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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)**

**SHARE SUBSCRIPTION UNDER SPECIFIC MANDATE**

On 21 October 2014, after trading hours, the Company entered into the Subscription Agreement with the Subscriber pursuant to which the Subscriber, which is an Independent Third Party, has conditionally agreed to subscribe for and the Company has conditionally agreed to allot and issue a total of 350,000,000 Subscription Shares at the Subscription Price of HK\$0.25 per Subscription Share.

Assuming 350,000,000 Subscription Shares are successfully subscribed, the Subscription Shares represent (i) approximately 19.88% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.58% of the issued share capital of the Company as enlarged by the issue of the Subscription Shares (assuming that there will be no change in the issued share capital of the Company between the date of the Subscription Agreement and Completion of the Subscription save for the issue of such Subscription Shares).

The Subscription Price represents (i) a discount of approximately 10.71% to the closing price of HK\$0.28 per Share as quoted on the Stock Exchange on 21 October 2014, being the date of the Subscription Agreement; and (ii) a discount of approximately 14.68% to the average closing price of HK\$0.293 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including 20 October 2014.

On the assumption that 350,000,000 Subscription Shares are successfully subscribed, the gross proceeds of the Subscription will be approximately HK\$87.5 million and the net proceeds of the Subscription will amount to approximately HK\$86.15 million which is intended to be used for repayment of debt of the Group and general working capital of the Group (including trading of securities). The Subscription Shares will be allotted and issued under the Specific Mandate to be sought from the Shareholders at the EGM.

Completion of the Subscription is conditional upon (i) the Listing Committee of the Stock Exchange granting approval for the listing of and permission to deal in the Subscription Shares; (ii) the passing of resolution(s) by the Shareholders at the EGM to approve the Subscription Agreement and the transactions contemplated hereunder including the allotment and issue of the Subscription Shares; and (iii) if applicable, the obtaining of all consents from government or regulatory authorities or third parties which are necessary in connection with the execution and performance of the Subscription Agreement and any of the transaction contemplated thereunder. If the foregoing conditions are not fulfilled on or before 31 December 2014 (or such later date as may be agreed between the Company and the Subscriber), the Subscription Agreement shall terminate and none of the parties to the Subscription Agreement shall have any claim against the other for any costs or losses (save for any prior breaches of the Subscription Agreement).

A circular containing, among other matters, further details of the Subscription Agreement together with a notice convening the EGM will be despatched to the Shareholders in accordance with the Listing Rules.

**Shareholders and potential investors should note that Completion of the Subscription is subject to fulfillment of the conditions under the Subscription Agreement. As the Subscription may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.**

## **THE SUBSCRIPTION AGREEMENT**

### **Date**

21 October 2014 (after trading hours)

### **Parties**

Issuer: The Company

The Subscriber: Smart Jump Corporation

### **The Subscription**

Pursuant to the Subscription Agreement, the Subscriber has conditionally agreed to subscribe 350,000,000 Subscription Shares at HK\$0.25 per Subscription Share, representing approximately 19.88% of the issued share capital of the Company as at the date of this announcement, and approximately 16.58% of the issued share capital as enlarged by the issue of the Subscription Shares. The aggregate nominal value of the Subscription Shares will be HK\$3,500,000.

## **The Subscriber**

Smart Jump Corporation is the Subscriber and is a company incorporated in the British Virgin Islands with limited liability and is an indirect non-wholly owned subsidiary of Freeman. The Subscriber is principally engaged in trading of securities. The Company is indebted a loan to a subsidiary of Freeman in principal sum of HK\$50,000,000 (“the Loan”). To the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, the Subscriber and its associates are Independent Third Parties as at the date of the Subscription Agreement.

## **Subscription Price**

The Subscription Price of HK\$0.25 per Subscription Share represents:

- (i) a discount of approximately 10.71% to the closing price of HK\$0.28 per Share as quoted on the Stock Exchange on 21 October 2014, being the date of the Subscription Agreement; and
- (ii) a discount of approximately 14.68% to the average closing price of HK\$0.293 per Share as quoted on the Stock Exchange for the last five trading days up to and including 20 October 2014, being the last trading day immediately prior to the date of the Subscription Agreement.

