

**THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

If you are in any doubt as to any aspect of this Prospectus or as to the action you should take, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Evershine Group Holdings Limited (the “Company”), you should at once hand this Prospectus and the PAL (as defined herein) (together, the “Prospectus Documents”) to the purchaser or the transferee or to the bank manager, licensed securities dealer or registered institution in securities or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

A copy of each of the Prospectus Documents, having attached thereto the written consent referred to in the paragraph headed “Documents delivered to the Registrar of Companies in Hong Kong” in Appendix III to this Prospectus, has been registered with the Registrar of Companies in Hong Kong pursuant to Section 38D of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Securities and Futures Commission of Hong Kong and the Registrar of Companies in Hong Kong take no responsibility for the contents of any of these documents.

Dealings in the securities of the Company may be settled through CCASS (as defined herein) and you should consult a licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser for details of the settlement arrangements and how such arrangements may affect your rights and interests.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange (as defined herein) as well as compliance with the stock admission requirements of HKSCC (as defined herein), the Rights Shares in both their nil-paid and fully-paid forms 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 Rights Shares in both their nil-paid and fully-paid forms or such other dates 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.

Hong Kong Exchanges and Clearing Limited, The Stock Exchange and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus.



**EVERSHINE GROUP HOLDINGS LIMITED**

**永耀集團控股有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock code: 8022)**

**RIGHTS ISSUE ON THE BASIS OF ONE RIGHTS SHARE  
FOR EVERY TWO SHARES HELD ON RECORD DATE**

The latest time for acceptance of and payment for the Rights Shares is 4:00 p.m. (Hong Kong time) on Wednesday, 28 January 2015. The procedures for acceptance and payment of the Rights Shares are set out on pages 7 to 8 of this Prospectus.

The Shares have been dealt with on an ex-rights basis from Thursday, 18 December 2014. Dealing in the Rights Shares in the nil-paid form will take place from 9:00 a.m. on Friday, 16 January 2015 to 4:00 p.m. on Friday, 23 January 2015. If the Underwriter terminates the Underwriting Agreement, or the conditions of the Rights Issue are not fulfilled or waived (as applicable) on or before the times and dates specified therein, the Rights Issue will not proceed. Any Shareholders or other persons dealing in the Shares prior to the date on which the conditions of the Rights Issue are fulfilled or waived (as applicable), and/or dealing in the Rights Shares in their nil-paid form during the period as aforesaid, will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholder or other person contemplating selling or purchasing existing Shares who is in doubt about his or her position is recommended to consult his or her own professional adviser.

The Underwriting Agreement contains provisions entitling the Underwriter by notice in writing to the Company served prior to 6:00 p.m. on Monday, 2 February 2015 to terminate the Underwriting Agreement on the occurrence of certain events as set out in the section headed “Termination of the Underwriting Agreement” on pages iv to v of this Prospectus.

If the Underwriter terminates the Underwriting Agreement, or if the conditions of the Underwriting Agreement are not fulfilled or waived (as applicable) in accordance with the terms thereof, the Rights Issue will not proceed. Shareholders should therefore exercise caution when dealing in the Shares, and if they are in any doubt about their position, they are recommended to consult their professional advisers.

14 January 2015

## CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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## EXPECTED TIMETABLE

The expected timetable for the Rights Issue set out below is for indicative purposes only and it has been prepared on the assumption that all the conditions of the Rights Issue will be fulfilled. The expected timetable is subject to change, and any changes will be announced in a separate announcement by the Company as and when appropriate.

**2015**

Commencement of dealings in nil-paid Rights Shares . . . . .	9:00 a.m. on Friday, 16 January
Latest time for splitting nil-paid Rights Shares . . . . .	4:00 p.m. on Tuesday, 20 January
Last day of dealings in nil-paid Rights Shares . . . . .	4:00 p.m. on Friday, 23 January
Latest time for acceptance of and payment for the Rights Shares . . . . .	4:00 p.m. on Wednesday, 28 January
Latest time to terminate the Underwriting Agreement and for the Rights Issue to become unconditional . . . . .	6:00 p.m. on Monday, 2 February
Announcement of results of the Rights Issue . . . . .	Friday, 6 February
Despatch of certificates for fully-paid Rights Shares on or before . . . . .	Monday, 9 February
Commencement of dealings in fully-paid Rights Shares . . . . .	9:00 a.m. on Tuesday, 10 February

All times and dates in this Prospectus refer to Hong Kong times and dates. Dates or deadlines specified in this Prospectus are indicative purposes only and may be varied by agreement between the Company and the Underwriter. Any consequential changes to the expected timetable will be published or notified to the Shareholders as and when appropriate.

## EXPECTED TIMETABLE

### EFFECT OF BAD WEATHER IN THE LATEST TIME FOR ACCEPTANCE AND PAYMENT FOR THE RIGHTS SHARES

The latest time for acceptance of and payment for Rights Shares will not take place if there is:

- tropical cyclone warning signal number 8 or above, or
- a “black” rainstorm warning
  - (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Wednesday, 28 January 2015. Instead the latest time for acceptance of and payment for the Rights Shares will be extended to 5:00 p.m. on the same Business Day;
  - (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Wednesday, 28 January 2015. Instead the latest time for acceptance of and payment for the Rights Shares will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m.

If the Latest Time for Acceptance does not take place on Wednesday, 28 January 2015, the dates mentioned in the section headed “Expected timetable” of the Rights Issue may be affected. The Company will notify Shareholders by way of announcement on any change to the expected timetable as soon as practicable.

## TERMINATION OF THE UNDERWRITING AGREEMENT

The Underwriter may by notice in writing to the Company given served at any time prior to 6:00 p.m. on the Settlement Date or such later time as the Company and the Underwriter may agree, terminate the Underwriting Agreement if any of the following grounds of termination happens:

- (i) in the sole and absolute opinion of the Underwriter, the success of the Rights Issue would be materially and adversely affected by:
  - (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 may in the sole and absolute 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 is materially adverse in the context of the Rights Issue; or
  - (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 materially and adversely prejudice the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (ii) any material breach of any of the representations, warranties or undertakings under the Underwriting Agreement comes to the knowledge of the Underwriter; or
- (iii) any adverse change in market conditions in Hong Kong or the PRC (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 in the sole and absolute opinion of the Underwriter is likely to materially or adversely affect the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (iv) there is any change in the circumstances of the Company or any member of the Group which in the sole and absolute opinion of the Underwriter will adversely affect the prospects of the Company, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any of member of the Group or the destruction of any material asset of the Group; or

## TERMINATION OF THE UNDERWRITING AGREEMENT

- (v) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out; or
- (vi) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole whether or not ejusdem generis with any of the foregoing; or
- (vii) any matter which, had it arisen or been discovered immediately before the date of the Prospectus and not having been disclosed in the Prospectus, would have constituted, in the reasonable opinion of the Underwriter, a material omission in the context of the Rights Issue.

