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CARNIVAL GROUP  
INTERNATIONAL

## **Carnival Group International Holdings Limited**

**嘉年華國際控股有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 00996)**

### **ANNOUNCEMENT**

#### **MAJOR TRANSACTIONS**

#### **RELATING TO**

- (1) SHARE PURCHASE AND SUBSCRIPTION AGREEMENT; AND  
(2) ISSUE OF EXCHANGEABLE AND CONVERTIBLE BONDS  
UNDER SPECIFIC MANDATE**

**Financial Adviser**



On 6 June 2015, the Company as purchaser and subscriber entered into the Agreement with the Sellers and the Target Company, pursuant to which (i) BFT and Grace Investment as sellers have agreed to sell and the Company as purchaser has agreed to purchase the Sale Shares, representing approximately 99.9999% of the issued share capital of the Target Company immediately before Completion, at an aggregate Share Consideration of HK\$253,410,000; and (ii) the Company has agreed to subscribe for, and the Target Company has agreed to issue and allot, the Subscription Shares for an aggregate Subscription Consideration of US\$33,997,000. Subject to the fulfilment or waiver (if applicable) of the conditions precedent under the Agreement, Completion of both the Share Purchase and the Subscription will take place on the Completion Date.

The Company will own approximately 99.9999% of the Target Company, which will become a subsidiary of the Company with effect from the Completion.

As payment for the BFT Consideration in respect of the sale and purchase of the BFT Sale Shares, the Company will issue the Bonds in the principal amount of HK\$240,740,000 in favour of BFT on the Completion Date. The bondholders are entitled to: (a) convert all or part of the Bonds held by it into the Shares (i) at any time during the Conversion Period, or (ii) upon the consummation of a Fundamental Corporate Transaction during the term of the Bonds; or (b) exchange all or part of the Bonds held by it into the NRML Shares (i) at any time during the Exchange Period or (ii) upon the consummation of a Fundamental NRML Corporate Transaction during the term of the Bonds.

Since one of the applicable percentage ratios (as calculated in accordance with Rule 14.07 of the Listing Rules) for the Acquisition exceeds 25% but is less than 100%, the Acquisition constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under the Listing Rules.

The Company has obtained written approvals from Better Joint Venture Limited, Elite Mile Investments Limited and Glory Merit International Holdings Limited, holding 6,125,279,787 Shares, 2,031,482,970 Shares and 1,486,988,846 Shares respectively as at the date of the written approvals, representing an aggregate of approximately 70.0% of the issued share capital of the Company for the approval of the Transaction Matters Requiring Approval (including without limitation, the exercise of the Exchange Rights). The said Better Joint Venture Limited and Elite Mile Investments Limited are wholly-owned by Mr. King. Glory Merit International Holdings Limited is also held as to 99% of the entire issued share by Mr. King. As such, no general meeting will be convened by the Company to approve the Transaction Matters Requiring Approval.

If, despite the said written approval from Better Joint Venture Limited, Elite Mile Investments Limited and Glory Merit International Holdings Limited having been obtained, voting was required and the Company held a general meeting for the approval of the Transaction Matters Requiring Approval, the Directors would have recommended that the Shareholders vote in favour of such resolution.

In order to allow sufficient time to prepare the information to be included in the Circular, the Company will apply to the Stock Exchange for a waiver from strict compliance with Rule 14.41(a) of the Listing Rules, which requires the Circular to be despatched to the Shareholders within 15 business days after the publication of this announcement. The circular containing, among other things, further information on the Transaction Matters Requiring Approval is expected to be despatched to the Shareholders on or before 30 June 2015.

## **INTRODUCTION**

On 6 June 2015, the Company as purchaser and subscriber entered into the Agreement with the Sellers and the Target Company, pursuant to which (i) BFT and Grace Investment as sellers have agreed to sell and the Company as purchaser has agreed to purchase the Sale Shares, representing approximately 99.9999% of the issued share capital of the Target Company immediately before Completion, at an aggregate Share Consideration of HK\$253,410,000; and (ii) the Company has agreed to subscribe for, and the Target Company has agreed to issue and allot, the Subscription Shares, for an aggregate Subscription Consideration of US\$33,997,000. Subject to the fulfilment or waiver (if applicable) of the conditions precedent under the Agreement, Completion of both the Share Purchase and the Subscription will take place on the Completion Date.

As payment of the BFT Consideration in respect of the sale and purchase of the BFT Sale Shares, the Company will issue the Bonds in the principal amount of HK\$240,740,000 in favour of BFT on the Completion Date. The bondholders are entitled to: (a) convert all or part of the Bonds held by it into the Shares (i) at any time during the Conversion Period, or (ii) upon the consummation of a Fundamental Corporate Transaction during the term of the Bonds; and/or (b) exchange all or part of the Bonds held by it into the NRML Shares (i) at any time during the Exchange Period or (ii) upon the consummation of a Fundamental NRML Corporate Transaction during the term of the Bonds.

The principal terms and conditions of the Agreement and the Bonds are as follows:

## **THE SHARE PURCHASE AND SUBSCRIPTION AGREEMENT**

### **Date**

6 June 2015

### **Parties**

- (1) The Company as purchaser of the Sale Shares and subscriber for the Subscription Shares and as issuer of the Bonds
- (2) Nice Race Management Limited as the target company and the issuer of the Subscription Shares
- (3) Grace Investment Limited and BFT Acquisition Guernsey L.P. Inc collectively as sellers of the Sale Shares

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Target Company, the Sellers and their respective ultimate beneficial owners are Independent Third Parties.

