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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: 1246)

ANNOUNCEMENT IN RELATION TO MAJOR TRANSACTION

Reference is made to the circular of the Company dated 26 January 2017 (the “**Circular**”) in relation to, among other things, the sale of the Sale Shares of the Target Company by the Vendor to the Purchaser together with the assignment of the Assigned Shareholder’s Loan pursuant to the Sale and Purchase Agreement. Unless the context requires otherwise, terms defined in the Circular have the same meanings when used in this announcement.

SUPPLEMENTAL AGREEMENT

On 18 April 2017, the Vendor and the Purchaser entered into a supplemental agreement (the “**Supplemental Agreement**”) to, among others, amend the payment terms of the Sale and Purchase Agreement, pursuant to which, the total consideration of the Acquisition will be settled by the Purchaser on the Acquisition Completion Date in the following manner:

- (i) the Purchaser shall pay an amount of HK\$860 million to the Vendor in cash;
- (ii) the remaining balance of HK\$240 million will be settled by the Purchaser by using the proceeds from an interest-free loan provided by the Vendor to the Purchaser.

Save as set out above, other terms and conditions in the Sale and Purchase Agreement remain the same and in full force and effect.

LOAN AGREEMENT

On 18 April 2017, the Vendor and the Purchaser entered into a loan agreement (the “**Loan Agreement**”), pursuant to which, the Vendor has agreed to make an interest-free loan in the amount of HK\$240 million (the “**Loan**”) available to the Purchaser from the date of the Loan Agreement for a term until the date since which the Vendor is no longer a shareholder of the Target Company. The Loan is unsecured.

The Directors of the Company are of the view that the terms of the Supplemental Agreement and Loan Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole, as the Loan is interest free and it allows the Company to retain and better utilize its cash for other business purposes.

Listing Rules Implications

As Mr. Qiu Dongfang (i) will become a substantial shareholder of the Company upon completion of the Subscription; and (ii) holds an indirect interest of 97.63% in the Vendor, the Vendor will become an associate of Mr. Qiu Dongfang and therefore a connected person of the Company. While the Loan will constitute provision of financial assistance from a connected person to a subsidiary of the Company, it is conducted on normal commercial terms or better and is not secured by any asset of the Enlarged Group; therefore it is a fully exempt connected transaction pursuant to Rule 14A.90 of the Listing Rules and is fully exempt from all disclosure, annual review and Shareholders' approval requirements under Chapter 14A of the Listing Rules.

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

Hong Kong, 18 April 2017

As at the date of this announcement, the Company has (i) two executive Directors, namely Mr. Mock Wai Yin and Dr. Wong Yun Kuen; (ii) one non-executive Director, namely Mr. Chui Kwong Kau; and (iii) four independent non-executive Directors, namely Mr. Lam Chi Wai, Ms. Lau Mei Ying, Ms. Thadani Jyoti Ramesh and Mr. Eric Todd.

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