

*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)**

### **MAJOR AND CONNECTED TRANSACTION: ACQUISITION OF AN ADDITIONAL 30% EQUITY INTEREST IN THE TARGET COMPANY INVOLVING THE ISSUE OF THE PROMISSORY NOTE**

The Board is pleased to announce that on 6 June 2017, the Purchaser, a company incorporated in Turkey and an indirect wholly owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Vendor and the Target Company in relation to the Acquisition of the Sale Shares, representing an additional 30% of the equity interest of the Target Company, for a consideration of USD6.55 million (approximately equivalent to HK\$51.09 million). As of the date of this announcement, the Company is holding 30% of the share capital of the Target Company which was acquired on 30 December 2016 (“Previous Acquisition”) as disclosed in the Announcements.

As at the date of this announcement, the Vendor is interested in 168,500,000 shares of the Company, representing approximately 10.51% of the issued shares of the Company, and is a substantial shareholder of the Company. Whilst the Vendor’s brother, Mr. Murat Boyracı is interested in 68,217,000 issued shares of the Company, or approximately 4.26% of the issued share capital of the Company. Thus both the Vendor and his Associate are being considered as connected persons of the Company under the GEM Listing Rules. Accordingly, the transactions contemplated under the Sale and Purchase Agreement shall constitute connected transactions under Chapter 20 of the GEM Listing Rules and are subject to the reporting, announcement and Independent Shareholders’ approval requirements.

To the best of the Directors’ knowledge, information and belief, after having made all reasonable enquires, save for the Vendor and his Associate, no other Shareholder has any material interest in the Sale and Purchase Agreement and the transactions contemplated thereunder, accordingly, no other Shareholder is required to abstain from voting to approve the relevant resolution regarding the Sale and Purchase Agreement and the transactions contemplated thereunder at the EGM.

As one or more of the applicable percentage ratios in respect of the Sale and Purchase Agreement when aggregated with the Previous Acquisition exceed 25% but are less than 100%, the Acquisition constitutes a major transaction on the part of the Company and is subject to the notification, reporting, announcement and Shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

The EGM will be convened and held for the purposes of considering and, if thought fit, approving the Sale and Purchase Agreement and the transaction contemplated thereunder.

A circular containing, among other things, (i) details of the Sale and Purchase Agreement; (ii) a letter from the Independent Board Committee with its recommendation to the Independent Shareholders on the Acquisition; (iii) a letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders; (iv) certain financial information of the Group and the Target Company; and (v) the notice of the EGM, is expected to be despatched to the Shareholders on or around 29 June 2017 in accordance with the GEM Listing Rules.

**SHAREHOLDERS AND POTENTIAL INVESTORS OF THE COMPANY SHOULD BE AWARE THAT THE ACQUISITION ARE SUBJECT TO A NUMBER OF CONDITIONS BEING SATISFIED, AND CONSEQUENTLY THE ACQUISITION MAY OR MAY NOT PROCEED. ACCORDINGLY, SHAREHOLDERS AND POTENTIAL INVESTORS ARE ADVISED TO EXERCISE CAUTION WHEN THEY DEAL OR CONTEMPLATE DEALING IN THE SHARES OR OTHER SECURITIES (IF ANY) OF THE COMPANY.**

The Board is pleased to announce that on 6 June 2017, the Purchaser, a company incorporated in Turkey and an indirect wholly owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Vendor and the Target Company in relation to the Acquisition of the Sale Shares, representing an additional 30% of the share capital of the Target Company, for a consideration of USD6.55 million (approximately equivalent to HK\$51.09 million). As of the date of this announcement, the Company is holding 30% of the share capital of the Target Company which was acquired on 30 December 2016 as disclosed in the Announcements.

Principal terms of the Sale and Purchase Agreement are set out below:

## **SALE AND PURCHASE AGREEMENT**

**Date:** 6 June 2017 (after trading hours)

**Parties:** (1) The Vendor  
(2) The Purchaser  
(3) The Target Company

The Vendor is a resident in Turkey and is a merchant. As at the date of this announcement and immediately prior to the entering into of the Sale and Purchase Agreement, the Vendor holds 1,470,000 Shares or 70% of the share capital of the Target Company, while the Purchaser, a company incorporated in Turkey and an indirect wholly-owned subsidiary of the Company, holds 630,000 Shares or 30% of the share capital of the Target Company. The Target Company has been accounted for as an investment in an associate in the Company's audited consolidated financial statements for the year ended 31 December 2016 according to the relevant accounting standards since the completion of the Previous Acquisition of the 30% of the share capital of the Target Company on 30 December 2016.

