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CHAMPION TECHNOLOGY HOLDINGS LIMITED

(Continued in Bermuda with limited liability)

(Stock code: 92)

TERMINATION OF DISCLOSEABLE TRANSACTION INVOLVING ISSUE OF NEW SHARES UNDER GENERAL MANDATE

Reference is made to the announcement of Champion Technology Holdings Limited (the “**Company**”) dated 11 December 2016 (the “**Announcement**”). Unless otherwise stated herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

BACKGROUND

It was announced in the Announcement that the Purchaser, a wholly-owned subsidiary of the Company, has conditionally agreed to acquire, and the Vendors have conditionally agreed to dispose of, the Sale Shares, representing the entire issued share capital of the Target, and the Sale Loan at the Consideration of HK\$141,000,000. The Consideration of HK\$141,000,000 shall be satisfied by the Purchaser procuring the Company to allot and issue 1,101,562,500 Consideration Shares at the Issue Price of HK\$0.128 per Consideration Share to the Vendors upon Completion.

The Completion shall be conditional upon and subject to the fulfillment of the conditions precedent as described in the Sale and Purchase Agreement. If any of the conditions has not been satisfied on or before the Long Stop Date (i.e. 9 June 2017) (or such other date as may be agreed by the Purchaser in writing), or the Purchaser has served a notice to the Vendors stating it is not satisfied with the results of the due diligence review, the Vendors and the Purchaser shall not be bound to proceed with the Acquisition and the Sale and Purchase Agreement shall cease to be of any effect and neither party shall have any obligations thereunder save for any antecedent breaches of the Sale and Purchase Agreement.

TERMINATION OF THE SALE AND PURCHASE AGREEMENT

The Directors, having considered the results of the due diligence review, are of the view that the Consideration should be significantly reduced, however, after the negotiations among the parties to the Sale and Purchase Agreement, the Purchaser and the Vendors could not reach a consensus on the price reduction. Therefore, the Purchaser and the Vendors have amicably agreed to terminate the Sale and Purchase Agreement.

The Board hereby announces that on 15 February 2017 (after trading hours), the Purchaser entered into the termination deed (the “**Termination Deed**”) with the Vendors in relation to the Sale and Purchase Agreement.

Pursuant to the Termination Deed, the Purchaser and the Vendors agreed to terminate all of their respective rights and obligations, and to release and discharge each other from further obligations, under the Sale and Purchase Agreement save for certain surviving provisions of the Sale and Purchase Agreement relating mainly to confidentiality and governing law.

The Directors consider that the Termination Deed has no material impact on the operations or financial position of the Group. The Company will continue to look for other investment opportunities to further develop the business of the Group.

By order of the Board
CHAMPION TECHNOLOGY HOLDINGS LIMITED
CHENG YANG
Chairman

Hong Kong, 15 February 2017

As at the date of this announcement, the executive directors of the Company are Mr. Cheng Yang, Mr. Liu Ka Lim, Ms. Lei Lei and Mr. Lin Xiang; and the independent non-executive directors are Mr. Terry John Miller, Mr. Frank Bleackley and Mr. Zhang Jingzhi.