (90) days from the date on which the Conditions Precedent have been fulfilled, or such other date as may be agreed upon between the parties to the Sale and Purchase Agreement.

### SHAREHOLDING STRUCTURE OF THE TARGET COMPANY BEFORE AND AFTER COMPLETION

Set out below is the shareholding structure of the Target Company (i) as at the date of this announcement; and (ii) immediately after the Completion, and the composition of the Consideration:

Shareholders	As at the date of this announcement		Consideration			Immediately after the Completion	
	Number of Sale Shares	Approximate percentage of shareholding	Cash Consideration (HK\$)	Consideration Shares	Aggregate Issue Price of the Consideration Shares (HK\$)	Number of shares of the Target Company	Approximate percentage of shareholding
The Company	—	—	—	—	—	3,725	37.25%
Mr. Lee (as one of the Vendors)	3,675	36.75%	1,925,738	12,838,249	4,493,387	1,175	11.75%
Ms. Pua Lay Cheng (as one of the Vendors)	1,225	12.25%	943,611	6,290,743	2,201,760	—	—
Dato' Ng ( <i>Note</i> )	5,100	51.00%	—	—	—	5,100	51.00%
	<u>10,000</u>	<u>100.00%</u>	<u>2,869,349</u>	<u>19,128,992</u>	<u>6,695,147</u>	<u>10,000</u>	<u>100.00%</u>

*Note:* Dato' Ng is a connected person of the Company for being the father of Mr. Ng Tzee Penn, a non-executive Director.

## **THE CONSIDERATION SHARES AND THE GENERAL MANDATE**

Approximately 70% of the Consideration will be satisfied by the allotment and issuance of the Consideration Shares (i.e. 19,128,992 new Shares) under the General Mandate at the Issue Price of HK\$0.35 per Consideration Share. The Consideration Shares shall, upon allotment and issuance pursuant to the General Mandate, rank pari passu in all respects among themselves and with the other Shares in issue on the date of such allotment and issue, save and expect the Consideration Shares will not be entitled to any rights, dividends, allotments and/or any other forms of distributions that may be declared, made or paid to the Shareholders prior to the date of such allotment and issue.

The General Mandate entitles the Directors to allot, issue and deal with up to 112,000,000 Shares, representing 20% of the issued share capital of the Company as at the date of the AGM. Since the date of the AGM and up to and including the date of this announcement, no Shares have been allotted and issued under the General Mandate. Accordingly, the General Mandate is sufficient for the allotment and issuance of the Consideration Shares and the latter is not subject to approval of the Shareholders.

The Consideration Shares will be allotted and issued to the Vendors in proportionate to their respective interests in the Sale Shares, details of which is set out in “Effect of Shareholding Structure of the Company” below in this announcement. An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares.

The Issue Price of each Consideration Share in the amount of HK\$0.35 represents:

- (1) a premium of approximately 37.25% to the closing price of HK\$0.255 per Share as quoted on the Stock Exchange on 1 November 2021, being the date of the Sale and Purchase Agreement; and
- (2) a premium of approximately 41.36% to the average closing price of HK\$0.2476 per Share as quoted on the Stock Exchange for the five (5) trading days immediately prior to the date of the Sale and Purchase Agreement.

## EFFECT OF SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after the issuance and allotment of the Consideration Shares:

<i>Shareholders</i>	<b>As at the date of this announcement</b>		<b>Immediately after the issuance and allotment of the Consideration Shares</b>	
	<i>Number of Shares</i>	<i>Approximate percentage of shareholding (Note 1)</i>	<i>Number of Shares</i>	<i>Approximate percentage of shareholding (Note 2)</i>
Mr. Lee	—	—	12,838,249	2.22%
Ms. Pua Lay Cheng	—	—	6,290,743	1.09%
Dato' Lua Choon Hann ( <i>Note 3</i> )	260,000	0.04%	260,000	0.04%
PRG Holdings ( <i>Note 4</i> )	303,468,000	54.19%	303,468,000	52.40%
Jim Ka Man ( <i>Note 5</i> )	61,336,000	10.95%	61,336,000	10.59%
Other public Shareholders	<u>194,936,000</u>	<u>34.82%</u>	<u>194,936,000</u>	<u>33.66%</u>
	<u>560,000,000</u>	<u>100.00%</u>	<u>579,128,992</u>	<u>100.00%</u>

