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**Ngai Shun Holdings Limited**  
**毅信控股有限公司**

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

**(Stock code: 01246)**

**FRAMEWORK AGREEMENT RELATING TO POSSIBLE ACQUISITION**

On 2 December 2015 (after trading hours), the Company entered into the Framework Agreement with the Vendor in relation to a possible acquisition of the entire issued share capital of the Target Company.

The Target Company is conducting the Reorganisation by procuring its indirect wholly owned subsidiary to subscribe for 90% of enlarged equity interest in 廣西維尼綸集團有限責任公司 (Guangxi Vinyon Group Company Limited) which is interested in 67% of equity interest in the Project Company. The Project Company operates the famous show “印象·劉三姐 Impression·Liu Sanjie” in Yangshuo, Guangxi Province, the PRC. It is an outdoor night show beside the Li River in Yangshuo and is awarded as Top Ten Most Influential National Cultural Industry Demonstration Base in 2013 issued by of the Ministry of Culture of the PRC and China’s Well-Known Trademark by the State Administration for Industry & Commerce of the PRC.

The consideration of the Proposed Transaction will be determined after further negotiation between the Vendor and the Company with reference to the enterprise value of the Target Company based on, among other things, the effective interest of 60.3% in the Project Company upon completion of the Reorganisation and the final valuation of the Project Company to be prepared by an independent valuer.

With reference to preliminary valuation report provided by the Vendor, the preliminary valuation of the Project Company is approximately RMB2,500 million. Accordingly the enterprise value of the Target Group and the consideration is expected to be approximately HK\$1,800 million.

**The Company wishes to emphasize that only the Framework Agreement has been entered into as at the date of this announcement. The Framework Agreement does not constitute a binding commitment on the Company in respect of the Proposed Transaction and as the Proposed Transaction may or may not proceed, Shareholders and potential investors are urged to exercise caution when dealing in the securities of the Company. If the Proposed Transaction is materialised, it may constitute a notifiable transaction of the Company under the Listing Rules and the Company will make further announcement in respect of the Proposed Transaction as and when appropriate.**

This announcement is made pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

On 2 December 2015 (after trading hours), the Company entered into the Framework Agreement with the Vendor in relation to a possible acquisition of the entire issued share capital of the Target Company.

## **FRAMEWORK AGREEMENT**

### **Date**

2 December 2015

### **Parties**

Purchaser: the Company

Vendor: Du Changqing

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor is Independent Third Party.

### **Asset to be acquired**

The Vendor shall agree to sell and the Company shall agree to purchase one issued share of the Target Company, representing 100% of the issued share capital of the Target Company. The Target Company is incorporated in the British Virgin Islands and has an issued share capital of US\$1.00 divided into 1 ordinary share of US\$1.00 each.

The Target Company is conducting the Reorganisation by procuring its indirect wholly owned subsidiary to subscribe for 90% of enlarged equity interest in 廣西維尼綸集團有限責任公司 (Guangxi Vinyion Group Company Limited) which is interested in 67% of equity interest in the Project Company. The Project Company operates the famous show “印象•劉三姐 Impression•Liu Sanjie” in Yangshuo, Guangxi Province, the PRC.

The Proposed Transaction is subject to negotiation and execution of the Formal Agreement between the Company and the Vendor.

### **Consideration**

The consideration of the Proposed Transaction will be determined after further negotiation between the Vendor and the Company with reference to the enterprise value of the Target Company based on, among other things, the effective interest of 60.3% in the Project Company upon completion of the Reorganisation and the final valuation of the Project Company to be prepared by an independent valuer.

With reference to preliminary valuation report provided by the Vendor, the preliminary valuation of the Project Company is approximately RMB2,500 million. Accordingly the enterprise value of the Target Group and the consideration is expected to be approximately HK\$1,800 million.

The consideration will be partly satisfied as to by cash while the remaining will be satisfied by the issuance of consideration shares, promissory notes or/and convertible notes by the Company.

### **Major terms of the Framework Agreement**

Completion of the Formal Agreement is conditional upon, *inter alia*:

- (i) completion of the Reorganisation;
- (ii) completion of the due diligence review to the satisfaction of the Company at its sole discretion;
- (iii) the Company having obtained a PRC legal opinion in respect of the Proposed Transaction from a PRC lawyer appointed by the Company confirming, among other things, transactions contemplated under the Formal Agreement do not violate any law or regulation in the PRC, and are legally enforceable;
- (iv) the Formal Agreement and the Proposed Transaction being approved by the Shareholder pursuant to the Listing Rules, if required; and
- (v) all consents or approvals of any relevant governmental authorities or other relevant regulatory bodies in Hong Kong and the PRC or third parties which are required by both of the Company or the Vendor for the entry into and the implementation of the Formal Agreement and the Proposed Transaction having been obtained.

