TECH PRO TECHNOLOGY DEVELOPMENT LIMITED
德普科技發展有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 03823)

VERY SUBSTANTIAL ACQUISITION INVOLVING THE ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF THE TARGET COMPANY

THE ACQUISITION AGREEMENT

The Board is pleased to announce that on 18 May 2015 (after trading hours of the Stock Exchange), the Purchaser, the Vendor and the Target Company entered into the Acquisition Agreement pursuant to which the Purchaser has conditionally agreed to acquire and the Vendor has conditionally agreed to sell, the Sale Shares representing the entire issued share capital of the Target Company.

The Consideration is €7,000,000, which shall be payable by the Purchaser to the Vendor upon Completion in cash.

The Acquisition Agreement is subject to fulfillment of the conditions precedent as detailed in the paragraph headed "Conditions precedent" in this announcement. Upon Completion, the Target Company will become a wholly-owned subsidiary of the Company and the financial information of the Target Company will be consolidated into the financial information of the Group upon Completion.

IMPLICATION OF THE LISTING RULES

The Acquisition constitutes a very substantial acquisition on the part of the Company under Chapter 14 of the Listing Rules.

GENERAL

As more time is needed to prepare the financial information of the Target Company to be included in the circular in relation to the Acquisition, a circular containing, among other things, further details of the Acquisition and a notice convening the EGM will be despatched to the Shareholders on or before 10 June 2015.

Reference is made to the announcement of the Company dated 17 February 2015 in relation to the entering into of the Letter of Intent by the Purchaser and the Vendor in relation to acquisition of the Sale Shares.

The Board is pleased to announce that on 18 May 2015 (after trading hours of the Stock Exchange), the Purchaser, the Vendor and the Target Company entered into the Acquisition Agreement pursuant to which the Purchaser has conditionally agreed to acquire and the Vendor has conditionally agreed to sell, the Sale Shares representing the entire issued share capital of the Target Company. Details of the Acquisition Agreement are set out below.

THE ACQUISITION AGREEMENT

Date: 18 May 2015 (after trading hours)

Parties:

(1)	Purchaser:	LEDUS Club Limited, a wholly-owned subsidiary of the Company
(2)	Vendor:	Automobiles Peugeot SA, a French société anonyme company
(3)	Target Company	Football Club Sochaux-Montbeliard SA

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, (i) the Vendor is principally engaged in manufacturing; and (ii) the Vendor and its ultimate beneficial owners are Independent Third Parties.

Assets to be acquired

Pursuant to the Acquisition Agreement, the Purchaser has conditionally agreed to acquire and the Vendor has conditionally agreed to sell, the Sale Shares.

The Sale Shares represent the entire issued share capital of the Target Company.

Consideration

The Consideration is €7,000,000, which shall be payable by the Purchaser to the Vendor upon Completion in cash.

The Consideration was agreed between the Vendor and the Purchaser after arm's length negotiations and was determined based on a discount to the unaudited net assets of the Target Company as at 31 December 2014 of approximately €20,190,000 and the completion of the Target Company's distribution of exceptional dividends in the amount of €6,950,000 in May 2015, which was previously agreed between the Purchaser and the Vendor upon the entering into of the Letter of Intent.

The Consideration will be funded by the internal resources of the Group.

Vendor's Undertaking

Pursuant to the Acquisition Agreement, the Vendor will pay the Purchaser a maximum total amount of €3,000,000 in the event that the Target Company achieves the Cumulative Conditions for each of the financial years ending 30 June 2016 and 30 June 2017.

The Cumulative Conditions are set out below:

(1) the Target Company shall not have been declared insolvent, nor subject to any bankruptcy, insolvency, moratorium or any other similar proceedings applicable under French law;

(2) the Target Company shall hold its place in the French League 1 (Ligue 1) or in the French League 2 (Ligue 2);

(3) the Target Company shall provide evidence that the National Directorate of Management Control will not pronounce any restricted measures after reviewing the financial budgets of the Target Company;

(4) the absence of any change in the Target Company's ownership and/or shareholdings; and

(5) the absence of any decrease in the share capital of the Target Company, to the extent which is less than the amount of share capital upon Completion plus any increase in the share capital of the Target Company by the Vendor's Undertaking, including any declaration or payment of dividend by the Target Company. For the purpose of the Acquisition Agreement, any declaration or payment of dividend before the end of the financial year ending 30 June 2017 will be considered as a decrease in the share capital of the Target Company.

The National Directorate of Management Control is in charge of the legal and financial control of professional football clubs in France and ensures that they comply with the applicable national and international regulations. It also acts as a supervisor of the accounting documents of the Target Company and is mostly in charge of ensuring that the budget of the Target Company is balanced and that the investments/expenses incurred by the Target Company do not exceed its financial capacities.

In case of non-compliance with the applicable regulations, the National Directorate of Management Control is entitled to pronounce restrictive measures including fines, banning from participating in the football cups (French cup and league cup) for the season and downgrading the club to a lower league.

