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Telecom Digital Holdings Limited
電訊數碼控股有限公司
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 8336)

DISCLOSEABLE TRANSACTION
ACQUISITION OF PROPERTIES

The Board is pleased to announce that on 12 June 2014, the Formal Agreements in relation to the Proposed Acquisitions at the aggregate consideration of HK\$86,870,000 were entered into between the respective Purchasers and the Vendor.

As one or more of the applicable percentage ratios in respect of the Proposed Acquisitions is/are more than 5% but less than 25%, the Proposed Acquisitions constitute a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules.

As the completion of the Proposed Acquisitions is subject to the satisfactory verification and requisition in respect of the title to the Properties, the Proposed Acquisitions may or may not proceed. Shareholders and any potential investors are advised to take caution in dealing in the securities of the Company.

INTRODUCTION

The Board is pleased to announce that on 12 June 2014, the Formal Agreements in relation to the proposed acquisitions of the Properties locating on the same floor of a commercial building in Kowloon Bay (the “**Proposed Acquisitions**”) at the aggregate consideration of HK\$86,870,000 (the “**Total Consideration**”) were entered into between the respective Purchasers, all of which are wholly-owned subsidiaries of the Company, and the Vendor.

THE ACQUISITIONS

Property A

The principal terms of the Formal Agreement I are summarised as follows:

Date : 12 June 2014
Parties : (1) Billion Wave Development Limited (as vendor)
(2) Carries Technology (as purchaser)
Assets to be acquired : Property A
Usage : office premises

Consideration and payment schedule:

The consideration for the acquisition of Property A is HK\$21,141,000. Upon execution of the Formal Agreement I, an initial deposit of HK\$2,114,100 shall be payable in cash by Carries Technology to the Vendor. The remaining consideration of HK\$19,026,900 shall be payable by Carries Technology to the Vendor upon completion.

Property B

The principal terms of the Formal Agreement II are summarised as follows:

Date : 12 June 2014
Parties : (1) Billion Wave Development Limited (as vendor)
(2) Telecom Digital Services (as purchaser)
Assets to be acquired : Property B
Usage : office premises

Consideration and payment schedule:

The consideration for the acquisition of Property B is HK\$21,459,000. Upon execution of the Formal Agreement II, an initial deposit of HK\$2,145,900 shall be payable in cash by Telecom Digital Services to the Vendor. The remaining consideration of HK\$19,313,100 shall be payable by Telecom Digital Services to the Vendor upon completion.

Property C

The principal terms of the Formal Agreement III are summarised as follows:

Date : 12 June 2014
Parties : (1) Billion Wave Development Limited (as vendor)
(2) CKK Properties (as purchaser)
Assets to be acquired : Property C
Usage : office premises

Consideration and payment schedule:

The consideration for the acquisition of Property C is HK\$23,352,000. Upon execution of the Formal Agreement III, an initial deposit of HK\$2,335,200 shall be payable in cash by CKK Properties to the Vendor. The remaining consideration of HK\$21,016,800 shall be payable by CKK Properties to the Vendor upon completion.

Property D

The principal terms of the Formal Agreement IV are summarised as follows:

Date	:	12 June 2014
Parties	:	(1) Billion Wave Development Limited (as vendor) (2) Mango (as purchaser)
Assets to be acquired	:	Property D
Usage	:	office premises

Consideration and payment schedule:

The consideration for the acquisition of Property D is HK\$20,918,000. Upon execution of the Formal Agreement IV, an initial deposit of HK\$2,091,800 shall be payable in cash by Mango to the Vendor. The remaining consideration of HK\$18,826,200 shall be payable by Mango to the Vendor upon completion.

The Total Consideration

The Total Consideration was arrived at after arm's length negotiations between the Company and the Vendor after taking into account the market price of similar properties of similar size, character and location. Part of the Total Consideration, which amounts to HK\$52,122,000, will be funded by part of the net proceeds received by the Group from the placing of shares of the Company in May 2014 (the "**Placing**") in accordance with the intended use of such net proceeds from the Placing, and the remaining balance of the Total Consideration, which amounts to HK\$34,748,000, will be funded by mortgage loans to be obtained from the banks in Hong Kong.

