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## **PINE TECHNOLOGY HOLDINGS LIMITED**

**松景科技控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1079)**

### **MEMORANDUM OF UNDERSTANDING IN RELATION TO THE POSSIBLE CAPITAL INJECTION**

The Board is pleased to announce that on 3 December 2019 (after trading hours of the Stock Exchange), the Company and the Target Company entered into the MOU in relation to the Possible Capital Injection into the Target Company, such that after Completion, the Company is expected to hold an equity interest of not exceeding 15% in the Target Company.

The Target Company, a company established in the PRC, is principally engaged in the research and development of glasses-free 3D technology and related products. Its products and services include glasses-free 3D screen protect for electronic devices such as mobile phone and tablet, glasses-free 3D display/advertising lightbox, glasses-free 3D multi-screens display wall and glasses-free 3D giant LED screen.

The amount of capital contribution in the Target Company is subject to further negotiation between the Company, the Target Company and/or all shareholders of the Target Company and is expected to be satisfied by the Company by way of cash or other kind of consideration as agreed between the Company, the Target Company and/or all shareholders of the Target Company.

**The Possible Capital Injection may or may not proceed. Shareholders and investors are reminded to exercise caution when dealing in the Shares. The Possible Capital Injection, if materialises, may constitute a notifiable transaction for the Company under the Listing Rules. Should the Company enter into the Formal Agreement or decide to terminate the MOU or there be any material development on the Possible Capital Injection, the Company will inform the Shareholders and investors by way of announcement(s) in accordance with the Listing Rules as and when appropriate.**

\* For identification purposes only

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

## **THE MOU**

The Board is pleased to announce that on 3 December 2019 (after trading hours of the Stock Exchange), the Company and the Target Company entered into the MOU in relation to the Possible Capital Injection. Principal terms of the MOU are set out below.

Date: 3 December 2019

Parties: (i) the Company; and  
(ii) the Target Company

The Target Company, a company established in the PRC, is principally engaged in the research and development of glasses-free 3D technology and related products. Its products and services include glasses-free 3D screen protect for electronic devices such as mobile phone and tablet, glasses-free 3D display/advertising lightbox, glasses-free 3D multi-screens display wall and glasses-free 3D giant LED screen.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Target Company and its ultimate beneficial owners is an Independent Third Party. As confirmed by the Target Company, as at the date of this announcement, the Target Company and its associates do not hold any Share or other securities in the Company.

### **The Possible Capital Injection**

As at the date of this announcement, the registered capital of the Target Company is RMB1,000,000 (equivalent to approximately HK\$1,113,200), and the entire equity interest of which is wholly and beneficially owned by Shenzhen Weichao.

The amount of capital contribution in the Target Company is subject to further negotiation between the Company, the Target Company and/or all shareholders of the Target Company, and is expected to be satisfied by the Company by way of cash or other kind of consideration as agreed between the Company, the Target Company and/or all shareholders of the Target Company. Upon completion of the Possible Capital Injection, the Company is expected to hold an equity interest of not exceeding 15% in the Target Company.

## **Formal Agreement**

If the Formal Agreement is not entered into upon the expiry of 60 days from the date of the MOU (or such later date as the Company and the Target Company may agree), the MOU shall cease and determine and neither party shall have any obligations and liabilities thereunder save for any antecedent breaches of the terms thereof.

The Company, the Target Company and/or all shareholders of the Target Company shall proceed to the negotiation of the Formal Agreement on or before the date falling 60 days from the date of the MOU (or such later date to be agreed by the parties to the MOU).

If the Formal Agreement is entered into, the Possible Capital Injection may constitute a notifiable transaction on the part of the Company pursuant to the Listing Rules. In this regard, the Company will comply with the reporting, disclosure and/or Shareholders' approval requirements under the Listing Rules as and when appropriate.

## **Conditions precedent**

Pursuant to the MOU, Completion shall be conditional upon the fulfilment of the following conditions precedent:

- (i) the Company being satisfied with the results of the due diligence review to be conducted after signing of the MOU;
- (ii) all necessary consents and approvals required to be obtained on the part of the Target Company in respect of the Formal Agreement and the transactions contemplated thereunder having been obtained;
- (iii) all necessary consents and approvals required to be obtained on the part of the Company in respect of the Formal Agreement and the transactions contemplated thereunder having been obtained;
- (iv) there is no situations, facts or circumstances that would or might render the warranties or terms under the Formal Agreement being breached;
- (v) (if required) the passing of the ordinary resolution(s) by the Shareholders at a special general meeting of the Company approving the Formal Agreement and the transactions contemplated thereunder;
- (vi) the warranties given by the Target Company under the Formal Agreement remain true, accurate and not misleading in all material respects; and
- (vii) any other conditions agreed by the Company, the Target Company and/or all shareholders of the Target Company to be included in the Formal Agreement.

