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**ENTERPRISE DEVELOPMENT HOLDINGS LIMITED**  
**企展控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1808)**

**DISCLOSEABLE TRANSACTION – THE SUBSCRIPTION**

**DISCLOSEABLE TRANSACTION – THE SUBSCRIPTION**

On 8 October 2014 (after trading hours), the Company and HEC entered into the Subscription Agreement, pursuant to which HEC has conditionally agreed to issue, and the Company has conditionally agreed to subscribe for, or procure its nominee to subscribe for, 8,000,000 new HEC Shares at the subscription price of approximately HK\$6.0 per HEC Share for an aggregate consideration of HK\$48 million, which shall be satisfied by cash payment by the Company to HEC or its nominee.

**Listing Rules Implications**

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Subscription is more than 5% but less than 25%, the Subscription constitutes discloseable transaction of the Company under Chapter 14 of the Listing Rules and are therefore subject to the notification and announcement requirements under the Listing Rules.

**Shareholders and potential investors should be aware that completion of the Subscription is subject to certain condition, as set out in the subsections headed “Condition Precedent” in this announcement, being satisfied, and consequently the Subscription may or may not proceed. Accordingly, Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.**

**DISCLOSEABLE TRANSACTION – THE SUBSCRIPTION**

**Background**

On 8 October 2014 (after trading hours), the Company and HEC entered into the Subscription Agreement, pursuant to which HEC has conditionally agreed to issue, and the Company has conditionally agreed to subscribe for, or procure its nominee to subscribe for, 8,000,000 new HEC Shares at the subscription price of approximately HK\$6.0 per HEC Share for an aggregate consideration of HK\$48 million, which shall be satisfied by cash payment by the Company to HEC or its nominee.

Principal terms of the Subscription Agreement are set out below:

Date: 8 October 2014

Parties: (i) the Company; and  
(ii) HEC

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, HEC and its ultimate beneficial owners, are third parties independent of and not connected with the Company and its connected persons.

### **Subscription shares**

Subject to fulfilment of the condition of the Subscription and the terms set out in the Subscription Agreement, HEC has conditionally agreed to issue, and the Company has conditionally agreed to subscribe for, or procure its nominee to subscribe for, 8,000,000 new HEC Shares at the subscription price of approximately HK\$6.0 per HEC Share. The 8,000,000 new HEC Shares represent approximately 0.8% of the issued share capital of HEC as at the date of the Subscription Agreement and approximately 0.79% of the issued share capital of HEC as enlarged by the issue and allotment of the 8,000,000 new HEC Shares.

The 8,000,000 new HEC Shares, when issued and credited as fully paid up, shall rank pari passu in all respects with all other HEC Shares then in issue and in particular, will rank in full for all dividends and other distributions declared, made or paid at any time on or after the date of issue of the 8,000,000 new HEC Shares.

### **Subscription price**

The subscription price of approximately HK\$6.0 per HEC Share and the aggregate consideration of HK\$48 million, which shall be satisfied by cash payment by the Company to HEC or its nominee at the date of completion of the Subscription, was determined by HEC and the Company after arm's length negotiations taking into account the unaudited consolidated net asset value per HEC Share of the HEC Group as at the 31 March 2014 (the "NAV"), which is approximately HK\$7.04 according to the unaudited consolidated statement of financial position of the HEC Group as at 31 March 2014. The subscription price of approximately HK\$6.0 represents a discount of approximately 14.77% of the NAV.

### **Condition precedent**

Completion of the Subscription is conditional upon all consents or approval of any relevant governmental authorities, regulatory bodies or other relevant third parties in Hong Kong or elsewhere which if required for the entry into and the implementation of the Subscription Agreement having been obtained, including all filings with any relevant governmental authorities or other relevant third parties in Hong Kong or elsewhere which if required for the entering into and the implementation of the Subscription Agreement having been made.