## **1. The Share Purchase**

### *Sale Shares*

Collectively (a) Grace Investment Sale Shares, representing approximately 5% of the issued share capital of the Target Company and (b) BFT Sale Shares, representing approximately 94.9999% of the issued share capital of the Target Company, immediately before Completion. The Sale Shares represent (i) approximately 99.9999% of the issued share capital of the Target Company immediately before Completion and (ii) will be diluted to approximately 49% of the issued share capital of the Target Company as enlarged by the allotment and issue of the Subscription Shares. The NRML Exchangeable Shares upon full exercise of the exchange rights attaching to the Bonds, on the assumption that the Exchange Rights shall be exercised in full at Completion and that there are no other changes to the shareholding structure and the issued share capital of the Target Company, will represent approximately 46.55% of the issued share capital of the Target Company.

### *Share Consideration and Payment Terms*

The aggregate Share Consideration is HK\$253,410,000 which will be satisfied by the Company to the Sellers in the following manner at Completion:

- (i) a sum of HK\$12,670,000 will be paid in cash by the Company to Grace Investment to settle the Grace Investment Consideration; and
- (ii) the Bonds in the principal amount of HK\$240,740,000 will be issued by the Company in favour of BFT to settle the BFT Consideration.

The Share Consideration was arrived at after arm's length negotiation between the Company and the respective Sellers on normal commercial terms with reference to the Sellers' expectation of the future operating results of the Target Company and their need of cash resources and the level of internal cash resources of the Group to pay for the Share Consideration and Subscription Consideration.

The Directors consider that the Share Consideration is fair and reasonable and in the interests of the Company and Shareholders as a whole. The BFT Consideration shall be funded by the issuance of the Bonds by the Company in favour of BFT. The Grace Investment Consideration will be funded by internal resources of the Company.

## **2. The Subscription**

### *Subscription Shares*

A total of 15,612,350,020 Subscription Shares at the Subscription Price of approximately US\$0.0022 per Subscription Share, representing (i) approximately 104.08% of the issued share capital of the Target Company immediately before the Completion; and (ii) approximately 51% of the issued share capital of the Target Company as enlarged by the allotment and issue of the Subscription Shares immediately after Completion.

### *Subscription Consideration*

The Subscription Consideration shall be US\$33,997,000 which will be satisfied by the Company to the Target Company in the following manner:

- (i) a cash deposit in an amount equal to the Deposit Amount has been or will have been paid by the Company to the Target Company at the date of the Agreement; and
- (ii) an amount equal to the Subscription Consideration less the Deposit Amount will be paid by the Company to the Target Company in cash at Completion.

The Directors consider that the Subscription Consideration is fair and reasonable and in the interests of the Company and Shareholders as a whole. The Subscription Consideration will be funded by internal resources of the Company.

The Subscription Consideration and the Subscription Price were arrived at after arm's length negotiation between the Company and the Target Company on normal commercial terms with reference to the Sellers' expectation of the future operating results of the Target Company and their need of cash resources and the level of internal cash resources of the Group to pay for the Share Consideration and Subscription Consideration.

The Subscription Price is equal to the Subscription Consideration per Subscription Share.

### *Ranking of the Subscription Shares*

The Subscription Shares will, when issued and fully-paid, rank pari passu in all respects among themselves and with the NRML Shares in issue as at the date of the allotment and issue of the Subscription Shares, including the rights to receive all future dividends and distribution which may be declared, made or paid by the Target Company on or after the date of allotment and issue of the Subscription Shares.

### **3. Conditions**

Completion of the Share Purchase and Subscription is conditional upon the satisfaction (or waiver, as the case may be) of the conditions, including the following:

- (a) trading in the Shares on the Stock Exchange not being revoked or withdrawn at any time prior to Completion and there having been no indication from the Stock Exchange or the Securities and Futures Commission of Hong Kong that listing of the Shares will be suspended (except for any temporary trading halt or suspension of trading in the Shares solely as a result of any of the transactions contemplated by the Agreement), revoked or withdrawn at any time after Completion; and
- (b) copy of the Statements of Foreign Debt Signing by Domestic Institutions (境內機構外債簽約情況表) stamped by the competent local branches of the State Administration of Foreign Exchange or other similar documents evidencing the completion of foreign debt registration (外債登記) with the competent local branches of the State Administration of Foreign Exchange for the shareholder's loans to be provided to entities directly or indirectly controlled by the Target Company incorporated in the PRC by their respective overseas shareholders with an aggregate amount of no less than USD32.7 million shall have been provided to the Company.

The condition set forth in (b) above may only be waived by the Company in its sole discretion and the condition set forth in (a) above may only be waived by BFT in their sole discretion.

### **4. Completion**

Completion of both the Share Purchase and Subscription will take place on the Completion Date. Upon Completion, the Company will own approximately 99.9999% of the Target Company, which will become a subsidiary of the Company.

The Agreement may be terminated by the Company or the Target Company (a) on or after the Long Stop Date or (b) by mutual written consent of the Target Company and the Company.