The Acquisition of an additional 30% equity interest of the Target Company will render the Target Company becoming an indirect 60%-owned subsidiary of the Company, and its financial results, and assets and liabilities will be consolidated and accounted for as long term investment as a subsidiary in the financial statements of the Company in accordance with the applicable accounting standards.

### **Assets to be acquired**

Pursuant to the Sale and Purchase Agreement, the Purchaser has agreed to purchase and the Vendor has agreed to sell the Sale Shares, representing 30% of the share capital of the Target Company.

### **Conditions precedent**

The obligations of the Purchaser to complete the purchase of the Sale Shares and to pay the consideration under the Sale and Purchase Agreement are conditional upon the following conditions precedent on or prior to the Closing Date:

- (a) the Purchaser being reasonably satisfied with the results of its financial, legal and business due diligence conducted on the Target Company;
- (b) the Purchaser having obtained a legal opinion (in the form and substance to the reasonable satisfaction of the Purchaser) from the Turkey legal adviser appointed by the Purchaser in respect of the transactions contemplated under the Sale and Purchase Agreement, including but not limited to the incorporation and subsistence of the ownership of the equity interest in the Target Company and the legality of the business conducted by the Target Company in Turkey;
- (c) the obtaining of all requisite waiver(s), approval(s), permit(s), authorisation(s), consent(s), licence(s), decree(s), and/or exemption(s) (if necessary) from any government and regulatory authority(ies) or other third parties regarding the Sale and Purchase Agreement and the transactions contemplated thereunder;

- (d) since the date of the Sale and Purchase Agreement there shall have been no material adverse change on the Target Company;
- (e) no material breach by the Vendor of its obligations set forth in the Sale and Purchase Agreement will have occurred;
- (f) all the representations and warranties made by the Vendor and contained in the Sale and Purchase Agreement shall be true and correct on and as at the Closing Date as though such were made at and as at such date and the Vendor shall have given prompt written notice to the Purchaser in the event of any adverse change in the facts which are the subject matter of the representations and warranties made by the Vendor therein which occurred during the period starting from the date of signature of the Sale and Purchase Agreement up to and including the Closing Date;
- (g) no material breach of the representations and warranties contained in the Sale and Purchase Agreement will have occurred, and
- (h) the passing by the Independent Shareholders at a general meeting of the Company to be convened and held of an ordinary resolution to approve the Sale and Purchase Agreement and the transactions contemplated hereunder and compliance by the Company with all the applicable requirements under the GEM Listing Rules in respect of the Sale and Purchase Agreement.

If the conditions precedent to Closing above are not fulfilled, or not waived in writing by the Purchaser by the Long Stop Date, the Sale and Purchase Agreement may be immediately terminated by the Purchaser (for reason of non-fulfillment of the conditions precedent and without prejudice to its rights otherwise under the Sale and Purchase Agreement) by written notice delivered to all of the other parties without any indemnity having to be paid and the Vendor shall within 7 days from the date of such written notice refund the Deposit in full to the Purchaser and the Sale and Purchase Agreement shall thereafter lapse. In such circumstances, save and subject to the refund of the Deposit by the Vendor to the Purchaser, each Party shall be solely responsible for its own expenses incurred prior to such termination and shall have no liability to any other party.

In the event a party ceases to be a Shareholder before Closing all rights under the present Agreement will be automatically and simultaneously terminated. The termination of the Sale and Purchase Agreement will not affect each party's accrued rights (including the right for the refund of the Deposit) under the Sale and Purchase Agreement as at the date of termination.

Upon the termination of the Sale and Purchase Agreement as contemplated or pursuant to any other provision in the Sale and Purchase Agreement allowing for termination, save and subject to the refund of the Deposit by the Vendor to the Purchaser, neither the Purchaser nor the Vendor shall have any further future obligations to each other thereunder provided that, the accrued rights and remedies of the Parties shall remain intact and the obligations of the Sale and Purchase Agreement shall continue despite such termination.

## **Consideration**

The total consideration for the Acquisition is USD6.55 million (approximately equivalent to HK\$51.09 million) which shall be satisfied by i) an upfront refundable cash deposit of USD2 million (approximately equivalent to HK\$15.60 million) which will be paid within seven (7) Business Days from the date of the Sale and Purchase Agreement; and ii) the Purchaser by procuring the Company to issue a Promissory Note in the principal amount of USD4.55 million (approximately equivalent to HK\$35.49 million) which carries an interest rate of 13% per annum, which is to be delivered to the Vendor by Purchaser on the date of Closing and is to be due on the second anniversary date from the date of issue in favour of the Vendor.

