

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.



Evershine Group Holdings Limited

永耀集團控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 8022)

DISCLOSEABLE TRANSACTION

Financial adviser to the Company



Gram Capital Limited

嘉林資本有限公司

THE DISPOSAL

The Board is pleased to announce that, on 21 April 2017 (after trading hours), the Vendor and the Purchaser entered into the Agreement, pursuant to which the Purchaser has conditionally agreed to acquire for and the Vendor has conditionally agreed to dispose of the Sale Share and the Sale Loan at the Consideration of HK\$2 million to be settled by way of setting off the Loan.

Upon Completion, members of the Target Group will cease to be subsidiaries of the Company and their financial results will no longer be consolidated into the financial results of the Group.

GEM LISTING RULES IMPLICATION

As the relevant percentage ratios of the Disposal calculated pursuant to Rule 19.07 of the GEM Listing Rules exceed 5% but less than 25%, the Disposal constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules and is subject to reporting and announcement requirement under Chapter 19 of the GEM Listing Rules.

BACKGROUND

Reference is made to the announcement of the Company dated 24 December 2015 in relation to the MOU entered into between the Vendor (being a wholly-owned subsidiary of the Company) and the Purchaser regarding the Disposal.

The Board is pleased to announce that, on 21 April 2017 (after trading hours), the Vendor and the Purchaser entered into the Agreement, pursuant to which the Purchaser has conditionally agreed to acquire for and the Vendor has conditionally agreed to dispose of the Sale Share and the Sale Loan at the Consideration of HK\$2 million to be settled by way of setting off the Loan.

THE DISPOSAL

Set out below are the principal terms of the Agreement:

Date

21 April 2017

Parties involved

- (i) the Purchaser; and
- (ii) the Vendor

The Purchaser is an investment holding company established in Hong Kong with limited liability.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, (i) the Purchaser and its ultimate beneficial owners and associates are Independent Third Parties and do not hold any Shares or other convertible securities in the Company as at the date of this announcement; and (ii) there was no previous transaction or business relationship among the Company, the Purchaser, its ultimate beneficial owners and/or its associates in the previous 12 months which would result in aggregation under Rule 19.22 of the GEM Listing Rules.

Pursuant to a loan agreement dated 11 December 2014 and entered into between the Company as borrower and the Purchaser as lender (the "**Loan Agreement**"), the Purchaser has granted a loan in the principal amount of HK\$2 million (the "**Loan**") to the Company, which would be due on 24 December 2015 (the "**Original Due Date**").

Subject matter

Pursuant to the Agreement, the Purchaser has conditionally agreed to acquire for and the Vendor has conditionally agreed to dispose of the Sale Share, representing the entire equity interest in the Target Company, and the Sale Loan. As at the date of this announcement, the Sale Loan amounted to approximately HK\$7.72 million.

Upon Completion, members of the Target Group will cease to be subsidiaries of the Company and their financial results will no longer be consolidated into the financial results of the Group.

Consideration

The Consideration for the Disposal is HK\$2 million and shall be payable by the Purchaser at Completion by way of setting off the Loan on a dollar to dollar basis.

The Consideration of HK\$2 million was arrived after arm's length negotiations between the Vendor and the Purchaser after taking into account of the net liabilities of the Target Group as at 31 December 2016 and the amount of Sale Loan as at the date of the Agreement.

Conditions precedent

Completion is conditional upon each of the following being satisfied:

- (i) all necessary consents and approvals required to be obtained on the part of the Vendor in respect of the Agreement and the transactions contemplated thereunder having been obtained; and
- (ii) all necessary consents and approvals required to be obtained on the part of the Purchaser in respect of the Agreement and the transactions contemplated thereunder having been obtained.

If the above conditions have not been satisfied on or before 4:00 p.m. on 21 October 2017, or such later date as the Vendor and the Purchaser may agree in writing (the "**Long Stop Date**"), the Agreement shall cease and determine and neither party shall have any obligations and liabilities towards each other thereunder save for any antecedent breaches of the terms thereof.

Completion

Upon compliance with or fulfilment (or waiver) of all the conditions set out in the condition precedents above, Completion shall take place at 4:00 p.m. on the Completion Date, or such later date as the Vendor and the Purchaser may agree at the principal place of business of the Company in Hong Kong or such other place as the Vendor and the Purchaser may agree when all the acts and requirements shall be complied with.

