

日期：2016年 2 月 4 日

梁权

与

紫光科技战略投资有限公司

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关于日東科技（控股）有限公司 4,536,520 股股份之不可撤销承诺书

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本不可撤销承诺书由以下双方于2016年2月4日签订：

- (1) 梁权，居住地址香港九龙柯士甸道西九号，Grand Austin 柯士甸2期第2座25楼B室（“梁权先生”）；和
- (2) 紫光科技战略投资有限公司，一家依香港法律成立的公司，注册地址为香港中环皇后大道中28号中汇大厦11楼（“要约人”，以下与梁权先生合称“双方”，单称“一方”）；

鉴于：

- (A) 日东科技（控股）有限公司（“公司”）是一家依百慕达法律成立并于香港联合交易所有限公司（“联交所”）主板公开上市（股票代码：365）的公司，注册地址为Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。
- (B) 根据公司分别与要约人及每个独立投资者（及其他方）于2016年2月4日订立的认购协议之条款：(a) 要约人须认购且公司须(i) 分配和发行总计730,000,000股股份（“UNISTECH 认购股份”），认购价每股0.40港币；及(ii) 分配和发行本金总额为148,000,000港币的可转换债券，可转换为370,000,000股股份（“可转换债券”），转换价格为0.40港币；及(b) 两位独立投资者各自分别须认购、公司须分别向每一独立投资者分配和发行100,000,000股股份（共计200,000,000股股份），每股0.40港元（连同UNISTECH 认购股份，合称“认购股份”）。紧随认购股份认购完成后，要约人将合计持有730,000,000股股份，占公司届时全部已发行股本约50.17%（假设可转换债券并未转换）。根据守则第26.1条，认购股份认购完成后，要约人将须对除要约人及其一致行动人士已拥有或同意收购的股份之外的所有其他已发行股份，作出强制性无条件现金全面要约。
- (C) 截至本承诺书签订日，梁权先生（直接或通过其控制的公司）拥有4,536,520股股份的实际权益，占本承诺书签订日本公司全部已发行股本约0.86%，在认购股份完成后，占本公司全部已发行股本约0.31%（假设可转换债券未转换）。
- (D) 根据本承诺书项下条款和条件，梁权先生不可撤销地承诺，就其接受要约股份接受要约。
- (E) 本承诺书载明了在要约作出之时，梁权先生接受要约的条件和条款。

双方协议如下：

## 1. 释义

### 1.1 在本承诺书中：

- |          |  |
|----------|--|
| “接受要约股份” | 指相关股份及承诺后所得股份，梁权先生将根据本承诺书的条款和条件就该等股份接受要约；  |
| “一致行动”   | 具有守则中赋予的含义；                                |
| “适用法律”   | 就任何人士而言，指任何政府或监管部门、或由任何相关政府部门设立的任何证券交易所的适用 |

于该等人士的任何法律、法规、规章、指引、指令、判决、法令、命令、通知、裁定或决定；

“Benefit Return”	Benefit Return Inc., 一家注册成立于英属维京群岛, 注册办公室位于 P.O. Box 3152, Roadtown, Tortola, British Virgin Islands 的公司, 由梁权先生实益持有其全部已发行股本的公司;其直接持有 3,556,520 股公司股份, 梁权先生享有该股份实益权利;
“营业日”	指香港的商业银行开门营业的日子(不含周六、周日或香港公众假期以及任何其他香港发出 8 级或以上热带气旋警报或“黑雨”警报信号之日);
“集团业务”	指集团在作出要约当日及之前任何时间经营的业务;
“CCASS”	指香港中央结算有限公司运营的中央结算及交收系统;
“陳萍女士”	陈萍, 持有香港居民身份证, 号码为 R742855(2), 地址为香港金钟道 89 号力宝中心 2 座 38 楼 02-03 室; 公司将向其分配和发行、且其将认购 100,000,000 股股份;
“守则”	指香港《公司收购及合并守则》;
“公司”	具有前言(A)部分赋予的含义;
“交割”	指根据要约, 完成接受要约股份的买卖;
“负担”	指按揭、押记、质押、留置权、期权、限制、优先购买权、有限认购权、第三方权利或利益, 或具有类似后果的其他负担或担保权益;
“执行人员”	证监会企业融资部执行董事或任何获其转授权力的人;
“政府部门”	指任何超国家、国内、外国、联邦、州或地方政府、监管或行政机关、部门、法院、机构或官员、或职能部门(包括其任何政治分支);
“集团”	即公司和其子公司; “集团公司”意指公司或某子公司;
“港元”或“港币”	指香港法定货币港元;
“香港”	指中国香港特别行政区;
“已改进的要约”或“已改进的要约条款”	与第 7.1 条中赋予其的含义相一致;

“独立投资人”	指Reach General和陳萍女士；
“联合公告”	指根据守则第 3.5 条，要约人与公司就要约等事宜联合发布的联合公告，其式样列于附表一；
“先决条件最后完成日期”	指 2016 年 5 月 31 日；
“上市规则”	指《香港联合交易所有限公司证券上市规则》
“Mind Seekers”	Mind Seekers Investment Limited，一家注册成立于英属维尔京群岛，注册地位于 P.O. Box 3152, Road Town, Tortola, British Virgin Islands 的公司，其全部已发行股本分别由毕天庆先生（占比 50%）、毕天富先生（占比 20%）、梁畅先生（占比 20%）和梁权先生（占比 10%）分别实益持有；
“要约”	指根据守则，要约人有可能对其或其一致行动人尚未持有或尚未同意收购的全部已发行股份发出的强制无条件现金全面要约；
“要约文件”	指由要约人与公司就要约发送的综合要约文件（包括受要约公司的董事会通函）与接纳及过户表格；
“要约期限”	与规则中赋予其的意义相一致；
“要约价格”	即每股 1.70 港币；
“承诺后所得股份”	即梁权先生于本承诺书签订日起至要约截止前所接受、获分配到或以其他方式获取的全部其他股份；
“中国”	指中华人民共和国
“Reach General”	Reach General International Limited，一家注册成立于英属维尔京群岛，注册办公室位于 P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands；公司将向其分配和发行、且其将认购 100,000,000 股股份；
“相关股份”	即梁权先生于本承诺书签订日（直接或通过其控制的公司间接）持有的 4,536,520 股股份，占公司总发行股本约 0.86%；
“证监会”	指香港证券及期货事务监察委员会；
“证券条例”	指《证券及期货条例》（香港法例第571章）；

“股份”	即公司股本中每股0.10港元之普通股；
“联交所”	具有前言(A)部分赋予的含义；
“认购协议”	由公司与要约人等就认购和分配和发行 UNISTECH 认购股份于 2016 年 2 月 4 日签订的一项附条件协议；
“子公司”	指公司的任一子公司；
“总对价”	指根据守则和第 3.2 条向梁权先生和 Benefit Return 支付的总对价金额；
“交易文件”	即本承诺书、联合公告和要约文件；以及
“交易”	即交易文件拟议的各项交易。

#### 1.2. 本承诺书中：

- 1.2.1. 凡提及术语“子公司”之处，具有与公司条例（香港法例第 622 章）中的定义相同的含义；
- 1.2.2. 凡提及法律条文之处，包括提及在本承诺书签订日之前经修订或重颁（或两者）的法律条文，以及在本承诺书签订日之前在该等法律条文项下作出的任何附属立法（含其修订或重颁）；
- 1.2.3. 提及“一方”，包括提及该方的继承人和允许的受让人；
- 1.2.4. 提及条、节、序言或附表时，除非上下文另行要求，系对本承诺书条、节、序言或附表的提及；
- 1.2.5. 以“包括”“包含”、“尤其”或任何类似词语引出的任何短语，应解释为属于示意性质，而并不限制前述词语之前文字的含义；及
- 1.2.6. 日期的时间为香港时间。

1.3. 本承诺书中的标题并不影响承诺书的解释。

1.4. 本承诺书的前言和附表，构成本承诺书的一部分，如同载列于本承诺书正文。

## 2. 梁权先生之承诺

### 接受要约

- 2.1 梁权先生不可撤销地向要约人承诺，将于要约文件发送时起五个营业日后、并于要约文件发送时起第十个营业日下午四点前，根据本承诺函项下义务及有关要约之条款的规定，就其接受要约股份正式接受要约或促使 Benefit Return 接受要约，并在此种情况下，以实益所有者之身份，将其所持有接受要约股份无抵押地、连同一切附加性权利出售予要约人，并在接受要约之时以转寄的方式向要约人提交相关股票证书（或在接受要约之时就遗失的股票证书以公司董事接受之形式提供弥偿保证），或向要约人提供、或促使向要约人提供送达接受要约股份的不可撤销指令，或根据要约文件中规定

的条件和条款通过 CCASS 代表送达。

### 无撤回接受

- 2.2 梁权先生不可撤销地承诺其将不会撤回或促使 Benefit Return 不会撤回对有关接受要约股份要约的接受，即使守则或要约的条款与条件赋予公司股东此撤回权利。

### 接受要约股份之上无负担或其他第三方权利

- 2.3 梁权先生不可撤销地向要约人承诺其在要约截止、失效或被撤销前，除依据要约，将不会：
- 2.3.1 出售、转让、押记、负担、授予任何期权（或导致相同效果）或以其他方式处置其接受要约股份（除予要约人之外）的权益；
- 2.3.2 直接或间接获取任何额外股份、证券或公司的其他权益。虽有前述陈述，其自愿或非自愿的收到，获分配到或以其他方式获得公司任何额外股份、证券或其他任何权益，则为本承诺书目的，该等股份、证券或权益须被视为接受要约股份的一部分（作为承诺后所得股份或其部分）；或
- 2.3.3 采取任何（i）可能会限制或阻碍其履行本承诺书项下有关要约的义务，或（ii）可能有损要约的成功结果的行为，或订立可能产生上述后果的协议或安排，包括通过行使其在公司董事会的代表权（且无论该行为、协议、安排是否具有法律约束力，或受制于任何情况、或于本要约截止或失效之后生效）。

### 促使 Mind Seekers 履行其义务

- 2.4 梁权先生不可撤销地向要约人承诺，将采取任何行为，促使 Mind Seekers 履行其将与要约人于本承诺书签订日前后签订的不可撤销承诺函及其他由其依据要约或与要约相关而签署的文件项下规定的义务，包括通过行使其在 Mind Seekers 股东会上的代表权。

## 3. 要约价格及其他条款

### 要约条款

- 3.1 要约将根据联合公告中规定的条款和条件的作出并受制于该等条款及条件。各方均明晰并同意要约文件将包含规定接受要约之程序的后续条款，及包含一般适用于联交所上市公司就所有发行股本作出要约的要约文件中所包含的其他条款和条件。
- 3.2 于交割后，总对价将按守则的规定，以与向公司其他已接受要约股东的付款方式相一致的方式承付给梁权先生和 Benefit Return，且在梁权先生和 Benefit Return 以支票或本票的方式，在收到相应总对价同一天就接受要约股份向要约人支付其应缴纳的印花税额的情况下，该总对价将不得受到任何扣留、扣减或抵消。

### 遵守守则

- 3.3 梁权先生同意联合公告和要约文件的发布包含对其及交易文件的引用，且梁权先生知悉，如要约已经作出，本承诺书将在要约期限内可供备查，且其中的详细内容可应守则和/或上市规则的要求包含于要约文件之中。

