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FIRST MOBILE GROUP HOLDINGS LIMITED
(第一電訊集團有限公司)*

(incorporated in the Cayman Islands with limited liability)

(Stock code: 865)

- AMENDMENTS TO THE PROPOSED RESTRUCTURING,
WHICH COMPRISES**
- (1) PROPOSED CAPITAL REORGANISATION;**
 - (2) CREDITORS SCHEMES;**
 - (3) PROPOSED OPEN OFFER OF OFFER SHARES
ON THE BASIS OF
TWO OFFER SHARES FOR EVERY ONE NEW SHARE
HELD ON OPEN OFFER RECORD DATE;**
 - (4) PROPOSED SUBSCRIPTION OF SUBSCRIPTION SHARES
UNDER SPECIFIC MANDATE;**
 - (5) VERY SUBSTANTIAL ACQUISITION
IN RELATION TO THE ACQUISITION OF THE TARGET GROUP;**
 - (6) REVERSE TAKEOVER INVOLVING A NEW LISTING APPLICATION;**
 - (7) APPLICATION FOR WHITEWASH WAIVER; AND**
 - (8) SPECIAL DEAL**

Financial adviser to the Company



* For identification purpose only

AMENDMENTS TO THE PROPOSED RESTRUCTURING

On 31 March 2014, the Company terminated the acquisition agreement with Energy Industry and Julong Management Shareholders and the agreement with Decent Glory Limited, the sole shareholder of Apex Ocean with immediate effect.

On 11 April 2014, the Listing Committee issued a letter to the Company stating that the third delisting stage had expired on 19 December 2012 and the Company had failed to submit the application within the final deadline imposed by the Listing Committee. Accordingly, the Listing Committee decided to cancel the listing of the Company's shares on the Stock Exchange under Practice Note 17 to the Listing Rules.

On 24 April 2014, the Company submitted a request for review of the Listing Committee Decision under Chapter 2B of the Listing Rules, and the Listing (Review) Committee will review the Listing Committee Decision on 2 September 2014 pursuant to Chapter 2B of the Listing Rules.

ACQUISITION AGREEMENT

To continue with the Resumption Proposal, the Company has identified a new target company and entered into the Acquisition Agreement on 31 March 2014 with the Vendors, pursuant to which the Company will acquire the Sale Equity Interest. Upon completion of the reorganisation of the Target Group, the Target Group will hold interest in certain real estate projects in Yangzhou, Jiangsu Province and Quanzhou, Fujian Province in the PRC.

Pursuant to the Acquisition Agreement, the Company will carry out the Proposed Restructuring which will now comprise: (i) the Capital Reorganisation; (ii) the Creditors Schemes; (iii) the Open Offer; (iv) the Subscription; (v) the Acquisition; (vi) the Working Facility Capitalisation; and (vii) the Disposal.

PROPOSED CAPITAL REORGANISATION

The Board proposes to implement, subject to the approval by the Shareholders, the Capital Reorganisation. The Capital Reorganisation will comprise: (i) the Capital Reduction; (ii) the Share Premium Cancellation; (iii) the Share Consolidation; (iv) the Authorised Share Capital Cancellation; and (v) the Authorised Share Capital Increase.

CREDITORS SCHEMES

The Creditors Schemes have been approved by the creditors at the creditors meeting held on 21 December 2010 and sanctioned by the High Court on 8 February 2011 and the Grand Court on 28 April 2011, respectively as stated in the announcements of the Company dated 14 February and 6 May 2011 respectively. Subject to any approvals/consents in respect of any modifications to the Creditors Schemes (as necessary) having been obtained, the Creditors Schemes will become legally binding on the Company and its creditors upon fulfilment of the conditions to be set out in the Subscription Agreements and upon the filing of the orders of the High Court and the Grand Court with the relevant companies registries in Hong Kong and the Cayman Islands respectively.

As of the date of this announcement, the Creditors Schemes have not come into effect.

THE OPEN OFFER

To enable the existing Shareholders to participate in the Proposed Restructuring, the Company proposes to undertake the Open Offer on the basis of two Offer Shares for every one New Share held by the Qualifying Shareholders on the Open Offer Record Date. A total of 389,199,312 Offer Shares will be allotted and issued by the Company to the Qualifying Shareholders and/or the underwriter of the Open Offer at the Offer Price of HK\$0.10 for each Offer Share. The Open Offer will be conditional upon completion of the Proposed Restructuring.

THE SUBSCRIPTION

The Company proposes to enter into the following Subscription Agreements (in place of the existing TB Option Agreement and FA Option Agreement):

- (a) a supplemental agreement with Jinwu Limited to amend the terms of the Original Subscription Agreement such that Jinwu Limited will now subscribe for 954,694,714 Subscription Shares at the subscription price of HK\$0.155 per Subscription Share for a total subscription amount of approximately HK\$148.0 million (instead of HK\$162.0 million);
- (b) a supplemental deed with Time Boomer to amend the terms of the TB Option such that Time Boomer shall now be entitled to subscribe for 83,870,968 New Shares (instead of 74,285,714 New shares) at a total exercise price of HK\$13 million, or HK\$0.155 per New Share; and
- (c) a termination deed with First Apex terminating the FA Option and a new option deed with First Apex pursuant to which the Company will now grant to First Apex an option to subscribe for 129,032,258 New Shares (instead of 114,285,714 convertible preference shares convertible into 114,285,714 New Shares) at a total exercise price of HK\$20 million or approximately HK\$0.155 per New Share.

The completion of the Subscription, the Acquisition and the Open Offer, which form part of the Proposed Restructuring, will be inter-conditional to each other.

Further announcement will be made when the parties have entered into the Subscription Agreements.

THE ACQUISITION

Under the Acquisition Agreement, the Company will purchase from the Vendors the Sale Equity Interest. Upon the completion of Acquisition, the Target Group will become wholly owned subsidiaries of the Company.

The Consideration is approximately HK\$817.0 million and was arrived at after arm's length negotiations between the parties to the Acquisition Agreement and was determined by reference to (i) the unaudited combined net asset value of the Target Group as at 31 December 2013, being approximately RMB480.0 million assuming the related capitalisation of debts having been completed; (ii) the development prospects of the Target Group; and (iii) the management's assessment on the value of the property interests held by the Target Group, based on publicly available information from, amongst other sources, Land and Resources Bureau of Yangzhou (揚州國土資源局) (in respect of auction prices of land parcels in Yangzhou), Soufun Holdings Limited (in respect of historical selling prices of Binjiang International Project (one of the residential projects of the Target Group)), as well as information provided by the Vendor including but not limited to description of the residential projects held by the Target Group and the gross floor area remains for selling in the future.

The Consideration shall be satisfied by the issuance and allotment of the Consideration Shares at the Consideration Price of HK\$0.20 each upon the completion of the Acquisition.

IMPLICATIONS UNDER THE LISTING RULES

The Acquisition constitutes a very substantial acquisition and a reverse takeover for the Company under Chapter 14 of the Listing Rules and therefore subject to the reporting, announcement and shareholders' approval requirements pursuant to the Listing Rules and also approval of the new listing application by the Company by the Listing Committee.

As the Open Offer will increase the issued share capital of the Company by more than 50%, pursuant to Rule 7.24(5) of the Listing Rules, the Open Offer will be subject to the approval by the Shareholders at the EGM by way of poll. The Existing Controlling Shareholders are collectively interested in 1,349,566,292 Shares, representing approximately 69.4% of the issued share capital of the Company as at the date of this announcement, will abstain from voting in favour of the resolution(s) to be proposed at the EGM to consider and, if thought fit, approve the Open Offer.

Save as disclosed above, to the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, none of the other Shareholders and its associates has to abstain from voting on any resolutions to be proposed at the EGM.

The Company will apply to the Stock Exchange for the listing of and permission to deal in the Offer Shares, the Consideration Shares and the Subscription Shares.

IMPLICATIONS UNDER THE TAKEOVERS CODE

Whitewash Waiver

As at the date of this announcement, the Concert Group does not own or control any existing Shares, convertible securities, warrants, options or derivatives in respect of the existing Shares. Upon the Completion, the Concert Group will, in aggregate, hold approximately 70.0% of the share capital of the Company after the Capital Reorganisation and as enlarged by the Offer Shares, the Subscription Shares and the Consideration Shares.

As such, the Concert Group would be required to make a mandatory general offer for all the issued shares of the Company (not already owned or agreed to be acquired by the Concert Group) under Rule 26.1 of the Takeovers Code, unless a waiver from strict compliance with Rule 26.1 of the Takeovers Code is granted by the Executive.

The Vendors will make an application to the Executive for the granting of the Whitewash Waiver pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code. The Whitewash Waiver, if granted by the Executive, would be subject to, among other things, the approval of the Independent Shareholders at the EGM by way of poll, in which parties of the Concert Group and those who are involved in or interested in the Proposed Restructuring will abstain from voting on the relevant resolution(s). If the Whitewash Waiver is granted by the Executive, the Concert Group will not be required to make a mandatory offer which would otherwise be required as a result of the acquisition of the Consideration Shares. The Executive may or may not grant the Whitewash Waiver. If the Whitewash Waiver is not granted, the Acquisition Agreement will lapse.

The Disposal

As set out in this announcement under the section headed “Conditions precedent to the Acquisition Agreement”, the Company will dispose of certain of its subsidiaries to some or all of the Existing Controlling Shareholders or their nominee(s). The consideration for the Disposal is undetermined as at the date of this announcement but it shall be based on the estimated proforma net tangible asset value of the Retained Subsidiaries (as a group) as of the latest practicable month end date before the date of Completion, by reference to a proforma consolidated statement of financial position of the Retained Subsidiaries reviewed or audited by a qualified auditor. The Disposal will not be extended to other existing Shareholders. Therefore, the Disposal constitutes a special deal under Note 4 to Rule 25 of the Takeovers Code, and requires the consent of the Executive. An application will be made to the Executive for consent under Rule 25 of the Takeovers Code for the Disposal.

The Executive will normally consent to a special deal under Note 4 to Rule 25 of the Takeovers Code provided that (i) the independent financial adviser to the Independent Shareholders publicly states that in his opinion the terms of the Disposal are fair and reasonable; and (ii) the Disposal is approved by the Independent Shareholders at the EGM by way of poll.

Shareholders who are involved in or interested in the Disposal (which forms part of the Proposed Restructuring), and their associates, will be required to abstain from voting on the relevant resolutions to be proposed at the EGM.

