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**CHEONG MING  
INVESTMENTS LIMITED**

*(Incorporated in Bermuda with limited liability)  
(Stock code: 1196)*

**Manureen Holdings Limited**

*(Incorporated in the British Virgin Islands  
with limited liability)*

**JOINT ANNOUNCEMENT**

- (1) PROPOSED SHARE PREMIUM REDUCTION OF  
CHEONG MING INVESTMENTS LIMITED;**
- (2) CONNECTED TRANSACTION, VERY SUBSTANTIAL DISPOSAL  
AND SPECIAL DEAL IN RELATION TO  
THE SALE AND PURCHASE OF  
BRILLIANT STAGE HOLDINGS LIMITED;**
- (3) AGREEMENT IN RELATION TO  
THE SALE AND PURCHASE OF SHARES IN  
CHEONG MING INVESTMENTS LIMITED;**
- (4) POSSIBLE MANDATORY UNCONDITIONAL CASH OFFER BY  
EMPEROR CAPITAL LIMITED  
ON BEHALF OF  
MANUREEN HOLDINGS LIMITED  
FOR ALL THE ISSUED SHARES IN  
CHEONG MING INVESTMENTS LIMITED  
(OTHER THAN THOSE ALREADY OWNED  
OR AGREED TO BE ACQUIRED  
BY THE OFFEROR AND PARTIES ACTING IN CONCERT WITH IT);**
- (5) CONNECTED TRANSACTION IN RELATION TO  
THE APPOINTMENT OF FINANCIAL ADVISER  
AND**
- (6) RESUMPTION OF TRADING IN THE SHARES OF  
CHEONG MING INVESTMENTS LIMITED**

**Financial adviser to  
Manureen Holdings Limited**



**英皇融資有限公司  
Emperor Capital Limited**

**Financial adviser to  
Cheong Ming Investments Limited**



**Optima Capital Limited**

**Independent financial adviser to the Independent Board Committee and  
Independent Shareholders of Cheong Ming Investments Limited**

**VEDA | CAPITAL  
智 略 資 本**

### **The Share Premium Reduction**

The Board proposes to implement the Share Premium Reduction which involves (i) the cancellation of a sum of HK\$107.4 million standing to the credit of the Company's share premium account; and (ii) the application of the entire amount standing thereto to fund part of the Special Distribution or, if the Asset Reorganisation Completion does not take place, the transfer of the entire amount standing thereto to the contributed surplus account of the Company to be used in any manner permitted by the laws of Bermuda and the bye-laws of the Company.

The Share Premium Reduction is conditional on (i) the passing by the Shareholders of the necessary resolution approving the Share Premium Reduction at the SGM; and (ii) the compliance by the Company with the relevant procedures and requirements under Bermuda law and the Listing Rules to effect the Share Premium Reduction.

It is expected that the Company will, prior to the Share Sale Completion, declare the Special Distribution in the aggregate amount of not less than HK\$285.9 million (equivalent to not less than HK\$0.45 per Share) to the Shareholders whose names appear on the register of members of the Company on a date before the date of the Share Sale Completion. Accordingly, the Offeror will not be entitled to the Special Distribution in respect of the Sale Shares. The Special Distribution is conditional on the Shareholders approving the Special Distribution at the SGM, the Share Premium Reduction taking effect and the Asset Reorganisation Completion. A further announcement will be made by the Company in this regard as and when appropriate.

### **The Asset Reorganisation**

On 27 February 2014, the Company and Harmony Link entered into the Asset Reorganisation Agreement, pursuant to which the Company has conditionally agreed to procure CM (BVI) as the legal and beneficial owner to sell and Harmony Link has conditionally agreed to purchase or procure the purchase by HL Nominee the Brilliant Stage Shares, representing the entire issued share capital of Brilliant Stage as at the date of the Asset Reorganisation Completion, at a consideration of HK\$180 million. The Asset Reorganisation is conditional upon fulfillment or waiver of the conditions specified in the Asset Reorganisation Agreement and as described under the subsection headed "Conditions" under the section headed "B. The Asset Reorganisation – The Asset Reorganisation Agreement" below, including the Share Sale Completion.

**The Share Sale**

On 26 February 2014, the Vendors and the Offeror entered into the Share Sale Agreement, pursuant to which the Vendors have conditionally agreed to sell and procure Madam Ng to sell, and the Offeror has conditionally agreed to purchase, the Sale Shares, being 338,331,036 Shares, representing approximately 53.25% of the entire issued share capital of the Company as at the date of the Share Sale Agreement, at an aggregate consideration of HK\$236,831,725.2 (equivalent to HK\$0.70 per Sale Share). The Share Sale is conditional upon fulfillment or waiver of the conditions specified in the Share Sale Agreement and as described under the sub-section headed “Conditions” under the section headed “C. The Share Sale” below.

**The Offer**

Upon the Share Sale Completion, the Offeror and parties acting in concert with it will be interested in 338,331,036 Shares, representing approximately 53.25% of the entire issued share capital of the Company. Subject to Share Sale Completion, Emperor Capital will, on behalf of the Offeror and pursuant to Rule 26.1 of the Takeovers Code, make the Offer, which is an unconditional mandatory cash offer to Shareholders to acquire all the Shares other than those already held or agreed to be acquired by the Offeror and parties acting in concert with it at HK\$0.70 per Offer Share in cash.

**Regulatory implications**

As the profits ratio and the revenue ratio calculated under Rule 14.07 of the Listing Rules in respect of the Asset Reorganisation exceed 75%, the Asset Reorganisation constitutes a very substantial disposal of the Company under the Listing Rules. As at the date of the Asset Reorganisation Agreement, Harmony Link held 323,487,286 Shares, representing approximately 50.91% of the existing Shares in issue. By virtue of Harmony Link’s controlling interest in the Company, the Asset Reorganisation also constitutes a connected transaction for the Company under the Listing Rules and a special deal for the Company under Rule 25 of the Takeovers Code.

The Asset Reorganisation is therefore subject to the approval of the Independent Shareholders at the SGM by way of poll and Veda publicly states that in its opinion the terms of the transactions are fair and reasonable. The Asset Reorganisation is also subject to the consent of the Executive under Rule 25 of the Takeovers Code.

**Independent Board Committee and independent financial adviser**

The Company has established the Independent Board Committee comprising all the independent non-executive Directors who have no direct or indirect interest in the Asset Reorganisation and the Offer, namely Dr. Lam Chun Kong, Mr. Lo Wing Man and Dr. Ng Lai Man, Carmen, to advise the Independent Shareholders on the respective terms of the Asset Reorganisation and the Offer. Veda has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the respective terms of the Asset Reorganisation and the Offer. The appointment of Veda as the independent financial adviser has been approved by the Independent Board Committee.

**Despatch of documents**

A circular containing, among other things, information regarding the Special Distribution, the Share Premium Reduction and the Asset Reorganisation, the recommendation from the Independent Board Committee and the advice of Veda on the Asset Reorganisation, financial information of the Group, the Brilliant Stage Group and the Remaining Group and the notice of the SGM will be despatched by the Company to the Shareholders as soon as practicable in accordance with the Listing Rules and the Takeovers Code. As additional time is required to finalise the information to be included in the circular, including but not limited to the financial information of the Group and the Brilliant Stage Group and the proforma financial information of the Remaining Group, the circular of the Company is expected to be despatched to the Shareholders on or before 30 April 2014.

Pursuant to the Takeovers Code, within 21 days after the date of this joint announcement or such later date as the Executive may approve, the Offeror is required to despatch an offer document in relation to the Offer and the Company is required to send to Shareholders within 14 days of the posting of the offer document a circular containing, among other things, financial information of the Company, together with any other information the Company considers to be relevant to enable Shareholders to reach a properly informed decision on the Offer. It is the intention of the Offeror and the Board that the offer document and the offeree board circular in respect of the Offer be combined in the Composite Offer Document. Pursuant to Note 2 to Rule 8.2 of the Takeovers Code, the consent of the Executive is required if the making of the Offer are subject to the prior fulfillment of certain pre-conditions and the pre-conditions cannot be fulfilled within the time period required by Rule 8.2 of the Takeovers Code. As the making of the Offer is conditional upon the Share Sale Completion, an application will be made to the Executive to extend the deadline for the despatch of the Composite Offer Document, together with the form(s) of acceptance and transfer, to a date within 7 days upon the Share Sale Completion or such later date as the Executive may approve. Further announcement will be made by the Offeror and the Company on the timing of the despatch of the Composite Offer Document.

**Connected transaction in relation to the appointment of financial adviser**

On 26 February 2014, Optima Capital was appointed as the financial adviser to advise the Company in respect of the Asset Reorganisation and the Offer. Optima Capital is a corporation controlled by Ms. Mei H. Leung, the spouse of Mr. Brian Lui, and Optima Capital is therefore a connected person of the Company under the Listing Rules. The appointment of Optima Capital as financial adviser to the Company constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. As the relevant percentages under Rule 14.07 of the Listing Rules are less than 5%, the appointment of Optima Capital is only subject to the reporting and announcement requirements and is exempt from independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

**Suspension and resumption of trading**

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on Tuesday, 25 February 2014 pending the release of this joint announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on Friday, 4 April 2014.

**Warning**

**Shareholders and potential investors of the Company should note that the Asset Reorganisation Completion and the Share Sale Completion are conditional upon the fulfillment or waiver of certain Asset Reorganisation Conditions and Share Sale Conditions respectively and the Offer will only be made if the Asset Reorganisation Completion and the Share Sale Completion take place. Accordingly, the Asset Reorganisation Agreement and the Share Sale Agreement may or may not be completed and the Offer may or may not proceed. Shareholders and potential investors of the Company are advised to exercise extreme caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.**

**INTRODUCTION**

Reference is made to the announcements of the Company dated 16 January 2014 and 14 February 2014 in relation to the possible sale by Harmony Link of all of its equity interest in the Company and the possible disposal by the Company of certain of its assets. Reference is also made to the announcement of the Company dated 27 February 2014, in which the Board announced that the Vendors entered into the Share Sale Agreement with the Offeror in relation to the sale and purchase of a controlling stake in the Company on 26 February 2014, and the Company entered into the Asset Reorganisation Agreement with Harmony Link in relation to the sale and purchase of Brilliant Stage on 27 February 2014. Details of the Share Sale Agreement are described in more detail under the section headed "C. The Share Sale" below.

