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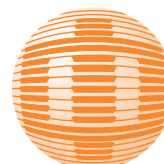


**CHAMPION TECHNOLOGY
HOLDINGS LIMITED**

冠軍科技集團有限公司

(Continued in Bermuda with limited liability)

(Stock Code: 92)



**KANTONE HOLDINGS
LIMITED**

看通集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1059)

JOINT ANNOUNCEMENT

**DISCLOSEABLE TRANSACTION IN RELATION TO
ACQUISITION OF PROPERTY**

THE ACQUISITION

The respective board of directors of Champion and Kantone are pleased to announce that on 29 October 2021 the Purchaser, a wholly-owned subsidiary of Kantone and a non-wholly-owned subsidiary of Champion, entered into the Sale and Purchase Agreement with the Vendors, pursuant to which the Purchaser agreed to acquire and the Vendors agreed to sell the Property at a consideration of £575,000 (approximately HK\$6,123,625) (exclusive of refundable VAT of £115,000 (approximately HK\$1,224,725)).

The Completion has taken place immediately upon the signing of the Sale and Purchase Agreement.

LISTING RULES IMPLICATION

As one or more of the applicable percentage ratios as defined in Rule 14.07 of the Listing Rules in respect of the Acquisition for each of Champion and Kantone exceeds 5% but less than 25%, the Acquisition constitutes a discloseable transaction for each of Champion and Kantone.

IMPLICATION UNDER RULE 4 OF THE TAKEOVERS CODE

Reference is made to the joint announcement of Champion, Kantone and the Offeror dated 25 August 2021 in relation to, among others, the possible mandatory unconditional cash offer by Kingston Securities for and on behalf of the Offeror to acquire all the issued shares of Kantone (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it). Pursuant to Rule 4 of the Takeovers Code, the entering into of the Sale and Purchase Agreement is a frustrating action and is subject to the approval of the Kantone Shareholders in general meeting. The Offeror has consented and acknowledged the entering into of the Sale and Purchase Agreement and Kantone has applied for and obtained a waiver from the Executive from the requirement for Kantone to obtain the Kantone Shareholders' approval for the entering into of the Sale and Purchase Agreement in general meeting of the Kantone pursuant to Note 1 to Rule 4 of the Takeovers Code.

THE ACQUISITION

On 29 October 2021, the Purchaser, a wholly-owned subsidiary of Kantone and a non-wholly-owned subsidiary of Champion, entered into the Sale and Purchase Agreement with the Vendors, pursuant to which the Purchaser agreed to acquire and the Vendors agreed to sell the Property at a consideration of £575,000 (approximately HK\$6,123,625) (exclusive of refundable VAT of £115,000 (approximately HK\$1,224,725)).

THE SALE AND PURCHASE AGREEMENT

Date : 29 October 2021

Parties

Vendors : (1) Mr. Jonathan Michael Horne (“**Mr. Horne**”)
(2) Mr. Simon Francis Rogers (“**Mr. Rogers**”)
(3) NSS Trustees Limited (“**NSS Trustees**”) (As trustee of the IT Events Limited Pension Scheme (the “**Pension Scheme**”))

Purchaser : Multitone Electronics PLC

Property to be acquired

The Property is the freehold property at Unit A, The Green Buildings, Kempshott Hill, Basingstoke, Hampshire RG23 7HL, United Kingdom and registered at HM Land Registry with the title absolute under the title number HP567237.

The Property is a two-storey detached office building with a part private and part share car park with a gross floor area of approximately 4,971 square feet. Pursuant to the Sale and Purchase Agreement, the Vendors shall deliver vacant possession of the Property upon Completion.

Consideration

The consideration for the Acquisition is £575,000 (approximately HK\$6,123,625) (exclusive of refundable VAT of £115,000 (approximately HK\$1,224,725)) which shall be paid by the Purchaser to the Vendors as follows:

- (a) an initial deposit of £57,500 (approximately HK\$612,362) has been paid to the Vendors' conveyancer upon signing of the Sale and Purchase Agreement (the "**Initial Deposit**"), such Initial Deposit will be paid to the Vendors with accrued interest on Completion;
- (b) the remaining balance of the Consideration in the sum of £517,500 (approximately HK\$5,511,263) together with the VAT of £115,000 (approximately HK\$1,224,725) and any other such sum as agreed between the parties or any adjustment to take into account apportionments made under the terms and conditions of the Sale and Purchase Agreement shall be paid upon Completion.

