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**中彩網通控股有限公司**  
**China Netcom Technology Holdings Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8071)**

**DISCLOSEABLE TRANSACTION**  
**DISPOSAL OF 30% INTEREST IN JINGCAI MINGTIAN**

On 2 April 2013, the Vendor, an indirect 51% owned subsidiary of the Company, entered into the Agreement with the Purchaser, pursuant to which the Vendor has agreed to sell and the Purchaser has agreed to purchase 30% equity interest in the Target at the total consideration of RMB8,571,429 (equivalent to approximately HK\$10,714,000).

The Disposal constitutes a discloseable transaction for the Company under the GEM Listing Rules and is subject to the reporting and announcement requirements.

The Board wishes to announce that on 2 April 2013, the Purchaser and the Vendor entered into the Agreement in respect of the Disposal.

The principal terms of the Agreement are set out below:

**THE AGREEMENT**

**Date**

2 April 2013

**Parties**

Vendor : Huancai Puda, an indirect 51% owned subsidiary of the Company.

Purchaser : The Purchaser, a company established in the PRC and principally engaged in software development and holding of 60% equity interest in the Target.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Purchaser and its ultimate beneficial owner is an Independent Third Party.

The Third Party, being a natural person of Chinese nationality, was also a party to the Agreement. The Third Party holds 10% equity interest in the Target and is an employee of Huancai Puda. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, save as disclosed above, the Third Party is an Independent Third Party. Pursuant to the Agreement, no material rights or obligations were granted to or binding on the Third Party.

### **Assets to be disposed**

Pursuant to the Agreement, the Vendor has agreed to sell and the Purchaser has agreed to purchase the Equity Interest, being 30% of the equity interest in the Target.

### **Consideration**

The Consideration for the Equity Interest shall be RMB8,571,429 (equivalent to approximately HK\$10,714,000), which shall be paid by the Purchaser to the Vendor in the following manner:

- (a) as to RMB3,428,572 (equivalent to approximately HK\$4,286,000) in cash within five business days after the entering into of the Agreement; and
- (b) as to RMB5,142,857 (equivalent to approximately HK\$6,429,000) in cash within five business days after Completion.

### **Basis of Consideration**

The Consideration was arrived at after arm's length negotiations between the Vendor and the Purchaser on normal commercial terms principally with reference to (i) Huancai Puda's contribution to the registered capital of the Target in the amount of RMB8,571,429 (equivalent to approximately HK\$10,714,000) by way of technology; and (ii) the carrying value of the Equity Interest as at 31 December 2012 of approximately RMB7,000,000 (equivalent to approximately HK\$8,750,000).

### **Completion**

Completion shall take place upon completion of the registration of the transfer of the Equity Interest from the Vendor to the Purchaser at the relevant PRC government authorities. Pursuant to the Agreement, such registration process shall be commenced within three business days after the entering into of the Agreement.

### **INFORMATION ON THE TARGET**

The Target is a company established in the PRC on 6 August 2012 and is principally engaged in the development of computer software, hardware and application system, sale of self-developed technology and trading of automated system equipment and communication devices.

As at the date of the Agreement, the Target was owned as to 30% by the Vendor, as to 60% by the Purchaser, and as to 10% by the Third Party.

Set out below is the unaudited financial information of the Target for the period from 6 August 2012 (its date of establishment) up to 31 December 2012:

	<b>From 6 August 2012 (date of establishment of the Target) up to 31 December 2012</b>
	<i>RMB'000</i>
Net loss before taxation	(975)
Net loss after taxation	(975)
Net assets	27,755

## **REASONS FOR THE DISPOSAL**

The Group is principally engaged in the trading of computer hardware and software, the provision of lottery system management service and operation of lottery sales halls services in the PRC.

The Group's investment in the Target did not result in positive impact on the Group's operational and financial performance as expected. As such, the Directors consider that the Group should not devote further resources into the Target and should realize the Group's investment in the Target.

The Directors expect that an unaudited gain of approximately RMB1,000,000 (equivalent to approximately HK\$1,250,000), being the difference between the Consideration and the carrying amount attributable to the Equity Interest and costs in relation to the Disposal, will be recognized as a result of the Disposal. The actual gain or loss as a result of the Disposal to be recorded by the Group is subject to audit and will be determined as at the date of Completion.

The Directors also expect that the net proceeds from the Disposal will be used as general working capital of the Group.

Following Completion, the Group will not own any interest in the Target.

The Directors are of the view that the terms of the Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **GEM LISTING RULES IMPLICATIONS**

The Disposal constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements.

## DEFINITIONS

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

“Agreement”	the agreement dated 2 April 2013 entered into among the Purchaser, the Vendor and the Third Party in relation to the Disposal
“Board”	the board of Directors
“Company”	China Netcom Technology Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on GEM
“Completion”	completion of the registration of the transfer of the Equity Interest from the Vendor to the Purchaser at the relevant PRC government authorities
“Consideration”	the consideration of RMB8,571,429 (equivalent to approximately HK\$10,714,000) payable by the Purchaser to the Vendor pursuant to the Agreement
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Equity Interest pursuant to the Agreement
“Equity Interest”	the 30% equity interest in the Target held by the Vendor
“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
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	an independent third party who is not a connected person (as defined under the GEM Listing Rules) of the Company
“PRC”	the People’s Republic of China

“Purchaser”	the purchaser of the Equity Interest under the Agreement, which is an Independent Third Party
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the holder(s) of the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target” or “Jingcai Mingtian”	深圳市精彩明天科技有限公司 (Shenzhen Jingcai Mingtian Technology Company Limited), a limited liability company established in the PRC
“Third Party”	a natural person of Chinese nationality who is a party to the Agreement and holds 10% equity interest in the Target
“Vendor” or “Huancai Puda”	深圳環彩普達科技有限公司 (Shenzhen Huancai Puda Technology Company Limited), being the vendor of the Equity Interest under the Agreement, which is an indirect 51% owned subsidiary of the Company

The English translation of the Chinese names is included for information purpose only and should not be regarded as their official English translation.

For the purpose of illustration only, amounts denominated in RMB in this announcement have been translated into HK\$ at the rate of RMB1 = HK\$1.25. Such translations should not be construed as a representation that the amounts in question have been, could have been or could be converted at any particular rate at all.

By order of the Board  
**China Netcom Technology Holdings Limited**  
**Ng Kwok Chu, Winfield**  
*Executive Director*

Hong Kong, 2 April 2013

*As at the date of this announcement, the executive Directors are Mr. Leung Ngai Man, Mr. Ng Kwok Chu, Winfield and Ms. Wu Wei Hua; the non-executive Director is Mr. Gao Shikui; and the independent non-executive Directors are Mr. Cai Wei Lun, Mr. Qi Ji and Mr. Niu Zihui.*

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, 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 [www.hkgem.com](http://www.hkgem.com) for a minimum period of 7 days from the date of its publication and on the Company’s website at [www.chinanetcomtech.com](http://www.chinanetcomtech.com).*