The Vendor's Undertaking is subject to the Target Company achieving the Cumulative Conditions for each of the financial years ending 30 June 2016 and 30 June 2017. If the Cumulative Conditions are not satisfied in each of the financial years ending 30 June 2016 and 30 June 2017, the Vendor will not need to pay the Purchaser €1,500,000 for each of the financial years ending 30 June 2016 and 30 June 2017 respectively.

The Vendor's Undertaking shall be paid as follow:

(1) €1,500,000 shall be paid by the Vendor to the Purchaser within 15 calendar days from the receipt of (a) the Notice of Final Completion Statement stating the achievement of the Cumulative Conditions for the financial year ending 30 June 2016; and (b) a copy of the shareholder's minutes of the Target Company voting an increase of share capital of the Target Company for an amount of €1,500,000; and

(2) €1,500,000 shall be paid by the Vendor to the Purchaser within 15 calendar days from the receipt of (a) the Notice of Final Completion Statement stating the achievement of the Cumulative Conditions for the financial year ending 30 June 2017; and (b) a copy of the shareholder's minutes of the Target Company voting and acknowledging the completion of an increase of share capital of the Target Company for an amount of €1,500,000.

Under the Acquisition Agreement, the Purchaser acknowledges and warrants that any amount which will be received by the Purchaser under the Vendor's Undertaking shall be invested in the Target Company by way of increase of share capital of the Target Company. It is the intention of both the Purchaser and the Vendor that (i) any amount which will be received by the Purchaser under the Vendor's Undertaking will not be given directly to the Purchaser but instead to the Target Company by way of increase of the share capital of the Target Company; and (ii) such amount will be used primarily for the business of the Target Company, but not the other businesses of the Purchaser.

As the Target Company will become a wholly-owned subsidiary of the Group upon Completion, any increase of the share capital of the Target Company as a result of the Vendor's Undertaking will also increase the value of the Group.

Conditions precedent

The obligation of the Purchaser to purchase the Sale Shares is subject to the following conditions having been fulfilled or waived (as the case may be) by 30 June 2015:

(1) the transfer of all the shares of the Target Company held by the board members of the Target Company to the Vendor;

(2) the resignation of the president of the Target Company and all the board members of the Target Company waiving any rights or claims of any kind, whether disclosed or undisclosed, towards the Target Company;

(3) the completion of the Trademarks Assignment Agreement;

(4) the termination of the Secondment Agreement;

(5) the completion of the Transitional Services Agreement;

(6) the closing of all the current bank account(s) of the Target Company opened in the books of Société Financière de Banque – Sofib SA, which offers commercial banking services in France (which are reserved only to distributors/dealers of the Vendor and its affiliates, domiciled in France and such requirement will not be meet by the Target Company upon Completion), and transfer of all the available cash positions to another existing bank account(s) of the Target Company, the amendment of all existing mandates for the operation of all the bank account(s) maintained by the Target Company in such manner as the Purchaser may require;

(7) the delivery of the French legal opinion by Thomas Mayer & Associes, a French law firm, covering the necessary approvals for the Vendor to sign the Acquisition Agreement;

(8) the obtaining by the Vendor and the Target Company of all necessary consents, licenses and approvals required in respect of the Acquisition Agreement (i.e. the minutes of the board of the Target Company authorising the transfer of Sale Shares);

(9) the passing by the Shareholders at the EGM to be convened and held of the resolution to approve the Acquisition Agreement and the transactions contemplated thereunder; and

(10) the completion of the extension of duration of the FCSM Agreement from 1 July 2015 to 30 June 2020, and confirmation of the approval of such by the Prefecture, which is an administration that belongs to the Ministry of the Interior in France and is in charge of the delivery of identity cards, driving licenses, passports, residency and work permits for foreigners, vehicle registration, registration of associations (creation, status modification, dissolution) and of the management of the police etc.

Other than conditions (7), (9) and (10) are incapable of being waived, all other conditions above are waivable by the Purchaser by notice to the Vendor. The Purchaser has no current intention to waive such conditions as at the date of this announcement.

The obligation of the Vendor to sell the Sale Shares is subject to the following conditions having been fulfilled or waived (as the case may be) by 30 June 2015:

(1) the representations and warranties of the Purchaser set forth in the Acquisition Agreement shall be true and accurate in all respects at the date of Completion, except for those representations and warranties that are explicitly made for a specific time shall be true and accurate in all respects at such time only; and

(2) all necessary consents, licenses and approvals having been obtained by the Purchaser.

All the conditions above are waivable by the Vendor by notice to the Purchaser. The Vendor has no current intention to waive such conditions as at the date of this announcement.

If the conditions have not been satisfied or waived (as the case may be) on or before 30 June 2015, the Acquisition Agreement shall cease and determine, and thereafter neither party thereto shall have any obligations and liabilities towards each other thereunder save for any antecedent breaches of the terms and conditions thereof.