The entering into of the Formal Agreement is subject to the provision of a fund proof of HK\$1,800 million in cash (the “**Fund Proof**”) by the Company. Before entering into of the Formal Agreement, the Company only has the right to review certain documents provided by the Vendor for preliminary due diligence review purpose and the Vendor is not obligated to provide other information on the Target Company and the Project Company to the Company.

The Vendor shall grant to the Company an exclusive right during a period of three months starting from the date of the Framework Agreement subject to an extension of a further three months by mutual agreement of both the Company and the Vendor (the last day of such period shall be referred to as the “**Long Stop Date**”) to prepare the Fund Proof and to finalise the Formal Agreement for the Proposed Transaction. During such exclusive right period, the Vendor agrees and undertakes to the Company that it shall not directly or indirectly discuss or negotiate with any other party for the intended sale of the Target Company or any rights over the Project Company.

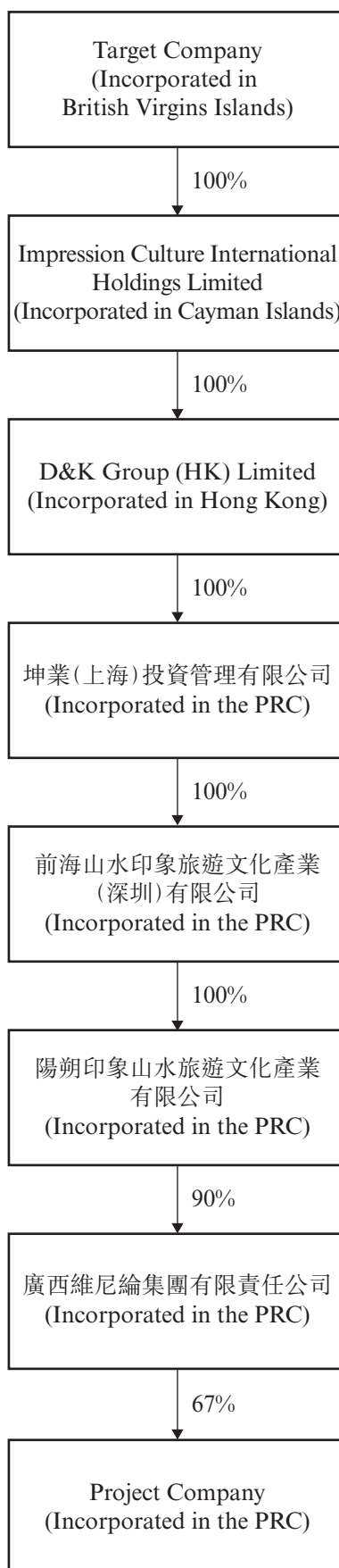
Upon the receipt of the Fund Proof by the Vendor, the Company shall be entitled to carry out and extensive due diligence review and investigation of the assets, liabilities, financial condition, contracts, commitments and business of the Target Company and in particular that Target Group has proper and valid rights over the Project Company. In order to facilitate such due diligence review, the Vendor shall and shall procure that the Target Group co-operates with the Company to promptly provide all documents and information requested by the Company for the purpose of conducting the due diligence review.

Save for and except for the clauses in relation to the consideration, conditions, the due diligence review, exclusivity, confidentiality, binding effect, and the governing law and jurisdiction, which shall be binding and enforceable upon signing of the Framework Agreement, the Framework Agreement is not intended to and does not create any binding legal obligations between the parties hereto.

If the Formal Agreement is not entered into by the Long Stop Date (or such later date as agreed by the Vendor and the Company), the Framework Agreement will be automatically lapsed where upon the parties shall have no liability whatsoever against each other arising out of or in respect of the entering into the Framework Agreement. For the avoidance of doubt, nothing in the Framework Agreement creates any obligation on the parties thereto to enter into the Formal Agreement.

## INFORMATION ON THE TARGET GROUP

Set out below is the proposed group structure of the Target Group upon completion of the Reorganisation:



The Project Company operates the show “印象 • 劉三姐 Impression • Liu Sanjie” in Yangshuo, Guangxi Province, the PRC.

