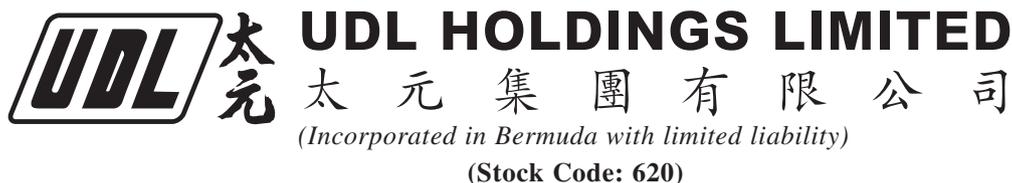


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*This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Company.*



**(I) DISCLOSEABLE TRANSACTIONS – THE ACQUISITION OF THE OLD COINS AND THE MAO TAI WINE; (II) PROPOSED OPEN OFFER OF 135,610,257 OFFER SHARES AT THE SUBSCRIPTION PRICE OF HK\$3.10 EACH ON THE BASIS OF TWO (2) OFFER SHARES FOR EVERY FIVE (5) EXISTING SHARES HELD ON THE RECORD DATE; (III) CHANGE IN BOARD AND BOARD COMMITTEES COMPOSITION; AND (IV) CHANGE OF AUTHORISED REPRESENTATIVE AND AGENT FOR THE SERVICE OF PROCESS IN HONG KONG**

**Financial Adviser to the Company**



**Underwriter**

**Da Tang Xi Shi International Holdings Limited**

**THE OLD COIN ACQUISITION**

The Board is pleased to announce that on 2 November 2015 (after trading hours), Better Power entered into the Asset Purchase Agreement with the Old Coin Seller pursuant to which Better Power has conditionally agreed to acquire the Old Coins from the Old Coin Seller.

The consideration of the Old Coin Acquisition is HK\$78.69 million which shall be satisfied in cash by Better Power to the Old Coin Seller at the Old Coin Acquisition Completion.

The Old Coin Acquisition Completion is conditional upon the satisfaction of the conditions as set out in the sub-paragraph headed “Conditions precedent to the Old Coin Acquisition”.

### **IMPLICATIONS UNDER THE LISTING RULES ON THE OLD COIN ACQUISITION**

Since certain of the applicable percentage ratios of the Old Coin Acquisition exceed 5% but are less than 25%, the Old Coin Acquisition will constitute a discloseable transaction for the Company for the purposes of, and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules. As at the date of the Asset Purchase Agreement, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Old Coin Seller is an Independent Third Party from the Company under the Listing Rules.

### **THE MAO TAI ACQUISITION**

The Board is pleased to announce that on 2 November 2015 (after trading hours), Better Power entered into the Wine Purchase Agreement with the Wine Vendor pursuant to which Better Power has conditionally agreed to acquire 3,700 bottles of Chinese Mao Tai wine from the Wine Vendor.

The consideration of the Mao Tai Acquisition is approximately RMB24.32 million (approximately HK\$29.84 million). The Mao Tai Acquisition shall be completed in 4 stages, each of which approximately 1,000 bottles of the Mao Tai Wine will be delivered and transferred from the Wine Vendor to Better Power.

Under the Wine Purchase Agreement, the consideration will be remained in the account of an Independent Third Party as escrow agent and pay to the Wine Vendor upon the delivery in each stage. When there are fluctuations in the market prices of the Mao Tai Wine, the actual consideration will be adjusted according to the real time market prices not exceeding 10% thereof subject to the valuation by the Independent Third Party valuation expert.

Completion is conditional upon the satisfaction of the conditions as more particularly set out in the sub-paragraph headed "Conditions precedent to the Mao Tai Acquisition".

### **IMPLICATIONS UNDER THE LISTING RULES ON THE MAO TAI ACQUISITION**

Since certain of the applicable percentage ratios of the Mao Tai Acquisition exceed 5% but are less than 25%, the Mao Tai Acquisition will constitute a discloseable transaction for the Company for the purposes of, and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules. As at the date of the Mao Tai Acquisition, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Wine Vendor is an Independent Third Party from the Company under the Listing Rules.

### **PROPOSED OPEN OFFER**

The Company proposes to raise approximately HK\$420.39 million before expenses by issuing 135,610,257 Offer Shares, on the basis of two (2) Offer Shares for every five (5) existing Shares in issue held on the Record Date at the Subscription Price of HK\$3.10 per Offer Share. The Open Offer will not be extended to the Excluded Shareholders. Qualifying Shareholders are entitled to apply for any Offer Shares not taken up by other Qualifying Shareholders under the Open Offer through excess application.

The estimated net proceeds of the Open Offer will be approximately HK\$418.24 million. The Group intends to apply:

- approximately HK\$48.00 million to repay for the loan from a related party;
- approximately HK\$80 million for the development of online market for art and collections including (i) HK\$35.00 million for capital expenditure of core technology software and hardware acquisition and development; (ii) HK\$25.00 million for operational working capital; (iii) HK\$20.00 million for sales and marketing expenditure;
- approximately HK\$78.69 million for the Old Coin Acquisition as the inventory to develop the online market of art and collections;
- approximately RMB24.32 million (equivalent to approximately \$29.84 million) for the Mao Tai Acquisition as the inventory to develop the online market of art and collections;
- approximately RMB30.00 million for the expansion of the operation scale of the Group through renting additional commercial area and employing 5-10 experienced management personnel/expertise in art and antique industries, being existing staff of Da Tang Xi Shi International, as to develop the art and collections related business; and
- the remaining for (i) potential strategic partnership with the Group and (ii) potential vertical and horizontal acquisition opportunities which may create synergies for its art and collections related business. Discussions are currently in progress with several high caliber counterparties, the Directors consider the Group will be able to enter into formal agreement with better terms upon the completion of the Open Offer.

On 2 November 2015 (after trading hours of the Stock Exchange), the Company and the Underwriter entered into the Underwriting Agreement. Pursuant to the Underwriting Agreement, the Underwriter has agreed to subscribe or procure subscribers to subscribe for all Underwritten Shares which are not subscribed for, subject to terms and conditions set out in the Underwriting Agreement.

The Undertaken Shareholder has irrevocably undertaken to the Company that (i) it will not dispose of an aggregate of 194,837,528 Shares beneficially owned by it from the date of the Undertakings up to and including the Record Date; and (ii) it will procure the acceptance of the Offer Shares which will represent the assured allotment to it or its nominee(s) as holder(s) of such Shares under the Open Offer.

To determine the entitlements to the Open Offer, the register of members of the Company will be closed from Wednesday, 18 November 2015 to Friday, 20 November 2015 (both days inclusive). No transfer of Shares will be registered during this period.

In order to be registered as members of the Company at the close of business on the Record Date, owners of Shares must lodge any transfer of Shares (together with the relevant share certificates) with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, no later than 4:30 p.m. on Tuesday, 17 November 2015.

#### **GENERAL**

The Underwriter holds 194,837,528 Shares, representing approximately 57.47% of the issued share capital of the Company. However, given that (i) no underwriting commission is payable by the Company to the Underwriter pursuant to the Underwriting Agreement; and (ii) the Company will allocate the Offer Shares in excess of assured allotments at its discretion on a fair and equitable basis, and on a pro-rata basis based on the excess Offer Shares applied for by the Qualifying Shareholders, the issue of Offer Shares to the Underwriter is fully exempt from the connected transaction requirements under Rule 14A.92 of the Listing Rules. Furthermore, the Open Offer will not increase the issued share capital or the market capitalization of the Company by more than 50% within the 12-month period immediately preceding this announcement, and thus the Open Offer is not subject to the approval of the Shareholders pursuant to the Listing Rules.

The Prospectus Documents setting out details of the proposed Open Offer are expected to be sent to the Qualifying Shareholders on or about Monday, 23 November 2015. The Prospectus (but not the Application Form or the Excess Application Form) will be despatched to the Non-Qualifying Shareholders for information only.