Completion

Completion shall take place on 30 June 2015 or such other date as the parties to the Acquisition Agreement may agree, subject to the fulfilment or waiver of the conditions precedent of the Acquisition Agreement.

Upon Completion, the Target Company will become a wholly-owned subsidiary of the Company and the financial information of the Target Company will be consolidated to the financial information of the Group upon Completion.

As at the date of this announcement, the Vendor is providing the following services to the Target Company:

(1) IT workstations, desktop and laptop;

(2) IT Workstation software;

(3) network equipment;

(4) application server and data;

(5) e-mail;

(6) domain name; and

(7) internet access.

Upon Completion, the Target Company and the Vendor will enter into the Transitional Services Agreement pursuant to which the Vendor will continue to provide the above services to the Target Company at a nominal consideration for a maximum period of six months in order to enable the Purchaser and the Target Company to continue to benefit from the IT support of the Vendor after Completion and during a period of transition. The Target Company is currently seeking for IT supporting services from new services providers and will invite quote or tender from new services providers. Upon Completion, if the Target Company identifies the suitable new services providers for the IT supporting services, the Target Company will terminate the Transitional Services Agreement before the expiry of the term of the Transitional Services Agreement.

As at the date of this announcement, the Target Company is the registered owner of several trademarks with Vendor's device element "lion" and/or the word "Peugeot". The Target Company will, upon Completion, enter into the Trademarks Assignment Agreement with the Vendor pursuant to which the Target Company will assign the trademarks to the Vendor. The Trademarks Assignment Agreement provides that in order to allow the Target Company to create a new visual identity, the Target Company is authorised to continue using the trademarks until 31 December 2015 on a royalties-free and exclusive basis. The Target Company will be able to use the name "FCSM" and/or "Football Club De Sochaux

Montbeliard" as trademark or commercial name with no time limit and will be able to register the name "FCSM" and/or "Football Club De Sochaux Montbeliard" as a trademark, with a different logo. The Vendor also agrees not to make any use of the trademarks and of the name "FCSM" and "Football Club De Sochaux Montbeliard" from the date of the Trademarks Assignment Agreement and not to renew them at the next renewal term.

INFORMATION ON THE TARGET COMPANY

The Target Company is a professional football club created in 1928 in the form of a sport association, which subsequently became a limited liability company and is principally engaged in the development and promotion of a professional football club. It is one of the historical football clubs in France and had won many significant champions in France.

In accordance with article L.122-14 of the French Sporting Code, which is a body of law applicable to the sports business and has the authority of statute law, the Target Company has entered into the FCSM Agreement on 1 July 2010 with the Association which assigns various activities and governs the fees arrangements between the Target Company and the Association, in particular the amateur/professional sectors, training activities and costs thereof, pitches, buildings and facilities and trademarks. The FCSM Agreement also provides that the managers of the Association and those of the Target Company shall be of different persons. The Target Company pays an annual fee of not more than €300,000 to the Association under the FCSM Agreement.

The roles and responsibility of the Association are mainly related to the amateur sector activities as opposed to the professional activities. In accordance with article R.122-8 of the French Sporting Code, an agreement must be entered into between the association responsible for the amateur sector and the company running the professional sector, and must detail the distribution of such activities, as well as those related to the training.

Any sports association affiliated to a sports federation, which is involved in the organisation of sporting events and (i) has revenues exceeding €1.2 million or (ii) that employs sportsmen whose remuneration exceeds €800,000, has to have its professional activities (as opposed to amateur activities) managed by a company set up for this purpose and such company has a legal obligation to enter into an agreement with the Association.

The various activities assigned by the FCSM Agreement and fees arrangements are as follow:

(1) Amateur/Professional Sectors

The Association is in charge of the 'amateur' sector: children's football, introduction to participating in youth competitions organised by the Franche-Comté League and women's football.

The Target Company is in charge of the 'professional' sector: activities relating to professional competitions, senior teams, Youth Academy (YA), pre-training, recruiting junior and senior players, organising matches and all business activities (merchandise, advertising, partnerships, sale of advertising space, etc.).

The Association must transfer any sums it receives for 'professional' activities to the Target Company and the Target Company must transfer any sums it receives for 'amateur' activities to the Association.

The Association allows the Target Company to register its professional teams in the competitions of the federal calendar of the French Football Association (FFF) and in those organised by the Professional Football League (LFP).

(2) Pre-screening and screening training activities

Pre-screening and screening training activities are the Target Company's responsibility (with the exception of children's football, introduction activities and women's football).

A technical policy established jointly by the Target Company and the Association, and its implementation is conducted by the technical manager of the Youth Academy (YA) without the Association's financial involvement.

(3) Participation of the Target Company in activities for which the Association is responsible

The Target Company provides instructors for free and outfits and equipment (maximum €8,000 excluding taxes, invoiced to the Association).

Training costs (illumination of pitches, pitch maintenance, showers) are borne by the Target Company in exchange of the payment by the Association of a fixed annual sum.

