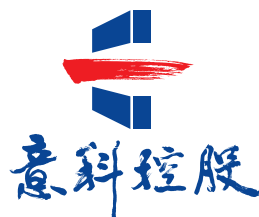


*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

*This announcement is for information purposes only and does not constitute an offer to acquire, purchase or subscribe for the securities of the Company referred to in this announcement.*



**eFORCE HOLDINGS LIMITED**

**意科控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

(Stock code: 943)

**MAJOR TRANSACTION  
IN RELATION TO THE ACQUISITION OF  
35% EQUITY INTEREST IN AND THE SHAREHOLDERS' LOANS TO  
PACIFIC MEMORY SDN BHD  
INVOLVING THE ISSUE OF CONSIDERATION SHARES UNDER  
SPECIFIC MANDATE**

Reference is made to the announcements of the Company dated 15 May 2017 and 3 November 2017 in relation to the memorandum of understanding and the extension of the exclusivity period of the memorandum of understanding respectively entered into between the Company and the Vendor.

**THE ACQUISITION AGREEMENT**

The Board is pleased to announce that on 19 January 2018 (after trading hours of the Stock Exchange), the Purchaser, a wholly-owned subsidiary of the Company, and the Vendor entered into the Acquisition Agreement, pursuant to which, among other things, the Purchaser conditionally agreed to acquire, and the Vendor conditionally agreed to sell, the Sale Shares and the Sale Loan at the aggregate Consideration of HK\$662,443,657. The aggregate Consideration of HK\$662,443,657 shall be satisfied as to HK\$238,700,000 in cash and the remaining balance by way of allotment and issue of the Consideration Shares by the Company to the Vendor upon Completion.

\* For identification purpose only

**SPECIFIC MANDATE**

The Consideration Shares will be issued under the Specific Mandate to be sought from the Shareholders at the SGM.

**LISTING RULES IMPLICATION**

As one or more of the applicable percentage ratios calculated in accordance with the Listing Rules in respect of the Acquisition exceeds 25% but all are less than 100%, the Acquisition constitutes a major transaction for the Company and is therefore subject to reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules. The Consideration Shares will be issued under the Specific Mandate to be sought from the Shareholders at the SGM.

**GENERAL**

The SGM will be convened and held for the Shareholders to consider and, if thought fit, approve, among other things, (i) the Acquisition Agreement and the transactions contemplated thereunder; and (ii) the Specific Mandate for the issue of the Consideration Shares. 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 other Shareholders, and therefore no Shareholder is required to abstain from voting at the SGM.

A circular containing, among other things, (i) further details of the Acquisition Agreement; (ii) the financial information and other information of the Group; (iii) the financial information of the Target Company; (iv) the unaudited pro forma financial information of the Enlarged Group; (v) the valuation report of the Properties; and (vi) the notice of the SGM is expected to be despatched to the Shareholders on or before 14 February 2018 as additional time is required for preparing the information to be included in the circular.

**INTRODUCTION**

Reference is made to the announcements of the Company dated 15 May 2017 and 3 November 2017 in relation to the memorandum of understanding and the extension of the exclusivity period of the memorandum of understanding respectively entered into between the Company and the Vendor. After further negotiations with the Vendor, the Board is pleased to announce that on 19 January 2018 (after trading hours of the Stock Exchange), the Purchaser, a wholly-owned subsidiary of the Company, and the Vendor entered into the Acquisition Agreement, pursuant to which, among other things, the Purchaser conditionally agreed to acquire, and the Vendor conditionally agreed to sell, the Sale Shares and the Sale Loan, which shall represent 35% of (i) the entire issued share capital of the Target Company; and (ii) all the obligations, liabilities and debts owing or incurred by the Target Company to its shareholders on or at any time prior to the Completion whether actual, contingent or deferred and irrespective of whether or not the same is due and payable on Completion respectively. The aggregate Consideration of HK\$662,443,657 shall be satisfied as to HK\$238,700,000 in cash and the remaining balance by way of allotment and issue of the Consideration Shares by the Company to the Vendor upon Completion.

Details of the principal terms and conditions of the Acquisition Agreement are set out below.