The consideration was determined after arm's length negotiations between the parties to the Sale and Purchase Agreement with reference to, among others,

- (1) the fair market value of the existing completed and under-construction properties and the value-added portion of the new project which has been under construction after the last completion date, 30 December 2016, of the Previous Acquisition with reference to the market values of similar properties in similar locations;
- (2) the management account of the Target Company as at 31 March 2017 taking into account of the fair market value of the net asset value as adjusted by the preliminary valuation of the properties and projects held by the Target Company of approximately USD24.15 million (approximately equivalent to HK\$188.37 million) for 100% equity interest of the Target Company ("Adjusted Net Asset Value"), i.e. approximately USD7.24 million for 30% share of the Adjusted Net Asset Value of the Target Company;
- (3) pursuant to (2) as stated above, a discount of approximately 10% to the 30% share of the Adjusted Net Asset Value is given to the Company comparing to the total consideration,
- (4) the business prospects of the Target Company.

In light of the above, the Directors (excluding the independent non-executive Directors who will provide their view after having taken advice from the Independent Financial Adviser) consider the consideration of the Acquisition being made on normal commercial terms, are fair and reasonable and in the interests of the Company and its shareholders as a whole.

## **Promissory Note**

The terms of the Promissory Note has been negotiated on an arm's length basis and the principal terms of which are summarised below:

### *Issuer*

The Company

### *Principal amount*

USD4.55 million

### *Interest*

Promissory Note will carry interest at the interest rate of 13% per annum. Such accrued interest shall be payable on each anniversary date from the date of issue or on the date of any early repayment of relevant principal whichever is earlier.

### *Maturity*

The principal of the Promissory Note will be repaid on or before the second anniversary from the date of issue.

### *The Company and the Purchaser's undertaking*

In the case that the Promissory Note are not fully repaid by their maturity days or the Purchaser becomes bankrupt or insolvent within two year after Closing, the Company and the Purchaser undertake that the Vendor will be entitled to, among others, demand the registration of the Sale Shares back to its name.

### *Early repayment*

The Company may, at its option, early repay the Promissory Note with outstanding interest accrued thereon in whole or in part giving a prior ten (10) Business Days' written notice to the Vendor.

### *Transferability*

The Promissory Note are transferrable with prior five (5) Business Days' written notice to the Company (other than to connected persons of the Company).

## **Closing**

Closing shall take place at the latest by the thirtieth (30) Business Day following the completion of the last of the conditions precedent set out above.

## Shareholders agreement

Pursuant to the Sale and Purchase Agreement, subject to Closing, the parties to the Sale and Purchase Agreement have agreed on the governance and management of the Target Company, including but not limited to on the annual and extraordinary meetings of the Target Company, composition and meetings of the board of directors and the articles of association of the Target Company.

## Purchaser's lock-up period

The Purchaser shall not sell, transfer, pledge or otherwise dispose of all or any part of their Shares or their pre-emptive rights related to these Shares or their rights of first refusal related to the same until the Consideration under the Sale and Purchase Agreement dated 6 June 2017 and the sales and purchase agreement dated 7 December 2016 between the parties is paid in full and free of any encumbrances.

## Rights of Vendor during lock-up period

Till the end of Lock-up Period for the Purchaser, subject to the right of first refusal, Vendor's Shares may be transferred to third parties, without constraint and without being subject to any limitations, in compliance with related legal legislation provisions.

## Right of first refusal

Pursuant to the Sale and Purchase Agreement, if the Vendor wishes to sell any part of its Shares in the Target Company it then owns to any bona fide third party purchaser, it undertakes to provide a right of first offer to the Purchaser.

## INFORMATION ON THE TARGET COMPANY

As at the date of this announcement, the Target Company is incorporated in Turkey, with limited liability and is principally engaged in construction and contracting works in Istanbul, Turkey and is owned as to 70% by the Vendor and 30% by the Purchaser.

