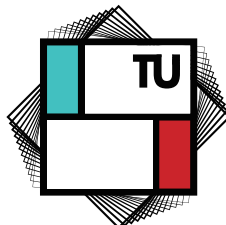


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TIMES UNIVERSAL GROUP HOLDINGS LIMITED

時代環球集團控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 2310)

(1) DISCLOSEABLE TRANSACTION DISPOSAL OF THE TARGET GROUP; AND (2) CHANGE IN USE OF NET PROCEEDS FROM THE RIGHTS ISSUE

THE DISPOSAL

The Board is pleased to announce that on 30 November 2022 (after trading hours), the Company and the Purchaser entered into the Sale and Purchase Agreement, pursuant to which the Company has agreed to sell, and the Purchaser has agreed to purchase, the Sale Share and Sale Loan for a total consideration of HK\$1,290,810.

Assets to be disposed

Sale Share

The Sale Share represents 100% equity interests of the Target Company.

Sale Loan

The Sale Loan amounted to approximately HK\$8,957,871 which was owed by the Target Group to the Vender before Completion.

Consideration

The Consideration amounted to HK\$1,290,810 in cash. Pursuant to the Sale and Purchase Agreement, the Purchaser shall pay the Consideration within three (3) Business Days after the date of the Sale and Purchase Agreement. As at the date of this announcement, the Purchaser has settled the Consideration in full.

The Consideration is determined after arm's length negotiation between the Company and the Purchaser with reference to (i) the market price of Filecoin owned by the Target Group as at 31 October 2022; and (ii) the decreasing trend of market price of Filecoin since January 2022, which decreased from approximately US\$35.85 on 1 January 2022 to approximately US\$5.44 on 31 October 2022, with the highest value of approximately US\$36.10 on 4 January 2022 and the lowest value of approximately US\$4.95 on 20 October 2022.

Completion

Completion shall take place upon the settlement of the Consideration, which is within three (3) Business Days after the date of the Sale and Purchase Agreement.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Purchaser is a third party independent of the Company and of its connected persons under the Listing Rules.

IMPLICATIONS UNDER LISTING RULES

As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Disposal exceed 5% but fall below 25%, the Disposal constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and will be subject to the reporting and announcement requirements.

CHANGE IN USE OF NET PROCEEDS FROM THE RIGHTS ISSUE

Having considered to utilise the net proceeds in a more effective way and to facilitate efficient allocation of the Company's financial resources, the Company intends to reallocate the unutilised net proceeds of approximately HK\$3.4 million for the purpose of the repayment of the bonds, which was originally for the purchase of Filecoin.

THE DISPOSAL

The Board is pleased to announce that on 30 November 2022 (after trading hours), the Company and the Purchaser entered into the Sale and Purchase Agreement, pursuant to which the Company has agreed to sell, and the Purchaser has agreed to purchase, the Sale Share and the Sale Loan for a total consideration of HK\$1,290,810.

THE SALE AND PURCHASE AGREEMENT

The principal terms of the Sale and Purchase Agreement are set out as follows:

Date: 30 November 2022 (after trading hours)

Parties:

- (1) The Company, as the Vendor; and
- (2) Ms. Wong Man Ching, as the Purchaser.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Purchaser is a third party independent of the Company and of its connected persons under the Listing Rules.

Assets to be disposed

Sale Share

The Sale Share represents 100% equity interests of the Target Company. For further details of the Target Company, please refer to the section headed "INFORMATION OF THE TARGET GROUP".

Sale Loan

The Sale Loan amounted to approximately HK\$8,957,871 which was owed by the Target Group to the Vender before Completion.

Consideration

The Consideration amounted to HK\$1,290,810 in cash. Pursuant to the Sale and Purchase Agreement, the Purchaser shall pay the Consideration within three (3) Business Days after the date of the Sale and Purchase Agreement. As at the date of this announcement, the Purchaser has settled the Consideration in full.

The Consideration is determined after arm's length negotiation between the Company and the Purchaser with reference to (i) the market price of Filecoin owned by the Target Group as at 31 October 2022; and (ii) the decreasing trend of market price of Filecoin since January 2022, which decreased from approximately US\$35.85 on 1 January 2022 to approximately US\$5.44 on 31 October 2022, with the highest value of approximately US\$36.10 on 4 January 2022 and the lowest value of approximately US\$4.95 on 20 October 2022.

The Board considers that the Consideration is fair and reasonable and on normal commercial terms.

Completion

Completion shall take place upon the settlement of the Consideration, which is within three (3) Business Days after the date of the Sale and Purchase Agreement.

INFORMATION OF THE PURCHASER

The Purchaser is a merchant, which is an independent third party of the Group.

INFORMATION OF THE TARGET GROUP

The Target Company is a company incorporated in the BVI with limited liability on 5 November 2019 with principal business of investment holding and principal assets of shareholding in direct wholly-owned subsidiary, Best Master. Best Master is a company incorporated in Hong Kong with limited liability on 26 February 2021 with principal business of investment in cryptocurrency. As at the date of this announcement, the Target Company is wholly owned by the Vendor.

Financial Information of the Target Group

According to the unaudited consolidated financial statements of the Target Group prepared in accordance with the generally accepted accounting principles in Hong Kong, the Target Group's unaudited consolidated net loss for the two financial years ended 31 December 2021 are stated below:

	For the financial year ended	
	31 December	
	2021	2020
	<i>HK\$</i>	<i>HK\$</i>
Net loss for the year	3,480,223	23,574

The unaudited consolidated net liabilities value of the Target Group as at 31 October 2022 was approximately HK\$7.7 million.

