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高富集團控股有限公司
GT GROUP HOLDINGS LIMITED
(Incorporated in Hong Kong with limited liability)
(Stock Code: 263)

MEMORANDUM OF UNDERSTANDING

The Board is pleased to announce that on 28 May 2020 (after trading hours), the Purchaser entered into a non-legally binding MOU with the Vendor in relation to the Proposed Acquisition of the entire issued share capital of the Target Company.

The Board wishes to emphasise that no legally binding agreement in relation to the Proposed Acquisition has been entered into as at the date of this announcement and the Proposed Acquisition may or may not materialise. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the SFO).

MEMORANDUM OF UNDERSTANDING

The Board wishes to announce that on 28 May 2020 (after trading hours), the Purchaser and the Vendor entered into a non-legally binding MOU pursuant to which the Purchaser proposed to purchase the entire issued share capital of the Target Company.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Vendor is an independent third party not connected with the Company and its connected person (as defined in the Listing Rules).

Pursuant to the MOU, the Vendor shall not (and shall procure his agents and advisers not to) for a period of 90 days from the date of the MOU (or such other date as the parties may agree) directly or indirectly solicit, initiate, encourage, enter into or participate in any inquiry, discussion or proposal with any third party on any sale or transfer of any shares or material assets of the Target Company. A formal share purchase agreement will be entered into by the parties within 90 days (or such other date as the parties may agree), subject to

completion of the Due Diligence Review on the Target Company by the Company and/or the Purchaser and the result of which is to the satisfaction of the Purchaser. The Purchaser has the absolute discretion to waive such condition.

The MOU shall be terminated upon the expiry of the Exclusivity Period or upon the execution of a formal share purchase agreement or by agreement of the parties to the MOU in writing (whichever is the earliest).

REASONS FOR ENTERING INTO THE MOU

To the best knowledge, information and belief of the Directors, the Target Company is a licensed corporation under the SFO to provide investment advisory and asset management services.

The Group is principally engaged in the trading of goods, financing, property development and brokerage and securities investment businesses. The Group's strategy is to continue to identify attractive investment opportunities for further expansion of its business and to broaden its revenue streams. The terms of the MOU were arrived at arm's length negotiations between the Purchaser and the Vendor. The Board considers the terms of the MOU are normal commercial terms and fair and reasonable, and is in line with the Group's investment strategy, will allow the Group to expand its existing business.

GENERAL

The MOU contains certain legally binding provisions relating to, inter alia, term of confidentiality, exclusivity, and governing law of the MOU. However, it is not legally binding in respect of the Proposed Acquisition.

The Board wishes to emphasise that no legally binding agreement in relation to the Proposed Acquisition has been entered into as at the date of this announcement and the Proposed Acquisition may or may not materialise. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

The Proposed Acquisition, if materialise, may constitute a major transaction under Chapter 14 of the Listing Rules. Further announcement will be made by the Company as and when necessary.

DEFINITIONS

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

“Board”	the board of Directors
“Company”	GT Group Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	director(s) of the Company

“Due Diligence Review”	the business, legal and financial due diligence to be conducted by the Company and/or the Purchaser on the Target Company pursuant to the MOU
“Exclusivity Period”	a period of 90 days from the date of the MOU, or such other date as the parties may agree
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MOU”	the non-legally binding memorandum of understanding dated 28 May 2020 entered into between the Purchaser and the Vendor in relation to the Proposed Acquisition
“Proposed Acquisition”	the proposed acquisition of the entire issued share capital of the Target Company by the Purchaser
“Purchaser”	Common King Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“SFO”	Securities and Futures Ordinance (Chapter 571, the Laws of Hong Kong)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Silk Road Construction Asset Management Limited, a company incorporated in Hong Kong with limited liabilities and a licensed corporation under SFO to conduct Type 4 (advising on securities) and Type 9 (asset management) regulated activities
“Vendor”	Silk Road Construction Investment Company Limited, a company incorporated in Hong Kong with limited liability and a third party independent of and not connected with the Company and its connected persons

By order of the board of
GT GROUP HOLDINGS LIMITED
Li Dong
Chairman

Hong Kong, 28 May 2020

As at the date of this announcement, the Board comprises four Executive Directors, namely Mr. Li Dong (Chairman), Ms. Ng Shin Kwan, Christine, Mr. Chan Ah Fei and Mr. Liang Shan and three Independent Non-executive Directors, namely Dr. Wong Yun Kuen, Mr. Wong Shun Loy and Mr. Hu Chao.