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LERADO GROUP (HOLDING) COMPANY LIMITED

(隆成集團(控股)有限公司)*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1225)

VOLUNTARY ANNOUNCEMENT

Reference is made to the announcements of Lerado Group (Holding) Company Limited (the “**Company**”) dated 31 March 2015, 2 April 2015, 10 April 2015 and 17 April 2015 (the “**Announcements**”) in relation to the acquisition of the entire issued share capital of Garron International (the “**Acquisition**”). Unless the context otherwise required, capitalised terms used herein shall bear the same meanings as those defined in the Announcements.

In addition to the information disclosed in the Announcements, the Company wishes to provide shareholders of the Company (the “**Shareholders**”) and the public with additional information in relation to the Acquisition as below.

The Directors have considered the followings in deciding the terms of the Acquisition:

- (1) as disclosed in the announcement of the Company dated 31 March 2015, the Property is situated in the core economic section of Guangzhou with enclosing 150,000 square meters, and with 300,000 square meters of gross construction area, 45 office towers and plenty of famous brand shops. The intent of the Acquisition includes i) to establish a platform for domestic PRC business and market; ii) to pave the way for entering Guangzhou market; iii) to provide national training centre to internal staff and external distributors; and iv) to act as international marketing & training centre. The Directors believed the Acquisition would be an advantage to the Group for future development and would create synergistic effects with the medical products business and plastic toys business of the Group;
- (2) the Vendor is a company listed on the main board of the Stock Exchange and is principally engaged in securities trading and investment holding. During the commercial negotiation of the Acquisition, the Vendor requested the allotment and issue of the Consideration Shares as one of the terms of the Acquisition;
- (3) the allotment and issue of the Consideration Shares by the Company represented an opportunity to broaden the shareholders base; and
- (4) the allotment and issue of the Consideration Shares by the Company would ensure the stable and

healthy financial position of the Company and increase the flexibility to the Group's liquidity.

After considering the above, the Directors decided to issue Consideration Shares for the Acquisition instead of settling the Consideration of HK\$39 million in cash and were of the view that the terms of the agreement dated 31 March 2015 in relation to the Acquisition are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

By order of the Board
Lerado Group (Holding) Company Limited
Huang Ying Yuan
Chairman

22 April 2015

As at the date of this announcement, the executive Directors of the Company are Mr. HUANG Ying Yuan, Mr. CHEN Chun Chieh, Mr. HUANG Shen Kai and Mr. LAI Kin Chung Kenneth; and the independent non-executive Directors of the Company are Mr. MAK Kwong Yiu, Mr. YE Jianxin and Mr. CHERN Shyh Feng.

** For identification purposes only.*