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PERFECT SHAPE (PRC) HOLDINGS LIMITED

必瘦站（中國）控股有限公司

(incorporated in the Cayman Islands with limited liability)

(stock code: 1830)

TOP-UP PLACING OF EXISTING SHARES AND TOP-UP SUBSCRIPTION OF NEW SHARES AND RESUMPTION OF TRADING

TOP-UP PLACING OF EXISTING SHARES AND TOP-UP SUBSCRIPTION OF NEW SHARES

The Board is pleased to announce that on 18 April 2014, the Company, the Placee and the Vendor entered into the Placing and Subscription Agreement pursuant to which (i) the Vendor agreed to sell, and the Placee agreed to purchase, 75,000,000 Placing Shares at the Placing Price of HK\$1.75 per Share and (ii) the Company conditionally agreed to issue and the Vendor conditionally agreed to subscribe for 75,000,000 Subscription Shares.

It is expected that the net proceeds from the Subscription will be used by the Company for accelerating the expansion of medical beauty service centres in Hong Kong and China. The Directors consider that the entering into the Placing and Subscription agreement represents an opportunity to broaden the capital base and the Shareholder base of the Company by bringing in an international top notch investor like the Placee, Fidelity Investment Trust: Fidelity China Region Fund.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Placee is an independent third party not connected with the directors, chief executive, or substantial shareholders of the Company or its subsidiaries or any of their respective associates and is independent of, and not acting in concert with, the Vendor and the parties acting in concert with it.

The Placing Shares represent 7.5% of the existing issued share capital of the Company and approximately 6.98% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares, assuming no further new Shares will be issued before the completion of the Subscription.

Completion of the Subscription is conditional upon (i) the Listing Committee granting listing of and permission to deal in the Subscription Shares; and (ii) the completion of the Placing having occurred pursuant to the terms of the Placing and Subscription Agreement.

As the Subscription is subject to the satisfaction of the Conditions Precedent and may or may not proceed to completion, shareholders and prospective investors of the Company are advised to exercise caution when dealing in the Shares.

RESUMPTION OF TRADING

Trading in Shares on the Stock Exchange was halted from 9:00 a.m. on 17 April 2014 at the request of the Company pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading in Shares with effect from 9:00 a.m. on 22 April 2014.

THE PLACING AND SUBSCRIPTION AGREEMENT

Date: 18 April 2014

Parties: the Company

the Vendor

the Placee

To the best knowledge of the Directors and having made all reasonable enquiries, the Placee is independent of and not connected with any of the directors, chief executives, substantial shareholders of the Company, or any of its subsidiaries or their respective associates and is independent of, and not acting in concert with, the Vendor and the parties acting in concert with it. As at the date of this announcement, the Placee is not interested in any Shares.

The Vendor is the controlling shareholder of the Company and currently holding 382,500,000 Shares, representing 38.25% of the existing issued share capital of the Company.

PLACING

Pursuant to the Placing and Subscription Agreement, the Vendor agreed to sell, and the Placee agreed to purchase, 75,000,000 Placing Shares at the Placing Price of HK\$1.75 per Share. The Placing is unconditional.

Placing Shares

The Placing Shares represent 7.5% of the existing issued share capital of the Company of 1,000,000,000 Shares and approximately 6.98% of the issued share capital of the Company of 1,075,000,000 as enlarged by the allotment and issue of the Subscription Shares.

The Placing Shares shall be sold free from encumbrance and rank pari passu in all respects with the Shares in issue on the date of completion of the Placing.

Placing Price

HK\$1.75 per Share. The Placing Price represents:

- (i) a discount of approximately 2.23% to the closing price of HK\$1.79 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (ii) a discount of approximately 4.37% to the average closing price of HK\$1.83 per Share for the 5 consecutive trading days as quoted on the Stock Exchange up to and including the Last Trading Day.

The Placing Price was determined and negotiated on an arm's length basis between the parties to the Placing and Subscription Agreement with reference to the recent trading prices of the Shares as quoted on the Stock Exchange.

Completion of the Placing

Completion of the Placing will take place before 9:30 a.m. on 29 April 2014 or such other date as the Vendor and the Placee shall agree in writing.

THE SHARE SUBSCRIPTION

Pursuant to the Placing and Subscription Agreement, the Company conditionally agreed to issue and allot to the Vendor and the Vendor conditionally agreed to subscribe for 75,000,000 Subscription Shares at the Subscription Price of HK\$1.75 per Share.

