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**FIH Mobile Limited**

**富智康集團有限公司**

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

(Stock Code: 2038)

**ANNOUNCEMENT IN RELATION TO  
AMENDMENT TO DISCLOSEABLE TRANSACTION  
IN RESPECT OF ACQUISITION OF CERTAIN ASSETS  
OF FEATURE PHONE BUSINESS**

**INTRODUCTION**

Reference is made to (1) the announcement of the Company dated 18 May 2016 (the “**First Announcement**”) in relation to the Stock and Asset Purchase Agreement entered into among the Company, the IP Purchaser and the Seller (on behalf of itself and the Asset Sellers), pursuant to which the Purchasers have conditionally agreed to acquire the Target Assets that are utilised in the conduct of the Feature Phone Business upon and subject to the terms and conditions set out therein, and (2) the announcement of the Company dated 7 July 2016 (the “**Second Announcement**”) in relation to the CCTA entered into between Chief Expertise Limited and the Seller, pursuant to which Chief Expertise Limited has conditionally agreed to acquire the Contributed Capital upon and subject to the terms and conditions set out therein.

This announcement is issued to disclose information in relation to an amendment agreement (the “**Amendment Agreement**”) entered into among the Company, the IP Purchaser and the Seller on 30 November 2016 (after trading hours) to amend certain provisions of the Stock and Asset Purchase Agreement in accordance with the requirements of Chapter 14 of the Listing Rules. Unless otherwise defined in this announcement, capitalised terms used in this announcement shall have the same meanings as those defined in the First Announcement.

**AMENDMENT TO THE STOCK AND ASSET PURCHASE AGREEMENT**

Following the parties’ recent discussions regarding the operation of the Feature Phone Business after Closing, on 30 November 2016 (after trading hours), the Company, the IP Purchaser and the Seller entered into the Amendment Agreement to amend certain provisions of the Stock and Asset Purchase Agreement. The key amendments in connection with the information disclosed in the First Announcement and the Second Announcement are as follows:

## **Adjustments to the Acquired Assets**

The Acquired Assets will expand to include additional research and development-related equipment as well as certain tooling, molds and manufacturing components. The Acquired Assets will no longer include the assignment of franchise agreements granting a franchise for the resale of the feature phones in retail outlets in certain countries, transfer of that portion of inventory representing spare parts and materials for repair or replacement purposes in connection with the CARE support services, and the assignment of any leases for real property. The assignment of the agreements and leases referenced above is no longer included as part of the Acquired Assets for business reasons (including the relevance of certain assets to the Purchasers' respective businesses going forward, assessments regarding both the scope of the respective businesses going forward and the utilisation of efforts to transfer certain assets in light thereof). Accordingly, alternative arrangements may be implemented by the Purchasers to satisfy such aspects of the Acquisition.

In addition, the parties have agreed that (1) equipment, machinery, hardware or other assets owned by the Seller and utilised by a provider of CARE support relating to the Seller's CARE support network to the extent not relating exclusively to the support for the Feature Phone Business, and (2) the CARE vendor agreements in any jurisdiction in North America and Latin America, will be excluded from the sale and purchase under the Stock and Asset Purchase Agreement.

Due to the operational needs and arrangements, certain selected intellectual property contracts relating to the use of intellectual property of third parties, and certain personal computers, mobile phones, research and development-related equipment and leasehold improvements used exclusively in the Feature Phone Business and located in the United Kingdom, Hong Kong and United Arab Emirates, will be acquired by the IP Purchaser instead of the Group. Additionally, the IP Purchaser will acquire a third party agreement relating to mobile distribution.

## **Adjustments to the ancillary agreements**

The Company (or its affiliates) and the Seller (or its affiliates) will no longer enter into the frame agreement for CARE aftersales support services and material sales agreement for additional component inventory as part of the ancillary agreements on Closing. However, (a) the Company and the Seller have entered into a data sharing agreement which will terminate upon the Closing, and will enter into another data sharing agreement at the Closing; (b) in advance of the parties entering into the Amendment Agreement, Chief Expertise Limited and the Seller entered into an amendment to the CCTA (principally to reflect a revised payment mechanism); and (c) upon Closing, the Company or the IP Purchaser (as the case may be) and the Seller (or its affiliates) will be entering into certain copyright, software and business identifier license agreements, an online content signing services agreement as well as an amended form of the transitional trademark license agreement.

## **Designating the Closing Date**

In view of the progress of the satisfaction of certain conditions precedent to the Closing, the parties have agreed that Closing shall take place on 30 November 2016, following the satisfaction and/or waiver of all conditions precedent to the Closing. In fact, Closing took place on 30 November 2016 (after trading hours).

Except for the above amendments, all other key information contained in the First Announcement and the Second Announcement respectively remains unchanged.

By Order of the Board  
**Tong Wen-hsin**  
*Chairman*

Hong Kong, 1 December 2016

*As at the date of this announcement, the executive directors of the Company are Messrs. Tong Wen-hsin, Chih Yu Yang and Wang Chien Ho, and the independent non-executive directors of the Company are Messrs. Lau Siu Ki and Chen Fung Ming and Dr. Daniel Joseph Mehan.*