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BRILLIANT CIRCLE HOLDINGS INTERNATIONAL LIMITED

貴聯控股國際有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 01008)

Placing Agent



PLACING OF NEW SHARES UNDER SPECIFIC MANDATE INVOLVING CONNECTED PERSONS

On 22 May 2015 (after trading hours of the Stock Exchange), the Company entered into the Placing Agreement with the Placing Agent pursuant to which the Placing Agent agreed to place up to 80,000,000 Placing Shares to the Placee(s) at a price of HK\$1.70 each on a best effort basis.

The Placing is conditional upon: (i) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Placing Shares; (ii) the passing by the Independent Shareholders of the relevant resolution(s) at the EGM to approve the Placing Agreement and the transaction contemplated thereunder including the grant of the Specific Mandate; and (iii) all necessary consents and approval having been obtained by the Company and the Placing Agent in respect of the Placing.

The Placing Price of HK\$1.70 per Share represents: (i) a discount of approximately 3.4% to the closing price of HK\$1.76 per Share as quoted on the Stock Exchange on the Last Trading Day; and (ii) a discount of approximately 2.9% to the average of the closing prices per Share of HK\$1.75 as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day.

The Placing Price was arrived at after arm's length negotiations between the Company and the Placing Agent. The Directors consider that the terms of the Placing (including the Placing Price) and the transactions contemplated thereunder are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

The maximum number of the Placing Shares represent approximately 5.4% of the existing issued share capital of the Company and approximately 5.1% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares.

The Placing Shares are to be issued under the Specific Mandate to be sought at the EGM.

Assuming all the Placing Shares have been placed, the gross proceeds of the Placing will be HK\$136 million and the net proceeds of the Placing, after deduction of the placing commission and other related expenses, will be approximately HK\$132.5 million. The Directors intend to use the net proceeds for transformation of some of the Group's factories into intelligent factories and as general working capital of the Group.

The Independent Board Committee comprising all the independent non-executive Directors has been established to advise the Independent Shareholders as to whether the terms of the Placing Agreement is, or is not, fair and reasonable and as to the voting. The Independent Financial Adviser will be appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in this regard.

The EGM will be convened for the purpose of considering and, if deemed appropriate, among other things, approving the Placing Agreement and the transactions contemplated thereunder including the grant of the Specific Mandate.

A circular containing, among other things, (i) further details of the Placing; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in relation to the Placing Agreement; (iii) a letter of advice from the Independent Financial Adviser in relation to the Placing Agreement; and (iv) a notice convening the EGM, is expected to be despatched to the Shareholders on or before 15 June 2015.

THE PLACING AGREEMENT

Date: 22 May 2015

Parties

The Company: Brilliant Circle Holdings International Limited

Placing Agent: CLC International Limited

The Placing Agent has been appointed to place the Placing Shares on a best effort basis.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owners are independent third parties who are not connected persons of the Company and are independent of and not connected with the Company and directors, chief executive and substantial shareholders of the Company or any of its subsidiaries or their respective associates.

Placees

There will be not less than six Placees who include connected persons of the Company and staff of the Group. As at the date of this announcement, Mr. Qin Song and Mr. Kiong Chung Yin, Yttox, both being Directors, have indicated that they will apply for 15,000,000 Placing Shares and 100,000 Placing Shares respectively.

Number of Placing Shares

Up to 80,000,000 Shares, representing approximately 5.4% of the issued share capital of the Company as at the date of this announcement and approximately 5.1% of the Company's enlarged issued share capital immediately after the Placing Completion (assuming there being no issue or repurchase of Shares other than the issue of the Placing Shares).

Placing price

The Placing Price of HK\$1.70 per Placing Share represents:

- (i) a discount of approximately 3.4% to the closing price of HK\$1.76 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (ii) a discount of approximately 2.9% to the average of the closing prices of HK\$1.75 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day.

The Placing Price was determined and negotiated on an arm's length basis between the Company and the Placing Agent with reference to the prevailing market price of the Shares. The Board considers that the Placing Price is fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

After taking into account all the related expenses of the Placing, the net Placing Price is approximately HK\$1.656 per Placing Share.