Depending on the size of the Disposal to the Company, when a formal agreement regarding the Disposal is entered into, the Disposal may be subject to the requirements under Chapter 14 and Chapter 14A of the Listing Rules. Further announcement will be made by the Company once the terms of the Disposal have been determined and the relevant definitive agreement entered into between the parties.

APPOINTMENT OF FINANCIAL ADVISER AND INDEPENDENT FINANCIAL ADVISER

Asian Capital has been appointed as the financial adviser to the Company in relation to the Proposed Restructuring.

Currently, the Company has no non-executive Directors and independent non-executive Directors. As such, no independent board committee could be formed to make recommendations to the Independent Shareholders in respect of voting on the resolutions to approve the Capital Reorganisation, the Open Offer, the Subscription, the Acquisition Agreement, the Whitewash Waiver, the Disposal and the transactions contemplated thereunder by way of a poll at the EGM.

The Company will appoint an independent financial adviser to advise the Independent Shareholders in accordance with the requirements under the Listing Rules and the Takeovers Code. Further announcement will be made by the Company upon the appointment of the independent financial adviser.

EXPECTED DATE OF DESPATCH OF THE CIRCULAR AND APPLICATION FOR WAIVER FROM STRICT COMPLIANCE WITH THE TAKEOVERS CODE AND THE LISTING RULES

A circular containing, among other things, (i) details of the Acquisition; (ii) information about the Open Offer; (iii) information about the Subscription; (iv) information about the business of the Target Group; (v) the Whitewash Waiver; (vi) the special deal in respect of the Disposal; (vii) a letter of advice from the independent financial adviser to the Independent Shareholders; and (viii) a notice of EGM will be despatched to the Shareholders as soon as possible.

The Company will despatch the Circular in accordance with the applicable requirements under the Listing Rules and the Takeovers Code.

Under Rule 14.60(7) of the Listing Rules, the Company is required to despatch the circular in relation to a very substantial acquisition within 15 Business Days after the publication of the announcement. Under Rule 8.2 of the Takeovers Code, the Company is required to despatch to Shareholders a circular in respect of, amongst others, the terms of the Acquisition and the Whitewash Waiver within 21 days from the date of publication of this announcement, that is, on or before 12 September 2014.

As the Resumption Proposal and the Company's new listing application are subject to approval by the Stock Exchange, it is expected that more time may be needed for the Stock Exchange to approve the Company's new listing application and for the preparation of the Circular, which is expected to be despatched on or before 31 December 2014.

As such, the Company will apply to the Executive pursuant to Rule 8.2 of the Takeovers Code for its consent to extend the time limit for the despatch of the Circular and the Company will make further announcement on the expected date of despatch of the Circular.

Shareholders and potential investors should note that the Acquisition, the Open Offer, the Subscription, the Whitewash Waiver and the Disposal are subject to various conditions which may or may not be fulfilled, in particular, whether the Listing (Review) Committee will overturn the Listing Committee Decision and whether the Stock Exchange will allow the Acquisition and accompanying transactions to proceed. There is therefore no assurance that any of these transactions will proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

CONTINUING SUSPENSION OF TRADING IN THE SHARES

Dealing in the shares of the Company on the Main Board of the Stock Exchange has been suspended since 27 November 2009 and will remain suspended until further notice.

The publication of this announcement does not indicate any decision or conclusion from the Stock Exchange nor warrant any approval from the Stock Exchange on the resumption of trading in Shares. The Company will keep the public informed of the latest development by making further announcements as and when appropriate.

AMENDMENTS TO THE PROPOSED RESTRUCTURING

Reference is made to the joint announcements of the Company and Jinwu Limited dated 16 September 2010 and 30 September 2010, and the announcements of the Company dated 14 July 2011, 14 February 2012, 21 December 2012, 18 January 2013, 24 June 2013, 19 July 2013, 23 August 2013, 27 September 2013, 2 December 2013, 9 January 2014 and 26 February 2014 in relation to, among other things, the Proposed Restructuring.

As set out in the aforementioned announcements and the Company's interim report for the six months ended 30 June 2013, the Company entered into an acquisition agreement with Energy Industry and the Julong Management Shareholders, and an option agreement with Apex Ocean, pursuant to which the Company agreed to acquire 57.55% equity interest in Julong and a call option to acquire the remaining 42.45% equity interest in Julong respectively. On 30 July 2013, the Company further entered into (i) a deed of termination with Apex Ocean to terminate the option agreement, and (ii) an agreement with Decent Glory Limited in respect of the acquisition of the entire issued share capital of Apex Ocean (instead of acquiring the remaining equity interest of Julong pursuant to the option agreement). The agreement with Energy Industry and the Julong Management Shareholders and the agreement with Decent Glory Limited will result in the Company acquiring the entire equity interest of Julong.

The Listing Committee by its letter dated 27 September 2013 informed the Company that it has decided to grant a final extension to 31 March 2014 for the Company to submit the new listing application of Julong. The Listing Committee has also decided that if the Company fails to submit the new listing application by 31 March 2014 or the Resumption Proposal fails to proceed for any reasons, the Stock Exchange will cancel the listing of the Shares on the Stock Exchange.

Subsequent to the entering into of the agreements and in the course of preparing for the new listing application, certain regulatory issues relating to the Julong Group were identified. As the regulatory issues have yet to be resolved, the Company has not been able to make the new listing application to the Stock Exchange by 31 March 2014.

Given the substantial effort already spent in resolving those regulatory issues regarding the Original Acquisition and the lack of results so far, the Directors consider that it is not in the interests of the Company and its Shareholders as a whole to continue with the Original Acquisition for the purpose of seeking a resumption of trading of the Shares. Accordingly, on 31 March 2014, the Company terminated the acquisition agreement with Energy Industry and Julong Management Shareholders and the agreement with Decent Glory Limited, the sole shareholder of Apex Ocean with immediate effect. Upon termination of the two agreements, no party shall have any claim against the other parties. Apart from the Original Acquisition, proposals of an open offer and a subscription of New Shares by the Subscribers were previously announced by the Company. As a result of the replacement of the Original Acquisition by the Acquisition, supplemental agreements will be entered into to amend the terms of the open offer and the subscription, including the Offer Price, the Subscription Price and the number of New Shares to be issued by the Proposed Restructuring as set out in this announcement.

As such, the Company made a submission to the Stock Exchange on 31 March 2014 to seek its permission to proceed with the Proposed Restructuring with the Acquisition in place of the Original Acquisition.

On 11 April 2014, the Listing Committee issued a letter to the Company stating that the third delisting stage had expired on 19 December 2012 and the Company had failed to submit the application within the final deadline imposed by the Listing Committee. Accordingly, the Listing Committee decided to cancel the listing of the Company's shares on the Stock Exchange under Practice Note 17 to the Listing Rules.

On 24 April 2014, the Company has submitted a request for review of the Listing Committee Decision under Chapter 2B of the Listing Rules, and the Listing (Review) Committee will review the Listing Committee Decision on 2 September 2014 pursuant to Chapter 2B of the Listing Rules.

ACQUISITION AGREEMENT

To continue with the Resumption Proposal, the Company has identified a new target company and entered into the Acquisition Agreement on 31 March 2014 with the Vendors, pursuant to which the Company will acquire the Sale Equity Interest. Upon completion of the reorganisation of the Target Group, the Target Group will hold interest in certain real estate projects in Yangzhou, Jiangsu Province and Quanzhou, Fujian Province in the PRC.

Pursuant to the Acquisition Agreement, the Company will carry out the Proposed Restructuring which will now comprise: (i) the Capital Reorganisation; (ii) the Creditors Schemes; (iii) the Open Offer; (iv) the Subscription; (v) the Acquisition; (vi) the Working Facility Capitalisation; and (vii) the Disposal, details of which are set out below.

PROPOSED CAPITAL REORGANISATION

As stated in the announcements made by the Company dated 16 September 2010, 30 September 2010, and 14 February 2012, respectively, the Board proposes to implement, subject to the approval by the Shareholders, the Capital Reorganisation. The Capital Reorganisation will comprise:

- (i) the Capital Reduction — the par value of the existing issued Shares will be reduced from HK\$0.10 to HK\$0.0005 each;
- (ii) the Share Premium Cancellation — upon the Capital Reduction becoming effective, the entire amount standing to the credit of the share premium account of the Company will be cancelled. The credit arising from the Share Premium Cancellation will be applied to set off part of the accumulated losses of the Company as at 31 December 2013. Upon the Share Premium Cancellation becoming effective, the credit arising from the Capital Reduction and the Share Premium Cancellation will be applied to cancel the accumulated losses of the Company with the balance, if any, to be transferred to the distributable reserve of the Company;
- (iii) the Share Consolidation — upon the Share Premium Cancellation becoming effective, every ten (10) existing issued Shares of HK\$0.0005 each will be consolidated into one (1) New Share of HK\$0.005 each;
- (iv) the Authorised Share Capital Cancellation — upon the Share Consolidation becoming effective, all the existing authorised but un-issued Shares will be cancelled in its entirety; and
- (v) the Authorised Share Capital Increase — upon the Authorised Share Capital Cancellation becoming effective, the Company's authorised share capital will be increased to HK\$500,000,000, divided into 100,000,000,000 New Shares of HK\$0.005 each.

Fractional New Shares will be disregarded and not issued to the Shareholders but all such fractional New Shares will be aggregated and, if possible, sold for the benefit of the Company.

Effects of the Capital Reorganisation

Other than the relevant expenses incurred, the implementation of the Capital Reorganisation will not, by itself, alter the underlying assets, liabilities, businesses, operations, management or financial position of the Company and the Group or the rights of the Shareholders.

The following table sets out the effect of the Capital Reorganisation on the share capital of the Company, that is, before and after completion of the Capital Reorganisation:

	Immediately before the Capital Reorganisation	Immediately after the Capital Reorganisation
Nominal value	HK\$0.10	HK\$0.005
Authorised share capital	HK\$300,000,000 divided into 3,000,000,000 Shares	HK\$500,000,000 divided into 100,000,000,000 New Shares
Issued and paid-up share capital	HK\$194,599,656.50 divided into 1,945,996,565 Shares	HK\$972,998.28 divided into 194,599,656 New Shares

Status of the New Shares after the Capital Reorganisation

The New Shares after the Capital Reorganisation will be identical and rank *pari passu* in all respects with each other.