#### **WARNING OF THE RISK OF DEALINGS IN THE SHARES**

**The Shareholders and potential investors should note that the Open Offer is conditional upon inter alia, the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof.**

**Accordingly, the Open Offer may or may not proceed. The Shareholders and potential investors should exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.**

#### **CHANGE IN BOARD AND BOARD COMMITTEES COMPOSITION**

The composition of the Board and Board committees of the Company have the following changes with effect from the close of business on 2 November 2015:

- (i) Mr. Leung Yat Tung has resigned as an executive Director and the chief executive officer of the Company;
- (ii) Mrs. Leung Yu Oi Ling, Irene has resigned as an executive Director and the Chairman of the Board;
- (iii) Ms. Leung Chi Yin, Gillian has resigned as an executive Director and a member of remuneration committee;

- (iv) Mr. Leung Chi Hong, Jerry has resigned as an executive Director of the Company;
- (v) Mr. Pao Ping Wing, *JP* has resigned as an independent non-executive Director and a member of audit committee, remuneration committee and nomination committee;
- (vi) Professor Yuen Ming Fai, Matthew, *Ph.D.* has resigned as an independent non-executive Director, a member of audit committee and nomination committee and the chairman of remuneration committee;
- (vii) Ms. Tse Mei Ha has resigned as an independent non-executive Director, a member of remuneration committee and the chairman of audit committee;
- (viii) Mr. Wong Kwok Tung Gordon Allan, an executive Director, has been appointed as the chief executive officer of the Group;
- (ix) Mr. Cheng Yuk Wo has been appointed as an independent non-executive Director, the chairman of audit committee and a member of nomination committee and remuneration committee;
- (x) Mr. Choi, Victor Wang Tao has been appointed as an independent non-executive Director and a member of audit committee; and
- (xi) Mr. Mak Ming Chuen has been appointed as an independent non-executive Director and a member of audit committee and nomination committee.

The Board announces that the following Directors have been appointed to the respective roles in the Board committees set out below, all with effect from the close of business of 2 November 2015:

Audit committee:	Mr. Cheng Yuk Wo (chairman), Mr. Choi, Victor Wang Tao (member) and Mr. Mak Ming Chuen (member)
Nomination committee:	Mr. Wong Kwok Tung Gordon Allan (chairman), Mr. Cheng Yuk Wo (member) and Mr. Mak Ming Chuen (member)
Remuneration committee:	Dr. Lam Lee G. (chairman), Mr. Cheng Yuk Wo (member) and Mr. Wong Kwok Tung Gordon Allan (member)

**CHANGE OF AUTHORIZED REPRESENTATIVE AND AGENT FOR THE SERVICE OF PROCESS IN HONG KONG**

The Board announces that Ms. Leung Chi Yin, Gillian has ceased to act as the Authorised Representative and the Process Agent under the Listing Rules and Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and Ms. Yuen Wing Yin Winnie, the company secretary, has been appointed as the Authorised Representative and the Process Agent of the Company with effect from the close of business on 2 November 2015.

## **THE OLD COIN ACQUISITION**

The Board is pleased to announce that on 2 November 2015 (after trading hours), Better Power entered into the Asset Purchase Agreement with the Old Coin Seller pursuant to which Better Power has conditionally agreed to acquire the Old Coins from the Old Coin Seller. The principal terms of the Asset Purchase Agreement are set out below:

### **Date**

2 November 2015

### **Parties**

*Seller:* Wui Yuen Tong, a company established in Hong Kong

Wui Yuen Tong is principally engaged in antique trading business.

*Purchaser:* Better Power Limited, a company incorporated in Hong Kong which is a wholly-owned subsidiary of the Company

As at the date of the Asset Purchase Agreement, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Old Coin Seller is an Independent Third Party from the Company under the Listing Rules. The Directors understand that the Da Tang Xi Shi International Group and the sole proprietor of the Old Coin Seller formed a joint venture in the PRC in the business other than art and collections.

### **Assets to be acquired**

Pursuant to the Asset Purchase Agreement, at the Old Coin Acquisition Completion, Better Power agrees to purchase from the Old Coin Seller, and the Old Coin Seller agrees to sell, transfer, convey, assign and deliver to the Purchaser, all of the following assets free and clear of all encumbrances:

- (a) the old coins as specified in the section headed "Information about the Old Coins";
- (b) all valuation certificates relating to the old coins in the possession by the Old Coin Seller; and
- (c) all of the Old Coin Seller's rights, claims, credits, causes of action or rights of set-off against third parties relating to the old coins, including all rights to seek and obtain injunctive relief and to recover damages for past, present and future infringement of any property rights relating to the old coins (collectively, the "**Old Coins**").

The Old Coins shall be delivered to a designated representative of Better Power upon Old Coin Acquisition Completion.

### **Consideration**

The consideration for the purchase of the Old Coins is HK\$78.69 million which shall be satisfied in cash fully by Better Power to the Old Coin Seller at the Old Coin Acquisition Completion.

The consideration of HK\$78.69 million was arrived at after arm's length negotiation between the parties to the Asset Purchase Agreement on normal commercial terms with reference to market value of the Old Coins and will be subject to further verification by the valuation of the Old Coins by an Independent Third Party for the Old Coin Acquisition valuation expert.

### **Conditions precedent to the Old Coin Acquisition**

The Old Coin Acquisition Completion shall be conditional upon the fulfillment of the following conditions on or before 30 December 2015 (or such later date as may be agreed between the parties):

- (i) the full completion of the Open Offer by the Company; and
- (ii) Better Power having been satisfied with the valuation of the Old Coins by an Independent Third Party valuation expert.

If the above conditions cannot be fulfilled by 30 December 2015, the Asset Purchase Agreement shall terminate and become unenforceable provided that such termination shall be without prejudice to the rights and remedies of either party in respect of any antecedent breach of the Asset Purchase Agreement by the other party.

### **Old coin acquisition completion**

The Old Coin Acquisition Completion shall take place on and before 10:00 A.M. 31 December 2015, at the office of Better Power, or at such other time and location as Better Power and the Old Coin Seller may agree in writing. The Old Coins shall be delivered to and received by an authorised person specifically designated by Better Power by prior written notice (issued by a director of Better Power) to the Old Coin Seller.

### **INFORMATION ABOUT THE OLD COINS**

The Old Coins comprise of 8.114 millions of antique coins of the Chinese ancient dynasties, Byzantine Empire and Sassanid Empire and 5,000 sets of antique coins of Qing dynasty which are considered to be popular art and collections in the PRC and the generic collections are currently trading on the exchange platform of Nanjing Cultural and Art Asset Exchange Square in the PRC since 2013.

### **IMPLICATIONS UNDER THE LISTING RULES ON THE OLD COIN ACQUISITION**

Since certain of the applicable percentage ratios of the Old Coin Acquisition exceed 5% but are less than 25%, the Old Coin Acquisition will constitute a discloseable transaction for the Company for the purposes of, and are subject to the reporting and announcement requirements under, Chapter 14 of the Listing Rules.

## **THE WINE PURCHASE AGREEMENT**

The Board is pleased to announce that on 2 November 2015 (after trading hours), Better Power entered into the Wine Purchase Agreement with the Wine Vendor pursuant to which Better Power has conditionally agreed to acquire 3,700 bottles of Chinese Mao Tai wine (the “**Mao Tai Wine**”) from the Wine Vendor. The principal terms of the Wine Purchase Agreement are set out below:

### **Date**

2 November 2015

### **Parties**

*Seller:* Goldwill (HK) Trading Limited, a company incorporated in Hong Kong with limited liability

Goldwill (HK) Trading Limited is principally engaged in the trading of dutiable commodities items, which include wine and spirits trading.

*Purchaser:* Better Power Limited, a company incorporated in Hong Kong which is a wholly-owned subsidiary of the Company

As at the date of the Wine Purchase Agreement, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the Wine Vendor is an Independent Third Party, from the Company under the Listing Rules.