Based on the information provided by the Vendor and the public information, Impression • Liu Sanjie is an outdoor night show beside the Li River in Yangshuo. Different from other shows in an enclosed space, the show Impression • Liu Sanjie stages in the actual Li River. The mist, moonlight, together with peaks and their inverted reflections in the river all creates a spectacular natural backdrop. The large-scaled lights system, special smoke-effect system and the overwhelming sound system in harmony with the natural landscape presents a visual feast to audients. The show lasts approximately 70 minutes and consists of 7 episodes. Each episode displays different images and sceneries with the ever-changing natural background and lighting.

There are 600 actor and actress involved and most of them are local people from the villages along the river. Zhang Yimou, the chief director of the performance, creatively combines the classical Liu Sanjie’s folk songs and ethnic group culture together and presents a large-scale realistic performance in harmony with landscape. As indicated by the management of the Target Company, there are over 500 shows performed every year.

The Target Company and the show are awarded as Top Ten Most Influential National Cultural Industry Demonstration Base in 2013 issued by of the Ministry of Culture of the PRC and China’s Well-Known Trademark by the State Administration for Industry & Commerce of the PRC.

## **REASONS FOR THE PROPOSED TRANSACTION**

The Company, through its subsidiaries, is principally engaged in the foundation business, property and securities investment.

The Directors strived to improve the business operations and financial position of the Group by proactively seeking potential investment opportunities that could diversify its existing business portfolio and broaden its source of income, and enhance value to the Shareholders.

The Proposed Transaction provides an opportunity for the Group to tap into the tourism and cultural market in PRC. The famous and award winning show “印象 • 劉三姐 Impression • Liu Sanjie” is expected to generate diversified income and additional cash flow for the Group’s continuous development. As such, the Directors consider the entering into of the Framework Agreement is in the interests of the Company and the Shareholders as a whole.

**The Company wishes to emphasize that only the Framework Agreement has been entered into as at the date of this announcement. The Framework Agreement does not constitute a binding commitment on the Company in respect of the Proposed Transaction and as the Proposed Transaction may or may not proceed, Shareholders and potential investors are urged to exercise caution when dealing in the securities of the Company. If the Proposed Transaction is materialised, it may constitute a notifiable transaction of the Company under the Listing Rules and the Company will make further announcement in respect of the Proposed Transaction as and when appropriate.**

## DEFINITION

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

“Company”	Ngai Shun Holdings Limited, a company incorporated in the Cayman Islands and the shares of which are listed on the main board of The Stock Exchange of Hong Kong Limited
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules and the word “connected” shall be construed accordingly
“Directors”	the directors of the Company
“Formal Agreement”	a formal sale and purchase agreement to be entered into among the Company and the Vendor
“Framework Agreement”	the framework agreement dated 2 December 2015 entered into by the Company and the Vendor in relation to the Proposed Transaction
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Parties”	third parties who are independent of, and not connected with, the Company and its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China
“Project Company”	桂林廣維文華旅遊文化產業有限公司 (Guilin Guangwei Wenhua Tourism and Culture Industry Company Limited), a company incorporated in the PRC
“Proposed Transaction”	the proposed acquisition of 100% of the issued share capital of the Target Company by the Company from the Vendor
“Reorganisation”	the group reorganisation to be conducted by the Target Company involving procuring its indirect wholly owned subsidiary to subscribe for 90% of enlarged equity interest in 廣西維尼綸集團有限責任公司 (Guangxi Vinyion Group Company Limited) which is interested in 67% of equity interest in the Project Company
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	the holder(s) of issued share(s) of the Company
“Target Company”	Super Generation Limited, a company incorporated in the British Virgin Islands with limited liability
“Target Group”	the Target Company and its subsidiaries

“Vendor” Du Changqing

“%” per cent

By order of the Board  
**Ngai Shun Holdings Limited**  
**Mock Wai Yin**  
*Executive Director and Chairman*

Hong Kong, 2 December 2015

*As at the date of this announcement, the Company has (i) three executive Directors, namely Mr. Mock Wai Yin, Mr. Chu Bai Qing and Mr. Zou Wei Dong; (ii) one non-executive Director, namely Mr. Chui Kwong Kau and (iii) three independent non-executive Directors, namely Mr. Lam Chi Wai, Ms. Lau Mei Ying and Ms. Thadani Jyoti Ramesh.*

*In the case of any inconsistency, the English text of this announcement shall prevail over the Chinese text.*