

*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.*

*This announcement appears for information purpose only and does not constitute an invitation or offer to acquire, purchase, or subscribe for securities.*

## **CELEBRATE INTERNATIONAL HOLDINGS LIMITED**

**譽滿國際（控股）有限公司**

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

**(Stock code: 8212)**

**(I) VERY SUBSTANTIAL ACQUISITION;  
(II) PROPOSED SHARE CONSOLIDATION;  
(III) PROPOSED OPEN OFFER  
ON THE BASIS OF THIRTY OFFER SHARES  
FOR EVERY ONE CONSOLIDATED SHARE  
HELD ON THE RECORD DATE AT THE SUBSCRIPTION PRICE OF  
HK\$0.105 PER OFFER SHARE; AND  
(IV) RESUMPTION OF TRADING**

**Underwriter to the Open Offer**



**FREEMAN SECURITIES LIMITED**

### **THE ACQUISITION**

The Board announces that respectively on 29 January 2015, 18 February 2015 and 16 March 2015, (all after trading hours), the Purchaser (being a wholly-owned subsidiary of the Company) and the Vendor entered into the Conditional Agreements for Sale and Purchase, pursuant to which the Purchaser has conditionally agreed to acquire and the Vendor has conditionally agreed to sell the Sale Shares, representing 51% of the total issued share capital of the Target Company and the Sale Loan at the consideration of HK\$160,650,000 which shall be settled by three instalment payments in the following manner:—

- (i) the Earnest Money in the sum of HK\$10,000,000 paid on 11 December 2014 which shall be treated as a refundable deposit;
- (ii) HK\$10,000,000 paid on 30 January 2015 which shall be treated as further refundable deposit; and

(iii) the remaining balance of HK\$140,650,000 shall be satisfied by the Purchaser upon Completion by, at the Purchaser's sole discretion, payment in cash of amount up to HK\$140,650,000 and any deficit after deducting the cash payment made by the Purchaser shall be satisfied by the issuance of the Promissory Note with the principal value equivalent to such deficit amount to the Vendor or his nominee. For avoidance of doubt, the allocation of the amount of cash payment and the principal value of the Promissory Note in payment of the remaining balance of the Consideration shall be at the Purchaser's sole discretion.

The Promissory Note shall be expired 2 years after the date of issue with an interest rate at 6% per annum.

The deposits in an aggregate amount of HK\$20 million (“**Deposits**”) have been paid by the Purchaser to the Vendor in accordance with the abovementioned payment methods by internal resources of the Group. The Company intends to settle the remaining balance of the Consideration either by cash raised from the Open Offer, if the Open Offer is completed or by the issuance of the Promissory Note.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendor and its ultimate beneficial owner are Independent Third Parties.

Upon completion, the Target Company will become a non wholly-owned subsidiary of the Company. The Target Company is a company incorporated in BVI and a wholly-owned subsidiary of the Vendor. The Target Company and its subsidiary are the legal and beneficial owner of the Land Property.

### **PROPOSED SHARE CONSOLIDATION**

The Board proposes to put forward to the Shareholders a proposal to effect the proposed Share Consolidation whereby every twenty (20) issued Shares of par value of HK\$0.001 each will be consolidated into one (1) Consolidated Share of par value of HK\$0.02 each.

In order to facilitate the proposed Share Consolidation, the Company intends to repurchase eight (8) Shares in issue so that 1,431,572,240 Shares in issue will be consolidated into 71,578,612 Consolidated Shares without any fractional Consolidated Shares.

### **PROPOSED OPEN OFFER**

Subject to the Share Consolidation becoming effective, the Company proposes to raise approximately HK\$225.5 million (before expenses) by way of an open offer of 2,147,358,360 Offer Shares at a subscription price of HK\$0.105 per Offer Share on the basis of thirty (30) Offer Shares for every one (1) Consolidated Share held on the Record Date. The Company intends to apply such net proceeds from the Open Offer

for the settlement of the third instalment payment in relation to the Acquisition and the remaining balance for the general working capital of the Group.

To qualify for the Open Offer, a Shareholder must be registered as a member of the Company at the close of business on the Record Date and must not be a Non-Qualifying Shareholder. In order to be registered as members of the Company at the close of business on the Record Date, holders of the Shares must lodge any transfers of Shares/Consolidated Shares (together with the relevant share certificates) with the Registrar for registration no later than 4:30 p.m. (Hong Kong time) on Tuesday, 19 May 2015.

The Open Offer will be fully underwritten by the Underwriter. Details of the underwriting arrangement are set out in the paragraph headed “The Underwriting Agreement” below in this announcement. If the Underwriting Agreement is terminated by the Underwriter on or before the Latest Time for Termination or does not become unconditional, the Open Offer will not proceed.

#### **WARNING OF THE RISKS OF DEALINGS IN THE SHARES AND THE CONSOLIDATED SHARES**

**Shareholders and potential investors should note that the Open Offer is conditional upon the Underwriting Agreement having become unconditional and the Underwriting not having terminated the Underwriting Agreement in accordance with the terms thereof. Accordingly, the Open Offer may or may not proceed. Shareholders and potential investors should exercise extreme caution when dealing in the Shares and Consolidated Shares, and if they are in any doubt about their position, they should consult their own professional advisers.**

**Shareholders should note that the Shares and Consolidated Shares will be dealt in on an ex-entitlement basis commencing from Monday, 18 May 2015 and that dealings in the Shares and Consolidated Shares will take place while the conditions to which the Underwriting Agreement is subject to remain unfulfilled. Any Shareholder or other person dealing in the Share and Consolidated Shares up to the date on which all conditions to which the Open Offer are subject to fulfill (which is expected to be at 4:00 p.m. on Wednesday, 17 June 2015), will accordingly bear the risk that the Open Offer cannot become unconditional and may not proceed. Any Shareholder or other person contemplating to sell or purchase any Shares and Consolidated Shares, who is in any doubt about his/her/its position, is recommended to consult his/her/its own professional adviser.**

## **GEM LISTING RULES IMPLICATION**

As the highest applicable percentage ratio pursuant to Chapter 19 of the GEM Listing Rules exceeds 100%, the Acquisition constitutes a very substantial acquisition for the Company. Accordingly, the Acquisition will be subject to the requirements of reporting, announcement and Shareholders' approval at the EGM pursuant to Chapter 19 of the GEM Listing Rules.

The Open Offer is conditional upon, among other things, obtaining approval from the Independent Shareholders on vote taken by way of poll at the EGM. In accordance with Rule 10.39(1) of the GEM Listing Rules, any Controlling Shareholders and their respective associates or, where there are no Controlling Shareholders, the Directors (excluding the independent non-executive Directors) and the chief executive of the Company, and their respective associates shall abstain from voting in favour of the resolution(s) relating to the Open Offer. As at the date of this announcement, since there is no Controlling Shareholder, the Directors (excluding the independent non-executive Directors) and the chief executive of the Company, and their respective associates shall abstain from voting in favour of the resolution(s) relating to the Open Offer in accordance with Rule 10.39(1) of the GEM Listing Rules. As at the date of this announcement, none of the Directors (excluding the independent non-executive Directors), the chief executive of the Company and their respective associates has any Shares.

## **INDEPENDENT BOARD COMMITTEE**

The Independent Board Committee, comprising Ms. Chan Wan Yee, Mr. Siu Kwok Chung and Mr. Sit Bun, all being the independent non-executive Directors, has been appointed to make recommendations to the Independent Shareholders in respect of the Open Offer. An independent financial adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

## **EGM AND CIRCULAR**

The EGM will be held to consider, and if thought fit, to pass the resolutions to approve (among other things) the Conditional Agreements for Sale and Purchase, the Share Consolidation, the Open Offer and its transactions contemplated thereunder.

The Circular containing, among other things, (i) further details of the Acquisition; (ii) valuation report of the Land Property; (iii) financial information and other information of the Target Group; (iv) the pro forma financial information of the Enlarged Group as a result of the Acquisition; (v) further details of the Share Consolidation and the Open Offer; (vi) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Open Offer; (vii) a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Open Offer; and (viii) the notice convening the EGM, will be despatched to the Shareholders on or before 24 April 2015 so as to allow sufficient time for the preparation of the relevant information for inclusion in the Circular.

**As completion of the Acquisition and the Open Offer are both conditional upon satisfaction (or, if applicable, waiver) of the respective conditions precedent as set out under the Conditional Agreements for Sale and Purchase and the Underwriting Agreement, the Acquisition and the Open Offer may or may not proceed. Shareholders and potential investors should exercise caution when dealings in the Shares and the Consolidated Shares.**

#### **RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange was suspended from 9:00 a.m. on 30 January 2015, pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 19 March 2015.

Reference is made to the announcement of the Company dated 2 December 2014, 30 January 2015 and 11 February 2015 in relation to the MOU and the Acquisition. The Board is pleased to announce that respectively on 29 January 2015, 18 February 2015 and 16 March 2015 (all after trading hours) the Purchaser has entered into the Sale and Purchase Agreement, the Supplemental Agreement and the Second Supplemental Agreement with the Vendor whereby the Purchaser has conditionally agreed to acquire the Sale Shares in the Target Company, representing 51% of the total issued share capital in the Target Company and the Sale Loan at the Consideration of HK\$160,650,000. The consideration of the Sale Shares and Sale Loan are HK\$8,670,004 and HK\$151,979,996 respectively. The principal terms of the Conditional Agreements for Sale and Purchase are summarised as follows:

#### **PRINCIPAL TERMS OF THE CONDITIONAL AGREEMENTS FOR SALE AND PURCHASE**

Date: 29 January 2015, 18 February 2015 and 16 March 2015 (all after trading hours)

Parties

Purchaser: Colour Cosmos Holdings Limited, a wholly-owned subsidiary of the Company

Vendor: Champion Prospect Limited

#### **INFORMATION OF THE VENDOR**

The Vendor, i.e. Champion Prospect Limited, is an investment holding company incorporated in BVI. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Vendor and its ultimate beneficial owner are Independent Third Parties.

