

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



WWPKG Holdings Company Limited

縱橫遊控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8069)

DISCLOSEABLE TRANSACTION CORNERSTONE INVESTMENT IN CTEH

The Board is pleased to announce that on 12 June 2018, the Company as an investor entered into the Cornerstone Investment Agreement with CTEH (as issuer), Lego Corporate Finance (as Sole Sponsor), Lego Securities and Kingsway Financial, pursuant to which the Company has agreed to subscribe for the Investor Shares at the Offer Price under and as part of the International Offering. The maximum Aggregate Subscription Price for the Investor Shares payable by the Company under the Cornerstone Investment Agreement shall be HK\$10.0 million.

IMPLICATIONS UNDER THE GEM LISTING RULES

As the relevant applicable percentage ratios (as defined under the GEM Listing Rules) for the Cornerstone Investment exceed 5% but are less than 25%, the Cornerstone Investment Agreement and the transactions contemplated thereunder constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is subject to the reporting and announcement requirements under the GEM Listing Rules.

INTRODUCTION

The Board is pleased to announce that on 12 June 2018, the Company as an investor entered into the Cornerstone Investment Agreement with CTEH (as issuer), Lego Corporate Finance (as Sole Sponsor), Lego Securities and Kingsway Financial, pursuant to which the Company has agreed to subscribe for the Investor Shares at the Offer Price under and as part of the International Offering. The maximum Aggregate Subscription Price for the Investor Shares payable by the Company under the Cornerstone Investment Agreement shall be HK\$10.0 million.

THE CORNERSTONE INVESTMENT AGREEMENT

The principal terms of the Cornerstone Investment Agreement are as follows:

- Date:** 12 June 2018
- Parties:**
- (1) the Company, as investor;
 - (2) CTEH, as issuer;
 - (3) Lego Corporate Finance, as the Sole Sponsor;
 - (4) Lego Securities; and
 - (5) Kingsway Financial.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of CTEH, Lego Corporate Finance, Lego Securities, Kingsway Financial and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

The Cornerstone Investment

Subject to the conditions set out in the paragraph headed "Conditions precedent" below being fulfilled or waived (as the case may be) by the parties and other terms and conditions of the Cornerstone Investment Agreement, the Company has agreed to subscribe for, the Investor Shares at the Offer Price under and as part of the International Offering.

The number of the Investor Shares shall be equal to HK\$10.0 million divided by the Offer Price (excluding brokerage and levies which the Company shall pay in respect of the Investor Shares), rounded down to the nearest whole board lot of 10,000 CTEH Shares.

The Investor Shares shall, when issued and delivered and subject to the lock up period set out in the paragraph headed "Restrictions on disposal" below, be fully paid-up, freely transferable and free from all options, liens, charges, mortgages, pledges, claims, equities, encumbrances and other third party rights and shall rank pari passu with the CTEH Shares then in issue and to be listed on the Stock Exchange.

CTEH is seeking a listing on the Main Board of the Stock Exchange by way of a Share Offer comprising (i) the Hong Kong Public Offering; and (ii) the International Offering. The Cornerstone Investment shall be deemed as part of the International Offering.

CTEH has applied to the Listing Committee for the listing of, and permission to deal in, among other things, the Investor Shares.

Consideration and payment

The aggregate consideration payable by the Company under the Cornerstone Investment Agreement comprises (i) the Aggregate Subscription Price of the Investor Shares; and (ii) the related brokerage and levies in respect of the Investor Shares. The Board estimates that the maximum aggregate consideration payable by the Company will not exceed HK\$10.2 million. The consideration will be settled in cash and financed by the Group's internal resources.

The Company shall make full payment of the Aggregate Subscription Price, together with the related brokerage and levies by same day value credit at or before 2:00 p.m. (Hong Kong time) on one (1) business day before the Listing Date in Hong Kong Dollars by wire transfer in immediately available clear funds without any deduction or set-off.

The consideration was determined after arm's length negotiations between the parties to the Cornerstone Investment Agreement based on the size of investment as offered by CTEH and accepted by the Company, and current market condition.

