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賽伯樂國際控股

CYBERNAUT INTERNATIONAL HOLDINGS COMPANY LIMITED

賽伯樂國際控股有限公司

(formerly known as Sinoref Holdings Limited)

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1020)

**FURTHER ANNOUNCEMENT IN RELATION TO
DISCLOSEABLE AND CONNECTED TRANSACTION**

**(I) CONTINUING CONNECTED TRANSACTION
AND**

**(II) GRANT OF WAIVER FROM STRICT COMPLIANCE
WITH RULES 14A.52 AND 14A.53 OF THE LISTING RULES**

References are made to (i) the announcement of Cybernaut International Holdings Company Limited (the “**Company**”) dated 26 July 2017 in relation to the discloseable and connected transaction regarding the acquisition of 100% equity interest in Cybernaut Technology International Limited involving the issue of promissory notes; (ii) the announcements of the Company dated 8 September 2017, 22 September 2017 and 13 October 2017 in relation to the delay in despatch of the Circular; and (iii) the announcement of the Company dated 29 September 2017 in relation to the extension of the Long Stop Date (collectively the “**Announcements**”). Unless otherwise stated, capitalised terms used in this announcement shall have the same meaning as those defined in the Announcements.

CONTINUING CONNECTED TRANSACTION

As disclosed in the announcement of the Company dated 26 July 2017, the Target Company is wholly-owned by the Vendor which is owned as to 90% by Mr. Zhu, a Director and a substantial Shareholder (as defined under the Listing Rules). Thus, the Vendor is an associate of Mr. Zhu and is a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the entering into of the Sale and Purchase Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules, and is subject to the reporting, announcement and Independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules.

The Company would like to supplement that as Mr. Zhu is one of the beneficial owners of Wowxue. Thus, Wowxue is also an associate of Mr. Zhu and is a connected person of the Company under Chapter 14A of the Listing Rules. Upon Completion, the entering into of the VIE Agreements constitutes continuing connected transaction of the Company under Chapter 14A of the Listing Rules, and is subject to the reporting, announcement and Independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules.

GRANT OF WAIVER FROM STRICT COMPLIANCE WITH RULES 14A.52 AND 14A.53 OF THE LISTING RULES

Notwithstanding that the transactions contemplated under the VIE Agreements technically constitute continuing connected transaction for the purpose of Chapter 14A of the Listing Rules, the Directors consider that it would be unduly burdensome and impracticable, and would add unnecessary administration costs to the Company, for all transactions contemplated under the VIE Agreements to be subject to strict compliance with the requirements set forth under Rule 14A.53 and Rule 14A.52 of the Listing Rules, including, among other things, the announcement requirements and the independent Shareholders' approval requirement.

The Company has applied to the Stock Exchange, and the Stock Exchange has granted, for a waiver to the Company from (i) setting maximum aggregate annual caps for the service fees payable by Wowxue to Huzhou Company under the Management Services Agreement and the loan(s) to be made available by Huzhou Company under the Loan Agreement pursuant to Rule 14A.53 of the Listing Rules; and (ii) setting a fixed term for each of the VIE Agreements (other than the Management Services Agreement) pursuant to Rule 14A.52 of the Listing Rules, subject to the following conditions:

