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O Luxe Holdings Limited

奧立仕控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 860)

**DISCLOSEABLE TRANSACTION IN RELATION TO
THE ACQUISITION OF THE ENTIRE ISSUED
SHARE CAPITAL OF RICH CYPRESS LIMITED**

THE AGREEMENT

The Board is pleased to announce that, on 29 September 2016 (after trading hours), the Purchaser entered into the Agreement with the Vendor and the Guarantor, pursuant to which the Purchaser has conditionally agreed to acquire and the Vendor has conditionally agreed to sell the Sale Shares, representing the entire issued share capital of the Target Company, at the Consideration of RMB219,000,000. The Guarantor has agreed to warrant and guarantee to the Purchaser the due and punctual performance by the Vendor of all its respective obligations under the Agreement and the transaction contemplated thereunder.

Upon Completion, the Company will hold the entire issued share capital of the Target Company, which will indirectly hold the entire equity interest in SCC Group. Further information on the Target Group and the Properties is set out in the section headed “Information of the Target Group” below.

LISTING RULES IMPLICATIONS

As certain of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Acquisition exceeds 5% but all of them are below 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, and is therefore subject to the reporting and announcement requirements but is exempted from the Shareholders' approval requirements under the Listing Rules.

THE AGREEMENT IS CONDITIONAL UPON THE SATISFACTION OF A NUMBER OF CONDITIONS PRECEDENT. THEREFORE THE ACQUISITION MAY OR MAY NOT PROCEED. INVESTORS AND SHAREHOLDERS ARE ADVISED TO EXERCISE CAUTION IN DEALING IN THE COMPANY'S SECURITIES.

The Board is pleased to announce that, on 29 September 2016 (after trading hours), the Purchaser entered into the Agreement with the Vendor and the Guarantor, pursuant to which the Purchaser has conditionally agreed to acquire and the Vendor has conditionally agreed to sell the Sale Shares, representing the entire issued share capital of the Target Company. The principal terms of the Agreement are summarized as below:

THE AGREEMENT

Date

29 September 2016

Parties

- (i) the Purchaser;
- (ii) the Vendor; and
- (iii) the Guarantor.

As at the date of this announcement, the Purchaser is an indirectly wholly-owned subsidiary of the Company.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, each of the Vendor and the Guarantor is a third party independent of the Company and its connected persons. The Group has not engaged in any previous transactions which were related to the transaction

contemplated under the Agreement or with the Vendor or the Guarantor in the last 12 months which would otherwise require aggregation under Rule 14.22 of the Listing Rules.

Shares to be acquired

Pursuant to the Agreement, the Purchaser has conditionally agreed to acquire and the Vendor has conditionally agreed to sell the Sale Shares, representing the entire issued share capital of the Target Company. Upon Completion, the Company will hold the entire issued share capital of the Target Company, which will indirectly hold the entire equity interest in SCC Group.

Consideration

The Consideration of RMB219,000,000 is payable to the Vendor upon Completion. The Consideration will be funded by the Group's internal resources.

The Consideration for the Sale Shares was determined after arm's length negotiation between the Purchaser and the Vendor with reference to, among others, (a) the reasons for the Acquisition as discussed in the sectioned headed "Reasons for and benefits derived from the Acquisition" below; and (b) a valuation of the equity value of SCC Group of RMB219,000,000 as of 31 March 2016 undertaken by an independent valuer appointed by the Purchaser using asset-based approach.

Having considered the above, the Directors are of the view that the Consideration is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Conditions precedent

Completion is conditional upon satisfaction of the following conditions being satisfied or (if applicable) waived by the Purchaser on or before the Long Stop Date:

- (i) the Purchaser having satisfied with and accepted the due diligence results on the Target Group (including but not limited to the legal, financial and operational due diligence);