### **Assets to be acquired**

Pursuant to the Wine Purchase Agreement, Better Power has conditionally agreed to acquire 3,700 bottles of Chinese Mao Tai wine (the “**Mao Tai Wine**”) from the Wine Vendor. The Mao Tai Acquisition shall be completed in 4 stages, each of which approximately 1,000 bottles of Chinese Mao Tai wine will be delivered and transferred from the Wine Vendor to a designated representative of Better Power. The delivery shall take place at the office of Better Power, or at such other location as Better Power and the Wine Vendor may agree in writing

### **Consideration**

The total consideration for the purchase of the Mao Tai Wine shall be approximately RMB24.32 million (approximately HK\$29.84 million), subject to positive or negative adjustment not exceeding 10% thereof depending on the valuation by an Independent Third Party valuation expert.

Under the Wine Purchase Agreement, the consideration will be kept in the account of an Independent Third Party as escrow agent and paid to the Wine Vendor upon the delivery in each stage. When there are fluctuations in the market prices of the Mao Tai Wine, the actual consideration will be adjusted according to the real time market prices subject to the valuation by an Independent Third Party valuation expert.

The consideration of approximately RMB24.32 million (approximately HK\$29.84 million) was arrived at after arm’s length negotiation between the parties to the Wine Purchase Agreement on normal commercial terms with reference to market value of the Mao Tai Wine and will be subject to further verification by the valuation by an Independent Third Party valuation expert.

### **Conditions precedent to the Mao Tai Acquisition**

The completion of the Mao Tai Acquisition shall be conditional upon the fulfillment of the following conditions on or before 30 December 2015 (or such later date as may be agreed between the parties):

- (i) the full completion of the Open Offer by the Company; and
- (ii) Better Power having been satisfied with the valuation of the Mao Tai Wine by an Independent Third Party valuation expert.

If the above conditions cannot be fulfilled by 30 December 2015, the Wine Purchase Agreement shall terminate and become unenforceable provided that such termination shall be without prejudice to the rights and remedies of either party in respect of any antecedent breach of the Wine Purchase Agreement by the other party.

### **INFORMATION ABOUT THE MAO TAI WINE**

The Mao Tai Wine comprises of 3,700 bottles of vintage Chinese Mao Tai wine in different years ranging from 1983 to 2000. Chinese Mao Tai wine is one of the world's most famous liquors which has a long history. As recorded in history, as early as in 135 BC, Moutai Town, the ancient apanage, brewed the medlar sauce wine that Emperor Wudi of the Han Dynasty had high opinion of, and was thus known throughout the world. In 1915, Mou Tai Wine won the gold prize of Panama Word's Fair, and became known throughout the world. It is sold to over 100 countries and regions. The production technique of Mou Tai Wine is ancient and unique. It inherits the essence of ancient brewery technique, and integrates with the color of modern science and technology. The vintage Mao Tai Wine is considered to be popular art and collections in the PRC which has been common auction items across the global auction houses.

### **IMPLICATIONS UNDER THE LISTING RULES ON THE MAO TAI ACQUISITION**

Since certain of the applicable percentage ratios of the Mao Tai Acquisition exceed 5% but are less than 25%, the Mao Tai Acquisition will constitute a discloseable transaction for the Company for the purposes of, and are subject to the reporting and announcement requirements under, Chapter 14 of the Listing Rules.

### **THE OPEN OFFER**

On 2 November 2015 (after trading hours of the Stock Exchange), the Company and the Underwriter entered into the Underwriting Agreement in respect of the proposed Open Offer.

#### **Issue statistics**

Basis of the Open Offer	:	Two (2) Offer Shares for every five (5) existing Shares held on the Record Date
Subscription Price	:	HK\$3.10 per Offer Share

Number of Shares in issue as at the date of this announcement	:	339,025,643 Shares
Number of Offer Shares	:	135,610,257 Offer Shares (assuming that there is no change in the issued share capital of the Company from the date of this announcement up to the Record Date)
Number of Offer Shares to be taken up or procure to be taken up by the Undertaken Shareholder pursuant to the Undertakings	:	The Undertaken Shareholder has irrevocably undertaken to the Company to procure the acceptance of an aggregate of 77,935,011 Offer Shares which will represent the assured allotment to it or its nominee(s) under the Open Offer
Underwriter	:	Da Tang Xi Shi International (its ordinary course of business does not include underwriting)
Enlarged issued share capital of the Company upon the completion of the Open Offer	:	474,635,900 Shares (assuming that there is no change in the issued share capital of the Company from the date of this announcement up to the Record Date)
Fund raised before expenses	:	Approximately HK\$420.39 million (assuming that there is no change in the issued share capital of the Company from the date of this announcement up to the Record Date)

Assuming that there is no change in the issued share capital of the Company from the date of this announcement up to the Record Date, 135,610,257 Offer Shares proposed to be allotted pursuant to the Open Offer represent (i) 40% of the issued share capital of the Company as at the date of this announcement; and (ii) 28.57% of the enlarged issued share capital of the Company as enlarged by the allotment and issue of the Offer Shares.

As at the date of this announcement, the Company has no derivatives, options, warrants and conversion rights or other similar rights which are convertible or exchangeable into Shares.

The aggregate nominal value of the Offer Shares will be HK\$67,805,128.50.

#### **Undertakings given by the Undertaken Shareholder**

As at the date of the Undertakings, the Undertaken Shareholder is interested in 194,837,528 Shares, representing approximately 57.47% of the total issued share capital of the Company as at the date of this announcement. The Undertaken Shareholder has irrevocably undertaken to the Company that (i) it will not dispose of an aggregate of 194,837,528 Shares beneficially owned by the Undertaken Shareholder from the date of the Undertakings up to and including the Record Date and (ii) it will procure the acceptance of the Offer Shares which will represent the assured allotment to it or its nominee(s) as holder(s) of such Shares under the Open Offer.

Based on the Subscription Price of HK\$3.10 per Offer Share, the consideration payable by Undertaken Shareholder under the Open Offer pursuant to the Undertakings will amount to approximately HK\$241.60 million.

### **Subscription Price**

The Subscription Price is HK\$3.10 per Offer Share, which will be payable in full upon application.

The Subscription Price represents:

- (a) a discount of approximately 6.06% to the closing price of HK\$3.30 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a discount of approximately 4.32% to the theoretical ex-entitlement price of approximately HK\$3.24 based on the closing price of HK\$3.30 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (c) a premium of approximately 1.31% to the average closing price of approximately HK\$3.06 per Share for the last five consecutive trading days immediately prior to and including the Last Trading Day.
- (d) a discount of approximately 1.27% to the average closing price of approximately HK\$3.14 per Share for the last ten consecutive trading days immediately prior to and including the Last Trading Day.

Based on the Subscription Price of HK\$3.10, the estimated gross proceeds of the Open Offer will be approximately HK\$420.39 million (assuming there is no change in the issued share capital of the Company from the date of this announcement up to the Record Date). The net proceeds from the Open Offer to be received by the Company is expected to be approximately HK\$418.24 million. The net price per Offer Share is approximately HK\$3.08.

The Subscription Price was determined after arm's length negotiation between the Company and the Underwriter with reference to the prevailing market price of the Shares, the market conditions, and the theoretical ex-entitlement price on the Last Trading Day. The Directors (including the independent non-executive Directors) consider the terms of the Open Offer, including the Subscription Price, to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### **Basis of entitlement**

The basis of the entitlement shall be two (2) Offer Shares for every five (5) existing Shares held on the Record Date, being 135,610,257 Offer Shares.

### **Qualifying Shareholders**

The Company will send the Prospectus Documents to the Qualifying Shareholders only. To qualify for the Open Offer, a Shareholder must:

1. be a Shareholder whose name appear on the register of members of the Company on the Record Date; and

2. not be an Excluded Shareholder.

In order to be registered as members of the Company at the close of business on the Record Date, owners of Shares must lodge any transfer of Shares (together with the relevant share certificates) with the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, no later than 4:30 p.m. on Tuesday, 17 November 2015.

### **Closure of register of members**

The Company's register of members will be closed from Wednesday, 18 November 2015 to Friday, 20 November 2015, both days inclusive, to determine the eligibility of the Qualifying Shareholders. No transfer of Shares will be registered during the book closure period.

### **Rights of Overseas Shareholders**

The Prospectus Documents are not intended to be registered under the applicable securities legislation of any jurisdiction other than Hong Kong.