Completion

Subject to the satisfactory verification and requisition in respect of the title to the Properties, the completion for the Proposed Acquisitions is expected to take place on or before 18 July 2014. However, in the event that the Proposed Acquisitions cannot be completed due to the Vendor failing to show good title to Properties, the Purchasers shall have the right to terminate the Proposed Acquisitions. Upon such termination, the Vendor shall refund all the deposits and monies paid in relation to the Proposed Acquisitions.

INFORMATION ON THE GROUP

The Group is principally engaged in the telecommunications and related business in Hong Kong.

INFORMATION ON THE VENDOR

As at the date of this announcement, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor is independent of, and not connected with any of the Directors, chief executive or substantial shareholders of the Company or any of its subsidiaries or their respective associates.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Board considered that the Proposed Acquisitions are in line with the Group's long-term development plan, in particular, to expand the head office to cope with the Group's growth of business. The Board is of the view that the terms of the Proposed Acquisitions are on normal commercial terms and are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

GENERAL

As one or more of the applicable percentage ratios in respect of the Proposed Acquisitions is/are more than 5% but less than 25%, the Proposed Acquisitions constitute a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules.

As the completion of the Formal Agreements are subject to the fulfillment of the conditions precedent as stipulated therein, the transaction(s) contemplated thereunder may or may not proceed. Shareholders and any potential investors are advised to take caution in dealing in the securities of the Company.

TERMS USED IN THIS ANNOUNCEMENT

Unless the context otherwise requires, capitalized terms used in this announcement shall have the following meanings:-

“associate(s)”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors
“Carries Technology”	Carries Technology Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company
“CKK Properties”	CKK Properties Limited (formerly known as Telecom Digital Corporate Limited), a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company

“Company”	Telecom Digital Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the GEM of the Stock Exchange (stock code: 8336)
“Director(s)”	director(s) of the Company
“Formal Agreements”	Formal Agreement I, Formal Agreement II, Formal Agreement III and Formal Agreement IV
“Formal Agreement I”	the formal sale and purchase agreement to be entered into between Carries Technology and the Vendor regarding the proposed acquisition of Property A
“Formal Agreement II”	the formal sale and purchase agreement to be entered into between Telecom Digital Services and the Vendor regarding the proposed acquisition of Property B
“Formal Agreement III”	the formal sale and purchase agreement to be entered into between CKK Properties and the Vendor regarding the proposed acquisition of Property C
“Formal Agreement IV”	the formal sale and purchase agreement to be entered into between Mango and the Vendor regarding the proposed acquisition of Property D
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM of the Stock Exchange
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Mango”	Mango Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company
“Property A”	Unit A, 10/F, YHC Tower, No. 1 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong
“Property B”	Unit B, 10/F, YHC Tower, No. 1 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong

“Property C”	Unit E, 10/F, YHC Tower, No. 1 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong
“Property D”	Unit F, 10/F, YHC Tower, No. 1 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong
“Properties”	Property A, Property B, Property C and Property D
“Purchasers”	Carries Technology, CKK Properties, Mango and Telecom Digital Services
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Telecom Digital Services”	Telecom Digital Services Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company
“Vendor”	Billion Wave Development Limited, the legal and beneficial owner of the Properties
“%”	per cent.

By Order of the Board
Telecom Digital Holdings Limited
Cheung King Shek
Chairman

Hong Kong, 12 June 2014

As at the date of this announcement, the Executive Directors are Mr. Cheung King Shek, Mr. Cheung King Fung Sunny, Ms. Mok Ngan Chu and Mr. Wong Wai Man, the Non-Executive Directors are Mr. Cheung King Shan and Mr. Cheung King Chuen Bobby and the Independent Non-Executive Directors are Mr. Hui Ying Bun, Mr. Ho Nai Man Paul and Mr. Lam Yu Lung.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; (ii) there are no other matters the omission of which would make any statement herein or in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the “Latest Company Announcements” page on the GEM website at <http://www.hkgem.com> for at least 7 days from the day of its posting. This announcement will also be published on the Company’s website at <http://www.telecomdigital.cc>.