Share Sale Completion (further particulars of which are set out under section headed “C. The Share Sale” below) will result in the Offeror acquiring 53.25% of the voting rights in the Company and incurring an obligation to make the Offer under the Takeovers Code at HK\$0.70 per Offer Share (as described in section headed “E. Possible Mandatory Unconditional Cash Offer” below).

Amongst the various conditions precedent to Share Sale Completion are the conditions that (i) the Asset Reorganisation Agreement becomes unconditional in all respects (apart from the condition requiring the Share Sale Completion to have taken place) and (ii) the declaration of the Special Distribution becomes unconditional in all respects. Accordingly, the Board proposes the Share Premium Reduction described in more detail under the section headed “A. The Share Premium Reduction” below to facilitate the Special Distribution and the Asset Reorganisation described in more detail under section headed “B. The Asset Reorganisation” below, which includes (i) the implementation of the Asset Reorganisation Agreement; and (ii) a proposal to declare the Special Distribution of not less than HK\$285.9 million (equivalent to not less than HK\$0.45 per Share), subject to the Share Premium Reduction taking effect and Asset Reorganisation Completion taking place.

Subject to Share Sale Completion, Asset Reorganisation Completion and the proposed Special Distribution being made, (i) each Shareholder who accepts the Offer will receive HK\$0.70 for each Share held in respect which the Offer was accepted; (ii) each person who is a Shareholder on the record date for the Special Distribution will receive at least HK\$0.45 per Share, being the minimum amount of the proposed Special Distribution. Accordingly, each person who is a Shareholder on the record date for the Special Distribution and who accepts the Offer will receive a total amount of at least HK\$1.15 for each Share held and in respect of which the Offer was accepted.

## **A. THE SHARE PREMIUM REDUCTION**

### **Terms of the Share Premium Reduction**

The Board proposes to implement the Share Premium Reduction which involves the following:

- (i) the cancellation of a sum of HK\$107.4 million standing to the credit of the Company’s share premium account; and
- (ii) the application of the entire amount standing thereto to fund part of the Special Distribution or, if the Asset Reorganisation Completion does not take place, the transfer of the entire amount standing thereto to the contributed surplus account of the Company to be used in any manner permitted by the laws of Bermuda and the bye-laws of the Company.



Taking into account the amount standing to the credit of the contributed surplus account (being a distributable reserve of the Company) of approximately HK\$116.8 million as at 31 March 2013, the credit in the amount of HK\$107.4 million arising from the Share Premium Reduction and the retained earnings of the Company as at 31 March 2013 of approximately HK\$2.6 million, upon the Share Premium Reduction becoming effective, the amount which will be available for distribution is expected to be approximately HK\$226.8 million.

The legal advisers to the Company as to Bermuda law have confirmed that, subject to the conditions of the Share Premium Reduction as set out below being satisfied, the Share Premium Reduction will be in compliance with the laws of Bermuda.

### **Conditions of the Share Premium Reduction**

The Share Premium Reduction is conditional on the following:

- (i) the passing by the Shareholders of the necessary resolution approving the Share Premium Reduction at the SGM; and
- (ii) the compliance by the Company with the relevant procedures and requirements under Bermuda law and the Listing Rules to effect the Share Premium Reduction.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, no Shareholders are required to abstain from voting at the SGM in respect of the Share Premium Reduction.

### **Expected timetable for the Share Premium Reduction**

Assuming the above conditions are fulfilled, it is expected that the Share Premium Reduction will become effective on the date of passing the resolution approving the Share Premium Reduction.

### **Effects of the Share Premium Reduction**

Implementation of the Share Premium Reduction will not, of itself, alter the underlying assets, liabilities, business, operations, management, financial position or the shareholders' funds of the Company or the proportionate interests or relative rights of the Shareholders, except for the payment of the related expenses which are expected to be insignificant in the context of the net asset value of the Company. The Board believes that the Share Premium Reduction will not have any adverse effect on the financial position of the Group, and the Board believes that on the effective date of the Share Premium Reduction, there will be no reasonable grounds for believing that the Company is, or after the Share Premium Reduction would be, unable to pay its liabilities as they become due.

The Board intends to make the Special Distribution to the Shareholders in the aggregate amount of not less than HK\$285.9 million (equivalent to not less than HK\$0.45 per Share), utilising the credit standing in the contributed surplus account, the retained earnings of the Company and the amounts available from the Share Premium Reduction. It is one of the conditions precedent to the Share Sale Completion that the Special Distribution becomes unconditional. Accordingly, it is expected that the Company will, prior to Share Sale Completion, declare the Special Distribution to the Shareholders whose names appear on the register of members of the Company on a date before the date of the Share Sale Completion. In other words, the Offeror will not be entitled to the Special Distribution payable on the Sale Shares. The Special Distribution is conditional on the Shareholders approving the Special Distribution at the SGM, the Share Premium Reduction taking effect and the Asset Reorganisation Completion (which will take place on the same day as but immediately after the Share Sale Completion). To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, no Shareholders are required to abstain from voting at the SGM in respect of the Special Distribution. The exact amount of the Special Distribution will be determined by the Board taking account of, among other things, the gain or loss attributable to the Company as a result of the Asset Reorganisation Completion. A further announcement will be made by the Company in this regard as and when appropriate.

### **Reasons for the Share Premium Reduction**

As mentioned above, it is one of the conditions precedent to the Share Sale Completion that the Special Distribution becomes unconditional in all respects. The Share Premium Reduction will release additional distributable reserves that will facilitate the Special Distribution or, if the Asset Reorganisation Completion (which is a condition precedent of the Special Distribution) does not take place, for future distributions which the Board may from time to time determine to be appropriate.

## **B. THE ASSET REORGANISATION**

### **The Asset Reorganisation Agreement**

#### *Date*

27 February 2014

#### *Parties*

- (i) the Company, as vendor; and
- (ii) Harmony Link, as purchaser.

Harmony Link is principally engaged in investment holding and is a controlling Shareholder.



### *Subject matter*

Pursuant to the Asset Reorganisation Agreement, the Company has conditionally agreed to procure CM (BVI) as the legal and beneficial owner to sell and Harmony Link has conditionally agreed to purchase or procure the purchase by HL Nominee the Brilliant Stage Shares, representing the entire issued share capital of Brilliant Stage as at the date of the Asset Reorganisation Completion. The Brilliant Stage Shares shall be acquired free from all rights of pre-emption, options, liens, claims, equities, mortgages, pledges, charges, encumbrances or third-party rights of any nature together with all rights now or thereafter attaching thereto, including all rights to any dividends or other distribution declared, made or paid on or after the Asset Reorganisation Completion.

### *Consideration*

The consideration for the Brilliant Stage Shares shall be HK\$180 million, which shall be payable by Harmony Link in cash upon the Asset Reorganisation Completion.

### *Conditions*

The Asset Reorganisation Completion is conditional upon:

- (i) the passing at the SGM by such requisite majority of votes of Independent Shareholders cast on a poll of resolutions approving the transactions contemplated under the Asset Reorganisation Agreement;
- (ii) consent of the Executive under Rule 25 of the Takeovers Code having been obtained in respect of the Asset Reorganisation Agreement and the transactions contemplated thereunder;
- (iii) the Corporate Reorganisation having been completed;
- (iv) the Share Sale Completion having taken place; and
- (v) the Special Distribution having been declared and having become unconditional in all respects on or before the Asset Reorganisation Completion.

### *Completion*

Subject to the Asset Reorganisation Conditions being fulfilled, the Asset Reorganisation Completion shall take place on the same day of and immediately after the Share Sale Completion.

If the Asset Reorganisation Conditions set out above are not fulfilled on or before the Long Stop Date (or such later date as the Company and Harmony Link may agree in writing), the Asset Reorganisation Agreement shall lapse, in which case neither the Company nor Harmony Link shall have any claim against the other for costs, damages, compensation or otherwise (save in respect of any prior breach of the Asset Reorganisation Agreement).

Following the Asset Reorganisation Completion, the Company will cease to hold any interest in Brilliant Stage, and Brilliant Stage will cease to be a subsidiary of the Company.

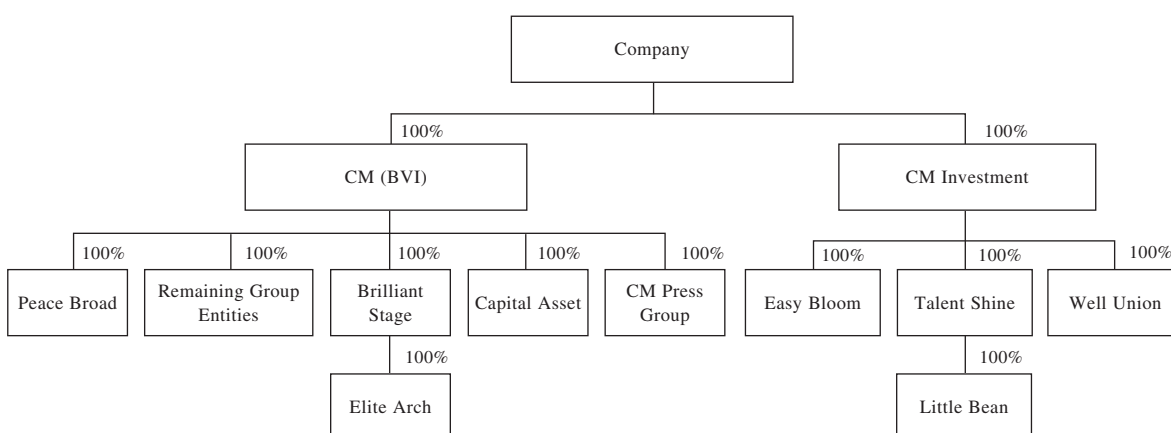
### **The Tenancy Agreement**

As at the date of this joint announcement, there is a Tenancy Agreement between Capital Asset (as landlord) and Chun Ming Printing (as tenant) in respect of the Property which was effective from 22 May 2013 and will expire on 21 May 2015. The monthly rental of HK\$80,000 under the Tenancy Agreement, representing an annual rental of HK\$960,000, was determined between Capital Asset and Chun Ming Printing after arm's length negotiations with reference to the then market rent. No directors were required to abstain from voting on the board resolution to approve the Tenancy Agreement as both the landlord and the tenant were at the time wholly-owned subsidiaries of the Company. Upon Asset Reorganisation Completion, the Tenancy Agreement will become a continuing connected transaction of the Company which will be exempt from the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules. Upon any variation or renewal of the Tenancy Agreement, the Company shall comply with all applicable requirements under the Listing Rules.