Principal assets of the Target Group

The principal assets of the Target Group was cryptocurrency. As at 31 October 2022, the market value of cryptocurrency held by the Target Group was approximately HK\$1,290,810.

FINANCIAL IMPACTS OF THE DISPOSAL ON THE GROUP

Immediately following Completion, the Company will cease to own any interests in the Target Company and the Target Company will cease to be a subsidiary of the Company, accordingly, the financial results, assets, liabilities and cash flows of the Target Group will no longer be consolidated into the Company's consolidated financial statements.

It is expected that the Group will recognize a gain (before deducting related expenses) of approximately HK\$9.0 million from the Disposal, being the difference between the gross proceeds from the Disposal and the net liabilities value of the Target Group as at 31 October 2022. Shareholders should note that the actual amount of gain on Disposal to be recorded by the Company is subject to review by the auditors of the Company and may differ from the amount estimated herein.

REASONS AND BENEFITS OF THE DISPOSAL

The Group is principally engaged in hotel operation, provision of property management services and investment in cryptocurrency. Upon the Completion, the Group will no longer engage in investment in cryptocurrency.

Since 2022, the cryptocurrency market has demonstrated a recession. The Company has been actively looking for opportunities to dispose of the cryptocurrency held by the Group. Having considered the current cryptocurrency market, the Directors are of the view that it is in the best interest for the Group to dispose all the cryptocurrency to avoid further fluctuation in the market price of cryptocurrencies at hand.

The Directors intend to use the net proceeds from the Disposal to the repayment of bonds of the Group.

The Board considers that the Disposal will enhance the Group's focus on other core business segments and that the Disposal will improve the liquidity and overall financial position of the Group.

Accordingly, the Board is of the view that the Disposal is fair and reasonable and on normal commercial terms and the entering into of the Sale and Purchase Agreement is in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As one or more applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Disposal exceed 5% but fall below 25%, the Disposal constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and will be subject to the reporting and announcement requirements.

CHANGE IN USE OF NET PROCEEDS FROM THE RIGHTS ISSUE

As disclosed in the announcements of the Company dated 29 May 2020, 6 July 2020 and 13 July 2020 and the prospectus of the Company dated 17 June 2020 (the "**Prospectus**"), 364,292,398 ordinary shares of the Company were allotted and issued pursuant to the rights issue (the "**Rights Issue**") on the basis of one rights share (the "**Rights Share(s)**") for every two ordinary Shares held on the record date at the issue price of HK\$0.145 per Rights Share.

As disclosed in the announcement of the Company dated 14 July 2021, the Board resolved to change the use of the unutilised net proceeds.

Having considered the risk and fluctuation in market price of the cryptocurrency, in order to utilise the net proceeds from the Rights Issue in a more effective way and to facilitate efficient allocation of the Company's financial resources, the Board resolved to reallocate part of the remaining unutilised net proceeds amounted to approximately HK\$3.4 million originally for the purchase of Filecoin, together with the net proceeds from the Disposal, to finance the repayment of the bonds of the Group, which is expected to be made during the first quarter of 2023.

In light of the above and having considered the reasons for and benefits of the Disposal, the Directors considered that the change in the use of the net proceeds from the Rights Issue is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“Best Master”	Best Master Limited, a company incorporated in Hong Kong with limited liability which is an indirect wholly-owned subsidiary of the Company and a direct wholly-owned subsidiary of the Target Company
“Board”	the board of Directors
“Business Day”	a day on which the Stock Exchange is open for the transaction of business
“BVI”	the British Virgin Islands
“Company” or “Vendor”	Times Universal Group Holdings Limited, a company incorporated in Hong Kong with limited liability, the issued Shares of which are listed on the main board of the Stock Exchange (stock code: 2310)
“Completion”	completion of the sale and purchase of the Sale Share and the Sale Loan in accordance with the terms and conditions of the Sale and Purchase Agreement
“Completion Date”	the date on which the Consideration is settled, which is within three (3) Business Day after the date of the Sale and Purchase Agreement

“Consideration”	HK\$1,290,810 being the total consideration payable by the Purchaser to the Vendor for the Disposal
“Director(s)”	director(s) of the Company
“Disposal”	the disposal of Sale Share and Sale Loan by the Vendor to the Purchaser as contemplated under Sale and Purchase Agreement
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	persons or companies which are independent of and not connected with any of the directors, chief executive and substantial shareholders (as defined under the Listing Rules) of the Company or any of its subsidiaries and their respective associates (as defined under the Listing Rules), and the term “Independent Third Party” shall be construed accordingly
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Purchaser”	Ms. Wong Man Ching
“Sale and Purchase Agreement”	the sales and purchase agreement dated 30 November 2022 entered into between the Vendor and the Purchaser in respect of the Disposal
“Sale Loan”	an aggregate amount of approximately HK\$8,957,871 owed by the Target Group to the Vendor
“Sale Shares”	100% equity interests of the Target Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Dragon Delight Group Limited, a company incorporated in the BVI and a direct wholly-owned subsidiary of the Company before the Completion
“Target Group”	Target Company and Best Master

By order of the Board
Times Universal Group Holdings Limited
CHOI Yun Chor
Chairman and Executive Director

Hong Kong, 30 November 2022

As at the date hereof, the executive Directors are Mr. CHOI Yun Chor, Mr. CHEN Jian Mr. TAI Kwok Keung, Kenny and Ms. HUNG Wang Kai Grace; and the independent non-executive Directors are Ms. LAI Cheuk Yu Cherrie and Mr. HUANG Xiangyang.