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## **Trillion Grand Corporate Company Limited**

**萬泰企業股份有限公司**

*(Incorporated in Cayman Islands with limited liability)*

**(Stock Code: 8103)**

### **MAJOR TRANSACTION DISPOSAL OF INDIRECT WHOLLY-OWNED SUBSIDIARIES**

**Financial adviser to the Company  
Enerchina Securities Limited**

On 11 December 2017 (after trading hours), the Vendor, a wholly owned subsidiary of the Company, entered into the Agreement with the Purchaser pursuant to which the Vendor has conditionally agreed to sell the Target Shares being the entire issued share capital in the Target Company to the Purchaser for a cash consideration of HK\$145 million. The Target Company holds the entire issued share capital of ISL, which is the legal and beneficial owner of the Property.

#### **GEM LISTING RULES IMPLICATIONS**

As one or more applicable percentage ratios (as defined in the GEM Listing Rules) in respect of the Disposal are more than 25% but less than 75%, the Disposal constitutes a major transaction of the Company under Chapter 19 of the GEM Listing Rules and is subject to the notification, announcement, circular and shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, no Shareholders or any of their respective associates have any material interest in the Disposal. As such, no Shareholders would be required to abstain from voting at the EGM in respect of the resolution approving the Disposal.

A circular containing, among other things, further information regarding the Disposal and a notice convening the EGM will be despatched to the Shareholders on or before 31 January 2018.

**Completion is subject to the satisfaction (or waiver, if applicable) of the Conditions set out in the Agreement and therefore may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

On 11 December 2017 (after trading hours), the Vendor, a wholly-owned subsidiary of the Company, entered into a the Agreement with the Purchaser pursuant to which the Vendor has conditionally agreed to sell the Target Shares, being the entire issued share capital in the Target Company, to the Purchaser for a cash consideration of HK\$145 million. The Target Company holds the entire issued share capital of ISL, which is the legal and beneficial owner of the Property.

## **THE AGREEMENT**

The principal terms of the Agreement are set out as below:

### **Date**

11 December 2017

### **Parties**

Purchaser: Future Master Investments Limited

Vendor: Top Insight Holdings Limited, a wholly owned subsidiary of the Company.

To the best knowledge, information and belief of the Directors having made all reasonable enquiry and so far as the Directors are aware, the Purchaser is a fellow subsidiary of the Creditor. Save and except the aforesaid, the Purchaser, the Creditor and each of their ultimate beneficial shareholders are Independent Third Parties.

### **Assets to be disposed of**

Pursuant to the Agreement, the Vendor has agreed to sell to the Purchaser the Target Shares being the entire issued share capital in the Target Company. The Target Company holds the entire issued share capital of ISL, which is the legal and beneficial owner of the Property. The Property is held by the Group as an investment.

## **CONSIDERATION AND PAYMENT TERMS**

The consideration for the Target Shares is HK\$145 million in cash, which was agreed between the parties based on arm's length negotiation after taking into account the financial position of the Target Group, the market value of the Property and the prevailing property market in Hong Kong.

The Consideration shall be paid by the Purchaser to the Vendor (or its designated person(s)) in the following manner:

- (a) a sum of HK\$20 million, as refundable deposit and part payment of the Consideration (the "Deposit") shall be payable by the Purchaser in cash within 2 Business Days after the passing of the Shareholders' resolution at the EGM approving the Disposal; and
- (b) as to the balance thereof, i.e. HK\$125 million (the "Balance"), shall be payable by the Purchaser in full upon Completion.

Further, the Vendor and the Purchaser agree that the Balance shall be applied to pay to the Creditor in settlement of the Debt.

## **CONDITIONS**

The sale and purchase of the Target Shares shall be subject to and conditional upon the fulfilment and satisfaction (or waiver, if applicable), at or prior to the Long Stop Date, of each of the following conditions precedent:

- (a) the results of the legal and financial due diligence conducted by the Purchaser over the Target Group, including but not limited to the Property and the affairs, business, assets, liabilities, operations, records, financial position, value of assets, accounts, results, legal and financial structure of the Target Group, being completed to the reasonable satisfaction of the Purchaser;
- (b) the passing of the necessary resolution(s) by the shareholders of the Company at the EGM to approve the Agreement and the transactions contemplated in or incidental to the Agreement in accordance with the requirements of the GEM Listing Rules;
- (c) the Hang Seng Facilities having been fully paid and all the securities provided in respect thereof having been fully discharged and released;
- (d) the Debt having been fully paid and all securities related thereto having been fully discharged and released;
- (e) each of the Vendor's warranties given under the Agreement remaining true, accurate and not misleading in all material respects up to Completion;

- (f) there is no Material Adverse Change or prospective Material Adverse Change in the Target Group's business, operations, financial conditions or prospects taken as a whole since the date of the Agreement;
- (g) if applicable, the obtaining of all consents from government or regulatory authorities or third parties which are necessary in connection with the execution and performance of the Agreement and any of the transaction contemplated thereunder.