Subscription Shares

The Subscription Shares represent 7.5% of the existing issued share capital of the Company of 1,000,000,000 Shares and approximately 6.98% of the issued share capital of the Company of 1,075,000,000 as enlarged by the allotment and issue of the Subscription Shares.

Ranking of Subscription Shares

The Subscription Shares will rank, upon issue, pari passu in all respects with the Shares in issue on the date of allotment and issue of the Subscription Shares.

Subscription Price

HK\$1.75 per Share. The Subscription Price represents:

- (i) a discount of approximately 2.23% to the closing price of HK\$1.79 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (ii) a discount of approximately 4.37% to the average closing price of HK\$1.83 per Share for the 5 consecutive trading days as quoted on the Stock Exchange up to and including the Last Trading Day.

The Company will be able to raise HK\$131.25million gross proceeds and approximately HK\$130.6 million net proceeds from the Subscription. On this basis, the net issue price per Subscription Share is approximately HK\$1.74.

The Subscription Price was determined at the Placing Price, which was negotiated on an arm's length basis between the parties to the Placing and Subscription Agreement.

Conditions Precedent

Completion of the Subscription is conditional upon:

- (i) the Listing Committee of the Stock Exchange having granted listing of and permission to deal in the Subscription Shares; and
- (ii) the completion of the Placing having occurred pursuant to the terms of the Placing and Subscription Agreement.

If any of the above conditions is not fulfilled by 30 April 2014 (or such other date as the parties may agree), the obligations of the Company and the Vendor to complete the Subscription shall terminate and neither the Company nor the Vendor shall have any claim against the other for costs, damages, compensation or otherwise in respect of the Subscription unless the Company and the Vendor shall in writing on or before 30 April 2014 jointly agree to elect to postpone the completion of the Subscription to such later date as they may agree subject to compliance with all applicable requirements under Chapter 14A of the Listing Rules (including as to approval by independent shareholders of the Company).

As the Subscription is subject to the satisfaction of the Conditions Precedent and may or may not proceed to completion, shareholders and prospective investors of the Company are advised to exercise caution when dealing in the Shares.

Completion of the Subscription

Completion of the Subscription will take place on the third business day after all the Conditions Precedent have been fulfilled or such other date as the Company and the Vendor shall agree in writing.

General Mandate

The Subscription Shares will be allotted and issued under the General Mandate granted to the Directors by resolution of the Shareholders passed at the AGM. As at the date of this announcement, none of the Shares have been issued under the General Mandate. The Subscription and the issue of the Subscription Shares are not subject to the Shareholders' approval.

Takeovers Code

As the Vendor, together with parties presuming to be acting in concert with it, namely, Earlsong Holdings Limited and Market Event Holdings Limited, has continuously held more than 50% of the voting rights of the Company for at least 12 months immediately preceding the date of the Placing and Subscription Agreement, a waiver from the obligation to make a general offer under Rule 26 of the Takeovers Code will not be applied for pursuant to Note 6 on dispensation from the rule.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

Assuming no further new Shares will be issued before the completion of the Subscription, the shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately after the completion of Placing but before the completion of Subscription; and (iii) immediately after completion of the Subscription are as follow:

	As at the date of this announcement		Immediately after the completion of Placing but before the completion of Subscription		Immediately after the completion of the Subscription	
	Shares	%	Shares	%	Shares	%
Sure Sino Investments Limited (<i>Note 1</i>)	382,500,000	38.25	307,500,000	30.75	382,500,000	35.58
Earlson Holdings Limited (<i>Note 2</i>)	180,000,000	18.00	180,000,000	18.00	180,000,000	16.74
Market Event Holdings Limited (<i>Note 3</i>)	137,500,000	13.75	137,500,000	13.75	137,500,000	12.79
Templeton Asset Management Limited	54,712,000	5.47	54,712,000	5.47	54,712,000	5.09
Fidelity Investment Trust: Fidelity China Region Fund	—	—	75,000,000	7.50	75,000,000	6.98
Other public Shareholders	<u>245,288,000</u>	<u>24.53</u>	<u>245,288,000</u>	<u>24.53</u>	<u>245,288,000</u>	<u>22.82</u>
Total	<u>1,000,000,000</u>	<u>100.00</u>	<u>1,000,000,000</u>	<u>100.00</u>	<u>1,075,000,000</u>	<u>100.00</u>

Notes:

- (1) Dr. Au-Yeung Kong beneficially owns the entire issued share capital of Sure Sino Investments Limited. By virtue of the SFO, Dr. Au-Yeung Kong is deemed to be interested in the shares held by Sure Sino Investments Limited.
- (2) Ms. Au-Yeung Wai beneficially owns the entire issued share capital of Earlson Holdings Limited. By virtue of the SFO, Ms. Au-Yeung Wai is deemed to be interested in the shares held by Earlson Holdings Limited.
- (3) Ms. Au-Yeung Hung beneficially owns the entire issued share capital of Market Event Holdings Limited. By virtue of the SFO, Ms. Au-Yeung Hung is deemed to be interested in the shares held by Market Event Holdings Limited.