There was/is no current or prior written or oral relationship/business arrangements/ transactions/agreements/understanding between each of the Vendor and its ultimate beneficial owners/related party and the Company and its connected person, other than those relating to the Acquisition.

The beneficial owner of the Vendor was acquainted to Mr. Leung Wai Tung, the Executive Director of the Company, who then introduced the Land Property to the Board for consideration in November 2014. After careful consideration, the Board decided to proceed with the Acquisition and then the MOU was entered into between the Vendor and the Company on 2 December 2014 as announced by the Company on the same date.

Each of the Vendor and its ultimate beneficial owner has no intention to acquire Shares of the Company and participate into the Open Offer.

### **Assets to be acquired**

Pursuant to the Conditional Agreements for Sale and Purchase, the Company agreed to purchase and the Vendor agreed to sell the Sale Shares, representing 51% of the total issued share capital of the Target Company and the Sale Loan. As at the date of this announcement, the total amount of the Sale Loan is HK\$297,999,992.

For further information on the Target Group, please refer to paragraph headed "Information on the Target Group".

### **Consideration and Payment Methods**

The Consideration of HK\$160,650,000 shall be settled by the Purchaser by three instalment payments in the following manner:–

- (i) the Earnest Money in the sum of HK\$10,000,000 paid on 11 December 2014 which shall be treated as a refundable deposit;
- (ii) HK\$10,000,000 paid on 30 January 2015 which shall be treated as further refundable deposit; and
- (iii) the remaining balance of HK\$140,650,000 to be satisfied by the Purchaser upon Completion by, at the Purchaser's sole discretion, payment in cash of amount up to HK\$140,650,000 and any deficit after deducting the cash payment made by the Purchaser shall be satisfied by the issuance of the Promissory Note with the principal value equivalent to such deficit amount to the Vendor or his nominee. For avoidance of doubt, the allocation of the amount of cash payment and the principal value of the Promissory Note in payment of the remaining balance of the Consideration shall be at the Purchaser's sole discretion.

The remaining balance of the Consideration is intended to be settled by the proceeds from the Open Offer and if the Open Offer cannot proceed, it will be settled by the issue of the Promissory Note. If the Acquisition is completed prior to the completion of the Open Offer, the third instalment payment will be settled by the Promissory Note which will then be repaid in full by part of the net proceeds from the Open Offer when the Open Offer is completed.

Details of the Promissory Note will be described below.

The Deposits have been paid by the Purchaser according to the abovementioned payment methods by internal resources of the Group.

The Consideration and the terms of the Promissory Note were determined after arm's length negotiations between the Company and the Vendor, after taking into account the location and potential value of and return which can be generated from the Land Property. In assessing the potential value of the Land Property, the Company has (i) reviewed the historical sales transactions of the properties located in the nearby location of the Land Property; and (ii) verbally consulted the professional valuer in Hong Kong on the estimated market value of the Land Property including the preliminary valuation of HK\$325 million as provided by the property valuer Roma Appraisals Limited (“RAL”) for the valuation of the Land Property.

Having considered the above, the Directors consider the Consideration to be fair and reasonable.

### **Conditions precedent**

Completion is conditional upon the following conditions being fulfilled and satisfied, at or prior to the Long Stop Date:

- (a) the results of the legal and financial due diligence conducted by the Purchaser over the Target Company, the Target Group and the Land Property, including but not limited to the Vendor's titles to the Sale Shares and the Sale Loan, the affairs, business, assets, liabilities, operations, records, financial position, value of assets, accounts, results, legal and financial structure of the Target Company and the Target Group and SGDL's title to the Land Property, being completed to the reasonable satisfaction of the Purchaser at its sole discretion;
- (b) the Purchaser having obtained a valuation report at its own costs from a valuer of its own choice giving the value of the Land Property at not less than HK\$310,000,000;
- (c) the passing by the requisite majority of Shareholders in general meeting of all resolutions required under the GEM Listing Rules (if any) to approve the performance by the Purchaser of the transactions contemplated under the

Conditional Agreements for Sale and Purchase, including without limitation sale and purchase of the Sale Shares and the Sale Loan and the issuance of the Promissory Note to the Vendor or his nominee, if it is the case;

- (d) the warranties given by the Vendor in the Conditional Agreements for Sale and Purchase shall remain to be true and correct in all material respects and there has not been any material breach of such warranties;
- (e) all necessary waiver, consent and approvals required to be obtained on the part of the Company in relation to the Conditional Agreements for Sale and Purchase and the transaction contemplated thereby under the GEM Listing Rules (if any) having been obtained;
- (f) all necessary waiver, consent and approval required to be obtained on the part of the Vendor, the Target Company and the Purchaser in respect of the Conditional Agreements for Sale and Purchase and the transaction contemplated thereby having been obtained; and
- (g) the acquisition by the Purchaser of the Target Company does not, and will not be ruled or deemed by the Stock Exchange as to constitute a reverse takeover under the GEM Listing Rules.

In the event the conditions precedent shall not be fulfilled before 5 p.m. on the Long Stop Date or the parties hereto have not reached any agreement in writing to extend the Long Stop Date, then the Vendor shall within 5 Business Days after the Long Stop Date return the Deposits paid under the Conditional Agreements for Sale and Purchase to the Purchaser without any interest. Upon the Vendor fully refund the Deposits so paid to the Purchaser, the Conditional Agreements for Sale and Purchase shall be terminated and the parties shall have no further obligations under the Conditional Agreements for Sale and Purchase save for any rights on any antecedent breach thereof.

In the event, if the Acquisition is being ruled or deemed by the Stock Exchange as to constitute a reverse takeover under the GEM Listing Rules, the Conditional Agreements for Sale and Purchase shall lapse and the Vendor shall refund the Deposits paid by the Purchaser to the Vendor under the Conditional Agreements for Sale and Purchase without interest within 14 Business Days and upon full refund by the Vendor to the Purchaser of the Deposits, the respective obligations of the Vendor and the Purchaser under the Conditional Agreements for Sale and Purchase shall be released.

Completion of the proposed Share Consolidation and Open Offer are not conditions precedent to the Acquisition. No conditions precedent can be waived or have been fulfilled as at the date of the announcement.

## **Completion**

Completion shall take place on the fifth Business Day after the date on which the abovementioned conditions shall have been satisfied and/or fulfilled.

Upon Completion, the Company will be beneficially interested in the 51% equity interests in the Target Company and the Target Group will become a non wholly-owned subsidiary of the Company.

As confirmed by the auditors of the Company, the Company will account for the Land Property as investment property at the fair value at date of acquisition. Subsequent to the initial recognition of the Land Property, the Company will apply the cost model in accordance with HKAS 40 “Investment Properties” and the Land Property will be amortized over the remaining term of the leasehold land. The change in fair value of the Land Property at the end of each financial year end will not be accounted for, however the fair value of the Land Property is necessary to be disclosed in the financial statements of the Company. Gain or losses arising from the disposal of Land Property shall be determined as the difference between the net disposal proceeds and the carrying amount of the asset and shall be recognized in profit or loss in the period of the disposal.

The Purchaser shall be entitled to nominate up to two director(s) in the board of directors of each of the Target Company and SGDL and to nominate the company secretary in each of the Target Company and SGDL.

There will be no change in the board composition of the Company as a result of the Acquisition and the Company has no intention to appoint any director or senior management of the Vendor/Target Group as director of the Company.

The Company does not know whether the Vendor will continue to hold the remaining 49% interest of the Target Company upon Completion.

The terms of the Conditional Agreements for Sale and Purchase Agreement were determined after arm’s length negotiations and on normal commercial terms. The Directors consider the terms and conditions of the Conditional Agreements for Sale and Purchase to be on normal commercial terms, to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **Promissory Note**

The proposed principal terms of the Promissory Note that may be issued by the Company at Completion at the sole discretion of the Purchaser are as follows:

Principal amount: up to HK\$140,650,000

Interest: 6% per annum

Maturity: The second anniversary of the date of issuance of the Promissory Note (the “**Due Date**”)

Early Redemption: The Company may redeem all or part of the Promissory Note at any time seven Business Days prior to the Due Date at 100% of their face value together with all interest accrued on the principal amount of the Promissory Note

The Promissory Note (or any part thereof) shall not be assigned or transferred to a connected person of the Company or its associate(s) without the prior written consent of the Company and is subject to compliance of the conditions of the Promissory Note and further subject to:–

- (a) the conditions, (if required) approvals, requirements and any other provisions of or under the Stock Exchange (and any other stock exchange on which the shares of the Company may be listed at the relevant time) or their rules and regulations and all applicable laws and regulations; and
- (b) the approval of the independent shareholders of the Company in a general meeting if so required under the GEM Listing Rules if such assignment and/or transfer of the Promissory Note is made to a connected person of the Company.

Any assignment or transfer of the Promissory Note shall be in respect of the whole or part in integral multiple of HK\$1,000,000 or, where the outstanding principal amount of the Promissory Note is less than HK\$1,000,000, the entirety of the outstanding principal amount of the Promissory Note.

The maximum principal amount of the Promissory Note was determined based on the amount of the third instalment payment in relation to the Acquisition. The 6% per annum interest was determined with reference to the current market practice and after arm’s length negotiations between the Company and the Vendor. The Board is of the view that the terms of the Promissory Note are fair and reasonable.

