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(Incorporated in Bermuda with limited liability)
(Stock Code: 00620)

**DISCLOSEABLE TRANSACTION:
IN RELATION TO THE DISPOSAL OF A SUBSIDIARY**

THE DISPOSAL

On 16 March 2015 (after trading hours), the Vendor, a direct wholly owned subsidiary of the Company, and the Purchaser entered into the Disposal Agreement pursuant to which the Vendor has agreed to sell, and the Purchaser has agreed to purchase, the Sale Shares together with the Shareholder Loan at the Share Consideration of US\$1 and the Loan Consideration of HK\$1 (an aggregate equivalent to approximately HK\$9) which shall be payable by the Purchaser to the Vendor on Completion.

IMPLICATIONS UNDER THE LISTING RULES

As one of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the Disposal exceeds 5% but less than 25%. Accordingly, the Disposal constitutes a discloseable transaction of the Company pursuant to Rule 14.06 of the Listing Rules and is therefore subject to notification and announcement requirements under the Listing Rules.

INTRODUCTION

On 16 March 2015 (after trading hours), the Vendor, a direct wholly owned subsidiary of the Company, and the Purchaser entered into the Disposal Agreement pursuant to which the Vendor has agreed to sell, and the Purchaser has agreed to purchase, the Sale Shares together with the Shareholder Loan at the Share Consideration of US\$1 and the Loan Consideration of HK\$1 (an aggregate equivalent to approximately HK\$9) which shall be payable by the Purchaser to the Vendor on Completion.

THE DISPOSAL AGREEMENT

Date

16 March 2015

Parties

- (1) the Vendor; and
- (2) the Purchaser.

As at the date of this announcement, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner(s) were Independent Third Parties. The Purchaser is principally engaged in investment holding.

Subject of the Disposal

The Vendor has agreed to sell, and the Purchaser has agreed to purchase, the Sale Shares together with the Shareholder Loan. The Sale Shares represent the entire issued share capital of Wealthy King.

Upon completion of the Disposal, the Vendor will cease to hold any shares in Wealthy King and hence Wealthy King will cease to be a subsidiary of the Company.

Consideration

The Transaction Consideration, being the aggregate of the Share Consideration of US\$1 and the Loan Consideration of HK\$1, shall be payable by the Purchaser in cash to the Vendor on Completion.

The Transaction Consideration was determined after arm's length negotiation between the Vendor and the Purchaser with reference to the unaudited net liabilities of Wealthy King (after taking into account the Shareholder Loan) as at 31 January 2015.

The Directors (including the independent non-executive Directors) consider that the Transaction Consideration is fair and reasonable.

Conditions precedent

Completion of the Disposal shall be subject to:

- (i) in relation to the transactions contemplated in the Disposal Agreement, all relevant regulatory requirements (including but not limited to those under the Listing Rules and all relevant regulatory requirements in Hong Kong) having been complied with and satisfied;
- (ii) the warranties under the Disposal Agreement having remained true and accurate in all material respects; and
- (iii) the Vendor having duly performed and complied with all agreements, obligations and conditions contained in the Disposal Agreement that are required to be performed or complied with by it on or before Completion.

The Purchaser may at any time waive in writing any of the above conditions.

Completion

Completion shall take place within 14 days following the date of the fulfillment of the above conditions precedent or such other date as may be agreed between the parties thereto.

Upon Completion, members of the Disposal Group will cease to be subsidiaries of the Company.

INFORMATION ON THE GROUP AND THE DISPOSAL GROUP

The principal activities of the Group are mainly involved in the provision of marine engineering, construction and structural steel engineering and related services, and trading of vessels.

The principal business of the Disposal Group, comprised of Wealthy King and its subsidiaries, was marine engineering in Singapore which had been discontinued since the winding up of Wealthy King's principal subsidiary UDL Marine (Singapore) Pte Ltd on 12 September 2014 as disclosed in the Company's announcement dated 15 September 2014.