## **THE ACQUISITION AGREEMENT**

Date: 19 January 2018

Parties: (i) Vision South Limited (a wholly-owned subsidiary of the Company) as the Purchaser; and

(ii) Mr. Lim Kim Chai as the Vendor

As at the date of this announcement, the Target Company is owned as to 60% by the Vendor and as to 40% by Mr. Low. Upon Completion, the Target Company will be owned as to 40% by Mr. Low, 35% by the Purchaser and 25% by the Vendor.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Vendor and Mr. Low is a third party independent of the Company and its connected persons.

### **Assets to be acquired**

Pursuant to the Acquisition Agreement, the Purchaser conditionally agreed to acquire, and the Vendor conditionally agreed to sell, the Sale Shares and the Sale Loan. The Sale Shares and the Sale Loan shall represent 35% of (i) the entire issued share capital of the Target Company; and (ii) all the obligations, liabilities and debts owing or incurred by the Target Company to its shareholders on or at any time prior to the Completion whether actual, contingent or deferred and irrespective of whether or not the same is due and payable on Completion respectively.

The principal assets of the Target Company are the Properties, details of which are set out in the section headed "Information of the Target Company" below.

### **Consideration**

The Consideration of HK\$662,443,657 shall be satisfied by the Purchaser in the following manner:

- (i) as to HK\$66,244,366 to be paid by the Purchaser to the Vendor in cash as a refundable deposit (the "**Deposit**") within 7 days after the execution of the Acquisition Agreement;
- (ii) as to HK\$172,455,634 shall be payable by the Purchaser to the Vendor in cash on the Completion Date (the "**Second Cash Payment**"); and
- (iii) the remaining balance of HK\$423,743,657 shall be payable by way of allotment and issue of the Consideration Shares by the Company to the Vendor on the Completion Date.

The Consideration was determined after arm's length negotiations between the Purchaser and the Vendor with reference to, among other things, (i) the unaudited net liabilities of the Target Company of approximately RM2,925,000 (equivalent to approximately HK\$5,586,750) as at 31 December 2017; (ii) the preliminary valuation of 100% interest of the Properties of approximately RM1,155,400,000 (equivalent to approximately HK\$2,206,800,000) as at 30 November 2017 prepared by Grant Sherman Appraisal Limited, an independent professional valuer engaged by the Company (the "**Independent Valuer**"), based on market approach; (iii) the shareholders' loan owed by the Target Company to its shareholders of approximately RM31,259,000 (equivalent to approximately HK\$59,704,690) as at 31 December 2017; and (iv) the future business prospects of the Target Company.

The underlying valuation for the purpose of determining the Consideration is approximately RM994,764,400 (equivalent to approximately HK\$1,900,000,000), which represents a discount of approximately 13.9% to the preliminary valuation of 100% interest of the Properties of approximately RM1,155,400,000 (equivalent to approximately HK\$2,206,800,000) as at 30 November 2017 prepared by the Independent Valuer as mentioned above.

The Deposit and the Second Cash Payment of the Consideration of an aggregate amount of HK\$238,700,000 shall be funded by the proceeds of approximately HK\$224,200,000 from the Company's recent rights issue (details of which are disclosed in the Rights Issue Prospectus) and as to approximately HK\$14,500,000 from the internal resources of the Group. The remaining balance of the Consideration of HK\$423,743,657 will be settled by way of allotment and issue of the Consideration Shares.

#### *The Consideration Shares and the Issue Price*

Pursuant to the Acquisition Agreement, the Company will allot and issue 1,569,420,951 Consideration Shares at the Issue Price of HK\$0.27 per Consideration Share to the Vendor, as to satisfy the remaining balance of the Consideration.

The Consideration Shares represent:

- (i) approximately 21.76% of the entire issued share capital of the Company as at the date of this announcement; and
- (ii) approximately 17.87% of the entire issued share capital of the Company as enlarged by the allotment and issue of the Consideration Shares.

