

*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: PROVISION OF FINANCIAL ASSISTANCE ADVANCE TO AN ENTITY EXTENSION OF THE REPAYMENT DATE**

Reference is made to the announcements of the Company dated 31 January 2019 and 8 July 2019.

On 8 July 2020, UTS Malaysia, Exsim and Mightyprop entered into the Extension Agreement, pursuant to which Exsim has undertaken to (i) repay the Advance on or before 30 June 2021 and (ii) pay the interest calculated at the rate of 10% per annum on a daily basis accrued from 4 February 2019 up to the date of repayment and payable on 7 January 2021 and 7 July 2021 and UTS Malaysia agreed to such arrangement.

The Extension Agreement constitutes financial assistance under the Listing Rules. As the highest applicable percentage ratio as calculated under Rule 14.06 of the Listing Rules in respect of the Extension Agreement is more than 5% but less than 25%, the Extension Agreement constitutes a discloseable transaction on the part of the Company under Chapter 14 of the Listing Rules. The Extension Agreement is subject to the reporting and announcement requirements but is exempted from shareholders' approval requirement under Chapter 14 of the Listing Rules.

Since the Advance in the sum of RM12,000,000 is more than 8% of the assets ratio, it is required to be announced under Rule 13.13 of the Listing Rules.

Reference is made to the announcements of UTS Marketing Solutions Holdings Limited (the “**Company**”) dated 31 January 2019 and 8 July 2019 (collectively, the “**Announcements**”) in relation to the Agreement dated 31 January 2019 entered into between UTS Malaysia, Exsim and Mightyprop in relation to the Advance. Unless otherwise stated, capitalised terms used herein shall denote the same meanings as those defined in the Announcement.

As disclosed in the Announcements, Exsim has undertaken to repay the Advance in the sum of RM12,000,000 in full within 12 months from 1 July 2019, i.e. 30 June 2020, with the interest of 10% per annum.

## **EXTENSION AGREEMENT**

Upon further negotiations between UTS Malaysia, Exsim and Mightyprop, on 8 July 2020, the parties entered into an extension agreement (the “**Extension Agreement**”), pursuant to which Exsim has undertaken to (i) repay the Advance on or before 30 June 2021 and (ii) pay the interest calculated at the rate of 10% per annum on a daily basis accrued from 4 February 2019 up to the date of repayment and payable on 7 January 2021 and 7 July 2021 and UTS Malaysia agreed to such arrangement (the “**Extension**”).

Save for the aforesaid, all other terms of the Agreement shall remain the same and in full force and effect.

## **CONDITION PRECEDENT**

The Extension Agreement shall be subject to the condition precedent that the Company having complied with all the requirements under the Listing Rules.

## **INFORMATION OF EXSIM AND MIGHTYPROP**

As at the date of this announcement, Exsim and Mightyprop are principally engaged in the business of property development in Malaysia. To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, Exsim, Mightyprop and their respective ultimate beneficial owners are Independent Third Parties and not connected with the Group as at the date of this announcement.

## **REASONS FOR, AND BENEFITS OF, THE EXTENSION AGREEMENT**

The Company and its subsidiaries principally provide telemarketing services of financial products for its clients which are mainly banks and insurance companies.

The outbreak of COVID-19 has seriously affected the economy, property market and business operations in Malaysia. Following the announcements by the Government of Malaysia on the Movement Control Order which has taken place since 18 March 2020, the Conditional Movement Control Order since 4 May 2020 and the Recovery Movement Control Order since 10 June 2020, the business of Exsim has been seriously affected and it is difficult for Exsim to repay the Advance on or before the originally contemplated repayment date, i.e. 30 June 2020. The business started to improve recently.

Given the aforesaid and the wishes of the Group to fully utilize the financial resources and the potential return of the Advance is higher than merely depositing the financial resources of the Group in commercial banks, the Group has decided to enter into the Extension Agreement.

The terms of the Extension Agreement were negotiated on an arm’s length basis between the Group and Exsim based on, amongst others, the financial conditions of Exsim, the Group’s assessment on the source of funds for repayment and the business conditions of Exsim and Mightyprop and the business plans of the Group in the forthcoming year. Taking into account the interest income expected to be generated as a result of the Extension, the

Directors consider that the terms and conditions of the Extension Agreement are on normal commercial terms and are fair and reasonable and that the Extension Agreement is in the interest of the Company and the Shareholders as a whole.

The Board considers that, despite the Extension Agreement, there will not be any material adverse impact on the existing business operations and prospects of the Group.

#### **LISTING RULES IMPLICATIONS**

The Extension Agreement constitutes financial assistance under the Listing Rules. As the highest applicable percentage ratio as calculated under Rule 14.06 of the Listing Rules in respect of the Extension Agreement is more than 5% but less than 25%, the Extension Agreement constitutes a discloseable transaction on the part of the Company under Chapter 14 of the Listing Rules. The Extension Agreement is subject to the reporting and announcement requirements but is exempted from shareholders' approval requirement under Chapter 14 of the Listing Rules.

Since the Advance in the sum of RM12,000,000 is more than 8% of the assets ratio, it is required to be announced under Rule 13.13 of the Listing Rules.

As none of the Directors has a material interest in the Extension Agreement, no Director is required to abstain from voting on the relevant resolutions.

By Order of the Board  
**UTS Marketing Solutions Holdings Limited**  
**Ng Chee Wai**  
*Chairman*

Hong Kong, 8 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.*