## THE BONDS

Pursuant to the Agreement, at Completion, the Company will issue the Bonds in the principal amount of HK\$240,740,000 in favour of BFT as the BFT Share Consideration. A summary of the principal terms of the Bonds are as follows:

<b>Principal Amount</b>	:	An aggregate amount of HK\$240,740,000
<b>Maturity Date</b>	:	3 years from the date of issue
<b>Interest</b>	:	Nil
<b>Conversion Rights and Exchange Rights</b>	:	<p>The bondholders are entitled to:</p> <ul style="list-style-type: none"><li>(a) convert all or part of the Bonds held by it into the Shares (i) at any time during the Conversion Period, or (ii) upon the consummation of a Fundamental Corporate Transaction during the term of the Bonds; and/or</li><li>(b) exchange all or part of the Bonds held by it into the NRML Shares (i) at any time during the Exchange Period or (ii) upon the consummation of a Fundamental NRML Corporate Transaction during the term of the Bonds.</li></ul>

For the avoidance of doubt, the bondholders are entitled to convert part of the outstanding principal amount of the Bonds held by it into the Shares and exchange the remaining part of the Bonds held by it into the NRML Shares (insofar as such amount remain outstanding after the conversion). Once any part of the Bonds are converted into the Shares, the bondholders are not entitled to exchange the Shares so converted into NRML Shares. The issuance of any Conversion Share shall be subject to the granting of the Listing Approval.

Any portion of the Bonds not being converted or exchanged shall be redeemed by the Company at its principal amount on the Maturity Date.

The maximum number of Shares to which the bondholders are entitled on full conversion of the Bonds shall be the Conversion Shares, which are determined by dividing the aggregate principal amount of the Bonds by the Conversion Price, assuming the Exchange Rights are not exercised.

The maximum number of NRML Shares to which the bondholders are entitled on full exercise of the Exchange Rights shall be the NRML Exchangeable Shares, assuming the Conversion Rights are not exercised.

- Conversion Period and Exchange Period** : The period commencing from the thirtieth (30th) month of the date of issuance of the Bonds and ending on the close of business of the day which falls on the third anniversary of the date of issuance of the Bonds.
- Conversion Price** : The initial Conversion Price is HK\$1.55 per Conversion Share, representing the average closing price per Share as quoted on the Stock Exchange for the last 10 consecutive trading days immediately prior to the date of the Agreement, subject to adjustments as set out and in accordance with the terms and conditions of the Bonds. The initial Conversion Price represents:
- (i) a premium of approximately 7.64% to the closing price of HK\$1.44 per Share as quoted on the Stock Exchange on the last trading day prior to signing of the Agreement;
  - (ii) a discount of approximately 2.88% to the average closing price of HK\$1.596 per Share as quoted on the Stock Exchange for the last 5 consecutive trading days immediately prior to the date of the Agreement; and



- (iii) a premium of approximately 365.19% to the net asset value attributable to owners of the Company of approximately HK\$0.3332 per Share, calculated based on the audited consolidated net assets of approximately HK\$4,591,399,000 as at 31 December 2014 and 13,778,884,046 Shares in issue as at the date of the Agreement.

The Conversion Price for the Bonds was determined after arm's length negotiations between the Company and BFT with reference to the prevailing market price of the Shares.

- Adjustment Events** :
- The Conversion Price will be adjusted upon the following:
- (a) consolidation, subdivision or reclassification;
  - (b) capitalization of profits or reserves;
  - (c) capital distributions;
  - (d) rights issues of the Shares or options over the Shares;
  - (e) rights issue of other securities;
  - (f) issues of new Shares at a price less than the higher of (i) 85% of then current market price, and (ii) the then-effective conversion price;
  - (g) issues of other securities at a price less than the higher of (i) 85% of then current market price, and (ii) the then-effective conversion price;
  - (h) modification of rights of conversion;
  - (i) other offers to shareholders;
  - (j) other events for a transaction of this nature.

- Conversion Shares** : Based on the initial Conversion Price of HK\$1.55, a maximum number of 155,316,129 new Shares will be allotted and issued upon exercise in full of the Conversion Rights, which represent:
- (i) approximately 1.13% of the total issued share capital of the Company as at the date of this announcement;
  - (ii) approximately 1.11% of the total issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares upon exercise in full of the Conversion Rights.

The Conversion Shares shall be allotted and issued under the Specific Mandate granted to the Directors by the Shareholders.

As at the date of this announcement, the authorized share capital of the Company was HK\$5,000,000,000 divided into 25,000,000,000 Shares of a par value of HK\$0.2 each, among which 13,778,884,046 Shares have been issued and fully paid up.

The allotment and issue of the Conversion Shares will not result in a change of control of the Company.

- Conversion Restrictions** : Where an exercise of the Conversion Rights will result in a reduction in the public float, the Company shall use its best endeavours to take all necessary steps (by issuing new Shares to members of the public or otherwise) to ensure that the minimum public float requirement of the issued share capital of the Company as enlarged by the issue of Shares upon such exercise can still be satisfied (or waived).