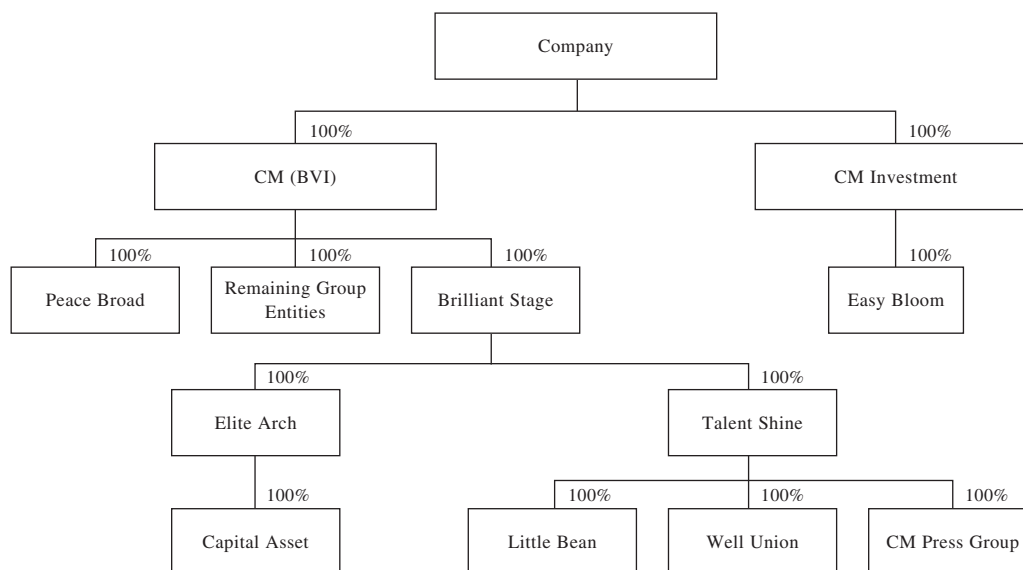
### **Information about the Brilliant Stage Group**

Brilliant Stage is a special purpose vehicle newly incorporated in the BVI and a wholly-owned subsidiary of the Company as at the date of the Asset Reorganisation Agreement. Pursuant to the Asset Reorganisation Agreement, the Group shall effect the Corporate Reorganisation prior to the Asset Reorganisation Completion to the effect that Brilliant Stage shall become the holding company of members of the Group which are principally engaged in manufacturing and sale of paper cartons, packaging boxes and children's novelty books as well as food and beverage business. The simplified corporate organisation chart of the Brilliant Stage Group is set out below:

*As at the date of this joint announcement*



*After the Corporate Reorganisation*



Upon Asset Reorganisation Completion, Brilliant Stage will be the holding company of Elite Arch and Talent Shine, both of which are principally engaged in investment holding. Capital Asset, which will be a direct wholly-owned subsidiary of Elite Arch, is principally engaged in holding of properties and financial assets and investments. The principal assets of Talent Shine will comprise the entire equity interests in Little Bean, Well Union and CM Press. Little Bean is principally engaged in the production of e-books whereas Well Union is principally engaged in food and beverage business. CM Press will be the principal subsidiary of the Brilliant Stage Group, the principal activities of which are manufacturing and sale of paper cartons, packaging boxes and printing of children's novelty books. As disclosed in the annual report of the Company for the year ended 31 March 2013, the business segment of manufacturing and sale of paper cartons, packaging

boxes and children's novelty books recorded segment profits of approximately HK\$41,000 and approximately HK\$3.4 million for each of the two years ended 31 March 2012 and 2013 respectively. The business segment of food and beverage was a new business established by the Group in April 2013. As disclosed in the interim report of the Company for the six months ended 30 September 2013, the business segment of food and beverage recorded segment loss of approximately HK\$1.9 million for the six months ended 30 September 2013.

Ancillary to the Corporate Reorganisation, the Company intends to have all inter-company balances between the Brilliant Stage Group and the Remaining Group settled by way of set-off, cash payment and/or capitalisation as appropriate. The net amount owed by the Brilliant Stage Group to the Remaining Group was approximately HK\$186 million as at 31 January 2014. To facilitate cash settlement of part of the amounts owing by the Brilliant Stage Group to the Remaining Group, Capital Asset intends to realise all financial assets held by it. As at 31 January 2014, the Brilliant Stage Group had cash and cash equivalents of approximately HK\$109 million and financial assets with market value of approximately HK\$88 million. In light of this, the Board believes that the Brilliant Stage Group has sufficient resources to fund settlement of the inter-company balances with the Remaining Group.

Rules 14.58(6) and 14.58(7) of the Listing Rules require disclosure of the book value of the Brilliant Stage Group and the net profits (both before and after taxation and extraordinary items) attributable to the Brilliant Stage Group for the last two financial years (the **"Required Financial Information"**), and Rule 14.60(3)(a) of the Listing Rules requires disclosure of details of the gain or loss expected to accrue to the Group (the **"Expected Gain or Loss"**) and the basis for calculating such gain or loss as a result of the Asset Reorganisation in this joint announcement. In connection with these requirements, an application has been made by the Company and a waiver has been granted by the Stock Exchange from the strict compliance by the Company with the requirements of disclosing such information in this joint announcement. Such application was made on the grounds that (i) the Required Financial Information currently available to the Company are unaudited figures and if disclosed in this joint announcement will constitute profit forecasts within the meaning of Rule 10 of the Takeovers Code, which would need to be reported on or reviewed by an auditor and financial adviser of the Company prior to its release; (ii) to provide clarity on the basis of computing the Expected Gain or Loss, it would be appropriate to disclose the Required Financial Information in conjunction with the Expected Gain or Loss; and (iii) it would be burdensome for the Company to withhold this joint announcement until such financial information has been reported on or reviewed by an auditor and financial adviser of the Company is available. The Required Financial Information and the Expected Gain or Loss will be disclosed in the circular to be despatched by the Company in connection with the Share Premium Reduction and the Asset Reorganisation and in an announcement of the Company upon the despatch of the

circular by the Company. As the Required Financial Information to be disclosed in the circular will be audited figures, which will not constitute profit forecasts within the meaning of Rule 10 of the Takeovers Code, the Required Financial Information will not be separately reported on under Rule 10 of the Takeovers Code at the time of despatch of the circular.

### **Reasons for the Asset Reorganisation**

After arm's length negotiations between the Offeror and the Vendors, and taking into account of (i) the entire structure of the Offer, the Asset Reorganisation and the Special Distribution; and (ii) the consideration for the Sale Shares to be paid by the Offeror to the Vendors, the Offeror and the Vendors have mutually agreed that the Share Sale Completion shall be conditional upon Asset Reorganisation Completion and the Special Distribution becoming unconditional, such that the Offeror will acquire a controlling stake in the Company, the business of which will then be streamlined and principally engaged in (i) commercial printing; and (ii) the manufacture and sale of hangtags, labels, shirt paper boards and plastic bags conducted by the Remaining Group upon Share Sale Completion.

The consideration for the Asset Reorganisation was determined between Harmony Link and the Company after arm's length negotiations having taken into account the historical financials of the Brilliant Stage Group, the future prospects of the Brilliant Stage Group, and the preliminary valuation of the properties held by the Brilliant Stage Group as at 31 January 2014 prepared by an independent property valuer (by using market approach in respect of properties in Hong Kong and cost approach in respect of properties in the PRC). Given that the food and beverage business was a newly established business of the Brilliant Stage Group, the historical performance of the Brilliant Stage Group mainly represented the historical performance of the segment of manufacturing and sale of paper cartons, packaging boxes and printing of children's novelty books.

The cash proceeds (net of attributable expenses of approximately HK\$4 million) from the Asset Reorganisation are estimated to be approximately HK\$176 million, and are expected to be applied towards payment of the Special Distribution.

The Board considers that the Asset Reorganisation will facilitate the Share Sale Completion and the Special Distribution and, accordingly, the Offer to the Shareholders. In view of the expected cash inflow from the Asset Reorganisation and the proposed Special Distribution, the Directors (other than the independent non-executive Directors who shall form their view after receiving the letter of advice from Veda) are of the view that the terms of the Asset Reorganisation Agreement are fair and reasonable and the Asset Reorganisation and the transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole. Save for the Asset Reorganisation Agreement, the

Company has not entered, or does not propose to enter, into any agreement, arrangement, understanding or undertaking (whether formal or informal and whether express or implied) and negotiation (whether concluded or not) and has no intention to dispose of or downsize its existing businesses.

### **Regulatory implications**

As the profits ratio and the revenue ratio calculated under Rule 14.07 of the Listing Rules in respect of the Asset Reorganisation exceed 75%, the Asset Reorganisation constitutes a very substantial disposal of the Company under the Listing Rules. As at the date of the Asset Reorganisation Agreement, Harmony Link held 323,487,286 Shares, representing approximately 50.91% of the existing Shares in issue. By virtue of Harmony Link's controlling interest in the Company, the Asset Reorganisation also constitutes a connected transaction for the Company under the Listing Rules and a special deal for the Company under Rule 25 of the Takeovers Code.

The Asset Reorganisation is therefore subject to the approval of the Independent Shareholders at the SGM by way of poll and Veda, the independent financial adviser, publicly states that in its opinion the terms of the transactions are fair and reasonable. The Asset Reorganisation is also subject to the consent of the Executive under Rule 25 of the Takeovers Code.