**Upon the giving of such notice, all obligations of the Underwriter thereunder shall cease and determine and no party shall have any claim against any other party in respect of any matter or thing arising out of or in connection with the Underwriting Agreement provided that the Company shall remain liable to pay to the Underwriter such fees as may then be agreed by the parties hereto. If the Underwriter exercises such right, the Rights Issue will not proceed.**

## DEFINITIONS

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

“Acceptance Date”	the latest date on which the Rights Shares are accepted and paid for, tentatively on 28 January 2015 (or such other date as the Underwriter and the Company may agree from time to time in writing)
“Announcement”	the announcement of the Company dated 12 December 2014 in relation to the Rights issue
“associates”	has the meaning ascribed to this term under the GEM Listing Rules
“Board”	the board of Directors
“Business Day”	a day (excluding Saturdays and Sundays) on which banks generally are open for business in Hong Kong
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	Evershine Group Holdings Limited (stock code: 8022), a company incorporated in Hong Kong with limited liability, the issued Shares of which are listed on GEM
“Companies (WUMP) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong
“Directors”	the directors of the Company
“Excluded Shareholder(s)”	those Overseas Shareholder(s) who, in the opinion of the Directors based on enquiry made in compliance with the GEM Listing Rules, are necessary or expedient to be excluded from the Rights Issue on account of the legal restrictions under the laws or requirements of the relevant regulatory body or stock exchange in the places where such Overseas Shareholders reside
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries



## DEFINITIONS

“HK\$”	Hong Kong dollars, the lawful currency of the Hong Kong
“HKSCC”	the Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	9 January 2015, being the latest practicable date prior to the printing of this Prospectus for the purpose of ascertaining certain information herein
“Last Trading Day”	12 December 2014, being the date of the Underwriting Agreement
“Overseas Shareholder(s)”	those persons whose addresses as shown on the register of members of the Company as at the Record Date are resident in a place outside Hong Kong
“PAL(s)” or “Provisional Allotment Letter(s)”	the provisional allotment letter(s) accompanying this Prospectus in respect of the Rights Issue
“Posting Date”	Wednesday, 14 January 2015 (or such other day as the Underwriter and the Company may agree from time to time in writing), being the date of despatch of the Prospectus Documents
“Prospectus”	this prospectus, issued by the Company in relation to the Rights Issue
“Prospectus Documents”	the Prospectus and PAL
“Qualifying Shareholder(s)”	Shareholder(s), other than the Excluded Shareholders, whose name(s) appear on the register of members of the Company at the close of business on the Record Date
“Record Date”	Tuesday, 23 December 2014 or such other date as may be agreed between the Company and the Underwriter for the determination of the entitlements under the Rights Issue
“Registrar”	Hong Kong Registrars Limited at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, being the Company’s share registrar and transfer office in Hong Kong

## DEFINITIONS

“Rights Issue”	the issue of the Rights Shares by way of rights to the Qualifying Shareholders for subscription on the terms to be set out in the Prospectus Documents and summarized herein
“Rights Share(s)”	280,068,452 new Shares to be offered to the Qualifying Shareholders for subscription on the basis of one (1) Rights Share for every two (2) Shares held at the Record Date pursuant to Rights Issue
“Settlement Date”	the date being the third Business Day following the Acceptance Date (or such other date as the Underwriter and the Company may agree)
“SFO”	Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Share(s)”	ordinary share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of issued share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.30 per Rights Share
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Underwriter”	President Securities (Hong Kong) Limited, a licensed corporation to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO
“Underwriting Agreement”	the underwriting agreement dated 12 December 2014 entered into between the Company and the Underwriter in relation to the underwriting and certain other arrangements in respect of the Rights Issue
“Underwritten Shares”	all the Rights Shares
“Untaken Shares”	such number of the Underwritten Shares to be subscribed or procured to be subscribed by the Underwriter under the Underwriting Agreement
“%”	percentage

## LETTER FROM THE BOARD



### EVERSHINE GROUP HOLDINGS LIMITED

### 永耀集團控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 8022)

*Executive Directors:*

Mr. Wu Wenbei

Ms. Lin Yan Jenny

*Independent non-executive Directors:*

Ms. Lam Yuk Ying, Elsa

Mr. Liu Kwong Sang

Mr. He Qinglong

*Registered Office:*

Room A, 9th Floor

Fortis Tower

77-79 Gloucester Road

Wanchai, Hong Kong

14 January 2015

*To the Qualifying Shareholders,  
and the Excluded Shareholders (if any) for information only*

Dear Sir or Madam,

### **RIGHTS ISSUE ON THE BASIS OF ONE RIGHTS SHARE FOR EVERY TWO SHARES HELD ON RECORD DATE**

#### **INTRODUCTION**

On 12 December 2014, the Company proposes to carry out the Rights Issue to raise approximately HK\$84 million before expenses by way of rights to the Shareholders. The Rights Issue involves the issue of 280,068,452 Rights Shares at the Subscription Price of HK\$0.30 per Rights Share.

The purpose of this Prospectus is to provide you with, among other things, further details of (i) the Rights Issue; (ii) financial information of the Group; and (iii) general information of the Company.

#### **THE RIGHTS ISSUE**

##### **Issue statistics**

**Basis of the Rights Issue** : One (1) Rights Share for every two (2) Shares held on the Record Date

## LETTER FROM THE BOARD

<b>Subscription Price</b>	:	HK\$0.30 per Rights Share
<b>Number of Shares in issue at the Record Date and the Latest Practicable Date</b>	:	560,136,904 Shares
<b>Number of Rights Shares</b>	:	280,068,452 Rights Shares
<b>Underwriter</b>	:	President Securities (Hong Kong) Limited
<b>Enlarged issued share capital upon completion of the Rights Issue</b>	:	840,205,356 Shares

The number of Rights Shares to be issued pursuant to the Rights Issue represents 50% of the issued share capital of the Company as at the Latest Practicable Date and approximately 33.33% of enlarged issued share capital of the Company immediately following the completion of the Rights Issue.

As at the Latest Practicable Date, the Company does not have any share options outstanding under any share option scheme of the Company or any other derivatives, options, warrants and conversion rights or other similar rights which are convertible or exchangeable into Shares.

### **Subscription Price**

The Subscription Price is HK\$0.30 per Rights Share, payable in full upon acceptance under the PAL(s).

The Subscription Price represents:

- (i) a discount of approximately 4.76% to the closing price of HK\$0.315 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 7.12% to the average of the closing prices of approximately HK\$0.323 per Share as quoted on the Stock Exchange for the 5 consecutive trading days up to and including the Last Trading Day;
- (iii) a discount of approximately 3.23% to the theoretical ex-rights price of approximately HK\$0.310 per Share as adjusted for the effect of the Rights Issue, based on the closing price of HK\$0.315 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (iv) a premium of approximately 5.26% over the closing price of HK\$0.285 per Share as quoted on the Stock Exchange on the Latest Practicable Date.

## LETTER FROM THE BOARD

The Subscription Price was arrived at after arm's length negotiations between the Company and the Underwriter with reference to, among others, the prevailing market price and trading liquidity of the Shares. The Directors consider that the discount to the prevailing market price would encourage the Shareholders to participate in the Rights Issue to maintain their shareholdings in the Company and to enjoy the potential growth of the Company. In view of the prevailing market conditions of the capital market in Hong Kong and the benefits of the Rights Issue, the Directors consider that the terms of the Rights Issue (including the Subscription Price) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### **Basis of provisional allotment**

The Rights Shares will be allotted on the basis of one (1) Rights Share for every two (2) Shares held on the Record Date. Acceptances of all or any part of a Qualifying Shareholder's provisional allotment can be made only by completing the PAL and lodging the same with a remittance for the Rights Shares being applied for by 4:00 p.m. on the Acceptance Date in accordance with the procedures specified in the section headed "Procedure for acceptance and payment or transfer" below.

