ASR LOGISTICS HOLDINGS LIMITED
瀚洋物流控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 1803)

MAJOR TRANSACTION INVOLVING ISSUE OF CONSIDERATION SHARES UNDER THE GENERAL MANDATE

The Board is pleased to announce that on 8 November 2015, the Sale and Purchase Agreement was entered into among the Purchaser, the Company (being the guarantor of the Purchaser), the Vendor and the Vendor Guarantor in relation to the acquisition of the Sale Share, representing the entire issued share capital of the Target, and the Sale Loan for the Consideration of HK$85,150,000, which shall be satisfied by the Company by allotting and issuing of a total of 131,000,000 Consideration Shares to the Vendor (or its nominees) upon Completion.

As one of the relevant percentage ratios, exceeds 25% but less than 100%, the Acquisition constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to Shareholders' approval under Chapter 14 of the Listing Rules.

Since no shareholder is required to abstain from voting if the Company were to convene a general meeting for approving the Sale and Purchase Agreement and the transactions contemplated thereunder, the Company intends to seek a written approval of the Sale and Purchase Agreement and the transactions contemplated thereunder from a closely allied group of Shareholders, who together hold approximately 59.12% of the issued share capital of the Company carrying rights to vote at a general meeting. Accordingly, such written shareholders' approval, if obtained, will be accepted in lieu of holding a general meeting for the approval of the Sale and Purchase Agreement and the transactions contemplated thereunder pursuant to Rule 14.44 of the Listing Rules. Therefore, no general meeting of the Company will be convened to approve the Sale and Purchase Agreement and the transactions contemplated thereunder.

A circular containing, inter alia, (i) further details of the Sale and Purchase Agreement and the transactions contemplated thereunder; (ii) the valuation report of the Property; (iii) financial and other information of the Group; (iv) financial and other information of the Target; and (v) pro forma financial information of the Group as enlarged by the Acquisition, will be despatched to the Shareholders on or before 27 November 2015.

As Completion is subject to fulfillment of the conditions precedent under the section headed "Conditions precedent" in this announcement, the Acquisition may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

THE ACQUISITION

The Board is pleased to announce that on 8 November 2015, the Sale and Purchase Agreement was entered into among the Purchaser, the Company (being the guarantor of the Purchaser), the Vendor and the Vendor Guarantor in relation to the acquisition of the Sale Share, representing the entire issued share capital of the Target and the Sale Loan for the Consideration of HK$85,150,000.

THE SALE AND PURCHASE AGREEMENT

Date: 8 November 2015

Parties: (i) Purchaser

Lucky Outset Investments Limited

(ii) Vendor

United Win International Corporation

(iii) Guarantor of the Purchaser

The Company

(iv) Vendor Guarantor

Beijing Enterprises Medical and Health Industry Group Limited (Stock Code: 2389)

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, (i) the Vendor, Vendor Guarantor and their associates are Independent Third Parties and do not hold any Shares or other convertible securities in the Company as at the date of this announcement; and (ii) there was no previous transaction or business relationship among the Company, the Vendor, the Vendor Guarantor and/or their associates in the previous 12 months which would result in aggregation under Rule 14.22 of the Listing Rules.

Assets to be acquired for

Pursuant to the Sale and Purchase Agreement, the Purchaser has conditionally agreed to acquire for and the Vendor has conditionally agreed to dispose of the Sale Share, representing the entire issued share capital of the Target, and the Sale Loan.

As at 31 October 2015, the Sale Loan amounted to approximately HK$42.55 million.

Consideration

The Consideration for the Acquisition is HK$85,150,000, which shall be satisfied by the Company by allotting and issuing of a total of 131,000,000 Consideration Shares to the Vendor (or its nominees) upon Completion.

The Consideration was determined after arm's length negotiations between the parties by reference to (i) the net asset value of the Target as at 31 October 2015; (ii) the preliminary valuation of the Property of approximately HK$87,000,000 as at 31 October 2015; and (iii) the Sale Loan.

Consideration Shares

As at the date of this announcement, the Company has 806,860,000 Shares in issue. The 131,000,000 Consideration Shares represent approximately 16.24% of the existing issued share capital of the Company and approximately 13.97% of the issued share capital of the Company as enlarged by the allotment and issuance of the Consideration Shares (assuming that there is no other change in the issued share capital of the Company).