Set out below is the financial information of the Target Company:

	For the year ended 31 December 2014 <i>approximately</i> <i>HK\$'000</i>	For the year ended 31 December 2015 <i>approximately</i> <i>HK\$'000</i>	<b>For the year ended 31 December 2016 <i>approximately</i> <i>HK\$'000</i></b>
(Loss)/profit before taxation	(1,923)	3,645	<b>179,020</b>
(Loss)/profit after taxation ( <i>Note</i> )	(1,903)	3,522	<b>179,354</b>
Net (liabilities)/asset value	(1,039)	4,419	<b>233,187</b>

*Note:*

Profit after taxation for the year ended 31 December 2016 was mainly attributable to the revaluation gain recognised in respect of the properties and projects held by the Target Company during the year according to the properties valuation conducted in Turkey by a local valuer of approximately US\$24,405,000 or equivalent to HK\$190,359,000.

As at the date of this announcement, the Target Company has 2,100,000 Shares for its entire share capital, of which the Vendor is interested in 1,470,000 Shares or 70% equity interest of the Target Company, while the Purchaser, an indirect wholly-owned subsidiary of the Company, is interested in 630,000 Shares or 30% equity interest of the Target Company which has been accounted for as an investment in an associate in the Company's financial statement according to the relevant accounting standards since its completion date on 30 December 2016.

Upon Closing, the Target Group will become an indirect 60%-owned subsidiary of the Company, and its financial results, and assets and liabilities will be consolidated and accounted for as long term investment in subsidiary in the financial statements of the Company in accordance with the applicable accounting standards.

## **REASONS AND BENEFITS FOR THE ACQUISITION**

As at the date of this announcement, the Group is principally engaged in properties investment, commodities trading, cemetery business, a minority investment in a Turkey company (the Target Company), mobile application business and money lending business.

### **Background and business prospects of the Target Company**

The Turkish Government is keen on promotion of foreign investment in Turkey. Turkish economy is the 18th largest in the world with approximately USD718 billion GDP in 2015. Turkey is also one of the fastest growing economies in Europe with an average annual GDP growth rate of approximately 3.86% from 2006 to 2016 (as quoted in the website of the World Bank). In addition, there are many young and well-trained construction labor in Turkey.

According to an article from Springer.com, the world's urban population has been increasing rapidly since the 1950s mainly because of rural-to-urban migration. This rapid increase has led to the construction of illegal settlements, in particular, in the megacities of developing countries. Being one of those countries, Turkey has more than two million squats and a large number of un-certified buildings. Considering that a large part of the country lies on an earthquake zone, these low-quality un-certified buildings pose a big threat to their inhabitants. As a matter of fact, this issue can only be improved with the regeneration of these unsafe buildings, and the urban re-construction projects that are in progress in the country are keys to the answer for building healthier environments for the Turkish residents. In view of this, the Directors believe the demand for reconstructed buildings in Turkey is sturdy and would provide sufficient business potentials for the Target Company for a considerable period of time.

Such urban regeneration initiative has dominated the agenda of the Turkish government in the foreseeable future, particularly in Istanbul. It is estimated that around 6.7 million residential units nationwide will need to be demolished and rebuilt over the next 20 years. In 2017, Turkey's residential property continues to perform strongly. Turkey's nationwide house price index rose by approximately 14% (around 4.8% inflation-adjusted) from January to July 2016, according to the Central Bank of the Republic of Turkey. In Istanbul, Turkey's largest city, property prices surged by approximately 17.7% (around 8.2% inflation-adjusted) from January to July 2016.

## **Business description of the Target Company**

The principal business of the Target Company consists of construction and contracting works of residential buildings and their related rental and sales in Istanbul, Turkey, with specialisation in elite urban transformation projects and earth-quake resistant buildings.

The business model of the Target Company is basically an “urban residential buildings re-construction program” under the Turkish government initiative whereby the Target Company will demolish old residential buildings in Istanbul and rebuild them for more floors/floor space, with a view to return the original residents back to the reconstructed buildings under their ownership, and to keep the new floors/floor space for rental or for sale under the ownership of the Target Company. Management will consider the rewards, i.e. the value of the new floors/floor space as allowed by the government, and its re-construction costs of the whole building before entering into new re-construction projects.

Since its incorporation in 2012, the Target Company had 5 completed projects, namely the Arzu Apartmanı, Sibel Apartmanı, Akasya Apartmanı, Doğa Apartmanı and Evim Apartmanı with a total rewarded areas of approximately 2,795m<sup>2</sup>, 1 acquired project namely Acarblu Apartmanı with gross saleable area of approximately 1,068m<sup>2</sup> and is working on 2 new projects (Iclaliye project and Hurrem project) which are expected to be completed by 2018 with a total construction area of approximately 4,837m<sup>2</sup> and rewarded area of approximately 1,421m<sup>2</sup>. The Target Company had accumulated ample experience in the “urban residential buildings re-construction program” over the past years.