### **Status of the Rights Shares**

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

### **Fractional entitlements to the Rights Shares**

The Company will not provisionally allot to and will not accept applications for any fractions of Rights Shares from Qualifying Shareholders. Fractional entitlements will be rounded down to the nearest whole number of Rights Shares. Such fractional entitlements will be aggregated and the fractions of nil-paid Rights Shares shall be provisionally allotted to a nominee of the Company. The Company shall procure such of its nominees, if possible, to sell all the fractions of the nil-paid Rights Shares in the market and the net proceeds of such sales, after deduction of expenses, will be aggregated and an equivalent amount will accrue for the benefit of the Company.

### **Qualifying Shareholders**

To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company and not be an Excluded Shareholder at the close of business on the Record Date. Overseas Shareholders whose names appear on the register of members of the Company at the close of business on the Record Date whom the Company, based on legal opinions to be provided by legal advisers, considers necessary or expedient not to offer the Rights Shares on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place will not be regarded as Qualifying Shareholders.

## LETTER FROM THE BOARD

Based on the register of members of the Company as at the Record Date, there is no Overseas Shareholder.

The Prospectus Documents are sent to the Qualifying Shareholders only.

### **Excluded Shareholders**

The Company will only send the Prospectus (without PAL) to the Excluded Shareholders, if any, for their information.

Based on the register of members of the Company as at the Record Date, there is no Overseas Shareholders and accordingly no Excluded Shareholders.

### **No application for excess Rights Shares**

After arm's length negotiation with the Underwriters, the Board has decided that the Qualifying Shareholders will not be entitled to subscribe for any additional Rights Shares in excess of their respective assured entitlements. Taking into account that each Qualifying Shareholder will be given equal and fair opportunity to participate in the Rights Issue and that the related administrative cost would be lowered in the absence of excess application (which are estimated to be lowered by more than HK\$50,000 depending on the results of excess application), the Board considers that it will be burdensome to the Company to put in additional effort and costs to administer the excess application procedures. Any Rights Shares not taken up by the Qualifying Shareholders will be taken up by the Underwriter pursuant to the terms of the Underwriting Agreement.

### **Procedure for acceptance and payment or transfer**

If you are a Qualifying Shareholder, you will find the PAL enclosed with this Prospectus which entitles you to apply for the number of Rights Shares in your assured entitlement shown thereon. If you wish to apply for such Rights Shares or any lesser number of such Rights Shares, you must complete, sign and lodge the same in accordance with the instructions printed thereon, together with the remittance for full amount payable on application with the Registrar by not later than 4:00 p.m. (Hong Kong time) on Wednesday, 28 January 2015. All remittances must be made in Hong Kong dollars. Cheques must be drawn on an account with, and banker's cashier orders must be issued by, a licensed bank in Hong Kong and made payable to "Evershine Group Holdings Ltd – Rights Issue Account" and crossed "Account Payee Only".

It should be noted that unless the PAL, together with the appropriate remittance, has been lodged with the Company's share registrar and transfer office in Hong Kong, Hong Kong Registrars Limited at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong by not later than 4:00 p.m. on the Acceptance Date by the Qualifying Shareholder, his/her/its entitlement to apply under the Rights Issue will be deemed to have been declined and will be cancelled.

If you are a Qualifying Shareholder and you wish to accept only part of your provisional allotment of Rights Shares, or transfer part of your rights to subscribe for the

## LETTER FROM THE BOARD

Rights Shares provisionally allotted to you, or to transfer your rights to more than one person, the entire PAL must be surrendered and lodged for cancellation by not later than 4:00 p.m. on Tuesday, 20 January 2015 with the Company's share registrar and transfer office in Hong Kong, Hong Kong Registrars Limited at Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, who will cancel the original PAL and issue new PALs in the denominations required. The new PALs will be available for collection at Hong Kong Registrars Limited at the address above after 9:00 a.m. on the second Business Day after the surrender of the original PAL. It should be noted that Hong Kong stamp duty is payable in connection with the transfer of the rights to subscribe for the Rights Shares.

The PAL contains full information regarding the procedures to be followed if you wish to apply for a number of Rights Shares different from your assured entitlement and the procedures to transfer of the whole or part of the provisional allotment of the Rights Shares by the Qualifying Shareholders.

All cheques or banker's cashier orders will be presented for payment immediately following receipt and all interest earned on such application monies will be retained for the benefit of the Company. Any PAL in respect of which the cheque or cashier order is dishonoured on first presentation is liable to be rejected, and in that event the relevant entitlements of the Qualifying Shareholder under the Rights Issue will be deemed to have been declined and will be cancelled.

If the Underwriter exercises the right to terminate its obligations under the Underwriting Agreement before the Latest Time for Termination and/or if any of the conditions to which the Rights Issue is subject are not fulfilled in accordance with the section headed "Conditions of the Rights Issue" below, the application monies will be refunded, without interest, by sending cheques made out to the applicants (or in the case of joint applicants, to the first named applicant) and crossed "Account Payee Only", through ordinary post at the risk of the applicants on or before Monday, 9 February 2015.

No receipt will be issued in respect of any application monies received.

### **Application for listing**

The Company has applied to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Rights Shares, in both their nil-paid and fully-paid forms.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirement of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement dates of the dealings in the Rights Shares in both their nil-paid and fully-paid forms or such other dates as may be determined by HKSCC.

Dealing in the Rights Shares in both their nil-paid and fully-paid forms will be in the existing board lots of 3,000 Rights Shares. Dealing in the Rights Shares will be subject to the payment of the stamp duty and other applicable fees and charges in Hong Kong.

## LETTER FROM THE BOARD

### **Certificates for the Rights Issue**

Subject to the fulfillment of the conditions of the Rights Issue, share certificates for all fully-paid Rights Shares are expected to be posted on or before 9 February 2015 to those who have accepted and paid for the Rights Shares, by ordinary post at their own risk.

### **Taxation**

Qualifying Shareholders are recommended to consult their professional advisers if they are in any doubt as to the tax implications of the holding or disposal of, or dealings in the Rights Shares in both their nil-paid and fully-paid forms and, or as regards the Excluded Shareholders (if any), their receipt of the net proceeds of sale of the Rights Shares otherwise falling to be issued to them under the Rights Issue. It is emphasised that none of the Company, the Directors or any other parties involved in the Rights Issue accepts responsibility for any tax effects or liabilities of holders of the Rights Shares resulting from the subscription, purchase, holding or disposal of, or dealing in the Rights Shares in both their nil-paid and fully-paid forms.