The Issue Price of HK\$0.27 per Consideration Share represents:

- (i) a premium of 8.0% over the closing price of the Shares of HK\$0.25 per Share as quoted on the Stock Exchange on the Last Trading Day;

- (ii) a premium of approximately 3.85% over the average closing price of the Shares of HK\$0.26 per Share as quoted on the Stock Exchange for the five consecutive trading days up to and including the Last Trading Day;
- (iii) a premium of approximately 7.91% over the average closing price of the Shares of HK\$0.25 per Share as quoted on the Stock Exchange for the ten consecutive trading days up to and including the Last Trading Day; and
- (iv) a premium of approximately 237.5% over the unaudited pro forma adjusted consolidated net tangible assets per Share immediately after completion of the rights issue of approximately HK\$0.08 as extracted from Appendix II of the Rights Issue Prospectus.

The Issue Price was determined after arm's length negotiations among the parties taking into account, among other things, the prevailing market performance of the Shares. The Directors consider that the Issue Price is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Consideration Shares will be issued under the Specific Mandate to be sought from Shareholders at the SGM. The Consideration Shares shall rank *pari passu* in all respects with the Shares in issue on the date of the allotment and issue of the Consideration Shares.

Application for the listing of, and permission to deal in, the Consideration Shares to be allotted and issued pursuant to the Acquisition Agreement will be made by the Company to the Stock Exchange.

### **Conditions precedents**

Completion is conditional upon:

- (i) the Shareholders passing at a general meeting of the Company the resolutions to approve the Acquisition Agreement and the transactions contemplated thereunder, including but not limited to the purchase of the Sale Shares and the Sale Loan by the Purchaser from the Vendor and the allotment and issue of the Consideration Shares on the terms and conditions contained in the Acquisition Agreement;
- (ii) all necessary consents, authorisations, licenses and approvals which are required to carry out the sale and purchase of the Sale Shares and the Sale Loan having been obtained;
- (iii) the results of the legal and financial due diligence investigation by the Purchaser into the Target Company is reasonably satisfactory to the Purchaser and do not indicate any Material Adverse Change in respect of the affairs of the Target Company (or if there is any such Material Adverse Change, it is acceptable to the Purchaser at its sole discretion);

- (iv) the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the Consideration Shares;
- (v) the representations and warranties given by the Vendor in the Acquisition Agreement remaining true and accurate in all respects;
- (vi) the entering into of the Shareholders' Agreement; and
- (vii) the valuation of the Properties being an aggregate value of not less than RM1,155,400,000 (equivalent to approximately HK\$2,206,800,000).

Except the conditions precedent (iii) and (v) above which may be waived by the Purchaser, all of the above conditions precedents are incapable to be waived by any parties to the Acquisition Agreement. If any of the above conditions is not fulfilled or waived (as the case may be) by 19 April 2018 or such other date as the Purchaser and the Vendors may agree in writing, any party to the Acquisition Agreement may rescind the Acquisition Agreement forthwith by written notice to the other and the Acquisition Agreement shall lapse and cease to have any effect and shall become null and void and neither party shall have any claims against the other save and except (a) for antecedent breach; and (b) that the Vendor is required to refund the Deposit to the Purchaser without interest within fourteen (14) Business Days from the date of the rescission.

### **Completion**

Completion will take place within fourteen (14) days after the date of fulfillment or waiver (as the case may be) of the last of the conditions precedent pursuant to the Acquisition Agreement or such other date as the Vendor and Purchaser may mutually agree in writing.

Upon Completion, the Target Company will become an associate of the Company and its financial results will be equity accounted for in the consolidated financial statements of the Enlarged Group.

## CHANGES IN THE SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately upon Completion and the allotment and issue of the Consideration Shares:

Shareholders	(i) As at the date of this announcement		(ii) Immediately upon Completion and the allotment and issue of the Consideration Shares	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Mr. Leung Chung Shan ( <i>Note 1</i> )	4,233,534,364	58.69	4,233,534,364	48.20
The Vendor	–		1,569,420,951	17.87
Public shareholders	2,980,462,636	41.31	2,980,462,636	33.93
<b>Total</b>	<b>7,213,997,000</b>	<b>100.00</b>	<b>8,783,417,951</b>	<b>100.00</b>

*Note: Mr. Leung Chung Shan is the Chairman of the Board and an executive Director.*

## SHAREHOLDERS' AGREEMENT

As set out under the paragraph headed “Conditions precedents” above, the Purchaser, the Vendor and Mr. Low shall enter into the Shareholders’ Agreement prior to Completion, in relation to, among other matters, the affairs, business and management of the Target Company and its subsidiaries (if any), and its relationship to each of its shareholders. The Shareholders’ Agreement shall take effect upon Completion.