### *Notes:*

1. The percentage of shareholding is calculated on the basis of 560,000,000 Shares in issue of the Company as at the date of this announcement and prior to the issuance and allotment of the Consideration Shares.
2. The percentage of shareholding is calculated on the basis of 579,128,992 Shares in issue of the Company immediately after the issuance and allotment of the Consideration Shares.
3. Dato' Lua Choon Hann is an executive Director.
4. PRG Holdings is the holding company of the Company.
5. According to the disclosure of interest form filed by Jim Ka Man, Jim Ka Man was deemed to be interested in 61,336,000 Shares of which 55,024,000 Shares were beneficially owned by her and she was deemed to be interested in 6,312,000 Shares held directly by her spouse under Part XV of the Securities and Futures Ordinance (Chapter 576 of the Laws of Hong Kong).

## THE SHAREHOLDERS' AGREEMENT

The Shareholders' Agreement entered into by the Company, Mr. Lee and Dato' Ng immediately after the entering into of the Sale and Purchase Agreement and on 1 November 2021, which shall take effect upon the Completion, will constitute the formation of a joint venture by the Company for the purpose of the GEM Listing Rules, the principal terms of which are set out below:

Parties:	(1) the Company; (2) Mr. Lee; and (3) Dato' Ng
Business of the Target Company:	The business of the Target Company shall be investment holding and any other business approved by resolution of the shareholders of the Target Company with the affirmative vote of not less than two shareholders of the Target Company holding, in aggregate, not less than 75% of the shares of the Target Company.
Share capital:	The issued and paid-up share capital of the Target Company shall be maintained at US\$10,000.00 divided into 10,000 ordinary shares of US\$1.00 each.
Shareholdings of the Target Company:	Immediately after the Completion, the Target Company shall be owned as to:  (1) 37.25% by the Company; (2) 51.00% by Dato' Ng; and (3) 11.75% by Mr. Lee.
Right of appointment and removal of directors:	The board of directors of the Target Company shall consist of five (5) directors, two (2) of whom shall be appointed by the Company, two (2) of whom shall be appointed by Dato' Ng and the remaining one (1) of whom shall be appointed by Mr. Lee.
Managing director of the Target Company:	The board of directors of the Target Company shall appoint a managing director of the Target Company to be responsible for the day-to-day management and operation of the Subsidiaries of the Target Company and reporting to the board of directors of the Target Company.
Quorum for directors' meetings and shareholders' meetings:	The quorum for directors' meetings shall be not less than one-half of the total number of directors of the Target Company with at least one (1) director who is appointed by the Company present at the meeting.



The quorum for a meeting of the shareholders shall be shareholders holding an aggregate of not less than 50% of the voting rights of the shares of the Target Company and one of whom must be the representative or proxy of the Company.

Reserved matter for the board:

Set out below are the major matters that require affirmative votes of not less than two (2) directors (of which one of them must be a director appointed by the Company) of the Target Company who were appointed by shareholders of the Target Company who, in aggregate, hold not less than 75% of its shares:

- (1) **Capital expenditure:** capital expenditure other than in the ordinary course of business in any financial year, not included in the annual budget for that year, exceeding:
  - (a) US\$100,000.00 in respect of any one item of each of the Subsidiaries of the Target Company;
  - (b) a total of US\$500,000.00 in that financial year of each of the Subsidiaries of the Target Company; or
  - (c) any other amount agreed in writing by all of the shareholders of the Target Company.
- (2) **Disposals:** the disposal in any financial year of any asset, undertaking or property of the Target Company with a book or market value (whichever is greater) exceeding:
  - (a) US\$50,000.00;
  - (b) a total of US\$250,000.00 in that financial year; or
  - (c) any other amount agreed in writing by all of the shareholders of the Target Company.
- (3) **Loans and borrowing:** the raising of any loan or borrowing by the Target Company other than:
  - (a) for a term not exceeding twelve (12) months; and
  - (b) which, in aggregate with all other loans and borrowing not approved by the board of the Target Company, does not exceed US\$100,000.00.
- (4) **Shareholders' security:** the raising of any loans or any other kind of borrowing by the Target Company requiring a guarantee from its shareholders.