### **Conditions of the Rights Issue**

The Rights Issue is conditional upon, among other things, the followings:

- (i) the delivery to the Stock Exchange and registration by the Registrar of Companies in Hong Kong respectively on or prior to the Posting Date of one copy of each of the Prospectus Documents each duly certified in compliance with section 38D of the Companies (WUMP) Ordinance (and all other documents required to be attached thereto), and otherwise complying with the requirements of the Companies (WUMP) Ordinance and the GEM Listing Rules;
- (ii) the posting on the Posting Date of copies of the Prospectus Documents to the Qualifying Shareholders and the posting of copies of the Prospectus marked "For information only" together with a letter in agreed form to the Excluded Shareholders explaining the circumstances in which they are not permitted to participate in the Rights Issue on or before the Posting Date;
- (iii) compliance with and performance of all the undertakings and obligations of the Company under the Underwriting Agreement; and
- (iv) the Listing Committee of the Stock Exchange agreeing to grant listings of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms either unconditionally or subject to such conditions which the Company accepts and the satisfaction of such conditions (if any) by no later than the Posting Date and the Listing Committee of the Stock Exchange not having withdrawn or revoked such listings and permission.



## LETTER FROM THE BOARD

In the event that the conditions (other than the condition (iv)) have not been satisfied and/or waived in whole or in part by the Underwriter on or before the Posting Date or in the event that the condition (iv) has not been satisfied on or before 4:00 p.m. on the Acceptance Date (or in each case, such later date as the Underwriter and the Company may agree), all liabilities of the parties thereto shall cease and terminate and neither party shall have any claim against the other save that the Company shall indemnify the Underwriter for all reasonable costs, fees and other out-of-pocket expenses (excluding underwriting commission, sub-underwriting fees and related expenses) that have been properly incurred and documented in writing by the Underwriter in connection with the underwriting of the Underwritten Shares. The Rights Issue will not proceed accordingly.

### UNDERWRITING ARRANGEMENT FOR THE RIGHTS ISSUE

President Securities (Hong Kong) Limited, the Underwriter, is a licensed corporation to carry out Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities under the SFO. To the best of the Directors' knowledge, information and belief, the Underwriter and its ultimate beneficial owner(s) are independent third parties not connected with the Company and its connected persons within the meaning of the GEM Listing Rules.

Pursuant to the Underwriting Agreement, the Underwriter has agreed to fully underwrite 280,068,452 Right Shares under the Right Issue.

Pursuant to the Underwriting Agreement, (i) the Underwriter shall not subscribe, for its own account, for such number of Untaken Shares which will result in the shareholding of it and parties acting in concert (within the meaning of the Takeovers Code) with it in the Company to exceed 10% of the voting rights of the Company upon the completion of the Rights Issue; and (ii) the Underwriter shall use all reasonable endeavours to ensure that each of the subscribers or purchasers of the Untaken Shares procured by it (a) shall be third party independent of, not acting in concert (within the meaning of the Takeovers Code) with and not connected with the Company, any of the Directors, chief executive of the Company or substantial shareholders of the Company or their respective associates (as defined in the GEM Listing Rules); and (b) save for the Underwriter itself and its associates, shall not, together with any party acting in concert (within the meaning of the Takeovers Code) with it, hold 10% or more of the voting rights of the Company upon completion of the Rights Issue.

### Commission

The Company will pay the Underwriter an underwriting commission of 2.5% of the aggregate subscription price of the Rights Shares underwritten by it. The Directors consider that the underwriting commission accords with market rates.

## LETTER FROM THE BOARD

### Termination of the Underwriting Agreement

The Underwriter may by notice in writing to the Company given served at any time prior to 6:00 p.m. on the Settlement Date or such later time as the Company and the Underwriter may agree, terminate the Underwriting Agreement if any of the following grounds of termination happens:

- (i) in the sole and absolute opinion of the Underwriter, the success of the Rights Issue would be materially and adversely affected by:
  - (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 may in the sole and absolute 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 is materially adverse in the context of the Rights Issue; or
  - (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 materially and adversely prejudice the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (ii) any material breach of any of the representations, warranties or undertakings under the Underwriting Agreement comes to the knowledge of the Underwriter; or
- (iii) any adverse change in market conditions in Hong Kong or the PRC (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 in the sole and absolute opinion of the Underwriter is likely to materially or adversely affect the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or

## LETTER FROM THE BOARD

- (iv) there is any change in the circumstances of the Company or any member of the Group which in the sole and absolute opinion of the Underwriter will adversely affect the prospects of the Company, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any of member of the Group or the destruction of any material asset of the Group; or
- (v) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out; or
- (vi) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole whether or not ejusdem generis with any of the foregoing; or
- (vii) any matter which, had it arisen or been discovered immediately before the date of the Prospectus and not having been disclosed in the Prospectus, would have constituted, in the reasonable opinion of the Underwriter, a material omission in the context of the Rights Issue.

**Upon the giving of such notice, all obligations of the Underwriter thereunder shall cease and determine and no party shall have any claim against any other party in respect of any matter or thing arising out of or in connection with the Underwriting Agreement provided that the Company shall remain liable to pay to the Underwriter such fees as may then be agreed by the parties hereto. If the Underwriter exercises such right, the Rights Issue will not proceed.**

## LETTER FROM THE BOARD

### CHANGE IN THE SHAREHOLDING STRUCTURE OF THE COMPANY ARISING FROM THE RIGHTS ISSUE

The changes in the shareholding structure of the Company arising from the Rights Issue are as follows (assuming there being no other changes in shareholding of the Company):

	As at the Latest Practicable Date		Immediately after completion of the Rights Issue (assuming no Rights Shares are subscribed by the Qualifying Shareholders) (for illustration purpose only) (Note 2)		Immediately after completion of the Rights Issue (assuming all Rights Shares are subscribed by the Qualifying Shareholders)	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
Public Shareholders	560,136,904	100.0%	560,136,904	66.7%	840,205,356	100.0%
Underwriter (Note 1)	-	-	280,068,452	33.3%	-	-
<b>Total</b>	<b>560,136,904</b>	<b>100.0%</b>	<b>840,205,356</b>	<b>100.0%</b>	<b>840,205,356</b>	<b>100.0%</b>

Notes:

- (1) Pursuant to the Underwriting Agreement, (i) the Underwriter shall not subscribe, for its own account, for such number of Untaken Shares which will result in the shareholding of it and parties acting in concert (within the meaning of the Takeovers Code) with it in the Company to exceed 10% of the voting rights of the Company upon the completion of the Rights Issue; and (ii) the Underwriter shall use all reasonable endeavours to ensure that each of the subscribers or purchasers of the Untaken Shares procured by it (a) shall be third party independent of, not acting in concert (within the meaning of the Takeovers Code) with and not connected with the Company, any of the Directors, chief executive of the Company or substantial shareholders of the Company or their respective associates (as defined in the GEM Listing Rules); and (b) save for the Underwriter itself and its associates, shall not, together with any party acting in concert (within the meaning of the Takeovers Code) with it, hold 10% or more of the voting rights of the Company upon completion of the Rights Issue.
- (2) As at the Latest Practicable Date, the Underwriter has entered into sub-underwriting agreement or arrangement with four sub-underwriters (the "Sub-underwriters") to take up the Untaken Shares in the event that the Rights Shares are not fully taken up by the Qualifying Shareholders. Each of the Sub-underwriters shall subscribe for not more than 10% of the enlarged issued share capital of the Company upon completion of the Rights Issue. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Sub-Underwriters and their respective ultimate beneficial owner(s) (where applicable) are third parties independent of and not connected with the Company and its connected persons within the meaning of the GEM Listing Rules.

### REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS

The Group is principally engaged in provision of travel agent services, advertising and marketing services, trading of securities and mobile application business.

## LETTER FROM THE BOARD

The gross proceeds and the estimated net proceeds of the Rights Issue will be approximately HK\$84 million and HK\$81 million respectively. The Company intends to apply such net proceeds from the Rights Issue as to (i) approximately HK\$20 million for repayment of promissory note in the principal amount of HK\$20 million (the "Promissory Note"). The Promissory Note carries an interest rate of 30% per annum and shall become due and payable on 31 January 2015. As at the Latest Practicable Date, the Company and the holder of the Promissory Note are in the course of negotiation to extend the maturity date of the Promissory Note to a date after the completion of the Rights Issue; (ii) approximately HK\$30 million for potential acquisition(s) as disclosed in the announcement of the Company dated 5 December 2014 in relation to the possible acquisition of the entire issued share capital of Great Empire International Group Limited ("the Possible Acquisition"). As at the Latest Practicable Date, the Company was conducting due-diligence work in relation to the Possible Acquisition and no legally binding agreement has been entered into with respect to the Possible Acquisition; and (iii) HK\$31 million as general working capital of the Group (which includes employee benefit expenses, rental expenses, professional advisors fees, other office expenses and utilities). The net price per Rights Share shall be approximately HK\$0.29.

The Board considers that the Rights Issue will increase the capital base of the Company and give the Qualifying Shareholders the opportunity to maintain their respective pro-rata shareholding interests in the Company. Hence, the Board considers that fund raising through the Rights Issue is in the interests of the Company and the Shareholders as a whole.

### FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not conducted any equity fund raising activities in the past 12 months immediately preceding the Latest Practicable Date.

### WARNING OF THE RISKS OF DEALINGS IN THE SHARES AND NIL-PAID RIGHTS SHARES

**The Shares have been dealt in on an ex-rights basis since Thursday, 18 December 2014. Dealings in the Rights Shares in the nil-paid form will take place from Friday, 16 January 2015 to Friday, 23 January 2015 (both dates inclusive). If the conditions of the Rights Issue are not fulfilled or the Underwriting Agreement is terminated, the Rights Issue will not proceed.**

**Any Shareholders or other persons contemplating transferring, selling or purchasing Shares and/or Rights Shares in their nil-paid form who are in any doubt about their position are recommended to consult their professional advisers. Any Shareholders or other persons dealing in Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled (and the date on which the Underwriter's right of termination of the Underwriting Agreement ceases) and any persons dealing in the nilpaid Rights Shares during the period from Friday, 16 January 2015 to Friday, 23 January 2015 (both dates inclusive) will accordingly bear the risk that the Rights Issue may not become unconditional and may not proceed.**

**LETTER FROM THE BOARD**

**ADDITIONAL INFORMATION**

Your attention is drawn to the additional information set out in the appendices to this Prospectus.

Yours faithfully,  
By order of the Board  
**Evershine Group Holdings Limited**  
**Wu Wenbei**  
*Chairman and Executive Director*

**1. FINANCIAL SUMMARY**

Financial information of the Group for the year ended 31 December 2011, year ended 31 December 2012, year ended 31 December 2013 and nine months ended 30 September 2014 are disclosed on pages 36–124 of the 2011 annual report published on 2 April 2012, pages 46–176 of the 2012 annual report published on 27 March 2013, pages 45–460 of the 2013 annual report published on 28 March 2014 and pages 2–22 of the 2014 third quarterly report published on 12 November 2014 of the Company respectively, which were published on both the GEM website ([www.hkgem.com](http://www.hkgem.com)) and the Company's website ([www.8022hk.com](http://www.8022hk.com)).

**2. STATEMENT OF INDEBTEDNESS**

At the close of business on 30 November 2014, the Group had unsecured promissory notes amounted to HK\$20 million, HK\$18 million and HK\$30 million, which bear interests at 30%, 2% and 2% per annum respectively.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities, the Group did not have outstanding at the close of business on 30 November 2014, any loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances (other than normal trade bills) or acceptable credits, debentures, mortgages, charges, hire purchases commitments, guarantees or other material contingent liabilities. The Directors also confirm that there has been no material change to the indebtedness and contingent liabilities of the Group since 30 November 2014 and up to the Latest Practicable Date.

**3. WORKING CAPITAL STATEMENT**

The Directors, after due and careful consideration, are of the opinion that the Group will, taking into account the net proceeds from the Rights Issue and the financial resources available to the Group, have sufficient working capital for its present operating requirements and for at least the next twelve months from the date of this circular, in the absence of unforeseeable circumstances.

**4. MATERIAL ADVERSE CHANGE**

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Company since 31 December 2013, being the date to which the latest audited financial statements of the Group was made up.

## 5. FINANCIAL AND TRADING PROSPECT OF THE GROUP

The Group is principally engaged in provision of travel agent services, advertising and marketing services, trading of securities and mobile application business. Set out below is a detailed discussion on the performance of various business segments of the Group:

Taking into account of the unsatisfactory financial position and performance of the Group for the past year, the Group is actively exploring the availability of alternative source of funds to strengthen the working capital and the asset base of the Group.

Travel agency business operates with stable and internally generated cash flow and ranks first in revenue contribution to the Group. The travel industry in PRC has been extremely competitive during the period. A lot of individual customers are becoming accustomed to using online platform for buying tickets and hotel booking. Given such circumstances, the Directors are considering various options to improve the profitability of the travel agency business.

Advertising and marketing business generates stable cash flow which ranks second in revenue contribution to the Group and is one of the core businesses of the Group. The performance of the advertising and marketing services has been unsatisfactory which is mainly due to increasingly high cost of operation. The management team is considering the possibilities of broadening the scope of services in order to achieve a higher margin.

The Company has entered into a sale and purchase agreement on 29 October 2013 to acquire a target group engaged in wholesale and distribution of branded kids clothing.

On 13 August 2014, the Company has entered into an acquisition agreement with the vendor pursuant to which the Company has conditionally agreed to acquire the sale share, representing the entire issued share capital of the Worthy Victory Limited from the vendor at a consideration of HK\$30,000,000, which will be fully settled by issue of the promissory note upon completion.

On 5 December 2014, the Company entered into a non-legally binding memorandum of understanding with Starways Holdings Inc. as vendor in relation to the possible acquisition of 100% issued share capital of Great Empire International Group Limited. Further announcement(s) will be made by the Company in compliance with the GEM Listing Rules in the event that the possible acquisition becomes materialised.

Save as disclosed above, the Group does not have any agreement, arrangement, understanding intention or negotiation (concluded or otherwise) about (i) any fund-raising plan (including the issue of new Shares and/or convertible securities; (ii) any issue of new Shares and /or convertible securities for cash and/or as consideration; (iii) any acquisition and/or investment in new business and/or material assets from independent third parties or connected persons; and (iv) any disposal, termination, and/or scaling-down of the existing businesses and major assets of the Group as at the Latest Practicable Date.