The expected principal terms of the Shareholders’ Agreement are set out below:

### Board composition

The board of directors of the Target Company shall comprise three (3) directors, of which each of the Purchaser, the Vendor and Mr. Low is entitled to nominate one (1) director. Each party to the Shareholder’s Agreement shall be entitled at any time and from time to time to appoint any person to act as the alternate to the nominated director and to terminate the appointment of such person.

### Dividend policies

The shareholders of the Target Company shall procure the Target Company that (i) following completion of the first phase of the development of the Properties (the “**First Phase**”), not less than 40% of the profits at the financial year of completion of the First Phase and each financial year thereafter; and (ii) following completion of the second phase of the development of the Properties, all of the profits from each financial year



thereafter (including all retained earnings from previous financial year(s) not previously made available for payment of dividends) be declared and paid out as dividends as soon as practicable, subject to the availability of profits and funds in accordance with the relevant laws and regulations governing the Target Company.

No dividend shall be declared by the Target Company:

- (a) which is prohibited by any legal commitment binding upon the Target Company from time to time;
- (b) which would render the Target Company unable to pay its debts as and when they fall due; or
- (c) the amount of which should reasonably be retained as a provision for corporation tax or other tax liabilities or for other actual liabilities of the Target Company.

### **Right of first refusal**

If a shareholder of the Target Company wishes to dispose all or a portion of its interest in the Target Company (the “**Offered Subject Interests**”), such shareholder shall give notice (the “**Offering Notice**”) to the other shareholders of the Target Company specifying the details of the terms of the transfer whereas the other shareholders shall have the right, for a period of thirty (30) days from the date of receipt of the Offering Notice, to confirm its acceptance of the Offered Subject Interests based on the prescribed price and on the same terms as specified in the Offering Notice.

### **Tag along right**

If a shareholder of the Target Company proposes to sell, including in any series of related transactions, a number of shares in the Target Company equal to 30% or more of the total shares on issue at the time, such shareholder must notify all of the other shareholders at least ten (10) Business Days prior to such sale taking place. A shareholder may, within five (5) Business Days after receipt of such notice from the selling shareholder, elect to sell to the third party the proportion of its shares equal to the proportion of the selling shareholder’s shares to be sold by giving a notice (“**Tag Along Notice**”) to the selling shareholder.

The terms and conditions of the sale of shares which are the subject of the Tag Along Notice must be no less favourable to the shareholders serving the Tag Along Notice (“**Tag Sellers**”) than the terms and conditions of the sale of the shares of the Target Company by the selling shareholder to the third party.

If a Tag Seller serves a Tag Along Notice, the selling shareholder must procure that the third party purchases, in addition to its shares, the shares which are the subject of the Tag Along Notice. To the extent that the third party wishes to purchase less than all the shares offered by the selling shareholders and those the subject of the Tag Along Notice, the shares to be sold to the third party will be allocated pro-rata having regard to the proportionate shareholding as between the selling Shareholder and such Tag Sellers.



**Funding**

If the Target Company requires additional funding, the board of directors of the Target Company should determine the means of funding, which may include by way of issue of shares to the shareholders of the Target Company or loans from financial institution(s).