The Subscription Price of HK\$0.25 per Subscription Share was determined on arm’s length basis between the Company and the Subscriber based on current market conditions and the prevailing market price of the Shares. The Directors (including the independent non-executive Directors) consider that the Subscription Price of the Subscription Shares is fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

## **Ranking of the Subscription Shares**

The Subscription Shares will be issued fully paid up and ranking pari passu in all respects among themselves and with the existing Shares in issue, including as to the right to receive all dividends and distributions which may be declared made or paid after the Completion Date and will be issued free and clear of all liens, encumbrances, equities or other third party rights.

## **Conditions of the Subscription**

The Completion of Subscription is conditional upon (i) the Listing Committee of the Stock Exchange granting approval for the listing of and permission to deal in the Subscription Shares; (ii) the passing of resolution(s) by the Shareholders at the EGM to approve the Subscription Agreement and the transactions contemplated thereunder including the allotment and issue of the Subscription Shares; and (iii) if applicable, the obtaining of all consents from government or regulatory authorities or third parties which are necessary in connection with the execution and performance of the Subscription Agreement and any of the transaction contemplated thereunder.

If the foregoing conditions are not fulfilled on or before 31 December 2014 (or such later date as may be agreed between the Company and the Subscriber), the Subscription Agreement shall terminate and none of the parties to the Subscription Agreement shall have any claim against the other for any costs or losses (save for any prior breaches of the Subscription Agreement).

## Specific Mandate

The Company proposes to seek the grant of the Specific Mandate from the Shareholders at the EGM to be convened and held by the Company for allotment and issue of the Subscription Shares.

## Completion of the Subscription

Completion of the Subscription will take place not later than the second Business Day after the date on which the conditions in respect of the Subscription under the Subscription Agreement are fulfilled or such other date as the Company and the Subscriber may agree. Upon Completion, the Subscriber will be interested in 16.58% of the total issued share capital of the Company and become a substantial shareholder of the Company.

## APPLICATION FOR LISTING

Application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of and permission to deal in the Subscription Shares.

## EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company as at the date of this announcement and immediately after the Completion of the Subscription is as follows (assuming there will not be any change in the issued share capital of the Company from the date of the Subscription Agreement to the Completion Date save for the allotment and issue of the Subscription Shares):

Name of Shareholders	As at the date of this announcement		Immediately after Completion of the Placing	
	No. of Shares	Approximate %	No. of Shares	Approximate %
Affluent Start Holdings Investment Limited (Note 1)	604,355,000	34.32%	604,355,000	28.63%
Superbowl Development Limited (Note 2)	200,000,000	11.36%	200,000,000	9.47%
Smart Jump Corporation (the Subscriber) (Note 3)	–	–	350,000,000	16.58%
Other public shareholders	956,512,520	54.32%	956,512,520	45.32%
	<u>1,760,867,520</u>	<u>100.00%</u>	<u>2,110,867,520</u>	<u>100.00%</u>

- Affluent Start Holdings Investment Limited is a company incorporated in the British Virgin Islands with limited liability which is wholly and beneficially owned by Mr. King Pak Fu.*
- Superbowl Development Limited is a company incorporated in the British Virgin Islands with limited liability which is wholly and beneficially owned by Mr. Chen Jianjun.*
- Smart Jump Corporation is a company incorporated in the British Virgin Islands with limited liability which is an indirect non-wholly owned subsidiary of Freeman Financial Corporation Limited (stock code: 279).*

## FUND RAISING ACTIVITY IN THE PAST TWELVE MONTHS

Save as disclosed below, the Company has not undertaken any fund raising activities on any issue of equity securities in the past twelve months before the date of this announcement:

Dates of announcement	Fund raising activities	Net proceeds raised	Proposed use of the net proceeds	Actual use of the proceeds
5 September and 25 September 2014	Placing of 293,477,920 new Shares under the general mandate granted on 16 May 2014 on a fully underwritten basis at a price of HK\$0.238 per placing Share	HK\$67.25 million	Intended to be used for general working capital of the Group (including trading of securities)	Used as intended

## REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS

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.

