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**OPES ASIA DEVELOPMENT LIMITED**  
**華保亞洲發展有限公司\***

*(Continued into Bermuda with limited liability)*

(Stock Code: 810)

**CONTINUING CONNECTED TRANSACTION**  
**CHANGE OF INVESTMENT MANAGER**

**THE NEW INVESTMENT MANAGEMENT AGREEMENT**

Reference is made to the announcement of the Company dated 4 May 2011 in relation to the entering of the Original Investment Management Agreement for a term of two years effective from 4 May 2011 and the announcement of the Company dated 3 May 2013 in relation to the extension of Original Investment Management Agreement for a period of two years from 4 May 2013 to 3 May 2015. On 30 April 2015, the Company has also entered into an extension agreement to further extend the period for one month from 4 May 2015 to 3 June 2015.

As the Original Investment Management Agreement will expire on 3 June 2015, the Board announces that the Company entered into the New Investment Management Agreement with Success Talent on 3 June 2015, pursuant to which Success Talent has agreed to act as the investment manager of the Company and to provide investment management services to the Company for a period of two years commencing from 4 June 2015 and expiring on 3 June 2017.

**LISTING RULES IMPLICATION**

Success Talent will be a connected person of the Company pursuant to Rule 14A.08 of the Listing Rules upon the New Investment Management Agreement becoming effective.

The maximum annual aggregate amount of the management fee and related expenses to be paid by the Company to Success Talent pursuant to the New Investment Management Agreement for the period from 4 June 2015 to 3 June 2017 shall not exceed HK\$630,000 per annum, which is less than HK\$3,000,000 and 5% in respect of each of the percentage ratios (other than the profits ratio) prescribed under Rule 14.07 of the Listing Rules. The transaction contemplated under the New Investment Management Agreement is therefore exempt from the of announcements, circular and independent shareholders' approval requirements pursuant to Rule 14A.76(1) of the Listing Rules.

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### **THE NEW INVESTMENT MANAGEMENT AGREEMENT**

The principal terms of the New Investment Management Agreement are as follows:

#### **Date**

3 June 2015

#### **Parties**

- (1) the Company; and
- (2) Success Talent

#### **Principal terms of the New Investment Management Agreement**

Pursuant to the New Investment Management Agreement, Success Talent will be appointed as the investment manager of the Company for an initial term of two years commencing from 4 June 2015 up to 3 June 2017 and the appointment will be automatically renewed for another successive period of 2 years upon expiry, unless terminated at any time by either the Company or Success Talent by serving not less than 30 calendar days' prior notice in writing on the other party. The appointment of Success Talent as the new investment manager of the Company will be governed by the terms and conditions of the New Investment Management Agreement.

#### **Fees pursuant to the New Investment Management Agreement**

Pursuant to the New Investment Management Agreement, the Company shall pay to Success Talent an investment management fee of HK\$50,000 per month with effect from 4 June 2015. Further, pursuant to the New Investment Management Agreement, the Company shall reimburse Success Talent for all out-of-pocket expenses properly incurred in the proper performance of its duties under the New Investment Management Agreement. If the amounts of such out-of-pocket expenses exceed HK\$30,000 per annum, Success Talent shall obtain prior written approval from the Board.

It is expected that the aggregate annual amount of management fees and related expenses to be paid by the Company for each of the financial year ending 31 December 2017 during the initial terms of the New Investment Management Agreement will not exceed the following:

	<b>For the year ending 31 December 2015 (7 months) (HK\$)</b>	<b>For the year ending 31 December 2016 (12 months) (HK\$)</b>	<b>For the year ending 31 December 2017 (5 months) (HK\$)</b>
Total amount of management fees and related expenses to be paid by the Company pursuant to the New Investment Management Agreement	367,500	630,000	262,500

The investment management fee under the New Investment Management Agreement was agreed after arms-length negotiations between the Company and Success Talent and was determined with reference to (i) the prevailing market rates charged by investment managers of other investment companies listed on the Stock Exchange; (ii) the duties and responsibilities of Success Talent under the New Investment Management Agreement and (iii) the fees payable by the Company under the Original Investment Management Agreement. The management fees and the related expenses payable to Success Talent are comparable to other independent third parties in the market and in this regard, the Board (including the independent non-executive Directors) considers that the management fee and the related expenses payable under the New Investment Management Agreement are fair and reasonable and in the interests of the Company and its shareholders as a whole.