By reason of the requirements of the Listing Rules and the Takeovers Code, (i) the Offeror and its associates and parties acting in concert with them; (ii) Harmony Link, Mr. Brian Lui, Mr. SC Lui, Mr. Victor Lui, Madam Ng and their respective associates and parties acting in concert with them in respect of the Company; (iii) Fullpower; and (iv) those who are interested in or involved in the Asset Reorganisation and the Offer are required to abstain from voting at the SGM in respect of the Asset Reorganisation. As at the date of this joint announcement, Harmony Link holds 323,487,286 Shares, representing approximately 50.91% of the entire issued share capital of the Company; Mr. Brian Lui holds 5,468,750 Shares, representing approximately 0.86% of the entire issued share capital of the Company; Mr. SC Lui holds 3,906,250 Shares, representing approximately 0.61% of the entire issued share capital of the Company; Mr. Victor Lui holds 3,906,250 Shares, representing approximately 0.61% of the entire issued share capital of the Company; Madam Ng holds 1,562,500 Shares, representing approximately 0.26% of the entire issued share capital of the Company; and Fullpower holds 28,600,000 Shares, representing approximately 4.50% of the entire issued share capital of the Company. Save for the aforesaid, to the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, no other Shareholders are required to abstain from voting at the SGM in respect of the Asset Reorganisation and the transactions contemplated thereunder.



## **C. THE SHARE SALE**

### **The Share Sale Agreement**

#### *Date*

26 February 2014 (as supplemented on 31 March 2014)

#### *Parties*

- (i) Harmony Link, Mr. Brian Lui, Mr. SC Lui and Mr. Victor Lui, together as vendors;
- (ii) the Offeror, as purchaser;
- (iii) Mr. Brian Lui, Mr. SC Lui and Mr. Victor Lui, as the guarantors to the Vendors; and
- (iv) Mr. Lin, as the guarantor to the Offeror.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Offeror, its ultimate beneficial owners and parties acting in concert with any of them are third parties independent of the Group and its connected persons.

#### *Subject matter*

Pursuant to the Share Sale Agreement, the Vendors have conditionally agreed to sell and procure Madam Ng to sell, and the Offeror has conditionally agreed to purchase, the Sale Shares, being 338,331,036 Shares, representing approximately 53.25% of the entire issued share capital of the Company as at the date of the Share Sale Agreement, free from all Encumbrances and together with all rights attaching thereto with effect from the Share Sale Completion, including all rights to any dividend or other distribution (excluding the right to the Special Distribution which is expected to be declared before Share Sale Completion) declared, made or paid on or after the date of Share Sale Completion.

#### *Consideration*

The consideration for the Sale Shares shall be HK\$236,831,725.2 (equivalent to HK\$0.70 per Sale Share), which was negotiated and determined on arm's length basis between the Vendors and the Offeror with reference to the consolidated net assets value of the Group (after completion of the Asset Reorganisation and the Special Distribution), and the fact that the Offeror can obtain a controlling interest in the Company.

Pursuant to the Share Sale Agreement, the entire consideration of the Sale Shares will be payable by the Offeror to the Vendors in cash upon Share Sale Completion.

### *Conditions*

The Share Sale Completion under the Share Sale Agreement is conditional upon satisfaction or waiver (as the case may be) of all of the following conditions on or prior to the Long Stop Date (except condition (iii) below which shall be satisfied before the time specified therein):

- (i) the Asset Reorganisation Agreement having been duly executed and becoming unconditional in all respects (save for the condition that the Share Sale Completion having taken place);
- (ii) the Corporate Reorganisation having been completed (see the paragraph headed “Information about the Brilliant Stage Group” above);
- (iii) subject to compliance with relevant laws and regulations,
  - (1) a legally-binding agreement having been entered into between Peace Broad, Fullpower (who is a Shareholder) and all relevant parties on or before 10 April 2014, which shall contain the following terms: (a) Fullpower shall as soon as possible (but in any event no later than the Share Sale Completion) pay to Peace Broad an amount of not less than HK\$20 million in cash for partial repayment of the Fullpower Loan (the “**First Repayment**”); and (b) Fullpower shall repay to Peace Broad all the outstanding balance of the Fullpower Loan on or before 31 December 2014, and the First Repayment having been duly received by Peace Broad on or before the Share Sale Completion; or
  - (2) the Company having procured that on or before 30 April 2014, (a) CM (BVI) shall dispose of the Peace Broad Sale Shares (including all the assets (including the Fullpower Loan) and liabilities of Peace Broad) to a third party (who is not a Shareholder) at a consideration of not less than HK\$20 million in cash so that Peace Broad will cease to be a subsidiary of the Company; or (b) Peace Broad shall dispose of the Fullpower Loan to a third party (who is not a Shareholder) at a consideration of not less than HK\$20 million in cash;
- (iv) the passing at the SGM of the necessary resolutions approving the Asset Reorganisation, the Special Distribution and the Share Premium Reduction, and the declaration of the Special Distribution becoming unconditional in all respects;
- (v) the passing at the SGM by such requisite majority of votes of the Independent Shareholders cast on a poll of resolutions approving the special deals arising from or as a result of the transactions contemplated under the Asset Reorganisation Agreement;

- (vi) consent of the Executive under Rule 25 of the Takeovers Code having been obtained in respect of the Asset Reorganisation Agreement and the transactions contemplated thereunder;
- (vii) the clearance from the Stock Exchange and the Executive of this joint announcement in respect of the transactions contemplated under the Share Sale Agreement having been obtained, and this joint announcement having been published on websites of the Company and the Stock Exchange;
- (viii) the listing of the Shares on the Stock Exchange having been maintained and the Shares continuing to be traded at any time from the date of the Share Sale Agreement to (and including) the date of Share Sale Completion (save for any suspension of trading in the Shares (a) for the purpose of obtaining clearance from the Stock Exchange and the SFC of the announcement in relation to the transactions contemplated under the Share Sale Agreement; or (b) for not more than four consecutive trading days);
- (ix) there being no indication from the Stock Exchange or the SFC prior to the Share Sale Completion that the listing of the Shares on the Stock Exchange will be or may be revoked or objected (or additional conditions will be or may be imposed), or the Company being deemed to be a new listing applicant as a result of the transactions contemplated under the Share Sale Agreement;
- (x) no indication from the SFC having been received by the Offeror that the Offer Price under the Offer would exceed HK\$0.70 prior to the Share Sale Completion (other than as a result of the Offeror and parties acting in concert with it acquiring voting rights of the Company at a higher price or increasing the price voluntarily);
- (xi) if necessary, all waivers, approvals and consents from the relevant government and/or authorities (including the Stock Exchange, the SFC and the Bermuda Monetary Authority) or any other relevant third parties (including the directors and shareholders of the Vendors) in respect of the transactions contemplated under the Share Sale Agreement and the Asset Reorganisation Agreement having been obtained;
- (xii) all the guarantees given by the Remaining Group in favour of third party(ies) (including the Brilliant Stage Group) having been released or discharged;
- (xiii) the Offeror being reasonably satisfied with the results of its due diligence review on, among other things, the Sale Shares and the Group in all respects; and

(xiv) the Vendors having complied with the duties and obligations required to be performed before Share Sale Completion in all material respects, and the warranties given by the Vendors remaining true and accurate in all material respects from the date of the Share Sale Agreement to the Share Sale Completion.

The Offeror may at any time by notice in writing to the Vendors waive conditions (iii), (xii), (xiii) and/or (xiv) of the above Share Sale Conditions. If any of the conditions above is not satisfied or waived by the Offeror (as the case may be) on or prior to the Long Stop Date, the Share Sale Agreement shall automatically become null and void and the parties shall not have any obligations and liabilities thereunder save for any antecedent breaches of the terms thereof.

Pursuant to the Share Sale Agreement, the Offeror shall notify the Vendors in writing whether the Offeror is satisfied with the results of its due diligence review on the Group within 10 Business Days after the end of the due diligence review period, which will end on the 10th Business Day after the date of the Share Sale Agreement.

As at the date of this joint announcement, conditions (vii) and (xiii) have been satisfied.

The minimum consideration for the disposal of the Peace Broad Sale Shares or the Fullpower Loan or the minimum amount of partial repayment of the Fullpower Loan by Fullpower of HK\$20 million referred to in condition (iii) of the above Share Sale Conditions was determined by the Vendors and the Offeror with reference to the prevailing market condition.

It was initially included as one of the Share Sale Conditions that Capital Asset and Chun Ming Printing shall prior to the Share Sale Completion enter into a lease agreement in respect of the Property. Having noted that the existing Tenancy Agreement will be valid until 21 May 2015, the parties consider that the entering into of a new lease agreement is not necessary in the circumstances. The Company was recently approached by Fullpower for a partial repayment of the Fullpower Loan, subject to amendments to certain terms and conditions of the Fullpower Loan Agreement to be agreed. In light of the above, the parties agreed to amend condition (iii) of the Share Sale Conditions and a supplemental agreement to the Share Sale Agreement was entered into on 31 March 2014 to remove the provision in relation to entering into of a new lease agreement as one of the Share Sale Conditions, and to add the partial repayment of the Fullpower Loan by Fullpower in condition (iii) of the Share Sale Conditions. Save for the above, all other material terms of the Share Sale Agreement remain unchanged.

In respect of condition (iii)(1) of the Share Sale Conditions above, in the event that the Company decides to proceed with the proposed amendments to the terms of the Fullpower Loan, the transactions contemplated thereunder will constitute a special deal under Rule 25 of the Takeovers Code. The Company shall comply with all applicable requirements under the Takeovers Code, including obtaining the independent shareholders' approval, engaging an independent financial adviser who publicly states that in its opinion the terms of the transactions are fair and reasonable, and obtaining the consent of the Executive.

### *Completion*

Share Sale Completion is to take place on the sixth Business Day after all the Share Sale Conditions (other than the conditions (i), (iv), (vi) to (xii) and (xiv) which shall be fulfilled upon Share Sale Completion) have been fulfilled or waived (as the case may be) in accordance with the terms of the Share Sale Agreement or the first Business Day immediately after the record date of the Special Distribution, whichever is later (or such other date as the Vendors and the Offeror may agree in writing).

After Share Sale Completion, the Vendors and the Offeror shall jointly appoint the auditor of the Company to prepare for the Completion Accounts.