#### 4. 陈述与保证

4.1 梁权先生向要约人陈述并保证于签订本承诺书时、认购认购股份完成时及在其接受要约时：

4.1.1 相关股份包括所有注册于其名下、或实益性由其持有或其拥有权益的公司股份（除其直接或通过 Mind Seekers 间接享有的其他的权益）；

4.1.2 其是相关股份唯一实益拥有者，无负担及任何其他第三方权利；

4.1.3 接受要约股份将依据要约在没有押记、留置权及负担，以及包含享有现在或将来赋予的所有权利（包括享有此后申报、作出或派发的股息的权利）的情况下转移；

4.1.4 执行和交付本承诺书和履行本承诺书义务不会与其作为一方或致使其任何资产受约束的任何协议、义务、契诺或文书产生冲突；

4.1.5 其具有必要的权力和授权来签订和履行其在本承诺书下或其将执行的其他依照或与要约有关的任何文件的义务；

4.1.6 其已经获得或满足签署并履行本承诺书中规定义务所需的所有监管性要求和其他批准；及

4.1.7 本承诺书构成合法、有效和具约束力的协议，当中条款对其有强制执行力。

4.2 本陈述与保证将不会因依据要约而做出的接受要约股份的出售而灭失或受到影响。

#### 5. 终止

5.1 本承诺书将在下列情况发生时立即终止：

5.1.1 联合公告未在本承诺书签订日起第十个营业日或十个营业日内发布；

5.1.2 在认购股份的认购完成七天内或执行人员同意的其他时间期限内，仍未作出要约（包括要约文件的发送）；或

5.1.3 要约失效。

5.2 在本承诺书的终止情况发生时，本承诺书所有方面均将立即终止，任何一方在本承诺书项下均不承担任何义务和责任或对本承诺书另一方索赔，除下列情形外：

5.2.1 本承诺书中第一条（定义）、第五条（终止）、第六条（保密信息）、第八条（实际履行）、第九条（转让）、第十条（成本）、第十一条（完整协议）、第十二条（一般条款）和第十三条（适用法律与司法）此后继续全面充分有效地适用；及

5.2.2 此终止将不损害任何一方于终止日在本承诺书项下的应计权利和补救、及义务和责任。

5.3 为为免疑义，若在先决条件最后完成日期前，认购协议下规定的先决条件尚未被满足或被放弃，则要约人将无根据本承诺书或联合公告作出要约的义务，梁权先生亦无根据本承诺书或联合公告接受或促使接受要约的义务。



## 6. 保密信息

每一方特此承诺，除非适用法律要求，其应对要约的可能性、条款及条件、本承诺书的存在和条款予以保密，直至发布联合公告之时，但是，其可向其顾问披露此等各項，在此等情形下，其应确保其顾问按照同一条款进行保密。本第 6 条的义务在本承诺书终止之后继续有效。

## 7. 已改进的要约

7.1 在无损本承诺书第三条规定要求的前提下，本承诺书的效力延伸至任何由要约人提出或代表要约人提出的已改进的要约（“已改进的要约”或“已改进的要约条款”，意为在要约中要约人提出的，要约价格高于每股 1.70 港币之条款，或若要约价格保持 1.70 港币且梁权先生和 Benefit Return 无需承担本承诺书中未规定的其他附加义务的情况下，则就一个公司或多个公司的证券获得额外利益或其他无条件支付的额外利益），且本承诺书中所指要约均当据此解释。

7.2 根据守则第 16.1 条，若要在要约过程中，要约人修订要约条款致使要约条款改进，无论梁权先生和 Benefit Return 是否已接受要约，则其将有权享受已改进的要约条款。

## 8. 实际履行

各方均同意，若其无法履行第 2、3、7 条项下之任何承诺，或违反了第 2、3、7 条项下之任何义务，赔偿金不是一个充分的补救方法，且该未履行或被违反义务的受义务人应被赋予实际履行的补救方法。

## 9. 责任限制

在任何情况下，梁权先生就本承诺函项下的所有权利主张所承担的累积全部责任不得超出梁权先生根据第 3.2 条收到的总对价。未免疑义，本第 9 条不限制各方于第 8 条项下被赋予的具体履行的补救方法。

## 10. 转让

本承诺书专属于本承诺书各方。各方均不得将其在本承诺书项下的任何权利，予以全部或部分转让、转移、设定利益信托或以任何其他形式让与。

## 11. 成本

11.1. 除本承诺书另行规定，各方将自行承担由本承诺书的谈判、准备、签署及执行所引发的费用。

11.2. 任何与接受要约股份交易相关的应付印花税将由要约人和梁权和/或 Benefit Return 分别承担同等份额。

## 12. 完整协议

交易文件构成要约人和/或其任何代理人或顾问（作为一方）和梁权先生和/或其任何代理人或顾问（作为另一方）之间就交易达成的完整协议，取代双方之间先前就交易达成的任何协议。

### 13. 一般条款

#### 13.1. 变更或修订

对本承诺书的变更或修订，仅书面作成，且经每一方或其代表签署之时，方具效力。

#### 13.2. 疏于行使或迟延行使权力

疏于行使或迟延行使本承诺书或法律规定的权利或救济，并不损害或构成放弃该等权利或救济，亦不损害或放弃其他权利或救济。单次或部分行使本承诺书或法律规定的权利或救济，并不妨碍再次行使该等权利或救济，或行使其他权利或救济。

#### 13.3. 交割的效力

13.3.1. 除非已经获得履行，且除非本承诺书另行明示规定，否则，各方在本承诺书项下的权利和救济，以及每一方在本承诺书项下的责任，并不因下述各项而解除、免除或受损：(i) 交割，或(ii) 对集团（或其任何部分）业务事宜进行任何调查，或要约人或其代表就任何该等事宜（除非是在本承诺书中公允、明示披露的事宜）掌握或取得任何知识。

13.3.2. 虽然进行了交割，(i) 本承诺书和任何其他交易文件中每一在交割之时或之前尚未获履行，但仍然可以予以履行的每一条文，以及(ii) 本承诺书或任何其他交易文件中载明的或据之达成的一切保证、承诺、赔偿约定和其他承诺和确保，将继续充分有效（除非另行明示规定），而不受时间限制。

#### 13.4. 非排他性救济

本承诺书载明的权利和救济，可以并用，且不排除制定法、合同或衡平法上规定的任何其他权利和救济。

#### 13.5. 可分割性

任何时候，依任何司法辖区法律，本承诺书任何条款属于或变为非法、无效或不可强制执行的，则此等情形并不影响：

13.5.1. 本承诺书任何其他条款在该等司法辖区的合法性、效力或可强制执行性；或

13.5.2. 本承诺书前述条款或其他条款在任何其他司法辖区的合法性、效力或可强制执行性。

#### 13.6. 副本

本承诺书可签署任何数量的副本，可由各方以独立的副本签署；所有副本均属正本，且共同构成同一文件。

#### 13.7. 进一步确保

梁权先生应不时尽其合理努力，作出要约人为使其被赋予对接受要约股份的所有权而合理要求的一切进一步行动，签署和交付或促使作出要约人为使其被赋予对接受要约股份的所有权而合理要求的一切进一步文件和事宜，费用由要约人承担。

**14. 管辖法律和司法管辖权**

14.1. 本承诺书受香港法律管辖。

14.2 香港法院具有排他性管辖权，裁断因或就本承诺书产生的一切纠纷(包括关于本承诺书之存在、效力、终止或其无效后果的纠纷) (“**纠纷**”)，并为此接受香港法院的排他管辖。

14.3. 每一方不可撤销地放弃其可能基于不方便法院地法理而对香港法院司法管辖权持有的任何异议。

附表一  
联合公告式样

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this joint 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 joint announcement.*

*This joint announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of the Company nor is it a solicitation of any vote or approval in any jurisdiction.*

**UNIS TECHNOLOGY STRATEGY  
INVESTMENT LIMITED**

*(Incorporated in Hong Kong with  
limited liability)*

**[Logo of Sun East]**

**SUN EAST TECHNOLOGY  
(HOLDINGS) LIMITED**

**日東科技(控股)有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 365)**

**(1) SUBSCRIPTION OF NEW SHARES AND CONVERTIBLE BONDS  
OF SUN EAST TECHNOLOGY (HOLDINGS) LIMITED  
BY THE SUBSCRIBERS UNDER SPECIFIC MANDATE**

**(2) POSSIBLE UNCONDITIONAL MANDATORY CASH OFFER BY  
QUAM SECURITIES COMPANY LIMITED**

**FOR AND ON BEHALF OF UNIS TECHNOLOGY STRATEGY INVESTMENT LIMITED TO  
ACQUIRE ALL THE ISSUED SHARES (OTHER THAN THE EXCLUDED SHARES)**

**(3) [RESUMPTION OF TRADING IN THE SHARES OF  
SUN EAST TECHNOLOGY (HOLDINGS) LIMITED]**

**Financial Adviser to the Offeror**

**[Logo of FA to UNISTECH]**

**THE SUBSCRIPTIONS**

On 4 February 2016, Mr. But, the Company and the Offeror entered into the UNISTECH Subscription Agreement, pursuant to which, the Company has conditionally agreed to issue, and the Offeror has conditionally agreed to subscribe, in cash, for (i) 730,000,000 Subscription Shares, representing approximately 139.05% of the number of issued Shares as at the date of this joint announcement and approximately 50.17% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares, at a Subscription Price of HK\$0.40 per Subscription Share; and (ii) Convertible Bonds with an aggregate principal amount of HK\$148,000,000 which can be converted into 370,000,000 Shares at a Conversion Price of HK\$0.40 per Share, representing (a) approximately 70.48% of the issued

share capital of the Company as at the date of this joint announcement; and (b) approximately 20.27% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares and the Conversion Shares.

On 4 February 2016, the Company and Reach General entered into the RG Subscription Agreement, pursuant to which, the Company has conditionally agreed to issue, and Reach General has conditionally agreed to subscribe, in cash, for 100,000,000 Subscription Shares, representing approximately 19.05% of the number of issued Shares as at the date of this joint announcement and approximately 6.87% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares, at a Subscription Price of HK\$0.40 per Subscription Share.

On 4 February 2016, the Company and Chen Ping entered into the Chen Subscription Agreement, pursuant to which, the Company has conditionally agreed to issue, and Chen Ping has conditionally agreed to subscribe, in cash, for 100,000,000 Subscription Shares, representing approximately 19.05% of the number of issued Shares as at the date of this joint announcement and approximately 6.87% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares, at a Subscription Price of HK\$0.40 per Subscription Share. The Subscription Shares and the Conversion Shares will be allotted and issued pursuant to the Specific Mandate to be sought from the Shareholders at the SGM.

The total Subscription Price amounts to HK\$520 million which shall be payable in cash by the Subscribers in proportion to their Subscription Shares and Convertible Bonds subscribed upon Completion.

Completion shall take place on the seventh Business Day from and excluding the day on which the last of the conditions precedent of the respective Subscription Agreements has been fulfilled or waived. It is expected that the UNISTECH Completion, the RG Completion and the Chen Completion will take place contemporaneously as each of the UNISTECH Subscription Agreement, the RG Subscription Agreement and the Chen Subscription Agreement is subject to the same conditions precedent. At Completion, the Company shall allot and issue to the Subscribers, their respective number of Subscription Shares and to the Offeror, the Convertible Bonds.

An application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares and the Conversion Shares.

The Offeror intends to assist the Group to upgrade its technology, products and production facilities and further expand its smart production lines and semi-conductor equipment business in the PRC. As at the date of this joint announcement, no definitive agreement, proposals, terms or timetable have been entered into or determined for any possible future transaction or arrangement.

#### **POSSIBLE UNCONDITIONAL MANDATORY CASH GENERAL OFFER**

Subject to fulfillment (or waiver as applicable) of the conditions precedent of the UNISTECH Subscription Agreement and following the UNISTECH Completion, the Offeror and parties acting in concert with it will in aggregate be interested in 730,000,000 Shares, representing approximately 50.17% of the Shares in issue as enlarged by the allotment and issue of the Subscription Shares but before conversion of any Convertible Bonds (assuming that there is no other change in the number of Shares in issue). Upon full conversion of the Convertible Bonds, the Offeror and parties acting in concert with it will in aggregate be interested in 1,100,000,000 Shares, representing approximately 60.27% of Shares in issue as enlarged by the allotment and issue of the Subscription Shares and Conversion Shares upon conversion of the Convertible Bonds in full

(assuming that there is no adjustment to the Conversion Price and there is no other change in the number of Shares in issue).

Pursuant to Rule 26.1 of the Takeovers Code, immediately following the UNISTECH Completion, the Offeror and the parties acting in concert with it are required to make an unconditional mandatory cash offer for all the issued Shares (other than those Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it). As at the date of this joint announcement, (i) the Offeror or the parties acting in concert with it do not own any Shares or securities in the Company; and (ii) Mr. But (directly and indirectly through entities controlled by him) holds 45,746,000 Shares and is the beneficial owner of 44,121,168 Shares, being the Mind Seekers Non-Acceptance Shares (representing the 20% beneficial interest held by Mr. But in Mind Seekers).

