

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



UTS MARKETING SOLUTIONS HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6113)

DISCLOSEABLE TRANSACTION ACQUISITION OF PROPERTY IN MALAYSIA

THE ACQUISITION

The Board is pleased to announce that on 24 July 2020 (after trading hours), the Purchaser, being an indirect wholly-owned subsidiary of the Company, entered into the Acquisition Agreements with the Vendor in relation to the Acquisition, pursuant to which the Purchaser has agreed to purchase and the Vendor has agreed to sell the Property at the Consideration of RM17,934,870 (equivalent to approximately HK\$32,910,490).

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements but is exempt from shareholders' approval requirement under Chapter 14 of the Listing Rules.

INTRODUCTION

The Board is pleased to announce that on 24 July 2020 (after trading hours), the Purchaser, being an indirect wholly-owned subsidiary of the Company, entered into the Acquisition Agreements with the Vendor in relation to the Acquisition, pursuant to which the Purchaser has agreed to purchase, and the Vendor has agreed to sell, the Property at the Consideration of RM17,934,870 (equivalent to approximately HK\$32,910,490).

The principal terms of the Acquisition Agreements are summarized below.

THE ACQUISITION AGREEMENTS

Date: 24 July 2020

Parties: (1) Purchaser: UTS MARKETING SOLUTIONS SDN. BHD., an indirect wholly-owned subsidiary of the Company

(2) Vendor: LIM LEGACY DEVELOPMENT SDN BHD

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

SUBJECT OF THE ACQUISITION

Pursuant to the Acquisition Agreements, the Purchaser has agreed to purchase, and the Vendor has agreed to sell, the Property.

The Properties comprises of 18 office suites (the "**Property**") with a total provisional floor sizes of 27,806 square feet with storage areas of 200 square feet locating at Millerz Square @ Old Klang Road, Kuala Lumpur, Malaysia (the "**Development**").

As advised by the Vendor, the Development is in the course of construction and the expected completion date is in or around July 2024, approximately 48 months from the date of the Acquisition Agreements and the date of delivery of vacant possession of the Property.

The estimate market value of the Property is RM17,960,000 as at 23 June 2020 based on a valuation report of the Development prepared on a market basis conducted by an independent professional valuer assuming the Property is fully completed in accordance with the approved building plans as at 23 June 2020.

CONSIDERATION

The Consideration of RM17,934,870 (equivalent to approximately HK\$32,910,490) has been determined after arm's length negotiation between the Vendor and the Purchaser on normal commercial terms with reference to the valuation of the Property and the prevailing market price of adjacent properties within the accessible distance.

The Consideration shall be payable by the Purchaser to the Vendor in the following manner:

- (i) An initial deposit in the sum of RM1,793,487, representing 10% of the total Consideration, has been paid upon signing of the Acquisition Agreements;
- (ii) A deposit in the sum of RM4,483,695, representing 25% of the total Consideration, shall be paid within 14 days after the completion of earth works and piling works;
- (iii) A deposit in the sum of RM3,586,956, representing 20% of the total Consideration, shall be paid within 14 days after the completion of the structural work;

- (iv) A deposit in the sum of RM3,138,586.50, representing approximately 17.5% of the total Consideration, shall be paid within 14 days after the completion of door and window frames, wirings, the internal and external finishes of the Property;
- (v) A deposit in the sum of RM4,035,325.50, representing 22.5% of the total Consideration, shall be paid within 14 days after the completion of the sewerage works, drains and roads serving the Property; and
- (vi) The remaining balance in the sum of RM896,743.50, representing 5% of the total Consideration, shall be paid upon Completion.

The Consideration will be financed by the internal resources of the Group.

CONDITIONS PRECEDENT

Completion of the Acquisition Agreements shall be conditional upon fulfillment of the following conditions precedent:

- (i) the freehold land the Development situated is free from any encumbrances;
- (ii) the Acquisition Agreements and the transactions contemplated thereunder having been approved by the Board;
- (iii) if required, the consent and approval from the regulatory authorities having been obtained; and
- (iv) the pre-sale approval, the construction permit and the other relevant approvals of the Development having been obtained by the Vendor from certain authorities in accordance with the timeframe specified in the Acquisition Agreements.

Completion of the Acquisition Agreements shall take place on or before the date falling forty-eight (48) months from the date of the Acquisition Agreements (the “**Completion Period**”).

If the Vendor fails to deliver vacant possession of the Property by the expiry of the Completion Period, the Vendor shall be liable to pay the Purchaser liquidated damages calculated day by day at a rate of 10% per annum of the Consideration from the expiry of Completion Period until the Purchaser received a notice from the Vendor that the Purchaser can take vacant possession of the Property.

INFORMATION OF THE GROUP & THE VENDOR

The principal businesses of the Group include the provision of outbound telemarketing services and contact centre facilities for promotion of financial products and its related activities issued by authorised financial institutions, card companies or organisations worldwide.

The Vendor is a company incorporated in Malaysia and is principally engaged in property development.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Board believes that the price and rents for office suites in Kuala Lumpur, being one of prime locations in Malaysia, will be able to maintain their growth momentum. The Property is intended to be used as the office of the Company. The Acquisition will minimize the potential foreseeable increase in the rental expense after the Completion and may further provide capital appreciation potential to the Group, and the Property, if leased, will enable the Group to generate rental income and strengthen its income base.

In view of the above, the Directors are of the view that the terms of the Acquisition Agreements are fair and reasonable and the entering into of the Acquisition Agreements is in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As the highest applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of the Acquisition exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements but is exempt from shareholders' approval requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Acquisition”	the acquisition of respective office of the Property by the Purchaser from the Vendor pursuant to the terms and conditions of the Acquisition Agreements;
“Acquisition Agreements”	18 acquisition agreements dated 24 July 2020 and entered into between the Vendor and the Purchaser in relation to the Acquisition;
“Board”	the board of Directors from time to time;
“Company”	UTS Marketing Solutions Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange;
“Completion”	the completion of the Acquisition pursuant to the terms and conditions of the Acquisition Agreements;
“Consideration”	RM17,934,870, being the total consideration payable by the Purchaser to the Vendor in respect of the Acquisition;
“Directors”	the director(s) of the Company;
“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 People’s Republic of China;
“Independent Third Party(ies)”	third party(ies) independent of the Company and its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended, supplemented or otherwise modified from time to time;
“Property”	collectively 18 office suites with a provisional floor size of 27,806 square feet and storage areas of 200 square feet locating at Millerz Square @ Old Klang Road, Kuala Lumpur;
“Purchaser”	UTS MARKETING SOLUTIONS SDN. BHD., an indirect wholly-owned subsidiary of the Company;
“RM”	Malaysian Ringgit, the lawful currency of Malaysia from time to time;
“Shareholder(s)”	the shareholder(s) of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Vendor”	LIM LEGACY DEVELOPMENT SDN BHD, a company incorporated in Malaysia;
“%”	per cent.

By Order of the Board
UTS Marketing Solutions Holdings Limited
Ng Chee Wai
Chairman and Executive Director

Hong Kong, 24 July 2020

As at the date of this announcement, the executive Directors are Mr. Ng Chee Wai (Chairman), Mr. Lee Koon Yew (Chief Executive Officer) and Mr. Kwan Kah Yew; and the independent non-executive Directors are Mr. Lee Shu Sum Sam, Mr. Kow Chee Seng and Mr. Chan Hoi Kuen Matthew.