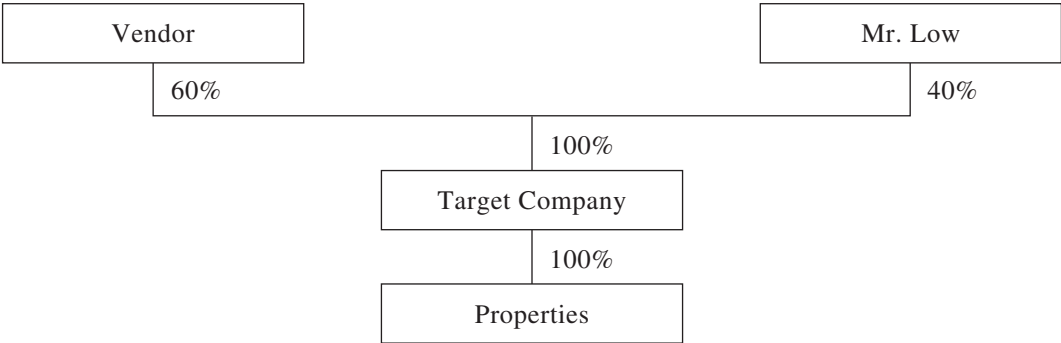
The Target Company shall exhaust other sources of financing, including borrowing from financial institution(s) before seeking funding from its shareholders. Any advances made by the shareholders of the Target Company shall be unsecured and carry interest at the rate of 2% per annum above the best lending rate from time to time quoted by Malayan Banking Berhad and shall be provided by the shareholders based on their respective shareholdings in the Target Company. Any advances made by the shareholders of the Target Company shall be repaid on an equal pro-rata basis.

The Management Company will assist the Target Company to obtain the required funding for the development of the Properties, details of which are set out in the section headed “Reasons for and benefits of the Acquisition” below.

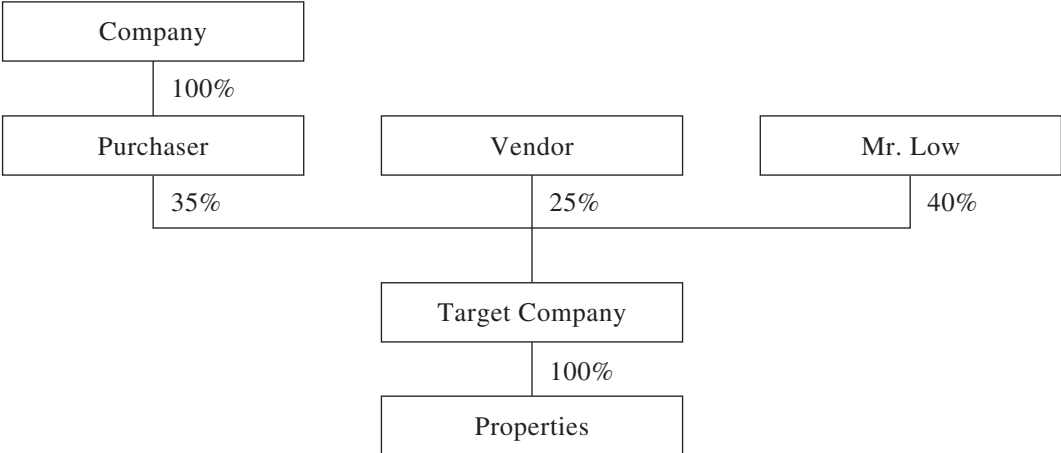
**INFORMATION OF THE TARGET COMPANY**

**Group structure**

Set out below is the shareholding structure of the Target Company as at the date of this announcement:



Set out below is the shareholding structure of the Target Company immediately after Completion:



## Background information of the Target Company and the Properties

The Target Company is an investment holding company incorporated in Malaysia with limited liability, whose principal assets are the Properties. It is owned as to 60% by the Vendor and as to 40% by Mr. Low as at the date of this announcement. Upon Completion, the Target Company will be owned as to 40% by Mr. Low, 35% by the Purchaser and 25% by the Vendor.