(4) Pitches, buildings and facilities

The Youth Academy's facilities are made available to the Association's teams.

(5) Trademarks

A non-exclusive right to use the Football Club De Sochaux Montbeliard trademark free of charge is granted to the Association for the duration of the agreement for its own requirements only (no commercial use).

The annual fee payable to the Association by the Target Company is negotiated between the parties. The Target Company currently pays €151,500 per year, without the agreement providing any other specification as to the basis of this fee. The annual fee is annually revised according to the consumer price index-limit set at 2%.

The Target Company has entered into the Secondment Agreement with Automobiles Peugeot SA on 3 January 2005 (as amended on 30 June 2009), which provides for the secondment of managerial staff employed by Peugeot Citroën Automobiles, which to the best knowledge of the Company, is an affiliate company of the Vendor. Seconded staff members remain on the payroll of Peugeot Citroën Automobiles, which continues to pay them and provide their payslips. Three members of managerial staff were seconded to the Target Company for the year ended 30 June 2014. The termination of Secondment Agreement is one of the conditions precedent to complete the Acquisition.

As at the date of this announcement, the Vendor owned 249,995 shares representing 99.99% of the issued share capital of the Target Company and the board members of the Target Company owned 5 shares of the Target Company representing 0.01% of the issued share capital of the Target Company.

In accordance with the French law n°2014-856 of July 31, 2014 (loi relative à l'économie sociale et solidaire dite "Loi Hamon"), the employees of the Target Company have been duly and timely informed of the contemplated change of control of the Target Company. In addition, the opinion of the works council of the Target Company regarding the contemplated operation has been obtained on 20 March 2015.

The Target Company is governed by the following organisations/authorities:

(1) the French Football Federation (FFF), which is in charge of (a) delivering the yearly license to football clubs allowing them to run their business activity; (b) monitoring and organising the teaching and practice of professional football in France; and (c) dealing with administrative aspects of football clubs (certification and national selections etc.);

(2) the Professional Football League (LFP), which is mainly in charge of (a) certifying the football player contracts; and (b) controlling the compliance of the youth academy with the on-going requirements. It also has exclusive first jurisdiction for any dispute relating to professional football contracts;

(3) the International Federation of Association Football (FIFA), which is in charge of governing issues relating to (a) players' agents; (b) transfers of professional football players; and (c) relationships between players and football clubs and between football clubs; and

(4) the National Directorate of Management Control (DNCG), which is mainly in charge of controlling the legal, financial and accounting matters of football clubs.

The following licenses and approvals are required by the Target Company for its operations:

(1) Certification by the French Football Federation (FFF) for each season

The certification of the football club by the French Football Federation (FFF) is granted on a yearly basis. The football club of the Target Company has obtained the certification for the 2014/2015 season and will apply for the certification for the 2015/2016 season and it is expected that the Target Company shall receive it before the start of the new season.

(2) Affiliation to/probate from the Professional Football League (LFP)

The affiliation to the Professional Football League (LFP) concerns the Youth Academy (YA) and the football player's contracts. The affiliation is obtained on a yearly basis after an on-site evaluation to ensure the compliance of the Youth Academy with the on-going requirements including technical requirements, sport and training structures and housing facilities etc. The football club of the Target Company has obtained the affiliation for the season 2014/2015 and it is expected that the on-site evaluation for the season 2015/2016 will take place before the start of the new season.

The probate of the football player's contracts is notified by the Professional Football League (LFP) to the football club, the player and to the French Football Federation (FFF). The Professional Football League (LFP) (i) controls the compliance of the contract with legal requirements; and (ii) checks the status of the football club with the National Directorate of Management Control (DNCG). As at the date of this announcement, all the football player's contracts of the football club of the Target Company have obtained the probate from the Professional Football League (LFP).

(3) Approval by the Prefecture of the FCSM Agreement

The FCSM Agreement is in force once it is approved by the Prefet in accordance with articles L. 122-15 and R. 122-9 of the French Sporting Code. The Prefet controls the compliance of the FCSM Agreement with legal requirements. The FCSM Agreement is currently in force up to 30 June 2015. It is one of the conditions precedent that the duration of the FCSM Agreement shall have extended to 30 June 2020.

Financial information on the Target Company

Set out below is a summary of the key financial data of the Target Company based on the unaudited accounts of the Target Company for the two years ended 30 June 2013 and 30 June 2014 and the six months ended 31 December 2014 which were prepared in accordance with the Hong Kong Financial Reporting Standards:

	Financial year ended 30 June 2013 (unaudited) *€'000*	**Financial year ended 30 June 2014** (unaudited) *€'000*	**Six months ended 31 December 2014** (unaudited) *€'000*
Turnover	26,979	24,938	5,434
Net (loss) before taxation	(3,352)	(13,186)	(750)
Net (loss) after taxation	(3,352)	(13,186)	(750)

The unaudited net assets of the Target Company as at 31 December 2014 was approximately €20,190,000.