The Offer will be made to all Shareholders (excluding the holders of the Excluded Shares). For the avoidance of doubt, the Offer will not be extended to: (i) the Reach General or Chen Ping in respect of the Subscription Shares held by each of them; (ii) Mr. But in respect of the 45,746,000 Shares held by him (directly or indirectly through entities controlled by him); and (iii) Mind Seekers in respect of 44,121,168 Shares held by it.

#### **Irrevocable Undertakings in relation to the Offer**

Mr. But (directly or indirectly through entities controlled by him) holds 45,746,000 Shares as at the date of this joint announcement. Mr. But has entered into the BTF Irrevocable Undertaking, pursuant to which Mr. But has undertaken to the Offeror that (1) he will not, and will procure that none of the entities controlled by him will accept the Offer in respect of the BTF Non-Acceptance Shares or any part thereof during the period while the Offer remains open for acceptance; and (2) he will procure Mind Seekers to perform its obligations under the Mind Seekers Irrevocable Undertaking.

Mind Seekers holds 220,605,840 Shares as at the date of this joint announcement. Mind Seekers has entered into the Mind Seekers Irrevocable Undertaking, pursuant to which Mind Seekers has undertaken to the Offeror that (1) it will not accept the Offer in respect of the Mind Seekers Non-Acceptance Shares, being 44,121,168 Shares (representing the 20% beneficial interest held by Mr. But in Mind Seekers), or any part thereof during the period while the Offer remains open for acceptance; and (2) it will accept the Offer in respect of the Mind Seekers Acceptance Shares, being 176,484,672 Shares (representing the 80% beneficial interest collectively held by the Accepting Shareholders in Mind Seekers), in accordance with the terms of the Mind Seekers Irrevocable Undertaking.

Mr. But Tin Hing is the beneficial owner of 1,050,000 Shares as at the date of this joint announcement. Mr. But Tin Hing has entered into the BTH Irrevocable Undertaking, pursuant to which Mr. But Tin Hing has undertaken to the Offeror that (1) he will accept the Offer in respect of the BTF Acceptance Shares in accordance with the terms of the BTH Irrevocable Undertaking; and (2) he will procure Mind Seekers to perform its obligations under the Mind Seekers Irrevocable Undertaking.

Mr. Leung Cheong is the beneficial owner of 2,252,280 Shares as at the date of this joint announcement. Mr. Leung Cheong has entered into the LC Irrevocable Undertaking, pursuant to which Mr. Leung Cheong has undertaken to the Offeror that (1) he will accept the Offer in respect of the LC Acceptance Shares in accordance with the terms of the LC Irrevocable Undertaking; and (2) he will procure Mind Seekers to perform its obligations under the Mind Seekers Irrevocable Undertaking.

Mr. Leung Kuen, Ivan (directly and indirectly through an entity controlled by him) holds 4,536,520 Shares as at the date of this joint announcement. Mr. Leung Kuen, Ivan has entered into the LK Irrevocable Undertaking, pursuant to which Mr. Leung Kuen, Ivan has undertaken to the Offeror that (1) he will accept the Offer, and will procure the entity controlled by him to accept the Offer in respect of the LK Acceptance Shares in accordance with the terms of the LK Irrevocable Undertaking; and (2) he will procure Mind Seekers to perform its obligations under the Mind Seekers Irrevocable Undertaking.

Subject to the UNISTECH Completion, the Offer will be made by Quam Securities Company Limited on behalf of the Offeror in accordance with the Takeovers Code on the following basis:

For each Offer Share . . . . . HK\$1.70 payable in cash

The Offeror will finance and satisfy the cash consideration payable under the Offer and the consideration under the UNISTECH Subscription Agreement and for the Convertible Bonds using its internal resources.

Quam Capital Limited, as the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to (i) the Offeror to complete the UNISTECH Subscription Agreement; and (ii) the Offeror to satisfy the amount of funds required for full acceptance of the Offer.

## **GENERAL**

### **SGM**

The SGM will be convened and held for the purposes of considering and, if thought fit, approving, *inter alia*, the Subscription Agreements and the transactions contemplated thereunder, including allotment and issue of the Subscription Shares and Convertible Bonds, and the granting of the Specific Mandate. A circular containing, among other things, (i) details of the Subscription Agreement and the granting of the Specific Mandate; (ii) a notice convening the SGM; and (iii) other information as required under the Listing Rules, is expected to be despatched to the Shareholders as soon as practicable and in compliance with the requirements of the Listing Rules and the Takeovers Code.

### **Independent Board Committee**

The Independent Board Committee comprising all the independent non-executive Directors, namely Mr. See Tak Wah, Prof. Xu Yang Sheng and Mr. Li Wanshou, has been established in accordance with Rule 2.8 of the Takeovers Code to advise the Independent Shareholders as to the fairness and reasonableness of the terms of the Offer and as to voting.

### **Independent Financial Adviser**

An Independent Financial Adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the Offer and in particular as to whether the Offer is fair and reasonable and as to the acceptance of the Offer. Further announcement will be made by the Company as soon as possible after the appointment of the Independent Financial Adviser.

### **Despatch of Composite Document**

Subject to the UNISTECH Completion, the Offeror and the Company intend that a Composite Document in connection with the Offer setting out, *inter alia*, details of the Offer (including the expected timetable and terms of the Offer and accompanied by the acceptance and transfer forms) and incorporating the respective



letters of advice from the Independent Board Committee and the Independent Financial Adviser on the Offer will be issued and despatched by the Offeror and the Company jointly to the Shareholders in accordance with the Takeovers Code.

Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document should be posted to the Shareholders within 21 days of the date of this joint announcement, or such other date as may be permitted by the Takeovers Code and agreed by the Executive and in compliance with the requirements of the Takeovers Code. As the making of the Offer is conditional upon the UNISTECH Completion, an application will be made by the Offeror to seek the Executive's consent under Note 2 to Rule 8.2 of the Takeovers Code to extend the deadline for the despatch of such Composite Document to a date falling within seven days of the UNISTECH Completion.

### **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 5 February 2016 pending the release 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 5 February 2016.

**WARNING: THE OFFER WILL ONLY BE MADE IF UNISTECH COMPLETION TAKES PLACE. THE UNISTECH COMPLETION IS SUBJECT TO FULFILLMENT AND/OR WAIVER, AS APPLICABLE, OF THE CONDITIONS CONTAINED IN THE UNISTECH SUBSCRIPTION AGREEMENT. ACCORDINGLY, THE OFFER MAY OR MAY NOT BE MADE. THE ISSUE OF THIS JOINT ANNOUNCEMENT DOES NOT IN ANY WAY IMPLY THAT THE OFFER WILL BE MADE. SHAREHOLDERS AND POTENTIAL INVESTORS OF THE COMPANY ARE ADVISED TO EXERCISE EXTREME CAUTION WHEN DEALING IN THE SECURITIES OF THE COMPANY. PERSONS WHO ARE IN DOUBT AS TO THE ACTION THEY SHOULD TAKE SHOULD CONSULT A LICENSED SECURITIES DEALER OR REGISTERED INSTITUTION IN SECURITIES, BANK MANAGER, SOLICITOR, PROFESSIONAL ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS.**

Reference is made to the announcements of the Company dated 10 December 2015 and 8 January 2016 made pursuant to Rule 3.7 of the Takeovers Code regarding the possible Subscriptions.

### **THE SUBSCRIPTIONS**

On 4 February 2016, Mr. But, the Company and the Offeror entered into the UNISTECH Subscription Agreement, pursuant to which, the Company has conditionally agreed to issue, and the Offeror has conditionally agreed to subscribe, in cash, for (i) 730,000,000 Subscription Shares, representing approximately 139.05% of the number of issued Shares as at the date of this joint announcement and approximately 50.17% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares, at a Subscription Price of HK\$0.40 per Subscription Share; and (ii) Convertible Bonds with an aggregate principal amount of HK\$148,000,000 which can be converted into 370,000,000 Shares at a Conversion Price of HK\$0.40 per Share, representing (a) approximately 70.48% of the issued share capital of the Company as at the date of this joint announcement; and (b) approximately 20.27% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares and the Conversion Shares.

On 4 February 2016, the Company and Reach General entered into the RG Subscription Agreement, pursuant to which, the Company has conditionally agreed to issue, and Reach General has conditionally agreed to subscribe, in cash, for 100,000,000 Subscription Shares, representing approximately 19.05% of the number of issued Shares as at the date of this joint announcement and approximately 6.87% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares, at a Subscription Price of HK\$0.40 per Subscription Share.

On 4 February 2016, the Company and Chen Ping entered into the Chen Subscription Agreement, pursuant to which, the Company has conditionally agreed to issue, and Chen Ping has conditionally agreed to subscribe, in cash, for 100,000,000 Subscription Shares, representing approximately 19.05% of the number of issued Shares as at the date of this joint announcement and approximately 6.87% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares, at a Subscription Price of HK\$0.40 per Subscription Share.

Date : 4 February 2016

Parties : (i) the Company, as the issuer;

(ii) Mr. But, as the guarantor, only in the case of the UNISTECH Subscription Agreement; and

(iii) Each of the Offeror, Reach General and Chen Ping, as the subscriber, entered into a separate Subscription Agreement.

Mr. But agreed to guarantee the obligations of the Company in relation to the truth, accuracy and completeness of the representations and warranties and provide indemnities under the UNISTECH Subscription Agreement. For the avoidance of doubt, Mr. But was not a signing party to the RG Subscription Agreement and the Chen Subscription Agreement and Mr. But has not agreed to give any guarantee nor provide indemnities under the RG Subscription Agreement and the Chen Subscription Agreement.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Subscribers and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons. Please refer to the section headed "Information on the Subscribers" for more information on the Subscribers.

### **The Subscription Shares and the Convertible Bonds**

The following table sets out a summary of the Subscription Shares and the Convertible Bonds to be subscribed for by each of the Subscribers pursuant to the Subscription Agreements:

	Number of Subscription Shares	Shareholding percentage at Completion (assuming there is no change to the share capital of the Company other than the issue of the Subscription Shares)	Number of Shares held upon full conversion of the Convertible Bonds	Number of shares held upon full conversion of the Convertible Bonds and after the acquisition of the Acceptance Shares under the Offer (assuming there is no change to the share capital of the Company other than the issue of Subscription Shares and the Conversion Shares and there is no Independent Shareholder accepting the Offer)	Shareholding percentage immediately upon full conversion of the Convertible Bonds and after the acquisition of the Acceptance Shares under the Offer (assuming there is no change to the share capital of the Company other than the issue of Subscription Shares and the Conversion Shares and there is no Independent Shareholder accepting the Offer)
The Offeror	730,000,000	50.17%	1,100,000,000	1,284,323,472	70.37%
Reach General	100,000,000	6.87%	100,000,000	100,000,000	5.48%
Chen Ping	100,000,000	6.87%	100,000,000	100,000,000	5.48%
	930,000,000	63.91%	1,300,000,000	1,484,323,472	81.33%

## The Subscription Price

The Subscription Price of HK\$0.40 per Subscription Share represents:

- (a) a discount of approximately 72.80% to the closing price of HK\$1.470 per Share as quoted on the Stock Exchange on 4 February 2016, being the Last Trading Day;
- (b) a discount of approximately 70.6% to the average closing price of approximately HK\$1.360 per Share for the last five consecutive trading days up to and including the Last Trading Day;
- (c) a discount of approximately 68.9% to the average closing price of approximately HK\$1.287 per Share for the last ten consecutive trading days up to and including the Last Trading Day; and
- (d) a discount of approximately 37.6% to the unaudited net asset value per Share of HK\$0.641 as at 30 September 2015.

The Subscription Price was arrived at after arm's length negotiations between the Company and the Subscribers after taking into account the prevailing market prices of the Shares, the trading volume of the Shares and the unaudited net asset value per Share as at 30 September 2015.