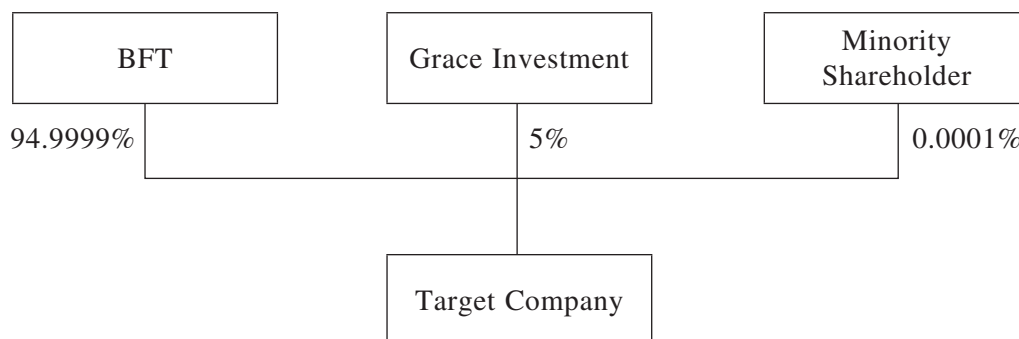
<b>Early Redemption</b>	: Following the occurrence of a Relevant Event, a holder of the Bonds will have the right at its option, to require the Company to redeem such the Bonds held by it in whole or in part at its principal amount on the date falling one month from the date of the notice concerning the Relevant Event given by the holders of the Bonds to the Company.
<b>Ranking</b>	: The Conversion Shares shall rank <i>pari passu</i> in all respects among themselves and with all other existing Shares outstanding at the date of conversion and all Conversion Shares shall include rights to participate in all dividends and other distributions.
<b>Status</b>	: The Bonds constitute direct, unsubordinated, unconditional and unsecured obligations of the Company and shall at all times rank <i>pari passu</i> and without any preference or priority among themselves. The payment obligations of the Company under the Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable laws, at all times rank at least equally with all of the Company's other present and future unsecured and unsubordinated obligations.
<b>Transferability</b>	: Any transfer of the Bonds shall be in respect of the whole or any part (in multiples of HK\$10,000) of the principal amount of the Bonds.  The Bonds shall not be transferred by the holder of the Bonds without the prior consent of the Company except any transfer to an affiliate of such holder.
<b>Voting rights</b>	: The Bonds do not confer any voting rights at any meetings of the Company.
<b>Security</b>	: There are no securities given by the Company in respect of the Bonds.
<b>Restrictions on Sale</b>	: There are no restrictions on subsequent sale of the Conversion Shares.

**Event of Default** : On and at any time after the occurrence of an event of default as described in the Bonds, any bondholder may, by notice in writing to the Issuer, declare that the Bonds are, and they shall immediately become, due and payable as at such date (without prejudice to the right of any bondholder to exercise the Conversion Right or Exchange Right in respect of the Bonds).

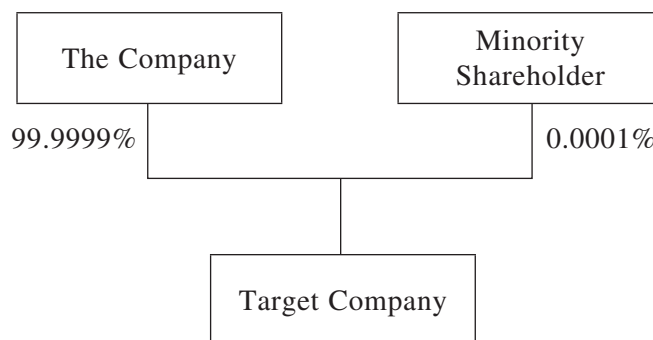
**Application for listing** : No application will be made by the Company to the Stock Exchange for listing of the Bonds. An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares.

## SHAREHOLDING STRUCTURE OF THE TARGET COMPANY

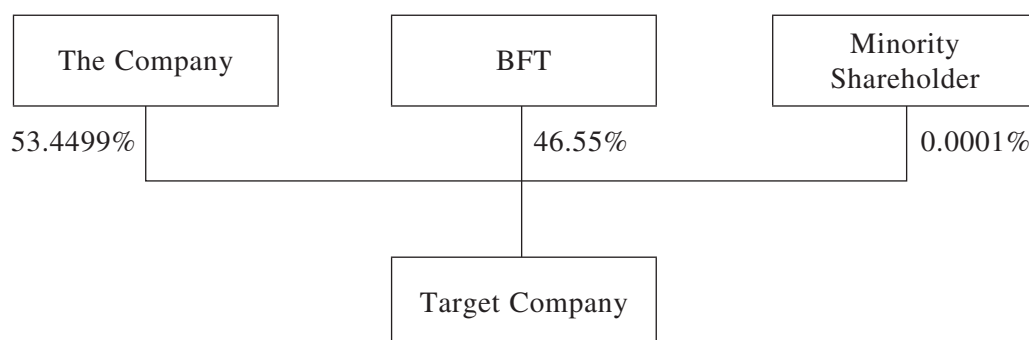
### 1. Shareholding structure of the Target Company before Completion



### 2. Shareholding structure of the Target Company immediately after Completion



**3. Shareholding structure of the Target Company immediately after Completion and the transfer of the NRML Exchangeable Shares upon full exercise of the Exchange Rights immediately after Completion (assuming that there are no other changes to the issued share capital of the Target Company)**



*Note:* The shareholdings shown in the diagrams above are approximate figures

**EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY IN RELATION TO THE BONDS**

For illustration purposes only, the following table sets out the shareholding structure of the Company (a) as at the date of this announcement; (b) immediately after the full conversion of the 2016 CN but before the allotment and issue of the Conversion Shares upon exercise of the Conversion Rights; and (c) immediately after the full conversion of the 2016 CN and the allotment and issue of the Conversion Shares by the Company upon full exercise of the Conversion Rights (on the assumption that there are no other changes in the shareholding structure and the issued share capital of the Company up to the date of full conversion):

