

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

# **LAUNCH**

## **深圳市元征科技股份有限公司 LAUNCH TECH COMPANY LIMITED\***

*(a joint stock limited company incorporated in the People's Republic of China with limited liability)  
(Stock code: 2488)*

### **CONNECTED TRANSACTION ACQUISITION OF PROPERTY**

On 24 December 2012 and 27 December 2012, the Company, as the purchaser, entered into 2 separate transactions respectively with Mr. Liu Jun and Mr. Liu Xin, executive directors of the Company as the vendors, whereby the Company agreed to purchase the Properties from the said directors for the use as the Company's staff and guests accommodation in Shenzhen, PRC at a consideration of RMB 8,800,000 (equivalent to approximately HKD 10,932,000) and RMB 4,800,000 (equivalent to approximately HKD 5,963,000) respectively.

As the said directors are connected persons of the Company by virtue of their relationship with the Company under the Listing Rules, the Acquisitions constituted connected transactions for the Company under Chapter 14A thereof. Since each of the applicable percentage ratios calculated with reference to the Acquisitions are more than 0.1% but less than 5%, such connected transactions are subject to the reporting and announcement requirements, but are exempt from the independent shareholders' approval requirement under the Listing Rules.

### **THE FIRST TRANSACTION**

The First Transaction was entered into by Mr. Liu Jun, an executive director of the Company as the vendor and the Company as the purchaser in relation to the acquisition of two residential properties at an aggregate consideration of RMB 8,800,000 pursuant to the terms and conditions set out below under the First Agreement and the Second Agreement:

#### **The First Agreement and the Second Agreement**

Date: 24 December 2012

## **Parties**

Vendor: Mr. Liu Jun

Purchaser: LAUNCH TECH COMPANY LIMITED

## **Property to be acquired**

The property acquired under the First Agreement is the premises located at Room 402, Unit D2, 4/F, Block D, Suntime International Garden Residence, South of the Conjunction of Lianhua Road West and Xiangmihu Road, Futian District, Shenzhen (the “First Property”). The First Property was purchased by Mr. Liu Jun on 16 October 2003 at a cost of RMB 816,364.

The property acquired under the Second Agreement is the premises located at B1702, 17/F, Block 1, Hua Ting Ju, Interchange of Mei Hua Road and Mei Xiu Road, Futian District, Shenzhen (the “Second Property”). The Second Property was purchased by Mr. Liu Jun on 23 January 2002 at a cost of RMB 1,435,094.

## **Consideration**

The aggregate consideration for the First Transaction is RMB 8,800,000 (equivalent to approximately HKD 10,932,000), which was paid in full by the Company upon signing of the First Agreement and the Second Agreement.

The aggregate consideration for the First Transaction was arrived at after arm’s length negotiation between the Company and Mr. Liu Jun, based upon the lower of the valuations provided by two separate independent surveyors engaged by the Company and by reference to the current market value of similar properties in the market in Shenzhen, PRC.

The aggregate consideration for the First Transaction was satisfied by internal resources of the Company.

## **Delivery of the Property**

Upon full payment of the consideration of the First Agreement and the Second Agreement by the Company to Mr. Liu Jun, Mr. Liu Jun had delivered the First Property and the Second Property to the Company and the Company had on 26 December 2012 obtained the title certificates for the First Property and the Second Property from the Shenzhen Municipal Registration Center for Real Estate Property Rights.

## **THE SECOND TRANSACTION**

The Second Transaction was entered into by Mr. Liu Xin, an executive director of the Company as the vendor and the Company as the purchaser in relation to the acquisition of a residential property at a consideration of RMB 4,800,000 pursuant to the terms and conditions set out below under the Third Agreement:

### **The Third Agreement**

Date: 27 December 2012

### **Parties**

Vendor: Mr. Liu Xin

Purchaser: LAUNCH TECH COMPANY LIMITED

### **Property to be acquired**

The property acquired under the Third Agreement is the premises located at 4-1702, 17/F, Block 4-6, Hua Ting Ju, Interchange of Mei Hua Road and Mei Xiu Road, Futian District, Shenzhen (the “Third Property”). The Third Property was purchased by Mr. Liu Xin on 23 January 2002 at a cost of RMB 1,446,842.

### **Consideration**

The consideration for the Third Property is RMB 4,800,000 (equivalent to approximately HKD 5,963,000), which was paid in full by the Company upon signing of the Third Agreement.

The consideration for the Second Transaction was arrived at after arm’s length negotiation between the Company and Mr. Liu Xin based upon the lower of the valuations provided by two separate independent surveyors engaged by the Company and by reference to the current market value of similar properties in the market in Shenzhen, PRC.

The consideration for the Second Transaction was satisfied by internal resources of the Company.

### **Delivery of the property**

Upon full payment of the consideration of the Third Agreement by the Company to Mr. Liu Xin, Mr. Liu Xin had delivered the Third Property to the Company and the Company had on 4 January 2013 obtained the title certificate for the Third Property from the Shenzhen Municipal Registration Center for Real Estate Property Rights.