## Consideration for the Subscription

The total Subscription Price amounts to HK\$520 million which shall be payable in cash by the Subscribers in proportion to their Subscription Shares and Convertible Bonds subscribed upon Completion.

## Conditions of the Subscription

Each Subscriber's obligation to subscribe and pay for, and the obligations of the Company to issue, the Subscription Shares to the Subscribers and the Convertible Bonds to the Offeror are subject to the fulfilment or waiver (as the case may be) of the following conditions precedent:

- (a) **Approvals:** all necessary approvals for the Subscriptions required under the constitutions documents of the Company, applicable laws, the Listing Rules and otherwise having been obtained, including:
  - (i) the passing by the requisite majority of Shareholders or independent Shareholders (as appropriate) in a SGM of all resolutions required under relevant laws and regulations, including pursuant to the Listing Rules, in respect of, among other things, the specific mandates for the allotment and issue of the Subscription Shares, the Convertible Bonds and the Conversion Shares falling to be issued upon conversion of the Convertible Bonds; and

- (ii) the granting of the approval for the listing of, and permission to deal in the Subscription Shares and the Conversion Shares falling to be issued upon conversion of the Convertible Bonds by the Listing Committee of the Stock Exchange;
- (b) **Due diligence:** the Subscriber having completed its due diligence of the Group to its satisfaction;
- (c) **Company's warranties:** the warranties in respect of the Company specified in the respective Subscription Agreements continuing to be true, accurate and complete in all material respects as at the respective Completion Date;
- (d) **Compliance:** the Company having performed all of its obligations specified in the respective Subscription Agreements expressed to be performed on or before the respective Completion Date (including but not limited to the covenants specified in the respective Subscription Agreements);
- (e) **Material adverse effect:** no material adverse effect on the Group Companies having occurred since the date of the respective Subscription Agreements;
- (f) **No injunction:** no injunction, interim or otherwise, having been granted in respect of the Company which would prohibit the Company to enter into and perform its obligations under the respective Subscription Agreements; and
- (g) **Subscribers' warranties:** the warranties in respect of the respective Subscribers specified in the respective Subscription Agreements continuing to be true, accurate and complete in all material respects as at the respective Completion Date.

Each of the Subscribers may in its absolute discretion waive conditions (b) to (e) above under its respective Subscription Agreement at any time by notice in writing to the Company. The Company may in its absolute discretion waive condition (g) above under the respective Subscription Agreements at any time by notice in writing to the respective Subscriber.

In the event that any of the above conditions shall not have been satisfied or waived (as applicable) prior to the Long Stop Date, then none of the Company nor the Subscribers shall be bound to proceed with the transactions contemplated under the respective Subscription Agreements and the respective Subscription Agreements shall cease to be of any effect save for, among others, as to any antecedent breach of the Subscription Agreement.

### **Completion**

Completion shall take place on the seventh Business Day from and excluding the day on which the last of the conditions precedent of the respective Subscription Agreements has been fulfilled or waived. It is expected that the UNISTECH Completion, the RG Completion and the Chen Completion will take place contemporaneously as each of the UNISTECH Subscription Agreement, the RG Subscription Agreement and the Chen Subscription Agreement is subject to the same conditions precedent. At Completion, the Company shall allot and issue to the Subscribers, their respective number of Subscription Shares and to the Offeror, the Convertible Bonds.

### **Other major terms**

The Subscription Agreements contain customary representations, warranties, undertakings and indemnities provisions by the Company and Mr. But (in the case of the UNISTECH Subscription Agreement) about

matters such as the Group and its operations or business affairs. In particular, the Company, and Mr. But (in the case of the UNISTECH Subscription Agreement) represented and warranted to each of the Subscribers that the consolidated net asset value of the Group as at 31 December 2015 shall not be less than HK\$328,000,000.

Pursuant to the UNISTECH Subscription Agreement, the total liability of the Company in respect of all claims shall be in any event no more than the sum of (a) the subscription amount under the UNISTECH Subscription Agreement and (b) the total consideration to be paid for the Shares to be acquired by the Offeror pursuant to the general offer; the total liability of Mr. But in respect of all claims shall be in any event no more than approximately HK\$154 million.

Pursuant to the RG Subscription Agreement and the Chen Subscription Agreement, the total liability of the Company in respect of all claims shall be in any event no more than the subscription amount under each of the RG Subscription Agreement and the Chen Subscription Agreement, respectively.

### **Ranking**

Upon Completion, the Subscription Shares shall be issued and credited as fully paid. The Subscription Shares and the Conversion Shares will rank *pari passu* in all respects with the Shares in issue as at the date of allotment and issue of the Subscription Shares and the Conversion Shares, respectively.

### **Information on the Convertible Bonds**

The principal terms of the Convertible Bonds are summarized as below:

Principal amount: HK\$148,000,000

Maturity date: The fifth anniversary of the date of issue of the Convertible Bonds

Interest: The Convertible Bonds will not bear any interest

Conversion rights: The bondholders will have the right, during the period commencing from the date of issue of the Convertible Bonds up to the close of business in Hong Kong on the Maturity Date to convert all or part of the Convertible Bonds held by it (if in part, the principal amount of Convertible Bonds to be converted shall be in the minimum amount of HK\$2,000,000 and integral multiples of HK\$1,000,000 or the whole outstanding principal amount of the Convertible Bonds) into Conversion Shares at the Conversion Price (subject to adjustments).

No exercise of conversion rights attaching to the Convertible Bonds shall be allowed if the conversion would result in the Company breaching the minimum public float requirement under Rule 8.08 of the Listing Rules.

The Conversion Shares will in all respects rank *pari passu* with the Shares in issue on the relevant registration date.

Conversion Price: The initial Conversion Price shall be HK\$0.40 per Conversion Share subject to adjustment provisions as summarized below.

Anti-dilution adjustments:

The Conversion Price will from time to time be adjusted upon the occurrence of certain events, including the following:

- (a) consolidation, sub-division or reclassification of the Shares;
- (b) capitalisation of profits or reserves;
- (c) capital distribution to the Shareholders;
- (d) issue of Shares to all or substantially all Shareholders as a class by way rights, or issue or grant to all or substantially all Shareholders as a class by way of rights, of options, warrants or other rights to subscribe for or purchase any Shares, in each case at a price per Share which is less than the higher of (i) 80% of the market price on the date of the announcement of the terms of the issue or grant and (ii) the Conversion Price then in effect on the date of the announcement of the terms of the issue or grant;
- (e) issue of any securities (other than Shares or options, warrants or other rights to subscribe for, purchase or otherwise acquire Shares) to all or substantially all Shareholders as a class by way of rights or grant to all or substantially all Shareholders as a class by way of rights, options, warrants or other rights to subscribe for, purchase or otherwise acquire any securities (other than Shares or options, warrants or other rights to subscribe for, purchase or otherwise acquire Shares);
- (f) issue (other than as mentioned in paragraph (d) above) of any Shares (other than Shares issued on the exercise of conversion rights or on the exercise of any other rights of conversion into, or exchange or subscription for, Shares) or issue or grant (other than as mentioned in paragraph (d) above) options, warrants or other rights to subscribe for, or purchase or otherwise acquire any Shares, in each case at a price per Share which is less than the higher of (i) 80% of the market price on the date of the announcement of the terms of the issue and (ii) the Conversion Price then in effect on the date of the announcement of the terms of the issue;
- (g) save in the case of an issue of securities arising from a conversion of exchange of other securities in accordance with the terms applicable to such securities themselves falling within this paragraph (g), the issue wholly for cash in paragraphs (d), (e) and (f) of any securities (other than the Convertible Bonds) which by their terms of issue carry rights of conversion into, or exchange or subscription at a consideration per Share which is less than the higher of (i) 80% of the market price on the date of the announcement of the terms of the issue of such securities and (ii) the Conversion Price in effect on the date of the announcement of the terms of the issue of such securities;
- (h) when the rights of conversion, exchange or subscription attached to any such securities as are mentioned in paragraph (g) above (other than in accordance with the terms of such securities) are modified so that the consideration per Share is less than the higher of (i) 80% of

- the market price on the date of the announcement of the proposals for such modification and (ii) the Conversion Price then in effect on the date of the announcement of the proposals for such modification;
- (i) when any of the Group Companies issues, sells or distributes any securities in connection with which an offer pursuant to which the Shareholders generally are entitled to participate in arrangements whereby such securities may be acquired by them (except where the Conversion Price falls to be adjusted under paragraphs (d),(e), (f) or (g) above); and
  - (j) if the Company or any bondholder determines that a downward adjustment should be made to the Conversion Price as a result of one (1) or more events or circumstances not referred to in paragraphs (a) to (i).

Transferability:

A Convertible Bond may be transferred to another person provided, however, that (a) where not all of the Convertible Bonds then held by the bondholder are being transferred, the aggregate principal amount of the Convertible Bonds so transferred shall be at least HK\$2,000,000 and integral multiples of HK\$1,000,000, and (b) if the transfer is not to a bank, financial institution or other financiers for financing purpose of the bondholder, the prior consent of the Company shall have been obtained (such consent not to be unreasonably withheld or delayed and shall be deemed to have been given unless the Company has expressly refused such consent within five (5) business days of the bondholder's request).

Events of default:

If any of the following events occurs, the Convertible Bonds shall on the giving of notice in writing by the bondholder to the Company become due and payable at the Early Redemption Amount:

- (a) a default is made by the Company in the payment of any principal, premium or any other amount due in respect of the Convertible Bonds on its due date of payment (except where failure to pay is caused solely by administrative or technical error and payment is made within three (3) business days of its due date);
- (b) failure by the Company to deliver any Shares as and when such Shares are required to be delivered following conversion of a Convertible Bond and such failure continues for a period of seven (7) business days;
- (c) the occurrence of any event or circumstance which could reasonably likely to result in a material adverse effect;
- (d) the Company fails to perform or comply with one or more of its other obligations in the Convertible Bonds (other than those referred to in paragraphs (a) to (c) above), which default is incapable of remedy or, if capable of remedy, is not remedied within 7 days after

written notice of such default shall have been given to the Company by a bondholder;

- (e) the Company is (or is, or could be, deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts, stops, suspends or threatens to stop or suspend, payment of all or a substantial part of (or of a particular type of) its debts as they fall due, proposes or makes any agreement for the deferral, rescheduling or other readjustment of all of (or all of a particular type of) its debts (or of a substantial part which it will or might otherwise be unable to pay when due), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of such debts or a moratorium is agreed or declared in respect of or affecting all or a substantial part of (or of a particular type of) the debts of the Company; an administrator or liquidator of the Company, or the whole or any part of the assets and revenue of the Company is appointed and such appointment is not discharged or stayed within 60 days;
- (f) any Principal Subsidiary is (or is, or could be, deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts, stops, suspends or threatens to stop or suspend, payment of all or a substantial part of (or of a particular type of) its debts as they fall due, proposes or makes any agreement for the deferral, rescheduling or other readjustment of all of (or all of a particular type of) its debts (or of a substantial part which it will or might otherwise be unable to pay when due), proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of such debts or a moratorium is agreed or declared in respect of or affecting all or a substantial part of (or of a particular type of) the debts of any Principal Subsidiary; an administrator or liquidator of any Principal Subsidiary or the whole or any part of the assets and revenue of any Principal Subsidiary is appointed and such appointment is not discharged or stayed within 60 days (other than in respect of a solvent liquidation);
- (g) any judgment or order for the payment of money in excess of HK\$1,000,000 or the equivalent thereof (for each judgment or order) or HK\$10,000,000 or the equivalent thereof in the aggregate (for all such judgments or orders) shall be rendered against the Company and/or any Principal Subsidiary and is not discharged for a period of 30 days following such judgment (or such longer period as the Company and the bondholders may agree) during which a stay of enforcement, by reason of a pending appeal or otherwise, is not in effect;