In compliance with the necessary requirements of the Listing Rules, the Company will make enquiries regarding the feasibility of extending the Open Offer to the Overseas Shareholders. If, based on legal opinions, the Directors consider that it is necessary or expedient not to offer the Offer Shares to the Overseas Shareholders on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place, the Open Offer will not be available to such Overseas Shareholders.

The results of the enquiries and the basis of any exclusion of the Overseas Shareholders will be included in the Prospectus. If they are excluded, the Company will send copies of the Prospectus and the Overseas Letters to the Excluded Shareholders for their information only, but the Company will not send any Application Form or Excess Application Form to the Excluded Shareholders.

Further information in this connection will be set out in the Prospectus Documents containing, among other things, details of the Open Offer, to be despatched to the Qualifying Shareholders on Monday, 23 November 2015.

Any Offer Shares which would otherwise have been in assured allotment of the Excluded Shareholders will be available for application by the Qualifying Shareholders who wish to apply for Offer Shares in excess of their own assured allotment.

**Those Qualifying Shareholders who do not take up the Offer Shares to which they are entitled and the Excluded Shareholders should note that their shareholdings in the Company will be diluted upon completion of the Open Offer.**

### **Fractions of the Offer Shares**

No fractional entitlements to the Offer Shares will be allotted to individual Qualifying Shareholders and fractional entitlements will be rounded down to the nearest whole number of the Offer Shares. All such fractional entitlements will be aggregated and will be made available for subscription by those Qualifying Shareholders who wish to apply for Offer Shares in excess of their own assured allotment by way of excess application.

### **Application for the Offer Shares**

The Application Form in respect of the entitlement of the Offer Shares will be enclosed with the Prospectus entitling the Qualifying Shareholders to whom it is addressed to subscribe for the Offer Shares as shown therein by completing such form and lodging the same with a remittance for the Offer Shares being taken up with the Registrar by the Latest Time for Acceptance.

### **Application for Excess Offer Shares and Basis for Allocation of Excess Application**

Qualifying Shareholders may apply, by way of excess application, for the Offer Shares to which the Excluded Shareholders would otherwise have been entitled to and for any assured allotment of Offer Shares not accepted by the Qualifying Shareholders and for the Offer Shares created by aggregation of fractional Offer Shares (if any), by completing the Excess Application Form(s) and lodging the same with a separate remittance for the excess Offer Shares being applied for by the Latest Time for Acceptance. The Directors will allocate the excess Offer Shares at its discretion on a fair and equitable basis according to the principle that any excess Offer Shares will be allocated to the Qualifying Shareholders who apply for them on a pro-rata basis by reference to the number of excess Offer Shares applied for by the Qualifying Shareholders. No preference will be given to topping-up odd lots to whole board lots. Any Offer Shares not applied for by the Qualifying Shareholders and not taken up by excess application will be taken up by the Underwriter.

Shareholders or investors of the Company should note that the number of excess Offer Shares which may be allocated to them may be different where they make applications for excess Offers Shares by different means, such as making applications in their own names as against through nominees who also hold Shares for other Shareholders/investors. Investors with their Shares held by a nominee company should note that the board of Directors will regard the nominee company (including HKSCC Nominees Limited) as a single Shareholder according to the register of members of the Company. Accordingly, the Shareholders should note that the aforesaid arrangement in relation to the allocation of the excess Offer Shares will not be extended to beneficial owners individually. Investors with their Shares held by a nominee company are advised to consider whether they would like to arrange for the registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date. Shareholders and investors should consult their professional advisers if they are in any doubt as to their status.

### **Status of the Offer Shares**

The Offer Shares, when allotted and fully paid, will rank *pari passu* in all respects with the then Shares in issue on the date of allotment of the Offer Shares in fully-paid form, including the right to receive all dividends and distributions which may be declared, made or paid on or after such date.

### **Share certificates and refund cheques for the Offer Shares**

Subject to the fulfillment of the conditions of the Open Offer, certificates for all fully-paid Offer Shares are expected to be posted to those entitled thereto by ordinary post at their own risk on or before Monday, 14 December 2015. Each Shareholder will receive one share certificate for all allotted Offer Shares. Refund cheques in respect of wholly or partially unsuccessful applications for excess Offer Shares (if any) or if the Open Offer is terminated, will be despatched on or before Monday, 14 December 2015 by ordinary post at the respective Shareholders' own risk.

### **Application for listing**

The Company will apply to the Listing Committee for the listing of and permission to deal in, the Offer Shares. Dealings in the Offer Shares on the Stock Exchange will be subject to the payment of stamp duty (if any) in Hong Kong and any other applicable fees and charges in Hong Kong.

Subject to the granting of the approval for the listing of, and permission to deal in, the Offer Shares on the Stock Exchange, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement date of dealings in the Offer 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 securities of the Company is listed or dealt in or on which listing or permission to deal is being or is proposed to be sought on any other stock exchange.

### **Conditions of the Open Offer**

The Open Offer is conditional upon the Underwriting Agreement having become unconditional and not being terminated in accordance with its terms or otherwise. The conditions to the Underwriting Agreement are set out in the sub-section headed “Conditions of the Underwriting Agreement” of this announcement.

### **UNDERWRITING AGREEMENT**

Date	:	2 November 2015 (after trading hours)
Underwriter	:	Da Tang Xi Shi International
Total number of Offer Shares being underwritten by the Underwriter	:	Taking into account the Undertakings, the Open Offer is fully underwritten. The total number of Underwritten Shares (excluding the 77,935,011 Offer Shares to be taken up by the Undertaken Shareholder or its nominee(s) pursuant to the Undertakings), being 57,675,246 Offer Shares, will be underwritten by the Underwriter.
Commission	:	The Underwriter will not receive any underwriting commission.

Pursuant to the Underwriting Agreement, the Underwriter has agreed to subscribe or procure subscribers to subscribe for all Underwritten Shares which are not subscribed for, subject to terms and conditions set out in the Underwriting Agreement in particular the fulfillment of the conditions contained therein.

## **Termination of the Underwriting Agreement**

The Underwriting Agreement contains provisions entitling the Underwriter, by notice in writing, to terminate its obligations thereunder on the occurrence of certain events. If, at any time prior to the Latest Time for Termination (i.e. 4:00 p.m. on Wednesday, 9 December 2015 pursuant to the expected timetable), one or more of the following events or matters (whether or not forming part of a series of events) shall occur, arise, exist, or come into effect:

- (a) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which would in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer;
- (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date hereof) of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer;
- (c) any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction or trading in securities) occurs which would in the reasonable opinion of the Underwriter materially or adversely affect the business or the financial or trading position or prospects of the Group as a whole or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer;
- (d) there is any change in the circumstances of the Company or any member of the Group which in the reasonable opinion of the Underwriter will adversely affect the prospects of the Group as a whole;
- (e) any material breach of or omission to observe any of the obligations or undertakings by the Company expressed to be assumed it under the Underwriting Agreement;
- (f) any material breach of any of the warranties or undertakings contained in the Underwriting Agreement comes to the knowledge of the Underwriter and which in the reasonable opinion of the Underwriter represents or is likely to represent a material and adverse change in the business, financial or trading position or prospectus of the Group as a whole or is otherwise likely to have a material and adverse effect on the Open Offer is materially adverse to the success of the Open Offer; or
- (g) the Company shall, after any matter or event referred to in the Underwriting Agreement has occurred or come to the Underwriter's attention, fail promptly to send out any announcement or circular (after the despatch of the Prospectus Documents), in such manner (and as appropriate with such contents) as the Underwriter may reasonably request for the purpose of preventing the creation of a false market in the securities of the Company,

the Underwriter shall be entitled by notice in writing to the Company, served prior to the Latest Time for Termination, to terminate the Underwriting Agreement.

Upon the giving of termination notice by the Underwriter, the obligations of all parties, subject to the Underwriting Agreement, shall terminate forthwith and no party shall have any claim against any other party for costs, damages, compensation or otherwise save for any antecedent breaches.