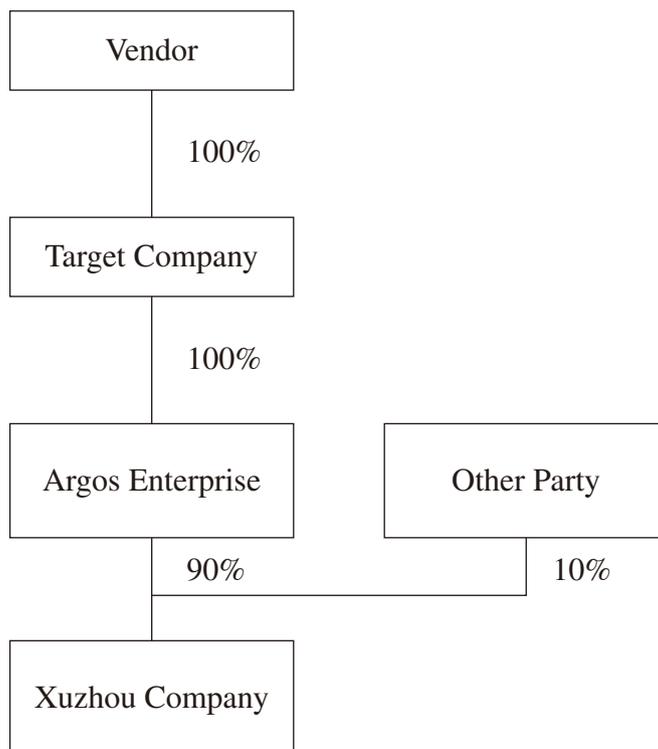
Waiver of interest

Subject to the terms and conditions of the Agreement, the Purchaser agrees (i) to waive all its rights in any interest accrued on the Loan from the Original Due Date and will release, acquit and discharge the Company (including its successors and assigns) from any and all liability of any nature whatsoever and from any and all claims, demands, causes of actions or liens of any nature whatsoever arising out of or in connection with any interest accrued on the Loan from the Original Due Date; and (ii) not to demand for repayment of the Loan or any part of it and/or otherwise enforce any terms of the Loan Agreement on or before the Long Stop Date.

INFORMATION ON THE TARGET GROUP

Shareholding structure of the Target Group

Set out below is the shareholding structure of the Target Group as at the date of this announcement:



Target Company

The Target Company is an investment holding company established in Hong Kong with limited liability on 7 May 2009. As at the date of this announcement, apart from its 100% equity interest in the Argos Enterprise, the Target Company does not have any other business operation.

Argos Enterprise

Argos Enterprise is a wholly foreign owned enterprise and was established in the PRC on 26 December 2001. Argos Enterprise is principally engaged in corporate management planning and consulting, transport information servicing and related services. As at the date of this announcement, Argos Enterprise hold 90% equity interest in the Xuzhou Company.

Xuzhou Company

The Xuzhou Company is a company established in the PRC with limited liability on 9 March 1994. Xuzhou Company principally engaged in provision of tour services and transportation. As at the date of this announcement, the Xuzhou Company is owned as to 90% by Argos Enterprise and 10% by a party who is not a connected person of the Company at the issuer level (as ascribed by the GEM Listing Rules) (the “**Other Party**”).

Financial information of the Target Group

Set out below is the unaudited consolidated financial information of the Target Group for the two years ended 31 December 2016 prepared in accordance with the Hong Kong Financial Reporting Standards:

	For the year ended 31 December 2016	For the year ended 31 December 2015
	<i>HK\$</i>	<i>HK\$</i>
Profit/(Loss) before tax	(2,215,362)	(523,725)
Profit/(Loss) after tax	(2,215,362)	(523,725)

The Target Group recorded net liabilities of approximately HK\$5.87 million as at 31 December 2016.

REASONS FOR THE DISPOSAL

The Group is principally engaged in travel agency business, trading business, mobile application business, properties development and investment business, cemetery business and money lending business.