The Company has no intention to apply for listing of the Promissory Note.

## **INFORMATION ON THE TARGET GROUP**

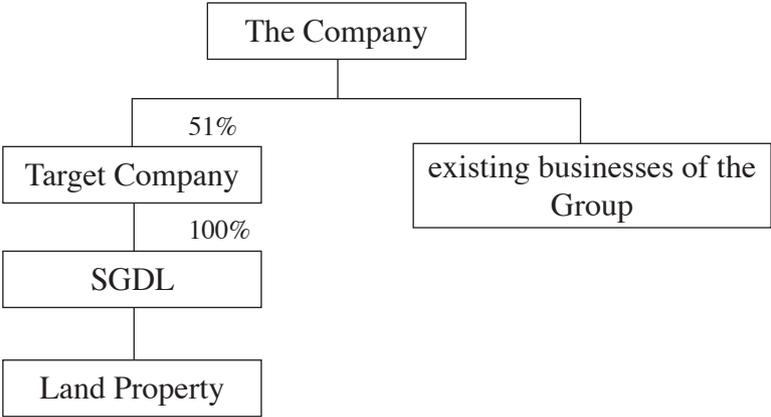
Set out below is the group structure, business and financial information of the Target Group based on the information provided by the Vendor.

**Group structure of the Target Group**

The Target Company is a company incorporated in BVI and is a wholly-owned subsidiary of the Vendor. Set out below is the shareholding structure of the Target Group before the Acquisition:



Set out below is the shareholding structure of the Target Group upon Completion:–



**Business of the Target Group**

The Target Company is a company incorporated in BVI and is 100% owned by the Vendor as at the date of the Conditional Agreements for Sale and Purchase. The Target Company is an investment holding company and its subsidiary, i.e. SGDL, is the legal and beneficial owner of the Land Property situate at and known as Nos. 8 & 10 Lomond Road, Kowloon, Hong Kong. The Target Company is holding the Land Property through its wholly owned subsidiary, namely, SGDL. The acquisition of SGDL by the Target Company was completed on 14 January 2015. As confirmed by the Vendor as at the date of completion of acquisition of SGDL by the Target Company on 14 January 2015, Nos. 8 and 10 Lomond Road of the Land Property are both vacant sites and there is no construction work. As confirmed by the Vendor as at the date of completion of acquisition of SGDL by the Target Company on 14 January 2015, other than the Land Property, there is no other land properties owned by the Target Company or SGDL.

## **Financial information of the Target Group**

Based on the audited accounts of SGDL, the audited net liabilities of SGDL as of 30 June 2014 is approximately HK\$28,219,000. The audited net loss before and after tax of SGDL for the financial year ended 30 June 2014 are HK\$3,139,000 and HK\$3,139,000 respectively. The audited net loss before and after tax of SGDL for the financial year ended 30 June 2013 are HK\$4,708,000 and HK\$4,708,000 respectively. The main reason attributable to the significant net liabilities as at 30 June 2014 is the existence of the secured bank loan of HK\$90,800,000 and the loans from shareholders and other party with an aggregate amount of HK\$67,561,000 as at 30 June 2014. The secured bank loan was fully repaid and the loans from shareholders and other party were assigned to the Target Company prior to the acquisition of SGDL by the Target Company. The revenue of SGDL for the two years ended 30 June 2013 and 2014 are HK\$82,505 and HK\$137 respectively of which HK\$82,500 revenue for the year ended 30 June 2013 represented rental income in relation to investment properties. As disclosed in the audited accounts of SGDL for the two years ended 30 June 2013 and 2014, the major expenses for the two years ended 30 June 2013 and 2014 respectively were administration expenses and finance costs.

The Target Company is an investment holding company and its subsidiary, i.e. SGDL, is the legal and beneficial owner of the Land Property situate at and known as Nos. 8 & 10 Lomond Road, Kowloon, Hong Kong. The principal business of SGDL is property investment. SGDL held the Land Property as investment properties in the financial year ended 30 June 2012 and reclassified the Land Property as properties under development in the financial year ended 30 June 2013.

The Target Company was incorporated on 26 September 2014. Based on the unaudited consolidated accounts of the Target Company, the unaudited consolidated net liabilities of the Target Company as at 14 January 2015 is HK\$24,838. The unaudited consolidated net loss before and after tax of the Target Company for period ended 14 January 2015 since the date of its incorporation are HK\$24,838 and HK\$24,838 respectively. No revenue has been recorded by the Target Company since incorporation. The net liabilities of HK\$28,219,000 of SGDL as at 30 June 2014 were reduced substantially on consolidation with the Target Company as the accumulated losses of SGDL were regarded as pre-acquisition losses which were eliminated on consolidation in conformity with the Hong Kong Financial Reporting Standards.

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

The Group is principally engaged in food and beverage trading and money lending. The types of products traded under the food and beverage business include table wines and liquor, seafood, quality meat, cooking sauces and seasoning.

For the six months ended 31 December 2014, the Group experienced a loss in the segment result of food and beverage trading. Under the aftermath of the “Occupy Central Movement”, the Group is not optimistic about the future performance of its business of food and beverage trading as there are signs to indicate that a prolonged

period of antagonizing sentiment against the mainland visitors emerges. While the Group generally considers that the mainland visitors are major sources of its revenue, it is likely that the slowdown for quality food will persist and the Group shall adjust its strategy accordingly.

The Group has acquired the Money Lenders License in May 2014. The Group plans to continue and develop the money lending business so as to diversify the business portfolio of the Group.

Attributed to the unstable external factors impacting on the food and beverage business, it is expected that the slowdown in the food and beverage business will persist and as such, this business segment will suffer from a continuous scaling down. However, it is expected the reduction in the business volume of this segment would be compensated by the increase in the business volume brought by the money lending business and the operation of the health centre. Save as disclosed above, the Company and its Board does not have any agreement, arrangement, understanding, intention, negotiation (concluded or otherwise) on any disposal/termination/scaling-down any part of the Company's existing businesses.

Other than the operation of the health centre commencing in February 2015 and the Acquisition, there is no other new business being contemplated currently by the Company.

The Company is not aware of any change in the Company's shareholding structure.

In order to capitalize new opportunities to achieve financial growth and also to compensate the loss in the business of food and beverage trading, the Purchaser entered into the Conditional Agreements for Sale and Purchase for acquiring, among others, 51% of the issued share capital of the Target Company, which is the legal and beneficial owner of the Land Property. Upon Completion, the Group will have 51% interest in the Land Property.

Currently, the Company intends to hold the Land Property for capital appreciation and has no concrete plan for further development of the Land Property.

In the recent decade, the Hong Kong property market maintains an increasing trend. The Directors hold the view that given interest rates and unemployment rate having stayed low and supply of properties being at shortage, property prices are hard to fall.

As mentioned, it is a new move for the Group acquiring and holding properties, the Directors plan to hold the Land Property for capital appreciation which would involve less complexity.

At present the Company does not anticipate that expertise in holding the Land Property is required and if the Company has determined to re-develop the Land Property for leasing purpose, the Company will consider recruitment of management with appropriate experience in the development of the Land Property.

The Board is of the view that the Acquisition will enable the Group to diversify its business and broaden its income stream through potential appreciation in value of the Land Property and/or leasing. By taking the advantage of the luxurious location of the Land Property and limited supply of similar type of land properties in the market, the Board is being optimistic about the return to be brought by the Land Property to the Group. Nevertheless, holding investment properties for return is a new move for the Group. As such, the Board considers taking a balance of risk and return and thus decides to first acquire 51% equity interest in the Target Company. As at the date of this announcement, the Company does not have any intention to acquire the remaining 49% equity interest in the Target Company.

Having considered, including but not limited to, (i) the preliminary valuation of the Land Property; (ii) the potential appreciation in value of the Land Property; (iii) the location of the Land Property; (iv) the expected return to be generated to the Group by the Land Property; (v) the controlling rights in the Target Company; and (vi) the Consideration, the Board considers that the terms of the Conditional Agreements for Sale and Purchase are on normal commercial terms, fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

The Company has appointed the property valuer RAL for the valuation of the Land Property. The preliminary valuation of the Land Property is HK\$325,000,000 and it represents its market value in accordance with the HKIS Valuation Standards published by the Hong Kong Institute of Surveyors.

In performing preliminary valuation of the Land Property which is intended to be acquired by the Group, RAL has used the direct comparison approach assuming sale of the Land Property in its existing state with the benefit of vacant possession by making reference to comparable sales transactions as available in the relevant market.

The Board has also considered the similar property transactions in the subject locality and they are quoted as follows:–

<b>Property</b>	<b>Date</b>	<b>Nature</b>	<b>Site Area</b>	<b>Consideration</b>
No. 123 Dumbarton Road	26 November 2013	P-ASP	About 5,110 sq.ft.	HK\$160,000,000
No. 67-71 Lion Rock Road	7 November 2013	ASP	About 3,534 sq.ft.	HK\$242,000,000

The Land Property with a site area of about 9,115.5 sq.ft. (or about 846.85 sq.m.) comprises the following lots (collectively known as the “Lots”)

<b>Street Number</b>	<b>Site Area</b>	<b>Lot Number</b>
No. 8 Lomond Road	4,557.75 sq.ft.	The Remaining Portion of Section C of Kowloon Inland Lot No. 4164
No. 10 Lomond Road	4,557.75 sq.ft.	Sub-Section 1 of Section C of Kowloon Inland Lot No. 4164

The Lots are held under a Government lease for a term of 75 years commencing on 16 June 1939, renewable for a further term of 75 years.

