

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



UNIVERSAL TECHNOLOGIES HOLDINGS LIMITED

環球實業科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1026)

CONNECTED TRANSACTION

The Board wishes to announce that on 20 September 2016, the Purchaser (a direct wholly-owned subsidiary of the Company) and the Vendor entered into the Acquisition Agreement pursuant to which the Purchaser conditionally agreed to acquire from the Vendor, and the Vendor agreed to sell, the entire issued share capital of the Target Company for a total cash consideration of HK\$9,000,000.

The issued share capital of the Vendor is 20% owned by Ms. Zhu (an executive Director of the Company) and 80% owned by Mr. Yang (the spouse of Ms. Zhu). In addition, as at the date of this announcement, the Vendor is a substantial shareholder of the Company interested in, directly and indirectly through its subsidiary, 520,380,000 Shares, representing 24.54% of the issued share capital of the Company. Accordingly, the Vendor is a connected person of the Company and the Proposed Acquisition constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. As the relevant applicable percentage ratios (as defined in the Listing Rules) in respect of the Proposed Acquisition are more than 0.1% but less than 5% and the total consideration is more than HK\$3,000,000 but less than HK\$10,000,000, under Rule 14A.76 of the Listing Rules, the Proposed Acquisition is subject to announcement and reporting requirements but exempt from the circular and independent shareholders' approval requirements.

ACQUISITION AGREEMENT

Date

20 September 2016

Parties

- (1) The Purchaser; and
- (2) The Vendor.

The Purchaser is a company incorporated in Hong Kong with limited liability and is a newly-incorporated company intended to be principally engaged in investment holdings. The Purchaser is a direct wholly-owned subsidiary of the Company.

Prior to the entering into of the Acquisition Agreement, the entire issued share capital of the Target Company was legally and beneficially owned by the Vendor. According to the information provided by the Vendor, as at the date of this announcement, (a) the Vendor is a company incorporated in Hong Kong with limited liability and is principally engaged in investment holdings; and (b) the issued share capital of the Vendor is 20% owned by Ms. Zhu (an executive Director of the Company) and 80% owned by Mr. Yang (the spouse of Ms. Zhu).

Subject matter

Pursuant to the Acquisition Agreement, the Purchaser conditionally agreed to acquire from the Vendor, and the Vendor agreed to sell, the entire issued share capital of the Target Company. The Vendor warrants to the Purchaser that as at Completion, the Target Company shall continue to meet the minimum liquid capital required by the SFC and shall not have any liabilities (save and except any current liabilities incurred in the ordinary and usual course of business).

The original acquisition costs paid by the Vendor in acquiring the Target Company was approximately HK\$4,649,000, together with fees and expenses incurred in the original acquisition in the approximate amount of HK\$591,000 and additional capital injections in the total approximate amount of HK\$1,850,000.

Following completion of the Acquisition Agreement, the Target Company will become an indirect wholly-owned subsidiary of the Company.

Consideration

The total cash consideration for the Proposed Acquisition amounts to HK\$9,000,000 which shall be payable by the Purchaser to the Vendor in cash on Completion.

The consideration for the Proposed Acquisition will be funded from the internal resources of the Group.

Conditions precedent

Completion of the Acquisition Agreement is conditional upon, amongst other things:

- (a) the Purchaser having obtained all regulatory approvals regarding the Proposed Acquisition, including approval by the SFC;
- (b) the Target Company maintaining all relevant permits and licenses for its normal operations, no material adverse changes to the Target Company having taken place, no charges or guarantees having been made in respect of any assets of the Target Company, and the Target Company continuing to meet the minimum liquid capital required by the SFC, owing no liabilities to external parties and owing no shareholders' loans;
- (c) there being no charges, pledges, guarantees or third party encumbrances over the issued share capital of the Target Company on Completion;
- (d) there being no changes to the responsible officers of the Target Company before Completion, and the responsible officers having renewed their service contracts with the Target Company at such terms as are agreed upon by the Purchaser;

- (e) there being no litigations, regulatory investigations, sanctions or penalties affecting the Target Company at Completion;
- (f) no voluntary or involuntary winding-up proceedings being commenced against the Target Company at Completion; and
- (g) the Purchaser being satisfied with its due diligence conducted over the Target Company.

Save for and except condition (a) above which cannot be waived, all the other conditions precedent can be waived at the discretion of the Purchaser. However, the Purchaser currently has no intention to waive any condition which may result in its economic interest being adversely affected or give rise to any additional risks.

The long stop date for the fulfillment or waiver of the conditions precedent is 19 March 2017 (or such later date as the parties may mutually agree) (the “**Long Stop Date**”). Completion shall take place within ten business days after the last condition precedent is fulfilled or waived. If the conditions precedent are not satisfied by the Long Stop Date, the Acquisition Agreement may be terminated and all rights and obligations of the parties thereunder shall cease forthwith.

INFORMATION ON THE TARGET COMPANY

The Target Company is a company incorporated in Hong Kong with limited liability and a corporation licensed by the SFC to conduct Type 9 (asset management) regulated activities under the SFO. The Target Company is principally engaged in asset management.