The Consideration Shares shall be allotted and issued pursuant to the General Mandate, and shall rank *pari passu* with the Shares in issue on the date of allotment and issuance including the rights to all dividends, distributions and other payments made or to be made for which the record date falls or after the date of such allotment and issuance.

The General Mandate has not been utilised since the date of its grant on 2 June 2015 up to the date of this announcement. Shareholders' approval will not be required for the allotment and issuance of the Consideration Shares as the Consideration Shares will be issued under the General Mandate.

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

Issue price

The issue price of HK$0.65 per Consideration Share represents:

(i) a discount of approximately 8.45% to the closing price of HK$0.710 per Share as quoted on the Stock Exchange on the Last Trading Date;

(ii) a discount of approximately 8.45% to the average closing prices of HK$0.710 per Share as quoted on the Stock Exchange for the last five consecutive full trading days up to and including the Last Trading Day; and

(iii) a discount of approximately 9.34% to the average closing prices of HK$0.717 per Share as quoted on the Stock Exchange for the last 10 consecutive full trading days up to and including Last Trading Day.

The issue price of the Consideration Shares was determined after arm's length negotiations between the Vendor and the Purchaser with reference to the current market price of the Share. The Directors consider that the issue price of the Consideration Shares is fair and reasonable and on normal commercial terms.

Conditions precedent

The Acquisition is conditional upon the following conditions precedent being satisfied on or before 31 December 2015:

(a) The Company has obtained approval from the Stock Exchange for the listing of and the permission to deal in the Consideration Shares;

(b) All necessary permission(s), consent(s), approval(s), authorisation(s) (whether under the law, regulations or other regulatory) required in respect of the entering and execution of the Sale and Purchase Agreement being obtained by the parties;

(c) The Company has obtained shareholders' approval of the Sale and Purchase Agreement and the transactions contemplated thereunder in accordance with Chapter 14 of the Listing Rules;

(d) The Purchaser has satisfied with the results of the financial and legal due diligence review on the Target;

(e) The representations and warranties given by the Vendor under the Sale and Purchase Agreement remaining true and accurate in all material respects and not misleading from the date of the Sale and Purchase Agreement until the date of Completion;

(f) The Vendor has provided the Company with evidence showing that the Vendor (or its nominee) has the ownership of the Property in accordance with section 13 of the Conveyancing and Property Ordinance (Cap 219) and the Vendor has to show and give a good title of the Property in accordance with sections 13 and 13A of the Conveyancing and Property Ordinance.

Save and except conditions precedent (a), (b) and (c) above, the Purchaser may waive any of the conditions precedent in writing and such waivers may be given by the Purchaser in accordance with the terms and conditions determined by the Purchaser. The Vendor acknowledges and agrees that the rights and remedies which the Purchaser is entitled to due to a breach of warranties given by the Vendor (a) shall not be affected by any waivers given by the Purchaser and (b) are still in force after Completion.

If the conditions precedent are not fulfilled or waived (if applicable) on or before 31 December 2015, the party who can fulfill the conditions precedent can notify the other party (without prejudice to rights or remedies which the party who can fulfill the conditions precedent is entitled to) and choose one of the following options:

(a) to waive (if applicable) the conditions precedent that has not been fulfilled;

(b) to adjourn the completion date to no more than three business days; or

(c) to terminate the Sale and Purchase Agreement unconditionally. Under this circumstance, none of the parties shall have any obligation to each other.

Guarantee

Pursuant to the Sale and Purchase Agreement, the Vendor Guarantor agreed to guarantee the performance of the Vendor's obligations, warranties and other terms and provisions under the Sale and Purchase Agreement and the Company agreed to guarantee the performance of the Purchaser's obligations, warranties and other terms and provisions under the Sale and Purchase Agreement.

Completion

Completion shall take place on the third business day after the date of fulfillment of all the conditions precedent or such other dates as the Parties may mutually agree.

