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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)**

### **MEMORANDUM OF UNDERSTANDING IN RESPECT OF A PROPOSED ACQUISITION**

#### **MEMORANDUM OF UNDERSTANDING**

The Board is pleased to announce that on 6 January 2017 (after trading hours), the Company entered into the MOU with the Sellers in relation to the Proposed Acquisition.

The Target Company was incorporated in Hong Kong with limited liability and is principally engaged in the business of securities broking and holds a license for Type 1 regulated activity (Dealing in Securities) under the Securities and Futures Ordinance, Cap.571, laws of Hong Kong.

This announcement is made by the Company pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board is pleased to announce that on 6 January 2017 (after trading hours), the Company entered into the MOU with the Sellers in relation to the Proposed Acquisition.

#### **MEMORANDUM OF UNDERSTANDING**

Date: 6 January 2017

Parties: The Company and the Sellers

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Sellers are third parties independent of the Company and its connected persons.

The principal terms of the MOU are set out as follows:

- (1) The Sellers intends to sell, and the Company (or its nominee) intends to acquire, all the shares in the Target Company, representing 100% of the entire issued share capital of the Target Company.
- (2) Both parties acting in good faith and will try their best to achieve the require timeframe for due diligence as stipulated under the MOU. Upon the signing of the MOU, the Company shall commence due diligence on the Target Company and the Sellers will provide all such information in respect of the Target Company as requested by the Company, acting reasonably. The Company shall confirm as to whether it is satisfied with the due diligence review within 45 working days. Both parties will aim to sign the Formal Agreement within 30 working days after the due diligence period.
- (3) A refundable deposit of HK\$1,500,000 shall be payable to the Sellers upon signing of the MOU. In the event that the Formal Agreement is not signed, the deposit shall be refunded to the Company in full.
- (4) The MOU is not intended to be legally binding (save for the provision on deposit, confidentiality, exclusivity, expenses and applicable law) and no legal obligations or liabilities will be incurred by the Sellers and Company unless and until the Formal Agreement has been executed.
- (5) The deposit of HK\$1,500,000 paid to the Sellers is refundable if either party does not proceed to the signing of the Formal Agreement, the deposit will be returned to the Company and the MOU shall be cancelled or terminated, and all rights, interests and obligations of both parties shall be discharged or otherwise waived.

## **INFORMATION OF THE TARGET COMPANY**

The Target Company was incorporated in Hong Kong with limited liability and is principally engaged in the business of securities broking and holds a license for Type 1 regulated activity (Dealing in Securities) under the Securities and Futures Ordinance, Cap. 571, laws of Hong Kong.

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

The Board consider that the transactions as contemplated under the MOU, if materializes, will enable the Company to diversify its business into the financial services industry and broaden revenue sources of the Group.

The terms of the MOU (including the payment of the deposit) were determined after arm's length negotiations between the parties thereto and the Directors are of the view that the terms of the MOU (including the payment of the deposit) are fair and reasonable and in the interests of the Company.

## GENERAL

The MOU is not intended to be legally binding (save for the provision on deposit, confidentiality, exclusivity, expenses and applicable law). If the Company proceeds with the Proposed Acquisition, it (or its nominee) will enter into Formal Agreement.

**The Proposed Acquisition may or may not proceed. Shareholders and investors are reminded to exercise caution when dealing in the Shares. The Proposed Acquisition, if materialises, may constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules. Should (i) the Company (or its nominee) enter into the Formal Agreement; (ii) decide not to proceed with the transactions contemplated under the MOU or (iii) there be any material development on the Proposed Acquisition, the Company will inform the Shareholders and investors by way of announcement(s) in accordance with the Listing Rules as and when appropriate.**

## DEFINITIONS

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

“Board”	the board of the Directors
“Company”	ENTERPRISE DEVELOPMENT HOLDINGS LIMITED 企展控股有限公司, a company incorporated in Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange.
“connect person(s)”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Formal Agreement”	the formal sale and purchase agreement to be entered into between the Company (or its nominee) and the Sellers in respect of the Proposed Acquisition
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MOU”	the memorandum of understanding dated 6 January 2017 entered into between the Company and the Sellers in relation to the Proposed Acquisition

“Proposed Acquisition”	the proposed acquisition by the Company of the entire interests in the Target Company, representing all the entire issued share capital of, and shareholders’ loan to (if any), the Target Company
“Sellers”	Three individuals who are the legal and beneficial owners of the entire issued share capital of the Target Company and each of which is a third party independent of and not connected with the Company, its connected persons and their respective associates
“Share(s)”	the ordinary share(s) in the share capital of the Company which have a par value of HK\$0.1 each
“Shareholders”	Holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	a company incorporated in Hong Kong with limited liability and is a licensed corporation to carry on businesses in Type 1 regulated activity (dealing in securities) under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)

By Order of the Board  
**Enterprise Development Holdings Limited**  
**Lam Kai Tai**  
*Chairman*

Hong Kong, 6 January 2017

*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. Wong Ho Sing and Mr. Li Jiang Nan, and three independent non-executive Directors, namely Mr. Yau Yan Ming Raymond, Ms. Hu Gin Ing and Mr. Liu Kam Lung.*