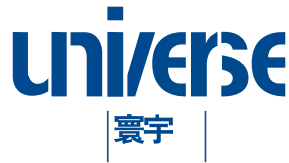


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UNIVERSE INTERNATIONAL HOLDINGS LIMITED

寰宇國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1046)

DISCLOSEABLE TRANSACTION IN RELATION TO ACQUISITION OF ENTIRE ISSUED SHARE CAPITAL IN WIN FUNG SECURITIES LIMITED

ACQUISITION

Reference is made to the announcement of the Company dated 14 July 2015, pursuant to which it was announced that the Purchaser has (i) entered into a non-legally binding MOU with two potential sellers in respect of the possible acquisition of all or part of the shareholding interests in the Target; and (ii) agreed to pay HK\$10,000,000 as Earnest Money for the Acquisition to the Vendors.

The Board is pleased to announce that on 21 August 2015, the Purchaser (a wholly-owned subsidiary of the Company) and the Vendors entered into a conditional SP Agreement, pursuant to which the Vendors have agreed to sell and the Purchaser has agreed to acquire the Sale Shares (representing 100% of the existing issued share capital) in the Target at the Consideration of HK\$73,000,000 subject to the terms and condition(s) contained therein.

As the applicable percentage ratios (as defined under the Listing Rules) in relation to the Acquisition exceed 5% but are less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

THE SP AGREEMENT

Reference is made to the announcement of the Company dated 14 July 2015, pursuant to which it was announced that the Purchaser has (i) entered into a non-legally binding MOU with two potential sellers in respect of the possible acquisition of all or part of the shareholding interests in the Target; and (ii) agreed to pay HK\$10,000,000 as Earnest Money for the Acquisition to the Vendors.

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* *for identification purposes only*

The principal terms of the Agreement are summarised as follows:

Date

21 August 2015

Parties

- (1) Ms. Cheng Hei Yu and Mr. Fang Pei Wei, being the Vendors; and
- (2) Rising Fame International Limited, being the Purchaser and a wholly-owned subsidiary of the Company.

To the best of the Director's knowledge, information and belief having made all reasonable enquiries, the Vendors are Independent Third Parties.

Subject matters to be acquired

Pursuant to the SP Agreement, the Purchaser has agreed to acquire and the Vendors have agreed to sell the Sale Shares, free from all encumbrances together with all rights now and hereafter attaching thereto including but not limited to all dividends paid, declared or made in respect thereof at any time on or after the Completion.

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

Consideration for the SP Agreement

The total Consideration payable by the Purchaser for the Sale Shares is HK\$73,000,000, of which HK\$10,000,000 (being the Earnest Money) has been paid in cash as part payment of the Consideration as at the date of this announcement. The remaining balance of the Consideration shall be settled in the following manner:

- (a) HK\$20,000,000 shall be paid in cash within seven (7) days of signing of the SP Agreement (being the Deposit); and
- (b) HK\$43,000,000 (being the Consideration less the Earnest Money and the Deposit) shall be paid on the Completion Date.

In the event that Completion does not take place as contemplated in the SP Agreement for any reason, the Earnest Money and the Deposit shall be immediately refunded to the Purchaser.

The Consideration has been determined after arm's length negotiation between the Purchaser and the Vendors with reference to, among other things, (i) the historical performance of the Target; (ii) the net assets value of the Target; and (iii) the appraisal value of the Target of approximately HK\$83.4 million as prepared by an independent valuer based on the market approach as at 30 June 2015.

Having considered the above and the factors described in the paragraph headed "Reasons for and benefits of the Acquisition" below, the Directors consider the Consideration to be fair and reasonable, on normal commercial terms and in the interest of the Shareholders as a whole.

Conditions Precedent

Completion of the SP Agreement is conditional upon the fulfilment (or where applicable, waiver thereof by the Purchaser) of all the following conditions precedent:

- (a) the warranties provided by the Purchaser remaining true and accurate in all respects;
- (b) the warranties provided by the Vendors remaining true and accurate in all respects;
- (c) legal and financial due diligence review having been carried out and completed by and to the reasonable satisfaction of the Purchaser or its professional advisers on the Target;
- (d) approval from the SFC for the Purchaser to become a substantial shareholder (as defined in section 132 of the SFO) of the Company having been obtained and each of the Type 1 licence and Type 4 licence has not been revoked or imposed with any additional conditions by the SFC;
- (e) the clearance of all announcement(s) and circular(s) (if required) to be issued by the Company under the Listing Rules and granting of all approvals, if necessary by the Stock Exchange or by shareholders of Listco in respect of all transactions contemplated by the SP Agreement; and
- (f) all necessary consents and approvals required to be obtained on the part of each of the Vendors and the Purchaser having been obtained.

