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1010 PRINTING GROUP LIMITED

匯星印刷集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 1127)

DISCLOSEABLE TRANSACTION:

DISPOSAL OF THE ENTIRE EQUITY INTERESTS IN A SUBSIDIARY

The Board is pleased to announce that on 26 July 2016 (after trading hours), OPUS, being an indirect subsidiary of the Company, entered into the Share Sale Agreement with the Buyer, pursuant to which the Buyer has conditionally agreed to buy and OPUS has conditionally agreed to sell the Sale Shares at the Purchase Price. The Sales Shares represent the entire issued share capital of Cactus. Upon completion, Cactus and its wholly owned subsidiary, Cactus Imaging, will no longer be subsidiaries of the Company.

As at the date of this announcement, the Company is indirectly interested in approximately 61.88% of the entire issued share capital of OPUS and Cactus.

As the relevant applicable percentage ratios in respect of the Disposal exceed 5% but are less than 25%, the Disposal constitutes a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the HK Listing Rules.

THE DISPOSAL

The Board is pleased to announce that on 26 July 2016 (after trading hours), OPUS, being an indirect subsidiary of the Company, entered into the Share Sale Agreement with the Buyer, pursuant to which the Buyer has conditionally agreed to buy and OPUS has conditionally agreed to sell the Sale Shares at the Purchase Price. The Sales Shares represent the entire issued share capital of Cactus. Upon completion, Cactus and its wholly owned subsidiary, Cactus Imaging, will no longer be subsidiaries of the Company.

SHARE SALE AGREEMENT

Date: 26 July 2016 (after trading hours)

Parties:

1. OPUS, an indirect subsidiary of the Company as the Seller;
2. oOh!media Group Pty Limited as the Buyer;
3. oOh!media Limited as the Buyer's Guarantor.

To the best knowledge, information and belief of the Directors after having made all reasonable enquiries, the Buyer is a third party independent of and not connected with the Company and the connected persons of the Company.

Assets to be Disposed: Sale Shares, representing the entire issued share capital of Cactus.

As at the date of this announcement, OPUS holds 100% of the entire issued share capital of Cactus. Prior to Completion, Cactus will assign the excluded assets and liabilities, which are not acquired by the Buyer, to OPUS.

Cactus is a company incorporated in Australia with limited liability and paid up capital of AU\$0.8 million. Cactus is a direct wholly-owned subsidiary of OPUS. As the Company is indirectly interested in 61.88% of the issued share capital of OPUS, Cactus and its wholly owned subsidiary, Cactus Imaging, are also subsidiaries of the Company. Cactus is an investment holding company and Cactus Imaging is currently engaged in outdoor media printing and display business.

Purchase Price: The consideration of the Sale Shares is the payment made in cash by the Buyer as follows:

1. the completion payment payable by the Buyer on Completion, with the amount equal to AU\$6.0 million (equivalent to approximately HK\$34.7 million) plus or minus the agreed value of certain acquired assets and liabilities of Cactus prescribed under the Share Sale Agreement.
2. a holdback amount of AU\$1.0 million (equivalent to approximately HK\$5.8 million), payable in four equal monthly instalments after the Completion less any amount that the Buyer is entitled to withhold if the Seller does not pay or discharge any liability assigned before Completion as per the Share Sale Agreement; and
3. any other adjustments made under the Share Sale Agreement.

The Purchase Price was arrived at after arm's length negotiations

between the parties to the Share Sale Agreement after taking into consideration various factors, including (i) the consolidated net assets value of Cactus as at 30 June 2016 of AU\$1.7 million (equivalent to approximately HK\$9.8 million) and (ii) the trading history of Cactus

Conditions Precedent: The Completion is subject to certain conditions, which include no material adverse effect occurring, being fulfilled.

The Buyer may, by not less than 2 Business Days' notice to the Seller, terminate the Share Sale Agreement at any time before Completion if the conditions precedent are not satisfied, or waived by 31 August 2016.

Guarantee by Buyer's Guarantor: The Buyer's Guarantor has agreed to guarantee the obligations of the Buyer under and pursuant to the Share Sale Agreement.

Completion: Completion shall take place on the Completion Date.

INFORMATION ON CACTUS

Cactus is a company incorporated in Australia with limited liability and paid up capital of AU\$0.8 million. Cactus is a direct wholly-owned subsidiary of OPUS. As the Company is indirectly interested in 61.88% of the issued share capital of OPUS, Cactus is also a subsidiary of the Company. Cactus is an investment holding company and Cactus Imaging, a wholly owned subsidiary of Cactus, is currently engaged in outdoor media printing and display business.

The net profits/losses extracted from the unaudited consolidated management accounts of Cactus before and after taxation for each of the three financial years/period immediately preceding the Disposal are as follows:

	Profit/ (Loss) of Cactus	
	Before tax (AU\$'000)	After Tax (AU\$'000)
For the year ended 30 June 2014	1,950	1,303
For the six months ended 31 December 2014	1,047	1,047
For the year ended 31 December 2015	2,082	2,093

REASONS FOR THE DISPOSAL AND USE OF PROCEEDS

The Disposal will enable the Group to dedicate its resources to its Printing business and improve its management and operation efficiency. In view of the above, the Directors considered that the terms and conditions of the Share Sale Agreement are fair and reasonable and on normal commercial terms and are in the interests of the Company and the shareholders as a whole.

