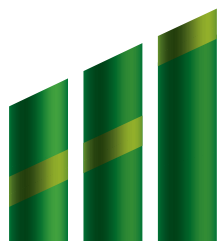


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# 昊天發展集團有限公司

## Hao Tian Development Group Limited

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 00474)**

### **DISCLOSEABLE TRANSACTION IN RELATION TO THE HT CHINA RESTRUCTURING AGREEMENT AND THE POSSIBLE OFFERS**

#### **HT CHINA RESTRUCTURING AGREEMENT**

Reference is made to the announcement of the Company dated 25 July 2016 that on 22 July 2016, the HT China Restructuring Agreement was entered into between Hao Tian China, an indirect wholly-owned subsidiary of the Company, and Fujian Nuoqi, pursuant to which, among others, (i) Hao Tian China conditionally agreed to participate in the restructuring of Fujian Nuoqi, in replacement of Romaster (Tianjin), as the party responsible for the restructuring (重組方) under the Reorganisation Proposal and (ii) for the retention of the Assets in Fujian Nuoqi and the transfer of 51% equity interest in Fujian Nuoqi to Hao Tian China, Hao Tian China conditionally agreed to pay the HT China Investment Sum, which comprises the Assets Investment Sum and the Share Investment Sum, and amounts to RMB150,583,125.05 (equivalent to approximately HK\$175.2 million). The Change of Investor is subject to the approval of the Quanzhou Court.

Pursuant to the HT China Restructuring Agreement, Hao Tian China also conditionally agreed to provide a loan to Fujian Nuoqi in the amount of RMB5 million to provide funding for its operations.

## **POSSIBLE OFFERS**

Pursuant to Rule 26.1 of the Takeovers Code, subject to and upon Completion, the Offerors will be required to make mandatory unconditional cash offers for all the issued Domestic Shares and H shares of Fujian Nuoqi not already owned or agreed to be acquired by any of them and parties acting in concert with any of them. For details of the possible mandatory unconditional cash offers, please refer to the joint announcement of the Company, Fujian Nuoqi and the Offerors dated 27 July 2016.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios (as defined in the Listing Rules) exceeds 5% and all the applicable percentage ratios are less than 25%, the transactions contemplated under the HT China Restructuring Agreement and the possible offers for the Domestic Shares and the H shares of Fujian Nuoqi constitute a discloseable transaction of the Company and are therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

**As Completion is subject to the fulfilment of certain conditions, the Share Transfer, the transactions contemplated under the HT China Restructuring Agreement and/or the Offers may or may not proceed. Shareholders and investors should exercise caution when dealing in the securities of the Company.**

Reference is made to the announcement of the Company dated 25 July 2016 that on 22 July 2016, the HT China Restructuring Agreement was entered into between Hao Tian China, an indirect wholly-owned subsidiary of the Company, and Fujian Nuoqi. The principal terms of the HT China Restructuring Agreement are summarised as follows:

## **HT CHINA RESTRUCTURING AGREEMENT**

**Date:** 22 July 2016

**Parties:**

- (1) Hao Tian China, an indirect wholly-owned subsidiary of the Company
- (2) Fujian Nuoqi, a joint stock limited liability company established under the laws of the PRC (stock code: 1353)

To the best information, knowledge and belief of the Directors, after having made all reasonable enquiries, Fujian Nuoqi is a party independent of and not connected with the Company and its connected persons (as defined under the Listing Rules).

### **Restructuring in relation to (i) Share Transfer under the Domestic Share Adjustment and (ii) Assets retention:**

Pursuant to the HT China Restructuring Agreement, Hao Tian China conditionally agreed to participate in the restructuring of Fujian Nuoqi, in replacement of Romaster (Tianjin), as the party responsible for the restructuring (重組方) under the Reorganisation Proposal. The Change of Investor is subject to the approval of the Quanzhou Court.