Upon the full subscription of the 350,000,000 Subscription Shares, the gross proceeds raised from the Subscription will be approximately HK\$87.5 million. After taking into account the estimated expenses in relation to the Subscription, the estimated net proceeds from the Subscription will be approximately HK\$86.15 million, representing a net price of HK\$0.2461 per Subscription Share. The net proceeds from the Subscription are intended to be used for repayment of debt of the Group and general working capital of the Group (including trading of securities). In relation to the use of repayment of debt of the Group, the net proceeds may be used to repay the principal and/or interest of the Loan owed to the said subsidiary of Freeman.

The Directors consider that the Subscription represents a good opportunity to raise additional funds to meet the Company's funding needs, to reduce debt by way of raising funds through equities and strengthen the shareholder base of the Company. Accordingly, the Directors consider that the terms of the Subscription Agreement are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## EGM

An EGM will be convened and held for the purpose of considering and, if thought fit, approving the Subscription Agreement and the transaction contemplated thereunder including the allotment and issue of Subscription Shares under the Specific Mandate. In view of the Loan and the possible repayment of the principal and/or interest of the Loan by the Company using the proceeds of the Subscription, the Subscriber is considered to have a material interest in the Subscription. Accordingly, if the Subscriber or its associates owns any Shares as at the date of the EGM, the Subscriber or its associates will abstain from voting at the EGM in respect of the resolution(s) in relation to the Subscription to the extent of Shares owned by the Subscriber and its associates. As at the date of this announcement, the Subscriber and its associate do not own any Shares. To the best knowledge of the Directors, none of the Shareholders has a material interest in the transaction contemplated under the Subscription Agreement as at the date of this announcement, accordingly, none of the Shareholders will be required to abstain from voting at the EGM in respect of the resolution(s) relating to the Subscription.

A circular containing, among other matters, further details of the Subscription Agreement together with a notice convening the EGM will be despatched to the Shareholders in accordance with the Listing Rules.

**Shareholders and potential investors should note that Completion of the Subscription is subject to fulfillment of the conditions under the Subscription Agreement. As the Subscription may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.**

## DEFINITIONS

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

“associate(s)”	with the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day”	any day (excluding Saturdays, Sundays and public holidays) on which banks generally are open for business in Hong Kong
“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
“Completion”	completion of the Subscription in accordance with the terms and conditions of the Subscription Agreement
“Completion Date”	not later than the second Business Day following the satisfaction of all the conditions of the Subscription or such other date as the Company and the Subscriber may agree
“Directors”	directors of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held for the Shareholders to consider and, if thought fit, approve the Subscription Agreement and the transactions contemplated thereunder including the allotment and issue of the Subscription Shares under the Specific Mandate
“Freeman”	Freeman Financial Corporation Limited (stock code: 279), a company with limited liability incorporated under laws of Cayman Islands, the share capital of which is listed on the main board of the Stock Exchange
“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 People’s Republic of China
“Independent Third Party (Parties)”	third party (parties) independent of and not connected with the Company and its connected persons (as defined under the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“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)
“Specific Mandate”	the specific mandate for the allotment and issue of the Subscription Shares to be sought by the Directors at the EGM
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	Smart Jump Corporation, which is an Independent Third Party and a company incorporated in the British Virgin Islands with limited liability and is an indirect non-wholly owned subsidiary of Freeman
“Subscription”	the subscription of the 350,000,000 Subscription Shares pursuant to the terms of the Subscription Agreement
“Subscription Agreement”	the agreement in relation to the Subscription entered into between the Company and the Subscriber on 21 October 2014 (after trading hours)
“Subscription Price”	HK\$0.25 per Subscription Share
“Subscription Share(s)”	350,000,000 new Share(s) to be subscribed under the Subscription
“subsidiary (subsidiaries)”	with the meaning ascribed thereto under the Listing Rules
“substantial shareholder(s)”	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, 21 October 2014

*As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Jia Bowei (Chairman), 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.*