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Evershine Group Holdings Limited

永耀集團控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 8022)

POSSIBLE PROPERTY PROJECT IN TURKEY AND ENTERING INTO OF CONSULTANCY AGREEMENT

The Board is pleased to announce that as at the date of this announcement, the Company has identified the Property Project in Turkey. In order to conduct feasibility study regarding the initial design of the Property Project and also to provide the construction blueprint of the Property Project, on 16 May 2016 (after trading hours), Ottoman Evershine, a wholly owned subsidiary of the Company, entered into the Consultancy Agreement with The 6th Engineering Bureau of China City Construction Holding Group Company[#] regarding the provision of technical engineering consultancy services by The 6th Engineering Bureau of China City Construction Holding Group Company[#].

This announcement is made by the Company pursuant to Rule 17.10 of the GEM Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcements of the Company dated 5 February 2016 and 6 May 2016 in relation to the entering into of the non-legally binding MOU and the Strategic Cooperation Agreement with The 6th Engineering Bureau of China City Construction Holding Group Company[#].

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INFORMATION OF THE PROPERTY PROJECT

The Property Project is a property development project in Turkey relating to the development of a land located in Gaziosmanpasa Mahallesi, Haymana Codd, Turkey (the “Land”) with a gross area of approximately 27,520 sq. m.. The Board intends to develop the land into a commercial and residential development complex comprising shops and residential apartments. As at the date of this announcement, the Land is owned by a connected person of the Company (as defined under the GEM Listing Rules) and other Independent Third Parties.

The Land has a site area of approximately 27,520 sq. m.. Subject to the feasibility study and the design of the Property Project, it is intended that the Property Project involves a total development area of approximately 110,108 sq. m., with a total of approximately 9,800 sq. m. for commercial use and approximately 25,090 sq. m. for residential purpose, subject to any adjustments to the development plan.

The Group is still in the course of assessing the capital commitment of the Group in order to carry out the Property Project (including the transaction costs, the costs and expenses for the acquisition of the land use rights of the Land, construction costs, consultancy fee, interest for bank borrowing, marketing fee and development management fee) in the event that the Property Project would become materialised.

The Group intends to finance the capital commitment for the Property Project from its internal resources and external borrowings from bank and other financial institutes.

The Property Project, if materialised, may constitute a notifiable transaction and connected transaction on the part of the Company under Chapter 19 and Chapter 20 of the GEM Listing Rules. Further announcement(s) will be made by the Company as and when appropriate in respect of the Property Project in compliance with the GEM Listing Rules.

THE CONSULTANCY AGREEMENT

Date: 16 May 2016 (after trading hours)

Parties:

- (i) Ottoman Evershine
- (ii) The 6th Engineering Bureau of China City Construction Holding Group Company[#]

The 6th Engineering Bureau of China City Construction Holding Group Company[#] is a company established in the PRC and is principally engaged in construction, project planning and design, cultural and tourist real estate development and capital management.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, The 6th Engineering Bureau of China City Construction Holding Group Company[#] and its ultimate beneficial owner(s) are Independent Third Parties.

Ottoman Evershine is a company incorporated in the British Virgin Islands with limited liabilities and is a wholly-owned subsidiary of the Company.

Major terms of the Consultancy Agreement

In light of the Property Project and in line with the MOU and the Strategic Cooperation Agreement, Ottoman Evershine engages The 6th Engineering Bureau of China City Construction Holding Group Company# to provide technical engineering consultancy services in respect of the Property Project.

The works to be conducted by The 6th Engineering Bureau of China City Construction Holding Group Company# under the Consultancy Agreement shall include feasibility study of the Property Project, the initial design of the Property Project including the construction and structural designs and relevant budget for the Property Project and the blueprint for the Property Project.

Ottoman Evershine shall be responsible to provide all necessary information relating to the Property Project to The 6th Engineering Bureau of China City Construction Holding Group Company# under the Consultancy Agreement.

Consultancy Fee

Based on the assumption that the Property Project would have a construction area of 110,108 sq. m., The 6th Engineering Bureau of China City Construction Holding Group Company# will charge a consultancy fee of RMB1,650,000 based on RMB15 per sq. m. under the Consultancy Agreement.

The consultancy fee is arrived at after arm's length negotiations between Ottoman Evershine and The 6th Engineering Bureau of China City Construction Holding Group Company# with regard to the works and responsibilities of The 6th Engineering Bureau of China City Construction Holding Group Company# under the Consultancy Agreement.

The payment of the consultancy fee by Ottoman Evershine to The 6th Engineering Bureau of China City Construction Holding Group Company# shall be made in accordance with the following schedule:

- (1) as to RMB165,000 shall be payable within seven days after signing of the Consultancy Agreement;
- (2) as to RMB165,000 shall be payable within seven days after commencement of the consultancy works;
- (3) as to RMB1,155,000 shall be payable within seven days after approval of the construction blueprint; and
- (4) as to the remaining balance of RMB165,000 (subject to adjustments based on the actual construction area of the Property Project) shall be payable within thirty days after completion of construction of the Property Project.

Ottoman Evershine will also reimburse the actual disbursements borne by The 6th Engineering Bureau of China City Construction Holding Group Company# in carrying their works.

The Board considers that the terms and conditions of the Consultancy Agreement, including but not limited to the consultancy fee, are fair and reasonable and are in the interests of the Company and its Shareholders as a whole.

