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GRAND MING GROUP HOLDINGS LIMITED

佳明集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1271)

VOLUNTARY ANNOUNCEMENT IN RELATION TO ACQUISITION OF THE TARGET

On 21 January 2015 (after trading hours), the Purchaser, the Vendor and the Agent entered into the Provisional Agreement, pursuant to which the Purchaser conditionally agreed to purchase and the Vendor conditionally agreed to sell (i) the Sale Shares, representing the entire issued share capital of the Target; and (ii) the Sale Debts, representing the entire shareholder's loan owing by the Target to the Vendor, at the Consideration of HK\$125 million. The Vendor and the Purchaser shall enter into the Formal Agreement within 14 days from the date of the Provisional Agreement.

As all of the applicable percentage ratios as defined under Rule 14.07 of the Listing Rules are less than 5%, the Acquisition is not subject to any notification and announcement requirement as set out in the Listing Rules.

This announcement is made by the Company voluntarily for the purpose of keeping the potential investors and Shareholders informed of the latest business development of the Group.

The Board wishes to announce that on 21 January 2015 (after trading hours), the Purchaser, the Vendor and the Agent entered into the Provisional Agreement in respect of the Acquisition. The Vendor and the Purchaser shall enter into the Formal Agreement within 14 days from the date of the Provisional Agreement.

The principal terms of the Provisional Agreement are set out below:

THE PROVISIONAL AGREEMENT

Date

21 January 2015

Parties

- Purchaser : GTC Vision Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of the Company
- Vendor : Man Sang Development Company Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of Man Sang International Limited (Stock Code: 938), a company the shares of which are listed on the Main Board of the Stock Exchange
- Agent : Savills (Hong Kong) Limited

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, each of the Vendor, the Agent and their ultimate beneficial owners is a third party independent of the Company and connected persons of the Company.

Subject matters to be acquired

The Vendor is, as at the date of the announcement, the beneficial owner of the Sale Shares. The Vendor conditionally agreed to sell and the Purchaser conditionally agreed to purchase: (i) the Sale Shares; and (ii) the Sale Debts, at the Consideration of HK\$125,000,000.

The Sale Shares represent 100% of the issued share capital of the Target and are owned by the Vendor.

Upon Completion, the Vendor will cease to hold any shares in the Target and hence the Target will cease to be a subsidiary of the Vendor. The Target is the registered owner of the Property.

Consideration

The Consideration is HK\$125,000,000, which shall be satisfied in the following manner:

- (1) HK\$5,000,000 being an initial deposit and part payment of the Consideration, has been paid by the Purchaser to the Vendor in cash upon the signing of the Provisional Agreement;
- (2) HK\$7,500,000 being further deposit and further part payment of the Consideration, shall be payable by the Purchaser to the Vendor in cash on or before 29 January 2015; and
- (3) HK\$112,500,000 being the balance of the Consideration, shall be payable by the Purchaser to the Vendor in cash upon Completion.

The Consideration will be funded by the internal resources of the Group.

The Consideration was arrived at between the Vendor and the Purchaser on normal commercial terms after arm's length negotiations through the Agent with reference to the open market value of the Property.

Conditions precedent

Completion shall be conditional upon the following conditions precedent:

- (1) the Vendor having provided and shown, in accordance with Section 13 and 13A of the Conveyancing and Property Ordinance (Cap. 219) that the Target possesses good title to the Property;
- (2) the Purchaser being satisfied with the results of the financial due diligence conducted against the Target (such satisfaction shall not be unreasonably withheld and if the Purchaser is not satisfied, the Purchaser must set out the material reason(s) of such non-satisfaction); and
- (3) there being no breach of any terms of the Provisional Agreement or warranty given by the Vendor (unless in each case as may be waived by the Purchaser).

If the above conditions precedent have not been fulfilled on or before the Completion Date, the Provisional Agreement shall cease and terminate.

Completion

The Completion shall take place on the Completion Date after the conditions precedent to the Acquisition have been fulfilled.

INFORMATION ON THE TARGET

The Target is a company incorporated in Hong Kong with limited liability and its principal business is property investment. The Target is a wholly-owned subsidiary of the Vendor. The sole principal asset of the Target is the Property.

INFORMATION ON THE VENDOR

The Vendor is an investment holding company incorporated in Hong Kong with limited liability and an indirect wholly owned subsidiary of Man Sang International Limited.

INFORMATION ON THE GROUP

The Group is principally engaged in the business of data centre premises leasing and construction in Hong Kong.

INFORMATION ON THE AGENT

The Agent is a property agency company incorporated in Hong Kong with limited liability.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Directors consider the indirect acquisition of the Property through the Acquisition is in line with the Group's business need. The Directors consider the Property to be an appropriate location for the Group and intend to use it as the Group's headquarter in the future.

The terms of the Provisional Agreement were determined after arm's length negotiations between the parties thereto and the Directors are of the view that the terms of the Provisional Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

GENERAL

As all of the applicable percentage ratios as defined under Rule 14.07 of the Listing Rules are less than 5%, the Acquisition is not subject to any notification and announcement requirement as set out in the Listing Rules.

This announcement is made by the Company voluntarily for the purpose of keeping the potential investors and Shareholders informed of the latest business development of the Group.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“Acquisition”	the acquisition of the Sale Shares and the Sale Debts pursuant to the terms of the Provisional Agreement
“Agent”	Savills (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability
“Board”	the board of Directors
“BVI”	the British Virgin Islands
“Company”	Grand Ming Group Holdings Limited, a company incorporated in the Cayman Islands, the issued Shares of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Acquisition in accordance with the terms and conditions of the Provisional Agreement
“Completion Date”	on or before 16 March 2015
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the aggregate consideration payable by the Purchaser for the Sale Shares and the Sale Debts under the Provisional Agreement
“Director(s)”	the director(s) of the Company

“Formal Agreement”	the formal sale and purchase agreement to be entered into between the Vendor and the Purchaser containing further detailed terms and provisions required to implement the transactions contemplated by the Provisional Agreement
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Property”	the office premises located on 19th Floor, No. 39 Chatham Road South, Kowloon, Hong Kong with a gross floor area of approximately 1,010.78 square metres
“Provisional Agreement”	the provisional agreement dated 21 January 2015 entered into among the Purchaser, the Vendor and the Agent in relation to the Acquisition
“Purchaser”	GTC Vision Limited, a company incorporated in the BVI with limited liability and a wholly-owned subsidiary of the Company
“Sale Debts”	the loan (if any) owed by the Target to the Vendor as of the Completion Date
“Sale Shares”	5,000 issued shares of par value of HK\$1 each, representing 100% of the issued share capital of the Target
“Share(s)”	shares of the Company of HK\$0.01 each
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target”	Swift Millions Limited (遠逸有限公司), a company incorporated in Hong Kong with limited liability, which as at the date of this announcement, is wholly-owned by the Vendor

“Vendor”

Man Sang Development Company Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of Man Sang International Limited, a company the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 938)

By Order of the Board
Grand Ming Group Holdings Limited

Chan Hung Ming
Chairman and Executive Director

Hong Kong, 21 January 2015

As of the date of this announcement, the Executive Directors of the Company are Mr. Chan Hung Ming, Mr. Lau Chi Wah, Mr. Yuen Ying Wai and Mr. Kwan Wing Wo; and the Independent Non-Executive Directors of the Company are Mr. Tsui Ka Wah, Mr. Kan Yau Wo, Mr. Mok Kwai Pui Bill and Mr. Lee Chung Yiu Johnny.