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喜尚控股有限公司
GAYETY HOLDINGS LIMITED
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8179)

VOLUNTARY ANNOUNCEMENT

**ENTERING INTO THE MEMORANDUM OF UNDERSTANDING
ON STRATEGIC COOPERATION WITH
ZHEJIANG GUOHAN ASSETS MANAGEMENT LIMITED**

As advised by the Vendor, Lucky Dessert (HK), an indirect, 49%-owned associated company of the Target Company, entered into the Memorandum on 22 December 2014 with GuoHan, a company incorporated in the PRC in July 2014 and wholly-owned by the GuoHan Group.

Pursuant to the Memorandum, the parties agreed to cooperate and utilize their own strengths and resources to solely or jointly open chain dessert catering restaurants under the Trademark in the southern part of the PRC. The parties to the Memorandum plan to open chain dessert catering restaurants in Hangzhou, Zhejiang province, the PRC for the initial 12 months after the formal agreement is signed, and thereafter expand to Nanjing, Wenzhou, Taizhou and other peripheral areas of the Zhejiang province, Jiangsu area, and other cities in the southern part of the PRC according to a mutually agreed schedule.

The Board believes that the entering into the Memorandum will further strengthen the development of the dessert catering business of the Lucky Dessert Group in the PRC, especially in the southern part of the PRC, and will maximise the return of the Group in future, if the Completion takes place. Further, the Board expects that the Group's reputation and brand name will be enhanced and well known in the PRC, should the strategic cooperation contemplated under the Memorandum or the formal agreement (as the case may be) be materialised.

Lucky Dessert (HK) and GuoHan may or may not proceed to sign any legally binding agreement in relation to the Memorandum. Shareholders and investors of the Company are urged to exercise caution when dealing in the securities of the Company.

This announcement is made voluntarily by Gayety Holdings Limited (the “**Company**”).

Reference is made to the announcement of the Company dated 19 December 2014 in relation to the entering into of the S&P Agreement dated 19 December 2014 for the Proposed Acquisition (the “**Announcement**”). Unless otherwise specified, capitalised terms used herein shall have the same meanings as defined in the Announcement.

As advised by the Vendor, Lucky Dessert (HK), an indirect, 49%-owned associated company of the Target Company, entered into a memorandum of understanding (the “**Memorandum**”) on 22 December 2014 with Zhejiang GuoHan Assets Management Limited# (浙江國瀚資產管理有限公司) (“**GuoHan**”), a company incorporated in the PRC in July 2014 and wholly-owned by GuoHan Financial Holding Group Limited# (國瀚金融控股集團有限公司) (the “**GuoHan Group**”). As advised by the Vendor, the GuoHan Group is a privately owned financial holding company in Zhejiang, with three subsidiaries providing a wide spectrum of financial products and services such as assets management, financial management, private equity management, bills services and shareholding investments, etc. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, GuoHan and its ultimate beneficial owners are Independent Third Parties.

Pursuant to the Memorandum, the parties agreed to cooperate and utilize their own strengths and resources to solely or jointly open chain dessert catering restaurants under the Trademark in the southern part of the PRC. The parties to the Memorandum plan to open chain dessert catering restaurants in Hangzhou, Zhejiang province, the PRC for the initial 12 months after the formal agreement is signed, and thereafter expand to Nanjing, Wenzhou, Taizhou and other peripheral areas of the Zhejiang province, Jiangsu area, and other cities in the southern part of the PRC according to a mutually agreed schedule.

It is agreed that the Lucky Dessert Group will receive franchising fees from the opening of each dessert restaurant under the Trademark. The parties also plan to invest and setup centralised kitchens in various cities, and in return, the Lucky Dessert Group will receive technical service fee for providing support to the chain dessert catering restaurants under the Trademark.

The Board believes that the entering into the Memorandum will further strengthen the development of the dessert catering business of the Lucky Dessert Group in the PRC, especially in the southern part of the PRC, and will maximise the return of the Group in future, if the Completion takes place. Further, the Board expects that the Group’s reputation and brand name will be enhanced and well known in the PRC, should the strategic cooperation contemplated under the Memorandum or the formal agreement (as the case may be) be materialised.

If applicable, the Company will make further announcement(s) in compliance with the GEM Listing Rules as and when appropriate for any material developments or other agreements entered into in relation to the transactions contemplated under the Memorandum.

Lucky Dessert (HK) and GuoHan may or may not proceed to sign any legally binding agreement in relation to the Memorandum. Shareholders and investors of the Company are urged to exercise caution when dealing in the securities of the Company.

By order of the Board
Gayety Holdings Limited
Wong Kwan Mo
Chairman and executive Director

Hong Kong, 31 December 2014

In this announcement, translated English names of Chinese entities for which no official English translation exists are unofficial translations for identification purposes only, and in the event of any inconsistency between the Chinese names and their English translation, the Chinese names shall prevail.

As at the date of this announcement, the Board comprises Mr. Wong Kwan Mo and Ms. Lau Lan Ying as executive Directors, and Mr. Li Fu Yeung, Ms. Chiu Man Yee and Mr. Kwan Wai Yin, William as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at <http://www.hkgem.com> for at least 7 days from the date of its posting and on the website of the Company at <http://www.gayety.com.hk>.