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ENTERPRISE DEVELOPMENT HOLDINGS LIMITED

企展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1808)

INVESTMENT IN JOINT GLOBAL LIMITED

On 15 September 2015 (after trading hours), the Group together with the HEC Shareholders entered into the Agreement, pursuant to which Lofty Swan, a wholly-owned subsidiary of the Company, agreed to transfer 8,000,000 shares in HEC to Joint Global in exchange for 8,000,000 shares in the capital of Joint Global.

Immediately upon completion of the Agreement, Joint Global held 281,200,000 HEC Shares, representing approximately 26.96% issued share capital of HEC and the Group held approximately 2.84% direct equity interests in Joint Global. As such, the Group's underlying beneficial interests in HEC remained the same at approximately 0.77%, which the Group, through Lofty Swan, held 8,000,000 HEC Shares, representing approximately 0.77% direct equity interests in HEC immediately before the completion of the Agreement.

Reference is made to (i) the announcement of Enterprise Development Holdings Limited (the "**Company**") dated 8 October 2014 in relation to the subscription of 8,000,000 shares in HEC; (ii) the interim report of the Company for the six months ended 30 June 2016 and (iii) the annual report of the Company for its financial year ended 31 December 2015.

THE AGREEMENT

On 15 September 2015 (after trading hours), Lofty Swan, a wholly-owned subsidiary of the Company, the HEC Shareholders and Joint Global, entered into the Agreement, in relation to, among others, the transfer (or to procure the transfer) of collectively 281,200,000 HEC Shares (representing 26.96% of the issued share capital of HEC at the material time) to Joint Global in exchange for the same respective shares in Joint Global. Details of the Agreement are set out below:

Date: 15 September 2015

Parties:

- (a) Lofty Swan
- (b) some of the then shareholders of HEC (the “**HEC Shareholders**”)
- (c) Joint Global

To the best of the Directors’ knowledge, information, belief and having made all reasonable enquiries, Joint Global and the HEC Shareholders were third parties independent of the Company and were not connected persons of the Company.

Subject matter

Pursuant to the Agreement, Lofty Swan and the HEC Shareholders agreed to transfer (or procure the transfer by their respective nominee(s)) collectively 281,200,000 HEC Shares to Joint Global in exchange for a total of 281,200,000 Joint Global Shares to be allotted and issued by Joint Global to Lofty Swan and the HEC Shareholders in proportion to their respective equity interests in HEC on a 1:1 basis.

According to the Agreement, Lofty Swan is required to transfer 8,000,000 HEC Shares, which were previously booked as available-for-sale investment in Lofty Swan; and Joint Global should allot and issue 8,000,000 shares in the capital of Joint Global to Lofty Swan. No cash contribution by Lofty Swan nor the HEC Shareholders was required under the Agreement.

Completion

Completion of the Agreement took place on 2 October 2015 and an aggregate of 281,200,000 HEC Shares were transferred to Joint Global by Lofty Swan and the HEC Shareholders.

Immediately upon completion of the Agreement, 8,000,000 HEC Shares held by Lofty Swan were transferred to Joint Global while 8,000,000 Joint Global Shares were allotted and issued as fully-paid shares to Lofty Swan, representing approximately 2.84% direct interest of the entire issue share capital of Joint Global in the material time. Lofty Swan indirectly held 0.77% beneficial interest in HEC given that HEC is directly owned as to approximately 26.96% by Joint Global immediately upon completion of the Agreement.

The Group’s investment in Joint Global is classified as the Group’s available-for-sale investment and is measured at cost less impairment at the end of the reporting period. The Group did not record any gain or loss upon completion of the Agreement.

INFORMATION ABOUT JOINT GLOBAL

Joint Global is a limited liability company incorporated in the Republic of the Marshall Islands in September 2015 as an investment vehicle solely to hold HEC Shares previously owned by Lofty Swan and the HEC Shareholders and such other activities incidental thereto. As Joint Global was newly incorporated, no financial statements of Joint Global was available at the date of the Agreement.

REASONS FOR ENTERING INTO THE AGREEMENT

The purpose of entering into the Agreement was to formalize the intention of Lofty Swan and HEC Shareholders to co-ordinate their efforts and to exert the maximum effect and influence on the affairs of HEC. In particular, those decisions that would require the approval of the HEC's shareholders.

Pursuant to the Agreement, unless otherwise agreed in writing by the HEC Shareholders and Lofty Swan (or any holder of share(s) in Joint Global who became party to the Agreement) (the "**Joint Global Partners**") holding in aggregate 100% of the voting rights of Joint Global, Joint Global shall solely engage in investment holding of shares in HEC and such activities that are wholly incidental thereto.