- (ii) the legal opinion having been issued by the PRC lawyer confirming, amongst others, that:
 - (a) each of the PRC members of the Target Group has been duly incorporated and is validly subsisting under the PRC laws;
 - (b) each of the PRC members of the Target Group has obtained all necessary licenses, approvals and permits from competent PRC regulatory authorities for its existing business operation; and
 - (c) other matters as required by the Purchaser;
- (iii) a valuation report having been issued by an independent valuer using asset-based approach, which indicates that the equity value of SCC Group is not less than RMB219,000,000 as of 31 March 2016;
- (iv) SCC Group having restructured and streamlined its investments to the effect that SCC Group shall have no investment apart from its shareholdings in SCC Investment and SCC Advertising and the investment in the land and properties held by SCC Group; and
- (v) all warranties contained in the Agreement having remained true and accurate in all respects at Completion as if repeated at Completion and at all times between the date of the Agreement and Completion.

The Purchaser may at any time waive the Conditions set out in (i), (ii) and (v) above by notice in writing to the Vendor, while the Conditions set out in (iii) and (vi) are not capable of being waived.

If the above conditions have not been fulfilled or waived (as the case may be) on or before the Long Stop Date, the Agreement shall be terminated, whereupon the relevant rights and obligations under the Agreement shall have no further force and effect and no party to the Agreement shall have any liability under them (without prejudice to the rights of the parties to the Agreement in respect of any antecedent breaches).

As of the date of this Announcement, the valuation report as described in item (iii) above has been issued.

Guarantee

The Guarantor has agreed to warrant and guarantee to the Purchaser the due and punctual performance by the Vendor of all its respective obligations under the Agreement and the transaction contemplated thereunder.