- (h) any judgment or order for the payment of money in excess of HK\$10,000,000 or the equivalent thereof (for each judgment or order) or HK\$20,000,000 or the equivalent thereof in the aggregate (for all such judgments or orders) shall be rendered against the Company and/or any Principal Subsidiary;
- (i) any other present or future indebtedness of the Company or any of its Principal Subsidiaries for or in respect of monies borrowed or raised becomes (or becomes capable of being declared) due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described); or (ii) any such indebtedness is not paid when due or, as the case may be, within any applicable grace period; or (iii) the Company or any of its Principal Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised, provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this condition have occurred equals or exceeds HK\$100,000,000 or its equivalent (as determined on the basis of the middle spot rate for the relevant currency against the Hong Kong dollar as quoted by any leading bank on the day on which such indebtedness becomes due and payable or is not paid or any such amount becomes due and payable or is not paid under any such guarantee or indemnity);
- (j) a distress, attachment, execution, seizure before judgment or other legal process is levied, enforced or sued out on or against any material part of the property, assets or revenues of the Company or any of its Principal Subsidiaries, and is not discharged or stayed within 60 days;
- (k) an order is made or an effective resolution passed for the liquidation, winding up, dissolution, judicial management or administration of the Company or any of its Principal Subsidiaries or the Company or any of its Principal Subsidiaries ceases or threatens to cease to carry on all or a material part of its business;
- (l) an encumbrancer takes possession or an administrative or other receiver or an administrator or other similar officer is appointed of the whole or any material part of the property, assets or revenues of the Company or any of its Principal Subsidiaries (as the case may be), and is not discharged within 60 days;
- (m) it is or will become unlawful for the Company to perform or comply with anyone or more of its obligations under the Convertible Bonds;
- (n) any step is taken by any person that could reasonably be expected to result in the seizure, compulsory acquisition, expropriation or

nationalisation of all or a material part of the assets of the Company or any of its Principal Subsidiaries;

- (o) any action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorisation, exemption, filing, licence, order, recording or registration) at any time required to be taken, fulfilled or done in order: (i) to enable the Company lawfully to enter into, exercise its rights and perform and comply with its obligations under the Convertible Bonds; (ii) to ensure that these obligations are legally binding and enforceable; and (iii) to make the Convertible Bonds admissible in evidence in the courts of Bermuda or Hong Kong is not taken, fulfilled or done; or
- (p) any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing conditions.

Early Redemption Amount = outstanding principal amount of such Convertible Bond  $\times (1.10)^N$  where:

N = a fraction the numerator of which is the number of calendar days between the date of issue of the Convertible Bonds and the date of redemption of such amount and the denominator of which is 365.

### **Specific Mandate for the issue of the Subscription Shares and Conversion Shares**

The Subscription Shares and the Conversion Shares will be allotted and issued pursuant to the Specific Mandate to be sought from the Shareholders at the SGM.

### **Listing application**

An application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares and the Conversion Shares.

### **Equity fund raising by the Company in the past 12 months**

The Company did not carry out any equity fund raising activities in the 12 months period immediately before the date of this joint announcement.

### **Reasons for and benefits of the Subscriptions**

The Group is engaged in the manufacture and sale of production equipment and production lines for the manufacturing industries including semi-conductor, electronic and logistics industries. It is committed to innovation and diversification of its products and has invested significantly in the development of smart and automated production equipment and production lines.

The Group provides customers with one-stop solutions of research and development, design, production, sale and service for production equipment and production lines. Currently, the Group has successfully developed linear motor, DDR direct drive motor and vision systems. These technologies have been applied to the Group's existing high-speed high-precision solder paste screen printer machines, and can be applied to semi-

conductor equipment and other high-speed high-precision equipment. Meanwhile, the Group is optimistic about the development of the semi-conductor-related business, and has developed a semi-conductor wafer handling robot prototype with linear motor and DDR direct drive motor technology. At the same time, the Group has formulated plans to expand its semi-conductor related business and it has also hired an experienced professional team for its business expansion.

The Group has been focusing on the manufacturing of smart production lines and semi-conductor equipment, and also acts as distributor for foreign brands of automated machines. The Group expects there will be increasing demand for smart production lines, smart production equipment and semi-conductor equipment. Having considered (1) the technological developments in the domestic market compared to its foreign counterparts; (2) the large volume of semi-conductors being imported as compared to the significantly smaller volume of semi-conductors being exported; and (3) the recent policies launched by the PRC Government, including favourable industry policies, e.g. provision of tax benefits and subsidies, and the establishment of the National Integrated Circuit Industry Development Investment Fund with a total size of RMB120 billion focusing on the investment in chip design and the manufacturing and packaging of related equipment, the Company is optimistic about the future growth in the industry.

The Directors are of the view that the Subscriptions represent a valuable opportunity for the Group to bring in the Offeror as a solid strategic corporate investor. The Offeror, a wholly-owned subsidiary of Tsinghua Unigroup, has extensive experience, strong expertise and a wide business network in the integrated circuit industry in the PRC.

The Directors consider that the Subscriptions will bring about certain benefits including but not limited to the following:

- (a) The Group can finance the upgrade of its technology, products and production facilities as well as business expansion with proceeds to be received from the Subscriptions;
- (b) Tsinghua Unigroup, supported by Tsinghua University, has the technology and talent that may help the Group in upgrading its technology, products and production facilities; and
- (c) With Tsinghua Unigroup's existing business and future investments in the semi-conductor industry, the Group may be able to leverage its new controlling shareholder to further expand its smart production lines and semi-conductor equipment business in the PRC.

#### **Effect on shareholding structure of the Company**

As at the date of this joint announcement, the Company has no outstanding convertible securities, options, warrants or derivatives in issue which are convertible or exchangeable into Shares.

The table below sets out the effect of the Subscriptions on the shareholding structure of the Company (i) as at the date of this joint announcement; (ii) immediately upon Completion (assuming there is no change to the share capital of the Company other than the issue of the Subscription Shares); (iii) immediately upon Completion and full conversion of the Convertible Bonds (assuming there is no change to the share capital of the Company other than the issue of Subscription Shares and the Conversion Shares) and (iv) immediately upon full conversion of the Convertible Bonds and after the acquisition of the Acceptance Shares under the Offer (assuming there is no change to the share capital of the Company other than the issue of Subscription Shares and the Conversion Shares and there is no Independent Shareholder accepting the Offer):

	(i) As at the date of this joint announcement		(ii) Upon Completion (assuming there is no change to the share capital of the Company other than the issue of the Subscription Shares)		(iii) Upon Completion and full conversion of the Convertible Bonds (assuming there is no change to the share capital of the Company other than the issue of Subscription Shares and the Conversion Shares) (Note 5)		(iv) Upon full conversion of the Convertible Bonds and after the acquisition of the Acceptance Shares under the Offer (assuming there is no change to the share capital of the Company other than the issue of Subscription Shares and the Conversion Shares and there is no Independent Shareholder accepting the Offer) (Note 5)	
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
Mind Seekers Investment Limited (Note 1)	220,605,840	42.02%	220,605,840	15.16%	220,605,840	12.09%	44,121,168	2.42%
Mr. But Tin Fu (Note 2)	45,746,000	8.71%	45,746,000	3.14%	45,746,000	2.51%	45,746,000	2.51%
Mr. But Tin Hing (Note 3)	1,050,000	0.20%	1,050,000	0.07%	1,050,000	0.06%	—	—
Mr. Leung Cheong	2,252,280	0.43%	2,252,280	0.15%	2,252,280	0.12%	—	—
Mr. Leung Kuen, Ivan	4,536,520	0.86%	4,536,520	0.31%	4,536,520	0.25%	—	—
<b>The Subscribers</b>								
The Offeror	—	—	730,000,000	50.17%	1,100,000,000	60.27%	1,284,323,472	70.37%
Reach General (Note 4)	—	—	100,000,000	6.87%	100,000,000	5.48%	100,000,000	5.48%
Chen Ping (Note 4)	—	—	100,000,000	6.87%	100,000,000	5.48%	100,000,000	5.48%
<b>Existing public Shareholders</b>	250,809,360	47.78%	250,809,360	17.26%	250,809,360	13.74%	250,809,360	13.74%
<b>Total</b>	<b>525,000,000</b>	<b>100.00%</b>	<b>1,455,000,000</b>	<b>100.00%</b>	<b>1,825,000,000</b>	<b>100.00%</b>	<b>1,825,000,000</b>	<b>100.00%</b>

*Notes:*

1. The entire issued share capital of Mind Seekers is beneficially owned by Mr. But Tin Hing, Mr. But, Mr. Leung Cheong and Mr. Leung Kuen, Ivan, as to 50%, 20%, 20% and 10% respectively.
2. Mr. But is the beneficial owner of 39,525,200 Shares. He is the beneficial owner of 50% of the issued shares in Sun East Group Limited (which holds 3,796,000 Shares) and 100% of the issued shares in Sum Win Management Corp. (which holds 2,424,800 Shares) and therefore he is deemed, or taken to be interested in 45,746,000 Shares for the purposes of the SFO.
3. Mr. But Tin Hing is the beneficial owner of 1,050,000 Shares. He is the beneficial owner of 50% of the issued shares in Mind Seekers and therefore he is deemed, or taken to be interested in 221,655,840 Shares for the purposes of the SFO.
4. Reach General and Chen Ping are considered as public Shareholders upon Completion. Upon Completion (assuming there is no change to the share capital of the Company other than the issue of Subscription Shares and the Conversion Shares and there is no Independent Shareholder accepting the Offer), approximately 30.98% of the issued shares will be held by the public. Upon Completion and

full conversion of the Convertible Bonds (assuming there is no change to the share capital of the Company other than the issue of Subscription Shares and the Conversion Shares), approximately 24.70% will be held by the public.

5. This scenario is shown for illustrative purposes only. Conversion of any Convertible Bonds will be limited by the Company being able to comply with the minimum public float requirements under the Listing Rules immediately after Conversion.

## **LOCK-UP UNDERTAKINGS**

### **Lock-Up Undertakings in relation to the Subscription Shares**

Each of the Offeror, Reach General and Chen Ping has unconditionally and irrevocably undertaken and covenanted to the Company under their respective Subscription Agreement that, without the prior consent of the Company, it will not and will procure the registered owner or nominee of its Subscription Shares (if applicable) not to, whether directly or indirectly:

- (a) in the period commencing on the date of Completion and ending on the date which is 12 months from the date of Completion, sell, offer, pledge, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, whether directly or indirectly, any of the Subscription Shares; or
- (b) enter into a swap or other arrangement that would have (i) the same economic consequences as paragraph (a) above or (ii) the effect of transferring to another party any of the economic benefits of ownership of the Subscription Shares, for the purpose of hedging its economic or beneficial ownership in, or holdings of, the Subscription Shares.

### **BTF Lock-Up Undertaking and Mind Seekers Lock-Up Undertaking**

Mr. But has entered into the BTF Lock-up Undertaking, pursuant to which Mr. But has undertaken to the Offeror that, without the prior written consent of the Offeror, he will not, and will procure that the registered owner or nominee of the BTF Non-Acceptance Shares not to, whether directly or indirectly:

- (a) in the period commencing from the date of the BTF Lock-up Undertaking and ending on the date which is 12 months from the date of the UNISTECH Completion, sell, offer, pledge, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, whether directly or indirectly, any of the BTF Non-Acceptance Shares; or
- (b) enter into a swap or other arrangement that would have (i) the same economic consequences as paragraph (a) above or (ii) the effect of transferring to another party any of the economic benefits of ownership of the BTF Non-Acceptance Shares, for the purpose of hedging its economic or beneficial ownership in, or holdings of, the BTF Non-Acceptance Shares.

Mind Seekers has entered into the Mind Seekers Lock-up Undertaking, pursuant to which Mind Seekers has undertaken to the Offeror that, without the prior written consent of the Offeror, it will not, and will procure that the registered owner or nominee of the Mind Seekers Non-Acceptance Shares not to, whether directly or indirectly:

- (a) in the period commencing from the date of the Mind Seekers Lock-up Undertaking and ending on the date which is 12 months from the date of the UNISTECH Completion, sell, offer, pledge, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option,

- right or warrant to purchase, lend or otherwise transfer or dispose of, whether directly or indirectly, any of the Mind Seekers Non-Acceptance Shares; or
- (b) enter into a swap or other arrangement that would have (i) the same economic consequences as paragraph (a) above or (ii) the effect of transferring to another party any of the economic benefits of ownership of the Mind Seekers Non-Acceptance Shares, for the purpose of hedging its economic or beneficial ownership in, or holdings of, the Mind Seekers Non-Acceptance Shares.