Pursuant to the Government Lease, salient points concerning the use and development of the Land properties are extracted as follows:-

1. the Land Property cannot be erected any building or buildings other than detached or semi-detached houses of European type
2. the design of the exterior elevations and the disposition of which shall be subject to the special approval of the said director
3. and the height of which shall not except with the consent of the said director exceed thirty five feet
4. and will not erect any building or buildings within ten feet of Leven Road.

Currently, Nos. 8 and 10 Lomond Road of the Land Property are both vacant sites and there is no construction work.

As advised by the Vendor, the acquisition cost of SGDL by the Target Company (completed on 14 January 2015) is HK\$298 million. The original beneficial owners of SGDL are Independent Third Parties. Last transactions of the Land Property which was acquired by SGDL by stages are listed as follows:–

<b>Premises</b>	<b>Consideration</b>	<b>Date of Instrument</b>
G/F. & 1/3 of the Garage at the North Side, No.8 Lomond Road	HK\$7,100,000 (1/4 shares)	27 June 2011
	HK\$7,100,000 (1/4 shares)	22 July 2011
	HK\$14,200,000 (2/4 shares)	21 October 2011
1/F. & 1/3 of the Garage at the North Side, No.8 Lomond Road	HK\$22,500,000	23 August 2010
2/F. & 1/3 of the Garage at the North Side, No.8 Lomond Road	HK\$25,500,000	23 August 2010
No.10 Lomond Road	HK\$34,000,000	21 April 1997

### **PROPOSED SHARE CONSOLIDATION**

The Board proposes to put forward to the Shareholders a proposal to effect the proposed Share Consolidation whereby every twenty (20) issued Shares of par value of HK\$0.001 each will be consolidated into one (1) Consolidated Share of par value of HK\$0.02 each.

In order to facilitate the proposed Share Consolidation, the Company intends to repurchase eight (8) Shares so that 1,431,572,240 Shares in issue will be consolidated into 71,578,612 Consolidated Shares without any fractional Consolidated Shares. As the repurchase of Shares will be conducted by the Company within ten (10) Business Days of this announcement, no prior approval of the Stock Exchange pursuant to Rule 13.12 of the GEM Listing Rule is required.

### **Conditions of the Share Consolidation**

The Share Consolidation is conditional upon

- (i) passing of the relevant resolution(s) to approve the Share Consolidation by the Shareholders by way of poll at the EGM; and
- (ii) the GEM Listing Committee of the Stock Exchange granting approval to the listing of, and permission to deal in, the Consolidated Shares.

An application will be made by the Company to the GEM Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Consolidated Shares.

The Share Consolidation will become effective on the next Business Day immediately following the fulfillment of the above conditions.

### **Effect of the Share Consolidation**

As at the date of this announcement, the authorised share capital of the Company is HK\$1,000,000,000 divided into 1,000,000,000,000 Shares of HK\$0.001 each, of which 1,431,572,248 Shares have been issued and are fully paid or credited as fully paid. Assuming that no further Shares are issued or repurchased between the date of this announcement and the date of the EGM (save and except the repurchase of eight (8) Shares in issue as mentioned above), immediately after the Share Consolidation becoming effective, the authorised share capital of the Company will become HK\$1,000,000,000 divided into 50,000,000,000 Consolidated Shares of HK\$0.02 each, of which 71,578,612 Consolidated Shares will be in issue which are fully paid or credited as fully paid following the Share Consolidation but before the completion of the Open Offer.

Upon the Share Consolidation becoming effective, the Consolidated Shares will rank *pari passu* in all respects with each other. Fractional Consolidated Shares will not be issued by the Company to the Shareholders. Any fractional entitlements of the Consolidated Shares will be aggregated, sold and retained for the benefit of the Company, if feasible and applicable.

Other than the relevant expenses, including but not limited to professional fees and printing charges incurred, the implementation of the Share Consolidation will have no effect on the consolidated net asset value of the Group, nor will it alter the underlying assets, business, operations, management or financial position of the Company or the interests of the Shareholders, save for any fractional Consolidated Shares to which Shareholders may be entitled. The Directors believe that the Share Consolidation will not have any material adverse effect on the financial position of the Group.

### **Reasons for the Share Consolidation**

The Share Consolidation will increase the trading price per board lot of the Shares, which will reduce the overall transaction and handling costs of dealings in the Shares. The Board also believes that the Share Consolidation may attract more investors and extend the shareholders' base of the Company. In view of the above, the Board considers that the Share Consolidation is in the interests of the Company and the Shareholders as a whole.

### **Free exchange of Consolidated Shares' certificates and trading arrangements**

Subject to the Share Consolidation becoming effective, which is expected to be on Friday, 15 May 2015, Shareholders may, during a period to be specified in the Circular, submit share certificates for the existing Shares in orange color to the Registrar to exchange, at the expense of the Company, for new certificates of the Consolidated Shares in pink color. Thereafter, each share certificate for the existing Shares will be

accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may be from time to time be specified by the Stock Exchange) for each new share certificate issued for the Consolidated Shares or each share certificate for the existing Shares submitted for cancellation, whichever the number of certificates issued or cancelled is higher. Nevertheless, the share certificates for the existing Shares will continue to be good evidence of legal title and may be exchanged for new share certificates for the Consolidated Shares at any time but are not accepted for trading, settlement and registration upon completion of the Share Consolidation.

**Odd lots arrangement and matching services**

In order to facilitate the trading of odd lots (if any) of the Consolidated Shares, the Company has appointed an agent to provide matching services for sale and purchase of odd lots of Consolidated Shares at the relevant market price per Consolidated Share for Shareholders, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares. Details of the odd lots matching arrangement will be set out in the Circular. Holders of odd lots of the Consolidated Shares should note that successful matching of the sale and purchase of odd lots of the Consolidated Shares are not warranted. Any Shareholder who is in any doubt about the odd lots arrangement, is recommended to consult his/her/its own professional advisers.

**PROPOSED OPEN OFFER**

The Open Offer is proposed to take place after and is conditional upon the Share Consolidation becoming effective. Details of the Open Offer are set out below:

**Issue Statistics**

<b>Basis of the Open Offer:</b>	Thirty (30) Offer Shares for every one (1) Consolidated Share held by the Qualifying Shareholders at the close of business on the Record Date
<b>Number of Shares in issue as at the date of this announcement:</b>	1,431,572,248 Shares
<b>Number of Consolidated Shares in issue assuming the Share Consolidation has become effective:</b>	71,578,612 Consolidated Shares (assuming no further issue or repurchase of Shares up to the effective date of the Share Consolidation save and except the repurchase of eight (8) Shares in issue as mentioned above)
<b>Number of Offer Shares:</b>	2,147,358,360 Offer Shares (assuming no new Share/Consolidated Share being issued and/or repurchased by the Company on or before the Record Date)

**Subscription Price:** HK\$0.105 per Offer Share

**The aggregate nominal value of the Offer Shares:** HK\$42,947,167.20

The Open Offer is fully underwritten by the Underwriter, who shall ensure that the Company will maintain the minimum public float requirement in compliance with 11.23 of the GEM Listing Rules. The terms of the Underwriting Agreement were agreed after arm's length negotiation between the Company and the Underwriter.

### **The Offer Shares**

Assuming no new Share/Consolidated Share being issued and/or repurchased by the Company on or before the Record Date save and except the repurchase of eight (8) Shares in issue to facilitate the Share Consolidation, the total number of Offer Shares of 2,147,358,360 new Consolidated Shares will be issued and allotted representing:

- (i) approximately 150% of the Company's existing issued shares as at the date of this announcement; and
- (ii) approximately 96.8% of the Company's existing issued shares as enlarged by the issue of the Offer Shares.

Assuming the Share Consolidation becoming effective and completion of the Open Offer, the aggregate nominal value of the Offer Shares of nominal value of HK\$0.02 each will be HK\$42,947,167.20 respectively.

As at the date of this announcement, the Company has no other outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares as at the date of this announcement.

### **The Subscription Price**

The Subscription Price of HK\$0.105 per Offer Share, payable in full upon application for the Offer Shares and, where applicable, application for excess Offer Shares under the Open Offer by a Qualifying Shareholder.

The Subscription Price of HK\$0.105 per Offer Share represents:

- (i) a discount of approximately 92.9% to the closing price of HK\$1.48 per Consolidated Share as quoted on the Stock Exchange on the Last Trading Day and adjusted taking into account the effect of the Share Consolidation;
- (ii) a discount of approximately 92.8% to the average of the closing prices of approximately HK\$1.464 per Consolidated Share for the last five consecutive trading days up to and including the Last Trading Day and adjusted taking into account the effect of the Share Consolidation; and

- (iii) a discount of approximately 29.7% to the theoretical ex-entitlement price of approximately HK\$0.1494 per Consolidated Share (assuming there is no new Shares/Consolidated Shares issued by the Company and there is no Shares/Consolidated Shares being repurchased by the Company from the date of this announcement up to the Record Date save and except the repurchase of eight (8) Shares in issue to facilitate the Share Consolidation) based on the closing price of HK\$0.074 per Share as quoted on the Stock Exchange on the Last Trading Day and adjusted taking into account the effect of the Share Consolidation.

The Subscription Price was a commercial decision and was determined after arm's length negotiations between the Company and the Underwriter with reference to (i) the prevailing market price of the Shares prior to the Last Trading Day and the theoretical ex-entitlement price; and (ii) the net loss of the Group for the four consecutive financial years since 2011. In view of the current market price of Shares and financial performance of the Group and in order to enhance the attractiveness of the Open Offer, issuance of new shares by way of open offer at a discount to the market price (which has been commonly adopted by listed issuers in Hong Kong) and such discount is to encourage existing shareholders to take up their entitlements so as to participate in the potential growth of the listed issuers in the future. Furthermore, since the Open Offer will allow the Qualifying Shareholders to maintain their pro-rata shareholdings in the Company, the executive Directors consider that the terms of the Open Offer are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Taking into account the estimated expenses in connection with the Open Offer of approximately HK\$9.9 million, the net price per Offer Share is expected to be approximately HK\$0.10 upon full acceptance of the relevant Offer Shares (assuming no new Share/Consolidated Share being issued and/or repurchased by the Company on or before Record Date except eight (8) Shares to be repurchased by the Company to facilitate the Share Consolidation).