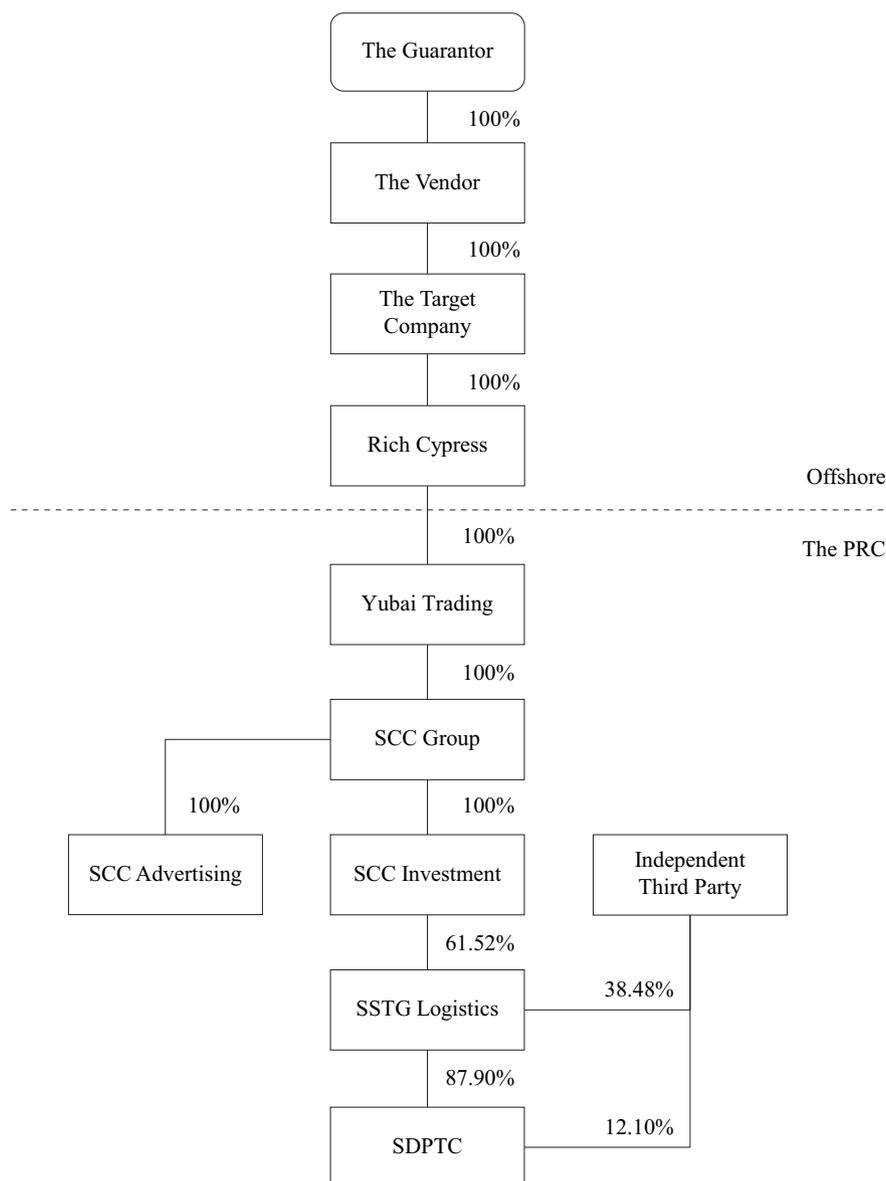
Completion

Completion shall take place on the third Business Day following the day on which all conditions set out in the section headed “Conditions precedent” above are fulfilled or waived (as the case may be) by the Purchaser.

INFORMATION ON THE TARGET GROUP

Group structure

The group structure of the Target Group as at the date of this announcement is set out below:



The Target Company is a limited company incorporated in the British Virgin Islands on 23 March 2016 and is principally engaged in investment holding.

Rich Cypress is a limited company incorporated in Hong Kong on 13 April 2016 and is principally engaged in investment holding.

Yubai Trading is a company established in the PRC with limited liability on 31 May 2016. Yubai Trading is principally engaged in investment holding and is wholly-owned by Rich Cypress.

SCC Group is a company established in the PRC with limited liability on 24 June 1991 and is wholly-owned by Yubai Trading. SCC Group holds a parcel of land for tourism use with a total site area of 64,621 square metres and a land use term till 26 August 2044 and the villas and complex buildings thereon with a total gross floor area of 7,890 square metres, which are located at No. 6 Gou, Xiuhu North Bank, Qipanshan Development Zone, Shenyang, Liaoning, the PRC.

SCC Advertising is a company established in the PRC with limited liability on 17 October 2001. SCC Advertising is principally engaged in the design, production and publication of advertisement and advertising agency and is wholly-owned by SCC Group.