In addition, the Agreement also specified certain reserved matters, among others, (i) the incurrence of any indebtedness with any third party exceeding the sum of US\$1,000,000; (ii) the incurrence of any capital expenditure which would, in any 12-month period, exceed US\$1,000,000; (iii) the entering into of a contract, engagement or transaction, or any amendment to any contract, engagement or transaction already entered into, with Lofty Swan, the HEC Shareholders or its affiliate(s) other than in the ordinary and usual course of business on an arm's length basis and on fair and reasonable commercial terms, that shall not take place without the passing of a resolution of the Joint Global Partners holding 50.01% of the votes of the shares in Joint Global entitled to vote.

As at the time of entering into the Agreement, the shareholding of the HEC Shareholders or Lofty Swan in Joint Global ranging from less than 1% to approximately 20.20%, no one has significant influence or absolute advantage against the others when passing a resolution/ making a decision of Joint Global. The rights and interest of each of the HEC Shareholders and Lofty Swan are being governed and protected by the Agreement.

In accordance with the memorandum and articles of association of HEC, the variation of rights attached to shares, reduction of capital, removal of directors and fixing of their remuneration, declaration of dividend, winding up, change of company name and amendment to the memorandum and articles of association should be approved by the shareholders of HEC.

To conclude, there was a two tier decision making mechanism among Joint Global and HEC. The board of directors of Joint Global should first seek for the approval from the Joint Global Partners pursuant to the Agreement and subsequently to vote for and on behalf of Joint Global in respect of the relevant resolutions. As the HEC Shareholders and Lofty Swan collectively held 26.96% interests (which is equivalent to 26.96% voting rights at the material time) in HEC which with a comparative higher influential power for the HEC Shareholders and Lofty Swan to act individually.

While it is true that the Group's interest in Joint Global remains small but a synergy effects can be achieved by pooling the interest among the others together. Furthermore, the Company believed that to collaborate with the HEC Shareholders, being a group of other listed entities with the purpose of coordinating efforts with respect to the affairs of HEC and with a significantly larger shareholding will be beneficial to the Group's interest.

The Board considered that the terms of the Agreement were negotiated at arm's length basis and on normal commercial terms, which were fair and reasonable and in the interests of the Company and its Shareholders as a whole.

The Directors also considered that the transaction contemplated under the Agreement was purely a re-arrangement of its investment in HEC which involved the insertion of a shelf company between Lofty Swan and HEC and, in substance, (i) the Group neither dispose of any assets nor acquire any new assets in HEC or Joint Global under the Agreement; and (ii) the percentage of underlying beneficial interest in HEC being held by Lofty Swan remains unchanged (i.e. 0.77%) prior to and immediately upon completion of the Agreement.

GENERAL

The principal activity of the Company is investment holding and the principal activities of the Group are engaged in the provision of integrated business software solutions, trading of listed securities and mobile marketing business.

DEFINITIONS

“Agreement”	the agreement dated 15 September 2015 entered into between Lofty Swan, Joint Global and some of the other shareholders of HEC at the material time in relation to the transfer of shares in the capital of HEC to Joint Global and the allotment and issue of shares in the capital of Joint Global
“Board”	the board of Directors
“BVI”	the British Virgin Islands
“Company”	Enterprise Development Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“HEC”	HEC Capital Limited (中南融資有限公司), a company incorporated in the Cayman Islands with limited liability
“HEC Group”	HEC and its subsidiaries
“HEC Shares”	ordinary shares of HK\$0.10 each in the share capital of HEC
“Hong Kong”	Hong Kong Special Administration Region of the People's Republic of China

“Joint Global”	Joint Global Limited, a company incorporated in the Republic of Marshall Islands with limited liability
“Joint Global Shares”	new share(s) of Joint Global allotted and issued to the HEC Shareholders and Lofty Swan pursuant to the Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Lofty Swan”	Lofty Swan Investments Limited, a company incorporated in BVI with limited liability, a wholly-owned subsidiary of the Company
“Shareholders”	holders of the Shares
“Shares”	ordinary shares of HK\$0.10 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

On behalf of the Board
Enterprise Development Holdings Limited
Lam Kai Tai
Chairman

Hong Kong, 30 November 2016

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Lam Kai Tai (Chairman), Mr. Kwok Ho On Anthony and Mr. Wong Ho Sing, and three independent non-executive Directors, namely Mr. Yau Yan Ming Raymond, Ms. Hu Gin Ing and Mr. Liu Kam Lung.