Reasons for the Property Project and entering into of the Consultancy Agreement

The Group is principally engaged in provision of travel agent services, fashion garment trading and mobile application business. The Group had also tapped into the funeral business through the acquisition of the entire issued share capital of Fortune Ford Limited which was completed on 30 November 2015 (details of which are set out in the circular of the Company dated 7 November 2015).

The Group is committed to continuously exploring new and different investment opportunities in order to broaden its source of income. This allows the Group to diversify risks from any single segment of business and maintain profitability and be sustainable. The Board considers the proposed Property Project is an invaluable opportunity for the Group to tap into the property development market in the worldwide, which has high potential to be one of the Group's main profit streams.

The Turkey Government is keen on promotion of investment in Turkey, which was the 17th largest economy in the world with approximately US\$1.4 trillion GDP (2013). Turkey is also one of the fastest growing economies in Europe with an average annual real GDP growth rate of 4.8% during the year of 2003 to 2013. There are also a lot of young and well-trained labour in Turkey. With the strategic location of Turkey, the Company anticipates that the proposed Property Project will be an excellent opportunity for the Group to tap into the worldwide property development market.

The 6th Engineering Bureau of China City Construction Holding Group Company[#] is a state-owned enterprise and is principally engaged in construction, project planning and design, cultural and tourist real estate development and capital management and holds relevant ISO certifications. It has the capability to execute large scale projects at international level. With the Central Government's "*One Belt One Road*" strategy, The 6th Engineering Bureau of China City Construction Holding Group Company[#] is proactively approaching countries along the region and has successfully bid contracts in Nepal and Cambodia as represented by The 6th Engineering Bureau of China City Construction Holding Group Company[#].

The 6th Engineering Bureau of China City Construction Holding Group Company[#] was established in 1989 and has extensive experiences in construction, engineering and management of various projects, including various large-scale projects. To the knowledge and information of the Directors, The 6th Engineering Bureau of China City Construction Holding Group Company[#] was involved in (i) the Beijing National Stadium, (ii) the Shanghai World Financial Center project, which was the highest building in Shanghai until 2014, and (iii) other various large scale projects. The 6th Engineering Bureau of China City Construction Holding Group Company[#] holds relevant qualifications and certifications to carry various types of construction and engineering works including housing construction, undertaking relevant municipal construction projects on roads and lighting, landscape design, steel structure and other urban construction projects. As represented by The 6th Engineering Bureau of China City Construction Holding Group Company[#], the total design and construction area of the projects undertaken by The 6th Engineering Bureau of China City Construction Holding Group Company[#] since its establishment exceeds 1.5 million sq. m..

The Consultancy Agreement will reinforce the Strategic Cooperation between the Group and The 6th Engineering Bureau of China City Construction Holding Group Company[#] as contemplated under the MOU and the Strategic Cooperation Agreement. It is expected that the technical assistance and expertise of The 6th Engineering Bureau of China City Construction Holding Group Company[#] will be crucial to the success of the Group under the Property Project.

The Board is of the view that the terms of the Consultancy Agreement are fair and reasonable and are in the interests of the Company and its shareholders as a whole.

The Board wishes to emphasise that the Property Project has not yet to be materialised and there is no agreement creating legally binding obligation to consummate the Property Project and the Property Project may or may not proceed.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

“Board”	the board of Directors
“Company”	Evershine Group Holdings Limited, a company incorporated in Hong Kong with limited liability, the issued shares of which are listed on GEM (stock code: 8022)
“connected persons”	has the meaning ascribed to it under the GEM Listing Rules
“Consultancy Agreement”	the consultancy agreement dated 16 May 2016 and entered into between Ottoman Evershine and The 6th Engineering Bureau of China City Construction Holding Group Company [#] in respect of the provision of technical engineering consultancy service by The 6th Engineering Bureau of China City Construction Holding Group Company [#] in respect of the Property Project
“Director(s)”	the director(s) of the Company
“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
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	any person(s) or company(ies) and its/their respective ultimate beneficial owner(s) whom, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and connected persons of the Company in accordance with the GEM Listing Rules

“MOU”	the non-legally binding memorandum of understanding dated 5 February 2016 and entered into between the Company and The 6th Engineering Bureau of China City Construction Holding Group Company#
“Ottoman Evershine”	Ottoman Evershine Development Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
“PRC”	the People’s Republic of China
“Property Project”	the proposed property development project located in Gaziosmanpasa, Turkey
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Strategic Cooperation Agreement”	the strategic cooperation agreement dated 6 May 2016 and entered into between the Company and The 6th Engineering Bureau of China City Construction Holding Group Company# in relation to the Strategic Cooperation between the Group and The 6th Engineering Bureau of China City Construction Holding Group Company#
“sq. m.”	square metre(s)
“%”	per cent
“HK\$”	Hong Kong dollars
“RMB”	Renminbi, the lawful currency of the PRC

The English translation of Chinese names or words in this announcement, where indicated, are included for information purpose only, and should not be regarded as the official English translation of such Chinese names or words.

By Order of the Board
Evershine Group Holdings Limited
Hung Tat Chi Alan
Alternate Director to Mr. Bülent Yenil

Hong Kong, 16 May 2016

As of the date hereof, the executive Directors are Mr. Lau Yu and Mr. Bülent Yenil (Mr. Hung Tat Chi Alan as alternate Director); and the independent non-executive Directors are Ms. Lam Yuk Ying, Elsa, Mr. Liu Kwong Sang, Ms. Choy So Yuk, BBS, JP. and Mr. Leung Man Chun.

This announcement, 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 announcement 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 announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at <http://www.hkgem.com> for at least seven days from the date of its publication and on the website of the Company at <http://www.8022hk.com>.