

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.



TECH PRO TECHNOLOGY DEVELOPMENT LIMITED

德普科技發展有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 03823)

SUPPLEMENTAL ANNOUNCEMENT

This announcement is made by Tech Pro Technology Development Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcement (the “**Announcement**”) of the Company dated 14 February 2019 in relation to, among other things, the Guangzhou Litigations. Capitalised terms used herein shall have the same meanings as those defined in the Announcement unless the context requires otherwise.

The Board would like to clarify that the Judgement of the Guangzhou Intermediate Court includes (i) the judgment (“**Judgment A**”) whereby Guangzhou Nafushi was required to repay under one of the Loans (“**Loan A**”) with principal amount of RMB154,533,297.84 together with the interest, default interest and compound interest accrued; and (ii) the other judgment (“**Judgment B**”) whereby Guangzhou Nafushi was required to repay under the other loan of the Loans (“**Loan B**”) with a principal amount of RMB6,095,040.8 together with the interest, default interest and compound interest accrued. Set out below are the further details of the Guangzhou Litigations.

Judgment A and Loan A

Under Judgement A, Guangzhou Nafushi was required to repay under Loan A a principal amount of RMB154,533,297.84 together with the interest, default interest and compound interest accrued.

- (i) The interest shall be calculated at a monthly interest rate of 0.39584% based on the principal amount (being the sum of RMB90,000,000 and RMB64,533,297.84) during the period from 21 April 2017 until 5 March 2018.

- (ii) The default interest shall be calculated at a monthly interest rate of 0.59376% based on the principal amount of RMB154,533,297.84 from 21 April 2017 until repayment.
- (iii) The compound interest shall be calculated at a monthly interest rate of 0.59376% based on the amount of interest in (i) above from 21 May 2017 until repayment.

The costs under the Judgment A of RMB847,108 shall be borne by the defendants (including Guangzhou Nafushi) as to RMB816,308 and by the Bank as to RMB30,800.

Judgment B and Loan B

Under Judgment B, Guangzhou Nafushi was required to repay under Loan B a principal amount of RMB6,095,040.8 together with the interest, default interest and compound interest accrued.

- (i) The interest shall be calculated at a monthly interest rate of 0.39584% based on the principal amount (being the sum of RMB6,123,135.15 and RMB6,511,905.65) during the period from 21 April 2017 until 5 March 2018.
- (ii) The default interest shall be calculated at a monthly interest rate of 0.59376% based on (a) the principal amount of RMB12,635,040.8 from 21 April 2017 until 15 April 2018; and (b) the principal amount of RMB6,095,040.8 from 16 April 2018 until repayment.
- (iii) The compound interest shall be calculated at a monthly interest rate of 0.59376% based on the amount of interest in (i) above from 21 May 2017 until repayment.

The costs under the Judgment B of RMB98,842 shall be borne by the defendants (including Guangzhou Nafushi) as to RMB69,189.4 and by the Bank as to RMB29,652.6.

Circumstances leading to the Guangzhou Litigations

The management of Guangzhou Nafushi became aware of the delay in repayment of the Loans (and the interests accrued thereon) in around the first quarter of 2017 and had commenced the negotiation with the Bank with a view to reach a settlement arrangement forthwith.

The management of Guangzhou Nafushi and the executive Directors became aware of the Guangzhou Litigations when the relevant writs were served on Guangzhou Nafushi in July 2017. According to the management, there were progresses in the negotiation with the Bank and Guangzhou Nafushi had made partial repayment of the Loans in an aggregated sum of approximately RMB3,000,000 during April 2017 to July 2017 and Guangzhou Nafushi has been continually making repayment of the Loans to the Bank in an aggregated sum of approximately RMB7,040,000 during November 2017 to April 2018. The management of Guangzhou Nafushi and the Company are still negotiating with the Bank for reaching a settlement arrangement. Since receiving the writs, the management of Guangzhou Nafushi had also engaged its PRC legal advisers to handle the Guangzhou Litigations.

In around November 2018, details of the Guangzhou Litigations were reported to the Board (including the independent non-executive Directors). Taken into account the advice from the PRC Legal Advisers, the Directors consider that the Guangzhou Litigations have no significant effects on the overall financial, business and/or operation conditions of the Group.

Apart from the disagreement in the quantum under the Judgement of the Guangzhou Intermediate Court which is the subject matter of the Appeals, the Directors consider that there have been no disputes between Guangzhou Nafushi and the Bank regarding the Loans and the management of Guangzhou Nafushi and the Company are still negotiating with the Bank for reaching a settlement arrangement.

The Company will keep the shareholders of the Company and potential investors informed of any further material developments in connection with the Guangzhou Litigations by way of further announcement(s) as and when appropriate.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

By order of the Board
Tech Pro Technology Development Limited
Li Wing Sang
Chairman

Hong Kong, 4 March 2019

As at the date of this announcement, the executive Directors are Mr. Li Wing Sang, Mr. Liu Xinsheng, Mr. Chiu Chi Hong, Mr. Lee Tsz Hang and Mr. Dong Bo Fredric; and the independent non-executive Directors are Mr. Wong Kui Shing, Danny, Dr. Wong Yun Kuen and Mr. Chan Wing Chung.