### **Conditions of the Underwriting Agreement**

The obligations of the Underwriter under the Underwriting Agreement are conditional on:

- (a) the delivery to the Stock Exchange for authorisation and the registration with the Registrar respectively of the Prospectus Documents (and all other documents required to be attached thereto) in accordance with the requirements under the Companies Ordinance and the Listing Rules;
- (b) the posting of the Prospectus Documents to the Qualifying Shareholders;
- (c) the Listing Committee of the Stock Exchange agreeing to grant and not having withdrawn or revoked the listing of, and permission to deal in, the Offer Shares;
- (d) the execution of the Undertakings by Da Tang Xi Shi International in favour of the Company; and
- (e) the compliance by the Company with all its obligations under the Underwriting Agreement.

**In the event that the Underwriter exercises its rights to terminate or rescind the Underwriting Agreement as described above, the Open Offer will not proceed.**

The Board (including the independent non-executive Directors) considers that the terms of the Underwriting Agreement are fair and reasonable as compared to the market practice and commercially reasonable as agreed among the parties of the Underwriting Agreement and it is in the interest of the Shareholders as a whole.

## SHAREHOLDING STRUCTURE OF THE COMPANY

The table below set out the shareholding structure of the Company assuming that there is no change in the shareholding structure of the Company from the date of this announcement to immediately after the completion of the Open Offer:

	As at the date of this announcement		Upon completion of the Open Offer (assuming all Offer Shares are subscribed for by the Qualifying Shareholders)		Upon completion of the Open Offer (assuming none of the Offer Shares are subscribed for by the Qualifying Shareholders other than the Undertaken Shareholder under the Undertakings)	
	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>
Da Tang Xi Shi International, the Underwriter (Note)	194,837,528	57.47	272,772,539	57.47	330,447,785	69.62
<i>Executive Directors:</i>						
Mr. Leung Yat Tung	2,751,154	0.82	3,851,616	0.82	2,751,154	0.58
Mrs. Leung Yu Oi Ling, Irene	1,000,000	0.29	1,400,000	0.29	1,000,000	0.21
Ms. Leung Chi Yin, Gillian	1,000,000	0.29	1,400,000	0.29	1,000,000	0.21
Mr. Leung Chi Hong, Jerry	1,000,000	0.29	1,400,000	0.29	1,000,000	0.21
<i>Public:</i>						
Existing public Shareholders	138,436,961	40.84	193,811,745	40.84	138,436,961	29.17
Total	<u>339,025,643</u>	<u>100.00</u>	<u>474,635,900</u>	<u>100.00</u>	<u>474,635,900</u>	<u>100.00</u>

### *Note:*

The Undertaken Shareholder has irrevocably undertaken to the Company that (i) it will not dispose of 194,837,528 Shares beneficially owned by it from the date of the Undertakings up to and including the Record Date; and (ii) it will procure the acceptance of the Offer Shares which will represent the assured allotment to it or its nominee(s) as holders of such Shares under the Open Offer.

## INFORMATION ON THE UNDERWRITER

Da Tang Xi Shi International is an investment holding company incorporated in the BVI with limited liability. As at the Last Trading Day, it was wholly-owned by Da Tang Xi Shi International Group Limited 大唐西市國際集團有限公司. Da Tang Xi Shi International Group Limited 大唐西市國際集團有限公司 was wholly owned by 大唐西市文化產業投資集團有限公司 (Da Tang Xi Shi Investment Group Limited\*), of which as to approximately 50.60% was owned by Mr. Lu Jianzhong, as to approximately 13.80% was owned by Mr. Liang Lei\* (梁雷), as to approximately 13.80% was owned by Mr. Yang Xingwen\* (楊興文), as to approximately 13.80% was owned by Mr. Yu Baoan\* (于寶安) and as to approximately 8.00% was owned by 寧波歐盈宏創投資合夥企業 (Ningbo Ouying Hongchuang Investment Partnership\*) respectively.

As at the Last Trading Day, Da Tang Xi Shi International held 194,837,528 Shares, representing approximately 57.47% of the entire issue share capital of the Company.

### **REASONS FOR THE OLD COIN ACQUISITION, THE MAO TAI ACQUISITION AND THE OPEN OFFER AND USE OF PROCEEDS**

The Group is principally engaged in (i) sale of vessels; (ii) marine engineering; (iii) construction and structural steel engineering and related services.

The gross proceeds from the Open Offer will be approximately HK\$420.39 million. The net proceeds from the Open Offer after deducting all relevant expenses are estimated to be approximately HK\$418.24 million.

With reference to the composite document of the Company dated 27 July 2015 in relation to the unconditional mandatory cash general offer, Da Tang Xi Shi International, being the controlling Shareholder, will conduct a review of the business operations and financial position of the Group for the purpose of developing a sustainable business plan or strategy for the Group. Subject to the result of the review and should suitable investment or business opportunities arise, Da Tang Xi Shi International may diversify the business of the Group with the objective of broadening its sources of income. The Board considers that it is prudent to strengthen the financial position of the Company and increase its available financial resources to prepare for the capital needs if any investment opportunity materialises and provide sufficient surplus capital to support the development of the Group. Considering the uncertainties in the global financial market, the Directors are of the view that it is reasonable for the Company to enhance the capital base by the Open Offer with a view to create more buffer for the Company to mitigate the business and financial risk and enhance the financial flexibility of the Group. In addition, as the Group is actively seeking for investment opportunity in different industry that could enhance corporate development and broaden the income base of the Group, sufficient cash reserve is crucial for the development of the Group.

The Group plans to invest, develop and operate an online marketplace for art and collections including but not limited to wine, tea, coins and jewelry. The Group has engaged an international consulting firm to formulate a detailed business plan with financial forecast. The aim of the Group is to provide consumers an enjoyable online shopping experience for high end art and collections. Online direct sales and online marketplace are the two major online retail business models of the Group's online marketplace for art and collections:

- under the online direct sales business model, the Group procures and manages its own inventories, sells products directly to consumers online, and provides delivery and aftersales services; and
- under the online marketplace business model, the Group operates an intermediary platform that facilitates transactions between merchants and consumers.

It is the intention of the Group to initiate its online direct sales business model first by building up a sufficient inventory level of art and collections. Leveraging from the strong product knowledge and strong merchandise sourcing capabilities for art and collection of Da Tang Xi Shi International Group, being the controlling Shareholder of the Group, the Group plans to source more relevant investment opportunities for development of expansion of its art and collections business. Da Tang Xi Shi International Group has currently deployed over 20 experts and staff related to art and antique businesses.

The gross proceeds from the Open Offer will be approximately HK\$420.39 million. The net proceeds from the Open Offer after deducting all relevant expenses are estimated to be approximately HK\$418.24 million.

The Group intends to apply:

- approximately HK\$48.00 million to repay for the loan from a related party;
- approximately HK\$80 million for the development of online market for art and collections including (i) HK\$35.00 million for capital expenditure of core technology software and hardware acquisition and development; (ii) HK\$25.00 million for operational working capital; (iii) HK\$20.00 million for sales and marketing expenditure;
- approximately HK\$78.69 million for the Old Coin Acquisition as the inventory to develop the online market of art and collections;
- approximately RMB24.32 million (equivalent to approximately \$29.84 million) for the Mao Tai Acquisition as the inventory to develop the online market of art and collections;
- approximately RMB30.00 million for the expansion of the operation scale of the Group through renting additional commercial area and employing 5-10 experienced management personnel/expertise in art and antique industries, being existing staff of Da Tang Xi Shi International, as to develop the art and collections related business; and
- the remaining for (i) potential strategic partnership with the Group and (ii) potential vertical and horizontal acquisition opportunities which may create synergies for its art and collections related business. Discussions are currently in progress with several high caliber counterparties, the Directors consider the Group will be able to enter into formal agreement with better terms upon the completion of the Open Offer.

The Board has considered other fund raising alternatives before resolving to the Open Offer, including but not limited to debt financing, placing of new Shares and rights issue. Debt financing or bank loans would result in additional interest burden to and higher gearing ratio of the Group and subject the Group to repayment obligations. Given the fund raising size of the Company, the Directors consider that it will not be feasible for the Company to obtain the required amount from bank financing at favourable terms. Placing of new Shares would only be available to certain places who were not necessarily the existing Shareholders and would dilute

the shareholding of the existing Shareholders in the Company. The Directors considered that it would be unfair to those Shareholders who had stayed with the Company for a considerable time, especially when the prospect of the Company is expected to improve.

