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UNIVERSAL TECHNOLOGIES HOLDINGS LIMITED

(環球實業科技控股有限公司) *

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8091)

**DISCLOSEABLE TRANSACTION
IN RELATION TO
THE ACQUISITION OF
80% EQUITY INTEREST IN A COMPANY ENGAGING IN
THE BUSINESS OF INTERNET-BASED REMITTANCE SERVICE
IN THE PEOPLE'S REPUBLIC OF CHINA**

On 5 December 2008, IPS, a wholly-owned subsidiary of the Company, entered into the Share Transfer Agreement with the Vendor, pursuant to which IPS agreed to acquire 80% equity interest in ECPAY at a consideration of RMB33,610,000 (HK\$37,832,058). ECPAY is an internet-based remittance service provider in the PRC.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, each of the Vendor and its ultimate beneficial owner is a third party independent of and not connected with the Company or its connected persons.

As the applicable percentage ratios for the Acquisition under the GEM Listing Rules is more than 5% and less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Rule 19.08 of the GEM Listing Rules. A circular containing, amongst others, details of the Acquisition, will be despatched to the Shareholders in accordance with the GEM Listing Rules as soon as practicable.

THE SHARE TRANSFER AGREEMENT DATED 5 DECEMBER 2008

Parties

- Purchaser : 上海環迅電子商務有限公司 (International Payment Solutions (Shanghai) Limited), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Company. It is a holder of 20% equity interest in ECPAY
- Vendor : 上海極亞信息科技有限公司 (Shanghai Ji Ya Info & Tech Co. Ltd), a company incorporated in the PRC with limited liability. It is a holder of 80% equity interest in ECPAY

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, each of the Vendor and its ultimate beneficial owner is a third party independent of and not connected with the Company or its connected persons.

Assets to be acquired

The Sale Equity Interest, being 80% equity interest of ECPAY.

Consideration and payment

The Consideration of RMB33,610,000 (HK\$37,832,058) is payable by IPS in cash in the following manner:

- (a) RMB16,805,000 (HK\$18,916,029), being 50% of the Consideration, shall be paid within three days after signing of the Share Transfer Agreement; and
- (b) RMB16,805,000 (HK\$18,916,029), being 50% of the Consideration, shall be paid within three days after the issue of a new business licence to ECPAY recording IPS as the only holder of the entire equity interest of ECPAY.

The Consideration was determined after arm's length negotiation between IPS and the Vendor with reference to the statistics on the annual transaction amount of remittance and handling fee involved in the PRC, the potential growth of the remittance market, estimated market share of ECPAY in the remittance market, performance of other remittance agents and handling fees charged by them and with the factors set out in the section headed "Reasons for the Acquisition" below taken into account.

Completion

Completion will take place within three days after the issue of a new business licence to ECPAY recording IPS as the only holder of the entire equity interest of ECPAY.

INFORMATION ON ECPAY

ECPAY is a company incorporated in the PRC with limited liability on 14 July 2008. Since its incorporation, it has been building its infrastructure for providing internet-based remittance services in the PRC, with the advantages of efficiency, convenience and low-cost as compared with the traditional remittance services provided by banks and remittance agencies. ECPAY has entered into cooperation agreements with business partners such as Paystone, for data transmission for remittance instructions and settlement of remittance outside the PRC, and the Shenzhen branch of China Merchant Bank, for foreign exchange conversion involved in remittance. The service platform enabling performance of remittance through internet is ready for launch. It adopts measures for anti-money laundering and encryption system commonly adopted by banks to ensure security in usage. There is also in place a comprehensive code of practices for risk control and management in the operation. After SAFE having granted the approval to the services offered by ECPAY, ECPAY may launch its remittance service.

Based on the unaudited financial statements of ECPAY as at 30 September 2008, it recorded no profit or turnover and its unaudited net asset value amounted to approximately RMB5,000,000 (HK\$5,628,095), being the registered capital of ECPAY.

Upon Completion, the Vendor will cease to have any equity interest in ECPAY, ECPAY will become an indirect wholly owned subsidiary of the Company and its results will be consolidated into the Group's financial results.

REASONS FOR THE ACQUISITION

The Group is principally engaged in the provision of on-line payment and related services, timber trading and furniture manufacturing.

