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## **O-NET TECHNOLOGIES (GROUP) LIMITED**

**昂納科技(集團)有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 877)**

### **ACQUISITION OF 3SP TECHNOLOGIES**

The Board is pleased to announce that on 21 April 2017, O-Net Communications entered into the Formal Agreement with the Vendor, pursuant to which O-Net Communications has conditionally agreed to purchase and the Vendor has conditionally agreed to sell the Sold Shares at the Consideration of approximately US\$19.2 million.

This announcement is made by O-Net Technologies (Group) Limited (the “**Company**”) on a voluntary basis.

Reference is made to the announcement of the Company dated 24 October 2016 relating to the possible acquisition of 3SP Technologies (the “**Announcement**”). Unless otherwise defined, capitalized terms used in this announcement shall bear the same meanings as those defined in the Announcement.

The Board is pleased to announce that O-Net Communications has completed and satisfied the results of the due diligence investigation on the Target Company, and has entered into the Formal Agreement with the Vendor on 21 April 2017, pursuant to which O-Net Communications has conditionally agreed to purchase and the Vendor has conditionally agreed to sell the Sold Shares at the Consideration of approximately US\$19.2 million.

Principal terms of the Formal Agreement are set out below:

#### **THE FORMAL AGREEMENT**

Date: 21 April 2017

Parties: (1) O-Net Communications

(2) the Vendor

#### **Subject matter of the Formal Agreement**

O-Net Communications conditionally agreed to purchase and the Vendor has conditionally agreed to sell the Sold Shares at the Consideration of approximately US\$19.2 million.

The Consideration shall be paid in the following manner:

1. US\$15 million has been paid by O-Net Communications to the Vendor as earnest money upon signing of the MOU; and
2. Balance of approximately US\$4.2 million shall be paid in cash by O-Net Communications to the Vendor within 8 business days after the date of the Formal Agreement.

Upon signing of the Formal Agreement, O-Net Communications shall purchase from the Vendor the Vendor's Loan on a dollar for dollar basis.

Upon Completion, the Target Company will become an indirect wholly-owned subsidiary of the Company and its results will be consolidated into the financial results of the Group.

### **INFORMATION OF THE TARGET COMPANY**

The Target Company is a wholly-owned subsidiary of the Vendor and is a company incorporated in France which engaged in research, development, manufacturing and supplying of innovative chips and laser products for telecommunications and data communications as well as innovative high end markets such as light detection and ranging product (the "LiDAR") for advanced driving assistance system (the "ADAS") market.

### **REASONS FOR AND BENEFITS OF THE POSSIBLE ACQUISITION**

The Group is principally engaged in the design, manufacturing and sale of optical networking products for the highspeed telecommunications and data communications systems, machine vision systems and sensors for smart manufacturing market as well as optical components for LiDAR and manufacturing of LiDAR in the ADAS application.

The Directors considered that the Acquisition provides an excellent opportunity for the Group to extend its research, development and manufacturing capability, and to diversity its products range from optical products and solutions to chips, laser products and solutions.

The Directors considered that the Formal Agreement is of normal commercial terms, fair and reasonable, and the Acquisition is in the interests of the Company and its shareholders as a whole.

### **DEFINITIONS**

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

"Acquisition" the acquisition of the Sold Shares pursuant to the terms and conditions of the Formal Agreement

“Completion”	completion of the sale and purchase of the Sold Shares pursuant to the terms and conditions of the Formal Agreement
“Consideration”	the consideration for the Acquisition of approximately US\$19.2 million
“Formal Agreement”	the formal sale and purchase agreement dated 21 April 2017 entered into between O-Net Communications and the Vendor relating to the Acquisition
“Sold Shares”	1,000 shares of the Target Company, being the entire issued shares of the Target Company
“Vendor’s Loan”	the total amount of indebtedness now due and owing by the Vendor to a bank in the amount of 3,600,000 Euro with unpaid outstanding interest and all bank balances of the Vendor as at the date of the Formal Agreement in the amount of approximately US\$87,123

By Order of the Board  
**O-Net Technologies (Group) Limited**  
**Na Qinglin**  
*Chairman and Chief Executive Officer*

Hong Kong, 21 April 2017

*As at the date of this announcement, the executive Director is Mr. Na Qinglin, the non-executive Directors are Mr. Tam Man Chi, Mr. Chen Zhujiang and Mr. Huang Bin, and the independent non-executive Directors are Mr. Deng Xinping, Mr. Ong Chor Wei and Mr. Zhao Wei.*