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BRILLIANCE WORLDWIDE HOLDINGS LIMITED
金 滿 堂 控 股 有 限 公 司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8312)

**ANNOUNCEMENT PURSUANT TO
RULE 3.7 OF THE TAKEOVERS CODE,
RULE 17.10 OF THE GEM LISTING RULES AND
INSIDE INFORMATION PROVISIONS UNDER
PART XIVA OF THE SFO**

INTRODUCTION

This announcement is made by Brilliance Worldwide Holdings Limited (the **“Company”**, together with its subsidiaries, the **“Group”**) pursuant to Rule 3.7 of The Code on Takeovers and Mergers of Hong Kong (the **“Takeovers Code”**), Rule 17.10 of the Rules (the **“GEM Listing Rules”**) Governing the Listing of Securities on the Growth Enterprise Market (**“GEM”**) of The Stock Exchange of Hong Kong Limited (the **“Stock Exchange”**) and the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) (the **“SFO”**).

PRINCIPAL TERMS OF THE MOU IN RESPECT OF THE POSSIBLE TRANSACTION

Introduction

The Company was informed by Mr. Ko Chun Hay Kelvin (“**Mr. Ko**”), the ultimate controlling shareholder, Chairman and a director of the Company, he and Magic Ahead Investments Limited (“**Magic Ahead**”), the immediate controlling shareholder of the Company, had, after trading hours on 28 December 2015, entered into a memorandum of understanding (the “**MOU**”) with an independent third party not connected to the Company nor any of its connected person (as defined in the GEM Listing Rules) (the “**Potential Purchaser**”) regarding the possible sale of the controlling interests in the Company (the “**Possible Transaction**”). The MOU sets forth the understanding and certain preliminary terms in relation to the Possible Transaction amongst the parties thereto.

Transfer of the Shares by the controlling shareholder of the Company

Subject to a legally binding agreement (the “**Definitive Agreement**”) being entered into, if the Possible Transaction materialises, the Potential Purchaser will acquire 519,000,000 shares of the Company (the “**Shares**”) currently held by Magic Ahead, representing 75% of the issued share capital of the Company as at the date of this announcement, for an aggregate consideration of HK\$271,488,900 (the “**Consideration**”), representing HK\$0.5231 per Share, which will then give rise to an obligation on the part of the Potential Purchaser and any parties acting in concert with it to make a mandatory unconditional general offer for all the Shares (other than those already owned or agreed to be acquired by them) under Rule 26.1 of the Takeovers Code and to make an appropriate offer to the holders of any convertible securities under Rule 13.1 of the Takeovers Code (the “**Offers**”). Following completion of the Possible Transaction, Magic Ahead will cease to be the controlling shareholder of the Company and the Potential Purchaser will become a controlling shareholder of the Company.

The discussions in respect of the Possible Transaction are still in progress and the Possible Transaction may, or may not, eventuate in the entering into of the Definitive Agreement. The parties to the MOU agree to use its reasonable endeavours, as far as practicable, to enter into the Definitive Agreement, the terms and conditions of which include, but not limited to, the undertakings, representations and warranties on the Company by Magic Ahead and conditions precedent to the Possible Transaction when it materialises.

Magic Ahead, as the beneficial owner of 519,000,000 Shares, representing 75% of the entire issued share capital of the Company as at the date of this announcement, is owned as to 3.7% and 96.3% by Mr. Ko Yuk Tong, the brother of Mr. Ko, and Mr. Ko, respectively. As at the date of this announcement, Mr. Ko, Mr. Ko Yuk Tong and Madam Lam Mei Nar Miller, a director of the Company and the wife of Mr. Ko, are collectively interested in 41,400,000 outstanding options (the “**Related Parties Share Options**”) granted under the share option scheme (the “**Share Option Scheme**”) of the Company dated 3 November 2010 (the “**Share Options**”) and the senior management team of the Company is interested in 1,500,000 Share Options.