	As at the date of this announcement		Immediately after the full conversion of the 2016 CN but before the allotment and issue of the Conversion Shares upon exercise of the Conversion Rights (assuming that there are no other changes to the issued share capital of the Company)		Immediately after the full conversion of the 2016 CN and the allotment and issue of the Conversion Shares by the Company upon full exercise of the Conversion Rights (assuming that there are no other changes to the issued share capital of the Company)	
	No. of Company Shares	Approx. %	No. of Company Shares	Approx. %	No. of Company Shares	Approx. %
Better Joint (Note 1)	6,125,279,787	44.5	6,868,774,210	47.3	6,868,774,210	46.8
Glory Merit (Note 2)	1,486,988,846	10.8	1,486,988,846	10.2	1,486,988,846	10.1
Elite Mile (Note 3)	2,031,482,970	14.7	2,031,482,970	14.0	2,031,482,970	13.9
Sino Wealthy (Note 4)	677,633,800	4.9	677,633,800	4.7	677,633,800	4.6
<b>Sub-total:</b>	<b>10,321,385,403</b>	<b>74.9</b>	<b>11,064,879,826</b>	<b>76.2</b>	<b>11,064,879,826</b>	<b>75.4</b>
BFT	–	–	–	–	155,316,129	1.0
Other public shareholders	3,457,498,643	25.1	3,457,498,643	23.8	3,457,498,643	23.6
<b>Sub-total:</b>	<b>3,457,498,643</b>	<b>25.1</b>	<b>3,457,498,643</b>	<b>23.8</b>	<b>3,612,814,772</b>	<b>24.6</b>
<b>Total:</b>	<b>13,778,884,046</b>	<b>100</b>	<b>14,522,378,469</b>	<b>100</b>	<b>14,677,694,598</b>	<b>100</b>

*Notes:*

1. Better Joint Venture Limited (“**Better Joint**”) is the legal and beneficial owner of 6,125,279,787 Shares and holder of the convertible notes issued by the Company in the principal amount of HK\$200 million due in 2016 which is convertible into a maximum of 743,494,423 Shares upon full conversion at the conversion price of HK\$0.269 (subject to adjustment). Better Joint is wholly and beneficially owned by Mr. King, a substantial shareholder and director of the Company.
2. Glory Merit International Holdings Limited (“**Glory Merit**”) is the legal and beneficial owner of 1,486,988,846 Shares. Glory Merit is beneficially owned as to 99% by Mr. King.
3. Elite Mile Investments Limited (“**Elite Mile**”) is the legal and beneficial owner of 2,031,482,970 Shares. Elite Mile is wholly and beneficially owned by Mr. King.
4. Sino Wealthy Limited (“**Sino Wealthy**”) is the legal and beneficial owner of 677,633,800 Shares. Sino Wealthy is indirectly, wholly and beneficially owned by Forefront Group Limited. Forefront Group Limited is beneficially owned as to 70.71% by Mystery Idea Limited. Mystery Idea Limited is wholly and beneficially owned by Mr. King.

## **INFORMATION OF THE COMPANY, THE SELLERS AND THE TARGET COMPANY**

### **1. INFORMATION OF THE COMPANY**

The Group is principally engaged in theme based leisure and consumption business, focusing on the design, development and operation of integrated large-scale tourist complex projects in key cities in and outside the PRC that comprise of theme parks, hotels, shopping and leisure facilities, as well as other theme based consumption such as food and beverages, entertainment and touring theme parks.

### **2. INFORMATION OF GRACE INVESTMENT**

Grace Investment is a company incorporated in the BVI with limited liability. The principal activity of Grace Investment is investment holding.

### **3. INFORMATION OF BFT**

BFT is a limited partnership registered in Guernsey and is controlled by its General Partner, BFT Acquisition (Guernsey) Co. Limited, which is a limited company registered in Guernsey. The ultimate beneficial owners of both these entities are the limited partnerships that comprise the Apax Europe VI and Apax Europe VII Funds. The principal activity of BFT is investment holding.

### **4. INFORMATION OF TARGET COMPANY AND THE TARGET GROUP**

The Target Company is a company incorporated under the laws of the BVI with limited liability and was wholly owned by Grace Investment, BFT and the Minority Shareholder immediately before the Completion. The Target Company is principally engaged in investment holding. The Target Group’s principal business activity is the operation of high-end restaurant chain under the brand of “Golden Jaguar (金錢豹)” with 29 restaurants across 19 cities in the PRC as of 31 December 2014.

## FINANCIAL INFORMATION OF THE TARGET GROUP

Set out below is a summary of the unaudited financial information of the Target Group for the years ended 31 December 2013 and 31 December 2014 as provided by the sellers to the Company:

	<b>For the financial year ended 31 December 2013</b> <i>RMB'000</i>	<b>For the financial year ended 31 December 2014</b> <i>RMB'000</i>
Turnover	956,854	714,324
Losses before taxation	(223,647)	(207,891)
Losses after taxation	(231,995)	(210,271)
	<b>As at 31 December 2013</b> <i>RMB'000</i>	<b>As at 31 December 2014</b> <i>RMB'000</i>
Net liabilities	(326,681)	(443,749)

Upon Completion, the Target Company will become a subsidiary of the Company and the Company has control as to over 99.99% of the Target Company. The financial results of the Target Company will be consolidated into the financial statements of the Group. Further details on the financial effects of the Acquisition will be set out in the circular.

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

The Group is principally engaged in theme based leisure and consumption business, focusing on the design, development and operation of integrated large-scale tourist complex projects in key cities in and outside the PRC that comprise of theme parks, hotels, shopping and leisure facilities, as well as other theme based consumption such as food and beverages, entertainment and touring theme parks.

