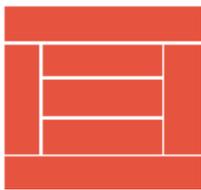


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EXCEL DEVELOPMENT (HOLDINGS) LIMITED

怡益控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1372)

UPDATE ON MAJOR TRANSACTION IN RELATION TO ACQUISITION OF THE ENTIRE EQUITY INTEREST IN THE TARGET 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**”); (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**”); and (iii) the decision fax issued by the listing department of The Stock Exchange of Hong Kong Limited (the “**Listing Department**”) with regards to the Second Acquisition dated 20 July 2016 (the “**Decision Announcement**”). Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcement and the Decision Announcement.

As mentioned in the Decision Announcement, the Listing Department has issued the Decision Fax on 19 July 2016 and 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.

The Company disagrees with the Listing Department’s decision and has decided to appeal against the decision of the Listing Department. On 28 July 2016, the Company has submitted a request to the Listing Committee for review of the Listing Department’s decision.

The Company will make further announcement(s) in connection with the review of the Listing Department’s decision and/or in relation to the Second Acquisition, as and when appropriate.

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, 28 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.