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**UNION ASIA
ENTERPRISE HOLDINGS LTD
萬亞企業控股有限公司**

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8173)

DISCLOSEABLE TRANSACTIONS

THE AGREEMENT

The Board is pleased to announce that on 25 August 2016 (after trading hours), the Purchaser (a direct wholly-owned subsidiary of the Company) and the Vendor entered into the Agreement pursuant to which the Purchaser agreed to acquire and the Vendor agreed to sell, the Sale Share and the Sale Loan at the Consideration of HK\$19,000,000.

Completion took place simultaneously upon the entering into the Agreement and the Consideration has been satisfied by the Company by issuing the Promissory Note to the Vendor. Upon Completion, the Target becomes an indirect wholly-owned subsidiary of the Company and the financial results of the Target will be consolidated into the financial statements of the Company.

THE PROMISSORY NOTE

Upon Completion, the Company has issued the Promissory Note with principal amount of HK\$19,000,000 with maturity period of 2 years and interest at 3% per annum to the Vendor in settlement of the Consideration.

THE CHARTER PARTY

The Board is pleased to announce that on 25 August 2016 (after trading hours), after Completion, the Target entered into the Charter Party with the Charterer.

GEM LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios (as defined under the GEM Listing Rules) in relation to each of the Agreement and the Charter Party is more than 5% but less than 25%, each of the Agreement and the Charter Party constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules but does not require Shareholders' approval.

THE ACQUISITION

The Board is pleased to announce that on 25 August 2016 (after trading hours), the Purchaser and the Vendor entered into the Agreement pursuant to which the Purchaser agreed to acquire and the Vendor agreed to sell the Sale Share and the Sale Loan for the Consideration of HK\$19,000,000, to be settled by the Company by issuing the Promissory Note in favour of the Vendor.

The Agreement

Set out below are the major terms of the Agreement:-

Date:

25 August 2016

Parties

The Purchaser and the Vendor

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Vendor is third party independent of and not connected with the Company and its connected persons.

Assets to be acquired

The Sale Share, representing the entire issued share capital of the Target, and the Sale Loan, representing the entire outstanding unsecured interest free shareholder's loan owed by the Target to the Vendor with no fixed term of repayment.

Consideration

HK\$19,000,000 of which HK\$1 is attributable to the Sale Share and HK\$18,999,999 is attributable to the Sale Loan.

Pursuant to the Agreement, the Consideration shall be satisfied by the Purchaser by procuring the Company to issue the Promissory Note in favour of the Vendor at Completion.

Basis of Consideration

The Consideration was determined after arm's length negotiations between the Purchaser and the Vendor, having regards to its asset, financial position and the prospects and potential of the business of the Target.

Completion

Completion shall take place simultaneously upon entering into the Agreement.

The Promissory Note

Set out below are the major terms of the Promissory Note:-

Issuer:	The Company
Principal amount:	HK\$19,000,000
Issue date:	Completion Date
Maturity date:	second anniversary of the date of the Promissory Note or such other date as the Company and the Vendor (the “ Noteholder ”) may agree in writing
Interest:	The Promissory Note bear interest at the rate of 3% per annum. The Company shall pay to the Noteholder interest on the principal amount or such part thereof for the time being outstanding on the anniversary date of the date of the Promissory Note. Interest shall accrue from day to day, shall be calculated on the basis of the actual number of days elapsed and a 365 day year
Transferability:	The Noteholder may assign or transfer the Promissory Note or any part thereof to any third party by endorsement with the prior written consent of the Company (which consent the Company shall not unreasonably refuse). Noteholder may not assign the Promissory Note either in part or in whole to any connected persons of the Company or any of their associates
Early redemption by the Company:	The Company may early redeem full or part of the Promissory Note by giving 1 clear Business Day prior written notice to the Noteholder
Application for listing:	No application will be made for the listing of the Promissory Note on any stock exchange

The terms of the Promissory Note were determined after arm’s length commercial negotiation between the Purchaser and the Vendor with reference to the prevailing market condition and the financial position of the Group. In view of the above, the Directors consider the terms of the Promissory Note are fair and reasonable and in the interest of the Company and its Shareholders as a whole.