The Properties are situated in Pekan Teluk Kemang, Port Dickson District, Negeri Sembilan, Malaysia. The Properties comprise (i) a parcel of leasehold land with a leasehold period of 99 years expiring on 17 December 2101 for commercial development purposes (the “**Development Land**”). The Development Land comprises 10 adjoining construction sites under ten titles with an aggregate site area of approximately 3,598,056 square feet; (ii) 25 condominium units known as Bay View Villas have an aggregate gross floor area of approximately 28,637 square feet erected on leasehold land with a leasehold period of 99 years expiring on 17 December 2101; and (iii) 11 condominium units known as Marina Terrace erected on freehold land with an aggregate gross floor area of approximately 17,510 square feet. The Development Land will be developed into a comprehensive commercial development of serviced apartments, resort hotels and shopping malls in two phases with an estimated gross floor area of approximately 13,163,562 square feet. Based on the current development plan, the first phase of the development is estimated to be completed in about 2021 while the second phase of the development is estimated to be completed in about 2023.

## Financial information of the Target Company

Set out below is the unaudited financial information of the Target Company for the two financial years ended 31 December 2017 as prepared in accordance with the Hong Kong Financial Reporting Standards:

	For the year ended	
	31 December	
	2016	2017
	(RM'000)	(RM'000)
	(unaudited)	(unaudited)
Loss before taxation	330	445
Loss after taxation	330	445

The total assets and net liabilities of the Target Company (including shareholders' loan of approximately RM31,259,000 (equivalent to approximately HK\$59,704,690)) as at 31 December 2017 were approximately RM32,314,000 (equivalent to approximately HK\$61,719,740) and RM2,925,000 (equivalent to approximately HK\$5,586,750) respectively. As at 31 December 2017, the unaudited book value of the Properties in the accounts of the Target Company was approximately RM32,158,000 (equivalent to approximately HK\$61,421,780).

## REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is principally engaged in manufacture and sale of healthcare and household products, coal mining business production, sale of organic agricultural and fertiliser products and money lending business. In order to adhere to the Group's long-term mission to maximise corporate value as disclosed in the annual report of the Company for the year ended 31 December 2016, the Group has been identifying business opportunities in the Asia Pacific region and exploring the feasibility of expanding into other business sectors to improve the Group's potential for a sustainable growth. To this end, the Company has identified the Target Company as an appropriate acquisition target to the Group.

In December 2017, the Company had completed a rights issue to raise net proceeds of approximately HK\$310.4 million. Out of the total net proceeds, the Company had earmarked an amount of HK\$224,200,000 for the Acquisition. Details of the rights issue are set out in the Rights Issue Prospectus.

The Properties are located in Negeri Sembilan, Malaysia. Based on the available statistics published by the Valuation and Property Services Department of Malaysia, the overall house price index of Negeri Sembilan has increased from approximately 118.0 in the third quarter of 2012 to approximately 174.0 in the third quarter of 2017 with a compound annual growth rate of approximately 8.08%. The Board considers that there is an upward potential for the property market in Negeri Sembilan.

The potential of investing in Malaysia can be further supported by the rising gross domestic product in Malaysia. According to the statistics published by the Department of Statistics Malaysia, the nominal gross domestic product of Malaysia has increased by over 26% from approximately RM971,252 million (equivalent to approximately HK\$1,855,091 million) in 2012 to RM1,230,120 million (equivalent to approximately HK\$2,349,529 million) in 2016 with a compound annual growth rate of approximately 4.84%. The Board considers that there is a vibrant economic growth and future prospects in Malaysia. Further, based on a recent article published by Bloomberg on 15 December 2017, the Malaysian Ringgit currency has rebounded from its 19-year low and with prospects for better export and economic growth, the currency has increased by more than 13% in 2017.

The Target Company has teamed up with Shenzhen Qianhai Zhongzheng Urban Development And Management Co., Ltd\* (深圳市前海中證城市發展管理有限公司) (the "**Management Company**") which is engaged to run the overall management of the development of the Properties from commencement to completion which will include, among others, the proposed development's preliminary works and positioning, cost management, planning and design, development and construction planning, engineering management, bidding and purchasing management and marketing management. The Management Company is owned as to 35% by GoldStone Investment Co., Ltd.\* (金石投資有限公司) (a wholly-owned subsidiary of CITIC Securities Company Limited (Stock