## 1. ACCOUNTANT'S REPORT ON THE UNAUDITED PRO FORMA STATEMENT OF ADJUSTED NET TANGIBLE ASSETS

*The following is the text of a report, prepared for the sole purpose of inclusion in this Prospectus from the independent reporting accountants of the Company, Elite Partners CPA Limited, Certified Public Accountants, Hong Kong.*



開元信德會計師事務所有限公司  
ELITE PARTNERS CPA LIMITED  
Certified Public Accountants

14 January 2015

The Board of Directors  
Evershine Group Holdings Limited  
Room A, 9th Floor,  
Fortis Tower,  
77-79 Gloucester Road,  
Wanchai,  
Hong Kong

Dear Sir,

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Evershine Group Holdings Limited (the "Company") and its subsidiaries (collectively the "Group") by the directors for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma net tangible assets statement as at 30 June 2014, and related notes as set out in Appendix II of the prospectus issued by the Company. The applicable criteria on the basis of which the directors have compiled the unaudited pro forma financial information are described in Appendix II of the prospectus.

The unaudited pro forma financial information has been compiled by the directors to illustrate the impact of the proposed right issue on the Group's financial position as at 30 June 2014 as if the proposed rights issue had taken place at 30 June 2014. As part of this process, information about the Group's financial position has been extracted by the directors from the Group's financial statements for the year ended 30 June 2014, on which an interim report has been published.

### **Directors' Responsibilities for the Unaudited Pro Forma Financial Information**

The directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 7.31 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "GEM Listing Rules") and with reference to Accounting Guideline 7 "Preparation of

Pro Forma Financial Information for Inclusion in Investment Circulars” (“AG 7”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

### **Reporting Accountant’s Responsibilities**

Our responsibility is to express an opinion, as required by paragraph 7.31(7) of the GEM Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus”, issued by the HKICPA. This standard requires that the reporting accountant complies with ethical requirements and plans and performs procedures to obtain reasonable assurance about whether the directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 7.31 of the GEM Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of unaudited pro forma financial information included in a circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the proposed Rights Issue at 30 June 2014 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the company, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Opinion

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 7.31(1) of the GEM Listing Rules.

Your faithfully,  
**Elite Partners CPA Limited**  
*Certified Public Accountants*  
Hong Kong, 14 January 2015  
**Yip Kai Yin**  
Practising Certificate Number: P05131

## 2. UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

The following is the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group as at 30 June 2014 (the "Unaudited Pro Forma Financial Information") which has been prepared by the Directors in accordance with paragraph 7.31 of the GEM Listing Rules to illustrate the effects of the Rights Issue on the basis of one Rights Share for every two shares held on the Record Date on the unaudited consolidated net tangible assets of the Group as if the Rights Issue had taken place on 30 June 2014.

The Unaudited Pro Forma Financial Information is prepared based on the unaudited consolidated net tangible assets of the Group as at 30 June 2014, as extracted from the published annual report of the Company for the year ended 30 June 2014, after incorporating the unaudited pro forma adjustments described in the accompanying notes.

The Unaudited Pro Forma Financial Information has been prepared for illustrative purpose only, based on the judgments and assumptions of the Directors, and because of its hypothetical nature, may not give a true picture of the financial position of the Group had the Rights Issue been completed as at 30 June 2014 or at any future date.

	Unaudited consolidated net tangible assets attributable to owners of the Company as at 30 June 2014	Unaudited estimated net proceeds from the Rights Issue	Unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the Company as at 30 June 2014	Unaudited consolidated net tangible assets attributable to owners of the Company per Share before the completion of the Rights Issue	Unaudited pro forma adjusted consolidated net tangible assets attributable to owners of the Company per Share immediately after completion of the Rights Issue
	HK\$'000 (Note 1)	HK\$'000 (Note 2)	HK\$'000	HK\$ (Note 3)	HK\$ (Note 4)
Based on 280,068,452 Rights Shares to be issued at subscription price of HK\$0.30 per Rights Share	49,491	81,000	130,491	0.088	0.155

### Notes:

- The unaudited consolidated net tangible assets is based on the unaudited consolidated net assets of the Group attributable to the owners of the Company as at 30 June 2014 of approximately HK\$49,532,000 with adjustments to intangible assets as at 30 June 2014 of approximately HK\$41,000 as extracted from the published interim report of the Company for the period ended 30 June 2014.

- 2) The estimated net proceeds from the Rights Issue is approximately HK\$81,000,000 are based on the 280,068,452 Rights Shares to be issued at the Subscription Price of HK\$0.30 per Rights Share and after deducting estimated related expenses, including among others, legal and professional fees, which are directly attributable to the Rights Issue, of approximately HK\$3,000,000.
- 3) The unaudited pro forma adjusted consolidated net tangible assets of the Group per share attributable to the owners of the Company before the completion the Rights Issue is determined based on the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 June 2014 of approximately HK\$49,491,000 as disclosed in note 1 above, divided by 560,136,904 shares in issue as at 30 June 2014.
- 4) The unaudited pro forma adjusted consolidated net tangible assets of the Group after the completion of the Rights Issue per share is determined based on the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2013 for the Rights Issue of approximately HK\$130,491,000 divided by 840,205,356 shares which comprise 560,136,904 shares in issue as at 30 June 2014 and 280,068,452 Rights Shares to be issued after the completion of the Rights Issue.
- 5) No adjustment has been made to reflect any trading results or other transactions of the Group subsequent to 30 June 2014.

## 1. RESPONSIBILITY STATEMENT

This Prospectus, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this Prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Prospectus misleading.

## 2. SHARE CAPITAL

The issued share capital of the Company as at the Latest Practicable Date and immediately following the Rights Issue are expected to be as follows:

<i>Issued and to be issued, fully paid:</i>	<i>HK\$</i>
560,136,904 Shares in issue as at the Latest Practicable Date	280,068,000.00
280,068,452 Rights Shares to be issued pursuant to the Rights Issue	84,020,535.60
840,205,356	364,088,535.60

All the issued Shares rank pari passu with each other in all respects including the rights as to voting, dividends and return of capital. The Rights Shares to be allotted and issued will, when issued and fully paid, rank pari passu in all respects with the existing Shares.

As at the Latest Practicable Date, the Company had no outstanding options, warrants, derivatives or convertible securities which may confer any right to the holder thereof to subscribe for, convert or exchange into new Shares.

The Shares in issue are listed on GEM. No part of the share capital or any other securities of the Company is listed or dealt in on any stock exchange other than GEM and no application is being made or is currently proposed or sought for the Shares or any other securities of the Company to be listed or dealt in on any other stock exchange.

There are no arrangements under which future dividends are/will be waived or agreed to be waived.

## 3. DISCLOSURE OF INTERESTS

### (a) Directors' and chief executive's interests in the Company

As at the Latest Practicable Date, none of the Directors or chief executives of the Company and their associates had or was deemed to have any interests and

short positions in any Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); (ii) or were required pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) were, pursuant to rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors to be notified to the Company and the Stock Exchange.