Conditions of the Capital Reorganisation

The implementation of the Capital Reorganisation and the listing of the New Shares are conditional upon:

- (i) the passing of a special resolution by the Shareholders by way of poll at the EGM to approve the Capital Reorganisation;
- (ii) the Grand Court granting an order confirming the Capital Reorganisation;
- (iii) the registration by the Registrar of Companies in the Cayman Islands of a copy of the Grand Court order and the minutes containing the particulars required under the Companies Law;
- (iv) compliance with any conditions imposed by the Grand Court; and
- (v) the Listing Committee granting the listing of, and permission to deal in, the New Shares in issue upon the Capital Reorganisation becoming effective.

Listing and dealings

An application will be made by the Company to the Stock Exchange for the listing of, and the permission to deal in, the New Shares in issue arising from the Capital Reorganisation. Subject to the granting of the listing of, and the permission to deal in, the New Shares on the Stock Exchange, the New Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the New Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any

trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

No part of the equity or debt securities of the Company is listed or dealt in on any other stock exchanges other than the Stock Exchange and no such listing or permission to deal in is being or is currently proposed to be sought from any other stock exchange.

Expected effective date of the Capital Reorganisation

Upon the conditions mentioned above being fulfilled, the Capital Reorganisation will become effective immediately after the registration of the Grand Court order and the minutes as referred to in condition (iii) above. An application will be made to the Grand Court for the approval of the Capital Reorganisation as soon as practicable.

Further announcement(s) will be made to inform the Shareholders of the progress of the matter, including the proposed timetable, the arrangements of the free exchange of the New Share certificates for the existing Share certificates, as and when appropriate.

Reasons for the Capital Reorganisation

The Board considers that the Capital Reorganisation will give greater flexibility to the Company to raise funds through the issue of New Shares in the future. In addition, the credit arising from the Capital Reduction and Share Premium Cancellation will be used to offset the accumulated losses of the Company and the balance, if any, will be transferred to the distributable reserve of the Company to be applied in such manner as and when the Board considers appropriate.

The Capital Reorganisation is subject to the approval of the Shareholders at the EGM and the Capital Reorganisation becoming effective is one of the conditions precedent under the Acquisition Agreement.

CREDITORS SCHEMES

As part of the Proposed Restructuring, the Creditor Schemes shall be effected as follows:

- (1) the Subscription Price in the amount of HK\$162,000,000 shall be made available to the Creditor Schemes for the benefit of the Scheme Creditors;
- (2) the transfer of the Scheme Subsidiaries to Scheme Company or the Scheme Administrators (or their nominees) for the benefit of the Scheme Creditors and, if applicable, creditors of the Scheme Subsidiaries pursuant to the Group Reorganisation;
- (3) all or any claims of the Company in respect of transactions or events incurred up to the date on which the Creditor Schemes become effective against any person (including but not limited to the Scheme Subsidiaries) shall be assigned and/or transferred and/or novated (as the case may be) from the Company to Scheme Company or the Scheme Administrators (or their nominees) for the benefit of the Scheme Creditors upon the Creditor Schemes becoming effective;

- (4) any outstanding claims made or to be made by the Scheme Creditors in respect of transactions or events incurred up to the date on which the Creditor Schemes become effective shall be assigned or transferred to Scheme Company for settlement;
- (5) all or any claims of the Retained Subsidiaries against the Scheme Subsidiaries in respect of transactions or events incurred up to the date on which the Creditor Schemes become effective shall be assigned and/or transferred and/or novated (as the case may be) from the Retained Subsidiaries to Scheme Company or the Scheme Administrators (or their nominees) for the benefit of the Scheme Creditors upon the Creditor Schemes becoming effective; and
- (6) all the indebtedness of the Company as at the date on which the Creditor Schemes become effective shall be compromised and discharged.

The implementation of each of the Creditor Schemes is conditional on Completion. The Company shall be irrevocably released from any indebtedness owing by the Company to its creditors in full on the date on which the Creditor Schemes become effective and, after Completion, no claims shall be made by the Scheme Creditors against the Company in respect of any of the indebtedness of the Company as at the date on which the Creditor Schemes become effective.

The Creditors Schemes have been approved by the creditors at the creditors' meeting held on 21 December 2010 and sanctioned by the High Court on 8 February 2011 and the Grand Court on 28 April 2011, respectively as stated in the announcements of the Company dated 14 February and 6 May 2011. Subject to any approvals/consents in respect of any modification of the Creditors Schemes (as necessary) having been obtained, the Creditors Schemes will become legally binding on the Company and its creditors upon fulfillment of the conditions to be set out in the Subscription Agreements and upon the filing of the orders of the High Court and the Grand Court with the relevant companies registries in Hong Kong and the Cayman Islands respectively.

As of the date of this announcement, the Creditors Schemes have not come into effect.

THE OPEN OFFER

To enable the existing Shareholders to participate in the Proposed Restructuring, the Company proposes to undertake the Open Offer on the basis of two Offer Shares for every one New Share held by the Qualifying Shareholders on the Open Offer Record Date. A total of 389,199,312 Offer Shares will be allotted and issued by the Company to the Qualifying Shareholders and/or the underwriter of the Open Offer at the Offer Price of HK\$0.10 for each Offer Share. The Open Offer will be conditional upon completion of the Proposed Restructuring.

The terms of the proposed Open Offer are set out below:

Issue statistics

Basis of the Open Offer	: Two (2) Offer Shares for every One (1) New Share held by the Qualifying Shareholders on the Open Offer Record Date
Open Offer Price	: HK\$0.10 per Offer Share payable in full upon application
Number of New Shares expected to be in issue as at the Open Offer Record Date	: 194,599,656 New Shares
Number of Offer Shares	: 389,199,312 Offer Shares, representing (i) 20.0% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 6.67% of the issued share capital of the Company upon the completion of the Proposed Restructuring
Enlarged issued share capital upon the completion of the Capital Reorganisation and the Open Offer and before the Subscription and the Acquisition	: 583,798,968 New Shares
Gross proceeds from the Open Offer	: Approximately HK\$38.9 million

Other than the options granted under the TB Option and the FA Option, the Company has no share options, warrants, derivatives or other securities convertible into or exchangeable for the Shares outstanding as at the date of this announcement.

The Company will appoint an underwriter, being an Independent Third Party and not acting in concert with the Concert Group, to fully underwrite the Offer Shares. It is expected that the underwriting agreement will be executed prior to the despatch of the Circular and details of the underwriting agreement will be set out in the Circular. The Company will make further announcement as soon as the underwriting agreement is executed.

THE SUBSCRIPTION

According to the Original Subscription Agreement, Jinwu Limited agreed to subscribe for the New Shares at a total subscription price of HK\$162.0 million.

Pursuant to the Stand-by Facility, Time Boomer and First Apex provided working capital facilities of HK\$13 million and HK\$20 million to the Group respectively. Pursuant to the option deeds entered into between the Company, Time Boomer and First Apex, respectively, the Company agreed to grant: (1) Time Boomer the TB Option to subscribe for 74,285,714

New Shares at an aggregate exercise price of HK\$13 million; and (2) First Apex the FA Option to subscribe for convertible preference shares (convertible into 114,285,714 New Shares) at an aggregate exercise price of HK\$20 million.

Taking into consideration the Acquisition, the Company proposes to enter into the following Subscription Agreements (in place of the existing TB Option Agreement and FA Option Agreement):

- (a) a supplemental agreement with Jinwu Limited to amend the terms of the Original Subscription Agreement such that Jinwu Limited will now subscribe for 954,694,714 Subscription Shares at a subscription price of HK\$0.155 per Subscription Share for a total subscription amount of approximately HK\$148.0 million (instead of HK\$162.0 million);
- (b) a supplemental deed with Time Boomer to amend the terms of the TB Option such that Time Boomer shall now be entitled to subscribe for 83,870,968 New Shares (instead of 74,285,714 New shares) at a total exercise price of HK\$13 million, or HK\$0.155 per New Share; and
- (c) a termination deed with First Apex terminating the FA Option and a new option deed with First Apex pursuant to which the Company will now grant to First Apex an option to subscribe for 129,032,258 New Shares (instead of 114,285,714 convertible preference shares convertible into 114,285,714 New Shares) at a total exercise price of HK\$20 million or approximately HK\$0.155 per New Share.

The completion of the Subscription, the Acquisition and the Open Offer, which form part of the Proposed Restructuring, will be inter-conditional to each other.

Further announcement(s) will be made when the parties have entered into the Subscription Agreements.

REASONS FOR THE OPEN OFFER, THE SUBSCRIPTION AND THE WORKING FACILITY CAPITALISATION AND THE USE OF PROCEEDS

The Open Offer and the Subscription form part of the Resumption Proposal seeking the resumption of trading in the Shares, which has been suspended since 27 November 2009.

The total gross proceeds from the Open Offer and the Subscription, amounts to approximately HK\$219.9 million, and, after excluding the working capital facility of HK\$33.0 million provided to the Group, the net proceeds from the Open Offer and the Subscription amounts to approximately HK\$186.9 million. The net proceeds in the sum of HK\$162.0 million will be paid into the Creditors Scheme, and after deducting the professional fees and expenses, the balance shall be retained as the working capital of the Company after the Completion.

No cash will be generated from the Working Facility Capitalisation as the subscription monies for the subscription of the New Shares by Time Boomer and First Apex will be set off against the amounts due under the TB Loan Agreement and the FA Loan Agreement.

THE ACQUISITION

Under the Acquisition Agreement, the Company will purchase from the Vendors the Sale Equity Interest. Set out below are the salient terms of the Acquisition Agreement:

Parties to the Acquisition Agreement

- (i) the Company, being the purchaser;
- (ii) the Vendors (namely Mr. Shie and Mr. Tsoi); and
- (iii) Mr. Ng Kok Hong, being the purchaser's guarantor.

To the best of the Director's knowledge, information and belief and having made all reasonable enquires, the Vendors are third parties independent of and not connected with, the Company and connected persons of the Company. The Vendors have also confirmed to the Company that no member of the Concert Group is acting in concert with any of the Subscribers and their respective associates. The subscribers are Independent Third Parties of the Company, its connected person and the Vendors.