The Purchaser may, in its sole discretion, waive the Conditions set out in paragraphs (a), (d), (e) and (f) above.

If the Conditions cannot be fulfilled (or waived, if applicable) on or before the Long Stop Date or the parties have not reached any agreement in writing to extend the Long Stop Date, then the Agreement shall be terminated whereupon the Vendor shall refund the Deposit in full without interest to the Purchaser and thereafter all rights, obligations and liabilities of the parties shall cease and determine and none of the parties shall have any claim against the other save as to any rights on any antecedent breach of the Agreement.

## **COMPLETION**

Completion of the Disposal under the Agreement will take place on the Completion Date. Upon the completion of the Disposal, the Target Group will cease to be subsidiaries of the Company.

The Vendor agrees and undertakes that the Purchaser may appoint its nominee to act in place of all or any of the current directors and company secretary (if applicable) of any Target Group company before Completion.

## **INFORMATION ON THE TARGET GROUP**

The Target Group comprises the Target Company and ISL. The Target Company is an investment holding company and ISL is principally engaged in property investment holding and proprietary trading business. Pursuant to the Agreement, ISL will terminate its proprietary trading business before the Completion and it will be permitted to sell the stock and securities currently held for repayment of the Hang Seng Facilities. Any unsold stock and securities will be transferred to other subsidiary of the Group before Completion. Since the Group has other investment arm which is engaged in proprietary trading business, the Disposal of the Target Group will not affect this business segment of the Group.

## Financial Information of the Target Group

Target Company was incorporated on the 2nd day of March 2016.

The financial information of ISL for the year ended 31 December 2015, the consolidated financial information of the Target Group for the period from 1 January 2016 to 31 March 2017 and the period from 1 April 2017 to 30 September 2017 are set out as follows:

	<b>(For ISL only)</b> <b>For the</b> <b>year ended</b> <b>31 December</b> <b>2015</b> <i>(HK\$ million)</i>	<b>For the</b> <b>period from</b> <b>1 January 2016</b> <b>to</b> <b>31 March 2017</b> <i>(HK\$ million)</i>	<b>For the</b> <b>period from</b> <b>1 April 2017 to</b> <b>30 September</b> <b>2017</b> <i>(HK\$ million)</i>
Net asset/(liabilities)	(27.6)	143.3	132.1
Net profit/(loss) before taxation	(5.7)	15.3	(11.1)
Net profit/(loss) after taxation	(5.7)	15.3	(11.1)

## INFORMATION ON THE PROPERTY

The Property is situated at the 9th Floor, Global Trade Square, No. 21 Wong Chuk Hang Road, Hong Kong, together with 3 car parking spaces at Global Trade Square. The area of the office floor is approximately 7,906 square feet. The Property shall not be used for any purpose other than for non-industrial (excluding residential, hotel, petrol filling station and godown) purposes.

The Property is currently being leased to a tenant under a tenancy agreement and the monthly rent receivable in respect of the Property is HK\$200,000.00.

## REASONS FOR THE DISPOSAL

Reference is made to the circular of the Company dated 19 September 2016. The Property was acquired by the Company (through the acquisition of the Target Group) in October 2016 for a consideration of HK\$128,000,000. Given the Property can now be sold (through the sale of the Target Group) at the consideration of HK\$145 million, there is a capital appreciation in the value of the Property. As such, the Board is of the view that the Disposal provides a good opportunity for the Group to realise its investment in the Property and the proceeds from the Disposal will be used for repayment of the Debt and any remaining balance will be used to replenish the general working capital of the Group.

The Directors (including the independent non-executive Directors) consider that the terms of the Agreement are on normal commercial terms, fair and reasonable and the Disposal is in the interests of the Company and the Shareholders as a whole.

## **INFORMATION OF THE COMPANY**

The Vendor is a wholly-owned subsidiary of the Company and its principal activity is investment holdings.

The Group is principally engaged in six business segments. The System Development segment is engaged in the system development and software licensing businesses, as well as the provision of maintenance, installation and consulting services. The Professional Services segment is engaged in the information technology (IT) engineering business and provision of technical support services. The Proprietary Trading segment is engaged in the trading of listed securities in Hong Kong. The Money Lending segment is engaged in the provision of financing services in Hong Kong. The Property Investment segment is engaged in leasing the Property. The OTT services segment is engaged in the provision of over the top services of video on demand in Hong Kong and Taiwan.