Although rights issue, as compared to an Open Offer, is an alternative to Shareholders who do not wish to take up the entitlements by selling their entitled nil-paid rights, rights issue would involve extra administrative work and cost for the preparation, printing, posting and processing of trading arrangements in relation to the nil-paid rights. In addition, as the average trading volume in the past twelve months before the date of this submission, is only approximately 0.56% of the total issued Shares, there is uncertainty of the existence of a market to trade the nil-paid rights. Having considered and balanced against the additional administrative work and cost in connection with the trading arrangements of nil-paid rights, and given that all Qualifying Shareholders could participate in the Open Offer, the Directors are of the view that raising funds by way of the Open Offer is a more cost effective option than rights issue. In addition, the Company has approached three principal financial institutions in respect of possible open offer and was informed that all three of the financial institutions are unwilling to underwrite the Open Offer given the fund raising size and market conditions. The Board, after due and careful consideration, sought the approval of the substantial shareholder, Da Tang Xi Shi International, to assist in materializing the proposed Open Offer by undertaking the position as underwriter.

Having considered other fund raising alternatives for the Group, such as placing of new Shares, and taking into account the benefits and cost of each of the alternatives, the Directors (including the independent non-executive Directors) are of the view that the Open Offer is in the interest of the Company and the Shareholders as a whole since it offers the Qualifying Shareholders the opportunity to maintain their pro rata shareholding interests in the Company.

## FUND RAISING EXERCISES OF THE COMPANY IN THE PAST 12 MONTHS

Date of announcement	Event	Net proceeds	Intended use of proceeds	Actual use of proceeds
15 September 2015 and 6 October 2015	Placing of 55,023,081 new Shares with an aggregate principal amount of HK\$137.60 million	Approximately HK\$135.00 million	for general working capital of the Group and for settlement of certain liabilities of the Group	<p>(i) Approximately HK\$1.30 million was used for general working capital of the Group; and</p> <p>(ii) the remaining balance of approximately HK\$133.70 million was maintained at the Group's bank accounts and is intended to be used as general working capital for the Group for the marine, construction and structural steel engineering cost, administrative expenses, staff cost, and finance cost and repayment of certain liabilities for the forthcoming 18 months.</p>

Save for the above, the Company had not conducted any other fund raising exercise in the past 12 months immediately preceding the date of this announcement.

## EXPECTED TIMETABLE

The expected timetable for the Open Offer is set out below:

<b>Event</b>	<b>(Hong Kong time)</b>
Last day of dealings in Shares on a cum-entitlement basis . . . . .	Friday, 13 November 2015
First day of dealings in Shares on an ex-entitlement basis . . . . .	Monday, 16 November 2015
Latest time for lodging transfer of Shares in order to be qualified for the Open Offer . . . . .	4:30 p.m. on Tuesday, 17 November 2015
Register of members of the Company closes. . . . .	Wednesday, 18 November 2015 to Friday, 20 November 2015 (both dates inclusive)
Record Date for the Open Offer . . . . .	Friday, 20 November 2015
Register of members of the Company re-opens. . . . .	Monday, 23 November 2015
Despatch of the Prospectus Documents (in case of the Excluded Shareholders, the Prospectus only) . . . . .	Monday, 23 November 2015
Latest Time for Acceptance of, and payment for Offer Shares and excess application for Offer Shares. . . . .	4:00 p.m. on Monday, 7 December 2015
Latest Time for Termination by the Underwriter . . . . .	4:00 p.m. on Wednesday, 9 December 2015
Announcement of results of acceptance of the Offer Shares and excess application for Offer Shares . . . . .	Friday, 11 December 2015
Despatch of share certificates for Offer Shares and refund cheques in respect of wholly or partially unsuccessful applications for excess Offer Shares or if the Open Offer is terminated . . . . .	Monday, 14 December 2015
Dealings in Offer Shares commences . . . . .	9:00 a.m. on Tuesday, 15 December 2015

All times and dates stated in this announcement refer to Hong Kong local times and dates. Dates or deadlines specified in expected timetable above are indicative only and may be extended or varied by the Company. Any changes to the expected timetable will be published or notified to Shareholders as and when appropriate.

### **Effect of bad weather on the Latest Time for Acceptance**

If there is a “black” rainstorm warning or a tropical cyclone warning signal number 8 or above in force in Hong Kong on Monday, 7 December 2015, being the date of the Latest Time for Acceptance:

- (i) at any time before 12:00 noon and no longer in force after 12:00 noon, the Latest Time for Acceptance will be postponed to 5:00 p.m. on the same business day; or
- (ii) at any time between 12:00 noon and 4:00 p.m., the Latest Time for Acceptance will be postponed to 4:00 p.m. on the next business day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

If the Latest Time for Acceptance does not take place on Monday, 7 December 2015, the dates mentioned in the above section headed “Expected timetable” in this announcement may be affected. An announcement will be made by the Company in such event.

### **GENERAL**

The Underwriter holds 194,837,528 Shares, representing approximately 57.47% of the issued share capital of the Company. However, given that (i) no underwriting commission is payable by the Company to the Underwriter pursuant to the Underwriting Agreement; and (ii) the Company will allocate the Offer Shares in excess of assured allotments at its discretion on a fair and equitable basis, and on a pro-rata basis based on the excess Offer Shares applied for by the Qualifying Shareholders, the issue of Offer Shares to the Underwriter is fully exempt from the connected transaction requirements under Rule 14A.92 of the Listing Rules. Furthermore, the Open Offer will not increase the issued share capital or the market capitalization of the Company by more than 50% within the 12-month period immediately preceding this announcement, and thus the Open Offer is not subject to the approval of the Shareholders pursuant to the Listing Rules.

The Prospectus Documents setting out details of the proposed Open Offer are expected to be sent to the Qualifying Shareholders on or about Monday, 23 November 2015. The Prospectus (but not the Application Form or the Excess Application Form) will be despatched to the Non-Qualifying Shareholders for information only.

### **WARNING OF THE RISKS OF DEALING IN THE SHARES**

**The Shareholders and potential investors should note that the Open Offer is conditional upon inter alia, the Underwriting Agreement having become unconditional and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof.**

**Accordingly, the Open Offer may or may not proceed. The Shareholders and potential investors should exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.**

**The Shareholders should note that the Shares will be dealt in on an ex-entitlement basis commencing from Monday, 16 November 2015 and that dealing in Shares will take place while the conditions to which the Underwriting Agreement is subject remain unfulfilled.**

**Any Shareholder or other person dealing in Shares up to the date on which all conditions to which the Open Offer is subject are fulfilled (which is expected to be at 4:00 p.m. on Wednesday, 9 December 2015), will accordingly bear the risk that the Open Offer cannot become unconditional and may not proceed. Any Shareholder or other person contemplating selling or purchasing Shares, who is in any doubt about his/her/its position, is recommended to consult his/her/its own professional adviser.**

## **CHANGE IN BOARD AND BOARD COMMITTEES COMPOSITION**

### ***RESIGNATION OF DIRECTORS***

Pursuant to the joint announcement of the Company and Da Tang Xi Shi International dated 29 June 2015, the four executive Directors, namely Mr. Leung Yat Tung, Mrs. Leung Yu Oi Ling, Irene, Ms. Leung Chi Yin, Gillian and Mr. Leung Chi Hong, Jerry, immediately after the close of the share sale, may resign as Directors with effect from the earliest time permitted under (or pursuant to any dispensation from) the Takeovers Code or by the Securities and Futures Commission. Further to the publication of the annual report for the year ended 31 July 2015 on 30 October 2015 and as a result of the change in control of the Company, the Board announces that with effect from the close of business on 2 November 2015:

- (i) Mr. Leung Yat Tung has resigned as an executive Director and the chief executive officer of the Company;
- (ii) Mrs. Leung Yu Oi Ling, Irene has resigned as an executive Director and the Chairman of the Board;
- (iii) Ms. Leung Chi Yin, Gillian has resigned as an executive Director and a member of remuneration committee;
- (iv) Mr. Leung Chi Hong, Jerry has resigned as an executive Director of the Company;
- (v) Mr. Pao Ping Wing, *JP* has resigned as an independent non-executive Director and a member of audit committee, remuneration committee and nomination committee;
- (vi) Professor Yuen Ming Fai, Matthew, *Ph.D.* has resigned as an independent non-executive Director, a member of audit committee and nomination committee and the chairman of remuneration committee;
- (vii) Ms. Tse Mei Ha has resigned as an independent non-executive Director, a member of remuneration committee and the chairman of audit committee; and
- (viii) Mr. Wong Kwok Tung Gordon Allan, an executive Director, has been appointed as the chief executive officer of the Group;

After Mrs. Leung Yu Oi Ling, Irene's resignation, the position of chairman of the Board becomes vacant. A further announcement will be made should there be any appointment of chairman of the Board.