If the above condition has not been fulfilled on or before 5:00 p.m. (Hong Kong time) on 15 November 2014 (or such other date as HEC and the Company may agree in writing), the Subscription Agreement shall thereupon terminate and neither party shall have any further claims against each other under the Subscription Agreement for costs, damages, compensation or otherwise, save in respect of antecedent breaches and claims.

## Completion

Completion of the Subscription shall take place at 5:00 p.m. (Hong Kong time) on the date on which the condition of the Subscription has been satisfied (or such other time and date as the Company and HEC may agree).

## Information of HEC

HEC is a limited liability company incorporated in the Cayman Islands and an investment holding company. Its subsidiaries principally engage in the business of property investment, investment advisory and financial services, investment in securities trading and money lending.

The following is the financial information of the HEC Group for the accounting period ended 31 March 2013 and 31 March 2014 respectively, which was prepared in accordance with the Hong Kong Financial Reporting Standards:–

	<b>For the year ended 31 March 2014 (unaudited) <i>HK\$' million</i></b>	For the year ended 31 March 2013 (audited) <i>HK\$' million</i>
Net profit before tax	<b>396</b>	287
Net profit after tax	<b>395</b>	288
	<b>As at 31 March 2014 (unaudited) <i>HK\$' million</i></b>	As at 31 March 2013 (audited) <i>HK\$' million</i>
Net assets	<b>6,284</b>	5,803

## Reasons for and Benefits of the Subscription

The Company is an investment holding company and the Group is principally engaged in the provision of integrated business software solutions and trading of listed securities.

As stated in the annual report of the Company for the 31 December 2013, in order to maintain the Group's sustainability and preservation of value over the longer term, the Group will continue to look for suitable investment opportunities and projects characterised by stable cash inflows and simple management mechanism. In view of the global economic growth resuming, the Directors consider that the Subscription would allow the Company to have the opportunities to enjoy the potential growth in the financial services industry through its proposed investment in HEC.

Upon completion of the Subscription, the Group will hold 8,000,000 new HEC Shares, representing approximately 0.79% of the enlarged issued share capital of HEC. The Directors hold a positive view towards the investment in HEC and the Directors believe that the Subscription would enhance its relationship with HEC and bring positive returns in the long run to the Group. Therefore, the Board considers that the terms of the Subscription are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

### **Listing Rules Implications**

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Subscription is more than 5% but less than 25%, the Subscription constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements under the Listing Rules.

**Shareholders and potential investors should be aware that completion of the Subscription is subject to certain condition, as set out in the subsection headed "Condition Precedent" in this announcement, being satisfied, and consequently the Subscription may or may not proceed. Accordingly, Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.**

### **DEFINITIONS**

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

"Board"	the board of Directors
"Business Day"	a day (excluding Saturday, Sunday and any other public holidays) on which banks in Hong Kong are generally open for settlement business
"Company"	Enterprise Development Holdings Limited (stock code: 1808), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Directors"	directors of the Company
"Group"	the Company and its subsidiaries

“HEC”	HEC Capital Limited, a company incorporated in the Cayman Islands with limited liability
“HEC Group”	HEC and its subsidiaries
“HEC Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of HEC
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Share(s)”	ordinary share(s) with par value of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription by the Company or its nominee of 8,000,000 new HEC Shares pursuant to the terms and conditions of the Subscription Agreement
“Subscription Agreement”	the subscription agreement dated 8 October 2014 entered into between the Company and HEC in relation to the Subscription
“subsidiaries”	with the meaning ascribed thereto under the Listing Rules
“%”	per cent.

By order of the Board  
**Enterprise Development Holdings Limited**  
**Jia Bowei**  
*Chairman*

Hong Kong, 8 October 2014

*As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Jia Bowei (Chairman) and Mr. Lam Kwan Sing (Chief Executive Officer) and Mr. Wang Jun, and three independent non-executive Directors, namely Mr. Yau Yan Ming, Raymond, Ms. Hu Gin Ing and Mr. Zhang Xiaoman.*