## **GEM LISTING RULES IMPLICATION**

As certain relevant percentage ratios (as defined under the GEM Listing Rules) in respect of the Disposal are more than 25% but all are less than 75%, the Disposal constitutes a major transaction for the Company under the GEM Listing Rules and is subject to the notification, announcement, circular and shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholder has a material interest in the Disposal. As such, no Shareholder will be required to abstain from voting at the EGM in respect of the resolution approving the Disposal.

A circular containing, among other things, further details on the Disposal, the Agreement and the transactions contemplated thereunder and other information as required under the GEM Listing Rules together with a notice of the EGM and a form of proxy will be despatched to the Shareholders on or before 31 January 2018 so as to allow sufficient time for the preparation of the relevant information for inclusions in the circular.

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following expressions shall have the following respective meanings:

“Agreement”	the agreement for sale and purchase dated 11 December 2017 and entered into between the Vendor and the Purchaser in relation to the sale and purchase of the Target Shares
“Board”	The board of Directors

“Business Day”	a day (other than a Saturday, Sunday or a public holiday) on which banks are open for business in Hong Kong
“Company”	Trillion Grand Corporate Company Limited (Stock Code: 8103), a company incorporated in Cayman Islands with limited liability, the Shares of which are listed on the GEM board of the Stock Exchange
“Completion ”	completion of the Disposal pursuant to the Agreement
“Completion Date”	means the date when all the Conditions are satisfied (or waived, if applicable)
“Conditions”	the conditions precedent of the Agreement
“Consideration”	the consideration of HK\$145 million payable by the Purchaser to the Vendor for the Disposal pursuant to the terms and conditions of the Agreement
“Creditor”	Cordoba Homes Finance Limited, a company incorporated in Hong Kong
“Debt”	the debt in respect of the loan, accrued interest and any other monies payable by the Company to the Creditor under the Loan Agreement, which, as at the date of the Agreement, amounts to approximately HK\$130.5 million
“Directors”	Director(s) of the Company
“Disposal”	the disposal of the Target Shares by the Vendor to the Purchaser pursuant to the Agreement
“EGM”	the extraordinary general meeting to be convened and held for the Shareholders to consider and, if thought fit, approve the Disposal
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the rules governing the listing of securities on GEM
“Group”	the Company and its subsidiaries
“Hang Seng Facilities”	the bank facilities in sum of HK\$76,800,000 advanced by Hang Seng Bank to ISL pursuant to a facility letter dated 11 January 2017
“Hong Kong”	the Hong Kong Special Administrative Region

“ISL”	ISL Investments Limited, a wholly-owned subsidiary of the Target Company
“Loan Agreement”	the loan agreement made between the Creditor as lender and the Company as borrower dated 5 August 2016 in respect of a loan facility up to HK\$150,000,000 and supplemented by a supplemental agreement dated 8 June 2017
“Long Stop Date”	4 calendar months after the date of the Agreement or such later date to be agreed between the Purchaser and the Vendor in writing
“Material Adverse Change”	any event, occurrence or development of a state of circumstances or facts which has had or reasonably could be expected to have a material and adverse affect on the financial position, management, business or property, legal or financing structure, or assets or liabilities of the Target Group
“Property”	9th Floor, Global Trade Square, No. 21 Wong Chuk Hang Road, Hong Kong, together with 3 car parking spaces at Global Trade Square
“Purchaser”	Future Master Investments Limited, a company incorporated in British Virgin Islands
“Shareholder(s)”	holders of Shares
“Share(s)”	ordinary shares of HK\$0.001 each in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Cicero Capital Limited, a company incorporated in the British Virgin Islands with limited liability
“Target Group”	The Target Company and ISL
“Target Shares”	entire issued share capital in the Target Company
“Vendor”	Top Insight Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly owned subsidiary of the Company



“HK\$” Hong Kong dollars, the lawful currency of Hong Kong

“%” per cent.

By order of the Board  
**Trillion Grand Corporate Company Limited**  
**Lau Kelly**  
*Executive Director*

Hong Kong, 11 December 2017

As at the date of this announcement, the Board comprises the following Directors:

*Executive Directors:*

Mr. Lau Kelly

Mr. Leung Chung Nam

Mr. Wong Kam Kwan

Ms. Ho Chi Na

*Independent non-executive Directors:*

Dr. Wan Ho Yuen

Mr. Hau Chi Kit

Mr. Yuen Koon Tung

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least seven days from the date of its posting and on the Company’s website at [www.trilliongrand.com](http://www.trilliongrand.com)*