### **Duties of Success Talent**

Pursuant to the New Investment Management Agreement, Success Talent shall, among others:

- (1) identify, review and evaluate investment and disinvestments opportunities for the Company and negotiate the best terms of such investment and disinvestment for the Company;
- (2) advise the Board on the merits of investment opportunities or information relevant to the making of judgments about the merits of investment opportunities and to render investment advice to the Board based upon such information as may reasonably be available to it and, in particular, assist the Board in structuring acquisitions and disposals;

- (3) provide the Board with such information as may reasonably be available to it on opportunities to acquire or to dispose of investments of which Success Talent becomes aware and which in the opinion of Success Talent are or may be suitable for the Company;
- (4) execute all lawful investment and disinvestments decisions of the Company with due care, skill and diligence in accordance with the instructions of the Board and the terms of the New Investment Management Agreement;
- (5) monitor and keep under review the performance and status of the assets (including but not limited to cash and securities) of the Company from time to time, based on information as may reasonably be available to it, and to provide the Board with any assistance in relation to the Company's investment as it may require;
- (6) calculate the net asset value of the Company in accordance with the Bye-laws and with any valuation method adopted by the Board as at each last dealing day on the Stock Exchange in each calendar month or such other dealing day as considered appropriate by the Board for the purpose of calculating the net asset value of the Company and provide the calculation on request to the Board and the Shareholders;
- (7) assess whether it is reasonable to make provision for future expenses and/or any possible diminution in value of investment out of the net amount derived from interest, dividends and other income received by the Company after meeting expenses, and consider the amount of cash required for future investment of the Company;
- (8) provide the Board, the auditors of the Company, the company secretary of the Company or such other person as authorised by the Board, from time to time with such information as may be in the possession or control of Success Talent as may reasonably be required for the keeping of such accounts, books, records and statements as may be required by applicable law and regulations (including without limitation the Listing Rules) for the proper conduct of the affairs of the Company; and
- (9) act in accordance with all reasonable instructions given and authorities delegated to it from time to time by the Board and to keep the Board fully informed as to the discharge of its powers and duties hereunder.

Notwithstanding the foregoing, from time to time the Board may give Success Talent directions in writing relating to the conduct of the business of the Company to be carried out by it on behalf of the Company and Success Talent shall exercise its powers and duties thereunder subject to and in accordance with such directions.

The Board shall retain overall control over the investment policies of the Company and may at its sole discretion resolve and decide on whether to approve any of the proposals submitted by Success Talent.

## **REASONS FOR ENTERING INTO THE NEW INVESTMENT MANAGEMENT AGREEMENT**

In order to enhance cost and operational efficiency, the Company decided to appoint Success Talent as its new investment manager to provide investment management services with effect from 4 June 2015 following the expiration of the Original Investment Management Agreement on 3 June 2015.

Under the New Investment Management Agreement, the aggregate amount of the annual management fees and related expenses to be paid shall not exceed HK\$630,000, which represents a discount of approximately 58% to the annual management fees paid for the year ended 31 December 2014 under the Original Investment Management Agreement. Further, Success Talent also has extensive investment management experience in Hong Kong in relation to investment companies listed under Chapter 21 of the Listing Rules. As at the date of this announcement, Success Talent is also the investment manager of an investment company listed under Chapter 21 of the Listing Rules, namely, Earnest Investments Holdings Limited (Stock code: 339).

Success Talent has the competitive advantage to act as the investment manager of the Company and to make available investment opportunities and research on underlying investments in listed and unlisted equities in Hong Kong and the PRC as required by the Company's investment objective and is capable of providing professional investment services to the Company.

Given its expertise, experience in securities market and proven track record, the Directors believe that Success Talent will be able to contribute towards the Company's new business development and direction, and to provide professional investment services to the Company. The Directors also consider that the investment experience of Success Talent goes in line with the investment strategies of the Company and are of the view that its expertise will be beneficial to the Company and its shareholders as a whole. Accordingly, the Directors (including the independent non-executive Directors) are of the view that the New Investment Management Agreement has been entered into under normal commercial terms and in the ordinary and usual course of business of the Company, and that the terms of the New Investment Management Agreement (including the annual cap amount) are fair and reasonable and in the best interest of the Company and its shareholders as a whole.