It is expected that the proceeds from the Disposal will be used as general working capital of the Group.

FINANCIAL EFFECT OF THE DISPOSAL

Based on the Purchase Price, the estimated transaction costs, adjustments and the consolidated net asset value of Cactus as at 30 June 2016, it is estimated that the Group will record a gain (before tax) of approximately AU\$4.0 million (approximately HK\$23.2 million) from the Disposal, subject to any change in the consolidated net asset value of Cactus as at the date of Completion and adjustments in accordance to the Share Sale Agreement.

Upon Completion, Cactus and Cactus Imaging will no longer be subsidiaries of the Group. Accordingly, the assets, liabilities and the financial results of Cactus and Cactus Imaging will no longer be consolidated into the financial statements of the Group.

LISTING RULES IMPLICATION

As the relevant applicable percentage ratios in respect of the Disposal exceed 5% but are less than 25%, the Disposal constitutes a discloseable transaction of the Company and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

GENERAL

The Company is principally engaged in the provision of printing services to international book publishers, trade, professional and educational publishing conglomerates and print media companies.

OPUS is a subsidiary of the Company. OPUS is an Asia-Pacific, technology based printing group, servicing two operational platforms – publishing services and outdoor media. OPUS employs a dynamic technology platform that allows it to produce and distribute published content to suit the timing and scale requirements of a range of increasing global customers.

oOh!media Group Pty Ltd, a subsidiary of oOh!media Limited, is a company incorporated in Australia. oOh!media Limited is an out of home media company in Australia.

DEFINITIONS

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

"AU\$" data-bbox="153 167 208 181">	Australian dollar, the lawful currency of Australia
"Board" data-bbox="153 201 218 215">	the board of Directors of the Company
"Business Day" data-bbox="153 235 281 249">	a day on which banks are open for business in Sydney, other than a Saturday, Sunday or public holiday in that city
"Buyer" data-bbox="153 284 218 298">	oOh!media Group Pty Limited, a company incorporated in Australia
"Buyer's Guarantor" data-bbox="153 333 321 347">	oOh!media Limited, a company incorporated in Australia
"Cactus" data-bbox="153 367 221 381">	Cactus Imaging Holdings Pty Limited, a company incorporated in Australia
"Cactus Imaging" data-bbox="153 416 296 430">	Cactus Imaging Pty Limited, a company incorporated in Australia and a wholly owned subsidiary of Cactus
"Company" data-bbox="153 465 246 479">	1010 Printing Group Limited, a company incorporated in the Bermuda with limited liability, whose shares are listed on the Main Board of the Stock Exchange of Hong Kong Limited (stock code : 1127)
"Completion" data-bbox="153 544 264 558">	completion of the sale and purchase of the Sale Shares under the Share Sale Agreement
"Completion Date" data-bbox="153 593 308 607">	1 August 2016 or such other time and date as the Seller and the Buyer agree
"Director(s)" data-bbox="153 642 258 656">	the director(s) of the Company
"Disposal" data-bbox="153 676 238 690">	the disposal of the Sale Shares by the Seller to the Buyer pursuant to the Share Sale Agreement
"Group" data-bbox="153 725 218 739">	the Company and its subsidiaries
"HK\$" data-bbox="153 759 208 773">	Hong Kong dollars, the lawful currency of Hong Kong
"HK Listing Rules" data-bbox="153 793 311 807">	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited
"Hong Kong" data-bbox="153 842 264 856">	the Hong Kong Special Administrative Region of the People's Republic of China

"OPUS" or "Seller"	OPUS Group Limited, a company incorporated in Australia with limited liability, whose shares are listed on the Australian Securities Exchange (stock code : OPG) and a subsidiary of the Company
"Purchase Price"	the consideration of the Sale Shares as stated in the context of this announcement
"Sale Shares"	All of the issued share capital in Cactus
"Share Sale Agreement"	the share sale agreement entered into among the Buyer, the Seller and the Buyer's Guarantor on 26 July 2016 in respect of the Disposal
"%"	per cent.

By order of the Board
1010 Printing Group Limited
Lau Chuk Kin
Executive Director

Hong Kong, 26 July 2016

For the purpose of illustration only and unless otherwise stated, conversion of AU\$ to HK\$ in this announcement are based on the exchange rate of AU\$1.00 to HK\$5.79. Such conversion should not be construed as a representation that any amounts have been, could have been, or may be, exchanged at this or any other rate.

As at the date of this announcement, the Board comprises Mr. Lau Chuk Kin, Mr. Li Hoi David, Mr. Lam Wing Yip, Ms. Lam Mei Lan and Mr. Chu Chun Wan as executive directors; Mr. Guo Junsheng as non-executive director; Mr. Yeung Ka Sing, Prof. Lee Hau Leung, Mr. Tsui King Chung, David and Dr. Ng Lai Man, Carmen as independent non-executive directors.

* For identification purpose only