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## **FORNTON GROUP LIMITED**

**豐臨集團有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1152)**

**(1) LAPSE OF LETTER OF INTENT IN RESPECT OF  
THE COOPERATION WITH SHANXI COKING COAL GROUP  
INTERNATIONAL DEVELOPMENT (HONG KONG) CO., LIMITED  
AND  
(2) SUPPLEMENTAL ANNOUNCEMENT REGARDING  
THE LETTERS OF INTENT IN RELATION TO  
THE PROPOSED COOPERATION IN THE DEVELOPMENT OF  
FINANCE LEASING BUSINESS IN THE PRC AND THE PROPOSED  
FINANCE LEASING OF COAL MINING RELATED EQUIPMENTS**

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

Reference is made to the announcements of the Company dated 12 July 2013 and 31 October 2013 (the “July 2013 LOI Announcements”) regarding the letter of intent (the “July 2013 LOI”) in relation to the Possible Cooperation with Shanxi Coking Coal Int’l Development (HK).

Reference is also made to the announcements of the Company dated 30 December 2013 and 13 January 2014 (the “LOIs Announcements”, altogether with the July 2013 LOI Announcements, the “Announcements”) regarding the letters of intent (the “LOIs”) in relation to the proposed cooperation with VLI Taiyuan in the development of the finance leasing business in the PRC and the proposed finance leasing of the Shanxi Zhengbang Equipments, Shanxi Jinda Equipments, Jinhui Kaichuan Equipments and Shanxi Fuxin Equipments (the “Proposed Transactions”) respectively.

Unless otherwise defined, capitalized terms used herein shall have the same meanings as in the Announcements.

### **LAPSE OF THE JULY 2013 LOI**

As at the date of this announcement no formal agreement has been entered into by the parties to the July 2013 LOI in relation to the Possible Cooperation and thus, the July 2013 LOI has lapsed pursuant to its terms. The Board does not consider that the lapse of the July 2013 LOI will have any material adverse impact on the operation of the Company and its subsidiaries.

## **SUPPLEMENTAL ANNOUNCEMENT REGARDING THE PROPOSED TRANSACTIONS**

It is anticipated that further time is required for the parties to the LOIs to negotiate the terms and conditions of the formal agreements. Accordingly, after trading hours on 31 March 2014, Sino Top, an indirect wholly-owned subsidiary of the Company, entered into four side letters with each of Shanxi Zhengbang, Shanxi Jinda, Jinhui Kaichuan and Shanxi Fuxin respectively, pursuant to which the parties agreed to extend the expiry date of the relevant LOIs to 31 July 2014 (or such later date as the parties may otherwise agree in writing).

Save for the above, all other terms and conditions of the relevant LOIs as disclosed in the Announcements shall remain unchanged.

With respect to the letter of intent with VLI Taiyuan, the Company is still in the process of negotiation with VLI Taiyuan for the extension of the expiry date of the said letter of intent. The Company will make further announcement to provide updates on the letter of intent with VLI Taiyuan once available.

**Shareholders of the Company and/or investors should note that the Proposed Transactions may or may not materialize, as no formal agreements have been executed between and among the parties. Accordingly, shareholders of the Company and/or investors are advised to exercise caution when dealing in the shares of the Company. Further announcement will be made by the Company in relation to the Proposed Transactions as and when appropriate in accordance with the Listing Rules should any formal agreements be entered into by the parties and/or should there be any material developments to the Proposed Transactions.**

By order of the Board  
**Fornton Group Limited**  
**Yam Tak Cheung**  
*Chairman*

Hong Kong, 31 March 2014

*As at the date of this announcement, the Board comprises five executive Directors, namely, Mr. Yam Tak Cheung (Chairman), Ms. Wong Kan Kan Kandy, Mr. Wong Tat Wai Derek, Mr. Zheng Qiang and Mr. Han Hanting, one non-executive Director, namely, Mr. Chan Yee, Herman and three independent non-executive Directors, namely, Mr. Wang Wei Hung Andrew, Mr. Cheng Dickson and Mr. Sin Ka Man.*