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林達控股有限公司
LAMTEX HOLDINGS LTD.

STOCK CODE 股份代號1041

(Incorporated in Bermuda with limited liability)
(Stock Code: 1041)

**MEMORANDUM OF UNDERSTANDING
IN RESPECT OF
POSSIBLE ACQUISITION**

This announcement is made by the Company pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board would like to announce that on 1 June 2018 (after trading hours), the Company entered into the MOU with the Vendors, pursuant to which the Company intended to purchase and the Vendors intended to sell, 51% of the equity interests of the Target Company. The Target Group will be principally engaged in businesses of blockchain technology development and application; development, sales and leasing of computer hardware and software technology; computer system integration; computer and auxiliary equipment sales; database services and database management; computer system analysis and technical services; big data technology development, artificial intelligence technology development, and other related services. The Target Group will form a strategic partnership with Littlebee Technology, a Singapore company whose principal business is the development and application of blockchain technology.

The MOU is not legally binding (save that certain provisions on exclusivity, confidentiality, assistance on due diligence, dispute resolution and interpretation have binding effect) and the Proposed Acquisition may or may not proceed. If the Proposed Acquisition materialises, it will likely constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares. The Company will make further announcement in respect of the Proposed Acquisition as and when appropriate in accordance with the Listing Rules.

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MEMORANDUM OF UNDERSTANDING

The principal terms of the MOU are as follows:

- Date: 1 June 2018
- Parties: (i) the Company (as purchaser); and
- (ii) the Vendors.

Assets to be acquired

Pursuant to the MOU, the Company intended to purchase, whether directly or through one of its subsidiaries, and the Vendors intended to sell, 51% of the equity interests of the Target Company. The Target Group will be principally engaged in businesses of blockchain technology development and application; development, sales and leasing of computer hardware and software technology; computer system integration; computer and auxiliary equipment sales; database services and database management; computer system analysis and technical services; big data technology development, artificial intelligence technology development, and other related services. The Target Group will form a strategic partnership with Littlebee Technology, a Singapore company whose principal business is the development and application of blockchain technology.

Consideration

The Consideration to be paid by the Company to the Vendors is still under negotiation and it shall be determined based on arm's length negotiation between the Company and the Vendors and will be set out in the Formal Agreement.

Conditions Precedent to the Proposed Acquisition

The conditions precedent to the Proposed Acquisition are expected to include the following:

1. The Shareholders of the Company, who are eligible to vote under the Listing Rules, having passed resolutions, if required, to approve the Formal Agreement and the transactions contemplated thereunder and, where applicable, the allotment and issuance of consideration Shares to the Vendors, and the Stock Exchange having granted approval to the Company for the listing of and permission to deal in the consideration Shares on the Stock Exchange;
2. The Company having completed its due diligence review on the business, financial, legal and other aspects of the Target Group and did not find that there are any adverse issues regarding the business, liabilities, legal or other aspects, and if there are any such issues, the Vendors and their lawyers will resolve them before the Completion;
3. The warranties given by the Vendors under the Formal Agreement remaining to be true and accurate and not misleading at the date of the Completion, and from the date of the Formal Agreement to the date of Completion;
4. The Company having received a PRC legal opinion which is reasonably satisfactory to it in all respects, to confirm that (a) Shenzhen Littlebee is duly incorporated and legally existing under PRC laws and is properly licensed to enter into service agreements or arrangements relating to its business; and (b) the business of Shenzhen Littlebee is in compliance with applicable legal requirements and has been operating under valid license(s) and permit(s);
5. No third parties having sought at any courts or governmental authority in any jurisdictions any litigation or proceedings, pending or threatened, which would restrict or prohibit the transactions contemplated under the Formal Agreement or which would seek to declare the contemplated transactions as illegal or which would claim for material compensation or damages for losses arising from such transactions; and
6. All necessary consents and approvals in relation to transactions contemplated under the Formal Agreement having been obtained by the Company and the Vendors, and the Company and the Vendors having complied with the relevant laws, and no rules or regulations to forbid or seriously delay the performance and completion of the Formal Agreement having been imposed by relevant authorities.

The conditions precedent 2 to 5 set out above may only be waived by the Company in accordance with the Formal Agreement. The conditions precedent 1 and 6 set out above shall not be waived by any party to the Formal Agreement. The Vendors shall use their reasonable endeavors to procure the fulfillment of the conditions precedent 2 to 5 set out above.

If the conditions precedent set out above are not fulfilled or waived on or before the Long Stop Date, the Formal Agreement shall lapse, and each party of the MOU shall make no claim against the other party except for any antecedent breaches.

Profit Guarantee

The Formal Agreement shall include terms to the effect that the Vendors will irrevocably warrant and guarantee to the Company that the audited consolidated net profits after tax of the Target Group prepared for the three financial years ending 31 December 2018, 31 December 2019 and 31 December 2020 respectively will not be less than RMB20,000,000 (the “**2018 Guaranteed Profit**”), RMB40,000,000 (the “**2019 Guarantee Profit**”) and RMB60,000,000 (the “**2020 Guarantee Profit**”) respectively. If the actual audited consolidated net profits after tax of the Target Group for the financial year ending 31 December 2018 (the “**2018 Actual Profit**”), the financial year ending 31 December 2019 (the “**2019 Actual Profit**”) and the financial year ending 31 December 2020 (the “**2020 Actual Profit**”) are less than the respective 2018 Guarantee Profit, 2019 Guarantee Profit and 2020 Guaranteed Profit, then the Vendors shall, on a multiplier basis as to be agreed upon by the Vendors and Company in the Formal Agreement, pay to the Company the shortfall in cash or the consideration Shares of equivalent amount. Alternatively, consideration Shares may be issued and allotted to the Vendors depending on the fulfilment of the Profit Guarantee in stages.