### **Qualifying Shareholders**

The Open Offer is only available to the Qualifying Shareholders. The Company will send (i) the Prospectus Documents to the Qualifying Shareholders; and (ii) the Prospectus to the Non-Qualifying Shareholders for information only.

To qualify for the Open Offer, a Shareholder must:

- (i) be registered as a member of the Company at the close of business on the Record Date; and
- (ii) not be a Non-Qualifying Shareholder.

In order to be registered as members of the Company at the close of business on the Record Date, holders of the Shares must lodge any transfers of Shares/Consolidated Shares (together with the relevant share certificates) with the Registrar for registration no later than 4:30 p.m. (Hong Kong time) on Tuesday, 19 May 2015.

### **Closure of register of members**

The register of members of the Company will be closed from Wednesday, 20 May 2015 to Wednesday, 27 May 2015, both dates inclusive, to determine the eligibility of the Open Offer. No transfer of Shares or Consolidated Shares will be registered during this period.

### **Rights of the Overseas Shareholders**

If, at the close of business on the Record Date, a Shareholder's address on the register of members of the Company is in a place outside Hong Kong, that Overseas Shareholder may not be eligible to take part in the Open Offer as the Prospectus Documents will not be registered and/or filed under the applicable securities legislation of any jurisdictions other than Hong Kong. The Board will make enquiries, to be based on legal advice as to whether the issue of the Offer Shares to the Overseas Shareholders may contravene the applicable securities legislation of the relevant overseas places or the requirements of the relevant regulatory body or stock exchange pursuant to Rule 17.41(1) of the GEM Listing Rules. If, after making such enquiry, the Board is of the opinion that it would be necessary or expedient on account either of the legal restrictions under the laws of the relevant places or the requirements of the relevant regulatory bodies or stock exchanges in that place, not to offer the Offer Shares to the Overseas Shareholders, no assured allotment of Offer Shares will be made to the Overseas Shareholders. Accordingly, the Open Offer will not be extended to the Non-Qualifying Shareholders.

For those Overseas Shareholders who are to be excluded from the Open Offer, the Company will, subject to compliance with the relevant local laws, regulations and requirements, send copies of the Prospectus for their information only, the Company will not send the Application Form and EAF to them.

**Overseas Shareholders should note that they may or may not be entitled to the Open Offer. Accordingly, Overseas Shareholders should exercise caution when dealing in the securities of the Company.**

### **Basis of assured allotment**

The basis of the assured allotment shall be thirty (30) Offer Shares for every one (1) Consolidated Share in issue and held on Record Date, being 2,147,358,360 Offer Shares (assuming no new Share/Consolidated Share being issued and/or repurchased by the Company on or before the Record Date, save and except the repurchase of eight (8) Shares in issue to facilitate the Share Consolidation). Application for all or any part of a Qualifying Shareholder's assured allotment should be made by completing the Application Form and lodging the same with a remittance for the Offer Shares being applied for.

### **Status of the Offer Shares**

The Offer Shares, when allotted, fully paid and issued, will rank *pari passu* in all respects with the Consolidated Shares then in issue. Holders of the Offer Shares will

be entitled to receive all future dividends and distributions which are declared, made or paid after the date of allotment and issue of the Offer Shares.

### **Application for excess Offer Shares**

Qualifying Shareholders will have the right to apply for any Offer Shares in excess of their own entitlement under the EAFs in relation to the Open Offer but are not assured of being allocated any Shares in excess of those in their own entitlement.

The Company will allocate the Offer Shares in excess of the entitlement at its discretion on a fair and equitable basis to the excess Offer Shares applied for by the Qualifying Shareholders. Shareholders who have been offered odd lots of the Offer Shares should note that there is no guarantee that such odd lots of the Offer Shares will be topped up to create whole board lots pursuant to applications for the excess Offer Shares. The Directors will allocate the excess Offer Shares at their discretion on a fair and equitable basis on the following principles:

- (i) no preference will be given to applications for topping-up odd-lot holdings to whole-lot holdings as the giving of such preference may potentially be abused by certain investors by splitting their Shares and thereby receiving more Offer Shares than they would receive if such preference is not given, which is an unintended and undesirable result; and
- (ii) subject to availability of excess Offer Shares, the excess Offer Shares will be allocated to the Qualifying Shareholders who have applied for excess application on a pro rata basis based on the excess Offer Shares applied for by them.

Any Offer Shares not applied for by the Qualifying Shareholders will be taken up by the Underwriter and sub-underwriter(s).

Investors with their Shares or Consolidated Shares held by a nominee company should note that the Board will regard the nominee company as a single Shareholder according to the register of members of the Company. Accordingly, Shareholders should note that the aforesaid arrangement in relation to the allocation of the excess Offer Shares will not be extended to beneficial owners individually. Investors with their Shares or Consolidated Shares held by a nominee company are advised to consider whether they would like to arrange for registration of the relevant Shares or Consolidated Shares in the name of the beneficial owner(s) prior to the Record Date. Shareholders and investors should consult their professional advisers if they are in any doubt as to their status.

Investors whose Shares or Consolidated Shares are held by their nominee(s) and who would like to have their names registered on the register of members of the Company must lodge all necessary documents with the Registrar for completion of the relevant registration by 4:30 p.m. (Hong Kong time) on Tuesday, 19 May 2015.

### **Fractions of the Offer Shares**

No fractional entitlements to the Offer Shares will be issued to the Shareholders and no entitlements of the Non-Qualifying Shareholders to the Offer Shares will be issued to the Non-Qualifying Shareholders. The Offer Shares representing such fractional entitlements and entitlements of the Non-Qualifying Shareholders will be aggregated and made available for excess application by the Qualifying Shareholders.

### **Share certificates for the Offer Shares and refund cheques for the Open Offer**

Subject to the fulfillment or waiver (as the case may be) of the conditions of the Open Offer, share certificates for all Offer Shares are expected to be posted to those entitled thereto by ordinary post at their own risk on or before Friday, 19 June 2015. Refund cheques in respect of wholly or partially unsuccessful applications for the excess Offer Shares (if any) are expected to be posted on or before Friday, 19 June 2015 by ordinary post to the applicants at their own risk.

### **Application for listing of the Offer Shares**

The Company will apply to the GEM Listing Committee of the Stock Exchange for the listing of and permission to deal in, the Offer Shares. Upon the Share Consolidation becoming effective, the Offer Shares shall have the board lot size of 20,000 Consolidated Shares per board lot.

No part of the securities of the Company is listed or dealt in or on which listing or permission to deal in is being or is proposed to be sought on any other stock exchange.

Subject to the granting of the listing of, and permission to deal in, the Offer Shares on the Stock Exchange, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement dates of dealings in the Offer Shares on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

All necessary arrangements will be made to enable the Offer Shares to be admitted into CCASS.

Dealings in the Offer Shares which are registered in the Registrar will be subject to payment of stamp duty, Stock Exchange trading fee, transaction levy, investor compensation levy or any other applicable fees and charges in Hong Kong.

### **Conditions of the Open Offer**

The Open Offer is conditional upon the following conditions being fulfilled:

- (i) the Share Consolidation becoming effective;

- (ii) the passing of the relevant resolutions by the Shareholders approving the Open Offer and the transactions contemplated under the Underwriting Agreement at an extraordinary general meeting of the Company in accordance with the GEM Listing Rules;
- (iii) the delivery to the Stock Exchange and registration by the Registrar of Companies in Hong Kong respectively on or prior to the Posting Date of one copy of each of the Prospectus Documents each duly certified in compliance with section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (and all other documents required to be attached thereto) and the GEM Listing Rules;
- (iv) the posting on the Posting Date of copies of the Prospectus Documents to the Qualifying Shareholders and to the extent reasonably practicable, copies of the Prospectus for information purpose only to the Non-Qualifying Shareholders;
- (v) compliance with and performance of all the undertakings and obligations of the Company under the terms of the Underwriting Agreement;
- (vi) the GEM Listing Committee of the Stock Exchange granting the listing of, and permission to deal in the Offer Shares;
- (vii) the Shares remaining listed on the Stock Exchange at all times prior to the Settlement Date and the current listing of the Shares not having been withdrawn or the trading of the Shares not having been suspended for a consecutive period of more than 10 trading days (other than any suspension pending clearance of this announcement);
- (viii) no indication being received before the Latest Time for Termination from the Stock Exchange to the effect that such listing of the Shares may be withdrawn or objected to (or conditions will or may be attached thereto) including but not limited to as a result of the Open Offer or in connection with the terms of the Underwriting Agreement or for any other reason;
- (ix) the procurement of one or more sub-underwriter(s) by the Company who are acceptable to the Underwriter, to sub-underwrite Offer Shares in aggregate with the value of not less than HK\$50 million on terms acceptable to the Underwriter no later than the date on which the EGM is held; and
- (x) the obligations of the Underwriter under the Underwriting Agreement not being terminated by the Underwriter in accordance with the terms thereof.