- (5) **Dividends:** the recommendation or declaration of any interim or final dividend.
- (6) **Budget:** adoption of any annual budget for the Target Company and approval of any variation to or departure from the annual budget.
- (7) **Business:** any change to the nature of businesses or the acquisition of any business.

Reserved matter for the shareholders:

Set out below are the major matters that require affirmative votes of not less than two (2) shareholders of the Target Company who, in aggregate, hold not less than 75% of its shares:

- (1) **Shares:** any alteration to the rights conferred by the shares of the Target Company or classification of the shares or other securities in the Target Company.
- (2) **New issues:** the issue of shares, debentures, convertible notes, options or other equity or debt securities in the Target Company, or the grant of any option or right to subscribe for any shares of the Target Company.
- (3) **Share capital:** any increase or reduction or other alteration in the capital of the Target Company.
- (4) **Business:** any change to the nature of business, the acquisition of any business or the entry of any new business.
- (5) **Dividends/Profits:** the payment of any dividend or the making of any other distribution by the Target Company or the capitalisation of its profits.

Dividend policy:

The Target Company must distribute its profit to its shareholders, to the extent possible, but only if:

- (1) a sufficient amount has been set aside for working capital, investment and expansion;
- (2) any distribution does not exceed the amount legally available for distribution;
- (3) the distribution is made in compliance with the terms of the Shareholders' Agreement on reserved matters for the board and shareholders of the Target Company in respect of dividend; and

(4) it is not contrary to any commitment the Target Company has entered into.

Capital commitment: None of the shareholders of the Target Company has any capital commitment.

### **INFORMATION ON THE PURCHASER AND THE GROUP**

The Company (as purchaser) is a company incorporated in the Cayman Islands with limited liability and is principally engaged in investment holding.

The Group is principally engaged in the manufacturing and sale of elastic textile, webbing and polyvinyl chloride related products, and retail sale of garment products.

### **INFORMATION ON THE VENDORS**

The Vendors are merchants and private investors who have more than 10 years of experience in the smart energy saving solution business.

To the best of the knowledge, information and belief of the Directors after having made all reasonable enquiries, the Vendors are third parties independent of and not connected with the Company and its connected persons.

### **INFORMATION ON THE TARGET GROUP**

The Target Company is a company incorporated in the British Virgin Islands with limited liability on 19 July 2021 which principally engaged in investment holding. Its two wholly-owned subsidiaries, M&V SG and M&V MY were incorporated in Singapore and Malaysia on 7 September 2009 and 8 March 2010 respectively, have been providing smart energy solutions since then. Both M&V SG and M&V MY provide smart energy saving solution by designing and installing energy-efficient heating, ventilation and air conditioning (“**HAVC**”) systems which aims to achieve optimal energy consumption, lower greenhouse gas emissions (“**GHG**”), and reduction in energy cost.

The following table summaries the financial information of the Subsidiaries of the Target Company for the periods indicated below.

	<b>For the year ended 31 July</b>	
	<b>2020</b>	<b>2021</b>
	<i>RM'000</i>	<i>RM'000</i>
	(unaudited)	(unaudited)
Revenue	29,495	54,477
Profit before taxation	615	1,197
Profit after taxation	310	911

As at 31 July 2021, the unaudited total net tangible asset of the Subsidiaries of the Target Company was approximately RM14,127,000.00 (equivalent to approximately HK\$26,276,220).

Upon Completion, the Target Company will be an associate of the Company and the results of operation and financial position of the Target Group will be accounted for in the financial statements of the Group on an equity basis.

## **REASONS FOR AND BENEFITS OF THE ACQUISITION AND THE FORMATION OF JOINT VENTURE**

The Company considers the Acquisition and the formation of the joint venture is good investment opportunity for the Group to venture into smart energy saving solution business.

The World Economic Forum's Global Risks Report 2021 identified climate change as the "most impactful risk facing the planet" and that many Asian economies are most vulnerable to the physical risks associated with global warming. It is now imperative that to mitigate climate change risk the world has to reduce the release of greenhouse gases emissions that are warming our planet.

One of the major contributors of carbon emissions comes from cities, as urbanisation in the form of buildings and transportation ramps up GHG and unless and until net zero emissions are reached, Asia's share of such emissions globally is estimated to as high as 45%.