- (a) save as described in paragraph (d) below, no changes to the terms of the VIE Agreements will be made without the approval of the independent Shareholders;
- (b) save as described in paragraph (d) below, no changes to the terms of the VIE Agreements will be made without the approval of the independent non-executive Directors;
- (c) the VIE Agreements shall continue to enable the Group to receive the economic benefits derived by Wowxue through: (i) Huzhou Company's potential right (if and when so allowed under the applicable PRC laws) to acquire the equity interests in Wowxue; (ii) the business structure under which the revenue generated by Wowxue is substantially retained by Huzhou Company (such that no annual caps shall be set on the amount of management and consultancy fees payable by Wowxue to Huzhou Company under the Management Services Agreement); and (iii) Huzhou Company's right to control the management and operation of, as well as, in substance, all of the voting rights of Wowxue;
- (d) the framework of the variable interest entity structure may be renewed and/or cloned upon the expiry of the existing arrangements or in relation to any existing or new wholly foreign-owned enterprise or operating company (including branch company) that the Group may wish to establish, without obtaining the approval of the independent Shareholders, on substantially the same terms and conditions as the VIE Agreements. The directors, chief executive or substantial shareholders (as defined in the Listing Rules) of any existing or new wholly foreign-owned enterprise or operating company (including branch company) that the Group may establish upon renewal and/or cloning of the VIE Agreements will be treated as the Group's connected persons and transactions between these connected persons and the Group other than those under similar VIE Agreements shall comply with Chapter 14A of the Listing Rules. This condition is subject to compliance with the relevant laws, regulations and approvals of the PRC;

- (e) the Group will disclose details relating to the VIE Agreements on an ongoing basis as follows:
- (i) the VIE Agreements will be disclosed in the Company's annual reports and accounts in accordance with the relevant provisions of the Listing Rules;
 - (ii) the independent non-executive Directors will review the VIE Agreements annually and confirm in the Company's annual report and accounts for the relevant year that: (a) the transactions carried out during such year have been entered into in accordance with the relevant provisions of the Structured Agreements, so that the revenue generated by Wowxue (minus all relevant costs, expenses and taxes payable by Wowxue) has been substantially retained by Huzhou Company; (b) no dividends or other distributions have been made by Wowxue to the holders of its equity interests which are not otherwise subsequently assigned or transferred to the Group; and (c) any new contracts entered into, renewed and/or cloned between the Group and Wowxue during the relevant financial period under paragraph (d) above are fair and reasonable, or advantageous, so far as the Group is concerned and in the interests of the Shareholders as a whole;
 - (iii) the Group's auditors will carry out review procedures annually on the transactions carried out pursuant to the VIE Agreements and will provide a letter to the Directors with a copy to the Stock Exchange, at least ten business days before the bulk printing of the Company's annual report, confirming that (a) the transactions have been approved by the Directors; (b) the transactions have been entered into, in all material respects, in accordance with the relevant VIE Agreements; and (c) that no dividends or other distributions have been made by Wowxue to the holders of its equity interests which are not otherwise subsequently assigned/transferred to the Group;
 - (iv) for the purpose of Chapter 14A of the Listing Rules, Wowxue will be treated as the Company's wholly-owned subsidiary, and its directors, chief executives or substantial shareholders and their respective associates (as defined in the Listing Rules) will be treated as connected persons of the Company and transactions between these connected persons and the Group, other than those under the VIE Agreements, will be subject to requirements under Chapter 14A of the Listing Rules; and
 - (v) Wowxue and the Registered Shareholders will undertake that, for so long as the Shares are listed on the Stock Exchange, Wowxue and the Registered Shareholders will provide the Group's management and the Company's auditors with full access to its relevant records for the purpose of the Company's auditors' review of the connected transactions.

Save as described in paragraph (d) above, if any terms of the VIE Agreements are altered or if the Company enters into any new agreements with any connected persons (within the meaning of the Listing Rules) in the future, the Company must fully comply with the relevant requirements under Chapter 14A of the Listing Rules unless it applies for and obtains a separate waiver from the Stock Exchange.

WARNING

The Acquisition is subject to a number of conditions which may or may not be fulfilled. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

By order of the Board
Cybernaut International Holdings Company Limited
Mr. Zhu Min
Chairman

Hong Kong, 20 October 2017

As at the date of this announcement, the executive Directors are Mr. Zhu Min, Mr. Gao Xiang, Mr. Lu Yongchao, Mr. Xu Yejun and Mr. Sin Kwok Wai Ronald; the non-executive Directors are Mr. Chow Chi Wa and Ms. Yip Sum Yu, and the independent non-executive Directors are Mr. Cao Ke, Mr. Tong Yiu On and Mr. Li Yik Sang.