The Board believes that Mrs. Leung Yu Oi Ling, Irene's resignation should not have adverse impact on the operation of the Group.

Each of Mr. Leung Yat Tung, Mrs. Leung Yu Oi Ling, Irene, Ms. Leung Chi Yin, Gillian, Mr. Leung Chi Hong, Jerry, Mr. Pao Ping Wing, *JP*, Professor Yuen Ming Fai, Matthew, *Ph.D.* and Ms. Tse Mei Ha has confirmed to the Board that he/she has no disagreement with the Board and that there are no other matters in relation to his/her resignation that need to be brought to the attention of the Shareholders and the Stock Exchange.

The Board would like to take this opportunity to express its sincere gratitude to Mr. Leung Yat Tung, Mrs. Leung Yu Oi Ling, Irene, Ms. Leung Chi Yin, Gillian, Mr. Leung Chi Hong, Jerry, Mr. Pao Ping Wing, *JP*, Professor Yuen Ming Fai, Matthew, *Ph.D.* and Ms. Tse Mei Ha for their valuable contribution to the Company during their tenure of services.

### ***APPOINTMENT OF DIRECTORS***

The Board is also pleased to announce that the following appointments of Directors took effect at the close of business on 2 November 2015:

- (i) Mr. Cheng Yuk Wo has been appointed as an independent non-executive Director, the chairman of audit committee and a member of nomination committee and remuneration committee;
- (ii) Mr. Choi, Victor Wang Tao has been appointed as an independent non-executive Director and a member of audit committee; and
- (iii) Mr. Mak Ming Chuen has been appointed as an independent non-executive Director and a member of audit committee and nomination committee.

#### **Mr. Cheng Yuk Wo**

Mr. Cheng Yuk Wo (“**Mr. Cheng**”), aged 54, was appointed as an independent non-executive Director, chairman of audit committee and member of remuneration committee and nomination committee of the Company on 2 November 2015. He is a fellow of the Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants, and a member of the Institute of Chartered Accountants of Ontario, Canada and the Chartered Professional Accountants of Canada. He is a co-founder of a Hong Kong merchant banking firm and is the proprietor of a certified public accountant practice in Hong Kong. Mr. Cheng obtained a Master of Science (Economics) degree in Accounting and Finance from the London School of Economics, England and a Bachelor of Arts (Honours) degree in Accounting from the University of Kent, England. Mr. Cheng had worked at Coopers and Lybrand (now known as PricewaterhouseCoopers) in London and with Swiss Bank Corporation (now known as UBS AG) in Toronto.

Mr. Cheng is also an independent non-executive director of CSI Properties Limited (stock code: 497), C.P. Lotus Corporation (stock code: 121), Chong Hing Bank Limited (stock code: 1111), Goldbond Group Holdings Limited (stock code: 172), HKC (Holdings) Limited (stock code: 190), Imagi International Holdings Limited (stock code: 585), CPMC Holdings Limited (stock code: 906), Top Spring International Holdings Limited (stock code: 3688), Liu Chong Hing Investment Limited (stock code: 194) and Chia Tai Enterprises International Limited (stock code: 3839), the shares of all of which are listed on The Stock Exchange of Hong Kong Limited. In the last three years preceding the date of appointment, he was an independent non-executive director of South China Land Limited (stock code: 8155) and an executive director of 21 Holdings Limited (stock code: 1003).

Mr. Cheng has entered into an appointment agreement with the Company for an initial term of three years which the appointment agreement can be terminated by either party giving one month's written notice. He is subject to retirement by rotation and re-election in accordance with the Listing Rules and the Bye-laws of the Company.

Mr. Cheng does not have any interest in any Shares or underlying Shares of the Company pursuant to Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). He does not have any relationship with any Directors or senior management or Substantial Shareholders or controlling Shareholders of the Company.

Save as disclosed above, there is no other information which is discloseable pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there are no other matters relating to the appointment of Mr. Cheng that need to be brought to the attention of the Shareholders of the Company.

#### **Mr. Choi, Victor Wang Tao**

Mr. Choi, Victor Wang Tao (“**Mr. Choi**”), aged 42, was appointed as an independent non-executive Director and member of audit committee of the Company on 2 November 2015. He has over 20 years of experience in financial management in port and public utility industries. He is a qualified accountant and holds a Bachelor's degree in Economics from the University of Sydney. He is a member of the Hong Kong Institute of Certified Public Accountants and CPA Australia.

Mr. Choi has entered into an appointment agreement with the Company for an initial term of three years which the appointment agreement can be terminated by either party giving one month's written notice. He is subject to retirement by rotation and re-election in accordance with the Listing Rules and the Bye-laws of the Company.

Mr. Choi does not have any interest in any shares or underlying shares of the Company pursuant to Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). He does not have any relationship with any Directors or senior management or Substantial Shareholders or controlling Shareholders of the Company.

Save as disclosed above, there is no other information which is discloseable pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there are no other matters relating to the appointment of Mr. Choi that need to be brought to the attention of the shareholders of the Company.

#### **Mr. Mak Ming Chuen**

Mr. Mak Ming Chuen (“**Mr. Mak**”), aged 42, was appointed as an independent non-executive Director and member of audit committee and nomination committee of the Company on 2 November 2015. He is currently serves as a director of Guangzhou Yuegou e-Commerce Limited, company specializing in building and operating a cross border electronic business trading platform for non-staple food and the chief financial officer in one of a wholly owned subsidiary of New World Development Co., Ltd. He has extensive experience in financial and accounting field, and has previously worked for Ernst & Young in their Hong Kong auditing department. He holds a Bachelor's degree in Accounting and Finance at the Manchester Metropolitan University.

Mr. Mak has entered into an appointment agreement with the Company for an initial term of three years which the appointment agreement can be terminated by either party giving one month's written notice. He is subject to retirement by rotation and re-election in accordance with the Listing Rules and the Bye-laws of the Company.

Mr. Mak does not have any interest in any shares or underlying shares of the Company pursuant to Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). He does not have any relationship with any Directors or senior management or Substantial Shareholders or controlling Shareholders of the Company.

Save as disclosed above, there is no other information which is discloseable pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and there are no other matters relating to the appointment of Mr. Mak that need to be brought to the attention of the shareholders of the Company.

### ***CHANGE IN BOARD COMMITTEES' COMPOSITION***

The Board announces that the following Directors have been appointed to the respective roles in the Board committees set out below, all with effect from the close of business on 2 November 2015:

Audit committee:	Mr. Cheng Yuk Wo (chairman), Mr. Choi, Victor Wang Tao (member) and Mr. Mak Ming Chuen (member)
Nomination committee:	Mr. Wong Kwok Tung Gordon Allan (chairman), Mr. Cheng Yuk Wo (member) and Mr. Mak Ming Chuen (member)
Remuneration committee:	Dr. Lam Lee G. (chairman), Mr. Cheng Yuk Wo (member) and Mr. Wong Kwok Tung Gordon Allan (member)

### **CHANGE OF AUTHORIZED REPRESENTATIVE AND AGENT FOR THE SERVICE OF PROCESS IN HONG KONG**

The Board announces that Ms. Leung Chi Yin, Gillian has ceased to act as an authorised representative (“**Authorised Representative**”) and the agent of the Company for accepting service of process in Hong Kong (“**Process Agent**”) under the Listing Rules and Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and Ms. Yuen Wing Yin Winnie, the company secretary, has been appointed as the Authorised Representative and a Process Agent of the Company with effect from the close of business on 2 November 2015.

