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偉祿集團控股有限公司
REALORD GROUP HOLDINGS LIMITED

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

**(1) CONNECTED TRANSACTION IN RELATION TO
SUBSCRIPTION OF NEW SHARES UNDER SPECIFIC MANDATE
BY MANUREEN HOLDINGS LIMITED
AND
(2) UNUSUAL SHARE PRICE AND TRADING VOLUME MOVEMENTS**

THE SUBSCRIPTION

On 28 January 2015 (after the Stock Exchange trading hours), the Company and MHL entered into the Subscription Agreement pursuant to which MHL has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, 360,000,000 Subscription Shares at the Subscription Price of HK\$1.4 per Subscription Share.

Assuming that there is no change in the issued share capital of the Company other than the issue of the Subscription Shares since the date of this announcement up to completion of the Subscription Agreement, the 360,000,000 Subscription Shares represent (i) approximately 45.33% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 31.19% of the issued share capital of the Company as enlarged by the allotment and issuance of the Subscription Shares.

The Subscription Shares will be allotted and issued under a specific mandate to be sought for approval from the Independent Shareholders at the SGM.

LISTING RULES IMPLICATIONS

MHL is the controlling Shareholder and is therefore a connected person of the Company. Accordingly, the Subscription constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules and is subject to the approval of the Independent Shareholders by way of poll. MHL and its associates shall abstain from voting in respect of the resolution approving the Subscription Agreement and the transactions contemplated thereunder at the SGM.

The Independent Board Committee comprising all the independent non-executive Directors, namely Mr. Yu Leung Fai, Mr. Fang Jixin and Dr. Li Jue, has been established to advise the Independent Shareholders in respect of the terms of the Subscription Agreement and the transactions contemplated thereunder. An independent financial adviser will be appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among other things, (i) details of the Subscription; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Subscription; (iii) a letter from the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the terms of the Subscription Agreement; (iv) the notice convening the SGM; and (v) other information as required under the Listing Rules will be despatched to the Shareholders on or before 18 February 2015.

Completion of the Subscription Agreement is subject to the satisfaction of the conditions set out in the paragraph headed “The Subscription Agreement - Conditions precedent” in this announcement. Accordingly, the Subscription may or may not proceed. Shareholders and potential investors should therefore exercise caution when dealing in the securities of the Company.

UNUSUAL SHARE PRICE AND TRADING VOLUME MOVEMENTS

The Board has noted the recent increase in the trading price and trading volume of the Shares. Having made such enquiry with respect to the Company as is reasonable in the circumstances, the Board confirms that save as disclosed in this announcement, it is not aware of any reasons for such increases or of any information which must be announced to avoid a false market in the Shares or of any inside information that needs to be disclosed under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

THE SUBSCRIPTION AGREEMENT

Reference is made to the announcement of the Company dated 16 January 2015 (the “**Announcement**”) in relation to, among other things, the possible private placing of the Shares to MHL.

On 28 January 2015 (after the Stock Exchange trading hours), the Company and MHL entered into the Subscription Agreement pursuant to which MHL has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, 360,000,000 Subscription Shares at the Subscription Price of HK\$1.4 per Subscription Share.

The principal terms of the Subscription Agreement are set out below.

Date

28 January 2015

Parties

Issuer: the Company

Subscriber: MHL

As at the date of this announcement, MHL is the controlling Shareholder holding 423,337,518 Shares, representing approximately 53.30% of the existing issued share capital of the Company, and is therefore a connected person of the Company. MHL is owned as to 70% by Mr. Lin Xiaohui and as to 30% by Madam Su Jiaohua, both are executive Directors.

The principal business activity of MHL is investment holding.

The Subscription

Pursuant to the Subscription Agreement, MHL has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, 360,000,000 Subscription Shares at the Subscription Price of HK\$1.4.

Subscription Price

The Subscription Price of HK\$1.4 per Subscription Share was determined after arm's length negotiations between the Company and MHL taking into account, among other things, (i) the market prices of the Shares before the date of the Announcement; (ii) the prevailing market condition; and (iii) the unaudited consolidated net asset value of the Group as at 30 September 2014 and the effect of rights issue (details of which are disclosed in the prospectus of the Company dated 18 September 2014).