The Company is reasonably optimistic about the growth of the middle-class food and beverages sector in China, and believes that quality buffet and banqueting market in the PRC is going to enjoy growth among the middle-class consumer population in the PRC. “Golden Jaguar (金錢豹)” presents a suitable opportunity in this respect. With the reputable brand of “Golden Jaguar (金錢豹)” in the PRC, its wide network of restaurants in the PRC and its experienced management team, the Company believes that there is growth potential in the Target Group and the Acquisition will be able to complement the Group’s strategy to expand into the food and beverages business in China. On the basis of the existing reputation and restaurant network of “Golden Jaguar (金錢豹)”, the Group will further improve its branding and network coverage in China, with the view to increasing the number of restaurants, the size of customers base, and per capita spend

of customers, thereby enhancing the profitability of “Golden Jaguar (金錢豹)” as well as of the Group. With the synergy created by the Acquisition, the Company believes that it will also be able to leverage on the restaurants network of “Golden Jaguar (金錢豹)” to cross-sell other business lines of the Group.

The Directors consider that the Acquisition is on normal commercial terms and that the terms of the Acquisition are fair and reasonable and in the interests of the Company and Shareholders as a whole.

## **EQUITY CAPITAL RAISING ACTIVITIES DURING PAST 12 MONTHS**

Save as disclosed below, the Company has not carried out any other equity capital raising activities during the 12 months immediately preceding the date of this announcement. The actual use of proceeds of from the equity capital raising activities mentioned below is in line with the intended use of proceeds as disclosed in respectively the announcements of the Company issued on 17 November 2014 and 1 December 2014 and all such proceeds have been fully utilised:

<b>Date of announcement</b>	<b>Capital raising activity</b>	<b>Approximate net proceeds raised (HK\$)</b>	<b>Actual use of proceeds (as at 4 June 2015)</b>
17 November 2014	Subscription for 220,000,000 new Shares completed on 26 November 2014	247.9 million	Fully utilised as general corporate purposes as intended
1 December 2014	Subscription for 645,000,000 new Shares completed on 9 December 2014	726.76 million	Fully utilised as general corporate purposes as intended

As disclosed in the announcement of the Company issued on 4 June 2015, the Company entered into (i) a placing agreement dated 4 June 2015 pursuant to which Better Joint Venture Limited has agreed to appoint the joint placing agents, and the joint placing agents have agreed to procure purchasers, on a best efforts basis, for a maximum of 360,000,000 placing shares at a price of HK\$1.46 per placing share; and (ii) a subscription agreement under which the Company has conditionally agreed to allot and issue, and Better Joint Venture Limited has conditionally agreed to subscribe for a maximum number of 360,000,000 Shares, at a price of HK\$1.46 per Share. As at the date of this announcement, both the immediately aforesaid placing and subscription have not been completed. The Company intends to use the estimated net proceeds from the immediate aforesaid subscription of approximately HK\$518.5 million for general corporate purposes.



## **IMPLICATIONS UNDER THE LISTING RULES**

### **1. Major Transactions for the Company**

#### *(a) In respect of the Acquisition*

Since one of the applicable percentage ratios (as calculated in accordance with Rule 14.07 of the Listing Rules) for the Acquisition exceeds 25% but is less than 100%, the Acquisition constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting, announcement, circular and shareholders' approval requirements under the Listing Rules.

#### *(b) In respect of the Exchange Rights*

Under Rule 14.74(1) of the Listing Rules, on the grant of the Exchange Rights, the exercise of which is not at the discretion of the Company, the transaction will be classified as if the Exchange Rights had been exercised. Pursuant to the Agreement and the Bonds, upon exercise of the Exchange Rights by the bondholders in full, the Group's interest in the Target Company will be diluted from 100% to approximately 53.4499% of the share capital of the Target Company and such dilution of interest will be treated as a deemed disposal of the Target Company by the Company. Assuming that the Exchange Rights is exercised in full by the bondholders, one of the applicable percentage ratios (as calculated in accordance with Rule 14.07 of the Listing Rules) for such exercise of the Exchange Rights will exceed 25% but is less than 100%, the exercise of the Exchange Rights will constitute a major transaction of the Company under the Listing Rules. In view that the Exchange Rights is part and parcel of the issuance of the Bonds and the transactions contemplated under the Agreement, the entering into of the Agreement is subject to the reporting, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules. Also, pursuant to Rule 14.74(2) of the Listing Rules, on the exercise or transfer of the Exchange Rights, the Company will issue an announcement regarding such exercise or transfer.

### **2. The Specific Mandate for the allotment and issue of the Conversion Shares upon exercise of the conversion rights attaching to the Bonds**

The issue of the Conversion Shares upon exercise of Conversion Rights to be issued by the Company shall be allotted and issued under the Specific Mandate.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholders or any of their respective associates have any material interest in the transactions contemplated under the Agreement and the Bonds (including without limitation, the exercise of the Exchange Rights). As such, no Shareholder would be required to abstain from voting under the Listing Rules if the Company were to convene a general meeting for the approval of such matters.

The Company has obtained written approvals from Better Joint Venture Limited, Elite Mile Investments Limited and Glory Merit International Holdings Limited, holding 6,125,279,787 Shares, 2,031,482,970 Shares and 1,486,988,846 Shares respectively as at the date the written approvals, representing in aggregate approximately 70% of the issued share capital of the Company for the approval of the Transaction Matters Requiring Approval (including without limitation, the exercise of the Exchange Rights). The said Better Joint Venture Limited and Elite Mile Investments Limited are wholly-owned by Mr. King. Glory Merit International Holdings Limited is also held as to 99% of the entire issued share by Mr. King. As such, no general meeting will be convened by the Company to approve the Transaction Matters Requiring Approval.