If the above conditions are not satisfied on or before 30 June 2015 (or such later date or dates as the Company and the Underwriter may agree), all obligations and liabilities of the parties under the Underwriting Agreement shall cease and determine and no party shall have any claim against the other (save for (i) any antecedent breaches hereof and;

(ii) the underwriting commission paid by the Company which shall not be subject to any refund by the Underwriter and the Company shall remain liable for the amount of any underwriting commission that is still owing and has not been paid) and the Open Offer will not proceed.

## **THE UNDERWRITING AGREEMENT**

<b>Date:</b>	17 March 2015 (after trading hours)
<b>Underwriter:</b>	Freeman Securities Limited
<b>Number of Underwritten Shares:</b>	2,147,358,360 Offer Shares (assuming no new Share/Consolidated Share being issued and/or repurchased by the Company on or before the Record Date, save and except the repurchase of eight (8) Shares in issue to facilitate the Share Consolidation) at maximum
<b>Commission:</b>	3% of the Subscription Price multiplied by the amount of Offer Shares payable upon execution of the Underwriting Agreement

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Underwriter and its ultimate beneficial owner(s) and their respective associate(s) (and their ultimate beneficial owner(s), if any and applicable) are third party(ies) which are Independent Third Parties.

Save for the Underwriter being the sub-underwriter of the open offer as announced by the Company on 30 June 2014, there was/is no current or prior written or oral relationship/business arrangements/transactions/agreements/understanding between each of the Underwriter and the Company and its connected person, other than those relating to the Underwriting Agreement.

As at the date of this announcement, the Underwriter does not hold any Shares.

The Company undertakes to the Underwriter that HK\$140,650,000 from the net proceeds of the Open Offer will be used to settle the third instalment payment of the Acquisition or to repay the Promissory Note if it is issued before completion of the Open Offer.

The terms of the Underwriting Agreement and the commission rate were determined after arm's length negotiations between the Company and the Underwriter by reference to the market rate, existing financial position of the Group, the size of the Open Offer, and the current and expected market condition. The executive Directors considers that the terms of the Underwriting Agreement (including the commission rate) are fair and reasonable so far as the Independent Shareholders are concerned.

Pursuant to the Underwriting Agreement, the Underwriter shall enter into legally binding arrangements with sub-underwriter(s) to the effect that if the Underwriter or any of the sub-underwriter is required to take up the Offer Shares pursuant to its underwriting/sub-underwriting obligations, (a) each of the Underwriter, the sub-underwriter(s) and placee(s) procured by it/them, together with the parties acting in concert (as defined under the Takeovers Code) with each of them, will not be interested in 30% or more of the issued share capital of the Company immediately after completion of the Open Offer; and (b) the public float requirements under Rule 11.23 of the GEM Listing Rules are complied with. The Underwriter shall also use its reasonable endeavours to ensure that each of the sub-underwriter(s) and placee(s) procured by it/them (and their respective ultimate beneficial owners) is independent of and not connected with the Company and its connected persons and is not a party acting in concert (as defined under the Takeovers Code) with each other.

### **Termination of the Underwriting Agreement**

The Underwriter shall have the right to terminate the arrangements set out in the Underwriting Agreement by notice in writing given to the Company if at any time at or prior to the Latest Time for Termination:

- (1) in the reasonable opinion of the Underwriter, the success of the Open Offer would be materially and adversely affected by:
  - (i) the introduction of any new regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
  - (ii) the occurrence of any local, national or international event or change, whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date of the Underwriting Agreement, of a political, financial, economic, currency market or other nature (whether or not ejusdem generis with any of the foregoing) or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities market which may, in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
  - (iii) any material adverse change in the business or in the financial or trading position or prospects of the Group as a whole; or
  - (iv) any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out which would, in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or

- (v) there occurs or comes into effect the imposition of any moratorium, suspension or material restriction on trading in the shares of the Company generally on the Stock Exchange due to exceptional financial circumstances or otherwise; or
  - (vi) the commencement or taking by any third party of any litigation or claim or other action against any member of the Group which is or might be material to the Group taken as a whole; or
- (2) any material adverse change in market conditions (including, without limitation, a change in fiscal or monetary policy or foreign exchange or currency markets, suspension or restriction of trading in securities, imposition of economic sanctions, on Hong Kong, the Cayman Islands, the PRC or other jurisdiction relevant to the Group or any member of the Group and a change in currency conditions for the purpose of this clause includes a change in the system under which the value of the Hong Kong currency is pegged with that of the currency of the United States of America) occurs which in the reasonable opinion of the Underwriter makes it inexpedient or inadvisable to proceed with the Open Offer; or
- (3) the Prospectus when published contain information (either as to business prospects or the condition of the Group or as to its compliance with any laws or the Listing Rules or any applicable regulations) which in the reasonable opinion of the Underwriter is material to the Group as a whole and is likely to affect materially and adversely the success of the Open Offer or might cause a prudent investor not to accept the Offer Shares provisionally allotted to it; or
- (4) the Company commits any material breach of or omits to observe any of the material obligations or material undertakings expressed to be assumed by it under the Underwriting Agreement; or
- (5) if, at or prior to the Latest Time for Termination:
- (i) any material breach of any of the warranties or undertakings of the Company contained under the Underwriting Agreement comes to the knowledge of the Underwriter; or
  - (ii) any event occurring or matter arising on or after the date of the Underwriting Agreement and prior to the Latest Time for Termination which if it had occurred or arisen before the date of the Underwriting Agreement would have rendered any of the warranties of the Company contained under the Underwriting Agreement untrue or incorrect in any material respect comes to the knowledge of the Underwriter,

the Underwriter shall be entitled by notice in writing to the Company prior to the Latest Time for Termination to elect to rescind the Underwriting Agreement.

Upon giving any of such notice, all obligations of the Underwriter under the Underwriting Agreement shall cease and determine save for any antecedent breaches and the obligation of the Company to pay the underwriting commission.

### **Reasons for the Open Offer and use of proceeds from the Open Offer**

The Group is principally engaged in in food and beverage trading and money lending.

The estimated gross proceeds and net proceeds of the Open Offer at the Subscription Price of HK\$0.105 per Offer Share will be approximately HK\$225.5 million and HK\$215.6 million respectively (assuming no new Share/Consolidated Share being issued and/or repurchased by the Company on or before the Record Date save and except the repurchase of eight (8) Shares in issue to facilitate the Share Consolidation). The Company intends to apply such net proceeds of HK\$140.7 million from the Open Offer for the settlement of the third instalment payment in relation to the Acquisition and the remaining balance for general working capital of the Group. The proceeds designated for general working capital were tentatively applied as to HK\$20 million towards the development of the money lending business, as to HK\$20 million towards the operations of the health centre and as to HK\$34.9 million towards the general working capital purpose. If the Acquisition is not proceeded, the alternative use of the proceeds will be intended for the establishment of more health centres in Hong Kong and the PRC.

The Board considers that it is prudent to finance the Group's long-term growth by long term financing, preferably in the form of equity which will not increase the Group's finance costs. In addition, the Board believes that the Open Offer will enable the Group to strengthen its capital base and enhance its financial position for future strategic investments as and when such opportunities arise.

The Open Offer will enable the Group to raise funds for the settlement of the third instalment payment in relation to the Acquisition by cash and the remaining balance for general working capital. The Board has considered other fund raising alternatives, including but not limited to bank borrowings, share placement and rights issue.

The Board considers that the Open Offer will give the Qualifying Shareholders the opportunity to maintain their respective pro-rata shareholding interests in the Company and all Shareholders are being offered the equal opportunity to make an informed decision whether to participate in the Open Offer based on various detailed information provided including the discount percentages. In addition, the Open offer will improve the financial position of the Company with enlarged equity base. The Board is of the view that fund raising through the Open Offer is in the best interests of the Company and the Shareholders as a whole. However, those Qualifying Shareholders who do not take up the Offer Shares to which they are entitled should note that their shareholdings in the Company will be diluted.

**WARNING OF THE RISKS OF DEALINGS IN SHARES AND THE CONSOLIDATED SHARES**

Shareholders and potential investors should note that the Open Offer is conditional upon the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof. Accordingly, the Open Offer may or may not proceed. Shareholders and potential investors should exercise extreme caution when dealings in the Shares and Consolidated Shares, and if they are in any doubt about their position, they should consult their professional advisers.

Shareholders should note that the Shares and Consolidated Shares will be dealt in on an ex-entitlement basis commencing from Monday, 18 May 2015 and that dealings in the Shares and Consolidated Shares will take place while the conditions to which the Underwriting Agreement is subject remain unfulfilled. Any Shareholder or other person dealings in the Shares and Consolidated Shares up to the date on which all conditions to which the Open Offer are subject are fulfilled (which is expected to be at 4:00 p.m. on Wednesday, 17 June 2015), will accordingly bear the risk that the Open Offer cannot become unconditional and may not proceed. Any Shareholder or other person contemplating to sell or purchase any Shares and Consolidated Shares, who is in any doubt about his/her/its position, is recommended to consult his/her/its own professional adviser.