The Subscription Price of HK\$1.4 represents:

- (i) a discount of approximately 52.4% to the closing price of HK\$2.94 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 42.4% to the average of the closing prices of the Share as quoted on the Stock Exchange over the last 5 trading days up to and including the Last Trading Day of approximately HK\$2.43 per Share;
- (iii) a discount of approximately 36.7% to the average of the closing prices of the Share as quoted on the Stock Exchange over the last 10 trading days up to and including the Last Trading Day of approximately HK\$2.21 per Share;
- (iv) a discount of approximately 26.3% to the average of the closing prices of the Share as quoted on the Stock Exchange over the last 30 trading days up to and including the Last Trading Day of approximately HK\$1.90 per Share;

- (v) a discount of approximately 23.1% to the average of the closing prices of the Share as quoted on the Stock Exchange over the last 60 trading days up to and including the Last Trading Day of approximately HK\$1.82 per Share;
- (vi) a premium of approximately 536.4% over the unaudited net asset value of approximately HK\$0.22 per Share as at 30 September 2014 (based on the unaudited consolidated net assets of the Group of approximately HK\$175,212,000 as at 30 September 2014 as shown in the Company's interim report for the six months ended 30 September 2014 and 794,191,398 Shares in issue as at the date of this announcement); and
- (vii) a premium of approximately 233.3% over the unaudited adjusted net asset value of approximately HK\$0.42 per Share as at 30 September 2014 (based on the unaudited consolidated net assets of the Group of approximately HK\$175,212,000 as at 30 September 2014 as shown in the Company's interim report for the six months ended 30 September 2014 and adjusted by the net proceeds from the rights issue completed on 14 October 2014 of approximately HK\$155,838,000 (details of which are disclosed in the prospectus of the Company dated 18 September 2014), and 794,191,398 Shares in issue as at the date of this announcement).

The Board noted that the Share price has recently surged since the date of the Announcement. In order to eliminate the effects of any short term fluctuations in the trading pattern of the Shares on the Stock Exchange, the Company and MHL made reference to the market prices of the Shares preceding the date of the Announcement in determining the Subscription Price. The Subscription Price represents a discount of approximately 20.4% to the average of the closing prices of the Share as quoted on the Stock Exchange over the last 30 trading days preceding the date of the Announcement of approximately HK\$1.76 per Share. Moreover, during the course of negotiation on the terms of the Subscription Agreement, both of the Company and MHL considered that taking a longer trading period to compare would give a more meaningful reference to the Subscription Price.

Subscription Shares

As at the date of this announcement, the Company has 794,191,398 Shares in issue. Assuming that there is no change in the issued share capital of the Company other than the issue of the Subscription Shares since the date of this announcement up to completion of the Subscription Agreement, the 360,000,000 Subscription Shares represent (i) approximately 45.33% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 31.19% of the issued share capital of the Company as enlarged by the allotment and issuance of the Subscription Shares. The aggregate nominal value of the Subscription Shares is HK\$36,000,000.

The Subscription Shares, when issued and fully paid, will rank *pari passu* in all respects with all the Shares in issue as at the date of completion of the Subscription Agreement.

The Subscription Shares will be allotted and issued under a specific mandate to be sought for approval from the Independent Shareholders at the SGM.

An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

Conditions precedent

Completion of the Subscription Agreement is conditional upon:

- (a) the passing of the necessary resolution(s) to approve the allotment and issuance of the Subscription Shares and the transactions contemplated under the Subscription Agreement (including the obtaining of a specific mandate to allot and issue the Subscription Shares) by the Independent Shareholders at the SGM by way of poll;
- (b) the Company having obtained all necessary consents for the transactions contemplated under the Subscription Agreement, including but not limited to such consent (if appropriate or required) from the Stock Exchange, and having made and/or obtained all relevant filings or documents with any relevant governmental or regulatory authorities and other relevant third parties which are required or necessary for the entering into and the implementation of the Subscription Agreement;
- (c) the Company having obtained the approval from the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares and such approval not having been revoked before the allotment and issuance of the Subscription Shares;
- (d) 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 Subscription Agreement to the date of completion of the Subscription Agreement (save for any suspension of trading in the Shares (i) for not more than 15 consecutive trading days; (ii) for the purpose of complying with the Listing Rules in connection with the transactions contemplated under the Subscription Agreement; or (iii) for such longer period as may be agreed by MHL in writing); and
- (e) the warranties given by the Company pursuant to the Subscription Agreement remaining true and accurate in all material respects from the date of the Subscription Agreement up to any time before completion of the Subscription Agreement.