One of the effective climate change risk mitigations identified in Asia is electrifying road transport, buildings and industrial operations. Electrification is a massive decarbonisation driver as it replaces other forms of high GHG emissions energy. For example, electric vehicles are at the tipping point towards mainstream adoption as automotive makers in tandem with government support are progressing aggressively to replace fossil fuel dependency. Similarly for buildings and industrial operations, digital technology is providing the capability to switch to electricity powered production and managing its consumption as efficiently as possible.

As such the Company foresees a big opportunity in this emerging green economy and has identified a company with excellent engineering expertise that can spearhead the strategy to position itself competitively in this region.

The Target Company has built up a strong reputation as a smart energy solution provider in Singapore and Malaysia, countries where climate change mitigation policies are shaping up, particularly in the area of energy efficiency. Singapore, for example, promotes energy efficiency through legislation, incentives and public education and works closely with the private sector towards this end. Such holistic policies have brought about a well-defined business opportunity for companies with the relevant expertise and experience. Similarly in Malaysia, with one of the highest energy consumptions per capita in ASEAN, the authorities have a plan to push for a more productive use of energy employing all possible measures and solutions.

The Company is of the view that all governments in the region will have to move in this direction establishing clear climate change strategies and the necessary risk mitigation initiatives. Once these are in place, companies that have innovative solutions will be in the forefront to benefit greatly.

The Board has identified smart energy saving solution business as a new business segment to enable the Group to diversify its revenue sources and provide an additional stream of income. The Board believes entering into the energy efficiency market shall enhance the Group's future prospects and is in line with the Group's strategy of achieving sustainable growth.

Having considered the above, the Directors (including the independent non-executive Directors) consider that the terms and conditions of the Sale and Purchase Agreement and the transactions contemplated thereunder as well as the Shareholders' Agreement are on normal commercial terms and are fair and reasonable and that the Acquisition and the Shareholders' Agreement are in the interests of the Company and its Shareholders as a whole.

As Dato' Ng, a controlling shareholder of the Target Company interested in 51% of the shares of the Target Company, is the father of Mr. Ng Tzee Penn, a non-executive Director, Mr. Ng Tzee Penn is regarded as having a material interest (or as the case may be, potential conflict of interest) in the Sale and Purchase Agreement and the transactions contemplated thereunder as well as the Shareholders' Agreement. At the meeting of the Board approving the Sale and Purchase Agreement and the transactions contemplated thereunder as well as the Shareholders' Agreement, Mr. Ng Tzee Penn had abstained from voting on the resolutions approving the Sale and Purchase Agreement and the transactions contemplated thereunder as well as the Shareholders' Agreement.

## **IMPLICATIONS OF THE GEM LISTING RULES**

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### **Chapter 20**

Mr. Ng Tzee Penn, a non-executive Director, is a controller of the Company under Rule 20.26(1) of the GEM Listing Rules. The Acquisition therefore constitutes a connected transaction for the Company under Rule 20.26(2) of the GEM Listing Rules for Dato' Ng (an existing substantial shareholder of the Target Company holding 51% shares in the Target Company) is an associate of a controller of the Company. As Dato' Ng is a connected person for being the father of Mr. Ng Tzee Penn, the formation of joint venture also constitutes a connected transaction under Rule 20.22(5) of the GEM Listing Rules. The Company has no capital commitment under the Shareholders' Agreement. Pursuant to Rule

20.79 of the GEM Listing Rules, the Acquisition and the formation of joint venture should be aggregated as they are relating to the same subject matter or are otherwise related. As more than one of applicable percentage ratios (as defined in the GEM Listing Rules) in respect of the Acquisition, alone or when aggregated with those in respect of the formation of joint venture, are more than 5% but lower than 25% and the Consideration is less than HK\$10,000,000, the Acquisition is exempted from the circular and Shareholders' approval requirements and is only subject to the reporting and announcement requirements under Rule 20.74(2)(b) of the GEM Listing Rules.