During the two financial years ended 31 December 2016, the financial results of the Target Group has deteriorated substantially due to slower economy and strong competition. The operating and administrative cost have been increasing and as a result, the Target Group is unprofitable. Furthermore, the Target Group recorded net liabilities as at 31 December 2016.

The Directors are of the view that the Disposal represents a good opportunity for the Group to dispose of the Target Group, which has an unsatisfactory performance, and more resources can be allocated to other businesses of the Group. The Group will continue to explore appropriate investment opportunities, including but not limited to other overseas tourism and travel agency business, in order to broaden its revenue source.

It is expected that the Company would record no material gain or loss (subject to final audit) from the Disposal upon Completion, being calculated based on (i) the amount of the Consideration; (ii) the net liabilities attributable to the owner of the Target Company as at 31 December 2016; and (iii) the amount of the Sale Loan.

Given that the Consideration for the Disposal shall be payable by the Purchaser at Completion by way of setting off the Loan on a dollar to dollar basis, there is no proceeds expected from the Disposal.

In light of the above, the Directors are of the view that the Disposal would be in the interests of the Company and the Shareholders as a whole and the terms of the Agreement are fair and reasonable and on normal commercial terms.

GEM LISTING RULES IMPLICATION

As the relevant percentage ratios of the Disposal calculated pursuant to Rule 19.07 of the GEM Listing Rules exceed 5% but less than 25%, the Disposal constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules and is subject to reporting and announcement requirement under Chapter 19 of the GEM Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Agreement”	the agreement dated 21 April 2017 entered into between the Purchaser and the Vendor in relation to the Disposal
“Argos Enterprise”	雅高企業管理顧問(南京)有限公司 (Argos Enterprise Management Consultant (Nanjing) Limited*), a company established in the PRC with limited liability
“associate(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day (other than Saturday, Sunday or public holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“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)
“Completion”	completion of the Disposal
“Completion Date”	the next Business Day after the date of fulfillment (or waiver) of all the conditions precedent as set out in the Agreement
“Consideration”	the consideration for the Disposal in the amount of HK\$2 million
“Director(s)”	director(s) of the Company
“Disposal”	the disposal by the Vendor to the Purchaser of the Sale Share and the Sale Loan
“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
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) and their ultimate beneficial owner(s) (if applicable) which are independent of the Company and its connected persons
“MOU”	the non-legally binding memorandum of understanding dated 24 December 2015 and entered into between the Vendor and the Purchaser
“PRC”	the People’s Republic of China
“Purchaser”	Ringloma Limited, a company incorporated in Hong Kong with limited liability and the purchaser under the Agreement
“Sale Loan”	all obligations, liabilities and debts owing or incurred by the Target Group to the Group on or at any time prior to Completion whether actual, contingent or deferred and irrespective of whether the same is due and payable on Completion
“Sale Share(s)”	100% of the issued share capital of the Target Company
“Share(s)”	ordinary share(s) in the issued and unissued capital of the Company
“Shareholder(s)”	the holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Target Company”	Argos (China) Investment Limited, a company incorporated in Hong Kong with limited liability and is wholly owned by the Vendor
“Target Group”	the Target Company and its subsidiaries

“Vendor”	Mega Field International Limited, a company incorporated in Hong Kong and a wholly owned subsidiary of the Company and the legal and beneficial owner of the Sale Shares
“Xuzhou Company”	徐州中國國際旅行社有限公司 (Xuzhou China International Travel Service Limited*), a company established in the PRC with limited liability
“%” or “per cent.”	percentage or per centum

By Order of the Board
Evershine Group Holdings Limited
Ling Ko Yin Jason
Executive Director

Hong Kong, 21 April 2017

As of the date hereof, the executive Directors are Mr. Bülent Yenal (Mr. Hung Tat Chi Alan as alternate Director), Mr. Chan Ming Kei, Mr. Hung Tat Chi Alan and Mr. Ling Ko Yin Jason; and the independent non-executive Directors are Ms. Choy So Yuk, BBS, JP, Ms. Lam Yuk Ying Elsa 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 GEM website at <http://www.hkgem.com> on the “Latest Company Announcements” page for at least seven days from the date of its posting and the Company’s website at <http://www.8022hk.com>.

* *for identification purpose only*