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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)**

## **DISCLOSEABLE TRANSACTION IN RELATION TO ACQUISITION OF PROPERTIES**

### **THE AGREEMENT**

The Board is pleased to announce that after the Stock Exchange trading hours on 23 September 2015, the Purchaser (an indirect wholly-owned subsidiary of the Company) and the Vendors entered into the Agreement, pursuant to which the Purchaser agreed to purchase, and the Vendors agreed to sell, the entire interest in the Properties at a cash consideration of RMB76,578,600 (equivalent to approximately HK\$93,043,000).

### **LISTING RULES IMPLICATIONS**

The Acquisition constitutes a discloseable transaction on the part of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements.

The Board is pleased to announce that after the Stock Exchange trading hours on 23 September 2015, the Purchaser (an indirect wholly-owned subsidiary of the Company) and the Vendors entered into the Agreement, pursuant to which the Purchaser agreed to purchase, and the Vendors agreed to sell, the entire interest in the Properties at a cash consideration of RMB76,578,600 (equivalent to approximately HK\$93,043,000). Details of the Agreement are set out below.

### **THE AGREEMENT**

#### **Date**

23 September 2015

#### **Parties**

- (i) Qianhai Weilu Cross-border E-Commerce (Shenzhen) Co., Ltd, an indirect wholly-owned subsidiary of the Company, as the Purchaser;
- (ii) Mr. Zhuang Xu Feng, as one of the Vendors;

(iii) Ms. Wu Qiao Hong, as one of the Vendors; and

(iv) Mr. Zhuang Yao Ming, as one of the Vendors.

As at the date of the Agreement, the Properties are owned as to 60% by Mr. Zhuang Xu Feng, 20% by Ms. Wu Qiao Hong and 20% by Mr. Zhuang Yao Ming. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendors are third parties independent of the Company and its connected persons (as defined under the Listing Rules).

### **Assets to be acquired**

Pursuant to the Agreement, the Purchaser agreed to purchase, and the Vendors agreed to sell, the entire interest in the Properties. Details of the Properties are disclosed in the section headed "Information of the Properties" below.

### **Consideration**

The Consideration is RMB76,578,600 (equivalent to approximately HK\$93,043,000), which shall be satisfied by the Purchaser to the Vendors in the following manner:

- (i) 10% of the Consideration shall be paid by the Purchaser to the Vendors on or before the business day after signing of the Agreement; and
- (ii) 90% of the Consideration shall be paid by the Purchaser into an escrow account designated by the Purchaser and the Vendors upon filing the registration of the transfer of the Properties by the Vendors with the relevant PRC governmental authority.

80% of the Consideration shall be released from the escrow account to the Vendors within three business days after completion of registration of the transfer of the Properties from the Vendors to the Purchaser with the relevant PRC governmental authority. The remaining 10% of the Consideration shall be released from the escrow account to the Vendors upon change in registration of the lessors of the lease agreements under the Properties from the name of the Vendors to the name of the Purchaser.

If the Purchaser fails to pay the Consideration pursuant to the terms of the Agreement, the Vendors are entitled to terminate the Agreement and 0.04% of the Consideration shall be paid by the Purchaser to the Vendors as liquidated damages. If a party fails to fulfill its obligations under the Agreement, the other party is entitled to terminate the Agreement and the Consideration paid by the Purchaser to the Vendors and/or escrow account shall be returned to the Purchaser in full.

In the event that the Company requires additional time to conduct additional procedure for the consummation of the Acquisition under the Listing Rules, the Vendors have the rights to terminate the Agreement and the Consideration paid by the Purchaser to the Vendors and/or escrow account shall be returned to the Purchaser in full.

Under the Agreement, the Purchaser agrees to pay all tax liabilities arising from the Acquisition, which are expected to be not more than RMB13,000,000 (equivalent to approximately HK\$15,795,000).

The Consideration was arrived at after arm's length negotiations between the Purchaser and the Vendors having taken into account, among other things, the valuation of the Properties of RMB96,000,000 as at 23 September 2015 carried out by an independent valuer. The Consideration will be funded by internal resources and/or borrowings of the Group.

