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ENTERPRISE DEVELOPMENT HOLDINGS LIMITED

企展控股有限公司

(Incorporated in Cayman Islands with limited liability)

(Stock code: 1808)

DISCLOSEABLE TRANSACTION

LOAN PROVISION

LOAN AGREEMENT

On 5 September 2016 (after trading hours), the Company entered into the Loan Agreement with the Borrower, pursuant to which the Company agreed to advance the Loan to the Borrower for the capital expenditures and general working capital of the Borrower and its subsidiaries on the terms and subject to the conditions therein contained.

As at the date of this announcement, the Company indirectly holds and is interested in 28% of the issued share capital of the Borrower.

THE LISTING RULES IMPLICATIONS

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

As the amount of the financial assistance granted to the Borrower does not exceed 8% under the assets ratio as defined under Rule 14.07(1) of the Listing Rules, the provision of the Loan is not subject to the general disclosure obligations under Rules 13.13 and 13.15 of the Listing Rules.

The Borrower is not a commonly held entity of the Group within the meaning of Rule 14A.27 of the Listing Rules and the Loan is not a connected transaction under Chapter 14A of the Listing Rules.

THE LOAN AGREEMENT

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|---------------------|---------------------------------------------------------------------------------------------------------------------|
| Date: | 5 September 2016 (after trading hours) |
| Lender: | the Company |
| Borrower: | the Borrower |
| Loan Amount: | HK\$12,000,000 |
| Interest: | 12% per annum on the principal amount of the Loan payable in arrears together with the repayment of the Loan. |
| Repayment: | the Loan and the Interest accrued thereon shall be repaid in full in 180 days from the date of drawdown of the Loan |

INFORMATION ON THE COMPANY AND THE GROUP

The principal activity of the Company is investment holding and the principal activities of the Group are engaged in the provision of integrated business software solutions, trading of listed securities and mobile marketing business.

INFORMATION ON THE BORROWER

The Borrower is a company incorporated in Hong Kong with limited liability and the Company indirectly holds and is interested in 28% of the issued share capital of the Borrower.

The Borrower and its subsidiaries is principally engaged in the business of (i) licensing management for the copyright of karaoke music products; and (ii) provision of information system service and karaoke content management system, in respect of karaoke music products in the PRC, to karaoke venues in the PRC.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the holder of the remaining 72% issued share capital of the Borrower and its ultimate beneficial owners and the directors of the Borrower and its subsidiaries are third parties independent of and not connected with the Company and its connected persons.

REASONS FOR AND BENEFITS OF THE PROVISION OF THE LOAN

The terms of the Loan Agreement were arrived at after arm's length negotiations between the Lender and the Borrower.

As mentioned in the announcement of the Company dated 9 May 2016 regarding, inter alia, the discloseable transaction in relation to the acquisition of the 28% of the issued share capital of the Borrower, the Borrower is as at the date of this announcement an associate company of the Company. Having considered other available financing alternatives available to the Borrower, the Directors consider that the provision of the Loan is the most effective and efficient financing method for providing the Borrower and its subsidiaries with additional funding for its capital expenditures and general working capital.

The Directors consider that the transactions contemplated by the Loan Agreement is on normal commercial terms and the terms of the Loan Agreement are fair and reasonable and are in the interests of the Company and its Shareholders as a whole having considered the current market norm in relation to similar transactions and the expected revenue to be generated to the Group.

The Loan will be funded by internal resources of the Group and financing from the other lending institutions and will be recorded as loan receivable of the Group.

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DEFINITIONS

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

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| “Board” | the board of Directors |
| “Borrower” | All Treasure International Industrial Limited (寶添國際實業有限公司), the borrower under the Loan Agreement |
| “Company” | Enterprise Development Holdings Limited (Stock code: 1808), a company incorporated in Cayman Islands with limited liability and the Shares of which have a primary listing on the main board of the Stock Exchange |
| “connected person(s)” | the meaning ascribed thereto in the Listing Rules |
| “Director(s)” | director(s) of the Company |
| “Group” | the Company and its subsidiaries |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |

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| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC |
| “Lender” | the Company |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange |
| “Loan” | a term loan in the principal amount of HK\$12,000,000 granted by the Lender to the Borrower pursuant to the terms of the Loan Agreement |
| “Loan Agreement” | a loan agreement dated 5 September 2016 entered into between the Lender and the Borrower relating to the provision of the Loan |
| “PRC” | the People’s Republic of China excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan for the purpose of this announcement |
| “Share(s)” | ordinary share(s) of HK\$0.10 each in the share capital of the Company |
| “Shareholder(s)” | holder(s) of the Share(s) |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “%” | per cent |

On behalf of the Board
Enterprise Development Holdings Limited
Lam Kai Tai
Chairman

Hong Kong, 5 September 2016

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Lam Kai Tai (Chairman), Mr. Kwok Ho On Anthony, Mr. Wang Jun and Mr. Wong Ho Sing, and three independent non-executive Directors, namely Mr. Yau Yan Ming Raymond, Ms. Hu Gin Ing and Mr. Liu Kam Lung.