Conditions precedent

The parties' respective obligations under the Cornerstone Investment Agreement are conditional upon, among other things, the following conditions having been satisfied or waived (as the case may be) at or prior to the closing of the subscription of the Investor Shares in accordance with the terms and condition of the Cornerstone Investment Agreement:

- (a) the underwriting agreement(s) for the Hong Kong Public Offering and the International Offering being entered into and having become effective and unconditional (in accordance with their respective original terms or as subsequently waived or varied by agreement of the parties thereto) by no later than the time and date as specified in those underwriting agreements, and neither of the aforesaid underwriting agreements having been terminated;
- (b) the Offer Price having been agreed upon between CTEH and Lego Securities (for itself and on behalf of the underwriters of the Share Offer);
- (c) the Listing Committee having granted the listing of, and permission to deal in, the CTEH Shares (including the Investor Shares as well as other applicable waivers and approvals) and such approval, permission or waiver having not been revoked prior to the commencement of dealings in the CTEH Shares on the Stock Exchange;
- (d) no laws shall have been enacted or promulgated by any governmental authority which prohibits the consummation of the transactions contemplated in the Share Offer or the Cornerstone Investment Agreement and there shall be no orders or injunctions from a court of competent jurisdiction in effect precluding or prohibiting consummation of such transactions; and

- (e) the respective representations, warranties, undertakings and confirmations of the Company under the Cornerstone Investment Agreement are accurate and true in all respects and not misleading and that there is no material breach of the Cornerstone Investment Agreement on the part of the Company.

If any of the conditions contained above has not been fulfilled or waived by the parties to the Cornerstone Investment Agreement (except that the conditions set out in clauses (a), (b), (c) and (d) cannot be waived and the condition under clause (e) can only be waived by CTEH, Lego Securities and the Sole Sponsor) on or before the date that is one hundred and eighty (180) days after the date of the Cornerstone Investment Agreement (or such other date as may be agreed in writing among the Company, CTEH, Lego Securities and the Sole Sponsor), the obligation of the Company to purchase, and the obligations of CTEH and Lego Securities to issue, allot, place, allocate and/or deliver (as the case may be) or cause to issue, allot, place, allocate and/or deliver (as the case may be), the Investor Shares shall cease and any amount paid by the Company under the Cornerstone Investment Agreement to any other party will be repaid to the Company by such other party without interest as soon as commercially practicable and in any event no later than 30 days from the date of termination of the Cornerstone Investment Agreement and the Cornerstone Investment Agreement will terminate and be of no effect and all obligations and liabilities on the part of CTEH, Lego Securities and/or the Sole Sponsor shall cease and terminate; provided that termination of the Cornerstone Investment Agreement pursuant to the Cornerstone Investment Agreement shall be without prejudice to the accrued rights or liabilities of any party to the other parties in respect of the terms in the Cornerstone Investment Agreement at or before such termination.

Restrictions on disposal

The Group shall be subject to, among other restrictions, a lock up period of six months from the Listing Date in accordance with the terms of the Cornerstone Investment Agreement.

Closing

The Investor Shares will be subscribed for contemporaneously with the closing of the International Offering or at such time and in such manner as shall be determined by CTEH and Lego Securities.

INFORMATION ON THE GROUP

The Group is principally engaged in (i) the design, development and sales of package tours; (ii) the sales of air tickets and hotel accommodations; and (iii) the sales of ancillary travel related products and services in Hong Kong.

INFORMATION ON CTEH

CTEH is a company incorporated in Ontario, Canada and continued in the Cayman Islands with limited liability. CTEH is a long-established air ticket consolidator, travel business process management provider and travel products and services provider in Canada, founded in 1976 and with more than 40 years of operating history. Its principal businesses include (i) air ticket distribution in which it distributes air tickets to travel agents and travelers and issues air tickets directly on behalf of contracted airlines; (ii) travel business process

management in which it provides mid-office and backoffice support services to travel agents; and (iii) travel products and services in which it designs, develops and sells package tours, as well as other travel products and services to travel agents and travelers.

Based on the post hearing information pack of CTEH posted on the website of the Stock Exchange on 7 June 2018, the audited financial information of CTEH for the three years ended 31 December 2015, 2016 and 2017 is approximately as below:

	For the year ended 31 December 2015 (HK\$'000)	For the year ended 31 December 2016 (HK\$'000)	For the year ended 31 December 2017 (HK\$'000)
Profit before income taxation	34,360	48,062	17,897
Profit after taxation	25,489	34,998	12,365

The audited net asset value of CTEH as at 31 December 2017 was approximately HK\$64,697,000.

REASONS FOR AND BENEFITS OF ENTERING INTO THE CORNERSTONE INVESTMENT AGREEMENT

The Board considers that the Cornerstone Investment is in line with the Group's investment strategy and will bring investment returns to the Group.

The Group believes that the Cornerstone Investment will provide overseas development opportunity for the Group's business after the Share Offer. CTEH and the Group also offer complementary advantages to each other on strategic development.

Having considered the above, the Directors are of the view that the terms of the Cornerstone Investment Agreement are on normal commercial terms that are fair and reasonable, and the Cornerstone Investment is in the interests of the Company and the Shareholders as a whole.