### **Completion**

The Vendors and the Purchaser shall file the application for the registration of the transfer of the Properties within seven days after signing of the Agreement. The Properties shall be delivered by the Vendors to the Purchaser within seven business days after completion of registration of the transfer of the Properties from the Vendors to the Purchaser with the relevant PRC governmental authority.

### **INFORMATION OF THE PROPERTIES**

The Properties are situated at Zhangkeng Residents' Association of Zhangkengjing Community, Guanlan Street, Baoan District, Shenzhen, the PRC, comprising (i) a parcel of land (the "**Land**") with a total area of 7,141.33 square metres for industrial use; (ii) a factory compound erected on the Land with a total construction area of 12,225.88 square metres; and (iii) two dormitory buildings erected on the Land with a total construction area of 6,007.12 square metres. The factory compound and two dormitory buildings are currently leased to independent third parties, and such lease arrangements will expire on 30 July 2016.

In accordance with the information provided by the Vendors, rental income and net profit or loss attributable to the Properties before and after taxation, which are calculated net of all other outgoings for each of the two years ended 31 December 2013 and 2014 were as follows:

	<b>For the year ended 31 December 2013</b>	<b>For the year ended 31 December 2014</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>
Rental income	4,064	4,700
Net profits before taxation	608	486
Net profits after taxation	608	486

### **REASONS FOR THE ACQUISITION**

The Group is principally engaged in (i) commercial printing; (ii) manufacture and sale of hangtags, labels, shirt paper boards and plastic bags; (iii) sale and distribution of motor vehicle parts; (iv) provision of securities broking services; and (v) trading of electronic products and computer components.

As disclosed in the interim report of the Company for the six months ended 30 June 2015, the Directors would keep on exploring all potential opportunities to develop the businesses of the Group for the purpose of sustaining long term growth. The Directors consider that the Acquisition is a good investment opportunity for the Group to invest in the PRC property market.

The Properties are situated at a geographically advantageous location in Guanlan, Baoan District, Shenzhen, the PRC and the Directors consider that the Properties would have good development potential and may enjoy potential capital appreciation in the future. The management of the Company intends to redevelop the Properties after expiry of existing lease agreements under the Properties. Besides, the aggregate amount of Consideration of RMB76,578,600 and the potential tax liabilities of approximately RMB13,000,000 represents a discount of approximately 6.7% to the valuation of Properties as at 23 September 2015.

In view of the above, the Directors consider that the terms of the Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

The Acquisition constitutes a discloseable transaction on the part of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements.

## **DEFINITIONS**

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

“Acquisition”	the proposed acquisition by the Purchaser of the entire interest in the Properties from the Vendors pursuant to the terms of the Agreement
“Agreement”	the sale and purchase agreement dated 23 September 2015 and entered into between the Purchaser and the Vendors in relation to the Acquisition
“Board”	the board of Directors
“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)
“Consideration”	consideration for the Acquisition
“Director(s)”	the director(s) of the Company

“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China which, for the purpose of this announcement excludes Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Properties”	the Land and a factory compound and two dormitory buildings erected on the Land which are situated at Zhangkeng Residents’ Association of Zhangkengjing Community, Guanlan Street, Baoan District, Shenzhen, the PRC
“Purchaser”	Qianhai Weilu Cross-border E-Commerce (Shenzhen) Co., Ltd, a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Share(s)”	ordinary share(s) of HK\$0.1 each in the issued share capital of the Company
“Shareholder(s)”	the holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendors”	Mr. Zhuang Xu Feng, Ms. Wu Qiao Hong and Mr. Zhuang Yao Ming
“HK\$”	Hong Kong dollar(s), the lawful currency for the time being of Hong Kong
“RMB”	Renminbi, the lawful currency for the time being of the PRC
“%”	per cent.

*In this announcement, amounts in RMB are translated into HK\$ on the basis of RMB1 = HK\$1.215. The conversion rate is for illustration purpose only and should not be taken as a representation that RMB could actually be converted into HK\$ at such rate or at all.*

By order of the Board  
**Realord Group Holdings Limited**  
**Lin Xiaohui**  
*Chairman*

Hong Kong, 23 September 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.*