**(b) Substantial shareholders and other persons' interests in Shares and underlying Shares**

As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of SFO, and so far as is known to the Directors or chief executive of the Company, the following persons (other than a Director or a chief executive of the Company) had, or was deemed or taken to have, an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly interested in 5% or more of the nominal value of any class of share capital, including options in respect of such capital, carrying voting rights to vote in all circumstances at general meeting of any member of the Group:

*(i) Substantial Shareholders of the Company:*

Name	Nature of Interest	Number of shares held	Approximate percentage of the Company's issued share capital
Lau Yu	Beneficial owner	28,710,000	5.13%

Save as disclosed above and so far as is known to the Directors or chief executive of the Company, there is no person (other than a Director or chief executive of the Company) who, as at the Latest Practicable Date, had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, was, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital, including options in respect of such capital, carrying rights to vote in all circumstances at general meeting of any other member of the Group.

**4. DIRECTORS' SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation other than statutory compensation).

**5. DIRECTORS' INTERESTS IN ASSETS**

None of the Directors had any direct or indirect interest in any assets which have been, since 31 December 2013 (being the date to which the latest published audited consolidated financial statements of the Group were made up) and up to the Latest Practicable Date, acquired or disposed of by or leased to or are proposed to be acquired or disposed of by or leased to any member of the Group.

**6. DIRECTORS' INTERESTS IN CONTRACT OR ARRANGEMENT**

None of the Directors was materially interested, directly or indirectly, in any contract or arrangement subsisting at the Latest Practicable Date which is significant in relation to the business of the Group.

**7. COMPETING INTERESTS**

As at the Latest Practicable Date, so far as the Directors are aware of, none of the Directors or their respective associates had any interests in businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group, other than those businesses where the Directors were appointed as directors to represent the interests of the Company and/or the Group.

**8. LITIGATION**

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries was involved in any litigation or arbitration of material importance and no litigation or claim of material importance known to the Directors to be pending or threatened by or against the Company or any of its subsidiaries.

**9. EXPERT AND CONSENT**

The following is the qualification of the expert who has given its opinions and advice which are included in this Prospectus:

<b>Name</b>	<b>Qualification</b>
Elite Partners CPA Limited	Certified Public Accountants



Elite Partners CPA Limited has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion herein of its letter or its name in the form and context in which they respectively appear.

Elite Partners CPA Limited does not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

Elite Partners CPA Limited does not have any direct or indirect interests in any assets which have been, since 31 December 2013 (being the date to which the latest published audited consolidated accounts of the Group were made up), acquired or disposed of by or leased to, any member of the Group, or which are proposed to be acquired or disposed of by or leased to, any member of the Group.

## 10. MATERIAL CONTRACTS

The following contracts (not being contracts in the ordinary course of business) have been entered into by the Company or any of its subsidiaries within the two years immediately preceding the date of this Prospectus and up to the Latest Practicable Date and are or may be material:

- (a) the extension agreement entered into between the Company and Mr. Fung date 8 January 2013 to amend the conditions of the convertible notes (the “**Convertible Notes**”) with principal amount of HK\$60,000,000 due 2013 issued by the Company on 28 March 2011;
- (b) the underwriting agreement dated 5 February 2013 and entered into between the Company as issuer and Quest Stockbrokers (HK) Limited as underwriter in relation to the proposed issue of new Shares (the “**Offer Shares**”) at the offer price of HK\$0.50 per Offer Share on the basis of two (2) Offer Shares for every one (1) existing Share held on the record date;
- (c) a supplemental agreement entered into between the Company and Mr. Fung dated 1 March 2013 to further amend the condition of the Convertible Notes by adding three new events of default;
- (d) a loan agreement dated 27 May 2013 and entered into between the Company as borrower and HEC as lender in relation to the granting of a loan facility to the Company up to HK\$37,000,000 at an agreed interest rate of 1.5% per month;
- (e) a placing agreement dated 11 June 2013 entered into between the Company as issuer and China Times Securities Limited as placing agent in relation to the placing on a best effort basis of 13,110,000 Shares at the placing price of HK\$0.60 per placing share. The net proceeds was approximately HK\$7.6 million;

- (f) the underwriting agreement dated 23 August 2013 and entered into between the Company, China Times Securities Limited and Metro Capital Securities Limited in relation to the proposed offer (the “**Open Offer**”) for subscription by the qualifying shareholders of the Company for the not less than 140,034,226 new Shares (“**Offer Shares**”) and not more than 177,571,784 new Shares at the subscription price of HK\$0.50 per Offer Share with the bonus Shares (“**Bonus Shares**”) to be issued (for no additional payment) to the first registered holders of Offer Shares on the basis of three (3) Bonus Shares for every two (2) Offer Shares taken up under the Open Offer;
- (g) the supplemental loan agreement dated 2 September 2013 entered into between the Company as borrower and HEC as lender in relation to the extension of the Loan Facility of outstanding principal amount of HK\$32,000,000 at an agreed interest rate of 1.5% per month to 30 September 2013;
- (h) the supplemental loan agreement dated 30 September 2013 entered into between the Company as borrower and Mr. Chan as lender in relation to the extension of the Loan Facility of outstanding principal amount of HK\$32,000,000 at an agreed interest rate of 1.5% per month to 31 December 2013 or the completion date of the Open Offer, whichever is earlier;
- (i) the sale and purchase agreement (the “**Acquisition Agreement**”) dated 29 October 2013 entered into between China Well Investments Reward Inc. and United Path Inc. as vendors (the “**Vendors**”) and Prosperous Link Investments Limited (a wholly-owned subsidiary of the Company) (“**Prosperous Link**”) as purchaser in relation to the sale and purchase of the entire issued share capital of and the shareholder’s loan due from Grace Profit Corporations Limited for an aggregate consideration of HK\$100,000,000;
- (j) the written notice dated 29 July 2014 and served by Prosperous Link to the Vendors terminating the Acquisition Agreement;
- (k) the sale and purchase agreement dated 13 August 2014 and entered into between Mr. Frank Yu as vendor and the Company as purchaser in relation to the sale and purchase of the entire issued share capital of Worthy Victory Limited for a consideration of HK\$30,000,000;
- (l) the sale and purchase agreement dated 12 November 2014 and entered into between Mr. Chan Ernest Kar Kit and Ms. Chung Kit Yee Kitty as vendors and the Company as purchaser in relation to the sale and purchase of the entire issued share capital of and the shareholder’s loan due from Patalogue Limited for a consideration of HK\$18,000,000;

- (m) the non-legally binding memorandum of understanding dated 5 December 2014 entered into between the Company as proposed purchaser and Starways Holding Inc. as the proposed vendor in relation to the possible acquisition of the entire issued share capital of Great Empire International Group Limited; and
- (n) the Underwriting Agreement.

## 11. EXPENSES

The expenses in connection with the Rights Issue, including underwriters' commission, printing, registration, translation, legal and accountancy charges are estimated to amount approximately HK\$3 million and are payable by the Company.