**EXPECTED TIMETABLE**

The expected timetable for the Share Consolidation and the Open Offer is set out below:

<b>Event</b>	<b>Time and date</b>
Expected date of despatch of the Circular, notice and proxy form of the EGM	on or before Friday, 24 April 2015
Latest time for return of proxy form of the EGM (not less than 48 hours prior to time of the EGM)	11:00 a.m. on Tuesday, 12 May 2015
EGM	11:00 a.m. on Thursday, 14 May 2015
Announcement of results of the EGM	Thursday, 14 May 2015
Effective date of the Share Consolidation	Friday, 15 May 2015
Commencement of dealings in the Consolidated Shares	9:00 a.m. on Friday, 15 May 2015
Original counter for trading in Shares (in board lots of 20,000 Shares) closes	9:00 a.m. on Friday, 15 May 2015

Temporary counter for trading in Consolidated Shares . . . . . 9:00 a.m. on Friday,  
in board lots of 1,000 Consolidated Shares . . . . . 15 May 2015  
(in the form of existing share certificates) opens

First day of free exchange of existing share certificates . . . . . Friday, 15 May 2015  
for new share certificates for Consolidated  
Shares commences

Last day of dealings in the Consolidated Shares . . . . . Friday, 15 May 2015  
on a cum-entitlement basis

First day of dealings in Consolidated Shares. . . . . Monday, 18 May 2015  
on an ex-entitlement basis

Latest time for lodging transfer of Consolidated Shares . . . . . 4:30 p.m. on Tuesday,  
in order to be qualified for the Open Offer . . . . . 19 May 2015

Register of members closes (both dates inclusive) . . . . . Wednesday, 20 May 2015 to  
Wednesday, 27 May 2015

Record Date . . . . . Wednesday, 27 May 2015

Register of members re-opens. . . . . Thursday, 28 May 2015

Prospectus Documents expected to be despatched. . . . . Thursday, 28 May 2015

Designated broker starts to stand in the market. . . . . 9:00 a.m. on Monday,  
to provide matching services for the sale and . . . . . 1 June 2015  
purchase of odd lots of Consolidated Shares

Original counter for trading in Consolidated Shares . . . . . 9:00 a.m. on Monday,  
in board lots of 20,000 Consolidated Shares . . . . . 1 June 2015  
(in the form of new share certificates) re-opens

Parallel trading in the Consolidated Shares. . . . . 9:00 a.m. on Monday,  
(in the form of new and existing share certificates) . . . . . 1 June 2015  
begins

Latest Acceptance Date & Time . . . . . 4:00 p.m. on Thursday, 11 June 2015

Latest time for Termination. . . . . 4:00 p.m. on Wednesday, 17 June 2015

Announcement of results of acceptance and . . . . . Thursday, 18 June 2015  
application for the excess Offer Shares

Refund cheques in respect of wholly or partially . . . . . Friday, 19 June 2015  
unsuccessful applications for excess Offer Shares  
expected to be posted on or before

Certificates for the Offer Shares expected to. . . . . Friday, 19 June 2015  
be despatched on or before

Designated broker ceases to stand in the market . . . . . 4:00 p.m. on Friday,  
to provide matching services for the sale and 19 June 2015  
purchase of odd lots of Consolidated Shares

Temporary counter for trading in board lots of . . . . . 4:00 p.m. on Friday,  
1,000 Consolidated Shares (in the form of 19 June 2015  
existing share certificates) closes

Parallel trading in Consolidated Shares (in the form of. . . . . 4:00 p.m. on Friday,  
new and existing share certificates) ends 19 June 2015

Expected first day of dealings in the Offer Shares . . . . . 9:00 a.m. on Monday,  
22 June 2015

Last day of free exchange of existing share certificates . . . . . Wednesday, 24 June 2015  
for into new share certificates for Consolidated Shares

*All times and dates in this announcement refer to Hong Kong local times and dates. Dates or deadlines specified in the expected timetable above are indicative only and may be extended or varied by the Company. Any changes to the expected timetable will be published or notified to the Shareholders as and when appropriate.*

## CHANGES IN THE SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company from (i) the date of this announcement; (ii) immediately after the Share Consolidation but before completion of the Open Offer; and (iii) immediately after completion of the Open Offer, assuming no new Share/Consolidated Share being issued and/or repurchased by the Company on or before the Record Date (except eight (8) Shares to be repurchased by the Company to facilitate the Share Consolidation):

	As at the date of this announcement		Immediately after completion of the Open Offer assuming					
			Immediately after the Share Consolidation but before completion of the Open Offer		All Offer Shares are subscribed for by the Qualifying Shareholders		None of the Offer Shares are subscribed for by the Qualifying Shareholders (Note 1)	
	No. of Shares	Approximate	No. of	Approximate	No. of	Approximate	No. of	Approximate
		%	Consolidated Shares	%	Consolidated Shares	%	Consolidated Shares	%
Underwriter	-	0.00%	-	0.00%	-	0.00%	2,147,358,360	96.77%
Other public shareholders	1,431,572,248	100.00%	71,578,612	100.00%	2,218,936,972	100.00%	71,578,612	3.23%
	<u>1,431,572,248</u>	<u>100.00%</u>	<u>71,578,612</u>	<u>100.00%</u>	<u>2,218,936,972</u>	<u>100.00%</u>	<u>2,218,936,972</u>	<u>100.00%</u>

*Note 1: This scenario is for illustrative purpose only and will never occur. Pursuant to the Underwriting Agreement, the Underwriter confirms that it has sub-underwritten its underwriting obligations under the Underwriting Agreement to sub-underwriters.*

The Underwriter has sub-underwritten 1,957,358,360 Underwritten Shares 18 sub-underwriters.

Each of those 18 sub-underwriters and its respective ultimate beneficial owners (if applicable) are Independent Third Parties.

## FUND RAISING EXERCISES OF THE COMPANY IN THE PAST TWELVE MONTHS

Date of announcement	Fund raising activity	Net proceeds raised (approximately)	Intended use of the net proceeds	Actual use of the net proceeds as at the date of this announcement
3 June 2014 (completed on 12 June 2014)	Placing of 184,104,000 placing Shares at a price of HK\$0.076 per Share under general mandate	HK\$13.5 million	For general working capital of the Group	(i) approximately HK\$4.90 million was used for payment of the operating expenses; and (ii) approximately HK\$8.60 million was used for granting of loans under the lending business of the Group.
30 June 2014 (completed on 8 September 2014)	Open offer on the basis of eight (8) Offer Shares at a subscription price of HK\$0.20 for every one (1) consolidated Share held on the record date	HK\$170.2 million	For early redemption of all the then Outstanding Convertible Bonds	HK\$170 million was used in early redemption of the entire outstanding balance of the convertible bonds and the remaining balance of approximately HK\$200,000 was used for payment of the operating expenses.
3 October 2014 (completed on 15 October 2014)	Placing of 198,830,000 placing Shares at a price of HK\$0.132 per Share under general mandate	HK\$25.4 million	For general working capital of the Group	(i) approximately HK\$1.0 million was used for purchase of listed securities; (ii) approximately HK\$4.2 million was used for granting of loans under the lending business of the Group; (iii) approximately HK\$10.2 million was used for procurement of fixed assets and payment of the operating expenses; and (iv) HK\$10.0 million was used as the payment of Earnest Money under the MOU.
23 December 2014 (completed on 13 January 2015)	Placing of 238,580,000 placing Shares at a price of HK\$0.065 per Share under general mandate	HK\$14.79 million	For general working capital of the Group	(i) HK\$10.0 million was used in the payment of refundable deposit under the Sales and Purchase Agreement; and (ii) the remaining balance of HK\$4.79 million was maintained at the Group's bank accounts.

Save for the above, the Company has not conducted any other equity fund raising exercises in the past twelve months immediately preceding the date of this announcement.

### **PROPOSED ADJUSTMENTS TO THE SHARE OPTIONS**

As a result of the Share Consolidation and the Open Offer, adjustments may need to be made to the exercise price and other rights (if any) pursuant to the terms of the share option scheme of the Company if necessary and the Company will make announcement accordingly.

### **GEM LISTING RULES IMPLICATION**

As the highest applicable percentage ratio pursuant to Chapter 19 of the GEM Listing Rules exceeds 100%, the Acquisition constitutes a very substantial acquisition for the Company. Accordingly, the Acquisition will be subject to the requirements of reporting, announcement and shareholders' approval at the EGM pursuant to Chapter 19 of the GEM Listing Rules.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder has a material interest in the Acquisition which is different from the other Shareholders. Therefore, no Shareholder is required to abstain from voting on the relevant resolutions to be proposed at the EGM to approve the Conditional Agreements Sale and Purchase and the transactions contemplated thereunder. If the Vendor and/or its associates hold any Shares on the date of the EGM, they will be required to abstain from voting on the relevant resolutions to be proposed at the EGM in relation to the Conditional Agreements for Sale and Purchase and the transactions contemplated thereunder. As at the date of this announcement, neither the Vendor nor its associates hold(s) any Shares.

No Shareholder is required to abstain from voting on such resolution(s) in respect of the Share Consolidation at the EGM.

The Open Offer is conditional upon, among other things, obtaining approval from the Independent Shareholders on vote taken by way of poll at the EGM. In accordance with Rule 10.39(1) of the GEM Listing Rules, any Controlling Shareholders and their respective associates or, where there are no Controlling Shareholders, the Directors (excluding the independent non-executive Directors) and the chief executive of the Company, and their respective associates shall abstain from voting in favour of the resolution(s) relating to the Open Offer. As at the date of this announcement, since there is no Controlling Shareholder, the Directors (excluding the independent non-executive Directors) and the chief executive of the Company, and their respective associates shall abstain from voting in favour of the resolution(s) relating to the Open Offer in accordance with Rule 10.39(1) of the GEM Listing Rules. As at the date of this announcement, none of the Directors (excluding the independent non-executive Directors), the chief executive of the Company and their respective associates has any Shares.

Upon approval of the Open Offer by the Independent Shareholders at the EGM and the Share Consolidation becoming effective, the Prospectus Documents setting out details of the Open Offer will be despatched to the Qualifying Shareholders as soon as practicable and the Prospectus will be despatched to the Non-Qualifying Shareholders for information only.

As at the date of this announcement, there is no substantial Shareholders.

