

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



偉祿集團控股有限公司
REALORD GROUP HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 1196)

**DISCLOSEABLE TRANSACTION
IN RELATION TO
ACQUISITION OF A PROPERTY IN HONG KONG**

After the Stock Exchange trading hours on 9 April 2015, the Purchaser (an indirect wholly-owned subsidiary of the Company) and the Vendors entered into the Agreement, pursuant to which the Purchaser has conditionally agreed to purchase, and the Vendors have conditionally agreed to sell, the Sale Shares and the Sale Loan at a cash consideration of HK\$225,000,000 (subject to adjustment). The Target is principally engaged in property holding and its sole asset is the Property.

The Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

After the Stock Exchange trading hours on 9 April 2015, the Purchaser (an indirect wholly-owned subsidiary of the Company) and the Vendors entered into the Agreement, pursuant to which the Purchaser has conditionally agreed to purchase, and the Vendors have conditionally agreed to sell, the Sale Shares and the Sale Loan at a cash consideration of HK\$225,000,000 (subject to adjustment). Details of the Agreement are set out below.

THE AGREEMENT

Date

9 April 2015

Parties

- (i) Best Throne Holdings Limited, an indirect wholly-owned subsidiary of the Company, as the Purchaser; and
- (ii) Mr. Chan Yum Kit and Ms. Tsui How Kiu Shirley, as the Vendors.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendors are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

Assets to be acquired

The Sale Shares, representing the entire issued share capital in the Target, as well as the Sale Loan, representing all debts owing by the Target to the Vendors, shall be acquired free from all encumbrances and third party rights together with all rights and benefits accrued thereto as at the Completion Date.

Consideration

The consideration for the Sale Shares and the Sale Loan is HK\$225,000,000 which shall be paid by the Purchaser to the Vendors by way of cash in the following manner:

- (i) an initial deposit in the sum of HK\$10,000,000 (the "**Initial Deposit**") upon the signing of the Agreement;
- (ii) a further deposit in the sum of HK\$12,500,000 (the "**Further Deposit**") on or before 29 April 2015; and
- (iii) the balance of the consideration (the "**Balance Payment**") of HK\$202,500,000 (subject to adjustment) upon Completion.

The Vendors undertake to deliver to the Purchaser or the Purchaser's solicitors at least five days prior to the Completion Date the proforma completion accounts. If the Net Tangible Assets as shown in such proforma completion accounts is more or less than zero, the Balance Payment shall be adjusted upwards or downwards respectively by the amount of the Net Tangible Assets.

The Vendors also undertake to deliver to the Purchaser or the Purchaser's solicitors within 30 days from the Completion Date the completion accounts of the Target audited by certified public accountants (practising). If the Net Tangible Assets as shown in such completion accounts is more or less than the Net Tangible Assets as shown in the proforma completion accounts, the Purchaser or the Vendors (as the case may be) shall pay the difference to the other party within five days from the date of receipt of such completion accounts.

The consideration for the Acquisition was determined after arm's length negotiations between the Purchaser and the Vendors having taken into account the prevailing market value of comparable properties in the vicinity of the Property and the latest financial position of the Target. The Acquisition will be funded by the internal resources of the Group.

Conditions

Completion is subject to fulfillment of the following conditions:

- (i) the Vendors having procured the Target (being the landlord) and the existing tenant of the Property to enter into a surrender agreement on or before 9 April 2015 to surrender the tenancy in respect of the Property to the Target;
- (ii) the Vendors having proved that the Property will be delivered with vacant possession on or before the Completion Date;
- (iii) the Purchaser having completed its due diligence review on the business, financial, legal and other aspects of the Target and satisfied with the results thereof; and
- (iv) the Vendors having procured the Target to give and prove a good title to the Property in accordance with Sections 13A and 13 of the Conveyancing and Property Ordinance (Cap. 219 of the Laws of Hong Kong).

If any of the conditions set out in the Agreement is not fulfilled (or waived by the Purchaser) on or before the Completion Date, the Purchaser shall be entitled to cancel the transactions contemplated under the Agreement whereupon the Initial Deposit and the Further Deposit paid by the Purchaser to the Vendors shall be returned by the Vendors to the Purchaser without interest. In respect of condition (i) above, the Vendors have procured the Target and the existing tenant of the Property to enter into the surrender agreement on 9 April 2015.

If the Purchaser fails to pay the Further Deposit pursuant to the term of the Agreement, the Vendors are entitled to terminate the Agreement and the Initial Deposit paid by the Purchaser shall be forfeited by the Vendors as liquidated damages.

If the Vendors terminate the Agreement before the payment of the Further Deposit, the Initial Deposit paid by the Purchaser shall be returned to the Purchaser and the Vendors shall pay to the Purchaser a sum equivalent to the Initial Deposit paid as liquidated damages.

Completion

Subject to the fulfillment (or waiver) of the conditions set out in the Agreement, Completion shall take place on or before 5 June 2015 (or such later date as may be agreed between the Vendors and the Purchaser in writing). Upon Completion, the Target will become an indirect wholly-owned subsidiary of the Company and its accounts will be consolidated into the financial statements of the Group.