Based on the Completion Accounts:

- (i) if the amount calculated from the formula below is less than HK\$24,000,000:

$$(A) - (B) - (C) - (D)$$

whereas:

- (A): the remaining balance in the bank accounts of the Company (excluding any of its subsidiaries) with no encumbrances (other than unexercised bank lien and right of set-off) at Share Sale Completion (the "**Completion Bank Balance**") as recorded in the Completion Accounts
- (B): the net proceeds resulted from either the partial repayment of the Fullpower Loan, the sale of the Peace Broad Sale Shares or the sale of the Fullpower Loan (as the case may be)
- (C): any outstanding expenses arising from the transactions contemplated under the Share Sale Agreement incurred by the Company
- (D): any amount in the bank accounts of the Company (excluding any subsidiaries) that represents dividends or distribution (including the Special Distribution) which had been declared but not yet paid

then the Vendors are required to pay to the Offeror an amount in cash equivalent to any shortfall within a month after the completion of the Completion Accounts; and

- (ii) if the value of (X) is less than the value of (Y) as calculated by the formula below:

(X): the net asset value of the Remaining Group excluding (a) the loss (if any) arising from either the sale of the Peace Broad Sale Shares or the sale of the Fullpower Loan; or (b) the amount of loss, provision, or write-off (if any) arising from the partial repayment of the Fullpower Loan

(Y): (U) + (V),

whereas

(U): the book value of the properties (including those located in Hong Kong and the PRC) held by the Remaining Group (after deducting the deferred tax liabilities relating to such properties)

(V): the Completion Bank Balance

then the Vendors are required to pay to the Offeror an amount in cash equivalent to any shortfall within a month after the completion date of the Completion Accounts.

The Offeror is not required to make any additional payment to the Vendors in relation to the Completion Accounts. The Offer Price will not be adjusted as a result of any adjustment based on the Completion Accounts described above.

## **D. INFORMATION OF THE COMPANY**

### **Existing principal activities and financial information**

The Group is principally engaged in (i) the manufacture and sale of paper cartons, packaging boxes and children's novelty books; (ii) the manufacture and sale of hangtags, labels, shirt paper boards and plastic bags; (iii) commercial printing; and (iv) food and beverage business.



For the year ended 31 March 2012, the Group recorded audited consolidated loss before taxation of approximately HK\$8.6 million and audited consolidated loss after taxation of approximately HK\$12.1 million. For the year ended 31 March 2013, the Group recorded audited consolidated profit before taxation of approximately HK\$23.3 million and audited consolidated profit after taxation of approximately HK\$17.8 million. The audited consolidated total equity of the Company as at 31 March 2013 was approximately HK\$522.7 million whereas the unaudited consolidated total equity of the Company as at 30 September 2013 was approximately HK\$528.0 million.

### Shareholding structure

Set out below is a table showing the shareholding structure of the Company (i) as at the date of this joint announcement; and (ii) immediately upon Share Sale Completion. The figures below assume that there is no changes in the shareholding structure of the Company after the date hereof and have not taken into account the level of acceptance of the Offer.

	(i) As at the date of this joint announcement		(ii) Immediately upon Share Sale Completion	
	Number of Shares	Approximate %	Number of Shares	Approximate %
The Offeror and its concert parties	–	–	338,331,036	53.25
Harmony Link (Note 1)	323,487,286	50.91	–	–
Mr. Brian Lui (Note 2)	5,468,750	0.86	–	–
Mr. SC Lui (Note 3)	3,906,250	0.61	–	–
Mr. Victor Lui (Note 4)	3,906,250	0.61	–	–
Madam Ng (Note 5)	1,562,500	0.26	–	–
<b>Sub-total</b>	<b>338,331,036</b>	<b>53.25</b>	<b>338,331,036</b>	<b>53.25</b>
Public Shareholders	297,022,083	46.75	297,022,083	46.75
<b>Total</b>	<b>635,353,119</b>	<b>100.00</b>	<b>635,353,119</b>	<b>100.00</b>

#### Notes:

- (1) Approximately 48.4% of the issued share capital of Harmony Link is held by The Lui Family Company Limited as trustee of The Lui Unit Trust. All units (except for one unit which is owned by Mr. Brian Lui) of The Lui Unit Trust are held by Trident Trust Company (B.V.I.) Limited as trustee of a discretionary trust, the discretionary objects of which include Mr. Brian Lui, Mr. SC Lui and Mr. Victor Lui. In addition, Mr. Brian Lui, Mr. SC Lui and Mr. Victor Lui further own approximately as to 24.13%, 12.88% and 14.59% of the issued share capital of Harmony Link respectively.
- (2) Mr. Brian Lui is an executive Director and the Chairman of the Company.
- (3) Mr. SC Lui is an executive Director and the Managing Director of the Company.
- (4) Mr. Victor Lui is an executive Director of the Company.
- (5) Madam Ng is the spouse of Mr. Victor Lui.

## **Business of the Remaining Group**

Immediately after the Asset Reorganisation Completion, the Remaining Group will continue to hold 100% indirect interest in Easy Bloom, Peace Broad and the Remaining Group Entities. The principal activities of Peace Broad and Easy Bloom are investment holding and property holding respectively. The Remaining Group Entities are principally engaged in (i) commercial printing; and (ii) the manufacture and sale of hangtags, labels, shirt paper boards and plastic bags.

The principal asset of Peace Broad is the Fullpower Loan. On 26 April 2011, the Company completed the acquisition from Fullpower of a 25% interest in Suntap Enterprises Limited (“**Suntap**”) for a total consideration of approximately HK\$65 million, which was satisfied as to HK\$41 million in cash and as to the remaining balance of HK\$24 million by way of issue of 28.6 million new Shares. The Company also advanced a shareholder’s loan of approximately HK\$24 million to Suntap after completion of the acquisition. In conjunction with the acquisition, the Company granted an option in favour of Fullpower to repurchase the 25% interest in Suntap at a total consideration of HK\$65 million (subject to reduction by the amount of the shareholder’s loan then already repaid). On 30 March 2012, Fullpower exercised the repurchase option granted by the Company to Fullpower to repurchase 25% of the issued share capital of Suntap together with the shareholder’s loan from the Company at a total consideration of HK\$65 million (the “**Fullpower Repurchase**”). The consideration of the Fullpower Repurchase was settled as to (i) HK\$25 million in cash by Fullpower; and (ii) the remaining balance of HK\$40 million by way of a loan to Fullpower. In conjunction with the completion of the Fullpower Repurchase, on 26 April 2013, Fullpower, Peace Broad and Mr. Wong Sin Hua, Felix entered into the Fullpower Loan Agreement, pursuant to which Peace Broad agreed to grant the Fullpower Loan of HK\$40 million to Fullpower to facilitate the completion of the Fullpower Repurchase. The Fullpower Loan is interest bearing at the rate of 10% per annum and repayable on 31 December 2013 pursuant to the Fullpower Loan Agreement. Details of the Fullpower Loan Agreement were disclosed in the announcement of the Company dated 28 April 2013.

Fullpower has failed to repay the Fullpower Loan with accrued interest to Peace Broad on the due date. The Company has issued a final demand notice for payment of the amounts due through its legal advisers in January 2014 following repeated demands for repayment made to Fullpower. However, Fullpower has not yet repaid the Fullpower Loan or any accrued or unpaid interest (being approximately HK\$41.7 million as of 31 January 2014) to Peace Broad as at the date of this joint announcement. In view of the uncertainties in recovering the Fullpower Loan and the agreement of the Offeror to make the Offer, the Company has come to a view that disposing of the Peace Broad Sale Share or the Fullpower Loan to certain distressed asset management companies at a discount to the face value thereof for the purpose of recovering part of the Fullpower Loan and minimising the possible loss from the write off of the entire carrying amount of the Fullpower Loan would

be fair and reasonable and in the interest of the Company and the Shareholders as a whole.

If the disposal of the Peace Broad Sale Share or the Fullpower Loan materialises, it will constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules, and is therefore subject to the reporting and announcement requirements under the Listing Rules. The Company will comply with all applicable requirements under the Listing Rules in the event that the disposal of the Peace Broad Sale Share or the Fullpower Loan materialises.

Upon Asset Reorganisation Completion, the principal activities of the Remaining Group will be (i) commercial printing; and (ii) the manufacture and sale of hangtags, labels, shirt paper boards and plastic bags.

#### *Commercial printing business*

As disclosed in the annual report of the Company for the year ended 31 March 2013, the business segment of commercial printing recorded revenue of HK\$59.6 million and segmental profit of HK\$0.9 million for the year ended 31 March 2013. The business segment of commercial printing mainly includes the provision of typesetting, translation, cover design or related services for the printing of financial information (including but not limited to annual reports, circulars, prospectuses) of companies listed or proposed to be listed in Hong Kong. The principal places of business of the commercial printing segment are located in Hong Kong and Shenzhen, the PRC with workforce of approximately 80, of which around 25 were based in Shenzhen, the PRC as at the date of this joint announcement.

The Group has been marketing its services mainly through cold calls and road show presentations. In order to market its one-stop financial printing services, the Group has also provided ancillary printing support services to listed companies, including the design of corporate publications, document management, provision of virtual data room and electronic book for publication of corporate documents. In order to achieve sales growth, the Remaining Group will continuously strengthen the business development team through recruitment of high calibre sales and marketing persons in business networking.

Due to the seasonality of financial printing for listed companies, the Remaining Group will also strive to enlarge its customer base to include clients other than listed companies, such as government authorities, non-profit making organisation and universities in Hong Kong through provision of printing service of marketing materials (e.g. brochures, pamphlets and any other marketing materials, etc).

#### *Manufacturing and sale of hangtags, labels, shirt paper boards and plastic bags business*

In addition, as disclosed in the annual report of the Company for the year ended 31 March 2013, the business segment of manufacture and sale of hangtags, labels, shirt paper boards and plastic bags recorded revenue of HK\$22.4 million

and segmental loss of HK\$0.7 million for the year ended 31 March 2013. The products of this business segment are mainly sold to clients engaged in the garment sector. The principal place of business of the manufacture and sale of hangtags, labels, shirt paper boards and plastic bags segment is located in Hong Kong with workforce of approximately 30 as at the date of this joint announcement.

The business in manufacturing and sale of hangtags, label, shirt paper boards and plastic bags has been adversely affected by the declining economy in European countries in recent years. The retail industries in European markets suffered from the financial crisis back to 2009 and the Group has recorded a significant reduction in sales orders from its existing customers. According to International Monetary Fund World Economic Outlook Update in January 2014, the euro area is turning the corner from recession to recovery, of which the growth is projected to strength to 1% in 2014 and 1.4% in 2015. The management of the Group expects the retail industries in European markets will gradually recover and the sales of this segment can be improved in future years through its marketing strategies as described below.