\* For identification purpose only

Code: 6030)), 25% by Shenzhen Tianji Nanlian Investment Partnership Enterprise (Limited Partnership)\* (深圳市天基南聯投資合夥企業(有限合夥)), 20% by Shenzhen Yinxin Zhongjiu Equity Investment Partnership Enterprise (Limited Partnership)\* (深圳市銀信中久股權投資合夥企業(有限合夥)) and 20% by Beijing Zhongcai Century Technology Company Limited\* (北京中彩世紀技術有限公司). In addition, the Management Company will also assist the Target Company to obtain financing for the proposed development of the Properties. The senior management team of the Management Company has an average of 10 years of experience in overseeing the overall management of property development and property investments and the projects ranged from residential, commercial to city integrated projects in various part of the PRC. The Board is confident that the Management Company is, complemented with the Vendor's and Mr. Low's lengthy years of experience in property development in Malaysia, well equipped with the necessary know-how in management of properties projects in Malaysia.

In view of the positive economic indicators as mentioned above and the overall outlook of the property market in Negeri Sembilan, where the Properties are located, the Board believes that the Acquisition would allow the Group to benefit from the profit arising from the sale proceeds of the properties realised. The Board also considers that, with the entering into of the Shareholders' Agreement as a condition precedent to the Completion, the Group will be able to secure its return from its investment as a minority shareholder of the Target Company.

Having considered the above reasons, the Directors consider that the terms of the Acquisition Agreement are fair and reasonable, and the Acquisition is in the interests of the Company and its Shareholders as a whole.

## **LISTING RULES IMPLICATION**

As one or more of the applicable percentage ratios calculated in accordance with the Listing Rules in respect of the Acquisition exceed 25% but all are less than 100%, the Acquisition constitutes a major transaction for the Company and is therefore subject to reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules. The Consideration Shares will be issued under the Specific Mandate to be sought from the Shareholders at the SGM.

## **GENERAL**

An SGM will be convened and held for the Shareholders to consider and, if thought fit, approve, among other things, (i) the Acquisition Agreement and the transactions contemplated thereunder; and (ii) the Specific Mandate for the issue of the Consideration Shares. 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 other Shareholders, and therefore no Shareholder is required to abstain from voting at the SGM.

A circular containing, among other things, (i) further details of the Acquisition Agreement; (ii) financial information and other information of the Group; (iii) financial information of the Target Company; (iv) the unaudited pro forma financial information of the Enlarged Group; (v) the valuation report of the Properties; and (vi) a notice of the SGM is expected to be despatched to the Shareholders on or before 14 February 2018 as additional time is required for preparing the information to be included in the circular.

## **DEFINITIONS**

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

“Acquisition”	the proposed acquisition of the Sale Shares and the Sale Loan in the Target Company by the Purchaser from the Vendor pursuant to the terms and conditions of the Acquisition Agreement
“Acquisition Agreement”	the sale and purchase agreement dated 19 January 2018 entered into between the Purchaser and the Vendor in relation to the Acquisition
“Board”	the board of Directors
“Business Day”	a day other than a Saturday, Sunday or public holiday on which commercial banks are open for business in Kuala Lumpur, Malaysia
“Company”	eForce Holdings Limited, a company incorporated in the Bermuda with limited liability and its issued Shares are listed on the Main Board of the Stock Exchange (stock code: 943)
“Completion”	completion of the Acquisition
“Completion Date”	the date of Completion which shall be a day falling within fourteen (14) days after the date of fulfillment or waiver (as the case may be) of the last of the conditions precedent pursuant to the Acquisition Agreement or such other date as the Vendor and the Purchaser may mutually agree in writing
“Consideration”	the consideration payable by the Purchaser for the Acquisition in the aggregate amount of HK\$662,443,657
“Consideration Share(s)”	1,569,420,951 new Shares to be issued by the Company to settle HK\$423,743,657 of the Consideration