Asset to be acquired

The asset to be acquired under the Acquisition Agreement is the Sale Equity Interest, being the entire equity interest in China General. As at the date of this announcement, the entire issued share capital of China General is owned as to 45.0% by Mr. Shie and 55.0% by Mr. Tsoi respectively. Upon the completion of Acquisition, the Target Group will become wholly owned subsidiaries of the Company.

The Consideration

The Consideration is approximately HK\$817.0 million and was arrived at after arm's length negotiations between the parties to the Acquisition Agreement and was determined by reference to (i) the unaudited combined net asset value of the Target Group as at 31 December 2013, being approximately RMB480.0 million assuming the related capitalisation of debts having been completed; (ii) the development prospects of the Target Group; and (iii) the management's assessment on the value of the property interests held by the Target Group, based on publicly available information from, amongst other sources, Land and Resources Bureau of Yangzhou (揚州國土資源局) (in respect of auction prices of land parcels in Yangzhou), Soufun Holdings Limited (in respect of historical selling prices of Binjiang International Project (one of the residential projects of the Target Group)), as well as information provided by the Vendors including but not limited to description of the residential projects held by the Target Group and the gross floor area remains for selling in the future.

The Consideration shall be satisfied by the issuance and allotment of the Consideration Shares at the Consideration Price of HK\$0.20 each upon the completion of the Acquisition.

Conditions precedent to the Acquisition Agreement

Conditions precedent to the Acquisition Agreement include, among others, the following which cannot be waived by parties to the Acquisition Agreement:

- (a) the Creditors Schemes becoming effective no later than completion of the Acquisition;
- (b) the entering into of the Subscription Agreements to amend the terms of the Original Subscription Agreement, the FA Option Agreement and the TB Option Agreement;
- (c) signed written consents from the Subscribers having been obtained for the Company to enter into the Acquisition Agreement and the transactions contemplated thereunder;
- (d) written consent from Deloitte Touche Tohmatsu as agent to the participating creditors having been obtained for the Company to enter into the Acquisition Agreement and the transactions contemplated thereunder, if applicable;
- (e) passing of resolutions of the Independent Shareholders at the EGM by way of poll approving (i) the Capital Reorganisation; (ii) the Acquisition Agreement; (iii) the Subscription Agreements; (iv) the Open Offer; (v) the Whitewash Waiver; and (vi) the Disposal;
- (f) the Whitewash Waiver having been granted by the Executive to the Vendors and the Whitewash Waiver not subsequently being revoked or withdrawn;
- (g) special deal (if applicable) in respect of the Disposal having been consented to by the Executive and the conditions (if any) attached (if any) to such consent having been satisfied;
- (h) the Grand Court granting an order confirming the Capital Reorganisation;
- (i) all consents from, and filings with, any government authority or any court or judicial body and other relevant third parties which are required or appropriate necessary for the implementation of the Proposed Restructuring;
- (j) the Company having completed the due diligence review of the legal, financial and business affairs of the Target Group and the results of such review being reasonably satisfactory to the Company;
- (k) the Vendors having completed the due diligence review of the legal, financial and business affairs of the Company and the results of such review being reasonable satisfactory to the Vendors;
- (l) the listing of and permission to deal in all of the New Shares upon completion of the Capital Reorganisation and the New Shares issued and allotted pursuant to the Subscription, the Acquisition and the Open Offer, having been granted by the Listing Committee and such permission not subsequently being revoked or withdrawn;

- (m) submission of a new listing application in respect of the Target Group to the Stock Exchange by the Company and the receipt of the approval in principle from the Listing Committee by the Company and such approval not being subsequently revoked or withdrawn;
- (n) the Shares or the New Shares remain to be listed on the main board of the Stock Exchange;
- (o) the entering into of the agreement for the Disposal and the fulfilment or waiver of all the conditions precedents set out therein;
- (p) where applicable, the Company having received from the Stock Exchange the in-principle approval letter in respect of the amendments to the Proposed Restructuring submitted to the Stock Exchange on 31 March 2014; and
- (q) the Vendors having completed the reorganization in respect of the Target Group to the satisfaction of the Company; and the Target Group shall have the full legal ownership of The Cullinan Bay Project and Binjiang International Project.

Completion of the Acquisition and the issue and allotment for the Consideration Shares, Subscription Shares and Offer Shares will take place simultaneously on the date falling after 5 Business Days upon the fulfilment or waiver of the conditions described above or such other date as agreed between the parties in writing.

Reasons for the Acquisition

The Acquisition forms part of the Resumption Proposal seeking the resumption of trading in the Shares, which has been suspended since 27 November 2009.

Upon the completion of Acquisition, the Group will have a sufficient level of operation while the proceeds from the Open Offer will improve the financial and liquidity position of the Group based on the financial effect of the Proposed Restructuring, details of which are set out in the section headed “Financial effects of the Proposed Restructuring” in this announcement.

The Directors believe that the terms of the Acquisition Agreement are fair and reasonable and in the best interests of the Company and its Shareholders as a whole.

THE OFFER SHARES, THE SUBSCRIPTION SHARES, AND THE CONSIDERATION SHARES

Number of the New Shares

The 389,199,312 Offer Shares to be allotted and issued at the Open Offer Price of HK\$0.10 each represent:

- (i) approximately 200.0% of the issued shares of the Company upon the completion of the Capital Reorganisation;

- (ii) approximately 22.2% of the issued shares of the Company upon the completion of the Capital Reorganisation as enlarged by the allotment and issue of the Offer Shares and the Subscription Shares;
- (iii) approximately 6.7% of the issued shares of the Company upon the completion of the Capital Reorganisation as enlarged by the allotment and issue of the Offer Shares, the Subscription Shares and the Consideration Shares;

The 1,167,597,940 Subscription Shares to be allotted and issued at the Subscription Price of HK\$0.155 each represent:

- (i) approximately 600.1% of the issued shares of the Company upon the completion of the Capital Reorganisation;
- (ii) approximately 200.0% of the issued shares of the Company upon the completion of the Capital Reorganisation as enlarged by the allotment and issue of the Offer Shares and the Subscription Shares;
- (iii) approximately 20.0% of the issued shares of the Company upon the completion of the Capital Reorganisation as enlarged by the allotment and issue of the Offer Shares, the Subscription Shares and the Consideration Shares;

The 4,086,592,787 Consideration Shares to be allotted and issued at the Consideration price of HK\$0.20 each represent:

- (i) approximately 2,100.0% of the issued shares of the Company upon the completion of the Capital Reorganisation;
- (ii) approximately 700.0% of the issued shares of the Company upon the completion of the Capital Reorganisation as enlarged by the allotment and issue of the Offer Shares and the Subscription Shares;
- (iii) approximately 70.0% of the issued shares of the Company upon the completion of the Capital Reorganisation as enlarged by the allotment and issue of the Offer Shares, the Subscription Shares and the Consideration Shares;

Price of the New Shares

The Offer Price of HK\$0.10 each represents:

- (i) a discount of approximately 94.0% to the theoretical quoted price of HK\$1.68 per New Share (the quoted price of HK\$0.168 per Share has been adjusted to reflect the effects of the Capital Reorganisation) on 27 November 2009, being the last trading day before the suspension of trading in the Shares since 9:30 a.m. that day; and
- (ii) a premium of approximately HK\$9.37 over the unaudited consolidated net liabilities per New Share of HK\$9.27 as at 30 June 2012 (based on the unaudited consolidated net liabilities of the Group of approximately HK\$1,804.5 million as at 30 June 2013 and 194,599,656 New Shares upon the Capital Reorganisation becoming effective).

The Offer Price was determined by the Company, after taking into account the (i) the financial performance and financial position of the Group; and (ii) the fact that trading in the Shares on the Stock Exchange has been suspended since 27 November 2009.

The Subscription Price of HK\$0.155 each represents:

- (i) a discount of approximately 90.8% to the theoretical quoted price of HK\$1.68 per New Share (the quoted price of HK\$0.168 per Share has been adjusted to reflect the effects of the Capital Reorganisation) on 27 November 2009, being the last trading day before the suspension of trading in the Shares since 9:30 a.m. that day; and
- (ii) a premium of approximately HK\$9.425 per New Share over the unaudited consolidated net liabilities per New Share of HK\$9.27 as at 30 June 2012 (based on the unaudited consolidated net liabilities of the Group of approximately HK\$1,804.5 million as at 30 June 2013 and 194,599,656 Adjusted Shares upon the Capital Reorganisation becoming effective).

The Subscription Price was determined after arm's length negotiations, taking into account the (i) the financial performance and financial position of the Group; (ii) the fact that trading in the Shares on the Stock Exchange has been suspended since 27 November 2009; and (iii) the time that the Subscribers have been involved in the Proposed Restructuring.

The Consideration Price of HK\$0.20 each represents:

- (i) a discount of approximately 88.1% to the theoretical quoted price of HK\$1.68 per New Share (the quoted price of HK\$0.168 per Share has been adjusted to reflect the effects of the Capital Reorganisation) on 27 November 2009, being the last trading day before the suspension of trading in the Shares since 9:30 a.m. that day; and
- (ii) a premium of approximately HK\$9.47 per New Share over the unaudited consolidated net liabilities per New Share of HK\$9.27 as at 30 June 2012 (based on the unaudited consolidated net liabilities of the Group of approximately HK\$1,804.5 million as at 30 June 2013 and 194,599,656 Adjusted Shares upon the Capital Reorganisation becoming effective).

The Consideration Price was determined after arm's length negotiations, taking into account the (i) the financial performance and financial position of the Group; (ii) the fact that trading in the Shares on the Stock Exchange has been suspended since 27 November 2009; and (iii) the time that the Vendors have been involved in the Proposed Restructuring.

Issue under specific mandate

The Offer Shares, the Subscription Shares and the Consideration Shares will be issued pursuant to a specific mandate to be obtained upon approval by the Shareholders, or Independent Shareholders, as the case may be, at the EGM.