Based on the unaudited management accounts of the Target Company as at 31 August 2016 provided by the Vendor, the unaudited net asset value of the Target Company as at 31 August 2016 was approximately HK\$703,000. Based on the audited statement of comprehensive income of the Target Company for the year ended 31 December 2015 provided by the Vendor, (a) the audited loss before and after taxation of the Target Company for the year ended 31 December 2015 were both approximately HK\$449,000; and (b) the audited profit before and after taxation of the Target Company during the period commencing on its date of incorporation (i.e. 5 July 2013) and ending on 31 December 2014 were approximately HK\$90,000 and HK\$76,000, respectively.

REASONS FOR THE PROPOSED ACQUISITION

The principal activity of the Company is investment holding. Its subsidiaries are principally engaged in investment holding, provision of payment solutions and related services, timber trading and furniture manufacturing, system integration and technical platform services, property investment and building management and water supply and related services.

Under the regulatory framework relating to the mutual recognition of funds between Mainland China and Hong Kong effective 1 July 2015, Hong Kong-domiciled funds products must be managed by SFC-licensed asset managers in order to be eligible for entry into the Chinese market. Equipped with many years of business operations in China and Hong Kong, the Group considers that we are well positioned to capitalize our extensive business networks in China by diversifying into financial services industry, in particular the asset management sector.

The consideration for the Proposed Acquisition was arrived at after arm's length negotiations between the Purchaser and the Vendor, taking into account the total investment costs spent by the Vendor on acquiring and supporting the ongoing operations of the Target Company and recent offers for sale of similar businesses known to the market. The Directors (including all the independent non-executive Directors) are of the view that the entering into of the Acquisition Agreement and the terms and conditions of the Proposed Acquisition (including the consideration and payment terms) are fair and reasonable, on normal commercial terms or better and in the ordinary and usual course of business of the Group, and in the best interests of the Company and the Shareholders as a whole.

The Acquisition Agreement has been approved by the Board after trading hours on 20 September 2016. Ms. Zhu considered herself to have a material interest in the Proposed Acquisition and has abstained from voting on the board resolution in respect of the Acquisition Agreement.

IMPLICATIONS UNDER THE LISTING RULES

The issued share capital of the Vendor is 20% owned by Ms. Zhu (an executive Director of the Company) and 80% owned by Mr. Yang (the spouse of Ms. Zhu). In addition, as at the date of this announcement, the Vendor is a substantial shareholder of the Company interested in, directly and indirectly through its subsidiary, 520,380,000 Shares, representing 24.54% of the issued share capital of the Company. Accordingly, the Vendor is a connected person of the Company and the Proposed Acquisition constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. As the relevant applicable percentage ratios (as defined in the Listing Rules) in respect of the Proposed Acquisition are more than 0.1% but less than 5% and the total consideration is more than HK\$3,000,000 but less than HK\$10,000,000, under Rule 14A.76 of the Listing Rules, the Proposed Acquisition is subject to announcement and reporting requirements but exempt from the circular and independent shareholders' approval requirements.

WARNING OF THE RISKS OF DEALINGS IN THE SHARES

Shareholders and potential investors of the Shares should note that the Proposed Acquisition is subject to the fulfillment or waiver of conditions precedent and may or may not proceed to Completion. Shareholders and investors should exercise caution in dealing with the securities of the Company.

DEFINITIONS

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

“Acquisition Agreement”	the sale and purchase agreement entered into between the Purchaser and the Vendor dated 20 September 2016 in relation to the Proposed Acquisition
“associate(s)”	having the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors

“Company”	Universal Technologies Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Main Board of the Stock Exchange with stock code 1026
“Completion”	completion of the Acquisition Agreement
“connected person(s)”	having the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Yang”	Mr. Yang Zhimao, the spouse of Ms. Zhu and a 80% shareholder of the Vendor
“Ms. Zhu”	Ms. Zhu Fenglian, an executive Director and a 20% shareholder of the Vendor
“Proposed Acquisition”	the proposed acquisition of the entire issued share capital of the Target Company by the Purchaser from the Vendor pursuant to the Acquisition Agreement
“Purchaser”	Universal Technologies Capital Holdings Limited (環球科技金融控股有限公司), a company incorporated in Hong Kong with limited liability, a direct wholly-owned subsidiary of the Company and the purchaser in the Proposed Acquisition
“SFC”	the Securities and Futures Commission of Hong Kong

“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Shareholder(s)”	holder(s) of the Shares
“Share(s)”	share(s) of HK\$0.01 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	having the meaning ascribed to it under the Listing Rules
“Target Company”	Hooray Asset Management Limited (好盈資產管理有限公司), a company incorporated in Hong Kong with limited liability and a corporation licensed by the SFC to conduct Type 9 (asset management) regulated activities under the SFO
“Vendor”	Ever City Industrial Development Limited (永城實業發展有限公司), a company incorporated in Hong Kong with limited liability and the vendor in the Proposed Acquisition

By Order of the Board
UNIVERSAL TECHNOLOGIES HOLDINGS LIMITED
Chen Jinyang
Chairman

Hong Kong, 20 September 2016

As at the date of this announcement, the Board of Directors of the Company comprises four executive Directors namely Mr. Chen Jinyang (Chairman), Mr. Chau Cheuk Wah (Chief Executive Officer), Mr. Zhou Jianhui and Ms. Zhu Fenglian; one non-executive Director namely Ms. Zhang Haimei; and three independent non-executive Directors namely Dr. Cheung Wai Bun, Charles, J.P., Mr. David Tsoi and Mr. Chao Pao Shu George.