### **INDEPENDENT BOARD COMMITTEE**

The Independent Board Committee, comprising Ms. Chan Wan Yee, Mr. Siu Kwok Chung and Mr. Sit Bun, all being the independent non-executive Directors, has been appointed to make recommendations to the Independent Shareholders in respect of the Open Offer. An independent financial adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

### **EGM AND CIRCULAR**

The EGM will be held to consider, and if thought fit, to pass the resolutions to approve (among other things) the Conditional Agreements for Sale and Purchase, the Share Consolidation, the Open Offer and the transactions contemplated thereunder.

The Circular containing, among other things, (i) further details of the Acquisition; (ii) valuation report of the Land Property; (iii) financial information and other information of the Target Group; (iv) the pro forma financial information of the Enlarged Group as a result of the Acquisition; (v) further details about the Share Consolidation and the Open Offer; (vi) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Open Offer; (vii) a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Open Offer; and (viii) the notice convening the EGM, will be despatched to the Shareholders on or before 24 April 2015 so as to allow sufficient time for the preparation of the relevant information for inclusion in the Circular.

**As completion of the Acquisition and the Open Offer are both conditional upon satisfaction (or, if applicable, waiver) of the respective conditions precedent as set out under the Conditional Agreements for Sale and Purchase and the Underwriting Agreement, the Acquisition and the Open Offer may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares.**

### **RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange was suspended from 9:00 a.m. on 30 January 2015, pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 19 March 2015.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Acquisition”	acquisition of the Sale Share and the Sale Loan pursuant to the Conditional Agreements for Sale and Purchase
“Application Form(s)”	the application form(s) to be issued to the Qualifying Shareholders in respect of their assured entitlements under the Open Offer
“associate(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Board”	the board of Directors
“BVI”	the British Virgin Islands
“Business Day”	a day (other than a Saturday, Sunday and public holiday or days on which a typhoon signal 8 or above or black rainstorm signal is hoisted in Hong Kong at 10:00 am) on which banks in Hong Kong are generally open for business
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Circular”	the circular to be despatched by the Company on or before 24 April 2015 to provide, among other things, further details regarding the Acquisition, the Share Consolidation and the Open Offer
“Company”	Celebrate International Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM
“Completion”	the completion of the Conditional Agreements for Sale and Purchase
“Conditional Agreements for Sale and Purchase”	the Sale and Purchase Agreement, the Supplemental Sale and Purchase Agreement and the Second Supplemental Agreement

“connected person(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Consideration”	the consideration in the aggregate sum of up to HK\$160,650,000 to be paid by the Purchaser to the Vendor for the Acquisition
“Consolidated Share(s)”	share(s) of par value of HK\$0.02 each in the issued share capital of the Company upon completion of the Share Consolidation
“Controlling Shareholder(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Director(s)”	director(s) of the Company
“EAF(s)”	the form(s) of application for use by the Qualifying Shareholders who wish to apply for excess Offer Shares
“EGM”	the extraordinary general meeting of the Company to be convened to consider and, if thought fit, approve, among other things, the Acquisition, Share Consolidation, Open Offer and the transactions contemplated thereunder
“Enlarged Group”	the Group and the Target Group upon Completion
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee of the Board, comprising Ms. Chan Wan Yee, Mr. Siu Kwok Chung and Mr. Sit Bun, being all the independent non-executive Directors, established for the purpose

of, among, other things, advising the Independent Shareholders in respect of the Open Offer and the transactions contemplated thereunder

“Independent Shareholder(s)”	any Shareholders other than the Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates
“Independent Third Party(ies)”	person(s) or company(ies) who/which is/are not connected with the Company and its connected persons (as defined under the GEM Listing Rules)
“Land Property”	the land properties legally and beneficially owned by SGDL
“Last Trading Day”	29 January 2015, being the date of the Underwriting Agreement, and the last trading day immediately before the date of the Underwriting Agreement
“Latest Acceptance Date & Time”	4:00 p.m. on 11 June 2015 (or such other date as the Underwriter and the Company may agree in writing) as the latest time and date for acceptance of, and payment for, the Offer Shares and application and payment for the excess Offer Shares
“Latest Time for Termination”	4:00 p.m. (Hong Kong time) on the fourth Business Day following the Latest Acceptance Date & Time, or such later time or date as may be agreed between the Underwriter and the Company in writing, being the latest time for the Underwriter to terminate the Underwriting Agreement
“Long Stop Date”	4 calendar months after the date of signing of the Conditional Agreements for Sale and Purchase or such later date to be agreed between the Purchaser and the Vendor in writing
“MOU”	the memorandum of understanding dated 2 December 2014 entered into between the Vendor and the Purchaser relating to the Sale Share

“Non-Qualifying Shareholder(s)”	the Overseas Shareholder(s) to whom the Directors, based on legal opinion(s) provided by the legal adviser(s) to the Company, consider it necessary or expedient not to offer the Open Offer on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Offer Share(s)”	Consolidated Share(s) to be issued and allotted under the Open Offer, being 2,147,358,360 Consolidated Shares
“Open Offer”	the proposed issue of thirty (30) Offer Shares for every one (1) Consolidated Share in issue and held on the Record Date at the Subscription Price on the terms and subject to the conditions set out in the Underwriting Agreement and the Prospectus Documents
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company as at the close of the business on the Record Date and whose address(es) as shown on such register is/are outside Hong Kong
“Posting Date”	28 May 2015 or such other date as the Underwriter may agree in writing with the Company, as the date of despatch of the Prospectus Documents to the Qualifying Shareholders or the Prospectus for information only to the Non-Qualifying Shareholders
“PRC”	the People’s Republic of China
“Promissory Note”	the 2 years 6% promissory note with principal amount of up to HK\$140,650,000 that may be issued by the Company in favour of the Vendor at Completion to satisfy the balance of the Consideration
“Prospectus”	the prospectus to be despatched to the Shareholders on the Posting Date containing details of the Open Offer in such form as may be agreed between the Company and the Underwriter
“Prospectus Documents”	the Prospectus, the Application Forms and the EAFs

“Purchaser”	Colour Cosmo Holdings Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
“Qualifying Shareholder(s)”	Shareholder(s) whose name(s) is/are registered on the register of the members of the Company on the Record Date, other than the Non-Qualifying Shareholder(s)
“Record Date”	27 May 2015 (or such other date as the Underwriter may agree in writing with the Company), as the date by reference to which entitlements to the Open Offer are expected to be determined
“Registrar”	the branch share registrar of the Company in Hong Kong, being Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong
“Sale and Purchase Agreement”	the sale and purchase agreement dated 29 January 2015 (after trading hours) entered into between the Purchaser and the Vendor in relation to the Acquisition
“Sale Loan”	the sum as at the Completion being advanced by the Vendor to the Company by way of shareholder’s loan
“Sale Shares”	fifty one (51) shares legally and beneficially owned by the Vendor, representing 51% of the entire issued share capital of the Target Company as at the date of Completion
“Second Supplemental Sale and Purchase Agreement”	the second supplemental sale and purchase agreement dated 16 March 2015 (after trading hours) as amended entered into between the Purchaser and the Vendor in relation to the Sale and Purchase Agreement and the Supplemental Sale and Purchase Agreement
“Settlement Date”	being the Business Day immediately following the Latest Time for Termination
“Share Consolidation”	the proposed consolidation of every twenty (20) Shares of par value of HK\$0.001 each into one (1) Consolidated Share of par value of HK\$0.02 each
“Share(s)”	ordinary share(s) in the issued and unissued capital of the Company, the par value of which being of HK\$0.001 each prior to the Share Consolidation

“Shareholder(s)”	the holder(s) of Shares or Consolidated Shares, as the case may be
“Share Options Scheme”	the share option scheme adopted by the Company on 20 November 2012 at the annual general meeting of the Company
“SGDL”	Super Group Development Limited, a company incorporated in Hong Kong with limited liability and is the wholly owned subsidiary of the Target Company
“sq.ft.”	square feet
“sq.m.”	square meter
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.105 per Offer Share
“substantial Shareholder(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Supplemental Sale and Purchase Agreement”	the supplemental sale and purchase agreement dated 18 February 2015 (after trading hours) as amended entered into between the Purchaser and the Vendor in relation to the Sale and Purchase Agreement
“Takeovers Code”	the Code on Takeovers and Mergers of Hong Kong
“Target Company”	Goldee Holdings Limited, a company incorporated in BVI with limited liability, which is wholly owned by the Vendor
“Target Group”	the Target Company and SGDL
“Underwriter”	Freeman Securities Limited, a licensed corporation to carry out business in Type 1 (dealing in securities) regulated activities under the SFO
“Underwriting Agreement”	the underwriting agreement dated 17 March 2015 (after trading hours) entered into between the Company and the Underwriter in relation to the underwriting arrangement in respect of the Open Offer

“Underwritten Shares”	a maximum of 2,147,358,360 Offer Shares being fully underwritten by the Underwriter pursuant to the terms of the Underwriting Agreement
“Valuation”	the valuation of the Land Property
“Valuation Report”	the valuation report to be prepared and issued by a valuer, in respect of the Valuation
“Vendor”	Champion Prospect Limited, a company incorporated in the British Virgin Islands with limited liability
“%”	per cent

By Order of the Board of  
**Celebrate International Holdings Limited**  
**Leung Wai Kuen, Cerene**  
*Executive Director*

Hong Kong, 18 March 2015

As at the date of this announcement, the Directors are:

*Executive Directors:*  
Mr. Leung Wai Kuen, Cerene  
Mr. Leung Wai Tung

*Independent non-executive Directors:*  
Ms. Chan Wan Yee  
Mr. Siu Kwok Chung  
Mr. Sit Bun

*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 GEM website at <http://www.hkgem.com> on the “Latest Company Announcements” page for 7 days from the date of its posting and on the website of the Company at <http://www.ciholdings.com.hk>.*