The Board is committed to continuously exploring new and different investment opportunities in order to broaden and diversify the Group’s income streams. In view of the demonstrated growth in profit (mainly attributable to the aforesaid revaluation gains from properties) in 2016 of the Target Company and the positive business prospects of the Target Company as stated above, the Directors consider that the Target Company will continue to be benefited from the high growth potentials of the Turkish economy and its residential property market, which will broaden the income base and contribute to the profitability of the Group, thereby enhancing its shareholder’s value.

As such, the Directors (excluding the independent non-executive Directors who will provide their view after having taken advices from the Independent Financial Adviser) are of the view that the current initiative to further acquire 30% of the equity interest thereby the controlling interest in the Target Company as a positive move for the Group to achieve the followings: 1) it would further avail of the opportunity to diversify the risks of its business and investment portfolio as the future results and assets and liabilities of the Target Company will be consolidated into the Group’s financials upon completion, 2) the Group could take advantage of the management experience and technical expertise in the “urban residential buildings re-construction program” of the Target Company which has been accumulated since its incorporation; and 3) with a controlling interest to be acquired, such an investment can avail the Group of participating in the aforesaid high growth potentials of the Target Company immediately and to exert due influence over the business direction and strategies of the Target Company.

In light of the aforementioned reasons, the Directors (excluding the independent non-executive Directors who will provide their view after having taken advices from the Independent Financial Adviser) believe that the Acquisition is an attractive investment opportunity for the Group which would enable it to tap into the residential property and construction market in Turkey and Europe. The Directors consider that the Acquisition may become a core business segment of the Group generating significant profit and cash flows for the Company in the foreseeable future.

Other than the deposit of USD2 million (approximately equivalent to HK\$15.60 million) to be paid within 7 days after signing the Sale and Purchase Agreement, the remaining consideration of USD4.55 million (approximately equivalent to HK\$35.49 million) of the Acquisition is satisfied by the issue of Promissory Note which will be settled by the second anniversary day after the date of issue, thus there is no immediate cashflow burden to the Company.

The Directors (excluding the independent non-executive Directors who will provide their view after having taken advices from the Independent Financial Adviser) consider that the terms and conditions of the Sale and Purchase Agreement are on normal commercial basis, fair and reasonable and in the interests of the Company and its shareholders as a whole.

#### **LISTING RULES IMPLICATION**

As at the date of this announcement, the Vendor is interested in 168,500,000 shares of the Company, representing approximately 10.51% of the issued shares of the Company, and is a substantial shareholder of the Company. Whilst the Vendor's brother, Mr. Murat Boyraci is interested in 68,217,000 issued shares of the Company, or approximately 4.26% of the issued share capital of the Company. Thus both the Vendor and his Associate are being considered as connected persons of the Company under the GEM Listing Rules. Accordingly, the transactions contemplated under the Sale and Purchase Agreement shall constitute connected transactions under Chapter 20 of the GEM Listing Rules and are subject to the reporting, announcement and independent shareholders' approval requirements.

To the best of the Directors' knowledge, information and belief, after having made all reasonable enquires, save for the Vendor and his Associate, no other Shareholder has any material interest in the Sale and Purchase Agreement and the transactions contemplated thereunder, accordingly, no other Shareholder is required to abstain from voting at the EGM to approve the relevant resolution regarding the Sale and Purchase Agreement and the transactions contemplated thereunder.

As one or more of the applicable percentage ratios in respect of the Sale and Purchase Agreement when aggregated with the Previous Acquisition exceed 25% but are less than 100%, the Acquisition constitutes a major transaction on the part of the Company and is subject to the notification, reporting, announcement and Shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

The EGM will be convened and held for the purposes for the Independent Shareholders of the Company of considering and, if thought fit, approving the Sale and Purchase Agreement and the transaction contemplated thereunder at the EGM.

To the best of the Directors' knowledge, information and belief, no Directors have a material interest in the Sale and Purchase Agreement and the transactions contemplated thereunder and no Directors have abstained from voting at the relevant board resolutions approving the Sale and Purchase Agreement and the transactions contemplated thereunder.

