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## **WINTO GROUP (HOLDINGS) LIMITED**

### **惠陶集團(控股)有限公司**

*(Incorporated in Cayman Islands with limited liability)*

**(Stock code: 8238)**

## **DISCLOSEABLE TRANSACTION RELATING TO TRADING OF SHARES IN A LISTED COMPANY**

The Company announces that the Group has acquired from the open market shares in Tech Pro.

As the relevant percentage ratios of the acquisition of the shares in Tech Pro are between 5% and 25%, the acquisition would have constituted a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules.

## **INVESTMENT IN SHARES OF A LISTED COMPANY**

Winto Group (Holdings) Limited announces that the Group has acquired shares in Tech Pro (the “Tech Pro Shares”) from the open market with details as follows:

<b>Name of company</b>	<b>Date</b>	<b>Acquisition</b>	
		<b>No. of shares</b>	<b>Consideration</b>
Tech Pro	9 March 2016	2,400,000	HK\$5,154,471

As at the date of this announcement, the Group holds 2,400,000 shares in Tech Pro (representing about approximately 0.037% of the issued capital of Tech Pro) with a market value of approximately HK\$576,000.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the vendors of the Tech Pro Shares and their ultimate beneficial owners are third parties independent of the Company and its connected persons.

The aggregate consideration for the Acquisition of the Tech Pro Shares is approximately HK\$5,154,000. The consideration was determined based on the market price of the Tech Pro Shares at the time of purchase. The consideration was settled through the internal resources of the Company.

## **INFORMATION ABOUT TECH PRO**

Tech Pro (including its subsidiaries) is principally engaged in the manufacturing and sale of LED lighting products and accessories, provision of energy efficiency services, development and promotion of a professional football club and provision of property sub-leasing and management services. The net loss before taxation of Tech Pro amounted to RMB282,044,000 and RMB267,072,000 for the two financial years ended 31 December 2015 and 31 December 2014 respectively. The net loss after taxation of Tech Pro amounted to RMB238,225,000 and RMB242,246,000 for the two financial years ended 31 December 2015 and 31 December 2014 respectively.

## **REASONS FOR THE INVESTMENT IN TECH PRO**

The Group is principally engaged in the sales and free distribution of Chinese language lifestyle magazines, the sales of advertising space in the magazines and provision of outdoor advertising services and e-commerce business.

Trading in listed securities in Hong Kong (including shares of Tech Pro) can better utilise the financial resources of the Group with a view of improving returns for the Group and is beneficial to the Company and the Shareholders as a whole.

Given that the Acquisition was made on prevailing market prices, the Directors consider that the Acquisition was made on normal commercial terms, the terms of which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **GEM LISTING RULES IMPLICATIONS**

As the relevant percentage ratios of the acquisition of the 2,400,000 shares of in Tech Pro by the Group are between 5% and 25%, the acquisition constituted a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules. The Company did not comply with the reporting and announcement requirements due to inadvertent oversight. At the time of the Acquisition, the Company treated it as an exercise of a treasury function instead of undergoing a merger and acquisition transaction, and hence the oversight.

In order to improve the situation, the Company has undertaken a thorough review on its internal procedures for handling possible transactions and decided to implement a series of measures to guard against any possible recurrence of non-compliance in the future, which include adopting the following internal procedures designed for ensuring compliance with the GEM Listing Rules and other applicable laws and regulations by the Group:

- (i) all proposed transactions should be reviewed by and discussed among all executive Directors, the financial controller and the Company Secretary of the Company; and
- (ii) a procedure should be set up to ensure prior consultation by other departments with the company secretarial department of the Company, and where appropriate, the Company's legal advisor, on any GEM Listing Rules implications and actions required to be taken in order to ensure full compliance.

In light of the measures to be adopted, the Company is confident that the risk of recurrence of possible non-compliance in the future could be minimised. The Directors will endeavour to fully comply with the GEM Listing Rules on an on-going basis.

## DEFINITIONS

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

“Acquisition”	the acquisition of an aggregate of 2,400,000 Tech Pro shares by the Company
“Board”	the board of Directors
“Company”	Winto Group (Holdings) Limited, a company incorporated in the Cayman Islands with limited liability, whose issued shares are listed on GEM
“Director(s)”	director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of PRC
“Shareholder(s)”	holder(s) of shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tech Po”	Tech Pro Technology Development Limited, a company whose shares are listed on the Main Board of the Stock Exchange under stock code: 3823
“%”	per cent.

By order of the Board  
**Winto Group (Holdings) Limited**  
**Kwan Shun Keung Timmy**  
*Chairman*

Hong Kong, 29 August 2016

*As at the date of this announcement, the Board comprises Mr. Kwan Shun Keung Timmy, Mr. Mak Wai Kit and Ms. Law Shiu Wai as executive directors; Mr. Liu Kwong Chi Nelson as non-executive director; and Mr. Tsang Ho Ka Eugene, Ms. Wong Fei Tat and Mr. Pang Siu Yin as independent non-executive directors.*

*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, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at <http://www.hkgem.com> for at least 7 days from the date of its posting and be posted and remains on the website of the Company at <http://www.wintogroup.hk>*