Formal Agreement

The Vendors and the Purchaser shall negotiate in good faith and use all their reasonable endeavours to enter into the Formal Agreement on or before 29 April 2015, which shall incorporate the terms, warranties and representations customary to transactions similar to the one contemplated under the Agreement based on the principal terms set out in the

Agreement. In the event that the Vendors and the Purchaser fail to reach agreement on the terms of the Formal Agreement on or before the aforesaid date, the Agreement shall remain valid and be of full force and effect, and the parties thereto shall continue to fulfill their respective obligations under the Agreement.

INFORMATION OF THE TARGET

The Target is currently legally owned as to 50% by each of the Vendors. The Target is principally engaged in property holding and its sole asset is the Property which is located at House No. 25, Villa Bel-Air, Bel-Air on the Peak, Island South, No.25 Bel-Air Peak Rise, Hong Kong. The Property is a residential property with a total gross floor area of approximately 6,300 square feet.

Set out below are certain financial information extracted from the unaudited management accounts of the Target prepared in accordance with Hong Kong Financial Reporting Standards:

	Year ended 31 March	
	2013	2014
	<i>HK\$'000</i>	<i>HK\$'000</i>
(Loss)/Profit before taxation	(1,196)	578
(Loss)/Profit after taxation	(1,196)	578

As at 28 February 2015, the carrying value of the Property on the book of the Target was approximately HK\$132.4 million and the net asset value of the Target was approximately HK\$764,000. As at 28 February 2015, the amount due by the Target to the Vendors amounted to approximately HK\$74.8 million and the outstanding balance of the mortgage loan in respect of the Property amounted to approximately HK\$58.2 million. It is one of the terms of the Agreement that the Vendors shall procure repayment of the mortgage loan in respect of the Property on or before the Completion Date.

REASONS FOR AND BENEFITS FOR THE ACQUISITION

The Group is principally engaged in (i) commercial printing; (ii) manufacture and sale of hangtags, labels, shirt paper boards and plastic bags; and (iii) sale and distribution of motor vehicle parts.

As disclosed in the circular of the Company dated 12 March 2015, in order to broaden the Group's business portfolio as well as its income stream and increase its shareholders' value, the Group has been actively exploring other investment opportunities. With the extensive experience of Mr. Lin Xiaohui and Madam Su Jiaohua, both executive Directors, in real estate investment, the Board considers that the acquisition of the real estate projects would provide prime opportunities for the Group to achieve such goals. The Directors consider that the Acquisition is a good investment opportunity and believe that the Group will benefit from the potential capital appreciation of the Property.

Based on the above, the Directors consider that the terms of the Agreement are fair and reasonable and that the Acquisition is in the interests of the Company and the Shareholders as a whole.

GENERAL

The Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Acquisition”	the proposed acquisition of the Sale Shares and the Sale Loan by the Purchaser from the Vendors pursuant to the terms and conditions of the Agreement
“Agreement”	the conditional provisional agreement dated 9 April 2015 entered into between, <i>inter alia</i> , the Purchaser and the Vendors in relation to the Acquisition
“Board”	the board of Directors
“Company”	Realord Group Holdings Limited, a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 1196)
“Completion”	completion of the Acquisition in accordance with the terms and conditions of the Agreement
“Completion Date”	date of Completion
“Directors”	the directors of the Company
“Formal Agreement”	the formal agreement for the sale and purchase of the Sale Shares and the Sale Loan to be entered into by the Vendors and the Purchaser on or before 29 April 2015
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Net Tangible Assets”	the aggregate of all tangible assets of the Target which are readily convertible into cash or cash equivalents (excluding the Property, any intangible assets and other fixed assets and deferred tax), less the aggregate of all liabilities (actual, contingent or otherwise but excluding the Sale Loan) and provisions of the Target as at the Completion Date
“Property”	House No.25, Villa Bel-Air, Bel-Air on the Peak, Island South, No.25 Bel-Air Peak Rise, Hong Kong
“Purchaser”	Best Throne Holdings Limited, a company incorporated in the British Virgin Islands and an indirect wholly-owned subsidiary of the Company
“Sale Loan”	all debts owing by the Target to the Vendors and their related parties immediately prior to Completion
“Sale Shares”	being the entire issued share capital of the Target
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target”	Concept Star Corporation Limited, a company incorporated in Hong Kong with limited liability, the entire equity interest of which is legally and beneficially owned by the Vendors
“Vendors”	Mr. Chan Yum Kit and Ms. Tsui How Kiu Shirley
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board
Realord Group Holdings Limited
Tsang Chin Pang
Company Secretary

Hong Kong, 9 April 2015

As at the date of this announcement, the executive Directors are Mr. Lin Xiaohui, Madam Su Jiaohua and Mr. Lin Xiaodong and the independent non-executive Directors are Mr. Yu Leung Fai, Mr. Fang Jixin and Dr. Li Jue.