“Director(s)”	the director(s) of the Company
“Enlarged Group”	the Group upon Completion
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue Price”	the issue price of HK\$0.27 per Consideration Share
“Last Trading Day”	19 January 2018, being the date of the Acquisition Agreement and last trading day of the Shares immediately prior to the publication of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Material Adverse Change”	<p>the following events would be deemed to be a material adverse change pursuant to the Acquisition Agreement:</p> <ul style="list-style-type: none"> <li>(i) any approvals or licenses obtained by the Target Company in relation to its business being or will be suspended, cancelled, revoked or not renewed prior to Completion; or</li> <li>(ii) any matter which results or will result in the Target Company not being the legal and beneficial owner of the Properties or a substantial part thereof on Completion; or</li> <li>(iii) any taxation liabilities assessed and raised by the relevant taxation authorities which have not been paid in accordance with the relevant taxation law, but excluding any taxation liability for which adequate provision has been made or will be made in the financial statements (audited or to be audited) of the Target Company and so long as there is a bona fide reason for not paying the said taxation liability when due and payable; or</li> </ul>

	(iv) any litigation, execution or similar proceedings have been commenced or is imminent, between the Target Company and the taxation authorities in connection with the taxation of the Target Company
“Mr. Low”	Mr. Low Thiam Herr, an independent third party and the owner of 40% equity interest in the Target Company prior to Completion
“PRC”	the People’s Republic of China, which, for the purpose of this announcement, excludes the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan
“Properties”	the properties situated in Pekan Teluk Kemang, Port Dickson District, Negeri Sembilan, Malaysia of which include (i) a leasehold land comprising 10 adjoining construction sites for commercial development purposes with an aggregate site area of approximately 3,598,056 square feet; (ii) 25 condominium units known as Bay View Villas erected on leasehold land with an aggregate gross floor area of approximately 28,637 square feet; and (iii) 11 condominium units known as Marina Terrace erected on freehold land with an aggregate gross floor area of approximately 17,510 square feet
“Purchaser”	Vision South Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
“Rights Issue Prospectus”	the prospectus of the Company dated 24 November 2017 in relation to the rights issue of the Company
“Sale Loan”	RM10,940,650 (equivalent to approximately HK\$20,896,642), representing 35% of all obligations, liabilities and debts owing or incurred by the Target Company to its shareholders on or at any time prior to the Completion whether actual, contingent or deferred and irrespective of whether or not the same is due and payable on Completion



“Sale Shares”	87,500 ordinary shares of RM1 in the share capital of the Target Company which shall represent 35% of the issued share capital of the Target Company
“SGM”	the special general meeting of the Company to be convened and held for the Shareholders to consider and, if thought fit, approve (i) the Acquisition Agreement and the transactions contemplated thereunder; and (ii) the Specific Mandate for the issue of the Consideration Shares
“Share(s)”	ordinary share(s) of HK\$0.00004 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Shareholders’ Agreement”	the shareholders’ agreement for the Target Company to be entered into among the Purchaser, the Vendor and Mr. Low in relation to, among other matters, the affairs, business and management of the Target Company and its subsidiaries, and its relationship to each of its shareholders, which shall take effect upon Completion
“Specific Mandate”	a specific mandate to allot and issue the Consideration Shares to be sought from the Shareholders at the SGM
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Pacific Memory Sdn Bhd, a company incorporated in Malaysia with limited liabilities which holds the Properties
“Vendor”	Mr. Lim Kim Chai, an independent third party, being the vendor of the Acquisition and the owner of 60% equity interest in the Target Company prior to Completion
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RM”	Malaysian Ringgit, the lawful currency of Malaysia
“%”	per cent.

*For ease of reference and unless otherwise specified in this announcement, sums in HK\$ and RM in this announcement are translated at the exchange rate of RM1 = HK\$1.91. This does not necessarily imply that HK\$ could be converted in to RM, or vice versa, at such exchange rate.*

By order of the Board  
**eForce Holdings Limited**  
**Liu Liyang**  
*Chief Executive Officer*

Hong Kong, 19 January 2018

*As at the date of this announcement, the Board comprises six executive Directors, namely Mr. Leung Chung Shan, Mr. Tam Lup Wai, Franky, Mr. Liu Liyang, Mr. Au Yeung Yiu Chung, Mr. Chan Tat Ming, Thomas and Mr. Luo Xiaohong; and four independent non-executive Directors, namely Mr. Hau Chi Kit, Mr. Lam Bing Kwan, Mr. Leung Chi Hung and Mr. Li Hon Kuen.*