The loss recorded for the year ended 30 June 2013 was mainly attributed to the reduction of gain on disposal of players' registration rights. The gain on disposal of players' registration rights in year ended 30 June 2012 was €19.44 million while the gain on disposal of players' registration rights in year ended 30 June 2013 was only €5.27 million.

The loss recorded for the year ended 30 June 2014 was mainly attributed to the increase in other operating expenses. As the final ranking position of the football team of the Target Company for the season 2013-2014 was 18th and was relegated from Ligue 1 to Ligue 2, the Target Company decided to terminate most contracts of the players and resulted in impairment of certain assets of the Target Company. There were additional costs of (a) costs arising to compensate the players due to the early termination of contracts; (b) an impairment of intangible assets of players registration rights amounted to €3.71 million; (c) write-off of intangible assets of players' registration rights amounted to €1.44 million; (d) impairment of property and equipment of €1.36 million.

Major assets and liabilities of the Target Company

Set out below is a detailed breakdown of the major assets and liabilities of the Target Company as at 31 December 2014 based on the unaudited accounts of the Target Company for the three years ended 30 June 2012, 30 June 2013 and 30 June 2014 and the six months ended 31 December 2014 which were prepared in accordance with the Hong Kong Financial Reporting Standards:

	As at 31 December 2014 (unaudited) *€'000*
Assets	
Trade and other receivables	5,159
Cash and cash equivalents	22,757
Liabilities	
Trade payables	2,219
Payroll payables	1,084
Deferred revenue	2,312
Other payables	972
Value added tax payables	1,340

All the long-term assets including player's registration rights, property and equipment and other intangible assets have been fully impaired as at 30 June 2014 and 31 December 2014 due to the relegation of the football team of the Target Company from Ligue 1 to Ligue 2 for the season 2014/2015.

Current squad and the management team of the Target Company

As at the date of this announcement, there are a total of 24 professional football players in the squad of the football team of the Target Company, together with a first team manager, an assistant first team coach, a goalkeepers coach, a first team fitness coach, a kit manager and two medical first team staff and other medical staff assistants.

The football club of the Target Company is managed by the president, Mr. Denis Worbe, the vice-president, Christian Peugeot and four members of the board of directors, together with the chief executive, financial director, administrative director and the commercial director of the football club.

Historical performance and its current ranking

Set out below is the performance of the football team of the Target Company for the past three seasons:

Season	**League**	**Matches played**	**Points**	**Ranking**
2012–2013	French Ligue 1	38	41	15
2013–2014	French Ligue 1	38	40	18 *(note 1)*
2014–2015	French Ligue 2	37 *(note 2)*	52	9

Notes:

1 the football team ranked 18 out of 20 for the season 2013-2014 and was relegated from the French Ligue 1 to French Ligue 2 for the season 2014 – 2015

2 As at the date of this announcement, the football team played 37 matches and there is one match remaining for the season 2014 – 2015

Revenue model of the Target Company

The Target Company's revenue and profit are mainly derived from followings:

(a) broadcasting revenue: broadcasting revenue comprises a fixed part and a variable part. The fixed part of television and broadcasting revenue is recognised over the duration of the football season. The variable part includes three elements which depend on the final ranking at the end of the football season of the football club; the average ranking over the past five football seasons of the football club; and the television live coverage and the Target Company's reputation. The variable portion of the broadcasting revenue that depends on the final ranking at the end of the football season is not recognised at any interim period because the amount cannot be measured reliably;

(b) matchday ticket sales: recognised based on matches played throughout the year with revenue from each match being recognised only after the match to which the ticket sales related has been played. Matchday ticket sales which are received in advance of a period end but relating to future periods are treated as deferred revenue. The deferred revenue is then released to revenue as the matches are played;

(c) sponsorship and marketing revenue is recognised over the duration of the respective contracts;

(d) merchandising revenue is recognised when goods are delivered; and

(e) gain arising from disposal of players' registration rights is recognised at the date of the players' deregistration being homologated by the French Football League. Where a part of the consideration receivable is contingent on specified performance conditions, this amount is recognised in the statement of profit or loss on the date the conditions are met.

REASONS FOR AND BENEFIT OF THE ACQUISITION

The Purchaser is interested in the acquisition of the Target Company in the context of its strategic business and marketing development in France.

The Group is principally engaged in the manufacturing and sales of LED lighting products and accessories, energy efficiency projects and provision of property sub-leasing services. It is the Company's corporate strategy to raise the global market awareness and recognition of "LEDUS" brand name which is owned by the Group and build up the brand name as an international brand.

The Group has operated various energy saving projects with the regional governments in Spain and also works with the large chain stores in Hong Kong and overseas. The Group always strives to explore the European markets, both in public sectors and private sectors, and capture more market shares in the LED lighting markets. The Group believes that the Acquisition is an effective way to promote and market the Group's products especially in Europe. It can also raise the global market awareness and recognition of "LEDUS" brand name, not only in France but the whole Europe, through the television broadcasting of French football matches, marketing materials of the football club such as club T-shirts and souvenirs. The Group plans to incorporate the logo of "LEDUS" into the football club logo and T-shirts in order to increase the exposure of "LEDUS" brand name. The Group also plans to renovate the existing lighting systems in the football stadium and training school of the Target Company from traditional lighting to LED lighting. It will be a pilot project which will promote the Group's products to the private sectors in France. The Group believes that the Acquisition can build up "LEDUS" into an international brand.

