United Pacific Industries

United Pacific Industries Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 0176)

INSIDE INFORMATION
BUSINESS UPDATE AND COMMENCEMENT OF NEW BUSINESS ACTIVITY

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and Inside Information Provisions under Part XIVA of the SFO.

ACQUISITION

The Board is pleased to announce that on 19 April 2017 (after trading hours), the Purchaser, a direct wholly-owned subsidiary of the Company, and the Vendor entered into the Sale and Purchase Agreement pursuant to which the Purchaser has conditionally agreed to acquire, and the Vendor has conditionally agreed to sell the Sale Shares, representing the entire issued share capital of the Target Company at the consideration of HK$12,500,000.

The Target Company is licensed under the SFO to carry out Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities.

The Consideration shall be payable by the Purchaser to the Vendor in the following manner:

(i) an initial refundable deposit of HK$5,000,000 shall be payable by the Purchaser to the Vendor in cashier's order, cheque or bank transfer within five Business Days from the date of the Sale and Purchase Agreement; and

(ii) the remaining balance of HK$7,500,000 shall be payable by the Purchaser to the Vendor in cashier's order, cheque or bank transfer on the date of Completion.

Completion shall take place on the seventh Business Day after all conditions precedent under the Sale and Purchase Agreement are fulfilled (or waived by the Purchaser in writing (where applicable)) or on another date as agreed by the parties in writing. Immediately after Completion, the Company will own the entire issued shares of the Target Company and will consolidate the results of the Target Company in the financial statements of the Group.

To the best of the Directors' knowledge, information and belief, and after making all reasonable enquiries, the Vendor is an Independent Third Party as at the date of this announcement. As none of the applicable percentage ratios in respect of the Sale and Purchase Agreement and the transaction contemplated thereunder are more than 5%, the Sale and Purchase Agreement and the transactions contemplated thereunder are therefore not subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

NEW BUSINESS

Immediately after Completion (if materializes), the Group would commence a new business segment of financial services in Hong Kong, which may include Type 4 (advising on securities), Type 5 (advising on futures contracts), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO (the "**New Business Activities**").

The Group is engaged in the business of, inter alia, manufacturing of consumer-electronic products and investment in an associate which engaged in afterlife services in Taiwan. The Board considers that the New Business Activities will diversify the Group's business and broaden its revenue base. Accordingly, the Board is of the view that the commencement of the New Business Activities will be in the interest of the Company and its shareholders as a whole. The Group intends to finance the New Business Activities by its internal resources.

DEFINITIONS

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

"Board"	the Board of Directors;
"Business Day"	a day (other than a Saturday) on which the banks are open for business in Hong Kong;
"Company"	United Pacific Industries Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Stock Exchange (stock code: 0176);
"Completion"	the completion of the sale and purchase of the Sale Shares in accordance with the terms and conditions of the Sale and Purchase Agreement;
"Connected Persons"	has the meaning ascribed to it under the Listing Rules;
"Consideration"	HK$12,500,000, being the consideration for the purchase of the Sale Shares under the Sale and Purchase Agreement payable by the Purchaser;
"Director(s)"	the director(s) of the Company;
"Group"	the Company and its subsidiaries;
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong;
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China;
"Independent Third Party"	party who is independent of and not connected with the Company and its Connected Persons;
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange;
"Purchaser"	Best Process Investments Limited, a company incorporated in British Virgin Islands with limited liability and a direct wholly-owned subsidiary of the Company;

"Sale and Purchase Agreement"	the agreement dated 19 April 2017 entered into between the Purchaser and the Vendor in relation to the sale and purchase of the entire issued share capital of the Target Company;
"Sale Shares"	the issued share capital of the Target Company in the amount of HK$5,700,000, which represents the entire issued share capital of the Target Company as at the date of this announcement and as at Completion. The Sale Shares are wholly owned by the Vendor;
"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
"Shareholder(s)"	the holder(s) of the share(s) of the Company;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"Target Company"	Shining International Holdings Limited, a company incorporated in Hong Kong with limited liability;
"Vendor"	an individual and an Independent Third Party; and
"%"	per cent.

By Order of the Board
United Pacific Industries Limited
Yeung So Lai
Chairman

Hong Kong, 19 April 2017

As at the date of this announcement, the executive Directors are Ms. Yeung So Lai and Mr. Lee Chi Shing Caesar; and the independent non-executive Directors are Mr. Chiu Sze Wai Wilfred, Mr. Chow Wai Leung William and Ms. Hu Gin Ing.