Pursuant to the Domestic Share Adjustment as set out in the Reorganisation Proposal (which had been devised by the Administrator and approved by among others, the Quanzhou Court) and the HT China Restructuring Agreement, (i) 311,504,940 Domestic Shares, representing 51% of the equity interest in Fujian Nuoqi, shall be transferred to Hao Tian China which shall pay RMB80 million (being the Share Investment Sum) to the Administrator (on behalf of Fujian Nuoqi) in consideration for the Share Transfer; and (ii) an aggregate of 101,370,060 Domestic Shares would be distributed to Fujian Nuoqi's creditors.

The Assets included, among others, land use rights, properties and other office equipment. The Assets Investment Sum is RMB70,583,125.05 which will be applied as follows: as to RMB67,259,970.00 for the repayment of an overdue loan owing to China Oriental Assets Management Company Fuzhou Office\* 中國東方資產管理公司福州辦事處, and the balance of RMB3,323,155.05 for the acquisition of operating assets of Fujian Nuoqi (which are part of the Assets) such as office furniture and equipment from the Administrator.

After payment of the Assets Investment Sum, the Assets shall be retained by Fujian Nuoqi for its future business operations. For the portion of Fujian Nuoqi's assets other than the Assets, they shall be administered by the Administrator in accordance with the PRC laws to settle Fujian Nuoqi's debts.

### **Consideration:**

For the retention of the Assets in Fujian Nuoqi and the Share Transfer, Hao Tian China conditionally agreed to pay the HT China Investment Sum, which comprises the Assets Investment Sum and the Share Investment Sum, and amounts to RMB150,583,125.05 (equivalent to approximately HK\$175.2 million). In view of the fact that the HT China Investment Sum is the same as the investment sum which was originally payable by Romaster (Tianjin) under the previous restructuring agreement entered into between Fujian Nuoqi and Romaster (Tianjin) which was terminated on 13 June 2016 and given the business potential of Fujian Nuoqi, the Board considered that the HT China Investment Sum is fair and reasonable.

### **Conditions precedent to the effectiveness of the HT China Restructuring Agreement:**

Hao Tian China shall, on the next day (excluding statutory holiday) after signing of the HT China Restructuring Agreement, pay to the Administrator a sum of RMB6,000,000 as deposit to guarantee the performance of Hao Tian China under the HT China Restructuring Agreement (“**Deposit**”). As at the date of this announcement, the Deposit of RMB6,000,000 had been paid to the Administrator.

In addition to being conditional upon obtaining the approval of the Quanzhou Court and the Approval(s) from the Department of Commerce of Fujian Province, the HT China Restructuring Agreement (other than the term relating to the payment of the Deposit) shall be effective upon the delivery to Hao Tian China of the Irrevocable Undertakings within ten working days from the signing of the HT China Restructuring Agreement.

If the above conditions precedent cannot be fulfilled within ten working days from the signing of the HT China Restructuring Agreement, the Administrator shall return the Deposit to Hao Tian China within 5 days thereafter.

**Payment terms:**

After the HT China Restructuring Agreement becomes effective and upon obtaining the approval of the Quanzhou Court on the Change of Investor and the Approval(s) from the Department of Commerce of Fujian Province, (i) the Deposit shall become part of the HT China Investment Sum and (ii) the remaining balance of the HT China Investment Sum, being RMB144,583,125.05, shall be paid to the Administrator within three working days from the day of obtaining the above approval(s).

Within 10 working days upon receiving the total amount of the HT China Investment Sum by the Administrator, the Administrator shall apply to the Quanzhou Court for unfreezing the Domestic Shares and to transfer the 311,504,940 Domestic Shares to Hao Tian China in accordance with the terms of the Reorganisation Proposal.

**Termination:**

The HT China Restructuring Agreement shall be automatically terminated if (i) the Quanzhou Court does not grant approval in relation to the Change of Investor; or (ii) Fujian Nuoqi fails to obtain the Approval(s) from the Department of Commerce of Fujian Province. Under such circumstance, the Deposit shall be returned to Hao Tian China within 10 working days after the Quanzhou Court or the Department of Commerce of Fujian Province does not grant the relevant approval(s).

Fujian Nuoqi shall be entitled to terminate the HT China Restructuring Agreement in writing if Hao Tian China fails to perform its obligations in accordance with the terms of the HT China Restructuring Agreement. In such case, the Deposit shall not be returned to Hao Tian China.