In order to achieve sales growth, the Remaining Group will continuously strengthen its relationship with its existing customers and its business development team to widen its customer base. The Remaining Group plans to expand its sales and marketing force and/or appoint marketing agency in its subsidiary in the United Kingdom to source sales orders from European markets. Apart from strengthening the relationship with original equipment manufacturing customers, the Remaining Group will market its business directly to retailers, through overseas visits to customers' office, to achieve marketing efficiency.

The management of the Group intends to retain the existing employees of the Remaining Group. To manage the seasonality of the business, the Remaining Group will seek an optimal manufacturing and labour capacity through sub-contracting to improve cost and production efficiency, and to support the potential sales recovery.

#### *Management team of the Remaining Group*

Given that (i) Mr. Brian Lui, Mr. SC Lui and Mr. Victor Lui intend to remain as directors of subsidiaries of the Remaining Group; and (ii) the existing management team of the Remaining Group will continue to manage the businesses of the Remaining Group, the Board believes that the Remaining Group has the relevant expertise to manage the businesses of the Remaining Group. Set out below are the details of the management team of the Remaining Group:

Mr. Geoffrey Li is the Operation Director of Capital Financial Press Limited. Mr. Li has more than 20 years of experience in the financial printing industry and holds an electrical engineering diploma and printing, publishing and typesetting diploma. Prior to joining the Group in 1998, he worked in one of the leading financial printing companies in Hong Kong for 8 years.

Ms. Kennis Wong is the Account Director of Capital Financial Press Limited, which was acquired by the Group in June 1998. Ms. Wong has been working in Capital Financial Press Limited since 1997 and has over 16 years of experience in the sales and marketing of financial printing.

Mr. Yuen Wai Kin, Roger is the General Manager of Chun Ming Printing. He holds a Bachelor of Arts Degree from Carleton University, Canada, and joined the Group in 1993.

Mr. Yuen Hung is the General Manager and a Director of Chun Ming Printing. He has more than 50 years of experience in the printing industry, and joined the Group in 1965.

#### **E. POSSIBLE MANDATORY UNCONDITIONAL CASH OFFER**

Upon the Share Sale Completion, the Offeror and parties acting in concert with it will be interested in 338,331,036 Shares, representing approximately 53.25% of the entire issued share capital of the Company. Subject to Share Sale Completion, Emperor Capital will, on behalf of the Offeror and pursuant to Rule 26.1 of the Takeovers Code, make the Offer, which is an unconditional mandatory cash offer to Shareholders to acquire all the Shares other than those already held or agreed to be acquired by the Offeror and parties acting in concert with it on the following basis:

**For every Offer Share . . . . . HK\$0.70 in cash**

The Offer Price of HK\$0.70 per Offer Share under the Offer is equal to the price per Sale Share paid by the Offeror under the Share Sale Agreement.

As at the date of this joint announcement, the Company has a total of 635,353,119 Shares in issue. The Company has no outstanding securities, options, derivatives or warrants which are convertible or exchangeable into the Shares and has not entered into any agreement for the issue of such securities, options, derivatives or warrants of the Company.

#### **Comparison of value**

The Offer Price of HK\$0.70 per Offer Share represents:

- (i) a discount of approximately 46.2% to the closing price of HK\$1.30 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 41.2% to the average closing price of approximately HK\$1.19 per Share, being the average of the closing prices of the Shares as quoted on the Stock Exchange for the 5 trading days up to and including the Last Trading Day;

- (iii) a discount of approximately 40.2% to the average closing price of approximately HK\$1.17 per Share, being the average of the closing prices of the Shares as quoted on the Stock Exchange for the 10 trading days up to and including the Last Trading Day; and
- (iv) a discount of approximately 15.7% to the unaudited consolidated net assets of approximately HK\$0.83 per Share as at 30 September 2013.

### **Highest and lowest Share prices**

During the six-month period immediately preceding 16 January 2014 (being the date of an announcement made by the Company in relation to the Share Sale pursuant to Rule 3.7 of the Takeovers Code) and the period up to and including the Last Trading Day, the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.34 per Share on 12 August 2013 and the highest closing price of the Shares as quoted on the Stock Exchange was HK\$1.30 per Share on the Last Trading Day.

### **Value of the Offer**

On the basis of the Offer Price of HK\$0.70 per Offer Share and 635,353,119 Shares in issue as at the date of this joint announcement, the entire issued share capital of the Company is valued at approximately HK\$444.7 million. 297,022,083 Shares will be subject to the Offer and are valued at approximately HK\$207.9 million on the basis of the Offer Price.

### **Financial resources available for the Offer**

The Offeror intends to finance the consideration payable by the Offeror under the Share Sale Agreement and the Offer from the Emperor Securities Facility in the amount of HK\$150 million and internal resources of the Offeror in the amount of approximately of HK\$295.1 million. Emperor Capital, being the financial adviser to the Offeror in respect of the Offer, is satisfied that the Offeror has sufficient financial resources available to it to satisfy the amount of funds required for the acquisition of the Sale Shares and full acceptance of the Offer.

### **Effects of accepting the Offer**

By accepting the Offer, the relevant Shareholders will sell their Shares to the Offeror free from Encumbrances and with all rights attached to them as at the date of the Share Sale Completion, including the right to receive all dividends and distributions declared, made or paid on or after the date of the Share Sale Completion (save for the right to the Special Distribution). As the Company intends to declare, subject to approval of the Shareholders at the SGM, the Special Distribution before the Share Sale Completion to the Shareholders whose names appear on the register of members of the Company on a date before the Share Sale Completion, all Shareholders as at the relevant date (including the Vendors and Madam Ng) will be entitled to the Special Distribution. Accordingly, the Offeror



will not be entitled to the Special Distribution in respect of the Sale Shares. The entitlement to the Special Distribution will not be affected by the Shareholders' decision as to whether or not to accept the Offer. Further announcement(s) will be made by the Company in respect of the record date, payment date and closure of register of members of the Company for determining the Shareholders' entitlement to the Special Distribution. The Special Distribution is expected to be paid after the date of the Share Sale Completion.

The making of the Offer to a person with a registered address in a jurisdiction outside Hong Kong may be affected by the applicable laws of the relevant jurisdiction. The Shareholders with registered addresses in jurisdictions outside Hong Kong should inform themselves about and observe any applicable legal requirements in their own jurisdictions.

### **Dealing and interests in the Company's securities**

None of the Offeror, its ultimate beneficial owners nor parties acting in concert with any of them has dealt in the Shares, derivatives, warrants or other securities convertible into Shares during the six-month period prior to 16 January 2014 (being the date of an announcement made by the Company in relation to the Share Sale pursuant to Rule 3.7 of the Takeovers Code).

### **Stamp duty**

In Hong Kong, seller's ad valorem stamp duty arising in connection with acceptances of the Offer will be payable by the relevant Shareholders at a rate of 0.1% of (i) the market value of the Offer Shares; or (ii) consideration payable by the Offeror in respect of the relevant acceptances of the Offer, whichever is higher, and will be deducted from the cash amount payable by the Offeror on behalf of the relevant Shareholders accepting the Offer. The Offeror will arrange for payment of the seller's ad valorem stamp duty on behalf of the relevant Shareholders accepting the Offer and will pay the buyer's ad valorem stamp duty in connection with the acceptance of the Offer and the transfer of the Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

### **Payment**

Payment in cash in respect of duly completed and valid acceptances of the Offer will be made as soon as possible but in any event within 7 business days (as defined in the Takeovers Code) of the date of receipt of a duly completed acceptance form.

### **Other arrangements**

The Offeror confirms that as at the date of this joint announcement,

- (i) save for the Share Sale Agreement, none of the Offeror, its ultimate beneficial owners and/or parties acting in concert with any of them owns or has control or direction over any voting rights or rights over the Shares or convertible securities, options, warrants or derivatives of the Company;
- (ii) save for the Share Sale Agreement, there is no outstanding derivatives in respect of the securities in the Company which has been entered into by the Offeror, its ultimate beneficial owners and/or any person acting in concert with any of them;
- (iii) save for the Share Sale Agreement and the Emperor Securities Facility granted to the Offeror by Emperor Securities, there is no other arrangement (whether by way of option, indemnity or otherwise) of the kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Offeror or the Shares and which might be material to the Offer;
- (iv) save for the Share Sale Agreement and the Emperor Securities Facility granted to the Offeror by Emperor Securities, there is no agreement or arrangement to which the Offeror is a party which relates to circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Offer;
- (v) none of the Offeror, its ultimate beneficial owners and parties acting in concert with any of them has received any irrevocable commitment to accept the Offer; and
- (vi) none of the Offeror, its ultimate beneficial owners and parties acting in concert with any of them has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company.

### **F. INFORMATION OF THE OFFEROR**

The Offeror is an investment holding company incorporated in the BVI with limited liability. As at the date of this joint announcement, save for entering into the Share Sale Agreement and entering into the financial arrangement with Emperor Securities in relation to the Share Sale Agreement and the Offer, the Offeror did not engage in any business activities. As at the date of this joint announcement, the Offeror is owned as to 70% by Mr. Lin and as to 30% by Madam Su, and Mr. Lin and Madam Su are the directors of the Offeror.

Information in relation to Mr. Lin and Madam Su is set out in the section headed “H. Proposed changes to the Board of the Company” below.

## **G. OFFEROR'S INTENTION ON THE COMPANY**

The Offeror intends to continue the principal business of the Remaining Group, which comprises of (i) commercial printing; and (ii) the manufacture and sale of hangtags, label, shirt paper boards and plastic bags.

The Offeror will, following the completion of the Offer, conduct a detailed review of the business operations and financial position of the Remaining Group for the purpose of developing a sustainable business plan or strategy for the Remaining Group. Subject to the result of the review and should suitable investment or business opportunities arise, the Offeror may diversify the business of the Remaining Group with the objective of broadening its sources of income. However, as of the date of this joint announcement, no such investment or business opportunities have been identified nor has the Offeror entered into any agreement, arrangements, understandings, intention or negotiation in relation to the injection of any assets or business into the Remaining Group. Notwithstanding the foregoing, the Offeror has not entered into any agreement, arrangements, understandings, intention or negotiations in relation to the continued employment of the employees, disposal and/or re-deployment of the assets (including fixed assets) of the Remaining Group, or termination or scaling down of any Remaining Group's business, other than in its ordinary course of business.