According to the information provided in the official website of Ligue de France Professionnel ("LFP") (www.lfp.fr), the attendances of the spectators of the football matches in Ligue 1 and Ligue 2 for the last three football seasons as below:

Ligue 1

Season	Attendances (total)	Attendances (average)
2012–2013	7,299,737	19,261
2013–2014	7,975,488	21,155
2014–2015*	7,655,798	21,999

Ligue 2

Season	Attendances (total)	Attendances (average)
2012–2013	2,665,027	7,032
2013–2014	3,003,736	7,915
2014–2015*	2,088,895	5,968

The Target Company

Season	Attendances (total)	Attendances (average)
2012–2013 (Ligue 1)	512,886	13,497
2013–2014 (Ligue 1)	546,744	14,388
2014–2015* (Ligue 2)	311,500	8,900

* 35 matches out of 38 matches are calculated

From the table above, it shows that football is one of the popular sports in France, even in Europe. There are about 20,000 and 7,000 spectators/week to watch the football matches in Ligue 1 and Ligue 2 respectively.

The average spectators/match of the Target Company for the season 2012–2013 and 2013–2014, where the Target Company still played in Ligue 1, were 13,497 and 14,388 respectively. It was close to the average spectators figures of the respective years. For 2014–2015, the average spectators/match of the Target Company is higher than the average spectators figures. Consider that the capacity of the Bondal Stadium, the home stadium of the Target Company, is only 20,005, the number of the spectators is better than most of the teams in Ligue 2 and is satisfactory as compared with the teams in Ligue 1.

As shown above, the Target Company has a solid supporter base even the Target Company was relegated to Ligue 2 in 2013–2014.

On the other hand, according to the statistics from LFP (source "Médiamétrie"), there was about 900,000 French audiences watching the football match television broadcasting on Saturday matches of the Target Company in 2013–2014 season. It did not include the audience of the other countries.

As the Group aims to raise the awareness and recognition of its owned "LEDUS" brand name and build up the brand name as an international brand. The Target Company will be an effective channel to the Group to promote its brand through the television broadcasting in France and other countries.

The Acquisition can also diversify the businesses and sources of income of the Group and achieve revenue growth and increase the value of the Company.

Further, (i) the Consideration represents a discount of approximately 65.33% to the net assets of the Target Company as at 31 December 2014 of approximately €20,190,000; (ii) as the net assets of the Target Company is expected to exceed the amount of the Consideration, the net assets of the Group is expected to increase upon Completion; and (iii) as the Consideration is to be settled in cash, there will not be any dilution effect on the Shares as a result of the Acquisition.

Upon Completion, save for the president, Mr. Denis Worbe, who is currently the head of financial and bank relationships of the Vendor group responsible generally for the financial affairs of the Vendor group, will not remain with the Target Company, the Company intends to retain all the senior management teams of the Target Company to manage the operation and business of the Target Company. Most of them are experienced in the professional football sport industry and have been working with the Target Company for years. The Purchaser understands that Mr. Denis Worbe is a representative of the Vendor group in the Target Company and he would continue his duties and remain with the Vendor group after Completion.

In relation to the steps taken by the Company to retain and recruit relevant expertise to manage the business of the Target Company, the employees of the Target Company have been informed of the contemplated change of control of the Target Company. The Company has met with the works council and senior management teams of the Target Company, after which a favourable opinion was given by the works council to the Acquisition in March 2015. The senior management teams of the Target Company have also indicated their intention to remain with the Target Company. The Directors believe that despite the change of control of the Target Company, most of the management, who have been delegated the duties from the board to run the business of the Target Company in previous years, will remain with the Target Company.

In addition, the Company will nominate person(s) to be member(s) of the board of directors of the Target Company. The Company will also identify suitable candidate with the relevant management expertise to manage the operation and business of the Target Company in the future through different channels for specific position of the Target Company if it is needed. Based on the above, the Directors are confident that the Company will have sufficient management expertise to oversee and operate the football club business of the Target Company in the future.

Despite the fact that the Target Company is loss making, as at 31 December 2014, the Target Company had €22,757,000 cash and cash equivalents and even taking into account the completion of the Target Company's distribution of exceptional dividends in the amount of €6,950,000 in May 2015, the Target Company should have sufficient cash and assets to self-sustain in the future. In addition, having considered the annual fee for incorporating one logo into the jersey of the football team of the Target Company would amount to €1,500,000, the acquisition of the Target Company would allow the logo of "LEDUS" to be incorporated into the football club logo, T-shirts, jersey of the football team and even the advertising panels of the football stadium.

