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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
AND
RESUMPTION OF TRADING**

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**”).

Reference is made to the announcement of Brilliance Worldwide Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 28 December 2015 and 28 January 2016 in relation to the memorandum of understanding regarding the possible sale of the controlling interests in the Company (the “**MOU**”) and the subsequent monthly update (the “**Announcements**”). Unless otherwise specified, terms used in this announcement have the same meanings as those used in the Announcements.

* For identification purpose only

EXPIRY OF THE CUT-OFF DATE OF THE POSSIBLE TRANSACTION

The Board wishes to update the Company's shareholders and potential investors that, as informed by Mr. Ko, following the expiry of the Cut-off Date (i.e. 27 February 2016) as set out in the MOU, the earnest money of RMB11,000,000 will be returned to the Potential Purchaser as soon as practicable in accordance with the terms of the MOU, which shall then be immediately terminated upon such return.

SECOND MOU IN RESPECT OF THE SECOND POSSIBLE TRANSACTION

The Company was further informed that Magic Ahead was approached by another independent third party not connected with the Company or any connected person (as defined in the GEM Listing Rules) of the Company (the **"Second Potential Purchaser"**), in respect of its interest in acquiring a majority interest in the Company. On 27 February 2016, Magic Ahead and the Second Potential Purchaser had entered into a memorandum of understanding (the **"Second MOU"**) regarding the possible sale of the controlling interests in the Company (the **"Second Possible Transaction"**). The Second MOU sets forth the understanding and certain preliminary terms in relation to the Second Possible Transaction amongst the parties thereto. The Second Potential Purchaser confirmed that it is not a party acting in concert with the Potential Purchaser.

PRINCIPAL TERMS OF THE SECOND MOU

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 Second Possible Transaction materialises, the Second Potential Purchaser will acquire 474,000,000 Shares (the **"Sale Shares"**) currently held by Magic Ahead, representing approximately 68.50% of the issued share capital of the Company as at the date of this announcement, for a consideration of approximately HK\$0.5908 per Share (with an aggregate consideration of HK\$280,000,000 (the **"Consideration"**)), giving rise to an obligation on the part of the Second 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 **"Possible Offers"**). Following completion of the Second Possible Transaction, if materializes, Magic Ahead will cease to be the controlling shareholder of the Company and the Second Potential Purchaser will become a controlling shareholder of the Company.

The discussions in respect of the Second Possible Transaction are still in progress and the Second Possible Transaction may, or may not, eventuate in the entering into of the Definitive Agreement. The parties to the Second 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.

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 granted under the share option scheme (the “**Share Option Scheme**”) of the Company dated 3 November 2010 and the senior management team of the Company is interested in 1,500,000 options (the “**Share Options**”). Magic Ahead undertakes that, subject to the Definitive Agreement being entered into, it shall procure all the outstanding Share Options to be cancelled upon completion of the Second Possible Transaction or in any event no later than the commencement of the Possible Offers.

Exclusivity

As informed by Mr. Ko, pursuant to the Second MOU, in consideration of the Second Potential Purchaser paying an amount of RMB18,000,000 in cash (the “**Earnest Money**”) to Magic Ahead, the Second Potential Purchaser was granted an exclusive right to negotiate with Magic Ahead in relation to the Second Possible Transaction from the date of the Second MOU until 31 March 2016. For the avoidance of doubt, the Earnest Money is not refundable in any event, but in the event that a Definitive Agreement is entered into, and the completion of Second Possible Transaction happens, on or before 10 March 2016 or no later than the business date immediately after the date when the Sale Shares are deposited into CCASS (or such other date as may be agreed by the parties), the Earnest Money will be fully applied to settle part of the Consideration for the sale and purchase of the Sale Shares under the Definitive Agreement, unless otherwise agreed by the parties in the Definitive Agreement.

Due diligence on the Group

After the signing of the Second MOU, the Second Potential Purchaser is entitled to conduct such reasonable financial and legal due diligence review on the Group.

Legal effect of the Second MOU

The provisions in relation to, among others, the Earnest Money, exclusivity, confidentiality and governing law and jurisdiction are legally binding. Save and except for these provisions, other provisions of the Second 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.

DEALINGS DISCLOSURE

In accordance with Rule 3.8 of the Takeovers Code, the associates (as defined under the Takeovers Code which includes, among others, any person who owns or controls 5% or more of any class of relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company or the Second Potential Purchaser) are reminded to disclose their dealings in the securities of the Company under Rule 22 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 in relation to the 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 (including shareholders holding 5% of the relevant securities under class (6) of the definition of “associate”) and other persons under Rule 22 of the Takeovers Code 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 of the Takeovers Code. 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 (as defined in the Takeovers Code) in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive (as defined in the Takeovers Code) with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

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 SECOND 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).

TRADING HALT AND RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on 29 February 2016 pending the release of this announcement. Application has been made by the Company for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 1 March 2016.

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

Hong Kong, 29 February 2016

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.

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