The Consideration was agreed between the Vendors and the Purchaser after arm's length negotiations with reference to, amongst other things, the valuation of the Property (the "**Valuation**") of approximately £600,000 as at 13 September 2021 prepared by Shackleton, Blackmore & Taylor Limited, an independent property valuer. As confirmed by the Purchaser's conveyancer, while the VAT of £115,000 (approximately HK\$1,224,725) is payable upon Completion, the Purchaser will be entitled to recover such sum from the relevant tax authority as the Purchaser is VAT registered.

The Consideration will be financed by the Kantone Group's internal resources.

Completion

The Completion has taken place immediately upon the signing of the Sale and Purchase Agreement.

INFORMATION OF THE PARTIES TO THE SALE AND PURCHASE AGREEMENT AND THE GROUP

The Vendors are Mr. Horne, Mr. Rogers and NSS Trustees acting as trustee of the IT Events Limited Pension Scheme. To the best knowledge and belief of the Champion Directors and Kantone Directors, Mr. Horne and Mr. Rogers are merchants principally engaging in the business of IT events and marketing. NSS Trustees, a private limited company established under the laws of England and Wales principally engaging in providing commercial support services, is holding the Property as a trustee of the IT Events Limited Pension Scheme, a joint pension fund set up by Mr. Horne and Mr. Rogers for their businesses in organising IT exhibitions and conferences and specializing in business to business lead generation.

To the best of the knowledge, information and belief of the Champion Directors and Kantone Directors having made all reasonable enquiries, the Vendors and (if applicable) their ultimate beneficial owners are independent of Champion and Kantone and their respective connected persons (as defined in the Listing Rules).

The Purchaser is a wholly-owned subsidiary of Kantone and a non-wholly-owned subsidiary of Champion. The Group is principally engaged in trading and transportation of gasoil and trading of cultural products, system sales including renewable energy systems and the related engineering work, software development and licensing and customization, leasing of system products and strategic investment.

REASON FOR AND BENEFITS OF THE ACQUISITION

The Purchaser's current head office premises is situated at Multitone House, Shortwood Copse Lane, Kempshott, Basingstoke, Hampshire, RG23 7NL, United Kingdom (the "**Basingstoke Head Office**") which is right next to the Property. The Champion Board and Kantone Board are of the view that the acquisition of the Property will allow the Purchaser better control in the development of the area in Shortwood Copse Lane where the Basingstoke Head Office and the Property are situated and provide the Purchaser opportunity to expand their office premises and to transfer part or all of the operation team from its branch office located in Hansa Road, Hardwick Industrial Estate, King's Lynn PE30 4HX, United Kingdom, which is approximately 240 kilometers away from Basingstoke Head Office, to the Property if and when required.

In the short term, the Purchaser intends to hold the Property for investment purpose and will lease out the Property after the Acquisition for rental income while retaining a small portion for its own office use. Therefore, by acquiring the Property at a discounted price as compared to the market value of the Property as stated in the Valuation, the Group may enjoy stable rental income and potential capital appreciation.

The Champion Board and Kantone Board consider that the terms of the Sale and Purchase Agreement (including the Consideration) are fair and reasonable and the entering into of the Sale and Purchase Agreement is in the interest of the Group and the Champion Shareholders and Kantone Shareholders as a whole.

LISTING RULES IMPLICATION

As one or more of the applicable percentage ratios as defined in Rule 14.07 of the Listing Rules in respect of the Acquisition for each of Champion and Kantone exceeds 5% but less than 25%, the Acquisition constitutes a discloseable transaction for each of Champion and Kantone.

IMPLICATION UNDER RULE 4 OF THE TAKEOVERS CODE

Reference is made to the joint announcement of Champion, Kantone and the Offeror dated 25 August 2021 in relation to, among others, the possible mandatory unconditional cash offer by Kingston Securities for and on behalf of the Offeror to acquire all the issued shares of Kantone (other than those

already owned or agreed to be acquired by the Offeror and parties acting in concert with it). Pursuant to Rule 4 of the Takeovers Code, the entering into of the Sale and Purchase Agreement is a frustrating action and is subject to the approval of the Kantone Shareholders in general meeting. The Offeror has consented and acknowledged the entering into of the Sale and Purchase Agreement and Kantone has applied for and obtained a waiver from the Executive from the requirement for Kantone to obtain the Kantone Shareholders' approval for the entering into of the Sale and Purchase Agreement in general meeting of the Kantone pursuant to Note 1 to Rule 4 of the Takeovers Code.