CHANGES IN SHAREHOLDING STRUCTURE

The tables below set out the changes in the shareholding structure of the Company arising from the Capital Reorganisation, the Open Offer, the Subscription and the Acquisition. For illustrative purposes only, two cases, which assume (I) none of the Existing Shareholders subscribed for the Offer Shares; and (II) all Existing Shareholders subscribed for the Offer Shares, are shown below:

Case (I) — none of the Existing Shareholders subscribed for the Offer Shares

Name of shareholders	As at the date of this announcement		(I) Immediately after the Capital Reorganisation		(II) Immediately after the Capital Reorganisation and upon completion of the Open Offer (Note 4)		(III) Immediately after the Capital Reorganisation, the Open Offer and the Subscription (Note 4)		(IV) Immediately after the Capital Reorganisation, the Open Offer, the Subscription and the Acquisition (Note 4)	
	(Shares)	(%)	(Shares)	(%)	(Shares)	(%)	(Shares)	(%)	(Shares)	(%)
Subscribers										
Jinwu Limited	—	—	—	—	—	—	954,694,714	54.5	954,694,714	16.4
Time Boomer	—	—	—	—	—	—	83,870,968	4.8	83,870,968	1.4
First Apex	—	—	—	—	—	—	129,032,258	7.4	129,032,258	2.2
Subtotal	—	—	—	—	—	—	1,167,597,940	66.7	1,167,597,940	20.0
Existing Controlling Shareholders										
Mr. Ng Kok Hong	596,766,389	30.7	59,676,639	30.7	59,676,639	10.2	59,676,639	3.4	59,676,639	1.0
Ms. Tan Sook Kiang	9,088,625	0.5	908,862	0.5	908,862	0.2	908,862	0.1	908,862	0.0
NKT Holdings Sdn. Bhd (Note 1)	596,766,389	30.7	59,676,639	30.7	59,676,639	10.2	59,676,639	3.4	59,676,639	1.0
Mr. Ng Kok Yang	146,944,889	7.5	14,694,489	7.5	14,694,489	2.5	14,694,489	0.8	14,694,489	0.3
Subtotal	1,349,566,292	69.4	134,956,629	69.4	134,956,629	23.1	134,956,629	7.7	134,956,629	2.3
Public	596,430,273	30.6	59,643,027	30.6	59,643,027	10.2	59,643,027	3.4	59,643,027	1.0
Underwriter	—	—	—	—	389,199,312	66.7	389,199,312	22.2	389,199,312	6.7
Vendors	—	—	—	—	—	—	—	—	4,086,592,787	70.0
Total	1,945,996,565	100.0	194,599,656	100.0	583,798,968	100.0	1,751,396,908	100.0	5,837,989,695	100.0

Case (II) — all Existing Shareholders subscribed for the Offer Shares

Name of shareholders	As at the date of this announcement		(I) Immediately after the Capital Reorganisation		(II) Immediately after the Capital Reorganisation and upon completion of the Open Offer (Note 4)		(III) Immediately after the Capital Reorganisation, the Open Offer, and the Subscription (Note 4)		(IV) Immediately after the Capital Reorganisation, the Open Offer, the Subscription and the Acquisition (Note 4)	
	(Shares)	(%)	(Shares)	(%)	(Shares)	(%)	(Shares)	(%)	(Shares)	(%)
Subscribers										
Jinwu Limited	—	—	—	—	—	—	954,694,714	54.5	954,694,714	16.4
Time Boomer	—	—	—	—	—	—	83,870,968	4.8	83,870,968	1.4
First Apex	—	—	—	—	—	—	129,032,258	7.4	129,032,258	2.2
Subtotal	—	—	—	—	—	—	1,167,597,940	66.7	1,167,597,940	20.0
Existing Controlling Shareholders										
Mr. Ng Kok Hong	596,766,389	30.7	59,676,639	30.7	179,029,917	30.7	179,029,917	10.2	179,029,917	3.1
Ms. Tan Sook Kiang	9,088,625	0.5	908,862	0.5	2,726,586	0.5	2,726,586	0.2	2,726,586	0.0
NKT Holdings Sdn. Bhd (Note 1)	596,766,389	30.7	59,676,639	30.7	179,029,917	30.7	179,029,917	10.2	179,029,917	3.1
Mr. Ng Kok Yang	146,944,889	7.5	14,694,489	7.5	44,083,467	7.5	44,083,467	2.5	44,083,467	0.8
Subtotal	1,349,566,292	69.4	134,956,629	69.4	404,869,887	69.4	404,869,887	23.1	404,869,887	6.9
Public Vendors	596,430,273	30.6	59,643,027	30.6	178,929,081	30.6	178,929,081	10.2	178,929,081	3.1
	—	—	—	—	—	—	—	—	4,086,592,787	70.0
Total	1,945,996,565	100.0	194,599,656	100.0	583,798,968	100.0	1,751,396,908	100.0	5,837,989,695	100.0

Note 1: NKT Holdings Sdn. Bhd is jointly owned by Mr. Ng Kok Tai and Siew Ai Lian.

Note 2: The Company (together with the Subscribers and/or the Vendors) will take appropriate steps, which may include arrangement with a placing agent to place down a portion of the New Shares, to ensure that the minimum public float as required under the Listing Rules is maintained before the resumption of trading in Shares. Further announcement(s) will be made in relation to the arrangements, as and when appropriate.

Note 3: Shareholders and public investors should note that the above changes in shareholding structure of the Company are for illustration purpose only and the actual change in the shareholding structure of the Company is subject to the entering into of the Subscription Agreements and the underwriting agreement for the Open Offer.

Note 4: The completion of the Open Offer, the Subscription and Proposed Acquisition will take place simultaneously.

FINANCIAL EFFECTS OF THE PROPOSED RESTRUCTURING

According to the Group's interim report for the six months ended 30 June 2013, the Group's total assets and liabilities as at 30 June 2013 were approximately HK\$5.0 million and approximately HK\$1,809.4 million respectively, representing a net liability position of approximately HK\$1,804.5 million.

Based on the current estimation of the Company, if the Proposed Restructuring had been completed on 31 December 2013, the Enlarged Group will have a net assets position.

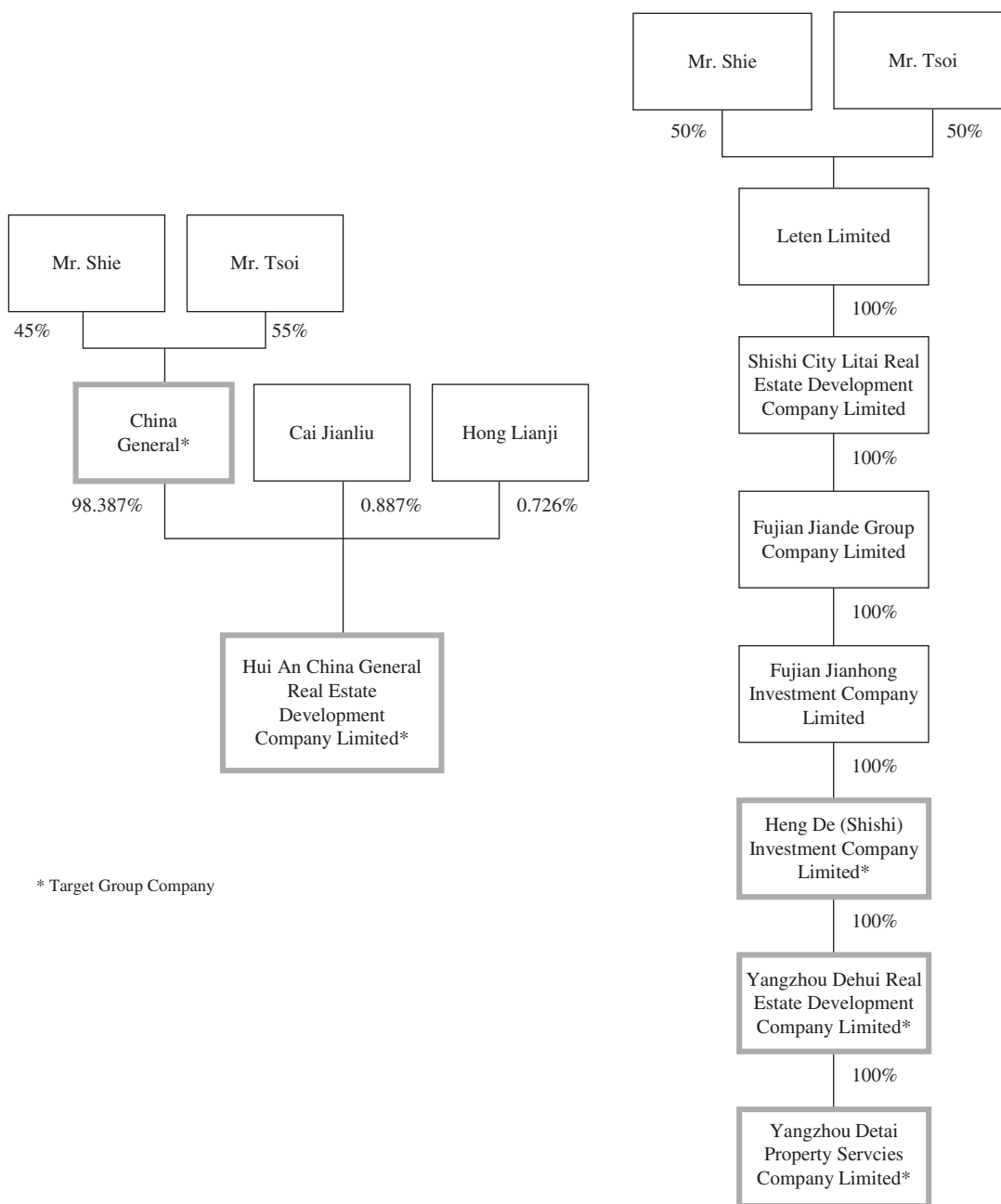
INFORMATION OF THE GROUP

The Company is an investment holding company. The Company, through its subsidiaries, is principally engaged in the trading and distribution of mobile phones and related accessories. After Completion, the Company will be principally engaged in property development and management in the PRC.