The unaudited net liabilities of the Disposal Group as at 31 January 2015 was approximately HK\$5,293,000 (after taking into account the Shareholder Loan of approximately HK\$1,562,000).

REASONS FOR AND BENEFITS OF THE DISPOSAL

As mentioned above, (1) the Disposal Group has discontinued its marine engineering business in Singapore since the winding up of Wealthy King's principal subsidiary UDL Marine (Singapore) Pte Ltd; and (2) the Disposal Group has audited net liabilities as at 31 July 2014. The Disposal will therefore remove the net liability and net loss incurred by the Disposal Group without any adverse impact to the business operations of the Group.

In view of the above, the Directors (including the independent non-executive Directors) consider the entering of the Disposal Agreement and the transactions contemplated thereunder are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

USE OF PROCEEDS FROM THE DISPOSAL

It is expected that there will have no net proceeds of the Disposal after deducting all relevant expenses.

LISTING RULE IMPLICATIONS

As one of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the Disposal exceeds 5% but less than 25%. Accordingly, the Disposal constitutes a discloseable transaction of the Company pursuant to Rule 14.06 of the Listing Rules and is therefore subject to notification and announcement requirements under the Listing Rules.

DEFINITIONS

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

“Board”	board of Directors
“BVI”	the British Virgin Islands
“Company”	UDL Holdings Limited, a company incorporated in Bermuda with limited liability, whose Shares are listed on the Stock Exchange (Stock Code: 620)
“Completion”	completion of the Disposal
“controlling shareholder”	has the meaning ascribed thereto in the Listing Rules
“Director(s)”	director(s) of the Company
“Disposal”	the disposal of the Sale Shares together with the Shareholder Loan pursuant to the terms of the Disposal Agreement, which constitutes a discloseable transaction

	of the Company under the Listing Rules
“Disposal Agreement”	the agreement dated 16 March 2015 entered into between the Vendor and the Purchaser relating to the Disposal
“Disposal Group”	Wealthy King and its subsidiaries
“Group”	the Company and its subsidiaries before the Completion
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	independent third party(ies) who is/are not connected person(s) of the Company and is/are independent of and not connected with the Company and directors, chief executive, controlling shareholders and substantial Shareholders of the Company or any of its subsidiaries or their respective associates
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan Consideration”	the purchase price for the Shareholder Loan, being HK\$1
“Purchaser”	Crown Asia Equipment Limited, a company incorporated in Hong Kong with limited liability, which is an Independent Third Party
“Sale Shares”	the entire issued share capital of Wealthy King
“Share(s)”	ordinary share(s) of HK\$0.50 each in the issued share capital of the Company
“Share Consideration”	the purchase price for the Sale Shares, being US\$1
“Shareholder(s)”	holder(s) of the Share(s)
“Shareholder Loan”	the loan (if any) owed by Wealthy King to the Vendor as of the date of Completion
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transaction Consideration”	the aggregate of the Share Consideration and the Loan Consideration
“Vendor”	UDL Ventures Limited, a company incorporated in Hong Kong with limited liability and a direct wholly owned subsidiary of the Company
“Wealthy King”	Wealthy King Holdings Limited, a company incorporated in BVI and an indirect wholly owned subsidiary of the Company before Completion

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“S\$”	Singapore dollars, the lawful currency of Singapore
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

By Order of the Board
UDL Holdings Limited
 Leung Yu Oi Ling, Irene
Chairman

Hong Kong, 16 March 2015

As at the date of this announcement, the Board comprises four executive directors, namely Mr. Leung Yat Tung, Mrs. Leung Yu Oi Ling, Irene, Ms. Leung Chi Yin, Gillian and Mr. Leung Chi Hong, Jerry; and three independent non-executive directors, namely Mr. Pao Ping Wing, JP, Professor Yuen Ming Fai, Matthew, Ph.D. and Ms. Tse Mei Ha.