Earnest Money and due diligence on the Group

The Potential Purchaser agrees to pay into the bank account of Mr. Ko an earnest money in the sum of RMB11 million (the “**Earnest Money**”) within three days from the date of the MOU.

During the period from the date of the MOU to the date falling two months after the date of the MOU (i.e. 27 February 2016, the “**Cut-off Date**”), the Potential Purchaser and its advisers are entitled to conduct a due diligence exercise on the business operations and prospects of the Group.

In respect of the Earnest Money, the parties to the MOU shall adhere to the following provisions:

- (i) if the parties to the MOU are unable to enter into the Definitive Agreement on or before the Cut-off Date, the Earnest Money shall be refunded by Mr. Ko in full to the Potential Purchaser within five business days after the Cut-off Date and the MOU shall be immediately terminated after such refund; or
- (ii) if the parties to the MOU are able to enter into the Definitive Agreement on or before the Cut-off Date, the Potential Purchaser can apply the Earnest Money as partial settlement of the Consideration at completion of the Possible Transaction.

Legal effect of the MOU

The provisions in relation to, among others, the Earnest Money, confidentiality and governing law and jurisdiction are legally binding. Save and except for these provisions, other provisions of the MOU do not have any legally binding effect.

SECURITIES OF THE COMPANY

As at the date of this announcement, details of all classes of relevant securities (as defined in note 4 to Rule 22 of the Takeovers Code) issued by the Company and the numbers of such securities in issue are as follows:

- (a) a total of 692,000,000 ordinary Shares in issue of par value HK\$0.01 each in the share capital of the Company; and
- (b) a total of 42,900,000 outstanding Share Options granted under the Share Option Scheme with rights to subscribe for a total of 42,900,000 Shares.

DEALING DISCLOSURE

For the purposes of the Takeovers Code, the offer period commences on the date of this announcement, being 28 December 2015.

In accordance with Rule 3.8 of the Takeovers Code, respective associates (as defined in the Takeovers Code, including among others, shareholders of the Company having interests of 5% or more in any class of relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code)) of the Company and the Potential Purchaser are hereby reminded to disclose their dealings in the securities of the Company pursuant to the requirements of the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 of the Takeovers Code:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

“Executive” referred to above has the meaning ascribed to it under the Takeovers Code.

MONTHLY UPDATE

In compliance with Rule 3.7 of the Takeovers Code, monthly update announcement(s) will be made until the announcement of a firm intention to make an offer under Rule 3.5 of the Takeovers Code or of a decision not to proceed with an offer is made. Further announcement(s) will be made by the Company as and when appropriate or required in accordance with the GEM Listing Rules and/or the Takeovers Code (as the case may be).

WARNING: THERE IS NO ASSURANCE THAT THE POSSIBLE TRANSACTION WILL MATERIALISE OR EVENTUALLY BE CONSUMMATED AND THE RELEVANT DISCUSSIONS MAY OR MAY NOT LEAD TO A GENERAL OFFER UNDER RULE 26.1 OF TAKEOVERS CODE. SHAREHOLDERS AND POTENTIAL INVESTORS OF THE COMPANY SHOULD EXERCISE CAUTION WHEN DEALING IN THE SECURITIES OF THE COMPANY, AND IF THEY ARE IN ANY DOUBT ABOUT THEIR POSITION, THEY SHOULD CONSULT THEIR PROFESSIONAL ADVISER(S).

By order of the Board
Brilliance Worldwide Holdings Limited
Mr. Ko Chun Hay Kelvin
Chairman

Hong Kong, 28 December 2015

As at the date of this announcement, the Board comprises of Mr. Ko Chun Hay Kelvin and Madam Lam Mei Nar Miller as executive directors of the Company and Mr. Li Kar Fai Peter, Mr. Li Xiao Dong and Mr. Zhang Qing as independent non-executive directors of the Company.

All directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for a minimum period of 7 days from the date of its publication and on the Company’s website at www.brillianceww.com.

** For identification purpose only*