## **FUTURE INTENTION REGARDING THE GROUP**

The Offeror intends to assist the Group to upgrade its technology, products and production facilities and further expand its smart production lines and semi-conductor equipment business in the PRC. The Offeror will conduct a review on the business operations and financial position of the Group for the purpose of formulating business plans and strategies for the future business development of the Group. Subject to the results of the review, and should suitable investment or business opportunities arise, the Offeror may consider acquisition of assets and/or business by the Group. Subject to the result of the review and save for the proposed change of board composition as set out below, the Offeror does not intend nor does it have any plans to terminate the employment of the current employees of the Group. As at the date of this joint announcement, no definitive agreement, proposals, terms or timetable have been entered into or determined for any possible future transaction or arrangement.

### **Use of proceeds**

The gross proceeds and net proceeds from the Subscriptions are approximately HK\$520 million approximately HK\$516.5 million respectively. The net proceeds are to be applied as follows:

- (a) as to approximately HK\$266.5 million for the expansion of production capacity, improvement of facilities and increase of investment in research and development;
- (b) as to approximately HK\$150 million for capital injection into the financial leasing subsidiary of the Company; and
- (c) as to approximately HK\$100 million for repayment of bank facilities.

### **Proposed change of board composition of the Company**

The Board is currently made up of seven Directors, comprising four executive Directors, being Mr. But, Mr. But Tin Hing, Mr. Leung Cheong and Mr. Leung Kuen, Ivan and three independent non-executive Directors, being Mr. See Tak Wah, Prof. Xu Yang Sheng and Mr. Li Wanshou.

Pursuant to the terms of the UNISTECH Subscription Agreement, subject to the UNISTECH Completion and the requirements of the Takeovers Code, the Company shall cause (i) such persons as the Offeror may nominate to be validly appointed as the general manager and financial controller of the Company with effect from the UNISTECH Completion; (ii) such two persons as the Offeror may nominate to be validly appointed as executive Directors with effect on the date of despatch of the Composite Document in relation to the Offer; (iii) such person as the Offeror may nominate to be validly appointed as an executive Director with effect from the completion of the Offer; and (iv) the resignation of Mr. But Ting Hing, Mr. Leung Cheong and Mr. Leung Kuen, Ivan as the executive Directors with effect from the completion of the Offer.

### **Maintaining the listing status of the Company**

The Offeror intends to maintain the listing of the Shares on the Stock Exchange after the close of the Offer.

In the event that after the completion of the Offer, the public float of the Company falls below 25%, the new Directors who are nominated by the Offeror to be appointed as Directors and the then directors of the Offeror will undertake to the Stock Exchange that they will take appropriate steps to restore the minimum public float as required under the Listing Rules as soon as possible following the close of the Offer to ensure that 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.**

A further announcement will be made on any further proposed change of composition of the Board. Any changes to the Board composition will be made in compliance with the Takeovers Code and the Listing Rules.

## **POSSIBLE UNCONDITIONAL MANDATORY CASH GENERAL OFFER**

### **Terms of the Offer**

Subject to fulfillment (or waiver as applicable) of the conditions precedent of the UNISTECH Subscription Agreement and following the UNISTECH Completion, the Offeror and parties acting in concert with it will in aggregate be interested in 730,000,000 Shares, representing approximately 50.17% of the Shares in issue as enlarged by the allotment and issue of the Subscription Shares but before conversion of any Convertible Bonds (assuming that there is no other change in the number of Shares in issue). Upon full conversion of the Convertible Bonds, the Offeror and parties acting in concert with it will in aggregate be interested in 1,100,000,000 Shares, representing approximately 60.27% of the number of Shares in issue as enlarged by the allotment and issue of the Shares in issue as enlarged by the allotment and issue of the Subscription Shares and Conversion Shares upon conversion of the Convertible Bonds in full (assuming that there is no adjustment to the Conversion Price and there is no other change in the number of Shares in issue).

Pursuant to Rule 26.1 of the Takeovers Code, immediately following the UNISTECH Completion, the Offeror and the parties acting in concert with it are required to make an unconditional mandatory cash offer for all the issued Shares (other than those Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it). As at the date of this joint announcement, (i) the Offeror or the parties acting in concert with it do not own any Shares or securities in the Company; and (ii) Mr. But (directly and indirectly through entities controlled by him) holds 45,746,000 Shares and is the beneficial owner of 44,121,168 Shares, being the Mind Seekers Non-Acceptance Shares (representing the 20% beneficial interest held by Mr. But in Mind Seekers). The Offer will be made to all Shareholders (excluding the holders of the Excluded Shares). For the avoidance of doubt, the Offer will not be extended to: (i) Reach General or Chen Ping in respect of the Subscription Shares held by each of them; (ii) Mr. But in respect of the 45,746,000 Shares held by him (directly or indirectly through entities controlled by him); and (iii) Mind Seekers in respect of 44,121,168 Shares held by it.

Pursuant to Rule 21.2 of the Takeovers Code, the Offeror and parties acting in concert with it (including Reach General or Chen Ping) are prohibited from selling any securities in the Company during the Offer

Period unless with the Executive's prior consent. None of the Offeror and parties acting in concert with it will dispose of their holding in any securities in the Company during the Offer Period.

Subject to the UNISTECH Completion, the Offer will be made by Quam Securities Company Limited on behalf of the Offeror in accordance with the Takeovers Code on the following basis:

For each Offer Share ..... HK\$1.70 payable in cash

The Offer Shares acquired under the Offer shall be fully paid and free from all liens, charges, encumbrances, rights of pre-emption and any other third-party rights of any nature and together with all rights attaching to them on or after the date on which the Offer is made, including the right to receive in full all dividends and other distributions, if any, declared, made or paid on or after the date on which the Offer is made.

As at the date of this joint announcement, there are 525,000,000 Shares in issue and the Company has no other class of relevant securities (as defined in note 4 to Rule 22 of the Takeovers Code) in issue as at the date of this joint announcement. Subject to the UNISTECH Completion, the Offer is an unconditional mandatory cash offer and will not be conditional upon acceptance being received in respect of a minimum number of shares or any other conditions. The Offer, if and when made, will be unconditional in all respects.

### **Comparison of value**

The Offer Price of HK\$1.70 per Offer Share represents:

- (a) a premium of approximately 15.6% to the closing price of HK\$1.470 per Share as quoted on the Stock Exchange on 4 February 2016, being the Last Trading Day;
- (b) a premium of approximately 25.0% to the average closing price of approximately HK\$1.360 per Share as quoted on the Stock Exchange for the last five Trading Days up to and including the Last Trading Day;
- (c) a premium of approximately 32.1% to the average closing price of approximately HK\$1.287 per Share as quoted on the Stock Exchange for the last 10 Trading Days up to and including the Last Trading Day;
- (d) a premium of approximately 33.8% over the average closing price of approximately HK\$1.270 per Share as quoted on the Stock Exchange for the last 30 Trading Days up to and including the Last Trading Day; and
- (e) a premium of approximately 165.3% over the unaudited consolidated net asset value per Share of HK\$0.641 as at 30 September 2015.

### **Highest and lowest Share prices**

During the period commencing six months preceding 10 December 2015 (being the date of the initial announcement of the Company regarding a possible change in control of the Company and the date of commencement of the Offer Period) and ending on the Last Trading Day, the highest closing price of the Shares was HK\$1.20 per Share as quoted on the Stock Exchange on 17 June 2015 and the lowest closing price of the Shares was HK\$0.42 per Share as quoted on the Stock Exchange on 8 August 2015.

### **Total value of the Offer**



As at the date of this joint announcement, there are 525,000,000 Shares in issue and the Company has no other options, warrants, convertible bonds or other securities in issue that carry a right to subscribe for or which are convertible into Shares. Upon Completion, taking into account the 1,019,867,168 Excluded Shares, the number of Shares subject to the Offer is 435,132,832 and the maximum consideration payable by the Offeror under the Offer will be is approximately HK\$739,725,814.40 based on the Offer Price of HK\$1.70 if the Offer is accepted in full.

### **Confirmation of financial resources**

The Offeror will finance and satisfy the cash consideration payable under the Offer and the consideration under the UNISTECH Subscription Agreement and for the Convertible Bonds using its internal resources.

Quam Capital Limited, as the financial adviser to the Offeror, is satisfied that sufficient financial resources are available to (i) the Offeror to complete the UNISTECH Subscription Agreement; (ii) the Offeror to satisfy the amount of funds required for full acceptance of the Offer.

### **Payment**

Payment in cash in respect of acceptances of the Offer will be made as soon as possible but in any event within seven 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 or on behalf of the Offeror to render such acceptance complete and valid.

### **Effect of accepting the Offer**

By accepting the Offer, the Shareholders will sell their tendered Shares to the Offeror free from all encumbrances and together with all rights attaching to them including the right to receive in full all dividends and other distributions, if any, declared, made or paid on or after the date on which the Offer is made, being the date of despatch of the Composite Document.

Acceptance of the Offers will be irrevocable and not capable of being withdrawn, except as permitted under the Takeovers Code.

### **Hong Kong stamp duty**

Seller's Hong Kong ad valorem stamp duty arising in connection with acceptances of the Offer will be payable by the relevant Shareholders at a rate of 0.10% of (a) the market value of the Offer Shares or (ii) the consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is higher, and the amount of such duty will be deducted from the cash amount payable by the Offeror to the relevant Shareholders accepting the Offer. The Offeror will arrange for payment of the seller's ad valorem stamp duty on behalf of the relevant Shareholders accepting the Offer and will pay the buyer's ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

### **Overseas Shareholders**

The Offeror intends to make the Offer available to all Shareholders (excluding the holders of the Excluded Shares), including those who are resident outside Hong Kong. The availability of the Offer to persons not resident in Hong Kong may be affected by the laws of the relevant overseas jurisdictions. The making of the Offer to persons with a registered address in jurisdictions outside Hong Kong may be prohibited or limited by

the laws or regulations of the relevant jurisdictions. Such overseas Shareholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe any applicable legal or regulatory requirements and, where necessary, seek legal advice. Persons who are resident, citizen or national outside Hong Kong should inform themselves about and observe, at their own responsibility, any applicable laws, regulations, requirements and restrictions in their own jurisdictions in connection with the acceptance of the Offer, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with the other necessary formalities and the payment of any issue, transfer or other fares due in such jurisdiction.

In the event that the receipt of the Composite Document by overseas Shareholders is prohibited by any relevant laws and regulations or may only be effected upon compliance with conditions or requirements that would be unduly burdensome, the Composite Document, subject to the Executive's consent, will not to be despatched to such overseas Shareholders. The Offeror will apply for any waivers as may be required by the Executive pursuant to Note 3 to Rule 8 of the Takeovers Code at such time. Nonetheless, such Shareholders will be provided with all material information in the Composite Document. Any arrangements for overseas Shareholders to collect the Composite Document will be set out in a further announcement.

**Any acceptance by any Shareholders of the Offer will be deemed to constitute a representation and warranty from such Shareholders to the Offeror that all local laws and requirements have been complied with. Shareholders should consult their professional advisers if in doubt. Shareholders who are in doubt as to the action they should take should consult their stockbroker, licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.**

#### **Taxation advice**

Shareholders are recommended to consult their own professional advisers as to the taxation implications of accepting or rejecting the Offer. The Offeror accepts no responsibility for any taxation effects on, or liabilities of, any person as a result of their acceptance or rejection of the Offer.

#### **Dealing in the Company's securities**

Save for the entering into of the UNISTECH Subscription Agreement, none of the Offeror or parties acting in concert with it have dealt in the Shares, options, convertible notes, derivatives, warrants or other securities convertible into the Shares during the six-month period prior to the commencement of the Offer Period on 10 December 2015 (being the date of the initial announcement of the Company in respect of a possible change in control of the Company) and up to the date of this joint announcement.