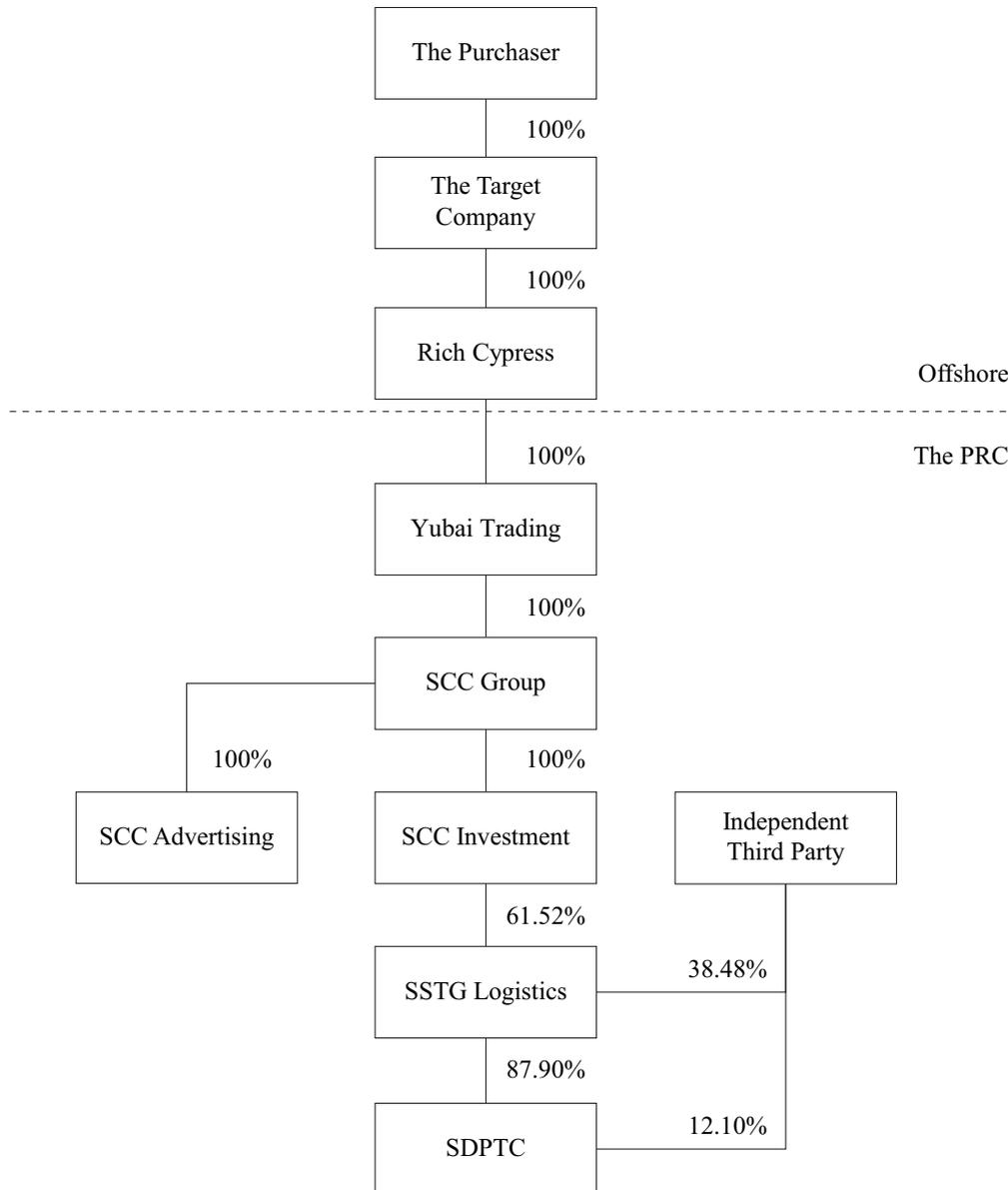
SCC Investment is a company established in the PRC with limited liability on 9 May 2014. SCC Investment is principally engaged in investment holding and is wholly-owned by SCC Group.

SSTG Logistics is a company established in the PRC with limited liability on 7 July 2000 and is owned as to 61.52% by SCC Investment and 38.48% by an Independent Third Party. SSTG Logistics is principally engaged in the business of warehousing and logistics and holds three parcels of industrial land with a total site area of 19,096 square metres and the warehouses of a total gross floor area of 54,796 square metres and the annexes thereon, which are located at Dongmao Road, Dadong District, Shenyang, Liaoning, the PRC. The aforementioned land parcels are held by SSTG Logistics under lease arrangements for various terms with the latest till 12 May 2053.

SDPTC is a company established in the PRC with limited liability on 15 July 2005 and is owned as to 87.90% by SSTG Logistics and 12.10% by an Independent Third Party. SDPTC is principally engaged in the business of market management and services, leasing and warehousing, property management and services and holds a parcel of industrial land located at Dongmao Road, Dadong District, Shenyang, Liaoning, the PRC, with a total

site area of 2,848 square metres and a land use term till 23 August 2054, and a property for office use located in Dadong District, Shenyang, Liaoning, the PRC, with a total gross floor area of 7,732 square metres.

The group structure of the Target Group as at Completion is set out below:



The Company intends to dispose of and/or cease the existing business operations of the Target Group as soon as practicable after Completion to the effect that the Target Group shall have no material assets and liabilities apart from the investment in the Properties.

Financial information

Set out below the financial information extracted from the consolidated accounts of the Target Group, for the two years ended 31 December 2014 and 2015 and as at 31 March 2016:

	For the year ended 31 December 2014 <i>RMB'000</i> (unaudited)	For the year ended 31 December 2015 <i>RMB'000</i> (audited)
Net profit (loss) before taxation	(9,506)	1,791
Net profit (loss) after taxation	(10,654)	552
		As at 31 March 2016 <i>RMB'000</i> (audited)
Net assets		205,532

INFORMATION ON THE GROUP

The Group is engaged in distribution of watches, wholesale trading of jewellery products, mining, money lending and securities investments.