Upon signing of the MOU, the Company shall, and shall procure that its advisers and agents shall conduct such review of the assets, liabilities, operations and affairs of the Target Company, as it may consider appropriate, and the Target Company shall provide and procure the Target Company and its respective agents to provide such assistance as the Company and its advisers and agents may require in connection with such review so as to enable the review to be completed as soon as possible.

### **Exclusivity period**

The Target Company agreed that it will not and will procure that the Target Company and its respective directors, officers, employees, representatives and agents will not, directly or indirectly, for a period of 60 days from the date of the MOU, (i) solicit, initiate or encourage enquiries or offers from; or (ii) initiate or continue negotiations or discussions with or furnish any information to; or (iii) enter into any agreement or statement of intent or understanding with, any person or entity other than the Company with respect to the sale or other disposition of the equity interest in or change the registered capital of the Target Company.

### **Legal effect**

The MOU is non-legally binding save for the provisions relating to, among other things, due diligence, exclusivity, confidentiality, costs and governing law and jurisdiction of the MOU.

### **REASONS FOR AND BENEFITS OF THE POSSIBLE CAPITAL INJECTION**

The Company is an investment holding company and the Group is principally engaged in the design, manufacturing and distribution of personal computer-based products and distribution of a wide range of personal computer and non-personal computer products through its extensive distribution network; provision of professional information technology high-tech industry services, including but not limited to, e-government solutions research and software development and money lending business.

The Board believes that the Possible Capital Injection would allow the Group to diversify its existing business and it is beneficial for the Group to seek suitable investment opportunities in 3D technology industry. The Possible Capital Injection, if materialised, is expected to enable the Group to further explore favourable business and development opportunities. Hence, the Board is of the view that the entering into of the MOU is in the interest of the Group and the Shareholders as a whole.

**The Possible Capital Injection may or may not proceed. Shareholders and investors are reminded to exercise caution when dealing in the Shares. The Possible Capital Injection, if materialises, may constitute a notifiable transaction for the Company under the Listing Rules. Should the Company enter into the Formal Agreement or decide to terminate the MOU or there be any material development on the Possible Capital Injection, the Company will inform the Shareholders and investors by way of announcement(s) in accordance with the Listing Rules as and when appropriate.**

## DEFINITIONS

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

“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (other than a Saturday or a Sunday or public holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“Company”	PINE Technology Holdings Limited, a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on the Stock Exchange (stock code: 1079)
“Completion”	completion of the Possible Capital Injection pursuant to the terms and conditions of the Formal Agreement
“connected person”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	director(s) of the Company
“Formal Agreement”	the formal agreement which may or may not be entered into in relation to the Possible Capital Injection
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) independent of the Company and connected persons of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MOU”	the memorandum of understanding dated 3 December 2019 entered into between the Company and the Target Company setting out preliminary understanding in relation to the Possible Capital Injection
“Possible Capital Injection”	the possible injection of capital to the registered capital of the Target Company

“PRC”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$0.1 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the issued Share(s)
“Shenzhen Weichao”	深圳市維超智能科技有限公司 (transliterated as Shenzhen Weichao Intelligent Technology Company Limited <sup>#</sup> ), a company established in the PRC with limited liability
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto under the Listing Rules
“Target Company”	肇慶市維超智能科技有限公司 (transliterated as Zhaoqing Weichao Intelligent Technology Company Limited <sup>#</sup> ), a company established in the PRC with limited liability, the equity interest of which is wholly and beneficially owned by Shenzhen Weichao as at the date of this announcement
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“%”	per cent

*For the purpose of this announcement, unless the context otherwise requires, conversion of RMB into Hong Kong dollars is based on the approximate exchange rate of RMB1.00 to HK\$1.1132. This exchange rate is adopted for the purpose of illustration purpose only and does not constitute a representation that any amounts have been, could have been, or may be, exchanged at this rate or any other rates at all.*

By order of the Board  
**PINE Technology Holdings Limited**  
**Zhang Sanhuo**  
*Chairman*

Hong Kong, 3 December 2019

*# the English translation of Chinese names or words in this announcement, where indicated, is included for information purpose only, and should not be regarded as the official English translation of such Chinese names or words.*

*As at the date of this announcement, the executive Directors are Mr. Zhang Sanhuo, Mr. Chan Cheuk Ho and Mr. Chiu Hang Tai; and the independent non-executive Directors are Mr. So Stephen Hon Cheung, Mr. Zhou Chunsheng and Mr. Tian Hong.*