#### **Agreements or arrangements**

The Offeror confirm that, save as disclosed in this joint announcement, as at the date hereof:

- (a) save for the Irrevocable Undertakings as detailed in the section headed "Irrevocable Undertakings in relation to the Offer", the Offeror and/or parties acting in concert with it have not received any irrevocable commitment to accept or reject the Offer;
- (b) the Offeror and/or the parties acting in concert with it have no outstanding Shares, warrants, options, derivative or other securities that are convertible or exchangeable into Shares or other types of equity interest in the Company;

- (c) there is no outstanding derivative in respect of the securities in the Company entered into by the Offeror and/or parties acting in concert with it;
- (d) there is no arrangement (whether by way of option, indemnity or otherwise) in relation to the Shares or the Company and which might be material to the Offer (as referred to in Note 8 to Rule 22 of the Takeovers Code);
- (e) none of the Offeror and/or parties acting in concert with it owns or has control or direction over any voting rights and rights over the Shares or convertible securities, warrants or options of the Company;
- (f) save for the UNISTECH Subscription Agreement, there is no agreement or arrangement to which the Offeror and/or parties acting in concert with it is a party which relates to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Offer; and
- (g) there is no relevant security (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Offeror and/or any person acting in concert with it has borrowed or lent.

#### **Irrevocable Undertakings in relation to the Offer**

Mr. But (directly or indirectly through entities controlled by him) holds 45,746,000 Shares as at the date of this joint announcement. Mr. But has entered into the BTF Irrevocable Undertaking, pursuant to which Mr. But has undertaken to the Offeror that (1) he will not, and will procure that none of the entities controlled by him will accept the Offer in respect of the BTF Non-Acceptance Shares or any part thereof during the period while the Offer remains open for acceptance; and (2) he will procure Mind Seekers to perform its obligations under the Mind Seekers Irrevocable Undertaking.

Mind Seekers holds 220,605,840 Shares as at the date of this joint announcement. Mind Seekers has entered into the Mind Seekers Irrevocable Undertaking, pursuant to which Mind Seekers has undertaken to the Offeror that (1) it will not accept the Offer in respect of the Mind Seekers Non-Acceptance Shares, being 44,121,168 Shares (representing the 20% beneficial interest held by Mr. But in Mind Seekers), or any part thereof during the period while the Offer remains open for acceptance; and (2) it will accept the Offer in respect of the Mind Seekers Acceptance Shares, being 176,484,672 Shares (representing the 80% beneficial interest collectively held by the Accepting Shareholders in Mind Seekers), in accordance with the terms of the Mind Seekers Irrevocable Undertaking.

Mr. But Tin Hing is the beneficial owner of 1,050,000 Shares as at the date of this joint announcement. Mr. But Tin Hing has entered into the BTH Irrevocable Undertaking, pursuant to which Mr. But Tin Hing has undertaken to the Offeror that (1) he will accept the Offer in respect of the BTF Acceptance Shares in accordance with the terms of the BTH Irrevocable Undertaking; and (2) he will procure Mind Seekers to perform its obligations under the Mind Seekers Irrevocable Undertaking.

Mr. Leung Cheong is the beneficial owner of 2,252,280 Shares as at the date of this joint announcement. Mr. Leung Cheong has entered into the LC Irrevocable Undertaking, pursuant to which Mr. Leung Cheong has undertaken to the Offeror that (1) he will accept the Offer in respect of the LC Acceptance Shares in accordance with the terms of the LC Irrevocable Undertaking; and (2) he will procure Mind Seekers to perform its obligations under the Mind Seekers Irrevocable Undertaking.

Mr. Leung Kuen, Ivan (directly and indirectly through an entity controlled by him) holds 4,536,520 Shares as at the date of this joint announcement. Mr. Leung Kuen, Ivan has entered into the LK Irrevocable Undertaking, pursuant to which Mr. Leung Kuen, Ivan has undertaken to the Offeror that (1) he will accept the Offer, and will procure the entity controlled by him to accept the Offer in respect of the LK Acceptance

Shares in accordance with the terms of the LK Irrevocable Undertaking; and (2) he will procure Mind Seekers to perform its obligations under the Mind Seekers Irrevocable Undertaking.

## **INFORMATION ON THE PARTIES**

### **Information on the Group**

The principal activity of the Group comprises the design, manufacture and distribution of production lines and production equipment, and the distribution of brand name production equipment.

### **Information on the Offeror**

The Offeror is a wholly-owned subsidiary of Tsinghua Unigroup and was established for the purpose of the UNISTECH Subscription. Tsinghua Unigroup is one of the key enterprises under Tsinghua Holdings Co., Ltd. (清華控股有限公司). It aims to become the industry leader in the integrated circuit industry and is committed to the development of an integrated circuit production chain. Principal subsidiaries of Tsinghua Unigroup include Tongfang Guoxin Electronics Co., Ltd. (proposed to be renamed UNIS Guoxin Electronics Co., Ltd.), a company listed on the Shenzhen Stock Exchange (Stock Code: 002049), Spreadtrum Communications, Inc. and RDA Microelectronics, Inc.

### **Information on Reach General**

Reach General is an investment company, providing value-adding services to its investments with the aim of discovering and extracting their value. It is solely and beneficially owned by Mr. Wu Xin (吴新), who has over 20 years of experience in investment management and business operations. Mr. Wu Xin has previously invested in BABAKA (背背佳) and Hao Ji Xing (好記星).

### **Information on Chen Ping**

Chen Ping (陈萍) has been a partner of Shenzhen Decoration Engineering Industrial Co., Ltd. (深圳市裝飾工程工業有限公司) since 1992. She is an experienced investor.

## **GENERAL**

### **SGM**

The issue of the Subscription Shares and the Convertible Bonds will be subject to, amongst other things, the approval of the Shareholders for the Subscription Agreement and the granting of the Specific Mandate in accordance with the requirements of the Listing Rules.

The SGM will be convened and held for the purposes of considering and, if thought fit, approving, *inter alia*, the Subscription Agreements and the transactions contemplated thereunder, including allotment and issue of the Subscription Shares and Convertible Bonds and the allotment and issue of Conversion Shares, and the granting of the Specific Mandate. The voting in relation to the Subscription Agreements and the transactions contemplated thereunder and the granting of the Specific Mandate at the SGM will be conducted by poll by the Independent Shareholders. In view of Mr. But's interest in the Subscription Agreements, Mr. But, his associates, including Mind Seekers and the Accepting Shareholders, and parties acting in concert with them, who collectively hold 52.22% of the total issued share capital of the Company, will abstain from voting on the proposed resolution(s) in respect of the Subscription Agreements and the Specific Mandate at the SGM.

Save as aforementioned, to the best knowledge of the Directors, no existing Shareholder has a material interest in the above matters and therefore no Shareholder is required to abstain from voting in relation to the resolutions concerning the Subscription Agreements and the transactions contemplated thereunder and the granting of the Specific Mandate to be proposed at the SGM. As at the date of this joint announcement, the Subscribers and parties acting in concert with the Offeror do not hold any Shares and accordingly will not be entitled to vote on any resolutions at the SGM.

A circular containing, among other things, (i) details of the Subscription Agreements and the granting of the Specific Mandate; (ii) a notice convening the SGM; and (iii) other information as required under the Listing Rules, is expected to be despatched to the Shareholders as soon as practicable and in compliance with the requirements of the Listing Rules and the Takeovers Code.

### **Independent Board Committee**

The Independent Board Committee comprising all the independent non-executive Directors, namely Mr. See Tak Wah, Prof. Xu Yang Sheng and Mr. Li Wanshou, has been established in accordance with Rule 2.8 of the Takeovers Code to advise the Independent Shareholders as to the fairness and reasonableness of the terms of the Offer and as to voting.

### **Independent Financial Adviser**

An Independent Financial Adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in respect of the Offer and in particular as to whether the Offer is fair and reasonable and as to the acceptance of the Offer. Further announcement will be made by the Company as soon as possible after the appointment of the Independent Financial Adviser.

### **Despatch of Composite Document**

Subject to the UNISTECH Completion, the Offeror and the Company intend that a Composite Document in connection with the Offer setting out, *inter alia*, details of the Offer (including the expected timetable and terms of the Offer and accompanied by the acceptance and transfer forms) and incorporating the respective letters of advice from the Independent Board Committee and the Independent Financial Adviser on the Offer will be issued and despatched by the Offeror and the Company jointly to the Shareholders in accordance with the Takeovers Code.

Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document should be posted to the Shareholders within 21 days of the date of this joint announcement, or such other date as may be permitted by the Takeovers Code and agreed by the Executive and in compliance with the requirements of the Takeovers Code. As the making of the Offer is conditional upon the UNISTECH Completion, an application will be made by the Offeror to seek the Executive's consent under Note 2 to Rule 8.2 of the Takeovers Code to extend the deadline for the despatch of such Composite Document to a date falling within seven days of the UNISTECH Completion.

### **Disclosure of dealings**

In accordance with Rule 3.8 of the Takeovers Code, associates (as defined under the Takeovers Code) of the Company and the Offeror (including but not limited to a person who owns or controls 5% or more of any class of relevant securities (as defined in paragraphs (a) to (d) in Note 4 to Rule 22 of the Takeovers Code) of

the Company or the Offeror) are hereby reminded to disclose their dealings in any securities of the Company pursuant to the requirements of the Takeovers Code.

The full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below pursuant to Rule 3.8 of the Takeovers Code:

***"Responsibilities of stockbrokers, banks and other intermediaries***

*Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.*

*This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.*

*Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation."*

**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 5 February 2016 pending the release 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 5 February 2016.

**WARNING: THE OFFER WILL ONLY BE MADE IF UNISTECH COMPLETION TAKES PLACE. THE UNISTECH COMPLETION IS SUBJECT TO FULFILLMENT AND/OR WAIVER, AS APPLICABLE, OF THE CONDITIONS CONTAINED IN THE UNISTECH SUBSCRIPTION AGREEMENT. ACCORDINGLY, THE OFFER MAY OR MAY NOT BE MADE. THE ISSUE OF THIS JOINT ANNOUNCEMENT DOES NOT IN ANY WAY IMPLY THAT THE OFFER WILL BE MADE. SHAREHOLDERS AND POTENTIAL INVESTORS OF THE COMPANY ARE ADVISED TO EXERCISE EXTREME CAUTION WHEN DEALING IN THE SECURITIES OF THE COMPANY. PERSONS WHO ARE IN DOUBT AS TO THE ACTION THEY SHOULD TAKE SHOULD CONSULT A LICENSED SECURITIES DEALER OR REGISTERED INSTITUTION IN SECURITIES, BANK MANAGER, SOLICITOR, PROFESSIONAL ACCOUNTANT OR OTHER PROFESSIONAL ADVISERS.**

**DEFINITIONS**

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

"Acceptance Shares" means the BTH Acceptance Shares, the LC Acceptance Shares, the LK Acceptance Shares and the Mind Seekers Acceptance Shares

"Accepting Shareholders" means Mr. But Tin Hing, Mr. Leung Cheong and Mr. Leung Kuen, Ivan

