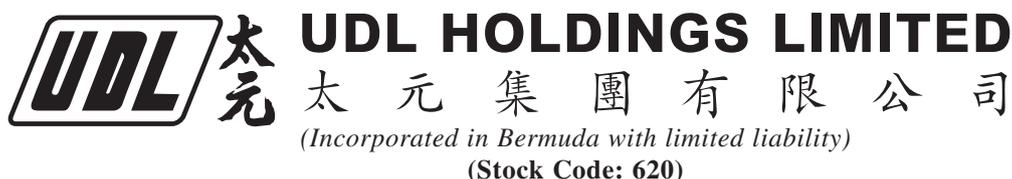


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DISCLOSEABLE TRANSACTION IN RELATION TO THE JEWELLERY ACQUISITION

Financial Adviser to the Company



THE JEWELLERY ACQUISITION

The Board is pleased to announce that on 7 December 2015 (after trading hours), CHKCAEE entered into the Jewellery Purchase Agreement with the Jewellery Vendor pursuant to which CHKCAEE has conditionally agreed to acquire the Jewellery Collections from the Jewellery Vendor.

The consideration of the Jewellery Acquisition is HK\$39.32 million which shall be satisfied in cash by CHKCAEE to the Jewellery Vendor at the Jewellery Acquisition Completion.

The Jewellery Acquisition Completion is conditional upon the satisfaction of the conditions as set out in the sub-paragraph headed “Conditions precedent to the Jewellery Acquisition”.

IMPLICATIONS UNDER THE LISTING RULES ON THE JEWELLERY ACQUISITION

Since certain of the applicable percentage ratios of the Jewellery Acquisition exceed 5% but are less than 25%, the Jewellery Acquisition will constitute a discloseable transaction for the Company for the purposes of, and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules. As at the date of the Jewellery Purchase Agreement, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the Jewellery Vendor is an Independent Third Party from the Company under the Listing Rules.

THE JEWELLERY ACQUISITION

The Board is pleased to announce that on 7 December 2015 (after trading hours), CHKCAEE entered into the Jewellery Purchase Agreement with the Jewellery Vendor pursuant to which CHKCAEE has conditionally agreed to acquire the Jewellery Collections from the Jewellery Vendor. The principal terms of the Jewellery Purchase Agreement are set out below:

Date

7 December 2015

Parties

Seller: Sun Jangee International Auction Hong Kong Limited, a company incorporated in Hong Kong with limited liability

Sun Jangee International Auction Hong Kong Limited is engaged in the trading, auctioneering and dealing in, among other things, jewellery, art and collections

Purchaser: China Hong Kong Cultural Asset and Equity Exchange Limited, a company incorporated in Hong Kong with limited liability which is a wholly-owned subsidiary of the Company

As at the date of the Jewellery Purchase Agreement, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Jewellery Vendor is an Independent Third Party from the Company under the Listing Rules.

Assets to be acquired

Pursuant to the Jewellery Purchase Agreement, CHKCAEE conditionally agrees to purchase from the Jewellery Vendor the jewellery collections as specified in the section headed "Information about the Jewellery Collections". (the "**Jewellery Collections**"). CHKCAEE will not acquire title to the Jewellery Collections until the full payment due to the Jewellery Vendor from CHKCAEE has been cleared. The Jewellery Vendor will bear full risk and responsibility for the jewellery items until such time as the Jewellery Collections is physical transferred to CHKCAEE. The Jewellery Vendor warrants and undertakes that it shall pass good, valid and marketable title to each and all of the Jewellery Collections, free and clear of all encumbrances upon clearance of the consideration payment.

Consideration

The consideration for the purchase of the Jewellery Collections is HK\$39.32 million which shall be satisfied in cash fully by CHKCAEE to the Jewellery Vendor at the Jewellery Acquisition Completion.

The consideration of HK\$39.32 million was arrived at after arm's length negotiation between the parties to the Jewellery Purchase Agreement on normal commercial terms with reference to market value of the Jewellery Collections and will be subject to further verification through the valuation of the Jewellery Collections by an Independent Third Party valuation expert.

Conditions precedent to the Jewellery Acquisition

The Jewellery Acquisition Completion shall be conditional upon the fulfillment of the condition of which CHKCAEE having been satisfied with the valuation of the Jewellery Collections by an Independent Third Party valuation expert.

If the above condition cannot be fulfilled on or before 31 December 2015 (or such later date as may be agreed between the parties), the Jewellery Purchase Agreement shall terminate and become unenforceable provided that such termination shall be without prejudice to the rights and remedies of either party in respect of any antecedent breach of the Jewellery Purchase Agreement by the other party.