Based on the above, the Directors are of the view that the Acquisition is fair and reasonable and will maximise the future contribution to the Group and that the Acquisition is in the interest of the Group and the Shareholders as a whole.

Save for the Acquisition, the Company has not entered or proposes to enter into any agreement, arrangement, understanding or undertaking, whether formal or information and whether express or implied, and negotiation (whether concluded or not) with an intention to dispose of or downsize the existing business of the Group, and/or acquire other companies/businesses.

RISKS ASSOCIATED WITH THE ACQUISITION

The Target Company is dependent upon the performance and popularity of its football team

The revenues of the Target Company are dependent upon the performance and popularity of its football team. Significant sources of revenue are the result of strong performances in domestic competitions, specifically the French Ligue 2 and the French League Cup (Coupe de la Ligue). The income of the Target Company varies significantly depending on its football team's participation and performance in these competitions. The performance of its football team affects all three primary areas of revenue of the Target Company, which include (i) matchday revenue through ticket sales; (ii) media revenue through the frequency of broadcast appearances and performance-based share of league broadcast revenues and prize money; and (iii) commercial and sponsorship revenue through merchandising and sponsorship revenues.

The football team of the Target Company is currently playing in French Ligue 2. The revenue from the sale of broadcasting rights, tickets and hospitality of the Target Company may fall considerably if the football team is relegated from (or otherwise ceased to play in) the French Ligue 2. Relegation or a decline in the success of the football team, particularly in consecutive seasons, may negatively affect the ability of the football team to attract or retain talented players and coaching staff, as well as supporters and key sponsors, and may materially adversely affect the business, results of operations and financial condition of the Target Company.

The Company considers the Acquisition as a long term investment in order to develop its products in Europe. As such, the Company will support the football club of the Target Company to promote back to the Ligue 1 in the coming future.

The business of the Target Company is dependent upon its ability to attract and retain key personnel

The Target Company is highly dependent on members of its management, coaching staff, including its manager and players. Its success is highly dependent on its performance and, to a lesser degree, the behaviour of players and staff on and off the pitch. Its ability to attract and retain the highest quality players and coaching staff is critical to the football team's success in league and cup competitions and, consequently, critical to its financial performance. A downturn in the performance of the football team may adversely affect its ability to attract and retain such coaches and players.

While the Target Company enters into employment contracts with each of its key personnel with the aim of securing their services for the term of the contract, the retention of their services for the full term of the contract cannot be guaranteed.

For details of the steps taken or to be taken by the Company to retain and recruit relevant expertise to manage the business of the Target Company, please refer to the paragraph headed "Reasons for and benefit of the Acquisition" in this announcement.

An increase in the relative size of salaries or transfer costs may adversely affect the business of the Target Company

The success of the Target Company depends on its ability to employ and retain the highest quality players and coaching staff. As a result, it is obliged to pay salaries generally comparable to its main competitors in France and Europe. Over the past years, salaries for players and coaching staff have increased significantly. If there is a continued increase in the level of salaries paid to top players and coaching staff in general, it may be required to increase the salaries it pay to avoid losing key members of the playing and coaching staff. Further increases in salaries may adversely affect its results of operations.

Other factors, such as the proposed increase in the rate of income taxation or other changes to taxation in France and the relative strength of Euros, may make it more difficult to attract top players and coaching staff from Europe or require it to pay higher salaries to compensate for higher taxes or less favourable exchange rates. In addition, if its revenues fall and salaries remain stable (for example as a result of fixed player or coaching staff salaries over a long period), its salary costs would increase relative to its revenues, which may have a material adverse effect on its results of operations.

An increase in transfer fees would require the Target Company to pay more than expected for the acquisition of players' registrations in the future, although the effect of these increased costs may be mitigated by its ability to sell the registrations of existing players at increased prices. However, if the increase in transfer fees occurred at a time when it is looking to buy rather than sell players, there is a risk that net transfer costs could increase, resulting in a reduction in the amount of cash available for it to meet its obligations.

The Target Company depends on its matchday supporters, who are concentrated in France

A significant amount of income of the Target Company derives from ticket sales to its supporters who attend football matches and its share of gate receipts from cup matches. In particular, the income generated from ticket sales will be highly dependent on the continued attendance at matches of its individual and corporate supporters. Match attendance is influenced by a number of factors, some of which are partly or wholly outside of its control. These factors include the success of the football team, ticket prices, broadcasting coverage and general economic conditions which affect personal disposable income and corporate marketing and hospitality budgets. A reduction in matchday attendance may have a material adverse effect on its matchday revenues and its overall business.

The Target Company has a solid supporter base and the number of spectators is better than most of the teams in Ligue 2 and is satisfactory as compared with the teams in Ligue 1. For more details, please refer to the paragraph headed “Reasons for and benefit of the Acquisition” in this announcement.