"acting in concert"	has the same meaning as ascribed to it under the Takeovers Code
"associate(s)"	has the same meaning as ascribed to it under the Listing Rules
"Bermuda"	the Islands of Bermuda
"Board"	the board of Directors
"BTF Irrevocable Undertaking"	the irrevocable undertaking entered into between the Offeror and Mr. But on 4 February 2016 in relation to, <i>inter alia</i> , the BTF Non-Acceptance Shares
"BTF Lock-Up Undertaking"	the lock-up undertaking entered into between the Offeror and Mr. But on 4 February 2016 in relation to, <i>inter alia</i> , the BTF Non-Acceptance Shares
"BTF Non-Acceptance Shares"	the 45,746,000 Shares held by Mr. But (directly or indirectly through entities controlled by him) and other Shares received, allotted to or otherwise acquired by Mr. But from the date of the BTF Irrevocable Undertaking and before the Offer closes, which are subject to BTF Lock-Up Undertaking and BTF Irrevocable Undertaking
"BTH Acceptance Shares"	the 1,050,000 Shares to which Mr. But Tin Hing is the beneficial owner and other Shares received, allotted to or otherwise acquired by Mr. But Tin Hing from the date of the BTH Irrevocable Undertaking and before the Offer closes
"BTH Irrevocable Undertaking"	the irrevocable undertaking entered into between the Offeror and Mr. But Tin Hing on 4 February 2016 in relation to, <i>inter alia</i> , the BTH Acceptance Shares
"Business Day"	means a day (other than a Saturday or Sunday or Hong Kong public holiday and any other day on which a tropical cyclone warning no. 8 or above or a "black" rain warning signal is hoisted in Hong Kong) on which commercial banks are open for business in Hong Kong, and "Business Days" shall be construed accordingly
"BVI"	the British Virgin Islands
"CB Instrument"	the instrument constituting the Convertible Bonds
"Chen Completion"	completion of the Chen Subscription in accordance with the terms and conditions of the Chen Subscription Agreement
"Chen Ping"	an independent investor
"Chen Subscription"	the subscription of 100,000,000 Subscription Shares by Chen Ping pursuant to the Chen Subscription Agreement
"Chen Subscription Agreement"	the subscription agreement entered into between the Company and Chen Ping on 4 February 2016 in relation to the subscription of 100,000,000 Subscription Shares
"Company"	Sun East Technology (Holdings) Limited (Stock Code: 365), a company incorporated in Bermuda with limited liability and the Ordinary Shares of which are listed on the Main Board of the Stock Exchange
"Completion"	completion of the Subscriptions in accordance with the terms and conditions of the Subscription Agreements

"Completion Date"	the date on which Completion under the UNISTECH Subscription Agreement, the RG Subscription Agreement or the Chen Subscription Agreement occurs, as the context may suggest
"Composite Document"	the composite offer and response document in respect of the Offer to be jointly despatched by the Offeror and the Company in accordance with the Takeovers Code containing, amongst other things, the detailed terms of the Offer
"connected person(s)"	has the same meaning as ascribed to it under the Listing Rules
"Conversion Price"	HK\$0.40 per Conversion Share, being the initial conversion price at which the Conversion Shares will be allotted and issued upon the exercise of the conversion rights attaching to the Convertible Bonds, subject to adjustment pursuant to the terms and conditions of the Convertible Bonds
"Conversion Share(s)"	new Share(s) to be allotted and issued by the Company pursuant to the exercise of the conversion rights attached to the Convertible Bonds pursuant to the terms and conditions of the Convertible Bonds
"Convertible Bond(s)"	the zero coupon convertible bonds due 2021 in the aggregate principal amount of up to HK\$148,000,000 to be issued by the Company to the Offeror pursuant to the CB Instrument as described in this joint announcement
"Director(s)"	director(s) of the Company
"Excluded Shares"	Shares owned or agreed to be acquired by the Offeror and parties acting in concert with it, including 730,000,000 Subscription Shares which will be held by the Offeror and parties acting in concert with it upon Completion, the 45,746,000 Shares in respect of which Mr. But Tin Fu has undertaken not to accept the Offer, the 44,121,168 Shares held by Mind Seekers in respect of which Mind Seekers has undertaken not to accept the Offer, the 100,000,000 Subscription Shares which will be held by Reach General and the 100,000,000 Subscription Shares which will be held by Chen Ping
"Executive"	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
"Group"	the Company and its subsidiaries
"Group Company(ies)"	member(s) of the Group
"HK\$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Board Committee"	an independent committee of the Board established by the Board, comprising all the non-executive Directors, namely Mr. See Tak Wah, Prof. Xu Yang Sheng and Mr. Li Wanshou, to advise the Independent Shareholders as to the fairness and reasonableness of the terms of the Subscription Agreements and the Offer and as to voting
"Independent Financial Adviser"	an independent financial adviser to be appointed by the Independent Board Committee to advise the Independent Board Committee and the Independent Shareholders in respect of the Offer
"Independent Shareholders"	means the Shareholders other than (i) Mr. But, his associates (including Mind Seekers and the Accepting Shareholders) and parties acting in concert



with him; (ii) the Offeror, and parties acting in concert with them and those who are involved in or interested in the Offers; and (iii) any Shareholders who are interested in the Subscription Agreements and any transactions contemplated therein

"insignificant subsidiary"	has the meaning given in Rule 14A.09(1) of the Listing Rules
"Irrevocable Undertakings"	collectively, the BTF Irrevocable Undertaking, the Mind Seekers Irrevocable Undertaking, the BTH Irrevocable Undertaking, the LC Irrevocable Undertaking and the LK Irrevocable Undertaking, or any of them as the context may suggest
"Last Trading Day"	4 February 2016, being the last trading day of the Ordinary Shares prior to the suspension of trading in the Shares
"LC Acceptance Shares"	the 2,252,280 Shares to which Mr. Leung Cheong is the beneficial owner and other Shares received, allotted to or otherwise acquired by Mr. Leung Cheong from the date of the LC Irrevocable Undertaking and before the Offer closes
"LK Acceptance Shares"	the 4,536,520 Shares to which Mr. Leung Kuen, Ivan is the beneficial owner and other Shares received, allotted to or otherwise acquired by Mr. Leung Kuen, Ivan from the date of the LK Irrevocable Undertaking and before the Offer closes
"Listing Committee"	the Listing Committee of the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Lock-up Undertakings"	collectively, the BTF Lock-Up Undertaking and the Mind Seekers Lock-Up Undertaking, or any of them as the context may suggest
"Long Stop Date"	31 May 2016 (or such other date as may be agreed by the parties to the Subscription Agreements in writing (such date being not more than 90 days after the Long Stop Date))
"Maturity Date"	the fifth (5) anniversary from the date of issue of the Convertible Bonds
"Mind Seekers"	Mind Seekers Investment Limited, a company incorporated in BVI with limited liability, which is beneficially owned by Mr. But Tin Hing, Mr. But, Mr. Leung Cheong and Mr. Leung Kuen, Ivan as to 50%, 20%, 20% and 10%, respectively
"Mind Seekers Acceptances Shares"	the 176,484,672 Shares held by Mind Seekers and 80% of the Shares received, allotted to or otherwise acquired by Mind Seekers from the date of the Mind Seekers Irrevocable Undertaking and when the Offer closes
"Mind Seekers Irrevocable Undertaking"	the irrevocable undertaking entered into between the Offeror and Mind Seekers on 4 February 2016 in relation to, <i>inter alia</i> , the Mind Seekers Non-Acceptance Shares and the Mind Seekers Acceptance Shares
"Mind Seekers Lock-Up Undertaking"	the lock-up undertaking entered into between the Offeror and Mind Seekers on 4 February 2016 in relation to the Mind Seekers Non-Acceptance Shares
"Mind Seekers Non-Acceptance Shares"	the 44,121,168 Shares held by Mind Seekers and 20% of the Shares received, allotted to or otherwise acquired by Mind Seekers from the date of the Mind Seekers Irrevocable Undertaking and when the Offer closes, which are subject to the Mind Seekers Lock-Up Undertaking and the Mind Seekers Irrevocable Undertaking

"Mr. But"	Mr. But Tin Fu, as at the date of this joint announcement, an executive Director and the chairman of the Company, and an existing shareholder of the Company
"Offer"	subject to the UNISTECH Completion, the unconditional mandatory cash offer to be made by Quam Securities Company Limited on behalf of the Offeror to acquire all the issued Shares (other than the Excluded Shares) at the Offer Price
"Offeror"	UNIS Technology Strategy Investment Limited, a company incorporated in Hong Kong with limited liability, being the subscriber under the UNISTECH Subscription Agreement, and which is indirectly wholly-owned by Tsinghua Unigroup
"Offer Period"	has the meaning given to it in the Takeovers Code
"Offer Price"	the amount of HK\$1.70 per Offer Share
"Offer Share(s)"	the Share(s) which are subject of the Offer
"PRC"	the People's Republic of China
"Principal Subsidiary"	a subsidiary of the Company which is not an insignificant subsidiary
"Reach General"	Reach General International Limited (達廣國際有限公司), a company incorporated in the BVI with limited liability
"RG Completion"	completion of the RG Subscription in accordance with the terms and conditions of the RG Subscription Agreement
"RG Subscription"	the subscription of 100,000,000 Subscription Shares by Reach General pursuant to the RG Subscription Agreement
"RG Subscription Agreement"	the subscription agreement entered into between the Company and Reach General on 4 February 2016 in relation to the subscription of 100,000,000 Subscription Shares
"SFC"	the Securities and Futures Commission
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
"SGM"	a special general meeting of the Company to be convened and held for the Shareholders to consider and, if thought fit, approve, <i>inter alia</i> , the Subscription Agreements and the transactions contemplated thereunder, including allotment and issue of the Subscription Shares and Convertible Bonds, and the granting of the Specific Mandate
"Share(s)"	the ordinary share(s) of HK\$0.10 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Specific Mandate"	the specific mandate to be granted by the Shareholders to the Board at the SGM for the allotment and issue of the Subscription Shares and the Conversion Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscriber(s)"	the Offeror, Reach General and Chen Ping, or any of them as the context

	may suggest
"Subscription(s)"	the UNISTECH Subscription, the RG Subscription and the Chen Subscription, or any of them as the context may suggest
"Subscription Agreement(s)"	UNISTECH Subscription Agreement, RG Subscription Agreement and Chen Subscription Agreement, or any of them as the context may suggest
"Subscription Price"	HK\$0.40 per Subscription Share
"Subscription Share(s)"	930,000,000 new Shares, in aggregate, to be subscribed by any Subscriber(s)
"Takeovers Code"	the Code on Takeovers and Mergers issued by the SFC in Hong Kong as amended from time to time
"Trading Day"	a day when the Stock Exchange is open for trading in Hong Kong
"Tsinghua Unigroup"	Tsinghua Unigroup Co., Ltd. (紫光集團有限公司), a company established under the laws of the PRC and which is owned as to 51% by Tsinghua Holdings Co., Ltd. (清華控股有限公司), a wholly-owned subsidiary of Tsinghua University (清華大學), and as to 49% by Beijing Jiankun Investment Group Co., Ltd. (北京健坤投資集團)
"UNISTECH Subscription"	the subscription of the UNISTECH Subscription Shares and Convertible Bonds by the Offeror pursuant to the UNISTECH Subscription Agreement
"UNISTECH Subscription Agreement"	the subscription agreement entered into among Mr. But, the Company and the Offeror on 4 February 2016 in relation to the subscription of the UNISTECH Subscription Shares and the Convertible Bonds
"UNISTECH Completion"	completion of the UNISTECH Subscription in accordance with the terms and conditions of the UNISTECH Subscription Agreement
"UNISTECH Subscription Shares"	730,000,000 new Shares to be subscribed by the Offeror
"%"	percentage

By Order of the Board  
**Sun East Technology (Holdings)**  
**Limited**  
**BUT Tin Fu**  
*Chairman*

Hong Kong, [\*] 2016

*At the date of this announcement, the directors of the Company are Mr. But Tin Fu, Mr. But Tin Hing, Mr. Leung Cheong and Mr. Leung Kuen, Ivan as executive directors; and Mr. See Tak Wah, Prof. Xu Yang Sheng and Mr. Li Wanshou as independent non-executive directors.*

*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 Subscribers), and confirm, having*

*made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than the information relating to the Subscribers) 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 in this joint announcement misleading.*

*As at the date of this joint announcement, Mr. Zhao Weiguo and Mr. Zhang Yadong are the directors of the Offeror.*

*The directors of the Offeror 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, Reach General and Chen Ping), and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than the information relating to the Group, Reach General and Chen Ping) 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 in this joint announcement misleading.*

*As at the date of this joint announcement Mr. Wu Xin is the sole director of Reach General.*

*The directors of the Reach General 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 Offeror and Chen Ping), and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than the information relating to the Group, the Offeror and Chen Ping) 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 in this joint announcement misleading.*

*Chen Ping accepts full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Group, the Offeror and Reach General), and confirm, having made all reasonable inquiries, that to the best of her knowledge, opinions expressed in this joint announcement (other than the information relating to the Group, the Offeror and Reach General) 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 in this joint announcement misleading.*

*\* For identification purposes only*