To the best of the Directors' knowledge and information, save for the Vendor and his Associate, no other Shareholders have a material interest in the Sale and Purchase Agreement and the transactions contemplated thereunder and shall abstain from voting on the resolution(s) in relation to the Sale and Purchase Agreement and the transactions contemplated thereunder to be proposed at the EGM.

The Independent Board Committee, comprising all the independent non-executive Directors will be established to make recommendations to the Independent Shareholders in respect of the terms and conditions of the Sale and Purchase Agreement and the transactions contemplated thereunder. The Independent Financial Adviser will be appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among other things, (i) details of the Sale and Purchase Agreement; (ii) a letter from the Independent Board Committee with its recommendation to the Independent Shareholders on the Acquisition; (iii) a letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders; (iv) certain financial information of the Group; and (v) the notice of the EGM, is expected to be despatched to the Shareholders on or around 29 June 2017 in accordance with the GEM Listing Rules.

## **DEFINITIONS**

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

“Acquisition”	the proposed acquisition by the Purchaser from the Vendor of the Sale Shares in accordance with the terms and conditions of the Sale and Purchase Agreement
“Announcements”	announcements of the Company dated 7 December 2016 and completion of such an acquisition dated 30 December 2016
“Associate”	Mr. Murat Boyracı, Vendor's brother
“Board”	the board of Directors
“Business Day(s)”	any day(s) upon which banks in Turkey and Hong Kong are open for normal business
“Closing”	closing of the sale and purchase of the Sale Shares in accordance with the Sale and Purchase Agreement
“Closing Date”	the date of Closing, at the latest by the 30th Business Days following the completion of the last conditions precedent
“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
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened to consider and, if thought fit, approve the Sale and Purchase Agreement and the transactions contemplated thereunder
“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 People’s Republic of China
“Independent Board Committee”	the independent board committee, comprising all the independent non-executive Directors to be established to make recommendations to the Independent Shareholders in respect of the terms of the Sale and Purchase Agreement and the transactions contemplated thereunder
“Independent Financial Adviser”	the independent financial adviser to be appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the Sale and Purchase Agreement and the transactions contemplated thereunder
“Independent Shareholder(s)”	Shareholder(s) other than the Vendor and his associates
“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
“Long Stop Date”	6 months from date of signing of the Sale and Purchase Agreement, extendable if the Vendor and the Purchaser agree
“Promissory Note”	an unsecured promissory note in the principal of USD4.55 million, payable on or before the second anniversary date from the date of issue, in the agreed form to be executed by the Company for the purpose of settling the consideration under the Sale and Purchase Agreement
“Purchaser”	Ottoman Evershine İnşaat Proje Ticaret Anonim Şirketi, a company incorporated in Turkey and an indirect wholly owned subsidiary of the Company

“Sale Shares”	630,000 shares of a nominal value of TL1 in the share capital of the Target Company, representing 30% of the share capital of the Target Company to be acquired by the Purchaser under the Sale and Purchase Agreement
“Sale and Purchase Agreement”	the formal sale and purchase agreement dated 6 June 2017 and entered into among the Purchaser, the Vendor and the Target Company in relation to the Acquisition
“Shares”	fully-paid and outstanding shares of a nominal value of TL1 each of the Target Company
“Shareholder(s)”	holder(s) of ordinary shares in issue of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Boyracı Yapı İnşaat ve Taahhüt Gayrimenkul Yatırım Anonim Şirketi, a company incorporated in Turkey
“Turkey”	The Republic of Turkey
“USD”	U.S. dollars, the lawful currency of the United States of America
“Vendor”	Mr. Osman Boyracı
“%”	per cent
“HK\$”	Hong Kong dollars
“TL”	Turkish Lira, the lawful currency of Turkey

*For the purpose of this announcement, the exchange rate of USD1.00 = HK\$7.8 has been used for currency conversion. This is for the purpose of illustration only and does not constitute a representation that any amounts in USD have been, could have been or may be converted at such rate or any other exchange rate.*

By Order of the Board  
**Evershine Group Holdings Limited**  
**Chan Ming Kei**  
*Executive Director and Company Secretary*

Hong Kong, 6 June 2017

*As at the date hereof, the executive Directors are Mr. Bülent Yenil (Mr. Hung Tat Chi Alan as alternate Director), Mr. Chan Ming Kei, Mr. Hung Tat Chi Alan and Mr. Ling Ko Yin Jason; the non-executive Director is Mr. Chan Wai Kit; 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 “Latest Company Announcements” page of the GEM website at [www.hkgem.com](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>.*