## **INFORMATION ABOUT THE PROPERTY**

The Properties comprise three residential apartment units which are located at B1702, 17/F, Block 1, Hua Ting Ju, Interchange of Mei Hua Road and Mei Xiu Road, Futian District, Shenzhen, Room 402, Unit D2, 4/F, Block D, Suntime International Garden Residence, South of the Conjunction of Lianhua Road West and Xiangmihu Road, Futian District, Shenzhen, and 4-1702, 17/F, Block 4-6, Hua Ting Ju, Interchange of Mei Hua Road and Mei Xiu Road, Futian District, Shenzhen respectively.

## **REASONS FOR ENTERING INTO THE AGREEMENTS**

The Company is currently leasing flats as staff and guests accommodation. The Board considers that the Acquisitions represent a good opportunity for the Company to purchase premises in Shenzhen with suitable location and good quality as its permanent staff and guests accommodation. By establishing the aforesaid permanent accommodation, the Company is able to save rental cost and avoid the adverse effect to its operation in moving its staff and guests accommodation and conducting renovation work frequently. The Company believes that it is in the long term benefit to the Company's development to acquire its own permanent staff and guests accommodation. The Acquisitions are also in the commercial interest of the Group.

The Board considers that the terms and conditions of the Agreements are on normal commercial terms, and the terms of the Agreements are fair and reasonable and in the interests of the Company and its shareholders as a whole. The Board hereby confirms that both Mr. Liu Jun and Mr. Liu Xin, having material interest in the Acquisitions, have abstained from voting on the board resolution of the Company approving the Acquisitions.

## **LISTING RULES IMPLICATIONS**

Mr. Liu Jun and Mr. Liu Xin are the executive directors of the Company and are therefore connected persons of the Company. Accordingly, both the First Transaction and the Second Transaction constituted connected transactions for the Company under Chapter 14A of the Listing Rules.

Each of the applicable percentage ratios (except profits ratio and equity capital ratio) calculated with reference to the First Transaction and Second Transaction falls within the range of 0.1% to 5%. Therefore, the Acquisitions were not de minimis transactions and are subject to the reporting and announcement requirements, but exempt from the independent shareholders' approval requirement under the Listing Rules.

## DEFINITIONS

“Acquisitions”	the First Transaction entered into between the Company and Mr. Liu Jun and the Second Transaction entered into between the Company and Mr. Liu Xin pursuant to the terms and conditions of the Agreements
“Agreements”	the First Agreement, the Second Agreement and the Third Agreement
“Board”	board of Directors of the Company
“Company”	Launch Tech Company Limited ( 深圳市元征科技股份有限公司 ), a joint stock limited company incorporated in the PRC with limited liability (stock code: 2488)
“connected person”	has the meaning ascribed to it in the Listing Rules
“de minimis transactions”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company (including independent non-executive director(s))
“First Agreement”	the sale and purchase agreement entered into between Mr. Liu Jun as vendor and the Company as purchaser on 24 December 2012, pursuant to which Mr. Liu Jun shall sell to the Company and the Company shall purchase from Mr. Liu Jun all interests in the First Property
“First Transaction”	the transaction pursuant to the First Agreement and the Second Agreement
“Group”	the Company and its subsidiaries
“HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“percentage ratios”	has the meaning ascribed to it in the Listing Rules
“PRC”	the People’s Republic of China
“Properties”	the premises being acquired under the Agreements
“RMB”	Renminbi, the lawful currency of the PRC

“Second Agreement”	the sale and purchase agreement entered into between Mr. Liu Jun as vendor and the Company as purchaser on 24 December 2012, pursuant to which Mr. Liu Jun shall sell to the Company and the Company shall purchase from Mr. Liu Jun all interests in the Second Property
“Second Transaction”	the transaction pursuant to the Third Agreement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Third Agreement”	the sale and purchase agreement entered into between Mr. Liu Xin as vendor and the Company as purchaser on 27 December 2012, pursuant to which Mr. Liu Xin shall sell to the Company and the Company shall purchase from Mr. Liu Xin all interests in the Third Property.

Unless otherwise specified, the conversion of the RMB into HKD is based on the exchanged rate of HKD 1.00 = RMB 0.8050. No representation is made that the amounts in question have been, could have been or could be converted at the above rates.

By Order of the Board  
**Launch Tech Company Limited**  
**Liu Chun Ming**  
*Company Secretary*

7 January 2013  
Shenzhen, the PRC

*As at the date of this announcement, the board of directors of the Company comprises Mr. Liu Xin (Chairman), Mr. Liu Jun, Ms. Huang Zhao Huan and Mr. Jiang Shiwen as executive Directors, Ms. Liu Yong and Ms. Liu Xiaohua as non-executive Directors, and Mr. Pan Zhongmin, Mr. Liu Yuan and Dr. Zou Shulin as independent non-executive Directors.*

\* *for identification purposes only*