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(Incorporated in Bermuda with limited liability)
(Stock Code: 00620)

**(1) ANNOUNCEMENT PURSUANT TO RULE 3.7 OF THE
TAKEOVERS CODE AND RULE 13.09 OF THE LISTING RULES AND
INSIDE INFORMATION PROVISIONS UNDER
PART XIVA OF THE SECURITIES AND FUTURES ORDINANCE;
(2) POSSIBLE MAJOR DISPOSAL OF SUNFILL LIMITED; AND
(3) RESUMPTION OF TRADING**

This announcement is made pursuant to Rule 3.7 of The Hong Kong Code on Takeovers and Mergers (“**Takeovers Code**”) and Rule 13.09 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (“**SFO**”).

Reference is also made to the announcement of UDL Holdings Limited (“**Company**”) dated 23 October 2013 on the Stock Exchange in respect of trading halt in the shares of the Company (“**Shares**”) on the Stock Exchange relating to possible inside information.

The board (“**Board**”) of directors (“**Directors**”) of the Company noted that recent increase in both price and trading volume of the Shares on the Stock Exchange. Having made such enquiry with respect to the Company as is reasonable in the circumstances, the Board confirms that, save as disclosed in this announcement, the Board is not aware of any reasons for the increase in the price and trading volume of the Shares on the Stock Exchange or of any information which must be announced to avoid a false market in securities of the Company or of any inside information that needs to be disclosed under Part XIVA of the SFO.

The board of directors of the Company was informed by the controlling shareholder of the Company, Harbour Front Limited (“**HF**”) (a company which was interested in approximately 67.08% of the existing issued share capital of the Company as at the date of this announcement), that a non-legally binding memorandum of understanding (“**MOU**”) was entered into between HF as possible vendor and an independent third party as possible purchaser (“**Possible Purchaser**”) on 31 August 2013 in relation to the possible sale and purchase of all or a substantial part of 191,033,408 ordinary shares of the Company held by HF (“**Sale Shares**”), representing not less than 60% of the total issued share capital of the Company (“**Possible Transaction**”). If the Possible Transaction is materialised, it may lead to a change in control of the Company and a mandatory general offer under the Takeovers Code for all the Shares (other than those already owned by or agreed to be acquired by the Possible Purchaser and parties acting in concert with it). No legally binding agreements had been entered into in respect of the Possible Transaction as at the date of this announcement. The discussions are still in progress and the Possible Transaction may or may not proceed.

In compliance with Rule 3.7 of the Takeovers Code, monthly announcement(s) setting out the progress of the aforesaid discussions will be made until announcement of firm intention to make an offer under Rule 3.5 of the Takeovers Code or of a decision not to proceed with an offer is made. Further announcement(s) will be made by the Company as and when appropriate or required in accordance with the Listing Rules and the Takeovers Code (as the case may be).

In compliance with Rule 3.8 of the Takeovers Code, the relevant securities of the Company comprised 275,115,408 Shares in issue and 6,156,000 outstanding options as at the date of this announcement. Save for the aforesaid, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) as at the date hereof.

The associates of the Company (including shareholders of the Company having interests of 5% or more in the relevant securities of the Company) are hereby reminded to disclose their dealings in any securities of the Company under Rule 22 of the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 of the Takeovers Code:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

There is no assurance that any transaction mentioned in this announcement will materialise or eventually be consummated and the discussions may or may not lead to a general offer. Shareholders of the Company and public investors are urged to exercise extreme caution when dealing in the shares and/or other securities of the Company.

Further, the Company as vendor and an independent third party as purchaser (“**Possible Sunfill Purchaser**”) are in discussions regarding a possible disposal (“**Possible Disposal**”) of Sunfill Limited, being an indirect wholly-owned subsidiary of the Company. If a definitive and legally binding agreement has been entered into by the relevant parties in relation to the Possible Disposal, the Possible Disposal will constitute a major disposal for the Company pursuant to Rule 14.06(3) of the Listing Rules.

As at the date of this announcement, no formal agreement in relation to the Possible Disposal has been entered into and the Possible Disposal may or may not proceed. Shareholders of the Company and potential investors are advised to exercise caution when making any decision related to dealing in the Shares. Further announcement(s) will be made to inform Shareholders of the Company of any further developments in relation to the Possible Disposal as and when appropriate.

TRADING HALT AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Hong Kong Stock Exchange was halted with effect from 2:38 p.m. on 23 October 2013 pending the release of this announcement.

Application has been made by the Company for resumption of trading in its Shares on the Stock Exchange with effect from 9:00 a.m. on 24 October 2013.

By Order of the Board
UDL Holdings Limited
Leung Yu Oi Ling, Irene
Chairman

Hong Kong, 23 October 2013

As at the date of this announcement, the board of directors of the Company comprises four executive directors, namely Mr. Leung Yat Tung, Mrs. Leung Yu Oi Ling, Irene, Miss Leung Chi Yin, Gillian and Mr. Leung Chi Hong, Jerry; and three independent non-executive directors, namely Mr. Pao Ping Wing, JP, Professor Yuen Ming Fai, Matthew and Ms. Tse Mei Ha.

All the directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.