Upon Completion, the Target will become a wholly-owned subsidiary of the Company.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

For illustrative purpose only, set out below is a summary of the shareholdings in the Company (i) as at the date of this announcement; and (ii) immediately after allotment and issuance of the Consideration Shares (assuming there is no other change in the shareholding structure of the Company since the date of this announcement):

Name of Shareholders	**As at the date of this announcement**		**Immediately after allotment and issuance of the Consideration Shares (assuming there is no other change in the shareholding structure of the Company since the date of this announcement)**	
	No. of Shares	*Approximate %*	*No. of Shares*	*Approximate %*
Hollyview International Limited *(Note 1)*	147,810,000	18.32	147,810,000	15.76
Excellent Success Asia Limited *(Note 2)*	140,193,750	17.38	140,193,750	14.95
Mass Talent Financial Limited *(Note 3)*	104,800,000	12.99	104,800,000	11.17
Mr. Sang Kangqiao	84,116,250	10.43	84,116,250	8.97
Vendor (or its nominees)	–	–	131,000,000	13.97
Existing public Shareholders	329,940,000	40.88	329,940,000	35.18
Total	806,860,000	100	937,860,000	100

Notes:

1. Hollyview International Limited is beneficially owned as to 100% by Mr. Hu Yebi, an executive Director and Chairman of the Company.

2. Excellent Success Asia Limited is beneficially owned as to 100% by Mr. Cheung Man Kwong.

3. Mass Talent Financial Limited is beneficially owned as to 100% by Mr. Niu Zhongjie, an executive Director and the chief executive officer of the Company.

None of the Directors has any material interest in the Sale and Purchase Agreement and the transactions contemplated thereunder and therefore, none of them has abstained from voting on the Board resolution(s) which approved the Sale and Purchase Agreement and the transactions contemplated thereunder.

FUND RAISING DURING THE PAST TWELVE MONTHS

The Company has not conducted any equity fund raising exercise in the past 12 months immediately preceding the date of this announcement.

REASONS FOR THE ACQUISITION

The Group is principally engaged in the provision of air freight service in the wholesale market.

The Group currently leases commercial properties as its office in Kwun Tong, Hong Kong. The Group intends to purchase a property closer to the central business district for self-use or for investment purpose. Thus, the Directors consider that the Acquisition would strengthen the asset and/or income base of the Group.

In addition, the Directors consider that it is in the interest of the Company and its Shareholders as a whole to retain more cash for general working capital of the Group. To settle the Consideration in full by the issue of Consideration Shares allows the Group to complete the Acquisition without any cash outlay (except expenses relating to the Acquisition), widen the Company's shareholder base and explore potential cooperation opportunities with the Vendor Guarantor.

Taking into account the above factors, the Directors consider that the terms of the Acquisition are fair and reasonable and the Acquisition is in the interests of the Shareholders and the Company as a whole.

INFORMATION OF THE VENDOR

The Vendor is a company incorporated in the BVI with limited liability and its principal activity is investment holding. The Vendor is a wholly-owned subsidiary of the Vendor Guarantor, the shares of which are listed on the main board of The Stock Exchange of Hong Kong Limited (Stock Code: 2389). The Vendor Guarantor, through its subsidiaries, is principally engaged in the provision of medical care, health care and geriatric care related services and products.

INFORMATION OF THE TARGET

As at the date of this announcement, the Target is wholly owned by the Vendor. The Target is an investment holding company and is holding the Property. The Property consists of two units of office premises located at Room 1110-11, 11st Floor, Harbour Centre, 25 Harbour Road, Wan Chai, Hong Kong with the gross floor area of approximately 3,952 square feet.

Set out below is the unaudited financial information of Target for the two years ended 31 March 2015 prepared in accordance with the Hong Kong Financial Reporting Standards:

	For the year ended 31 March 2015 *HK$'000*	**For the year ended 31 March 2014** *HK$'000*
Loss before tax	(99)	(1,454)
Loss after tax	(168)	(1,454)

The unaudited net asset value of the Target was approximately HK$25.99 million as at 31 October 2015.

GENERAL

As one of the relevant percentage ratios, exceeds 25% but less than 100%, the Acquisition constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to Shareholders' approval under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, none of the Shareholders has any material interest in the Acquisition and no Shareholder is required to abstain from voting if the Company were to convene a general meeting for the approval of the Acquisition.

Since no shareholder is required to abstain from voting if the Company were to convene a general meeting for approving the Sale and Purchase Agreement and the transactions contemplated thereunder, the Company intends to seek a written approval of the Sale and Purchase Agreement and the transactions contemplated thereunder from a closely allied group of Shareholders, who together hold approximately 59.12% of the issued share capital of the Company carrying rights to vote at a general meeting. Accordingly, such written shareholders' approval, if obtained, will be accepted in lieu of holding a general meeting for the approval of the Sale and Purchase Agreement and the transactions contemplated thereunder pursuant to Rule 14.44 of the Listing Rules. Therefore, no general meeting of the Company will be convened to approve the Sale and Purchase Agreement and the transactions contemplated thereunder.