Completion

Completion shall proceed within seven (7) Business Days (or such other date as the Company and the Vendors may agree in writing) after fulfillment or waiver of the conditions precedent to be set out in the Formal Agreement.

Exclusivity

The Vendors will not, for a period of nine (9) months from the date of the MOU (or such later date to be agreed by the Company and the Vendors), negotiate or procure its directors, officers, employees, representatives and agents to negotiate, directly or indirectly, with any party (other than the Company) in respect of the sale of equity interests in the Target Company or a significant part of the business of the Target Group or a similar transaction.

Binding Effect

Except that the clauses on exclusivity, confidentiality, assistance on due diligence, dispute resolution and interpretation shall be binding upon the Company and the Vendors, other clauses set out in the MOU are subject to the negotiation and execution of the Formal Agreement and shall not be binding upon the Company and the Vendors.

INFORMATION OF THE TARGET COMPANY

The Target Company will be established as an offshore holding company of Shenzhen Littlebee. The Target Group will be principally engaged in businesses of blockchain technology development and application; development, sales and leasing of computer hardware and software technology; computer system integration; computer and auxiliary equipment sales; database services and database management; computer system analysis and technical services; big data technology development, artificial intelligence

technology development, and other related services. The Target Group will form a strategic partnership with Littlebee Technology, a Singapore company whose principal business is the development and application of blockchain technology.

REASONS FOR AND BENEFITS OF THE PROPOSED ACQUISITION

The Group is principally engaged in securities trading and investment, securities brokerage and provision of securities margin finance, property investment, loan financing services and trading of construction materials.

Blockchain technology has increasingly been applied in a broad spectrum of fintech and other business areas. By leveraging the Group's resource and experience, the Company aims to develop and capture business opportunities in the application of blockchain technology in areas involving ecological scenarios of enterprise value chain activities, including the provision of tailored business and operational services, design and maintenance of trading systems, and the creation and operation of communal platform for intellectual property transactions.

The Directors consider the terms of the MOU are fair and reasonable and that the Proposed Acquisition is in the interest of the Company and Shareholders as a whole.

GENERAL

The Board wishes to emphasise that the Proposed Acquisition may or may not proceed and that the Company and the Vendors have not entered into any binding agreement in relation to the Proposed Acquisition as at the date of this announcement. If the Proposed Acquisition materialises, it will likely constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares. The Company will make further announcement in respect of the Proposed Acquisition as and when appropriate in accordance with the Listing Rules.

DEFINITIONS

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

“Board”	board of the Directors
“Business Day(s)”	day(s) on which licensed banks in Hong Kong and PRC are open for business
“Company”	Lamtex Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1041)

“Completion”	the completion of the Proposed Acquisition, which shall proceed within seven (7) Business Days (or such other date as the Company and the Vendors may agree) after fulfilment or waiver of the conditions precedent set out in the Formal Agreement
“Consideration”	the consideration payable by the Company to the Vendors for 51% of the equity interests of the Target Company, which shall be determined after arm’s length negotiation between the Company and the Vendors and set out in the Formal Agreement
“Directors”	directors of the Company
“Formal Agreement”	a formal sale and purchase agreement to be entered into between the Company and the Vendors in respect of the Proposed Acquisition
“Group”	the Company and its subsidiaries
“Guangda Global Capital Management	光大全球資本管理(北京)有限公司 (Guangda Global Capital Management (Beijing) Company Limited*), a company incorporated in the PRC with limited liability, which shall hold 50% equity interest in the Target Company
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Littlebee Technology”	Littlebee Technology Pte Ltd, a company applying blockchain technology incorporated in Singapore with limited liability
“Long Stop Date”	31 October 2018 (or such later date as the Company and the Vendors may agree in writing)
“Mr. Wei”	魏廷鏞 (Wei Tingjie*), who shall hold 50% equity interest in the Target Company
“MOU”	the memorandum of understanding dated 1 June 2018 entered into between the Company and the Vendors in relation to the Proposed Acquisition
“PRC”	the People’s Republic of China which, for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan

“Proposed Acquisition”	the proposed acquisition by the Company of 51% of the equity interests of the Target Company
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	share(s) of HK\$0.005 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Shenzhen Littlebee”	深圳小蜂信息技術有限公司 (Shenzhen Littlebee Information Technology Company Limited*), a company incorporated in the PRC with limited liability, which will be a wholly-owned subsidiary of the Target Company, and a strategic partner of Littlebee Technology
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	an investment holding company to be established as an offshore company holding 100% of the equity interests of Shenzhen Littlebee
“Target Group”	The Target Company and Shenzhen Littlebee
“Vendors”	Guangda Global Capital Management and Mr. Wei

By order of the Board
Lamtex Holdings Limited
Wu Xiaolin
Executive Director

Hong Kong, 1 June 2018

As at the date of this announcement, the Board comprises two Executive Directors, namely Mr. Wu Xiaolin and Mr. Fan Kaiye; two Non-Executive Directors, namely Mr. Lung Chee Ming George and Mr. Liu Zhanqing; and three Independent Non-Executive Directors, namely Dr. Loke Yu (alias Loke Hoi Lam), Mr. Tse Long and Mr. Zeng Zhaolin.

* *For identification purposes only*