## DEFINITIONS

In this announcement, unless the context otherwise required, the following terms and expressions have the following meaning:

“Acquisition”	the acquisition of the Sale Shares by the Company from the Vendors pursuant to the terms and conditions of the Sale and Purchase Agreement
“AGM”	the annual general meeting of the Company held on 7 May 2021
“Board”	the board of directors of the Company
“Cash Consideration”	HK\$2,869,349.00 in form of cash, which is equivalent to approximately 30% of the Consideration
“Company”	Furniweb Holdings Limited, a company incorporated in the Cayman Islands whose issued shares are listed on GEM (stock code: 8480)
“Completion”	the completion of the Acquisition in accordance with the terms and conditions of the Sale and Purchase Agreement
“Conditions Precedent”	the conditions precedent to completion of the Acquisition
“connected person”	has the meaning ascribed to it under the GEM Listing Rules
“Consideration”	HK\$9,564,496.00, which shall be satisfied by the Cash Consideration and the Consideration Shares
“Consideration Shares”	the 19,128,992 new Shares to be allotted and issued by the Company at the Issue Price to the Vendors at an aggregate Issue Price of HK\$6,695,147.00, which is equivalent to approximately 70% of the Consideration
“Cut-Off Date”	a date falling within sixty (60) days from the date of the Sale and Purchase Agreement, or such other date as may be agreed upon between the parties to the Sale and Purchase Agreement as the last day by which the Conditions Precedent must be fulfilled

“Dato’ Ng”	Dato’ Ng Yan Cheng, father of Mr. Ng Tzee Penn, a non-executive Director and a shareholder of the Target Company interested in 51% of the Target Company before and after Completion
“Director”	a director of the Company
“GEM”	GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“General Mandate”	the general mandate granted to the Directors to allot, issue and deal with not more than 112,000,000 new Shares (prior to the next annual general meeting of the Company) at the AGM
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Issue Price”	the issue price of HK\$0.35 per Consideration Share
“Mr. Lee”	Mr. Lee Eng Lock, one of the Vendors who is interested in 36.75 % of the Target Company as at the date of the Sale and Purchase Agreement and would be interested in 11.75% of the Target Company immediately after Completion
“RM”	Malaysian Ringgit, the lawful currency of Malaysia
“Sale and Purchase Agreement”	the conditional sale and purchase agreement entered into by the Company and the Vendors on 1 November 2021 in relation to the Acquisition
“Sale Shares”	3,725 ordinary shares in the Target Company, representing 37.25% of its issued and paid up share capital, to be acquired by the Company from the Vendors pursuant to the Sale and Purchase Agreement
“Share”	ordinary share of HK\$0.1 in the issued share capital of the Company
“Shareholder”	holder of any Share
“Shareholders’ Agreement”	the shareholders’ agreement entered into by the Company, Dato’ Ng and Mr. Lee immediately after completion of the Sale and Purchase Agreement and on 1 November 2021 regulating, among others, their relationship among them as shareholders and the management and operation of the Target Company, which shall take effect upon the Completion

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiaries of the Target Company”	two wholly-owned subsidiaries of the Target Company, namely Measurement & Verification Pte. Ltd. (“ <b>M&amp;V SG</b> ”) and Measurement & Verification Sdn. Bhd. (“ <b>M&amp;V MY</b> ”). The Target Company and the Subsidiaries of the Target Company are collectively referred to as the “ <b>Target Group</b> ”
“Target Company”	Energy Solution Global Limited, a company incorporated in the British Virgin Islands
“US\$”	United States dollars, the lawful currency of the United States of America
“Vendors”	Ms. Pua Lay Cheng and Mr. Lee Eng Lock, each holding 12.25% and 36.75% interest in the Target Company as at the date of the Sale and Purchase Agreement prior to the Completion
“%”	per cent.

*Note:* When translated, each RM amount stated in this announcement was translated at the exchange rates of RM1 to HK\$1.86.

By order of the Board  
**Furniweb Holdings Limited**  
**Dato’ Lim Heen Peok**  
*Chairman*

Hong Kong, 1 November 2021

*As at the date of this announcement, the non-executive Directors are Dato’ Lim Heen Peok (the chairman) and Mr. Ng Tzee Penn, the executive Directors are Mr. Cheah Eng Chuan, Dato’ Lua Choon Hann and Mr. Cheah Hannon, and the independent non-executive Directors are Mr. Ho Ming Hon, Dato’ Sri Dr. Hou Kok Chung and Dato’ Lee Chee Leong.*

*This announcement, for which the Directors of the Company 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 “Latest Listed Company Announcements” page of the GEM website at <http://www.hkgem.com> for at least 7 days from the date of its posting. This announcement will also be posted on the Company’s website at <http://www.furniweb.com.my>.*