Conditions precedent

The Placing is conditional upon: (i) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Placing Shares; (ii) the passing by the Independent Shareholders of the relevant resolution(s) at the EGM to approve the Placing Agreement and the transaction contemplated thereunder including the grant of the Specific Mandate; and (iii) all necessary consents and approval having been obtained by the Company and the Placing Agent in respect of the Placing.

In the event that the above conditions are not fulfilled in full by 31 July 2015, all rights, obligations and liabilities of the Company and the Placing Agent under the Placing Agreement shall cease and determine and neither of the parties shall have any claim against the others in respect of the Placing save for any antecedent breach and/or any rights or obligations which may accrue under the Placing Agreement prior to such termination.

Placing Completion

The Placing Completion will take place on the third business day after the Placing Agreement has become unconditional (or such other date as may be agreed by the parties).

Ranking of the Placing Shares

The Placing Shares rank *pari passu* among themselves and with Shares in issue as at the date of the allotment.

Application for listing

Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

Termination

If there occurs: (i) any material breach of any of the representations, and warranties as set out in the Placing Agreement; (ii) a material adverse change in the business and financial conditions of the Group taken as a whole which may have a material impact on the success of the Placing; or (iii) any of the force majeure events as referred to in the Placing Agreement; then and in any such case, the Placing Agent may terminate the Placing Agreement without liability to the Company by giving notice in writing to the Company at any time prior to 10:00 a.m. on the day of the Placing Completion.

If notice is given pursuant to the above, the Placing Agreement shall terminate and be of no further effect and neither party shall be under any liability to any other party in respect of the Placing Agreement save for any rights or obligations which may accrue under the Placing Agreement prior to such termination.

Specific Mandate to issue the Placing Shares

The issue of the Placing Shares is subject to Independent Shareholders' approval.

The Placing Shares will be issued under the Specific Mandate to be sought at the EGM.

FUND RAISING EXERCISE BY THE COMPANY IN THE PAST TWELVE MONTHS

The Company has not conducted any equity fund raising activities in the past twelve months immediately preceding the date of this announcement.

REASONS FOR THE PLACING AND USE OF PROCEEDS

The Company is an investment holding company with its subsidiaries principally engaged in the printing of cigarette packages for PRC cigarette manufactures and provision of printing services to customers including international publishers and multi-national corporations.

The Board considers that the Placing represents an opportunity to raise additional funds for the Company while broadening the Shareholder and capital base of the Company. It is also an opportunity available to the staff of the Group to participate in the growth of the Group. Assuming all the Placing Shares have been placed, the gross proceeds of the Placing will be HK\$136 million and the net proceeds from the Placing, after the deduction of the placing commission and other related expenses, are estimated to be approximately HK\$132.5 million which will be used for transformation of some of the Group's factories into intelligent factories and as general working capital of the Group.

The Directors consider that the terms of the Placing (including the Placing Price and the placing commission, which is in line with the market rate) and the transactions contemplated thereunder are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company as at the date of this announcement and immediately after the Placing Completion (assuming there being no issue or repurchase of Shares other than the issue of the Placing Shares) is as follows:

Shareholders	As at the date of this announcement		Immediately after Placing Completion	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Mr. Cai Xiao Ming, David (Note 1)	851,456,892	57.2	851,456,892	54.3
Mr. Qin Song (Note 2)	321,062	0.0	15,321,062	1.0
Mr. Kiong Chung Yin, Yttox (Note 3)	–	0.0	100,000	0.0
Ares BCH Holdings, L.P.	183,034,214	12.3	183,034,214	11.7
	<u>1,034,812,168</u>	<u>69.5</u>	<u>1,049,912,168</u>	<u>67.0</u>
The Placees (other than Mr. Qin Song and Mr. Kiong Chung Yin, Yttox) (Note 4)	–	–	64,900,000	4.1
Existing public Shareholders	<u>453,656,466</u>	<u>30.5</u>	<u>453,656,466</u>	<u>28.9</u>
Total	<u>1,488,468,634</u>	<u>100.00</u>	<u>1,568,468,634</u>	<u>100.00</u>

Notes:

- 577,131,614 Shares are held by Sinorise International Limited and 274,325,278 Shares are held by Profitcharm Limited, the entire issued share capitals of them are beneficially owned by Mr. Cai Xiao Ming, David, the Chairman and an executive Director.