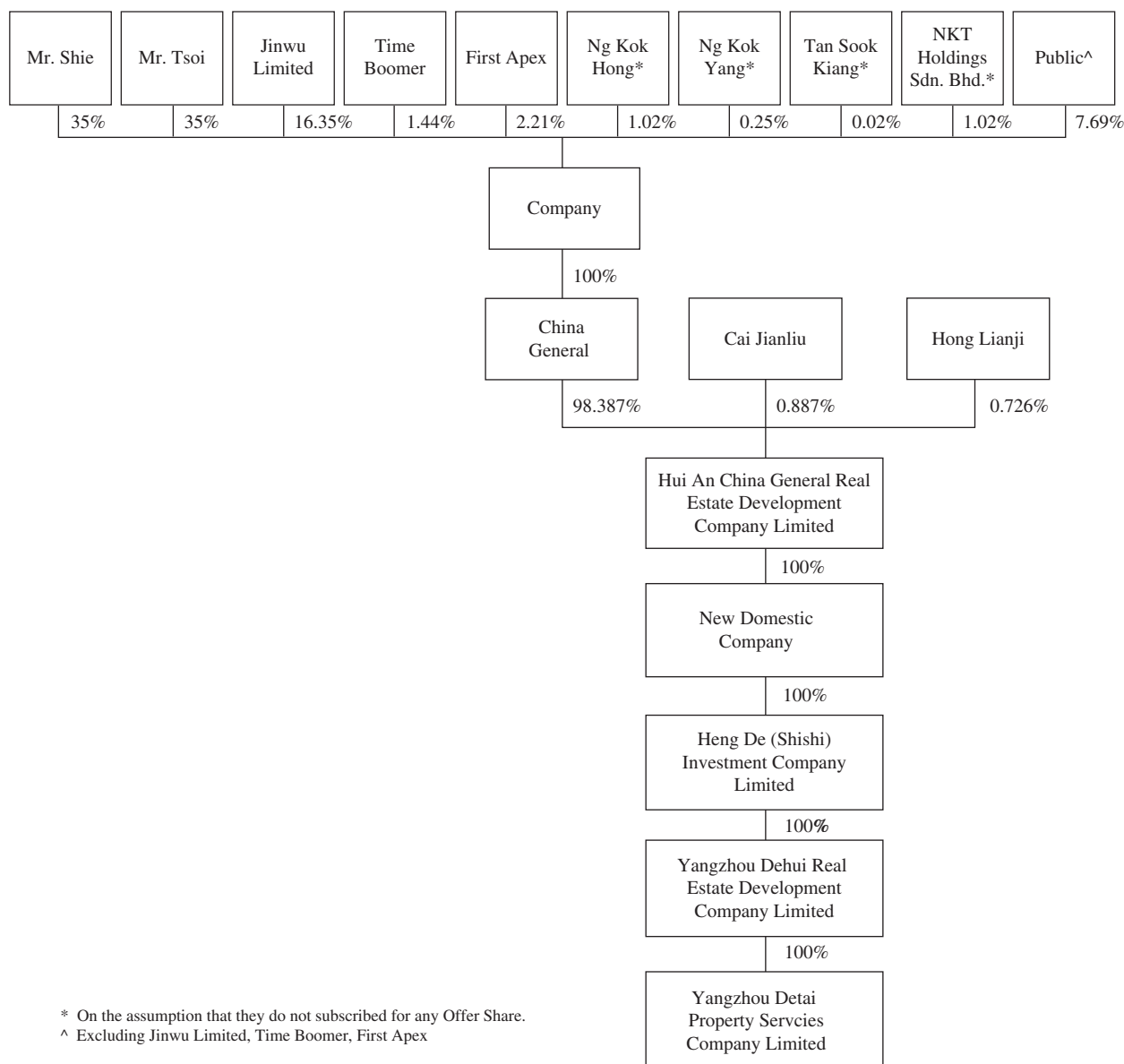
INFORMATION OF THE TARGET GROUP

The Target Group is primarily engaged in residential property development in Quanzhou, Fujian Province and Yangzhou, Jiangsu Province of the PRC. As of 31 December 2013, the property portfolio of the Target Group comprised two property development projects, namely, Binjiang International Project in Huian County, Quanzhou, Fujian Province and The Cullinan Bay Project in Yangzhou, Jiangsu Province respectively.

Corporate structure of the Target Group before the reorganisation and the Acquisition



Corporate structure of the Target Group after the reorganisation and the Acquisition



* On the assumption that they do not subscribed for any Offer Share.

^ Excluding Jinwu Limited, Time Boomer, First Apex

Business review of the Target Group

For the property development, the Target Group focuses on city and site selection, land acquisition, project planning and preparatory work, and sales and marketing strategy formulation. Like the majority of property developers in the PRC, the Target Group outsources its design, construction, sales and marketing and property management services (for the Binjiang International Project) to qualified contractors, agencies and property management companies, supervises their performance and manages the overall project development process.

Property development projects held by the Target Group

Binjiang International Project

Binjiang International Project is a residential project consisting primarily of high-rise residential buildings. It also includes ancillary retail shops and club house facilities. The project is located in Huian County, Quanzhou, Fujian Province and currently developed by the Target Group.

The project consisted of four phases. The Target Group has completed the construction of Phase 1, Phase 2, Phase 3 and Stage 1 of Phase 4 of this project and is currently developing Stage 2 of Phase 4 of this project.

The Cullinan Bay Project

The Cullinan Bay Project is a residential project consisting primarily of high-rise residential buildings. It also includes retail shops and club house facilities. The project currently being developed by the Target Group is located in the west of Wangjiang Road, north of Dingxing Road and east of Sanlian River in Yangzhou, Jiangsu Province.

The project consisted of two phases. The Target Group is currently developing Phase 1 of this project.

Future plans

The Target Group plans to manage its expansion plan mainly from the following aspects:

- To capture the opportunities to undergo re-development planning of old towns and urbanisation of townships in third and fourth tier cities in the PRC.
- To tailor-make planning for property development projects to meet local needs.
- To adhere to a flexible operating strategy and maintain rapid project turnovers
- To continue to focus on the mass market and providing quality properties and services to customers.
- To continue to develop existing property projects and look for suitable land to build up land reserves to maintain a sustainable growth.
- To maintain high quality after-sale property management services.
- To continue to promote green environment and overall complementary facilities in its property development projects.
- To maintain a prudent disciplined business expansion and financial strategy.
- To enhance procurement management and quality control.

To attract, retain and motivate talented personnel through systematic training programs and competitive remuneration packages.

Management profile of the Target Group

The Target Group has highly experienced management teams with an average of over 10 years of relevant experience in real estate development, business management and finance. The Company believes that the Target Group's experienced and stable management team has contributed to the success of the Target Group and will further enhance the Target Group's execution capabilities.

Financial information of the Target Group

The unaudited combined net asset value of the Target Group was approximately RMB480.0 million as at 31 December 2013, assuming the related capitalisation of debts having been completed.

Rule 14.58(7) of the Listing Rules require the disclosure by way of an announcement by the Company of the net profits (both before and after taxation) attributable to the assets that are the subject of the Acquisition, i.e. the Target Group, for the two financial years immediately preceding the date of the Acquisition Agreement (the “**Required Financial Information**”).

The Company has applied to the Stock Exchange for a waiver from strict compliance with Rule 14.58(7) of the Listing Rules.

The Required Financial Information and the value of the property interest held by the Target Group will be contained in the Circular.

INFORMATION ON THE SUBSCRIBERS

Jinwu Limited is a special purpose investment company owned by Daxin Investment Fund, being a collective investment fund established under the laws of the Cayman Islands, managed by Greater China Capital Limited. Greater China Capital Limited is an investment advisory firm established under the laws of Hong Kong.

Time Boomer is a company incorporated in the British Virgin Islands and is wholly and beneficially owned by Mr. Tai Kai Hing. Mr. Tai is an experienced investor while Time Boomer is principally an investment holding company.

First Apex is a limited liability company incorporated in Hong Kong and is wholly and beneficially owned by Mr. Ben Sharma, a businessman involved in the distribution of major-brand mobile phones and accessories with over 30 years of experience in this industry. First Apex is principally an investment holding company.

Each of Jinwu Limited, Time Boomer and First Apex and their respective beneficial owners are third parties independent of the Company and its connected persons.

FUND RAISING ACTIVITIES INVOLVING ISSUE OF SECURITIES IN THE PAST TWELVE MONTHS

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

IMPLICATIONS UNDER THE LISTING RULES

The Acquisition constitutes a very substantial acquisition and a reverse takeover for the Company under Chapter 14 of the Listing Rules and therefore subject to the reporting, announcement and shareholders' approval requirements pursuant to the Listing Rules and approval of the new listing application of the Company by the Listing Committee.

As the Open Offer will increase the issued share capital of the Company by more than 50%, pursuant to Rule 7.24(5) of the Listing Rules, the Open Offer will be subject to the approval by the Shareholders at the EGM by way of poll. The Existing Controlling Shareholders are collectively interested in 1,349,566,292 Shares, representing approximately 69.4% of the issued share capital of the Company as at the date of this announcement, will abstain from voting in favour of the resolution(s) to be proposed at the EGM to consider and, if thought fit, approve the Open Offer.

Save as disclosed above, to the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, none of the other Shareholders and its associates has to abstain from voting on any resolutions to be proposed at the EGM.

The Company will apply to the Stock Exchange for the listing of and permission to deal in the Offer Shares, the Consideration Shares and the Subscription Shares.

IMPLICATIONS UNDER THE TAKEOVERS CODE

Whitewash Waiver

As at the date of this announcement, the Concert Group does not own or control any existing Shares, convertible securities, warrants, options or derivatives in respect of the existing Shares. Upon the Completion, the Concert Group will, in aggregate, hold approximately 70.0% of the share capital of the Company after the Capital Reorganisation and as enlarged by the Offer Shares, the Subscription Shares and the Consideration Shares.

As such, the Concert Group would be required to make a mandatory general offer for all the issued shares of the Company (not already owned or agreed to be acquired by the Concert Group) under Rule 26.1 of the Takeovers Code, unless a waiver from strict compliance with Rule 26.1 of the Takeovers Code is granted by the Executive.

The Vendors will make an application to the Executive for the granting of the Whitewash Waiver pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code. The Whitewash Waiver, if granted by the Executive, would be subject to, among other things, the approval of the Independent Shareholders at the EGM by way of poll, in which parties of the Concert Group and those who are involved in or interested in the Proposed Restructuring will abstain from voting on the relevant resolution(s). If the Whitewash Waiver is granted by the Executive, the Concert Group will not be required to make a mandatory offer which would otherwise be required as a result of the acquisition of the Consideration Shares. The Executive may or may not grant the Whitewash Waiver. If the Whitewash Waiver is not granted, the Acquisition Agreement will lapse.