**Loan to Fujian Nuoqi:**

Pursuant to the HT China Restructuring Agreement, within three working days from the day of fulfillment of the following conditions:

- (i) the Change of Investor is approved by the Quanzhou Court; and
- (ii) Fujian Nuoqi obtains the Approval(s) from the Department of Commerce of Fujian Province,

Hao Tian China agreed to provide a loan to Fujian Nuoqi in the amount of RMB5 million to provide funding for its operations by transferring the said loan to the account of Fujian Nuoqi (or account designated by Fujian Nuoqi). Fujian Nuoqi and Hao Tian China shall enter into a separate agreement as regards to the provision of the said loan.

**Other major terms:**

- (1) Under the HT China Restructuring Agreement, Hao Tian China shall be responsible for the relevant work in relation to the resumption of trading of Fujian Nuoqi so as to fulfill the Resumption Conditions and be responsible for the fees incurred in the process.
- (2) Hao Tian China shall be responsible for the operation of Fujian Nuoqi's business and shall provide the necessary funding to Fujian Nuoqi according to the actual operation need of Fujian Nuoqi.

**INFORMATION OF THE GROUP**

The Company is an investment holding company. As at the date of this announcement, the Group is principally engaged in the business of financial services, including (i) lending of money, (ii) securities investment; (iii) trading of futures, and logistics and warehousing. Hao Tian China, an indirect wholly-owned subsidiary of the Company, is principally engaged in investment.

**INFORMATION OF FUJIAN NUOQI**

Fujian Nuoqi is a joint stock limited liability company incorporated in the PRC and its issued H shares are listed on the Main Board of the Stock Exchange. At the request of Fujian Nuoqi, trading of the H shares of Fujian Nuoqi on the Stock Exchange was suspended with effect from 11:25 a.m. on 23 July 2014, and will remain suspended pending the release of further information by Fujian Nuoqi. As disclosed in the prospectus of Fujian Nuoqi dated 30 December 2013, Fujian Nuoqi offers men's fashion casual wear and products to target customers who are primarily young and middle-aged men from the age of 25 to 40 in the PRC. As disclosed in the announcement of Fujian Nuoqi dated 28 January 2016, Fujian Nuoqi was informed that the Stock Exchange has placed Fujian Nuoqi in the first delisting stage under Practice Note 17 to the Listing Rules.

## **REASONS FOR AND BENEFITS OF ENTERING INTO OF THE HT CHINA RESTRUCTURING AGREEMENT**

As set out in this announcement, after Hao Tian China has paid the Deposit, it shall be responsible for the operation Fujian Nuoqi's business and shall provide the necessary funding to Fujian Nuoqi according to the actual operation need of Fujian Nuoqi.

The Board considers that, with the continuous improvement in the income of PRC individuals, the demand for retail products and consumer spending in general will continue to rise. With the Group providing management and strategic solutions to Fujian Nuoqi during the Reorganisation, the Group considers that, in addition to offering a diversification of the Group's business, the entering into of the HT China Restructuring Agreement provides the Group with a platform to benefit from the growth of the PRC consumer market so as to broaden the Group's income stream.

Based on the above, the Directors consider that the terms of the HT China Restructuring Agreement are fair and reasonable, and in the interests of the Company and its Shareholders as a whole.

## **POSSIBLE OFFERS**

Pursuant to Rule 26.1 of the Takeovers Code, subject to and upon Completion, the Offerors will be required to make mandatory unconditional cash offers for all the issued Domestic Shares and H shares of Fujian Nuoqi not already owned or agreed to be acquired by any of them and parties acting in concert with any of them. For details of the possible mandatory unconditional cash offers, please refer to the joint announcement of the Company, Fujian Nuoqi and the Offerors dated 27 July 2016.

