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**UNIVERSE ENTERTAINMENT AND CULTURE
GROUP COMPANY LIMITED
寰宇娛樂文化集團有限公司**

(Incorporated in Bermuda with limited liability)

(Stock Code: 1046)

**DISCLOSEABLE TRANSACTION
DISPOSAL OF LISTED SECURITIES**

The Board wishes to announce that during the period from 16 August 2021 to 19 August 2021, the Group disposed of an aggregate of 400,000 shares of China Mobile on the open market of the Stock Exchange for an aggregate consideration of approximately HK\$20.8 million (exclusive of transaction costs). The average selling price of each share of China Mobile is approximately HK\$51.9.

The shares of China Mobile disposed of in the Disposal amounted to approximately 0.002% of the issued share capital of China Mobile as at 31 July 2021.

As the Disposal was made through the open market of the Stock Exchange, the Company was not aware of the identities of the buyers of such shares of China Mobile, and accordingly, to the best knowledge, information and belief of the Directors having made all reasonable enquiries, the buyers of such shares of China Mobile and (if applicable) their respective ultimate beneficial owners are Independent Third Parties.

The aggregate gross proceeds of the Disposal are approximately HK\$20.8 million. The selling price under the relevant disposals represented the prevailing market price of the shares of China Mobile at the time of the relevant transactions.

Settlement of the Disposal will take place on the second trading day after the orders regarding the relevant disposals have been made.

Upon settlement of the Disposal, the Group will cease to hold any shares of China Mobile.

INFORMATION OF CHINA MOBILE

China Mobile is a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock code: 941). According to publicly available information, China Mobile is principally engaged in providing mobile telecommunications and related services in 31 provinces, autonomous regions and directly-administered municipalities in the mainland of China and Hong Kong.

Certain published financial information on China Mobile are as follows:

	For the year ended 31 December 2020 <i>RMB Million</i>	For the year ended 31 December 2019 <i>RMB Million</i>
Net profit (before taxation)	142,359	142,133
Net profit (after taxation)	108,140	106,791

The audited total asset value and net asset value of China Mobile as at 31 December 2020 were approximately RMB1,727,882 million and RMB1,152,772 million respectively.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Group is principally engaged in video distribution, film distribution and exhibition, licensing and sub-licensing of film rights, money lending, leasing of investment properties, entertainment business, securities investment, trading, wholesaling and retailing of optical products and watches products, and provision of financial printing services.

In view of the recent downward trend of the stock market in Hong Kong, the Directors consider that it is the appropriate time for the Group to effect the Disposal so as to realise the gain from its investment in the shares of China Mobile. The Directors expect to recognise an unaudited gain (before deducting stamp duty and related expenses) of approximately HK\$1.3 million from the Disposal for the year ending 30 June 2022. Shareholders should note that the actual amount of gain on the Disposal to be recorded by the Company will be subject to review by the auditors of the Company. It is expected that the proceeds from the Disposal will be used for general working capital. The Directors consider the Disposal is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Given that the Disposal was made in the open market of the Stock Exchange, the Directors (including the independent non-executive Directors) consider that all the shares of China Mobile disposed of were sold at the then prevailing market prices and terms of the Disposal are on normal commercial terms and are fair and reasonable and the Disposal is in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Disposal are more than 5% but are less than 25%, the Disposal constituted a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is accordingly subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“China Mobile”	China Mobile Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock code: 941)
“Company”	Universe Entertainment and Culture Group Company Limited, a company incorporated in Bermuda with limited liability, whose shares are listed on the Stock Exchange (Stock code: 1046)
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of an aggregate of 400,000 shares of China Mobile by the Group on the open market of the Stock Exchange for an aggregate consideration of approximately HK\$20.8 million (exclusive of transaction costs) in a series of transactions during the period from 16 August 2021 to 19 August 2021
“Group”	the Company and its subsidiaries

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party”	third party(ies) independent of the Company and its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“RMB”	Renminbi, the lawful currency of the People’s Republic of China
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

On behalf of the Board
**Universe Entertainment and Culture
Group Company Limited**
Lam Shiu Ming, Daneil
Chairman and Executive Director

Hong Kong, 20 August 2021

As at the date of this announcement, the executive directors of the Company are Mr. Lam Shiu Ming, Daneil and Mr. Lam Kit Sun, and the independent non-executive directors of the Company are Mr. Choi Wing Koon, Mr. Lam Chi Keung and Mr. Tang Yiu Wing.