2. Mr. Qin Song has indicated that he will apply for 15,000,000 Placing Shares.
3. Mr. Kiong Chung Yin, Yttox has indicated that he will apply for 100,000 Placing Shares.
4. Subject to confirmations by the Placees (other than Mr. Qin Song and Mr. Kiong Chung Yin, Yttox), the Placees may be existing Shareholders. The shareholding of the Placees assumes the maximum number of the Placing Shares has been successfully placed and without taking into account the existing shareholding of the Placees, if any.

LISTING RULES IMPLICATIONS IN RELATION TO THE PLACING

As the Placees will include directors of the Group who are connected persons of the Company under Rule 14A.07(1) of the Listing Rules, the Placing will constitute a connected transaction for the Company, and is subject to the announcement, reporting and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. The Company will seek the Independent Shareholders' approval for the Placing at the EGM.

GENERAL

The Independent Board Committee comprising all the independent non-executive Directors has been established to advise the Independent Shareholders as to whether the terms of the Placing Agreement is, or is not, fair and reasonable and as to the voting. The Independent Financial Adviser will be appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in this regard.

The EGM will be convened for the purpose of considering and, if deemed appropriate, among other things, approving the Placing Agreement and the transactions contemplated thereunder including the grant of the Specific Mandate.

A circular containing, among other things, (i) further details of the Placing; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders in relation to the Placing Agreement; (iii) a letter of advice from the Independent Financial Adviser in relation to the Placing Agreement; and (iv) a notice convening the EGM, is expected to be despatched to the Shareholders on or before 15 June 2015.

DEFINITIONS

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

“associates”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Company”	Brilliant Circle Holdings International Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the main board of the Stock Exchange

“connected persons”	has the meanings as ascribed thereto under the Listing Rules
“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened to approve, among other matters, the Placing Agreement and the transaction contemplated thereunder including the grant of the Specific Mandate
“Group”	the Company and its subsidiaries
“Hong Kong”	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. Lui Tin Nang, Mr. Lam Ying Hung, Andy and Mr. Siu Man Ho, Simon, established to give recommendation to the Independent Shareholders regarding terms of the Placing Agreement and the transactions contemplated thereunder and as to voting
“Independent Financial Adviser”	the independent financial adviser to be appointed by the Company for the purpose of advising the Independent Board Committee and the Independent Shareholders in respect of the terms of the Placing Agreement and the transactions contemplated thereunder and as to voting
“Independent Shareholders”	Shareholders other than the Placees and their respective associates
“Last Trading Day”	22 May 2015, being the last trading day for the Shares immediately prior to the issue of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placees”	any individual(s), institutional or other investor(s) including the directors and/or staff of the Group to be procured by the Placing Agent to subscribe for any of the Placing Shares pursuant to the Placing Agreement
“Placing”	the placing, on a best effort basis, of up to 80,000,000 Shares pursuant to the terms of the Placing Agreement

“Placing Agent”	CLC International Limited, a licensed corporation to carry on business in type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Placing Agreement”	the conditional placing agreement dated 22 May 2015 and entered into between the Company and the Placing Agent in relation to the Placing
“Placing Completion”	completion of the Placing in accordance with the terms and conditions as set out in the Placing Agreement
“Placing Price”	HK\$1.70 per Placing Share
“Placing Shares”	up to 80,000,000 Shares to be placed under the Placing
“Share(s)”	ordinary share(s) of HK\$0.005 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Specific Mandate”	the specific mandate to be sought at the EGM for the issue of the Placing Shares to the Placees
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board
Brilliant Circle Holdings International Limited
Mr. Cai Xiao Ming, David
Chairman

Hong Kong, 22 May 2015

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Cai Xiao Ming, David (Chairman), Mr. Qin Song and Mr. Kiong Chung Yin, Yttox, one non-executive Director, namely, Mr. Sean Xing He, and three independent non-executive Directors, namely, Mr. Lui Tin Nang, Mr. Lam Ying Hung, Andy and Mr. Siu Man Ho, Simon.