DEFINITIONS

Unless the contents otherwise requires, the following expressions have the following meanings in this joint announcement:

“Acquisition”	the acquisition of the Property by the Purchaser from the Vendors pursuant to the Sale and Purchase Agreement
“Champion”	Champion Technology Holdings Limited, a company continued in Bermuda with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 92)
“Champion Board”	the board of the Champion Directors
“Champion Director(s)”	The director(s) of Champion
“Champion Group”	Champion and its subsidiaries but excluding the Kantone Group
“Champion Shareholder(s)”	holder(s) of the Champion Shares
“Completion”	completion of the Acquisition
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the consideration of the Acquisition payable by the Purchaser to the Vendors under the Sale and Purchase Agreement
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any of his delegates
“Group”	collectively, the Champion Group and the Kantone Group
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“HM Land Registry”	a non-ministerial department in the United Kingdom which register the ownership of land and property in England and Wales

“IT”	information technology
“Kantone”	Kantone Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1059), of which 128,137,958 Kantone Shares are beneficially owned by Champion (representing approximately 59.04% of the entire issued share capital of Kantone)
“Kantone Board”	the board of the Kantone Directors
“Kantone Director(s)”	the director(s) of Kantone
“Kantone Group”	Kantone and its subsidiaries
“Kantone Shareholder(s)”	holder(s) of the Kantone Shares
“Kingston Securities”	Kingston Securities Limited, a corporation licensed by the SFC to carry out Type 1 (dealing in securities) regulated activity under the SFO, being the agent making the Offer on behalf of the Offeror
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Offeror”	Innovative City Investments Limited, a company incorporated in the British Virgin Islands with limited liability
“Property”	Unit A, The Green Buildings, Kempshott Hill, Basingstoke, Hampshire RG23 7HL, United Kingdom, and registered at HM Land Registry with its title absolute under the title number HP567237
“Purchaser”	Multitone Electronics PLC, a company incorporated under the law of England and Wales with company number 00256314, a wholly-owned subsidiary of Kantone and a non-wholly-owned subsidiary of Champion
“Sale and Purchase Agreement”	the sale and purchase agreement dated 29 October 2021 entered into between the Purchaser and the Vendors for the acquisition of the Property
“SFC”	the Securities and Futures Commission of Hong Kong
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers (as amended and supplemented from time to time)

“VAT”	value added tax chargeable in the United Kingdom
“Vendors”	collectively (i) Jonathan Michael Horne, (ii) Simon Francis Rogers and (iii) NSS Trustees Limited (As trustee of the IT Events Limited Pension Scheme)
“Working Days”	any day from Monday to Friday (inclusive) which is not Christmas Day, Good Friday or a statutory Bank Holiday in the United Kingdom, as defined under the Sale and Purchase Agreement
“£” or “GBP”	pounds sterling, the lawful currency of the United Kingdom
“%”	per cent

By Order of the Board of
**CHAMPION TECHNOLOGY
HOLDINGS LIMITED**
Wong Man Winny
Chairperson

By Order of the Board of
KANTONE HOLDINGS LIMITED
Wong Man Winny
Chairperson

Hong Kong, 2 November 2021

For the purpose of this joint announcement, the conversion of GBP to HK\$ is based on the approximate exchange rate of HK\$10.649783 to GBP for illustration purpose only.

As at the date of this joint announcement, Ms. Wong Man Winny is the executive director of Champion, Mr. Liu Ka Lim and Ms. To Yin Fong Cecilica are the non-executive directors of Champion, and Mr. Leung Man Fai, Mr. Chan Yik Hei and Mr. Wong Yuk Man Edmand are the independent non-executive directors of Champion.

All directors of Champion jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, Ms. Wong Man Winny and Mr. Wu Yunjing are the executive directors of Kantone, Mr. Liu Ka Lim and Ms. To Yin Fong Cecilica are the non-executive directors of Kantone, and Mr. Leung Man Fai, Ms. Chung Sau Wai Ada and Mr. Clayton Ip are the independent non-executive directors of Kantone.

All directors of Kantone jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Champion Group and their respective associates and parties acting in concert with them (save for Kantone Group)), and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Champion Group and their respective director(s) in their capacity as such) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.