INFORMATION ON THE TARGET

The Target was incorporated in Hong Kong with limited liability on 8 January 2016. The issued share capital of the Target as at the date of the Agreement was HK\$1.00.

The Target is an investment holding company and its only asset is the Vessel.

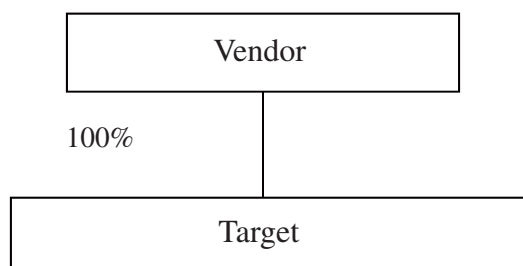
The Vessel is a 28.04 meter long cruiser permitted to carry a maximum of 48 passengers owned and acquired by the Target at the cost of HK\$20,000,000 and was delivered to the Target in Hong Kong and first registered with the Marine Department of Hong Kong in July 2016 under class IV of the Merchant Shipping (Local Vessel)(Certification and Licensing) Regulations, Chapter 548D of the Laws of Hong Kong.

Financial Information on the Target

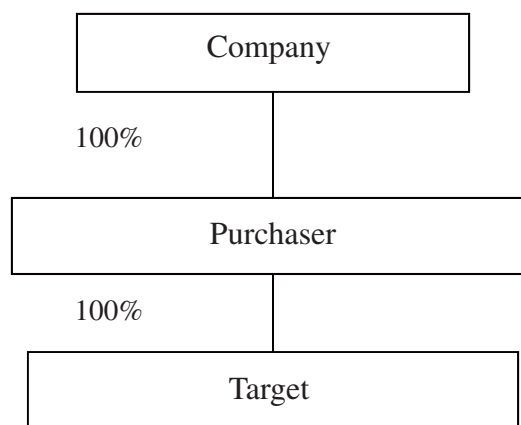
Set out below is the financial information of the Target extracted from its unaudited management accounts:

	As at 24 August 2016 (HK\$)
Net liability	<u><u>(2,249)</u></u>
	For the period from 8 January 2016 (date of incorporation) to 24 August 2016 (HK\$)
Net loss	<u><u>(2,250)</u></u>

As at the date of this announcement, the shareholding structure of the Target is as follows:



Shareholding structure of the Target immediately after Completion is as follows:



Completion has taken place on 25 August 2016 (after trading hours) simultaneously upon entering into the Agreement. Upon Completion, the Target becomes an indirect wholly-owned subsidiary of the Company and the financial results of the Target will be consolidated into the financial statements of the Company.

Upon Completion, the Company has issued the Promissory Note with principal amount of HK\$19,000,000 with maturity period of 2 years and interest at 3% per annum to the Vendor in settlement of the Consideration.

THE CHARTER PARTY

The Board is pleased to announce that on 25 August 2016 (after trading hours), after Completion, the Target entered into the Charter Party with the Charterer. Set out below are the major terms of the Charter Party:-

Date:

25 August 2016

Parties

The Target and the Charterer.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Charterer and its ultimate beneficial owner are third parties independent of and not connected with the Company and its connected persons.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Charterer and its ultimate beneficial owner are third parties independent of and not connected with the Vendor and his connected persons.

Details of the Charter

The Vessel is chartered by the Target to the Charterer by way of bareboat charter for a term of 24 months commencing from 25 August 2016 to 24 August 2018 at a monthly charter hire of HK\$140,000 payable in advance.

Basis of determination for the charter hire

The charter hire was determined after arm's length negotiations between the Target and the Charterer, having regards to market charter hires for vessels of similar size and age to that of the Vessel and the special features of the Vessel such as interior decorations and fittings.

INFORMATION OF THE GROUP

The Group is principally engaged in trading of stainless steel wires, cosmetic and skincare products, nephrite and bottled water.

