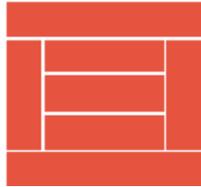


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EXCEL DEVELOPMENT (HOLDINGS) LIMITED

怡益控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1372)

(1) MAJOR TRANSACTION IN RELATION TO ACQUISITION OF THE ENTIRE EQUITY INTEREST IN THE TARGET COMPANY – DECISION FROM THE LISTING DEPARTMENT OF STOCK EXCHANGE; AND (2) ACTIONS UNDER CONSIDERATION BY THE COMPANY

References are made to the announcements of Excel Development (Holdings) Limited (the “**Company**”) in relation to (i) the proposed acquisition of the entire equity interest in Keenmount Limited (the “**Second Acquisition**”) dated 24 May 2016 (the “**Announcement**”); and (ii) the acquisition of the entire equity interest in Well Surplus Enterprises Limited dated 12 October 2015, 20 November 2015 and 4 February 2016 (the “**First Acquisition**”). Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

(1) DECISION FROM THE LISTING DEPARTMENT OF THE STOCK EXCHANGE

On 19 July 2016, the listing department of The Stock Exchange of Hong Kong Limited (the “**Listing Department**”) has made a ruling, and issued a decision fax on the issue of whether the Second Acquisition constitutes a reverse takeover under the Listing Rules (the “**Decision Fax**”).

Based on the Decision Fax, the Listing Department considered that the Second Acquisition is a reverse takeover under Rule 14.06(6) of the Listing Rules because the Second Acquisition and the First Acquisition together constitute a series of transactions to achieve a listing of the target groups’ businesses under the First Acquisition and Second Acquisition and to circumvent the new listing requirements.

Therefore, the Company would be treated as if it were a new listing applicant under Rule 14.54 of the Listing Rules if it proceeds with the Second Acquisition.

(2) ACTIONS UNDER CONSIDERATION BY THE COMPANY

The Company is still in the process of reviewing the Decision Fax and is discussing the same with the Company's legal and financial advisers. The Company is considering proceeding with a review of the ruling by the Listing Committee.

The Directors would remind the Shareholders and potential investors that (i) the Company may or may not proceed with the review by the Listing Committee; and (ii) the outcome of such review is uncertain, if undertaken.

As there are uncertainties as to whether or not the Second Acquisition will proceed and the eventual terms of the Second Acquisition in the event that the Second Acquisition shall proceed, Shareholders and potential investors should exercise caution when dealing in securities of the Company.

By order of the Board
Excel Development (Holdings) Limited
Wong Hin Shek
Chairman

Hong Kong, 20 July 2016

As at the date of this announcement, the executive Directors are Mr. Wong Hin Shek and Mr. Xing Bin; and the independent non-executive Directors are Ms. Chu Yin Yin, Georgiana, Mr. Yip Tai Him and Mr. Chan Kai Wing.