As such, no general meeting will be convened by the Company to approve such matters. If, despite the said written approval from Better Joint Venture Limited, Elite Mile Investments Limited and Glory Merit International Holdings Limited having been obtained, voting was required and the Company held a general meeting for the approval of the Transaction Matters Requiring Approval, the Directors would have recommended that the Shareholders vote in favour of such resolution.

The Company shall use its best efforts to obtain the Listing Approval as soon as reasonably practicable but in any event prior to the 60<sup>th</sup> day of the date of the Agreement.

## **CIRCULAR**

In order to allow sufficient time to prepare the information to be included in the Circular, the Company will apply to the Stock Exchange for a waiver from strict compliance with Rule 14.41(a) of the Listing Rules, which requires the Circular to be despatched to the Shareholders within 15 business days after the publication of this announcement. The circular containing, among other things, further information on the Transaction Matters Requiring Approval is expected to be despatched to the Shareholders on or before 30 June 2015.

## **DEFINITIONS**

In this Announcement, the following expressions shall have the following meanings unless the context requires otherwise:

“2016 CN”	the convertible notes in the principal amount of HK\$200,000,000 due 2016 issued by the Company to Better Joint Venture Limited
“Acquisition”	the proposed Share Purchase and Subscription pursuant to the Agreement
“Agreement”	the Share Purchase and Subscription Agreement entered into among the Company, the Sellers and the Target Company on 6 June 2015 in relation to the Share Purchase and the Subscription
“associates”	has the meaning ascribed to it under the Listing Rules

“BFT”	BFT Acquisition Guernsey L.P. Inc., a limited partnership registered in Guernsey
“BFT Consideration”	the consideration of HK\$240,740,000 for the sale and purchase of the BFT Sale Shares pursuant to the Agreement
“BFT Sale Shares”	14,250,095,000 NRML Shares, representing approximately 94.9999% of the issued share capital of the Target Company to be sold by BFT to the Company pursuant to the Agreement
“Board”	the board of Directors
“Bonds”	the exchangeable and convertible bonds to be issued by the Company in the aggregate principal amount of HK\$240,740,000 in favour of BFT as the BFT Consideration
“Business Days”	a day (excluding a Saturday) on which banks are generally open for a full range of business in Hong Kong
“BVI”	British Virgin Islands
“Change of Control”	occurs when either: <ul style="list-style-type: none"> <li>(a) Mr. King ceases to direct the vote of more than fifty percent (50%) of the votes entitled to be cast at a meeting of the members or shareholders of the Company or power to control the composition of a majority of the board of directors of the Company; or</li> <li>(b) the Company consolidates with or merges with or into or sells or transfers or licenses a majority of the Company’s assets (on a consolidated basis) to any other person, unless the consolidation, merger, sale or transfer will not result in such other person(s) acquiring control over the Company or the successor entity being merged with or transferred all or substantially all of the Company’s assets</li> </ul>

“Change of Control of the Target Company”	<p>means any of the following transactions (or series of related transactions):</p> <ul style="list-style-type: none"> <li>(a) any transaction or series of related transactions resulting in (i) the Company holding directly or indirectly in the aggregate less than fifty percent (50%) of (x) the share capital of the Target Company or (y) the aggregate voting power of the entire outstanding share capital of the Target Company, in each case on a fully-diluted basis; or (ii) the Company ceasing to control the composition of a majority of the board of directors of the Target Company;</li> <li>(b) any sale, lease, license, exchange, transfer or other disposition of a majority of all assets of the Target Company on a consolidated basis, or</li> <li>(c) an exclusive licensing of all or substantially all of the intellectual property of the Target Company or any of its subsidiaries to any third party without the consent of the directors of the Target Company appointed by BFT</li> </ul>
“Company”	Carnival Group International Holdings Limited (嘉年華國際控股有限公司), a company incorporated in Bermuda with limited liability and the shares of which are listed on the Stock Exchange (Stock Code: 00996)
“Completion”	the completion of the Acquisition
“Completion Date”	the date on which Completion shall take place pursuant to the Agreement
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Conversion Price”	HK\$1.55 per Conversion Share, subject to adjustment as set out and in accordance with the terms and conditions of the Bonds
“Conversion Rights”	the conversion rights attaching to the Bonds for the bondholders to convert the principal amount outstanding under the Bonds into Conversion Shares subject to the terms and conditions of the Bonds and the granting of the Listing Approval
“Conversion Shares”	the maximum of 155,316,129 new Shares to be issued and allotted by the Company upon full exercise of the Conversion Rights at the Conversion Price pursuant to the Bonds, assuming that the Exchange Rights are not exercised