### **DEFINITIONS**

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

“acting in concert”	has the meaning ascribed thereto under the Takeovers Code
“Application Form(s)”	the form(s) of application to be used by the Qualifying Shareholders to apply for the Offer Shares in the form agreed by the Company and the Underwriter

“Asset Purchase Agreement”	the asset purchase agreement dated 2 November 2015 entered into between Better Power and Old Coin Seller for the sale and purchase of the Old Coins
“associate(s)”	has the meaning ascribed thereto in the Listing Rules
“Better Power”	Better Power Limited, a company incorporated in Hong Kong with limited liability which is a wholly-owned subsidiary of the Company
“Board”	the board of Directors
“BVI”	the British Virgin Islands
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	UDL Holdings Limited (太元集團有限公司), a company incorporated under the laws of Bermuda with limited liability, the shares of which are listed on the Main Board (Stock Code: 620)
“Companies (WUMP) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong (as amended from time to time)
“Da Tang Xi Shi International” or “Underwriter”	Da Tang Xi Shi International Holdings Limited, a company incorporated in the BVI with limited liability, which is wholly owned by Da Tang Xi Shi International Group Limited, which is a company wholly owned by 大唐西市文化產業投資集團有限公司 (Da Tang Xi Shi Investment Group Limited*), of which as to approximately 50.60% was owned by Mr. Lu Jianzhong, as to approximately 13.80% was owned by Mr. Liang Lei* (梁雷), as to approximately 13.80% was owned by Mr. Yang Xingwen* (楊興文), as to approximately 13.80% was owned by Mr. Yu Baoan* (于寶安) and as to approximately 8.00% was owned by 寧波歐盈宏創投資合夥企業 (Ningbo Ouying Hongchuang Investment Partnership*) respectively, as at the date of this announcement; as at the Last Trading Day, Da Tang Xi Shi International held 194,837,528 Shares, representing approximately 57.47% of the entire issue share capital of the Company
“Da Tang Xi Shi International Group”	Da Tang Xi Shi International and its affiliates
“Director(s)”	the directors of the Company

“Excess Application Form(s)”	the form(s) of application to be used by the Qualifying Shareholders to apply for excess Offer Shares in the form agreed by the Company and the Underwriter
“Excluded Shareholder(s)”	the Overseas Shareholder(s) whom the Directors, after making enquiries, consider it necessary or expedient not to offer the Offer Shares to such Overseas Shareholder(s) on account either of legal restrictions under the laws of relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties not connected with or acting in concert with any directors, chief executive or Substantial Shareholder(s) or its subsidiaries of the Company and their respective associates
“Last Trading Day”	2 November 2015, being the last trading day for the Shares being the date of this announcement
“Latest Time for Acceptance”	4:00 p.m. on Monday, 7 December October 2015 or such later time or date as may be agreed between the Company and the Underwriter, being the latest time for acceptance of the offer of Offer Shares and application for excess Offer Shares and if there is a “black” rainstorm warning or a tropical cyclone warning signal number 8 or above in force in Hong Kong on such day (i) at anytime before 12:00 noon and no longer in force after 12:00 noon, the Latest Time for Acceptance will be extended to 5:00 p.m. on the same business day; and (ii) at any time between 12:00 noon and 4:00 p.m., the Latest Time for Acceptance will be extended to the next business day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.
“Latest Time for Termination”	the latest time for terminating the Underwriting Agreement at 4:00 p.m., on Wednesday, 9 December 2015, being the second Business Day after the Latest Time for Acceptance or such later time or date as may be agreed between the Company and the Underwriter

“Listing Committee”	the Listing Committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	Main Board of the Stock Exchange operated by the Stock Exchange
“Mao Tai Acquisition”	the acquisition of the Mao Tai Wine by Better Power from the Wine Vendor pursuant to the terms and conditions of the Wine Purchase Agreement
“Offer Share(s)”	being the new Shares to be issued by the Company pursuant to the Open Offer
“Old Coin Acquisition”	the acquisition of the Old Coins by Better Power from the Old Coin Seller pursuant to the terms and conditions of the Asset Purchase Agreement
“Old Coin Acquisition Completion”	the completion of the Old Coin Acquisition pursuant to the terms and conditions of the Asset Purchase Agreement
“Old Coin Seller”	Wui Yuen Tong, a company established in Hong Kong
“Open Offer”	the proposed issue by way of open offer to the Qualifying Shareholders on the basis of two (2) Offer Share for every five (5) existing Shares held on the Record Date at the Subscription Price on the terms and subject to the conditions set out in the Underwriting Agreement and the Prospectus Documents
“Overseas Letter”	a letter from the Company to the Excluded Shareholders explaining the circumstances in which the Excluded Shareholders are not permitted to participate in the Open Offer
“Overseas Shareholder(s)”	the Shareholder(s) with registered address(es) (as shown in the register of members of the Company on the Record Date) are outside of Hong Kong
“PRC”	the People’s Republic of China and for the sole purpose of this announcement shall exclude Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Prospectus”	the document containing details of the Open Offer to be despatched to the Qualifying Shareholders
“Prospectus Documents”	the Prospectus, the Application Form(s) and the Excess Application Form(s)

“Qualifying Shareholders”	Shareholders whose names appear on the register of members of the Company on the Record Date, other than the Excluded Shareholders
“Record Date”	Friday, 20 November 2015 or such other date as may be agreed between the Company and the Underwriter for determining entitlements to the Open Offer
“Registrar”	the branch share registrar of the Company, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.50 each in share capital of the Company
“Shareholder(s)”	the holder(s) of the issued Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$3.10 per Offer Share
“Substantial Shareholder(s)”	has the meaning as ascribed thereto under the Listing Rules
“Takeovers Code”	The Codes of Takeovers and Mergers and Share Buy-backs
“Undertaken Shareholder”	Da Tang Xi Shi International who have irrevocably undertaken to the Company that (i) it will not dispose of 194,837,528 Shares beneficially owned by it from the date of the Undertakings up to and including the Record Date; and (ii) will procure the acceptance of the Offer Shares which will represent the assured allotment to them or their nominee(s) as holders of such Shares under the Open Offer
“Undertakings”	the irrevocable undertakings given by the Undertaken Shareholder to the Company dated 2 November 2015, details of which are set out in the subsection headed “Undertakings given by the Undertaken Shareholder” above in this announcement
“Underwritten Shares”	such number equal to the number of the Offer Shares other than the 77,935,011 Offer Shares undertaken by the Undertaken Shareholder
“Underwriting Agreement”	the underwriting agreement dated 2 November 2015 entered into among the Company and the Underwriter in relation to the underwriting arrangement in respect of the Open Offer

“Wine Purchase Agreement”	the Wine Purchase Agreement dated 2 November 2015 entered into between Better Power and Wine Vendor for the sale and purchase of the Mao Tai Wine
“Wine Vendor”	Goldwill (HK) Trading Limited, a company incorporated in Hong Kong with limited liability
“RMB”	Reminbi, the lawful currency of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By Order of the Board  
**UDL HOLDINGS LIMITED**  
**Wong Kwok Tung Gordon Allan**  
*Executive Director*

Hong Kong, 2 November 2015

*For the purposes of illustration only, any amount denominated in RMB in this announcement was translated into HK\$ at the rate of HK\$1 = RMB0.81489 (being the RMB central parity rate by the People’s Bank of China as at 2 November 2015). Such translations should not be construed as a representation that the amounts in question have been, could have been or could be, converted at any particular rate at all.*

*As at the date of this announcement, the Board comprises one executive Director, namely Mr. Wong Kwok Tung Gordon Allan (chief executive officer); one non-executive Director, namely Dr. Lam Lee G.; and three independent non-executive Directors, namely Mr. Cheng Yuk Wo, Mr. Choi, Victor Wang Tao and Mr. Mak Ming Chuen.*

\* *For identification purpose only*