The Purchaser is an indirect wholly-owned subsidiary of the Company and is an investment holding company.

INFORMATION OF THE VENDOR

The Vendor is a company incorporated in the British Virgin Islands with limited liability, which is wholly owned by the Guarantor. The Vendor is principally engaged in investment holding.

REASONS FOR AND BENEFITS DERIVED FROM THE ACQUISITION

The Group is engaged in distribution of watches, wholesale trading of jewellery products, mining, money lending and securities investments.

As disclosed in the annual report of the Company for the year ended 30 September 2015, the Group will continue to look for new investment opportunity to cope with existing market environment. The Board has been constantly reviewing its business strategy and continued to explore sound investment opportunities for the Group to diversify its source of income, strengthen its core competencies and to contribute sustainable growth for the Group and the Shareholders as a whole.

The Board has been exploring investment opportunities in real estate in the PRC that they believe to be with great appreciation potential. As disclosed in the circular of the Company dated 11 July 2016, the Company has entered into a transaction to acquire an indirect controlling shareholding in a PRC property developer and its residential and commercial property development project located in Guangzhou, Guangdong, the PRC. The Directors believe that the Group should continue to pursue real estate investment opportunities in the PRC that could provide preservation of asset value and attractive potential returns. Among the Properties that owned by SCC Group and its subsidiaries, there are undeveloped parcels of land for industrial and tourism uses and developed villas and warehouses, which are with great appreciation potential. The Directors consider it an excellent investment opportunity where the undeveloped land parcels could be held for sale and the developed villas and warehouses could be held for rental in the short term and offered for sale with reasonable returns in the long term. The Company has no intention to develop the undeveloped land parcels held by the Target Group after Completion.

The Directors believe that the Properties could generate a stable and recurring income stream to the Group, enable the Group to strengthen its asset base and provide capital appreciation potential to the Group.

In view of the above, the Directors consider that the terms of the Agreement are on normal commercial terms, fair and reasonable and the Acquisition is in the interests of the Group and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

Since certain of the applicable percentage ratios of the Acquisition exceed 5% but are less than 25%, the Acquisition will constitute a discloseable transaction for the Company for the purposes of, and are subject to the reporting and announcement requirements under, Chapter 14 of the Listing Rules.

THE AGREEMENT IS CONDITIONAL UPON THE SATISFACTION OF A NUMBER OF CONDITIONS PRECEDENT. THEREFORE THE ACQUISITION MAY OR MAY NOT PROCEED. INVESTORS AND SHAREHOLDERS ARE ADVISED TO EXERCISE CAUTION IN DEALING IN THE COMPANY’S SECURITIES.

DEFINITIONS

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

“Acquisition”	the proposed sale and purchase of the Sale Shares pursuant to Agreement
“Agreement”	the conditional sale and purchase agreement dated 29 September 2016 entered into among the Purchaser, the Vendor and the Guarantor in relation to the Acquisition
“Board”	the board of Directors
“Business Day(s)”	a day (excluding Saturday, Sunday and other general holidays in Hong Kong) on which licensed banks in Hong Kong are generally open for business
“Company”	O Luxe Holdings Limited, a company incorporated in Cayman Islands with limited liability, the issued Shares of which are listed on the Stock Exchange
“Completion”	completion of the Acquisition pursuant to the terms and conditions of the Agreement
“Condition(s)”	The condition(s) precedent to the Completion under the Agreement
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Consideration”	RMB219,000,000 being the consideration for the Acquisition
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries

