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KINGMAKER FOOTWEAR HOLDINGS LIMITED

信星鞋業集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 01170)

VOLUNTARY ANNOUNCEMENT LETTER OF OFFER

This is a voluntary announcement made by the Company.

The Board is pleased to announce that on 15 July 2013, Kingmaker Vietnam, a wholly-owned subsidiary of the Company, entered into the Letter of Offer with the Developer for the lease of the Land at a total land lease price of US\$6,110,100 (equivalent to approximately HK\$47,537,000).

As all of the applicable percentage ratios in respect of the Lease contemplated under the Letter of Offer are less than 5%, the Lease does not constitute a notifiable transaction of the Company and is therefore exempt from the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

This is a voluntary announcement made by the Company.

The Board is pleased to announce that on 15 July 2013, Kingmaker Vietnam, a wholly-owned subsidiary of the Company, entered into the Letter of Offer with the Developer for the lease of the Land. The principal terms of the Letter of Offer are as follows:

THE LETTER OF OFFER

Date:

15 July 2013

Parties:

- (i) Kingmaker (Vietnam) Footwear Co., Ltd., a wholly-owned subsidiary of the Company; and
- (ii) Vietnam Singapore Industrial Park Quang Ngai Co., Ltd., the Developer

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Developer is principally engaged in property development and the Developer and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

Subject matter:

Pursuant to the Letter of Offer, the Developer has extended an offer to Kingmaker Vietnam, and Kingmaker Vietnam has accepted the offer from the Developer, for lease of the Land of an area of approximately 226,300 square meters located in Vietnam at a total land lease price of US\$6,110,100 (equivalent to approximately HK\$47,537,000). It is contemplated that the handover date of the Land is by December 2013 and the Lease will expire in 2082. The Land will be used for the new development of additional footwear production facilities in central Vietnam.

Pursuant to the Letter of Offer, Kingmaker Vietnam shall submit the application for an investment certificate to the VSIP Dung Quat Economic Zone Authority within two months of the date of the acceptance of the Letter of Offer, failing which the Letter of Offer will cease to have effect and the Developer shall be entitled to retain the booking fee as set out below. Subsequently, a land lease agreement will be entered into by Kingmaker Vietnam within one month of the date of issuance of the investment certificate, failing which the Letter of Offer shall cease to have effect and the Developer shall be entitled to retain all sums paid by Kingmaker Vietnam in respect of the land lease price as at the date of termination.

Payment term:

Pursuant to the Letter of Offer, the land lease price of the Land of US\$6,110,100 is payable to the Developer in the following manner:

- (i) a booking fee equivalent to 10% of the land lease price payable by 30 July 2013;
- (ii) a further 10% of the land lease price payable upon issuance of the investment certificate;
- (iii) a further 40% of the land lease price payable upon the handover of the Land;
- (iv) a further 20% of the land lease price payable on 1 December 2014; and
- (v) the remaining 20% of the land lease price payable on 1 June 2015.

The Directors confirm that the land lease price of the Land was determined after arm's length negotiations between the Group and the Developer with reference to the prevailing market prices of the comparable land located in the same area. It is intended the land lease price of the Land will be funded by way of internal resources of the Group.

REASONS FOR AND BENEFITS OF THE ACCEPTANCE OF THE LETTER OF OFFER

The Group is principally engaged in the manufacture, trading and retailing of footwear and menswear products. It is considered that the acceptance of the Letter of Offer for the lease of the Land, which will be used for the new development of additional footwear production facilities in central Vietnam, would enable the Group to expand its production capacity so as to cater for the Group's medium-term business growth.

The Directors (including the independent non-executive Directors) are of the view that the acceptance of the Letter of Offer is in the interests of the Company and the terms and conditions of the Lease set out in the Letter of Offer are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As all of the applicable percentage ratios in respect of the Lease contemplated under the Letter of Offer are less than 5%, the Lease does not constitute a notifiable transaction of the Company and is therefore exempt from the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“Board”	the board of Directors
“Company”	Kingmaker Footwear Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“Developer”	Vietnam Singapore Industrial Park Quang Ngai Co., Ltd.
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Kingmaker Vietnam”	Kingmaker (Vietnam) Footwear Co., Ltd., a company established in Vietnam and a wholly-owned subsidiary of the Company
“Lease”	the lease of the Land from the Developer to Kingmaker Vietnam or a legal entity established by Kingmaker Vietnam in Vietnam
“Letter of Offer”	the legally-binding letter of offer dated 15 July 2013 entered into between Kingmaker Vietnam and the Developer relating to the Lease

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Land”	a parcel of land of an area of approximately 226,300 square meters located in Vietnam
“Shareholders”	holders of the share(s) in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“US\$”	United States dollars, the lawful currency of the United States of America

By order of the Board
Kingmaker Footwear Holdings Limited
Chen Ming Hsiung, Mickey
Chairman

Hong Kong, 15 July 2013

For the purpose of this announcement, unless otherwise specified, conversion of US\$ into HK\$ is based on the exchange rate of US\$1.00 to HK\$7.78 for the purpose of illustration only.

As at the date of this announcement, the four executive Directors of the Company are Mr. Chen Ming Hsiung, Mickey, Mdm. Huang Hsiu Duan, Helen, Mr. Phillip Brian Kimmel and Mr. Wong Hei Chiu; the two non-executive Directors are Mr. Chow Wing Kin, Anthony and Mr. Chan Ho Man, Daniel; and the three independent non-executive Directors are Mr. Tam King Ching, Kenny, Mr. Yung Tse Kwong, Steven and Ms. Chan Mei Bo, Mabel.

* *for identification purposes only*