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MIKO INTERNATIONAL HOLDINGS LIMITED
米格國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1247)

**SUPPLEMENTAL AGREEMENT IN RELATION TO
ACQUISITION OF DISTRIBUTION CHANNELS
IN CERTAIN CITIES OF FUJIAN PROVINCE**

Reference is made to the announcement of Miko International Holdings Limited (the “**Company**”) dated 23 June 2015 (the “**Announcement**”) in relation to the acquisition of 51 distribution channels in certain cities of Fujian Province. Unless the context requires otherwise, capitalized terms and expressions used in this announcement shall have the same meanings as defined in the Announcement.

THE SUPPLEMENTAL AGREEMENT

As disclosed in the Announcement, (i) Quanzhou Tuoyu Trade Co., Ltd. (as Purchaser), (ii) Red Kids China, and (iii) Quanzhou City Rui Hong Apparel Trading Co., Ltd. (as Seller) entered into the Acquisition Agreement on 23 June 2015 to acquire the Distribution Channels at a consideration of RMB89,372,000. The Board announces that on 13 January 2016, the parties to the Acquisition Agreement entered into a supplemental agreement (the “**Supplemental Agreement**”) to amend certain terms of the Acquisition Agreement, the major terms of which are set out as follows:

1. Extension of the long stop date for the second phase of transfer of the Distribution Channels

Pursuant to the Acquisition Agreement, the transfer of Distribution Channels shall take place in 2 phases. The first phase involved the transfer of 25 distribution channels to the Purchaser, which had taken place in September 2015. The second phase would involve the transfer of the remaining 26 distribution channels to the Purchaser, which shall take place on or before 31 December 2015.

As at the date of this announcement, the second phase of transfer of the remaining 26 distribution channels has not yet taken place. Pursuant to the Supplemental Agreement, the Purchaser, Red Kids China and the Seller agreed to extend the long stop date for the second phase of transfer of the remaining 26 distribution channels to 30 June 2016. In any event, the acquisition of the completed first phase transfer of the 25 distribution channels will not be affected.

2. Amendments of payment terms and liquidated damages

Pursuant to the Acquisition Agreement, the Purchaser had made the first and second payments to the Seller in the total amount of RMB71,497,600 by October 2015. The Purchaser agreed under the Supplemental Agreement that the remaining balance of RMB17,874,400 of the consideration shall be payable to the Seller within 30 days of the Seller's delivery of the 26 distribution channels under the second phase.

It is determined that the value of the remaining 26 distribution channels and the related assets in the second phase is RMB42,057,920 (the "Second Phase Value").

As the second phase of transfer of the 26 distribution channels has not taken place as agreed under the Acquisition Agreement, the Seller shall pay liquidated damages to the Purchaser, which shall be calculated based on a daily rate of 0.03% of the Second Phase Value, payable from 1 January 2016 until delivery of the 26 distribution channels, subject to a maximum of 10% of the Second Phase Value. The amount of the liquidated damages will be deducted from the Purchaser's last instalment of consideration payable to the Seller.

Save as specifically amended by the Supplemental Agreement, all other terms and conditions of the Acquisition Agreement shall remain in full force and effect.

By Order of the Board
Miko International Holdings Limited
Ding Peiji
Chairman

Quanzhou, China, 13 January 2016

As at the date of this announcement, the executive directors of Company are Mr. Ding Peiji, Mr. Ding Peiyuan, Ms. Ding Lizhen and Mr. Gu Jishi; and the independent non-executive directors of the Company are Mr. Leung Wai Yip, Mr. Mei Wenjue and Mr. Zhu Wenxin.