MHL may at any time waive in writing the conditions set out in (d) and (e) above. In the event that the above conditions are not fulfilled or waived (as the case may be) at or before 5:00 p.m. on the date falling six months from the date of the Subscription Agreement (or such later date as may be agreed by the parties in writing), the Subscription Agreement shall lapse, and the parties shall have no further obligations towards each other except for any antecedent breach by the parties and certain incidental provisions.

Completion

Completion of the Subscription Agreement shall take place within three Business Days following the fulfillment or waiver (as the case may be) of all the conditions set out above (or such other date as the Company and MHL may agree in writing).

SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below are the shareholding structures of the Company (i) as at the date of this announcement; and (ii) immediately after the allotment and issuance of the Subscription Shares:

Shareholders	As at the date of this announcement		Immediately after the allotment and issuance of the Subscription Shares (note 1)	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
MHL (note 2)	423,337,518	53.30	783,337,518	67.87
Public Shareholders	370,853,880	46.70	370,853,880	32.13
Total	794,191,398	100.00	1,154,191,398	100.00

Notes:

1. Assuming that there is no change in the issued share capital of the Company other than the issue of the Subscription Shares since the date of this announcement up to completion of the Subscription Agreement.
2. MHL is owned as to 70% by Mr. Lin Xiaohui and as to 30% by Madam Su Jiaohua, both are executive Directors.

EQUITY FUND RAISING ACTIVITIES OVER THE PAST 12 MONTHS

Date of announcement	Equity fund raising activities	Net proceeds and intended use	Actual use of proceeds
27 August 2014	Rights issue of 158,838,279 rights shares at the subscription price of HK\$1.00 each on the basis of one rights share for every four then existing Shares	The net proceeds of approximately HK\$155.8 million are intended to be applied (i) as to approximately HK\$10 million for the funding and further development of the Group's existing businesses; (ii) as to approximately HK\$90 million for funding and development of the Group's future businesses; and (iii) as to approximately HK\$55.8 million as the general working capital of the Group.	Approximately HK\$7.0 million has been used for funding and further development of the Group's existing businesses; approximately HK\$15.0 million has been used for general working capital of the Group; and approximately HK\$133.8 million has not yet been utilised.

Save as disclosed above, the Company has not conducted any equity fund raising activities in the 12 months immediately preceding the date of this announcement.

REASONS FOR THE SUBSCRIPTION

The Group is principally engaged in (i) commercial printing; (ii) manufacture and sale of hangtags, labels, shirt paper boards and plastic bags; and (iii) sale and distribution of motor vehicle parts.

As stated in the interim report of the Company for the six months ended 30 September 2014, for the purpose of sustaining long term growth, the Directors will keep on exploring all potential opportunities to develop the business of the Company. As disclosed in the Announcement, the Company was in discussion with several independent third parties regarding possible acquisitions of certain real estate projects in Hong Kong, Australia and the People's Republic of China. Nevertheless, no binding agreement in relation to any of the aforesaid possible acquisitions has been entered into by the relevant parties, and save as disclosed in the Announcement, there is no further progress up to the date of this announcement.

Based on the unaudited consolidated management accounts of the Group as at 30 November 2014, the aggregate balance of the cash and bank balances and current liabilities of the Group were approximately HK\$194.3 million and HK\$28.0 million respectively. In anticipation of the possible acquisitions and business development of the Group, the Directors acknowledge the need for the Group to build up its war chest for future investment before it could embark on any negotiations with any serious potential seller. The Company considers the Subscription could strengthen its capital base and allow it to capture potential acquisitions and investment opportunities as and when they arise.

The Board has considered and compared feasibilities of other fund raising alternatives for the Group, such as placement of new Shares to independent investors, rights issue, open offer, debt financing and bank borrowings. Taking into account the benefits and cost of each of the alternatives, the Board considers that the Subscription is in the interests of the Company and the Shareholders as a whole as it would not impose any interest burden or finance costs to the Group and increase the gearing level of the Group.