## 12. PARTIES INVOLVED IN THE RIGHTS ISSUE AND CORPORATE INFORMATION

<b>Board of Directors</b>	<i>Executive Directors:</i> Mr. Wu Wenbei Ms. Lin Yan Jenny
	<i>Independent non-executive Directors:</i> Ms. Lam Yuk Ying, Elsa Mr. Liu Kwong Sang Mr. He Qinglong
<b>Registered office</b>	Room A, 9th Floor Fortis Tower 77-79 Gloucester Road Wanchai, Hong Kong
<b>Authorised representatives</b>	Mr. Wu Wenbei Ms. Lin Yan Jenny
<b>Company secretary</b>	Mr. Li Chi Chung
<b>Compliance Officer</b>	Mr. Wu Wenbei
<b>Legal advisor to the Company</b>	<i>As to Hong Kong Law</i> Michael Li & Co. 19/F, Prosperity Tower No. 39 Queen's Road Central, Hong Kong
<b>Auditors and reporting accountants</b>	Elite Partners CPA Limited Certified Public Accountants Suite 921-921A, 9th Floor Star House, 3 Salisbury Road Tsim Sha Tsui, Kowloon, Hong Kong

<b>Underwriter</b>	President Securities (Hong Kong) Limited Units 2603–06 26/F Infinitus Plaza 199 Des Voeux Road Central Hong Kong
<b>Share registrar and transfer office</b>	Hong Kong Registrars Limited Shops 1712–1716, 17th Floor Hopewell Centre 183 Queen’s Road East Wanchai, Hong Kong
<b>Principal bankers</b>	Bank of Communications Co., Ltd. Hong Kong Branch 20 Pedder Street Central, Hong Kong
<b>Audit Committee</b>	Mr. Liu Kwong Sang ( <i>Chairman</i> ) Ms. Lam Yuk Ying, Elsa Mr. He Qinglong

### 13. MISCELLANEOUS

This Prospectus has been prepared in both English and Chinese. In the case of any discrepancies, the English texts shall prevail over their respective Chinese texts.

The company secretary of the Company is Mr. Li Chi Chung who is currently a solicitor practising in Hong Kong and a partner of Michael Li & Co. Mr. Li obtained a bachelor degree in laws from University of Sheffield in England in 1990. He was admitted as a solicitor of the High Court of Hong Kong in 1993 and his practice has been focused on commercial related matters.

The compliance officer of the Company is Mr. Wu Wenbei who is also the Chairman and an executive Director. For details of his qualifications, please refer to the paragraph headed “14. Directors and Senior Management” of this appendix.

The business address of the Directors is Room A, 9th Floor, Fortis Tower, 77–79 Gloucester Road, Wanchai, Hong Kong.

### 14. DIRECTORS AND SENIOR MANAGEMENT

#### Executive Directors

**Mr. Wu Wenbei** (“**Mr. Wu**”), aged 51, graduated from Xiamen University in the PRC and is a practicing lawyer in the PRC. He has over 26 years of experience in international trading and economics. Mr. Wu is currently an executive director of Xiamen He He Xin Business Consulting Company Limited\* (廈門合和鑫商務諮詢有限公司) and a managing director of Xiamen Jin Yin Trading Company Limited\* (廈門金峯貿易有限公司).

**Ms. Lin Yan Jenny (“Ms. Lin”)**, aged 43, has a master degree from the New York Institute of Technology – Vancouver in Canada and has over 21 years of management experience in various industries. Ms. Lin is a licensed representative to carry type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO of Guoco Capital Limited. Ms. Lin is an independent non-executive director of Thiz Technology Group Limited (Stock Code: 8119) which is listed on the Stock Exchange.

#### **Independent non-executive Directors**

**Ms. Lam Yuk Ying, Elsa (“Ms. Lam”)**, aged 54, holds Type 9 (Asset Management) regulated activities licenses issued by the SFC. Ms. Lam has over 11 years of experience in the securities industry and more than 16 years of experience in the treasury function in several major banks. Ms. Lam was an executive director of Value Convergence Holdings Limited (Stock Code: 821), the issued shares of which are listed on the Main Board of the Stock Exchange from 23 February 2011 to 28 December 2012. She was also a director of VC Asset Management Limited, a whollyowned subsidiary of Value Convergence Holdings Limited. Ms. Lam was also an associate director of Excalibur Hong Kong and held senior positions at Glory Sky Global Markets Limited and Kingston Securities Limited. She was also the head of the Treasury department of KBC Bank N.V.

**Mr. Liu Kwong Sang (“Mr. Liu”)**, aged 52, has been practising as a Certified Public Accountant in Hong Kong with more than 25 years of experience. Mr. Liu graduated with honours from the Hong Kong Polytechnic University with a bachelor degree in Accountancy and obtained the master in business administration degree from the University of Lincoln, the United Kingdom. He is an associate member of the Institute of Chartered Accountants in England and Wales, fellow members of the Association of Chartered Certified Accountants, Institute of Financial Accountants, the United Kingdom, the Institute of Public Accountants, Australia, the Hong Kong Institute of Certified Public Accountants, the Taxation Institute of Hong Kong, a Certified Tax Adviser, and the Society of Registered Financial Planners. Mr. Liu is currently an independent nonexecutive directors of Polytec Asset Holdings Limited (保利達資產控股有限公司) (stock code: 208) since 2000 and China National Culture Group Limited (中國國家文化產業集團有限公司) (formerly known as China Railsmedia Corporation Limited (中國鐵聯傳媒有限公司)) (stock code: 745) since 2004, whose securities are listed on the main board of the Stock Exchange and abc Multiactive Limited (辰罡科技有限公司) (stock code: 8131) since 2004, a company the securities of which are listed on the GEM. He was the independent non-executive directors of China Media and Films Holdings Limited (中國傳媒影視控股有限公司) (stock code: 8172) during 2001 to 2006, Tack Fiori International Group Limited (野馬國際集團有限公司) (stock code: 928) from June to September of 2008 and Dragonite International Limited (三龍國際有限公司) (stock code: 329) from April 2010 to September 2014.

**Mr. He Qinglong (“Mr. He”)**, aged 37, has been engaging in design and brand planning for 13 years. He graduated from Fine Arts in Fuzhou University in 1998. He had served as a design director for a domestic fashion brand and currently serves as a research and development and brand planning consultant for a domestic fashion brand.

**15. BINDING EFFECT**

The Prospectus Documents and all acceptances of any offer or application contained in such documents, are governed by and shall be construed in accordance with the laws of Hong Kong. When an acceptance or application is made in pursuance of any such documents, the relevant document(s) shall have the effect of rendering all persons concerned bound by the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (WUMP) Ordinance.

**16. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG**

A copy of the Prospectus Documents and the consent letter referred to the paragraph headed "Expert and Consent" in this appendix have been registered with the Registrar of Companies in Hong Kong pursuant to section 38D of the Companies (WUMP) Ordinance.

**17. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents are available for inspection during normal business hours on any weekday (except for Saturday, Sundays or public holidays) at the registered office of the Company at Room A, 9th Floor, Fortis Tower, 77-79 Gloucester Road, Wanchai, Hong Kong up during the period of 14 days from the date of this Prospectus:

- (a) the articles of association of the Company;
- (b) the annual reports of the Company for the years ended 31 December 2011, 2012 and 2013 respectively, the interim report of the Company for the six months ended 30 June 2014 and the 2014 third quarterly report of the Company for the nine months ended 30 September 2014;
- (c) the material contracts as referred to in the paragraph headed "Material contracts" in this appendix;
- (d) the written consent referred to in the paragraph headed "Expert and consent" in this appendix;
- (e) the letter from Elite Partners CPA Limited in respect of the unaudited pro forma consolidated net tangible assets of the Group, the text of which is set out in appendix II of this Prospectus;
- (f) the Underwriting Agreement; and
- (g) this Prospectus.