INFORMATION ON LEGO CORPORATE FINANCE

Lego Corporate Finance is a company incorporated in Hong Kong with limited liability. Lego Corporate Finance is a licensed corporation permitted to carry out type 6 (advising on corporate finance) regulated activity under the SFO.

INFORMATION ON LEGO SECURITIES

Lego Securities is a company incorporated in Hong Kong with limited liability. Lego Securities is a licensed corporation permitted to carry out type 1 (dealing in securities) regulated activity under the SFO.

INFORMATION ON KINGSWAY FINANCIAL

Kingsway Financial is a company incorporated in Hong Kong with limited liability. Kingsway Financial is a licensed corporation permitted to carry out type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities) and type 9 (asset management) regulated activities under the SFO.

IMPLICATIONS UNDER THE GEM LISTING RULES

As the relevant applicable percentage ratios (as defined under the GEM Listing Rules) for the Cornerstone Investment exceed 5% but are less than 25%, the Cornerstone Investment Agreement and the transactions contemplated thereunder constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is subject to the reporting and announcement requirements under the GEM Listing Rules.

As completion of the Cornerstone Investment Agreement is subject to the satisfaction of the conditions precedent contained in the Cornerstone Investment Agreement which may or may not be fulfilled, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

DEFINITIONS

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

“Aggregate Subscription Price”	the amount equal to the Offer Price multiplied by the number of Investor Shares to be purchased by the Company pursuant to the Cornerstone Investment Agreement
“Board”	the board of Directors
“Company”	WWPKG Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability, with its shares listed on GEM (Stock Code: 8069)
“connected person(s)”	has the same meaning ascribed to it under the GEM Listing Rules
“Cornerstone Investment”	the subscription of the Investor Shares contemplated under the Cornerstone Investment Agreement;
“Cornerstone Investment Agreement”	the cornerstone investment agreement dated 12 June 2018 entered into among the Company, CTEH, Lego Corporate Finance, Lego Securities and Kingsway Financial
“CTEH”	CTEH INC. (加達控股有限公司), a company incorporated in Ontario, Canada and continued in the Cayman Islands with limited liability
“CTEH Shares”	ordinary share(s) with a nominal value of HK\$0.0001 each in the share capital of CTEH

“Director(s)”	the director(s) of the Company
“GEM”	the GEM of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$” or “Hong Kong Dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Public Offering”	the offer for subscription of Offer Shares to the public in Hong Kong by CTEH
“International Offering”	a conditional offering of the Offer Shares to investors (including placing to professional and institutional investors in Hong Kong) outside the United States in reliance on Regulation S under the United States Securities Act of 1933 by CTEH
“Investor Shares”	the CTEH Shares to be subscribed by the Company under the Cornerstone Investment Agreement, the number of which shall be equal to HK\$10.0 million divided by the Offer Price (excluding brokerage and levies which the Investor shall pay in respect of the Investor Shares), rounded down to the nearest whole board lot of 10,000 CTEH Shares
“Kingsway Financial”	Kingsway Financial Services Group Limited, a company incorporated in Hong Kong with limited liability
“Lego Corporate Finance” or “Sole Sponsor”	Lego Corporate Finance Limited, a company incorporated in Hong Kong with limited liability and being the sole sponsor to the listing of CTEH Shares on the Main Board of the Stock Exchange
“Lego Securities”	Lego Securities Limited, a company incorporated in Hong Kong with limited liability
“Listing Committee”	the listing sub-committee of the board of directors of the Stock Exchange
“Listing Date”	the date on which the CTEH Shares are first listed on the Stock Exchange
“Main Board”	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with GEM

“Offer Price”	the final Hong Kong Dollar price per Offer Share (exclusive of brokerage and levies) at which the Offer Shares are to be offered or sold pursuant to the Share Offer
“Offer Share(s)”	the CTEH Share(s) which is/are to be offered for subscription in Hong Kong Dollars
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Shareholder(s)”	holder(s) of the shares of the Company
“Share Offer”	the offer of the Offer Shares comprising the Hong Kong Public Offering and the International Offering
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By order of the Board
WWPKG Holdings Company Limited
Yuen Sze Keung
Chairman and Executive Director

Hong Kong, 12 June 2018

As at the date of this announcement, the executive Directors are Mr. Yuen Sze Keung, Ms. Chan Suk Mei and Mr. Yuen Chun Ning; and the independent non-executive Directors are Mr. Ho Wing Huen, Mr. Lam Yiu Kin and Mr. Yen Yuen Ho Tony.

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 website of the GEM at www.hkgem.com for at least seven days from the date of its posting and on the Company’s website at www.wwpkg.com.hk.