“Deposit Amount”	USD3,300,000
“Directors”	directors of the Company
“Enlarged Group”	the enlarged group of companies of Carnival Group International Holdings Limited (嘉年華國際控股有限公司) immediately after completion of the Acquisition, which shall include the Group and the Target Group
“Exchange Rights”	the exchangeable rights attaching to the Bonds for the bondholders to exchange the principal amount outstanding under the Bonds into NRML Exchangeable Shares subject to the terms and conditions of the Bonds
“Fundamental Corporate Transaction”	(a) a merger, consolidation or amalgamation of the Company with or into another person; or (b) a sale, lease, license, exchange, transfer or other disposition of a majority of assets of the Company on a consolidated basis, and in each case, resulting in a Change of Control
“Fundamental NRML Corporate Transaction”	a Qualified IPO or a Change of Control of the Target Company
“Grace Investment”	Grace Investment Limited, a company incorporated in the BVI with limited liability
“Grace Investment Consideration”	the consideration of HK\$12,670,000 for the sale and purchase of the Grace Investment Sale Shares pursuant to the Agreement
“Grace Investment Sale Shares”	750,005,000 NRML Shares, representing approximately 5% of the issued share capital of the Target Company to be sold by Grace Investment to the Company pursuant to the Agreement
“Group”	the Company and its subsidiaries
“HK\$” or “HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	an independent third party who is not a “connected person” as defined in the Listing Rules
“Listing Approval”	the approval for the listing of, and permission to deal in, the Conversion Shares

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	the 90 <sup>th</sup> day following the date of the Agreement, or such other date as BFT and the Company may agree
“Minority Shareholder”	the shareholder of 1,000 shares of the Target Company, being an Independent Third Party
“Mr. King”	Mr. King Pak Fu, a substantial shareholder and an executive director of the Company
“NRML Exchangeable Shares”	the maximum of 14,250,095,000 NRML Shares to be transferred by the Company upon full exercise of the exchangeable right attaching to the Bonds in the aggregate amount of HK\$240,740,000 pursuant to the Agreement, assuming that the Conversion Rights are not exercised
“NRML Equity Securities”	equity securities in the Target Company or securities convertible into, exchangeable or exercisable for, or carrying a right of subscription in respect of, equity securities in the Target Company
“NRML Share(s)”	ordinary share(s) of par value of US\$0.001 in the issued share capital of the Target Company
“Party”	a party to the Agreement
“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan)
“Qualified IPO”	subject to the market capitalization of the Target Company reaching a certain threshold as prescribed in the Agreement, a firm underwritten public offering of the NRML Shares on the New York Stock Exchange, Nasdaq Global Market System, the Main Board or the Growth Enterprise Market of the Stock Exchange, or any other recognized international securities exchange acceptable to BFT

“Relevant Event”	occurs when (a) the Shares cease to be listed or admitted to trading on the Stock Exchange, or if the Shares are not at that time listed and traded on the Stock Exchange, the principal stock exchange or securities market on which the Shares are then listed or quoted or dealt in; or (b) when there is a Change of Control
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Shares”	collectively the BFT Sale Shares and Grace Investment Sale Shares
“Sellers”	Grace Investment and BFT (which, together with the Minority Shareholder, being the ultimate beneficial owners of the Target Company)
“Share Consideration”	HK\$253,410,000 being the aggregate consideration for the Share Purchase
“Share Purchase”	the acquisition by the Company of the BFT Sale Shares from BFT and the Grace Investment Sale Shares from Grace Investment pursuant to the Agreement
“Shareholder(s)”	holder(s) of the Share(s)
“Shareholders’ Approval”	the written approval obtained from the Company’s closely allied group of Shareholders, as further described in the section headed “Implications under the Listing Rules” of this announcement
“Share(s)”	ordinary share(s) of HK\$0.20 each in the share capital of the Company
“Specific Mandate”	the specific mandate for the allotment and issue of the Conversion Shares granted to the Directors by the Shareholders by the Shareholders’ Approval
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription for the Subscription Shares by the Company pursuant to the Agreement
“Subscription Consideration”	the aggregate consideration for the Subscription
“Subscription Price”	the share subscription price of approximately US\$0.0022 per Subscription Share



“Subscription Shares”	15,612,350,020 new ordinary shares of the Target Company with par value of US\$0.001 each to be subscribed by the Company at Completion pursuant to the Agreement
“subsidiary”	has the meaning ascribed to it under the Listing Rules
“Target Board”	the board of directors of the Target Company post-Completion
“Target Company”	Nice Race Management Limited, a company incorporated under the laws of the BVI
“Target Group”	collectively, the Target Company and its subsidiaries
“Transaction Matters Requiring Approval”	collectively, (i) the Acquisition; (ii) the issue of the Bonds by the Company to BFT; (iii) the allotment and issue of the Conversion Shares by the Company upon exercise of the Conversion Rights under the Specific Mandate; (iv) the grant of the Exchange Rights by the Company to BFT; and (v) the transfer of the NRML Exchangeable Shares by the Company to BFT upon exercise of the Exchange Rights by BFT, and the transactions contemplated thereunder
“US\$” or “USD”	the lawful currency of the United States
“%”	per cent.

*For reference purposes only, the Chinese names of the PRC entities, authorities or facilities have been translated into English in this announcement for information purpose only. If there is any inconsistency between the Chinese name and the English translation, the Chinese version shall prevail.*

*Any reference to a time of day and date shall be a reference to Hong Kong time and date unless otherwise stated. Any discrepancies in table included in this announcement between the amounts listed and the totals shown thereof are due to rounding. Accordingly, figures shown as totals in this announcement may not be an arithmetic aggregation of the figures that precede them.*

By order of the Board of  
**Carnival Group International Holdings Limited**  
**King Pak Fu**  
*Chairman*

Hong Kong, 7 June 2015

*The Board, as at the date of this Announcement, comprises Mr. King Pak Fu (Chairman), Mr. Leung Wing Cheong Eric (Chief Executive Officer) and Mr. Gong Xiao Cheng as executive Directors, and Mr. Chan Wai Cheung Admiral, Mr. Lie Chi Wing and Ms. Hu Gin Ing as independent non-executive Directors.*