Jewellery Acquisition completion

The Jewellery Acquisition Completion shall take place on and before 11:00 A.M. on 31 December 2015, at the office of CHKCAEE, or at such other time and location as CHKCAEE and the Jewellery Vendor may agree in writing. The Jewellery Collections and corresponding valuation certificates shall be delivered to and received by an authorised person specifically designated by CHKCAEE by prior written notice (issued by a director of CHKCAEE) to the Jewellery Vendor.

INFORMATION ABOUT THE JEWELLERY COLLECTIONS

As set out in the Jewellery Purchase Agreement, the Jewellery Collections comprise of six pink diamonds (21.44 carats in aggregate) and four jade crafts in the consideration amounts of HK\$31.16 million and HK\$8.16 million respectively. The above Jewellery Collections package is considered to be popular collection items across the globe and the generic collections are common auction items across the international auction houses.

REASONS FOR AND BENEFITS OF THE JEWELLERY ACQUISITION

Reference is made to the announcement of the Company dated 2 November 2015, the Group plans to invest, develop and operate an online marketplace for art and collections including but not limited to wine, tea, coins and jewellery. The Group has engaged an international consulting firm to formulate a detailed business plan with financial forecast. The aim of the Group is to provide consumers an enjoyable online shopping experience for high end art and collections. Online direct sales and online marketplace are the two major online retail business models of the Group's online marketplace for art and collections:

- under the online direct sales business model, the Group procures and manages its own inventories, sells products directly to consumers online, and provides delivery and aftersales services; and

- under the online marketplace business model, the Group operates an intermediary platform that facilitates transactions between merchants and consumers.

It is the intention of the Group to initiate its online direct sales business model first by building up a sufficient inventory level of art and collections. The Directors consider that Jewellery Acquisition will enhance the diversity and variety of inventory reserves for the online market place of art and collections, particularly for the collector client base in jewellery collections. The terms and conditions of the Jewellery Acquisition Agreement were determined on normal commercial terms after arm's length negotiations between CHKCAEE and the Jewellery Vendor.

The Directors (including the independent non-executive Directors) consider that (a) the Jewellery Acquisition has been made on normal commercial terms, (b) such terms are fair and reasonable and (c) the Jewellery Acquisition is in the interests of the Company and its shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES ON THE JEWELLERY ACQUISITION

Since certain of the applicable percentage ratios of the Jewellery Acquisition exceed 5% but are less than 25%, the Jewellery Acquisition will constitute a discloseable transaction for the Company for the purposes of, and are subject to the reporting and announcement requirements under, Chapter 14 of the Listing Rules.

DEFINITIONS

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

“associate(s)”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“CHKCAEE”	China Hong Kong Cultural Asset and Equity Exchange Limited, a company incorporated in Hong Kong with limited liability which is a wholly-owned subsidiary of the Company
“Company”	UDL Holdings Limited (太元集團有限公司), a company incorporated under the laws of Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 620)
“Director(s)”	the directors of the Company
“Group”	the Company and its subsidiaries

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties not connected with or acting in concert with any directors, chief executive or Substantial Shareholder(s) or its subsidiaries of the Company and their respective associates
“Jewellery Acquisition”	the acquisition of the Jewellery by CHKCAEE from the Jewellery Vendor pursuant to the terms and conditions of the Jewellery Purchase Agreement
“Jewellery Acquisition Completion”	the completion of the Jewellery Acquisition pursuant to the terms and conditions of the Jewellery Purchase Agreement
“Jewellery Purchase Agreement”	the asset purchase agreement dated 7 December 2015 entered into between CHKCAEE and Jewellery Vendor for the sale and purchase of the Jewellery
“Jewellery Vendor”	Sun Jangee International Actuion Hong Kong Limited, a company incorporated in Hong Kong with limited liability
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	Main Board of the Stock Exchange operated by the Stock Exchange
“Share(s)”	ordinary share(s) of HK\$0.50 each in share capital of the Company
“Shareholder(s)”	the holder(s) of the issued Shares
“Substantial Shareholder(s)”	has the meaning as ascribed thereto under the Listing Rules
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“RMB”	Reminbi, the lawful currency of the PRC

“HK\$” Hong Kong dollars, the lawful currency of Hong Kong
“%” per cent.

By Order of the Board
UDL HOLDINGS LIMITED
Wong Kwok Tung Gordon Allan
Executive Director (Chief Executive Officer)

Hong Kong, 7 December 2015

As at the date of this announcement, the Board comprises one executive Director, namely Mr. Wong Kwok Tung Gordon Allan (chief executive officer); one non-executive Director, namely Dr. Lam Lee G.; and three independent non-executive Directors, namely Mr. Cheng Yuk Wo, Mr. Choi, Victor Wang Tao and Mr. Mak Ming Chuen.

* *For identification purpose only*