Each of the Vendors and the Purchaser shall use his/her/their reasonable endeavours to procure the satisfaction of the above conditions precedent within one (1) year from the date of the SP Agreement.

If the conditions precedent have not been fulfilled or waived on or before the Completion Date for whatever reason, the SP Agreement shall cease and determine, and in such event, neither party shall have any obligations and liability towards each other hereunder save for any antecedent breaches of the terms of the SP Agreement.

Completion

Completion shall take place at 5:00 p.m. on the Completion Date at the office of the Purchaser after the fulfilment or waiver (as the case may be) of the conditions or such later date as may be agreed between the Vendors and the Purchaser.

Upon Completion, the Purchaser will be holding the entire issued share capital of the Target and the Target will become a subsidiary of the Company.

INFORMATION ABOUT THE TARGET

The Target is a company with limited liability incorporated in Hong Kong. The Target is a licensed corporation under the SFO with the following regulated activities: (i) Type 1: Dealing in securities; and (ii) Type 4: Advising on securities. The principal activities are provision of brokerage services and securities margin financing to clients.

Financial information

Set out below is the net profit (both before and after taxation and extraordinary items) for the two years ended 31 December 2013, 31 December 2014 and six months ended 30 June 2015:

	For the year ended 31 December 2013 (HK\$'000) (audited)	For the year ended 31 December 2014 (HK\$'000) (audited)	For the six months ended 30 June 2015 (HK\$'000) (audited)
Net profit before taxation and extraordinary items	1,395	2,848	8,708
Net profit after taxation and extraordinary items	1,395	2,793	7,208

The audited net assets value of the Sale Shares as at 30 June 2015 was approximately HK\$36.48 million.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is principally engaged in distribution of films in various videogram formats, film exhibition, licensing and sub-licensing of film rights, leasing of investment properties, securities investment and money lending.

The Board considers that the Acquisition, if materialised, will enable the Company to diversify its business into the financial services industry and broaden revenue sources of the Group.

The Directors consider that the terms of the SP Agreement have been entered into on normal commercial terms, and that such terms are fair and reasonable so far as the Company and the Shareholders are concerned, and is in the interests of the Company and the Shareholders as a whole.

GENERAL

As the applicable percentage ratios (as defined under the Listing Rules) in relation to the Acquisition exceed 5% but are less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Acquisition”	the acquisition of the Sale Shares by the Purchaser pursuant to the SP Agreement
“Board”	the board of Directors

“Company”	Universe International Holdings Limited (Stock Code: 1046), a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on Main Board
“Completion”	means completion of the sale and purchase of the Sale Shares pursuant to the SP Agreement
“Completion Date”	means the date falling within one year from the date of the SP Agreement or any other date as the parties to the SP Agreement may agree in writing
“Consideration”	HK\$73,000,000, being the total consideration for the Sale Shares
“Deposit”	HK\$20,000,000, being the refundable deposit payable for the Acquisition under the SP Agreement
“Director(s)”	director(s) of the Company
“Earnest Money”	HK\$10,000,000, being the sum paid by the Purchaser to the Vendors for the Acquisition pursuant to the MOU
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	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 Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MOU”	the memorandum of understanding dated 14 July 2015 entered into by the Purchaser and the Vendors
“Purchaser”	Rising Fame International Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
“Sale Shares”	30,000,000 shares in the capital of Target, representing the entire issued share capital in the Target to be sold by the Vendors to the Purchaser in accordance with the terms the SP Agreement
“SFC”	the Securities and Futures Commission of Hong Kong

“Securities and Futures Ordinance”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“SP Agreement”	the conditional SP Agreement dated 21 August 2015 entered into between the Purchaser and the Vendors in respect of the Acquisition
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target”	Win Fung Securities Limited, a company incorporated in Hong Kong with limited liability
“Vendors”	Ms. Cheng Hei Yu and Mr. Fang Pei Wei
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

By order of the Board
Universe International Holdings Limited
Lam Shiu Ming, Daneil
Chairman and Executive Director

Hong Kong, 21 August 2015

As at the date of this announcement, the executive Directors are Mr. Lam Shiu Ming, Daneil, Mr. Hung Cho Sing, Mr. Yeung Kim Piu and Mr. Lam Kit Sun, the non-executive Director is Mr. Chan Shiu Kwong Stephen, and the independent non-executive Directors are Mr. Lam Wing Tai, Mr. Choi Wing Koon and Mr. Lam Chi Keung.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the 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.