The Disposal

As set out above under the section headed “Conditions precedent to the Acquisition Agreement”, the Company will dispose of certain of its subsidiaries to some or all of the Existing Controlling Shareholders or their nominee(s). The consideration for the Disposal is undetermined as at the date of this announcement but it shall be based on the estimated proforma net tangible asset value of the Retained Subsidiaries (as a group) as of the latest practicable month end date before the date of Completion, by reference to a proforma consolidated statement of financial position of the Retained Subsidiaries reviewed or audited by a qualified auditor. The Disposal will not be extended to other existing Shareholders. Therefore, the Disposal constitutes a special deal under Note 4 to Rule 25 of the Takeovers Code, and requires the consent of the Executive. An application will be made to the Executive for consent under Rule 25 of the Takeovers Code for the Disposal.

The Executive will normally consent to a special deal under Note 4 to Rule 25 of the Takeovers Code provided that (i) the independent financial adviser to the Independent Shareholders publicly states that in his opinion the terms of the Disposal are fair and reasonable; and (ii) the Disposal is approved by the Independent Shareholders at the EGM by way of poll.

Shareholders who are involved in or interested in the Disposal (which forms part of the Proposed Restructuring), and their associates, will be required to abstain from voting on the relevant resolutions to be proposed at the EGM.

Depending on the size of the Disposal to the Company, when a formal agreement regarding the Disposal is entered into, the Disposal may be subject to the requirements under Chapter 14 and Chapter 14A of the Listing Rules. Further announcement(s) will be made by the Company once the terms of the Disposal have been determined and the relevant definitive agreement entered into between the parties.

INFORMATION REQUIRED UNDER THE TAKEOVERS CODE

As at the date of this announcement, none of the members of the Concert Group own or have control or direction over any existing Shares, rights over Shares, convertible securities, warrants, options or derivatives in respect of the Shares. Other than the entering into of the Acquisition Agreement, none of the members of the Concert Group have acquired or disposed of or entered into any agreement or arrangement to acquire or dispose of any voting rights in the Company within the six months prior to the date of the Acquisition Agreement and up to the date of this announcement.

As at the date of this announcement, save as disclosed in this announcement,

- (a) none of the members of the Concert Group has received any irrevocable commitment in relation to voting of the resolutions in respect of the Acquisition Agreement, the Subscription Agreements, the Open Offer, the Whitewash Waiver, the Disposal or any transactions contemplated thereunder at the EGM;
- (b) there is no outstanding derivative in respect of the securities of the Company which has been entered into by any members of the Concert Group;

- (c) there is no arrangement (whether by way of option, indemnity or otherwise) in relation to the shares of any of the members of the Concert Group or the Company and which might be material to the Acquisition Agreement, the Subscription Agreements, the Open Offer, the Whitewash Waiver, the Disposal or any transactions contemplated thereunder;
- (d) there is no agreement or arrangement to which any members of the Concert Group is a party which relates to circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Acquisition Agreement, the Subscription Agreements, the Open Offer, the Whitewash Waiver, the Disposal or any transactions contemplated thereunder, including any break fees being payable; and
- (e) none of members of the Concert Group has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company.

As at the date of this announcement, the issued share capital of the Company comprises 1,945,996,565 Shares and, other than the TB Options and the FA Options, the Company does not have any options, warrants or convertible securities in issue.

APPOINTMENT OF FINANCIAL ADVISER AND INDEPENDENT FINANCIAL ADVISER

Asian Capital has been appointed as the financial adviser to the Company in relation to the Proposed Restructuring.

Currently, the Company has no non-executive Directors and independent non-executive Directors. As such, no independent board committee could be formed to make recommendations to the Independent Shareholders in respect of voting on the resolutions to approve the Capital Reorganisation, the Open Offer, the Subscription, the Acquisition Agreement, the Whitewash Waiver, the Disposal and the transactions contemplated thereunder by way of a poll at the EGM.

The Company will appoint an independent financial adviser to advise the Independent Shareholders in accordance with the requirements under the Listing Rules and the Takeovers Code. Further announcement(s) will be made by the Company upon the appointment of the independent financial adviser.

EXPECTED DATE OF DESPATCH OF THE CIRCULAR AND APPLICATION FOR WAIVER FROM STRICT COMPLIANCE WITH THE TAKEOVERS CODE AND THE LISTING RULES

A circular containing, among other things, (i) details of the Acquisition; (ii) information about the Open Offer; (iii) information about the Subscription; (iv) information about the business of the Target Group; (v) the Whitewash Waiver; (vi) the special deal in respect of the Disposal; (vii) a letter of advice from the independent financial adviser to the Independent Shareholders; and (viii) a notice of EGM will be despatched to the Shareholders as soon as possible.

The Company will despatch the Circular in accordance with the applicable requirements under the Listing Rules and the Takeovers Code.

Under Rule 14.60(7) of the Listing Rules, the Company is required to despatch the circular in relation to a very substantial acquisition within 15 Business Days after the publication of the announcement. Under Rule 8.2 of the Takeovers Code, the Company is required to despatch to Shareholders a circular in respect of, amongst others, the terms of the Acquisition and the Whitewash Waiver within 21 days from the date of publication of this announcement, that is, on or before 12 September 2014.

As the Resumption Proposal and the Company's new listing application are subject to approval by the Stock Exchange, it is expected that more time may be needed for the Stock Exchange to approve the Company's new listing application and for the preparation of the Circular, which is expected to be despatched on or before 31 December 2014.

As such, the Company will apply to the Executive pursuant to Rule 8.2 of the Takeovers Code for its consent to extend the time limit for the despatch of the Circular and the Company will make further announcement on the expected date of despatch of the Circular.

Shareholders and potential investors should note that the Acquisition, the Open Offer, the Subscription, the Whitewash Waiver and the Disposal are subject to various conditions which may or may not be fulfilled, in particular, whether the Listing (Review) Committee will overturn the Listing Committee Decision and whether the Stock Exchange will allow the Acquisition and accompanying transactions to proceed. There is therefore no assurance that any of these transactions will proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

CONTINUING SUSPENSION OF TRADING IN THE SHARES

Dealing in the shares of the Company on the Main Board of the Stock Exchange has been suspended since 27 November 2009 and will remain suspended until further notice.

The publication of this announcement does not indicate any decision or conclusion from the Stock Exchange nor warrant any approval from the Stock Exchange on the resumption of trading in Shares. The Company will keep the public informed of the latest development by making further announcements as and when appropriate.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the respective meanings set out opposite to them:

“Acquisition”	the sale and purchase of the Sale Equity Interest pursuant to the Acquisition Agreement
“Acquisition Agreement”	the acquisition agreement dated 31 March 2014 entered into between, inter alia, the Company and the Vendors in respect of the sale and purchase of the Sale Equity Interest
“acting in concert”	has the meaning ascribed to it under the Takeovers Code

“Adjusted Share(s)”	the ordinary share(s) of the HK\$0.005 each in the capital of the Company upon the Capital Reorganisation becoming effective
“Apex Ocean”	Apex Ocean Holdings Limited (高海集團有限公司), a company incorporated in Hong Kong
“Asian Capital”	Asian Capital (Corporate Finance) Limited, a corporation licensed to carry out type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities for the purposes of the SFO, the financial adviser to the Company
“associates”	has the meaning ascribed to it in the Listing Rules
“Authorised Share Capital Cancellation”	the proposed cancellation of the authorised but un-issued share capital of the Company in its entirety immediately upon the Share Consolidation becoming effective
“Authorised Share Capital Increase”	the proposed increase of the authorised share capital of the Company to HK\$500,000,000 immediately following the Authorised Share Capital Cancellation becoming effective
“Binjiang International Project”	濱江國際項目, being one of the property development projects currently held by the Target Group
“Board”	the board of Directors
“Business Day(s)”	any day (other than a Saturday or a Sunday or a day on which a tropical cyclone warning signal no. 8 or above or a black rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which banks are generally open for business in Hong Kong
“Capital Reduction”	the proposed reduction of the nominal value of each existing issued Share from HK\$0.10 to HK\$0.0005
“Capital Reorganisation”	the proposed restructuring of the capital of the Company comprising, inter alia, the Capital Reduction, the Share Premium Cancellation, the Share Consolidation, the Authorised Share Capital Cancellation and the Authorised Share Capital Increase
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“China General”	China General (HK) Company Limited

“China General Group”	China General and its subsidiaries, upon completion of the reorganisation
“Circular”	the relevant circular in relation to the Capital Reorganisation, the Acquisition Agreement, the Open Offer, the Subscription Agreements, the Whitewash Waiver and the Disposal to be despatched by the Company
“Companies Law”	the Companies Law (2010 Revision) of the Cayman Islands, as amended from time to time
“Company”	First Mobile Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange
“Completion”	completion of the Proposed Restructuring
“Concert Group”	the Vendors and any parties acting in concert with any of them
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the amount of approximately HK\$817.0 million, being the consideration for the Equity Sale Interest
“Consideration Price”	HK\$0.20, the price at which the Consideration Shares to be issued under the Acquisition Agreement
“Consideration Shares”	the 4,086,592,787 New Shares to be issued and allotted as fully paid by the Company to the Vendors under the Acquisition Agreement
“Creditors Schemes”	the schemes of arrangement entered into between the Company and its creditors pursuant to Section 166 of the old Companies Ordinance (Chapter 32 of the Laws of Hong Kong) and Section 86 of the Companies Law of the Cayman Islands with, or subject to, any modification, addition or conditions approved or imposed by the High Court of Hong Kong and the Grand Court
“Director”	the director(s) of the Company
“Disposal”	the disposal of the Retained Subsidiaries to some or all of the Existing Controlling Shareholders (or their nominee(s)) which constitutes a special deal under note 4 to Rule 25 of the Takeovers Code