“Guarantor”	Mr. Huang Youzi (黃優資), the registered legal and beneficial owner of the Vendor
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	a party(ies) independent of and not connected with the Company and its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	31 December 2016 (or such other date as the Purchaser and the Vendor may agree)
“Properties”	The properties held by the PRC members of the Target Group, which include: <ul style="list-style-type: none"> (i) a parcel of land for tourism use with a total site area of 64,621 square metres and a land use term till 26 August 2044 and the villas and complex buildings thereon with a total gross floor area of 7,890 square metres, which are located at No. 6 Gou, Xiuhu North Bank, Qipanshan Development Zone, Shenyang, Liaoning, the PRC and held by SCC Group; (ii) three parcels of industrial land with a total site area of 19,096 square metres held by SSTG Logistics under lease arrangements for various terms with the latest till 12 May 2053 and the warehouses of a total gross floor area of 54,796 square metres and the annexes thereon, which are located at Dongmao Road, Dadong District, Shenyang, Liaoning, the PRC; and

(iii) a parcel of industrial land located at Dongmao Road, Dadong District, Shenyang, Liaoning, the PRC, with a total site area of 2,848 square metres and a land use term till 23 August 2054, and a property for office use located in Dadong District, Shenyang, Liaoning, the PRC, with a total floor area of 7,732 square metres, which are held by SDPTC.

“PRC”	the People’s Republic of China which, for the purpose of this announcement only, does not include Hong Kong, the Macau Special Administrative Region and Taiwan
“Purchaser”	Marvel Bloom Limited (奇昌有限公司), a company incorporated in the British Virgin Islands with limited liability and an indirectly wholly-owned subsidiary of the Company
“Rich Cypress”	Rich Cypress (Hong Kong) Limited (香港裕栢有限公司), a company incorporated in Hong Kong with limited liability on 13 April 2016
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Shares”	one ordinary share in the capital of the Target Company, representing the entire share capital of the Target Company
“SCC Advertising”	瀋陽商業城廣告有限公司 (Shenyang Commercial City Advertising Company Limited*), a company established in the PRC with limited liability on 17 October 2001
“SCC Group”	瀋陽商業城(集團)有限公司 (Shenyang Commercial City (Group) Company Limited*), a company established in the PRC with limited liability on 24 June 1991
“SCC Investment”	瀋陽商業城集團投資有限公司 (Shenyang Commercial City Group Investment Company Limited*), a company established in the PRC with limited liability on 9 May 2014

“SDPTC”	瀋陽東貿紙品交易中心有限公司 (Shenyang Dongmao Paper Trading Centre Company Limited*), a company established in the PRC with limited liability on 15 July 2005
“Shareholders”	holders of Shares
“Share”	ordinary share(s) of par value of HK\$0.1 each in the share capital of the Company
“SSTG Logistics”	瀋陽儲運集團物流配送有限公司 (Shenyang Storage and Transportation Group Logistics Company Limited*), a company established in the PRC with limited liability on 7 July 2000
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Rich Cypress Limited (裕栢有限公司), a company incorporated in the British Virgin Islands with limited liability
“Target Group”	the Target Company and its subsidiaries as specified in the Agreement, being the targets of acquisition thereunder
“Vendor”	Baohua Enterprises Limited (寶華企業有限公司), a company incorporated in the British Virgin Islands with limited liability and wholly owned by the Guarantor
“Yubai Trading”	裕栢貿易(深圳)有限公司 (Yubai Trading (Shenzhen) Company Limited*), a wholly foreign-owned enterprise established by Rich Cypress in the PRC on 31 May 2016
“%”	per cent.

For the purpose of this announcement, conversion of RMB into HK\$ is based on the exchange rate of RMB1.00 to HK\$1.17. The exchange rate has been used, where applicable, for the purposes of illustration only and do not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.

By order of the Board
O Luxe Holdings Limited
Zhang Jinbing
Chairman

Hong Kong, 29 September 2016

As at the date of this announcement, the Board comprises Messrs. Zhang Jinbing (Chairman), Wong Chi Ming, Jeffry (Chief Executive Officer) and Yu Fei, Philip, being executive directors; Mr. Xiao Gang, being non-executive director; and Messrs. Tam Ping Kuen, Daniel, Li Yifei and Zhu Zhengfu, being independent non-executive directors.

The Directors jointly and severally accept full responsibility for the accuracy of information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

* *For identification purpose*