REASONS FOR THE ENTERING INTO THE PLACING AND SUBSCRIPTION AGREEMENT AND USE OF PROCEEDS

The Group is principally engaged in providing premium slimming and medical beauty services in Hong Kong, Macau and China.

The total funds to be raised and the net proceeds from the Subscription are expected to be approximately HK\$131.25 million and HK\$130.6 million respectively. It is expected that the net proceeds from the Subscription will be used by the Company for accelerating the expansion of medical beauty service centres in Hong Kong and China.

The Directors consider that the entering into the Placing and Subscription agreement represents an opportunity to broaden the capital base and the Shareholder base of the Company by bringing in an international top notch investor like the Placee, Fidelity Investment Trust: Fidelity China Region Fund.

The Directors consider that the Placing and Subscription Agreement was entered into upon normal commercial terms following arm's length negotiations between the parties and that the terms of the Placing and Subscription Agreement (including the Placing Price and the Subscription Price) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

PUBLIC FLOAT

The Company will be able to comply with the public float requirement under the Listing Rules immediately after completion of the Subscription.

FUND RAISING ACTIVITY OF THE COMPANY IN THE 12 MONTHS IMMEDIATELY PRECEDING THE DATE OF THIS ANNOUNCEMENT

There was no fund raising activity for the Company in the 12 months immediately preceding the date of this announcement.

GENERAL

Application will be made by the Company to the Listing Committee for the grant of the listing of, and permission to deal in, the Subscription Shares.

INFORMATION OF PLACEE

The Placee, Fidelity Investment Trust: Fidelity China Region Fund, is an investment company registered under the U. S. Investment Company Act of 1940 and the U.S. Securities Act of 1933. The Placee is sub-advised by Fidelity Management & Research (Hong Kong) Limited, a Hong Kong company limited by shares that is authorized by the Hong Kong Securities and Futures Commission to deal in securities, advise on securities, and provide asset management services, and that is also registered with the U.S. Securities & Exchange Commission as an investment adviser.

RESUMPTION OF TRADING

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DEFINITIONS

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

“AGM”	the Company's annual general meeting held on 15 August 2013
“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Perfect Shape (PRC) Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the main board of the Stock Exchange

“Conditions Precedent”	the conditions precedent for the Subscription as set out in the Placing and Subscription Agreement
“Director(s)”	the director(s) of the Company
“General Mandate”	the general mandate granted by the Shareholders to the Directors at the Company’s AGM to allot, issue and otherwise deal with additional Shares not exceeding 20% of the issued share capital of the company as at the date of the AGM
“Group”	the Company and its subsidiaries
“HK\$”	the lawful currency for the time being of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Last Trading Day”	16 April 2014
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placee”	Fidelity Investment Trust: Fidelity China Region Fund
“Placing”	the placing of 75,000,000 existing Shares by the Vendor to the Placee under the Placing and Subscription Agreement
“Placing and Subscription Agreement”	the placing and subscription agreement dated 18 April entered into among the Company, the Vendor and the Placee in relation to the Placing and Subscription
“Placing Price”	HK\$1.75 per Placing Share
“Placing Shares”	75,000,000 existing Shares to be sold by the Vendor to the Placee under the Placing and Subscription Agreement
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription of the Subscription Shares pursuant to the Placing and Subscription Agreement
“Subscription Price”	HK\$1.75 per Subscription Share(s)
“Subscription Shares”	75,000,000 new Shares to be allotted and issued by the Company to the Vendor pursuant to the Placing and Subscription Agreement

“Takeovers Code”	Hong Kong Code on Takeovers and Mergers
“Vendor”	Sure Sino Investments Limited
“%”	percentage

By Order of the Board
Perfect Shape (PRC) Holdings Limited
Dr. Au-Yeung Kong
Chairman

Hong Kong, 22 April 2014

As at the date of this announcement, the Board comprises Dr. Au-Yeung Kong, Ms. Au-Yeung Wai, and Ms. Au-Yeung Hung as executive directors and Ms. Hsu Wai Man, Helen, Ms. Pang Siu Yin and Mr. Chi Chi Hung, Kenneth as independent non-executive directors.