The Directors are of the view that the Subscription will provide an opportunity to the Group to raise additional capital for the ongoing and future development of its businesses without imposing any interest burden or finance costs to or deteriorating the gearing position of the Group had such capital been funded by borrowings. As such, the Directors consider that the terms of the Subscription Agreement are fair and reasonable and on normal commercial terms and the Subscription is in the interests of the Company and the Shareholders as a whole.

The gross proceeds from the Subscription amount to HK\$504 million and the net proceeds from the Subscription after deducting related fees and expenses are estimated to be approximately HK\$503 million. Accordingly, the net subscription price per Subscription Share is estimated to be approximately HK\$1.40. The Group intends to apply the net proceeds from the Subscription to finance the potential acquisition of certain real estate projects.

LISTING RULES IMPLICATIONS

MHL is the controlling Shareholder and is therefore a connected person of the Company. Accordingly, the Subscription constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules and is subject to the approval of the Independent Shareholders by way of poll. MHL and its associates shall abstain from voting in respect of the resolution approving the Subscription Agreement and the transactions contemplated thereunder at the SGM.

The Independent Board Committee comprising all the independent non-executive Directors, namely Mr. Yu Leung Fai, Mr. Fang Jixin and Dr. Li Jue, has been established to advise the Independent Shareholders in respect of the terms of the Subscription Agreement and the transactions contemplated thereunder. An independent financial adviser will be appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among other things, (i) details of the Subscription; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Subscription; (iii) a letter from the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the terms of the Subscription Agreement; (iv) the notice convening the SGM; and (v) other information as required under the Listing Rules will be despatched to the Shareholders on or before 18 February 2015.

Completion of the Subscription Agreement is subject to the satisfaction of the conditions set out in the paragraph headed “The Subscription Agreement - Conditions precedent” in this announcement. Accordingly, the Subscription may or may not proceed. Shareholders and potential investors should therefore exercise caution when dealing in the securities of the Company.

UNUSUAL SHARE PRICE AND TRADING VOLUME MOVEMENTS

The following is made by the Company at the request of the Stock Exchange and pursuant to Rule 13.10 of the Listing Rules.

The Board has noted the recent increase in the trading price and trading volume of the Shares. Having made such enquiry with respect to the Company as is reasonable in the circumstances, the Board confirms that save as disclosed in this announcement, it is not aware of any reasons for such increases or of any information which must be announced to avoid a false market in the Shares or of any inside information that needs to be disclosed under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

This announcement is made by the order of the Company. The Board collectively and individually accepts responsibility for the accuracy of this announcement.

DEFINITIONS

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

“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“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

“Company”	Realord Group Holdings Limited, a company incorporated in Bermuda with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1196)
“connected person(s)”	has the same meaning ascribed thereto under the Listing Rules
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent committee of the Board, comprising all the independent non-executive Directors, namely Mr. Yu Leung Fai, Mr. Fang Jixin and Dr. Li Jue, established to advise the Independent Shareholders in respect of the terms of the Subscription Agreement and the transactions contemplated thereunder
“Independent Shareholders”	Shareholders other than MHL and its associates and other Shareholders who are interested or involved in the Subscription
“Last Trading Day”	28 January 2015, being the last full trading day before the release of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MHL”	Manureen Holdings Limited, a company incorporated in the British Virgin Islands with limited liability, the controlling Shareholder
“SGM”	the special general meeting of the Company to be convened to consider and, if thought fit, to approve the Subscription Agreement and the transactions contemplated thereunder
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription of the Subscription Shares by MHL pursuant to the Subscription Agreement
“Subscription Agreement”	the conditional agreement dated 28 January 2015 entered into between the Company and MHL in relation to the Subscription
“Subscription Price”	the subscription price of HK\$1.4 per Subscription Share
“Subscription Shares”	the 360,000,000 new Shares to be allotted and issued by the Company to MHL pursuant to the Subscription Agreement
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board
Realord Group Holdings Limited
Tsang Chin Pang
Company Secretary

Hong Kong, 28 January 2015

As at the date of this announcement, the executive Directors are Mr. Lin Xiaohui, Madam Su Jiaohua and Mr. Lin Xiaodong and the independent non-executive Directors are Mr. Yu Leung Fai, Mr. Fang Jixin and Dr. Li Jue.