“EGM”	the extraordinary general meeting of the Company to be convened for the purposes of considering, and if thought fit, approving, among other matters, the Capital Reorganisation, the Open Offer, the Subscription, the Acquisition and the Whitewash Waiver
“Energy Industry”	重慶涪陵能源實業集團有限公司 (Chongqing Fuling Energy Industry Group Co., Ltd.*), a company established in the PRC
“Enlarged Group”	the Group upon completion of the Proposed Restructuring
“Exclusivity Agreement”	the agreement dated 25 June 2010 entered into among the Company, the Investor, Asia Debt Management Hong Kong Limited, Mr. Ng Kok Hong, Ms. Tan Sook Kiang, NKT Holdings Sdn. Bhd., Mr. Ng Kok Yang and Deloitte Touche Tohmatsu in relation to the proposed restructuring of the Company
“Executive”	the Executive Director of the Corporate Finance Division of the SFC from time to time or any of his delegate
“Existing Controlling Shareholders”	Mr. Ng Kok Hong, Ms. Tan Sook Kiang, Mr. Ng Kok Tai, Ms. Siew Ai Lian and Mr. Ng Kok Yang, collectively interested in 1,349,566,292 Shares, representing approximately 69.4% of the issued share capital of the Company as at the date of this announcement
“Existing Shareholders”	Shareholders as at the date of this announcement
“FA Loan Agreement”	the loan agreement dated 3 February 2012 entered into between First Apex and MDL (as amended by side letters dated 4 December 2012, 5 February 2013 and 30 September 2013 respectively) and further supplemental agreement(s) in relation thereto
“FA Option”	the option granted by the Company to First Apex under the option deed dated 3 February 2012 to subscribe for convertible preference shares at an aggregate exercise price of HK\$20 million, or upon termination of the option deed dated 3 February 2012, a new deed to subscribe for 129,032,258 New Shares, as the case may be
“FA Option Agreement”	the agreement in relation to the issue of FA Option
“First Apex”	First Apex Investments Limited, a limited liability company incorporated in Hong Kong and is wholly and beneficially owned by Mr. Ben Sharma

“Fuling Water Resources”	重慶涪陵水資源開發有限責任公司 (Chongqing Fuling Water Resources Development Company Limited), a 52.5% owned subsidiary of Julong
“Grand Court”	the Grand Court of the Cayman Islands
“Group”	the Company and its subsidiaries
“Group Reorganisation”	the transfer of the Scheme Subsidiaries to Scheme Company or the Scheme Administrators (or their nominees) for the benefit of the Scheme Creditors and, if applicable, creditors of the Scheme Subsidiaries upon the Creditor Schemes becoming effective
“High Court”	High Court of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Scheme”	the scheme of arrangement approved by the High Court
“Independent Shareholder(s)”	the independent Shareholder(s), to the extent applicable in respect of each resolution, who are not members of the Concert Group and/or not involved or interested in (other than solely as a Shareholder) the transactions contemplated under the Subscription Agreements, the Acquisition Agreement, the Disposal and/or the Whitewash Waiver and therefore permitted to vote in respect of the resolution(s) to approve the Subscription, the Acquisition, the Whitewash Waiver and the Disposal at the EGM
“Independent Third Party(ies)”	a person(s) or company(ies) who or which is/are independent of and not connected (within the meaning of the Listing Rules) with the Company and its connected persons
“Julong”	重慶涪陵聚龍電力有限公司 (Chongqing Fuling Julong Electric Power Company Limited*), a company established in the PRC
“Julong Group”	Julong, Fuling Water Resources and Julong’s associate companies collectively, which are principally engaged in power generation, power supply and sale and distribution of electricity within various regions in Chongqing in the PRC
“Julong Management Shareholders”	the management shareholders of Julong, who shall, subject to registration with the local Administration for Industry and Commerce in the PRC, own in aggregate 10% of the equity interest in Julong

“Listing Committee”	Listing Committee of the Stock Exchange
“Listing Committee Decision”	The decision of the Listing Committee to cancel the listing of the Company’s shares on the Stock Exchange under Practice Note 17 to the Listing Rules as set out in its letter dated 11 April 2014
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange from time to time
“MDL”	Mobile Distribution Limited, an indirect wholly-owned subsidiary of the Company incorporated in Hong Kong
“Mr. Shie”	Mr. SHIE Tak Chung, being one of the Vendors
“Mr. Tsoi”	Mr. TSOI Kin Sze, being one of the Vendors
“New Domestic Company”	a new domestic company to be established for the purpose of the reorganization of the Target group
“New Share”	the ordinary share(s) of HK\$0.005 each in the capital of the Company immediately following the Capital Restructuring becoming effective
“Offer Price”	HK\$0.10 per Offer Share
“Offer Shares”	New Shares to be allotted and issued under the Open Offer, being 389,199,312 New Shares
“Open Offer”	the proposed issue of the Offer Shares on the basis of two (2) Offer Shares for every one (1) New Share held by that Qualifying Shareholder on the Open Offer Record Date at the Open Offer Price
“Open Offer Price”	HK\$0.10, the price at which the Offer Shares are offered to the Existing Shareholders
“Open Offer Record Date”	the date by reference to which entitlements under the Open Offer are to be determined
“Original Acquisition”	the proposed acquisition by the Company of the entire issued and paid-up share capital of 重慶涪陵聚龍電力有限公司 (Chongqing Fuling Julong Electric Power Co., Ltd), a company established in the PRC

“Original Subscription Agreement”	the subscription agreement dated 27 August 2010 (as supplemented by side letters dated 15 September 2010, 23 December 2010, 31 March 2011, 7 July 2011, 2 November 2011, 30 March 2012, 4 December 2012 and 6 February 2013 respectively and supplemented by a supplemental agreement dated 28 September 2010) entered into between the Company (as issuer) and Jinwu Limited (as subscriber) in relation to the Subscription, and further supplemental agreement(s) in relation thereto
“PRC”	the People’s Republic of China and for the sole purpose of his announcement shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Proposed Restructuring”	the proposed restructuring of the Group, involving, among other things, the Capital Reorganisation, the Creditor Schemes, the Subscription, the Open Offer, the Acquisition and the Disposal
“Qualifying Shareholder(s)”	the Shareholders, other than the excluded Shareholders (i.e. Shareholders whose address(es) as shown on the register of members is/are outside in a jurisdiction the laws of which may prohibit the making of the Open Offer to such Shareholders or otherwise require the Company to comply with additional requirements which are (in the opinion of the Directors) unduly onerous or burdensome), whose names appear on the register of members of the Company as at the close of business on the Open Offer Record Date
“Resumption Proposal”	the resumption proposal dated 4 December 2012 (as supplemented by subsequent submissions by the Company) which includes, among other things, the Proposed Restructuring, submitted by the Company to the Stock Exchange
“Retained Subsidiaries”	Marzo Holdings Limited, MDL, eTouch Mobile Private Limited, PT Comworks Indonesia, Multi Brand Telecom Services Trade Company Limited, Value Day Limited, Calibro Global Limited, Distinct Elite Limited and Matrix Star Limited
“Sale Equity Interest”	the entire issued share capital of China General
“Scheme Administrators”	the administrators sanctioned by the High Court in respect of the Creditor Schemes
“Scheme Company”	a company to be incorporated and to be held and controlled by the Scheme Administrators for the purpose of holding the Scheme Subsidiaries

“Scheme Subsidiaries”	the subsidiaries of the Company other than the Retained Subsidiaries
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Scheme Creditors”	the creditors under the Creditors Scheme
“Share(s)”	the existing shares of HK\$0.10 each in the capital of the Company prior to the Capital Reorganisation becoming effective
“Share Consolidation”	the proposed consolidation of ten (10) existing issued Shares of HK\$0.0005 each into one (1) New Share of HK\$0.005 each
“Shareholder(s)”	holder(s) of the Share(s)
“Share Premium Cancellation”	the proposed share premium cancellation of the Company upon the Capital Reduction becoming effective
“Stand-by Facility”	the stand-by working capital facility for an amount of not less than HK\$50 million to be provided by Jinwu Limited pursuant to the Exclusivity Agreement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscribers”	Jinwu Limited, Time Boomer Limited and First Apex Investments Limited
“Subscription”	the issuance and allotment of the Subscription Shares to the Subscribers pursuant to the Subscription Agreements
“Subscription Agreements”	the subscription agreements to be entered into between the Company and the Subscribers to amend the terms of the Original Subscription Agreement, TB Option Agreement and FA Option Agreement, in relation the issuance and allotment of the Subscription Shares to the Subscribers under the Subscription
“Subscription Price”	HK\$0.155, the price at which the Subscription Shares are to be issued and allotted to the Subscribers pursuant to the Subscription Agreements
“Subscription Shares”	the 1,167,714,710 New Shares to be issued and allotted as fully paid by the Company to the Subscribers under the Subscription Agreements

“Takeovers Code”	the Hong Kong Code on Takeovers and Merger
“Target Group”	China General (中總(香港)有限公司) and its subsidiaries upon completion of the reorganisation, including but not limited to, Yangzhou Dehui Real Estate Development Company Limited (揚州德輝房地產開發有限公司), Yangzhou Detai Property Services Company Limited (揚州德泰物業服務有限公司), Heng De (Shishi) Investment Company Limited (恒德(石獅)投資有限公司 and Hui An China General Real Estate Development Company Limited (惠安中總房地產開發有限公司); and each a “Target Group Company”
“TB Loan Agreement”	the loan agreement dated 7 July 2011 entered into between Time Boomer and MDL (as amended by a Deed of Variation dated 3 February 2012 and side letters dated 4 December 2012, 5 February 2013 and 30 September 2013 respectively) and further supplemental agreement(s) in relation thereto
“TB Option”	the option granted by the Company to Time Boomer dated 7 July 2011 to subscribe for 83,870,968 New Shares at an aggregate exercise price of HK\$13 million, as amended and supplemented from time to time
“TB Option Agreement”	the agreement in relation to the issue of TB Option
“The Cullinan Bay Project”	德輝天璽灣項目, being one of the property development projects current held by the Target Group
“Time Boomer”	Time Boomer Limited, a limited liability company incorporated in the British Virgin Islands and is wholly and beneficially owned by Mr. Tai Kai Hing
“Vendors”	Mr. Shie and Mr. Tsoi
“Whitewash Waiver”	a whitewash waiver pursuant to Note 1 on Dispensations from Rule 26 of the Takeovers Code granted or to be granted by the Executive in respect of the obligations of the Concert Group to make a mandatory general offer for all the securities of the Company not already owned or agreed to be acquired by them which may arise as a result of the transaction(s) contemplated under the Acquisition Agreement

“Working Facility
Capitalisation”

the capitalisation of the amounts due under the FA Loan Agreement and the TB Loan Agreement pursuant to the exercise of the options under the FA Option and the TB Option

By order of the Board
First Mobile Group Holdings Limited
Ng Kok Hong
Executive Chairman

Hong Kong, 22 August 2014

As at the date of this announcement, the board of directors of the Company consists of three executive directors, namely Mr. Ng Kok Hong, Mr. Ng Kok Tai and Mr. Ng Kok Yang.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than the information relating to the Vendors and the Target Group) 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.

The Vendors jointly and severally accept full responsibility for the accuracy of the information relating to the Vendors and the Target Group contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed by the Vendors 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.