REASONS FOR AND BENEFITS OF THE ACQUISITION AND THE CHARTER PARTY

In view of the unsatisfactory financial performance of the Group over the past few years with loss-making results, the management of the Group continued to review its existing businesses from time to time and strived to improve the business operation and financial position of the Group. It has been the business strategy of the Group to proactively seek potential investment opportunities in order to enhance value of the Shareholders. The Directors consider that it is beneficial for the Group to seek suitable investment opportunities from time to time to diversify its existing business portfolio into new line of business with growth potential and to broaden its source of income.

The Acquisition and the Charter Party constitute part of strategic investments of the Group to diversify its business segments and for the Group to capitalize new opportunities to achieve new and steady income stream and financial growth.

The Directors believe that the terms of each of the Agreement and the Charter Party are on normal commercial terms, fair and reasonable and in the interests of the Shareholders as a whole.

IMPLICATION OF THE GEM LISTING RULES

As one or more of the applicable percentage ratios (as defined under the GEM Listing Rules) in relation to each of the Agreement and the Charter Party is more than 5% but less than 25%, each of the Agreement and the Charter Party constitutes a discloseable transaction of the Company and is subject to the reporting and announcement requirements under Chapter 19 of the GEM Listing Rules but does not require Shareholders' approval.

DEFINITION

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

“Acquisition”	acquisition by the Purchaser of the Sale Share and the Sale Loan under the Agreement
“Agreement”	agreement entered into between the Purchaser and the Vendor on 25 August 2016 relating to the Sale Share and the Share Loan
“associate(s)”	the meaning ascribed thereto in the GEM Listing Rules
“Board”	board of Directors
“Business Day”	means any day on which banks in Hong Kong generally are open for clearing and settlement business, except a Saturday, Sunday, public holiday and any day on which a tropical cyclone warning No.8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.
“Charterer”	4U Entertainment Company Limited, a limited company incorporated under the laws of Hong Kong
“Charter Party”	24 months bareboat charter party for the Vessel under the Yacht Charter Party (Agreement) entered into between the Target and the Charterer on 25 August 2016
“Company”	Union Asia Enterprise Holdings Limited (Stock Code: 8173), a limited company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on GEM
“Completion”	completion of the Agreement
“Completion Date”	25 August 2016
“connected person(s)”	the meaning ascribed thereto in the GEM Listing Rules
“Consideration”	means HK\$19,000,000 being the consideration payable by the Purchaser to the Vendor for the purchase of the Sale Share and Sale Loan in accordance with the Agreement

“Director(s)”	director(s) of the Company
“GEM”	the Growth Enterprise Market of Stock Exchange
“GEM Listing Rules”	Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) independent of, and not connected with, the Company and its connected persons in accordance with the GEM Listing Rules
“PRC”	People’s Republic of China excluding Hong Kong, the Macau Special Administration Region of the PRC and Taiwan for the purpose of this announcement
“Promissory Note”	2 years 3% per annum promissory note issued by the Company pursuant to the Agreement in favour of the Vendor in the principal amount of HK\$19,000,000
“Purchaser”	Diamond Year Limited, a limited company incorporated under the laws of the British Virgin Islands, which is a direct wholly-owned subsidiary of the Company
“Sale Loan”	means all amounts (whether principal, interest or otherwise) which the Target owes to the Vendor as at the date of the Completion
“Sale Share”	means 1 ordinary share in the Target, representing the entire issued and paid up share capital of the Target
“Share(s)”	ordinary share(s) of HK\$0.080 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the GEM Listing Rules
“Target”	Ultra Treasure Limited, a limited company incorporated under the laws of Hong Kong

“Vendor”	Lam Kai Tai
“Vessel”	28.04 meter long cruiser owned by the Target
“%”	per cent.

By order of the Board
Union Asia Enterprise Holdings Limited
Yip Man Yi
Chairman

Hong Kong, 25 August 2016

As at the date of this announcement, the Board comprises two executive Directors, Ms. Yip Man Yi and Mr. Shiu Chi Tak, Titus, two non-executive Directors, Mr. Liang Tongwei and Mr. Wong Chi Man, and three independent non-executive Directors, Dr. Wan Ho Yuen, Terence, Mr. Li Kwok Chu and Mr. Lau Shu Yan.

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 page of “Latest Company Announcement” on the GEM website for at least 7 days from the date of its posting and on the website of the Company www.unionasiahk.com.