The Offeror intends for the Company to remain listed on the Stock Exchange and the Offeror will irrevocably undertake that, among other things, it will be responsible for maintaining the 25% public float requirement upon the closing of the Offer by placing down a sufficient number of accepted Shares by the Offeror for this purpose. The Company and the Offeror will issue a separate announcement as and when necessary regarding the decision of any such placing down if the circumstances warrant.

**If, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the Shares, are held by the public, or if the Stock Exchange believes that:**

- a false market exists or may exist in the trading of Shares; or**
- there are insufficient Shares in public hands to maintain an orderly market,**

**the Stock Exchange will consider exercising its discretion to suspend dealings in the Shares.**

## **H. PROPOSED CHANGES TO THE BOARD OF THE COMPANY**

The Board comprises six Directors, including three executive Directors and three independent non-executive Directors. Mr. Brian Lui, Mr. SC Lui and Mr. Victor Lui intend to resign as executive Directors with effect from the earliest time permitted under the Takeovers Code (which is the close of the Offer). The Offeror intends to nominate Mr. Lin and Madam Su as executive Directors which will only be effective not earlier than the despatch date of the Composite Offer Document in accordance with the Takeovers Code.

The biographical details of Mr. Lin and Madam Su are set out below:

Mr. Lin, aged 41, obtained a diploma in business administration from the Society of Business Practitioners in December 2013. Since 2005, Mr. Lin has held management positions in a number of private companies which he has shareholding interests, and these companies are mainly engaged in real estates, electronics, logistics and financial investment in Shenzhen. Mr. Lin is a member of the Committee of Shenzhen City of the Chinese People's Political Consultative Conference and a member of the Committee of Futian District, Shenzhen City of the Chinese People's Political Consultative Conference. Mr. Lin is the spouse of Madam Su.

Mr. Lin did not hold any directorship in public listed companies in the last three years. As at the date of this joint announcement, Mr. Lin does not hold any position in the Company or any members of the Group and does not have any interest in the Shares (save for his deemed interest in the Shares through the Offeror pursuant to the Share Sale Agreement). Save as disclosed in this joint announcement, Mr. Lin is not aware of any other matters that need to be brought to the attention of the Shareholders in respect to this proposed appointment as an executive Director and there is no other information which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

Madam Su, aged 42, obtained the advanced diploma in business studies from Ashford College of Management & Technology Singapore in September 2012. Since 2005, Madam Su has held management positions in a number of private companies which she has shareholding interests, and these companies are mainly engaged in real estates, electronics, logistics and financial investment in Shenzhen. Madam Su also served as a member of the People's Congress of Futian District, Shenzhen City since April 2012. Madam Su is the spouse of Mr. Lin.

Madam Su did not hold any directorship in public listed companies in the last three years. As at the date of this joint announcement, Madam Su does not hold any positions in the Company or any members of the Group and does not have any interest in the Shares. Saves as disclosed in this joint announcement, Madam Su is not aware of any other matters that need to be brought to the attention of the Shareholders in respect to this proposed appointment as an executive Director and there is no other information which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

## **I. DEALING DISCLOSURE**

In accordance with Rule 3.8 of the Takeovers Code, the associates (as defined under the Takeovers Code and including a person who owns or controls 5% or more of any class of relevant securities) of the Company and the Offeror (within the meaning of the Takeovers Code) are hereby reminded to disclose their dealings in the securities of the Company pursuant to the Takeovers Code.

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

### ***“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 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 HK\$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.”*

## **J. INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

The Company has established the Independent Board Committee comprising all the independent non-executive Directors who have no direct or indirect interest in the Asset Reorganisation and the Offer, namely Dr. Lam Chun Kong, Mr. Lo Wing Man and Dr. Ng Lai Man, Carmen, to advise the Independent Shareholders on the respective terms of the Asset Reorganisation and the Offer. Veda has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the respective terms of the Asset Reorganisation and the Offer. The appointment of Veda as the independent financial adviser has been approved by the Independent Board Committee.

## **K. DESPATCH OF DOCUMENTS**

A circular containing, among other things, information regarding the Special Distribution, the Share Premium Reduction and the Asset Reorganisation, the recommendation from the Independent Board Committee and the advice of Veda on the Asset Reorganisation, financial information of the Group, the Brilliant Stage Group and the Remaining Group and the notice of the SGM will be despatched by the Company to the Shareholders as soon as practicable in accordance with the Listing Rules and the Takeovers Code. As additional time is required to finalise the information to be included in the circular, including but not limited to the financial information of the Group and the Brilliant Stage Group and the proforma financial information of the Remaining Group, the circular of the Company is expected to be despatched to the Shareholders on or before 30 April 2014.

Pursuant to the Takeovers Code, within 21 days after the date of this joint announcement or such later date as the Executive may approve, the Offeror is required to despatch an offer document in relation to the Offer and the Company is required to send to Shareholders within 14 days of the posting of the offer document a circular containing, among other things, financial information of the Company, together with any other information the Company considers to be relevant to enable Shareholders to reach a properly informed decision on the Offer. It is the intention of the Offeror and the Board that the offer document and the offeree board circular in respect of the Offer be combined in the Composite Offer Document. Pursuant to Note 2 to Rule 8.2 of the Takeovers Code, the consent of the Executive is required if the making of the Offer are subject to the prior fulfillment of certain pre-conditions and the pre-conditions cannot be fulfilled within the time period required by Rule 8.2 of the Takeovers Code. As the making of the Offer is conditional upon the Share Sale Completion, an application will be made to the Executive to extend the deadline for the despatch of the Composite Offer Document, together with the form(s) of acceptance and transfer, to a date within 7 days upon the Share Sale Completion or such later date as the Executive may approve. Further announcement will be made by the Offeror and the Company on the timing of the despatch of the Composite Offer Document.

## **L. CONNECTED TRANSACTION IN RELATION TO THE APPOINTMENT OF FINANCIAL ADVISER**

On 26 February 2014, Optima Capital was appointed as the financial adviser to advise the Company in respect of the Asset Reorganisation and the Offer. Optima Capital is a licensed corporation under the SFO permitted to engage in type 1 (dealings in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities. An advisory fee of HK\$1,900,000 shall be payable in cash by the Company to Optima Capital in the following manner:

- (i) a non-refundable retainer of HK\$600,000 shall be payable by the Company to Optima Capital upon appointment of Optima Capital as the financial adviser of the Company;



- (ii) HK\$700,000 shall be payable by the Company within three business days following the clearance of the circular in relation to the Asset Reorganisation, the Share Premium Reduction and the Special Distribution by the SFC and the Stock Exchange; and
- (iii) the remaining balance of HK\$600,000 shall be payable by the Company within three business days following the clearance of the Composite Offer Document by the SFC and the Stock Exchange.

The advisory fee payable to Optima Capital was determined after arm's length negotiations between the Company and Optima Capital taking into consideration the scope of work to be performed by Optima Capital. Optima Capital had been appointed as the financial adviser to the Company in respect of various transactions since 2007. The Directors consider that Optima Capital has thorough understanding in the business of Company and can provide its services to the Company in a more effective and efficient manner. In addition, the Directors consider the appointment of Optima Capital is on normal commercial terms, fair and reasonable and in the interest of the Company and the Shareholders as a whole.

Optima Capital is a corporation controlled by Ms. Mei H. Leung, the spouse of Mr. Brian Lui, and Optima Capital is therefore a connected person of the Company under the Listing Rules. The appointment of Optima Capital as financial adviser to the Company constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. As the relevant percentages under Rule 14.07 of the Listing Rules are less than 5%, the appointment of Optima Capital is only subject to the reporting and announcement requirements and is exempt from independent shareholders' approval requirements under Chapter 14A of the Listing Rules. Mr. Brian Lui had abstained from voting at the Board meeting to approve the appointment of Optima Capital as the financial adviser of the Company in respect of the Asset Reorganisation and the Offer.

#### **M. SUSPENSION AND RESUMPTION OF TRADING**

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on Tuesday, 25 February 2014 pending the release of this joint announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on Friday, 4 April 2014.

## **Warning**

**Shareholders and potential investors of the Company should note that the Asset Reorganisation Completion and the Share Sale Completion are conditional upon the fulfillment or waiver of certain Asset Reorganisation Conditions and Share Sale Conditions respectively and the Offer will only be made if the Asset Reorganisation Completion and the Share Sale Completion take place. Accordingly, the Asset Reorganisation Agreement and the Share Sale Agreement may or may not be completed and the Offer may or may not proceed. Shareholders and potential investors of the Company are advised to exercise extreme caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.**

## **N. DEFINITIONS**

In this joint announcement, the following expressions have the meanings set out below unless the context requires otherwise.

“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“Asset Reorganisation”	the reorganisation of the assets of the Group involving the disposal of the Brilliant Stage Shares to Harmony Link pursuant to the Asset Reorganisation Agreement
“Asset Reorganisation Agreement”	the conditional agreement dated 27 February 2014 entered into between the Company and Harmony Link in relation to the Asset Reorganisation
“Asset Reorganisation Completion”	completion of the Asset Reorganisation pursuant to the Asset Reorganisation Agreement
“Asset Reorganisation Conditions”	the conditions to Asset Reorganisation Completion as set out under the sub-section headed “Conditions” under the section headed “B. The Asset Reorganisation – The Asset Reorganisation Agreement” in this joint announcement
“Board”	the board of Directors
“Brilliant Stage”	Brilliant Stage Holdings Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of the Company before the Asset Reorganisation Completion

“Brilliant Stage Group”	Brilliant Stage and its subsidiaries upon Asset Reorganisation Completion
“Brilliant Stage Shares”	such number of shares representing the entire issued share capital of Brilliant Stage as at the date of the Asset Reorganisation Completion
“Business Day”	a day (excluding Saturdays, Sundays and public holidays and any day on which a tropical cyclone warning signal no. 8 or above or a “black” rainstorm warning signal is hoisted or remains hoisted at any time between 9:00 a.m. to 5:00 p.m.) on which banks in Hong Kong are open for normal banking business
“BVI”	the British Virgin Islands
“Capital Asset”	Capital Asset Management Limited, a company incorporated in Hong Kong with limited liability which is an indirect wholly-owned subsidiary of the Company as at the date of the Asset Reorganisation Agreement and will be a member of the Brilliant Stage Group upon Asset Reorganisation Completion
“Chun Ming Printing”	Chun Ming Printing Factory Company Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“CM (BVI)”	Cheong Ming (BVI) Enterprises Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of the Company
“CM Investment”	CM Investment Enterprises Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of the Company
“CM Press”	Cheong Ming Press Factory Limited, a company incorporated in Hong Kong with limited liability which is an indirect wholly-owned subsidiary of the Company as at the date of the Asset Reorganisation Agreement and will be a member of the Brilliant Stage Group upon the Asset Reorganisation Completion