The closely allied group of Shareholders includes Hollyview International Limited, Excellent Success Asia Limited, Mass Talent Financial Limited and Mr. Sang Kangqiao (together, the "**Closely Allied Group of Shareholders**"), details of their shareholdings are set out under the section headed "Effects on shareholding structure of the Company" in this announcement. The Closely Allied Group of Shareholders is together regarded as "acting in concert" for the purposes of the Hong Kong Code on Takeovers and Mergers.

A circular containing, inter alia, (i) further details of the Sale and Purchase Agreement and the transactions contemplated thereunder; (ii) the valuation report of the Property; (iii) financial and other information of the Group; (iv) financial and other information of the Target; and (v) pro forma financial information of the Group as enlarged by the Acquisition, will be despatched to the Shareholders on or before 27 November 2015.

As Completion is subject to fulfillment of the conditions precedent as set out under the section headed "Conditions precedent" in this announcement, the Acquisition may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

"AGM"	the annual general meeting of the Company held on 2 June 2015 at which the General Mandate was granted to the Directors
"Acquisition"	the acquisition of the Target by the Purchaser from the Vendor pursuant to the Sale and Purchase Agreement
"associate"	has the meaning ascribed these to under the Listing Rules
"Board"	the board of Directors
"BVI"	the British Virgin Islands
"Company"	ASR Logistics Holdings Limited, a company incorporated in Cayman Islands with limited liability and the Shares of which are listed on the Stock Exchange (stock code: 1803)
"Completion"	completion of the Acquisition pursuant to the Sale and Purchase Agreement
"connected person(s)"	shall have the meaning as ascribed to it under the Listing Rules
"Consideration"	HK$85,150,000, which shall be satisfied by the Company by allotting and issuing of a total of 131,000,000 Consideration Shares

"Consideration Shares"	the 131,000,000 new Shares to be issued to the Vendor (or its nominees) at an issue price of HK$0.65 per new Share as the Consideration for the Acquisition
"Directors"	the directors of the Company
"General Mandate"	the general mandate granted to the Directors at the AGM to allot, issue or deal with up to 20% of the then issued share capital of the Company as at the date of the AGM, being 161,372,000 Shares
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Third Party(ies)"	third party(ies) and their ultimate beneficial owner(s) (if applicable) independent of, not connected or acting in concert (as defined in the Codes on Takeovers and Mergers and Share Buy-backs) with the Company and any of its connected persons or any of their respective associates (as defined under the Listing Rules)
"Last Trading Day"	6 November 2015, being the last full trading day of the Shares on the Stock Exchange immediately prior to the publication of this announcement
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange

"Property"	Room 1110-11, 11st Floor, Harbour Centre, 25 Harbour Road, Wan Chai, Hong Kong with a total gross floor area of approximately 3,952 square feet
"Purchaser"	Lucky Outset Investments Limited, a company incorporated in the British Virgin Islands with limited liability and a direct wholly-owned subsidiary of the Company
"Sale and Purchase Agreement"	the agreement for sale and purchase of the Target entered into among the Vendor, the Vendor Guarantor, the Purchaser and the Company (being the guarantor of the Purchaser) on 8 November 2015
"Sale Loan"	the total amount of shareholders' loan owing by the Target to the Vendor on the date of Completion
"Sale Share"	the entire issued share capital of the Target
"Share(s)"	ordinary share(s) of HK$0.005 each in the share capital of the Company
"Shareholder(s)"	the holder(s) of the Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Target"	Nobletree Limited, a company incorporated in Hong Kong with limited liability and a direct wholly-owned subsidiary of the Vendor

"Vendor"	United Win International Corporation, a company incorporated in the British Virgin Islands with limited liability and a direct wholly-owned subsidiary of the Vendor Guarantor
"Vendor Guarantor"	Beijing Enterprises Medical and Health Industry Group Limited, a company incorporated in Cayman Islands with limited liability and the Shares of which are listed on the Stock Exchange
"%"	per cent.

On behalf of the Board
ASR Logistics Holdings Limited
Hu Yebi
Chairman

Hong Kong, 8 November 2015

As at the date of this announcement, the executive Directors are Mr. Hu Yebi, Mr. Niu Zhongjie and Ms. Leung Pui Man and the independent non-executive Directors are Mr. Lok Lawrence Yuen Ming, Mr. Xin Luo Lin and Mr. Pan Lihui.