The Group acquired its payment service business in 2005. Since the acquisition, this business segment has been developing rapidly to become a core business of the Group with high growth rate. Products such as authorised transaction, accounts distribution system, credit card payment and e-wallet have been gaining popularity among the users of the Group's on-line payment products. These users will be the potential customer base for the remittance service of ECPAY. Further, as the service platform of ECPAY is fully compatible with the system of the Group's e-wallet, the Group will be able to incorporate the remittance service of ECPAY in its on-line payment platform with ease and at minimal cost. The Directors strongly believe that the Group's existing on-line payment business and the remittance business of ECPAY will enjoy complementary advantages and bring synergy to the Group and the remittance business of ECPAY will be served as a solid foundation on which the Group may further develop its on-line payment service in a global scale.

Further, it is the corporate strategy of the Group to explore potential fast growing business and diversify its business through acquisitions. The Directors strongly believe that the remittance market is of great potential given the increasing volume of across the border transactions and the Acquisition provides the Group with a valuable opportunity to develop a new business with rapid growth potential, to further broaden its business scope and to strength its revenue stream in line with its corporate strategy.

To the best of the Directors' knowledge, the grant of approval by SAFE is only a matter of procedures and it is not expected to have any impediment in obtaining the approval.

In view of the above, the Directors are of the view that the terms of the Share Transfer Agreement including the Consideration are fair and reasonable so far as the Shareholders are concerned and the Share Transfer Agreement is in the interests of the Company and the Shareholders as a whole.

GENERAL

As the applicable percentage ratios for the Acquisition under the GEM Listing Rules is more than 5% and less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Rule 19.08 of the GEM Listing Rules. A circular containing, amongst others, further details of the Acquisition will be despatched to the Shareholders as soon as practicable.

The Vendor is principally engaged in investment and provision of technical services.

DEFINITIONS

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

“Acquisition” the acquisition of 80% equity interest of ECPAY pursuant to the Share Transfer Agreement;

“Board”	the board of Directors;
“Company”	Universal Technologies Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the Shares are listed on the GEM Board of the Stock Exchange;
“Completion”	completion of the Acquisition in accordance with the Share Transfer Agreement;
“connected person”	has the meaning ascribed to it under the GEM Listing Rules;
“Consideration”	the consideration for the Acquisition under the Share Transfer Agreement;
“Directors”	the directors of the Company;
“ECPAY”	上海迅付信息科技有限公司 (Universal ECPAY Ltd.), a company incorporated in the PRC with limited liability;
“Group”	the Company and its subsidiaries;
“GEM”	the Growth Enterprise Market of the Stock Exchange;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM of the Stock Exchange;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“IPS”	上海環迅電子商務有限公司 (International Payment Solutions (Shanghai) Limited), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Company;
“Paystone”	Paystone Technologies Corp., a company incorporated in Canada, offers an e-mail and internet based money transfer service within and from Canada, United States of America and other countries;
“PRC”	The People’s Republic of China;
“SAFE”	State Administration of Foreign Exchange of the PRC;
“Sale Equity Interest”	80% equity interest of ECPAY;
“Shareholders”	the holders of the Shares;
“Shares”	the ordinary shares of HK\$0.01 each in the capital of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;

- “Vendor”** 上海極亞信息科技有限公司 (Shanghai Ji Ya Info & Tech Co. Ltd.), a company incorporated in the PRC with limited liability;
- “HK\$”or “Hong Kong Dollars”** Hong Kong dollars, the lawful currency of Hong Kong; and
- “RMB”** Renminbi, the lawful currency of the PRC.

As at the date of this announcement, the Board comprises Mr. Lau Yeung Sang; Mr. Lau Sik Suen; Mr. Liu Ruisheng and Madam Luan Yumin as executive directors; Mr. Chow Cheuk Lap as non-executive director; and Mr. Meng Lihui; Mr. Wan Xieqiu and Mr. Fong Heung Sang as independent non-executive directors.

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:

- (1) the information contained in this announcement is accurate and complete in all material respects and not misleading;*
- (2) there are no other matters the omission of which would make any statement in this announcement misleading; and*
- (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

By Order of the Board of
UNIVERSAL TECHNOLOGIES HOLDINGS LIMITED
Lau Yeung Sang
Chairman

Hong Kong, 5 December 2008

** for identification purpose only*

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