“CM Press Group”	CM Press and its subsidiaries
“Company”	Cheong Ming Investments Limited, a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1196)
“Completion Accounts”	the audited consolidated financial statements of the Remaining Group as at Share Sale Completion to be prepared by the auditor of the Company engaged jointly by the Vendors and the Offeror
“Composite Offer Document”	the composite offer and response document to be issued jointly by or on behalf of the Offeror and the Company to all Shareholders in accordance with the Takeovers Code containing, inter alia, details of the Offer, the form of acceptance and transfer in respect of the Shares for the Shareholders, the letter to be issued by Emperor Capital on behalf of the Offeror, the letter of advice from Veda to the Independent Board Committee and the Independent Shareholders in respect of the Offer and the letter of recommendation from the Independent Board Committee to the Independent Shareholders in relation to the Offer
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Corporate Reorganisation”	the proposed corporate reorganisation of the Brilliant Stage Group pursuant to the Asset Reorganisation Agreement, details of which are set out in paragraph headed “Information about the Brilliant Stage Group” under the section headed “B. The Asset Reorganisation”
“Director(s)”	the director(s) of the Company
“Easy Bloom”	Easy Bloom Investment Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company

“Elite Arch”	Elite Arch Management Limited, a company incorporated in the BVI with limited liability which will be a member of the Brilliant Stage Group upon the Asset Reorganisation Completion
“Emperor Capital”	Emperor Capital Limited, a corporation licensed under the SFO to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities, and the financial adviser to the Offeror
“Emperor Securities”	Emperor Securities Limited, a corporation licensed under the SFO to carry out type 1 (dealing in securities) and type 4 (advising on securities) regulated activities
“Emperor Securities Facility”	a loan facility in the sum of HK\$150 million granted by Emperor Securities in favour of the Offeror, which is secured by the personal guarantee provided by Mr. Lin and the charge of Shares owned by or to be owned by the Offeror in favour of Emperor Securities
“Encumbrances”	any pledge, charge, lien (otherwise than arising by statute or operation of law), option, other encumbrance, priority or security interest, deferred purchase, title retention, leasing, sale and purchase, sale-and-leaseback arrangement over or in any property, assets or rights of whatsoever nature or interest or any agreement for any of the same
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegates of the Executive Director
“Fullpower”	Fullpower Investment Holdings Corp., a company incorporated in the BVI with limited liability which is wholly owned by Mr. Wong Sin Hua, Felix
“Fullpower Loan”	the loan with a principal amount of HK\$40 million owed by Fullpower to Peace Broad pursuant to the Fullpower Loan Agreement

“Fullpower Loan Agreement”	the loan agreement dated 26 April 2013 entered into between Peace Broad as lender and Fullpower as borrower in respect of the Fullpower Loan
“Group”	the Company and its subsidiaries
“Harmony Link”	Harmony Link Corporation, a company incorporated in the BVI and the controlling Shareholder as at the date of the Share Sale Agreement
“HL Nominee”	Golden Vessel Enterprises Limited, a wholly-owned subsidiary of Harmony Link which is nominated to hold the Brilliant Stage Shares to be acquired by Harmony Link pursuant to the Asset Reorganisation Agreement
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent committee of the Board comprising all the independent non-executive Directors established to advise the Independent Shareholders in respect of the Asset Reorganisation, the Offer and as to acceptance of the Offer and voting on the Asset Reorganisation
“Independent Shareholder(s)”	Shareholder(s) other than Harmony Link, Mr. Brian Lui, Mr. SC Lui, Mr. Victor Lui, Madam Ng, Fullpower and those who are interested in or involved in the Asset Reorganisation and the Offer
“Last Trading Day”	24 February 2014, being the last trading day of the Shares immediately prior to the suspension in trading on the Stock Exchange pending the release of this joint announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Little Bean”	Little Bean Limited, a company incorporated in Hong Kong with limited liability and a direct wholly-owned subsidiary of Talent Shine

“Long Stop Date”	31 August 2014
“Madam Ng”	Madam Ng Suk Fong, Aman, spouse of Mr. Victor Lui
“Madam Su”	Madam Su Jiaohua, spouse of Mr. Lin and a director of the Offeror
“Mr. Brian Lui”	Mr. Lui Shing Ming, Brian, an executive Director and the Chairman of the Company
“Mr. Lin”	Mr. Lin Xiaohui, spouse of Madam Su and a director of the Offeror
“Mr. SC Lui”	Mr. Lui Shing Cheong, an executive Director and the Managing Director of the Company
“Mr. Victor Lui”	Mr. Lui Shing Chung, Victor, an executive Director
“Offer”	subject to the Share Sale Completion, a mandatory unconditional cash offer to be made by Emperor Capital on behalf of the Offeror to acquire all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it) in accordance with the Takeovers Code
“Offer Price”	HK\$0.70 per Offer Share
“Offer Share(s)”	Share(s) not already owned or agreed to be acquired by the Offeror or parties acting in concert with it
“Offeror”	Manureen Holdings Limited, a company incorporated in the BVI with limited liability, which is owned as to 70% by Mr. Lin and as to 30% by Madam Su
“Optima Capital”	Optima Capital Limited, a licensed corporation under the SFO permitted to engage in type 1 (dealings in securities), type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities, and the financial adviser to the Company



“Peace Broad”	Peace Broad Holdings Limited, a company incorporated in the BVI with limited liability and an indirect wholly-owned subsidiary of the Company
“Peace Broad Sale Shares”	such number of shares representing the entire issued share capital of Peace Broad
“PRC”	the People’s Republic of China which, for the purpose of this joint announcement, shall exclude Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Property”	the premises situated at Units A and B on 3rd Floor and car parking space Nos. 1 and 18, Mai Sik Industrial Building, 1-11 Kwai Ting Road, Kwai Chung, Hong Kong
“Remaining Group”	the Group immediately after the Asset Reorganisation Completion
“Remaining Group Entities”	collectively, Capital Financial Press Limited, Capital Translation Services Limited, Chun Ming Printing, Qualiti Printing and Sourcing Limited, Excel Testing Service Limited, Qualiti UK Limited and 資浚商務服務(深圳)有限公司 (Zijun Business Services (Shenzhen) Co., Ltd.*), all of which are indirect wholly-owned subsidiaries of the Company
“Sale Shares”	an aggregate of 338,331,036 Shares, representing approximately 53.25% of the entire issued share capital of the Company as at the date of the Share Sale Agreement, to be acquired by the Offeror from the Vendors and Madam Ng pursuant to the terms and conditions of the Share Sale Agreement
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

\* For identification only

“SGM”	the special general meeting of the Company to be convened and held to consider and, if thought fit, approve, among others, the Share Premium Reduction, the Asset Reorganisation, the Special Distribution and the respective transactions contemplated thereunder
“Share(s)”	ordinary share(s) of HK\$0.10 each in the issued share capital of the Company
“Share Premium Reduction”	the proposed cancellation of a sum of HK\$107.4 million standing to the credit of the Company’s share premium account and the application of the entire amount standing thereto to fund part of the Special Distribution or, if the Asset Reorganisation Completion does not take place, the transfer of the entire amount standing thereto to the contributed surplus account of the Company
“Share Sale”	the proposed sale of the Sale Shares by the Vendors and Madam Ng to the Offeror pursuant to the terms and conditions of the Share Sale Agreement
“Share Sale Agreement”	the conditional agreement dated 26 February 2014 (as supplemented on 31 March 2014) entered into between the Vendors and the Offeror in relation to the Share Sale
“Share Sale Completion”	completion of the Share Sale
“Share Sale Conditions”	the conditions to Share Sale Completion as set out under the sub-section headed “Conditions” under the section headed “C. The Share Sale – The Share Sale Agreement” in this joint announcement
“Shareholder(s)”	holder(s) of the Shares
“Special Distribution”	the special distribution in cash intended to be made by the Company to the Shareholders subject to approval of the Shareholders at the SGM, the Asset Reorganisation Completion taking place and the Share Premium Reduction taking effect

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Talent Shine”	Talent Shine Global Limited, a company incorporated in the BVI with limited liability which is an indirect wholly-owned subsidiary of the Company as at the date of the Asset Reorganisation Agreement and will be a member of the Brilliant Stage Group upon the Asset Reorganisation Completion
“Tenancy Agreement”	the existing tenancy agreement dated 22 April 2013 entered into between Capital Asset and Chun Ming Printing in respect of the Property
“Veda”	Veda Capital Limited, a licensed corporation to carry out type 6 (advising on corporate finance) regulated activity under the SFO, who has been appointed as the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Asset Reorganisation and the Offer
“Vendors”	collectively, Harmony Link, Mr. Brian Lui, Mr. SC Lui and Mr. Victor Lui
“Well Union”	Well Union Limited, a company incorporated in Hong Kong with limited liability which is an indirect wholly-owned subsidiary of the Company as at the date of the Asset Reorganisation Agreement and will be a member of the Brilliant Stage Group upon the Asset Reorganisation Completion
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the board of directors  
**Manureen Holdings Limited**  
**Lin Xiaohui**  
*Director*

By order of the Board  
**Cheong Ming Investments Limited**  
**Lui Shing Ming, Brian**  
*Chairman*

Hong Kong, 3 April 2014

*As at the date of this joint announcement, the board of directors of the Offeror comprises Mr. Lin Xiaohui and Madam Su Jiaohua.*

*As at the date of this joint announcement, the executive Directors are Mr. Lui Shing Ming, Brian (Chairman), Mr. Lui Shing Cheong (Managing Director) and Mr. Lui Shing Chung, Victor; and the independent non-executive Directors are Dr. Lam Chun Kong, Mr. Lo Wing Man and Dr. Ng Lai Man, Carmen.*

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

*All the Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than the information relating to the Offeror and parties acting in concert with it), and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Offeror and parties acting in concert with it) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.*