## **IMPLICATIONS UNDER THE LISTING RULES**

As one or more of the applicable percentage ratios (as defined in the Listing Rules) exceeds 5% and all the applicable percentage ratios are less than 25%, the transactions contemplated under the HT China Restructuring Agreement and the possible offers for the Domestic Shares and the H shares of Fujian Nuoqi constitute a discloseable transaction of the Company and are therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As none of the Directors are regarded as having a material interest in the Share Transfer, the HT China Restructuring Agreement or the transactions contemplated under the HT China Restructuring Agreement, none of the Directors are required to abstain from voting on the Board resolution approving the Share Transfer, the HT China Restructuring Agreement and the transactions contemplated thereunder.

**As Completion is subject to the fulfilment of certain conditions, the Share Transfer, the transactions contemplated under the HT China Restructuring Agreement and/or the Offers may or may not proceed. Shareholders and investors should exercise caution when dealing in the securities of the Company.**

## **DEFINITION**

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

|                 |   |
|-----------------|---|
| “Administrator” | the administrator of Fujian Nuoqi appointed by the Quanzhou Court on 1 April 2015 who would be responsible for, among other matters, taking possession and control over the assets and company chop of Fujian Nuoqi, deciding on Fujian Nuoqi’s internal administrative affairs and managing assets of Fujian Nuoqi |
| “Approval(s)”   | the necessary approval(s) from the Department of Commerce of Fujian Province in relation to the Domestic Share Adjustment and the implementation of the Reorganisation Proposal by Hao Tian China   |



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|-----------------------------|--|
| “Assets”                    | Fujian Nuoqi’s assets which included, among others, land use rights, properties and other office equipment, these assets shall be retained by Fujian Nuoqi for its future business operations              |
| “Assets Investment Sum”     | a sum of RMB70,583,125.05  |
| “Board”                     | the board of Directors   |
| “Change of Investor”        | the participation of Hao Tian China in the restructuring of Fujian Nuoqi, in replacement of Romaster (Tianjin), as the party responsible for the restructuring (重組方) under the Reorganisation Proposal     |
| “Company”                   | Hao Tian Development Group Limited, a company incorporated in the Cayman Islands and the shares of which are listed on the Main Board of the Stock Exchange (Stock code: 474)                              |
| “Completion”                | completion of the HT China Restructuring Agreement   |
| “Director(s)”               | director(s) of the Company   |
| “Domestic Share(s)”         | the domestic invested share(s) in the share capital of Fujian Nuoqi with a nominal value of RMB0.20 each, which are held in Renminbi   |
| “Domestic Share Adjustment” | the adjustment in the number of Domestic Share(s) held by holders of the Domestic Shares through reorganisation procedures in accordance with the PRC laws   |
| “Domestic Share Offer”      | the possible mandatory unconditional cash offer to be made by Hao Tian China for all Domestic Shares not already owned or agreed to be acquired by the Offeror Group in accordance with the Takeovers Code |

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|---------------------------|---|
| “Fujian Nuoqi”            | Fujian Nuoqi Co., Ltd. (福建諾奇股份有限公司), a joint stock limited liability company incorporated under the laws of the PRC and the H shares of which are listed on the Main Board of the Stock Exchange (Stock code: 1353)   |
| “Group”                   | the Company and its subsidiaries  |
| “Hao Tian China”          | 昊天投資(中國)有限公司 (Hao Tian Investment (China) Company Limited*), a company established in the PRC with limited liability on 6 July 2012, and an indirect wholly-owned subsidiary of the Company   |
| “Hao Tian Corporation”    | Hao Tian Corporation Limited (昊天商貿有限公司), a company incorporated in Hong Kong with limited liability on 29 July 2013, and an indirect wholly-owned subsidiary of the Company   |
| “HK\$”                    | Hong Kong dollars, the lawful currency of Hong Kong   |
| “Hong Kong”               | the Hong Kong Special Administrative Region of the PRC  |
| “H Share Offer”           | the possible mandatory unconditional cash offer to be made by Altus Investments Limited, a licensed corporation licensed to carry on Type 1 (dealing in securities) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), on behalf of Hao Tian Corporation for all the H shares of Fujian Nuoqi not already owned by or agreed to be acquired by the Offeror Group in accordance with the Takeovers Code |
| “HT China Investment Sum” | the aggregate sum payable by Hao Tian China pursuant to the HT China Restructuring Agreement, being RMB150,583,125.05   |