The Target Company faces strong competition from other football clubs

The Target Company faces strong competition from other football clubs in France and Europe. In the French Ligue, recent investment from wealthy team owners has led to teams with strong financial backing. As the French Ligue continues to grow, the interest of wealthy potential owners may increase, leading to additional clubs substantially increasing their financial strength. Competition from European clubs also remains strong. Other European football clubs are spending substantial sums on transfer fees and player salaries. Competition from inside and outside the French Ligue has led to higher salaries for players of the Target Company as well as increased competition on the field. The increase in competition could result in the football team finishing lower in the French Ligue than it has in the past. Competition within France could also cause the football team to fail to advance in the French League Cup (Coupe de la Ligue). All of the above factors may materially adversely affect its matchday, media and commercial revenues and its overall business.

Despite the above risk factors and taking into account the reasons and benefits of the Acquisition as set out in the paragraph headed “Reasons in and benefit of the Acquisition” in this announcement, the Directors are of the view that the Acquisition is in the interest of the Group and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

The Acquisition constitutes a very substantial acquisition on the part of the Company under Chapter 14 of the Listing Rules.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, no Shareholder has a material interest in the Acquisition. Accordingly, no Shareholder is required to abstain from voting for the resolution to approve the Acquisition Agreement and the transactions contemplated thereunder at the EGM.

GENERAL

As more time is needed to prepare the financial information of the Target Company to be included in the circular in relation to the Acquisition, a circular containing, among other things, further details of the Acquisition and a notice convening the EGM will be despatched to the Shareholders on or before 10 June 2015.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

"Acquisition"	the proposed acquisition of the Sale Shares on the terms contained in the Acquisition Agreement
"Acquisition Agreement"	the conditional agreement dated 18 May 2015 entered into among the Purchaser, the Vendor and the Target Company in relation to the Acquisition
"Association"	Association Football Club Sochaux Montbéliard
"Board"	the board of Directors
"BVI"	British Virgin Islands
"Company"	Tech Pro Technology Development Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange
"Completion"	completion of the Acquisition in accordance with the terms and conditions of the Acquisition Agreement
"connected persons"	has the meanings ascribed thereto under the Listing Rules
"Consideration"	the consideration for the Acquisition, being €7,000,000
"Cumulative Conditions"	the cumulative conditions set out in the Acquisition Agreement for each of the financial years ending 30 June 2016 and 30 June 2017 in relation to the Vendor's Undertaking
"Director(s)"	the director(s) of the Company from time to time
"EGM"	the extraordinary general meeting of the Company to be convened to consider and, if thought fit, among other matters, the Acquisition Agreement and the transactions contemplated thereunder

"FCSM Agreement"	the agreement entered into between the Target Company and the Association dated 1 July 2010 in relation to various activities and fees arrangements between the Target Company and the Association, in particular the amateur/professional sectors, training activities and costs thereof, pitches, buildings and facilities and trademarks
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Third Party(ies)"	third party(ies) independent of and not connected with the Company and any of its connected persons
"Letter of Intent"	the letter of intent dated 17 February 2015 and entered into between the Purchaser and the Vendor in relation to the Acquisition (as amended by the amendment to the letter of intent dated 30 March 2015)
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Notice of Final Completion Statement"	a completion statement to be notified by the Purchaser to the Vendor setting forth, in reasonable details, the achievement or the non-achievement of the Cumulative Conditions
"Purchaser"	LEDUS Club Limited, a company incorporated in BVI with limited liability, a wholly-owned subsidiary of the Company
"Sale Shares"	250,000 shares of the Target Company, representing the entire issued share capital of the Target Company as at the date of the Acquisition Agreement
"Secondment Agreement"	the agreement entered into between the Vendor and the Target Company dated 3 January 2005 (as amended on 30 June 2009) in relation to the secondment of managerial staff employed by Peugeot Citroën Automobiles to the Target Company
"Shareholders"	holders of the Shares
"Shares"	ordinary shares of HK$0.01 each in the capital of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

"Target Company"	Football Club Sochaux – Montbeliard SA, a French société anonyme company
"Trademarks Assignment Agreement"	the agreement which will be entered into between the Vendor and the Target Company providing for the assignment of the trademarks of the Target Company
"Transitional Services Agreement"	the agreement which will be entered into between the Target Company and the Vendor detailing the services to be provided by the Vendor effective as of Completion
"Vendor"	Automobiles Peugeot SA, a French société anonyme company, the vendor to the Acquisition Agreement
"Vendor's Undertaking"	an undertaking provided by the Vendor as set out in the terms of the Acquisition Agreement
"€" or "Euros"	Euros, the lawful currency of the Eurozone in the European Union
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"%"	per cent.

By order of the Board
Tech Pro Technology Development Limited
Li Wing Sang
Chairman

Hong Kong, 18 May 2015

As at the date of this announcement, the executive Directors are Mr. Li Wing Sang, Mr. Liu Xinsheng and Mr. Chiu Chi Hong; the independent non-executive Directors are Mr. Lau Wan Cheung, Mr. Ng Wai Hung and Mr. Tam Tak Wah.