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|------------------------------------|---|
| “HT China Restructuring Agreement” | the HT China Restructuring Agreement entered into between Fujian Nuoqi and Hao Tian China on 22 July 2016 pursuant to which Hao Tian China conditionally agreed to participate in the restructuring of Fujian Nuoqi, details of which are set out in the section headed “The HT China Restructuring Agreement” in this announcement   |
| “Irrevocable Undertakings”         | irrevocable and unconditional undertakings to be issued by the shareholders of Fujian Nuoqi in respect of not less than 81,910,000 Domestic Shares, in aggregate to the satisfaction of Hao Tian China, whereby each of such shareholders would undertake that he/she/it (i) will not accept the Domestic Share Offer for his/her/its Domestic Shares or any part thereof; (ii) will not take any action to make any of his/her/ its Domestic Shares available for acceptance for the Domestic Share Offer or any part thereof; and (iii) will not sell, transfer, assign or dispose of to any person, or create any charge, pledge, lien or other encumbrances whatsoever in respect of those Domestic Shares or any part thereof prior to the close of the Offers |
| “Listing Rules”                    | the Rules Governing the Listing of Securities on the Stock Exchange   |
| “Offeror Group”                    | the Offerors, their ultimate beneficial owners and parties acting in concert with any of them   |
| “Offerors”                         | Hao Tian China and Hao Tian Corporation   |
| “Offers”                           | the Domestic Share Offer and the H Share Offer  |
| “PRC”                              | the People’s Republic of China and for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan  |
| “Reorganisation”                   | the reorganisation of Fujian Nuoqi to be carried out in accordance with the Reorganisation Proposal   |

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| “Reorganisation Proposal” | the proposal in relation to the Reorganisation, which was approved at the creditors’ meeting and the meeting of holders of Domestic Shares held on 27 January 2016, and by the Quanzhou Court on 1 February 2016 |
| “Resumption Conditions”   | the conditions imposed by the Stock Exchange for the resumption of trading in the shares of Fujian Nuoqi, details are set out in the announcement of Fujian Nuoqi dated 14 November 2014                         |
| “Romaster (Tianjin)”      | 羅馬世家(天津)服裝服飾銷售有限公司 (Romaster (Tianjian) Clothing Accessory Sale Company Limited*), the previous proposed investor of the Reorganisation Proposal   |
| “RMB”                     | Renminbi, the lawful currency of the PRC   |
| “Share(s)”                | ordinary shares in the share capital of the Company with a nominal value of HK\$0.01 each  |
| “Shareholder(s)”          | holder(s) of the Share(s)  |
| “Share Investment Sum”    | a sum of RMB80,000,000 payable by Hao Tian China in consideration for the transfer of 311,504,940 Domestic Shares  |
| “Share Transfer”          | the transfer of 311,504,940 Domestic Shares, representing 51% of the equity interest in Fujian Nuoqi, to Hao Tian China by the Administrator under the HT China Restructuring Agreement                          |
| “Stock Exchange”          | The Stock Exchange of Hong Kong Limited  |

“Takeovers Code” the Hong Kong Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong

“%” per cent.

*The English names of Chinese entities marked with “\*” are translations of their Chinese names and are included in this announcement for identification purpose only, and should not be regarded as their official English translation. In the event of any inconsistency, the Chinese name prevails.*

*For illustration purpose only, certain amount denominated in Renminbi have been translated into Hong Kong dollars at an exchange rate of RMB0.85952 = HK\$1.00. Such conversions shall not be construed as representations that amounts in Renminbi were or may have been converted into Hong Kong dollars at such rates or any other exchange rate or at all.*

By order of the Board  
**Hao Tian Development Group Limited**  
**Fok Chi Tak**  
*Executive Director*

Hong Kong, 27 July 2016

*As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Xu Hai Ying, Dr. Zhiliang Ou, JP (Australia) and Mr. Fok Chi Tak and three independent non-executive Directors, namely Mr. Chan Ming Sun Jonathan, Mr. Lam Kwan Sing and Mr. Lee Chi Hwa, Joshua.*

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