## **BACKGROUND OF SUCCESS TALENT**

Success Talent is a company incorporated in Hong Kong in 2000 with limited liability and is a licensed corporation registered under the SFO. It is principally engaged in the business of provision of investment advisory services to clients and managing investment portfolios for professional/institutional investors mainly in Greater China and Hong Kong and is licensed to carry out Type 9 (asset management) regulated activities under the SFO. The board of directors of Success Talent has only two directors, namely, Mr. Choi Wai Yin and Ms. Zheng Wanqiu. Success Talent has four responsible officers, namely, Mr. Choi Wai Yin, Mr. Lee Kwok Leung, Ms. Lee Pui Wah and Mr. Li Weiqiang.

Mr. Lee Kwok Leung is currently the executive director of the Company and Ms. Lee Pui Wah is a daughter of Mr. Lee Kwok Leung. Mr. Choi Wai Yin will be primarily responsible for providing investment management services to the Company with the assistance of Ms. Lee Pui Wah.

The background and experience of Mr. Choi Wai Yin and Ms. Lee Pui Wah are set out as follows:

### **Mr. Choi Wai Yin**

Mr. Choi Wai Yin (“Mr. Choi”) is the executive director and one of the responsible officers of Success Talent. Mr. Choi is currently licensed to carry out Type 9 (asset management) regulated activities under the SFO accredited to Success Talent.

Mr. Choi holds a Master Degree of Science in Finance from the City University of Hong Kong, a Bachelor Degree in Business Administration from The Chinese University of Hong Kong and a Bachelor Degree in Law from the Peking University.

Mr. Choi has over 30 years of experience in the financial industry. Mr. Choi has comprehensive experience in portfolio construction and management, prospecting and analyzing investment opportunities, and investment due-diligence. Funds/investments that he has been responsible included BOC China Fund, CEF New Asia Limited and CEF Greater China Limited, Earnest Investments Holdings Limited (stock code: 339), China Investment and Finance Group Limited (stock code: 1226) and Opes Asia Development Limited (stock code: 810) Mr. Choi is an independent non-executive director of Shougang Fushan Resources Group Ltd. (stock code: 639) which is listed on the Main Board of the Stock Exchange.

**Ms. Lee Pui Wah**

Ms. Lee Pui Wah (“Ms. Lee”) is one of the responsible officers of Success Talent. She is the daughter of Mr. Lee Kwok Leung, the executive Director of the Company. Ms. Lee holds a Bachelor of Arts in Linguistics, Psychology and Japanese from Monash University of Australia.

Ms. Lee is primarily responsible for portfolio and project management, portfolio and project review, analysis and evaluation, and investment due-diligence for two listed investment companies, namely Earnest Investments Holdings Limited (stock code: 339) and China Investment and Finance Group Limited (stock code: 1226) since February 2011.

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Mr. Lee Kwok Leung (“Mr. Lee”), an executive director of the Company, is currently the responsible officer of Success Talent. Mr. Lee was a director of Success Talent from 9 February 2000 to 30 December 2014. As at the date of this announcement, Mr. Lee does not own any interests in Success Talent.

Since Mr. Lee is a responsible officer of Success Talent and also an associate of Ms. Lee Pui Wah, another responsible officer of Success Talent, Mr. Lee is therefore considered to be interested in the New Investment Management Agreement and had abstained from voting on the resolutions for approving the New Investment Management Agreement and the transaction contemplated thereunder. Save as disclosed in this announcement, none of the Directors are considered to have any material interests in the New Investment Management Agreement and are required to abstain from voting on the relevant board resolutions.

**INFORMATION ON THE COMPANY**

The Company is an investment company and is principally engaged in investment in equity securities and debt securities in order to achieve medium to long term capital appreciation as the Board may direct from time to time.



Save as disclosed in this announcement, the Directors have no material interests in the New Investment Management Agreement. The Directors believe that the terms of the New Investment Management Agreement are fair and reasonable as far as the independent shareholders of the Company are concerned.

## DEFINITIONS

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

“Board”	the board of directors of the Company
“Bye-laws”	the bye-laws of the Company in force from time to time
“Company”	Opes Asia Development Limited, an exempted company continued into Bermuda with limited liability, whose shares are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“Greater China”	the PRC, Taiwan, Hong Kong and Macau
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$” and “Hong Kong Dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Investment Management Agreement”	the investment management agreement dated 3 June 2015 entered into between the Company and Success Talent in relation to the appointment of Success Talent as investment manager of the Company
“Original Investment Management Agreement”	the investment management agreement dated 4 May 2011 entered into between the Company and China International Capital Limited
“PRC”	the People’s Republic of China, which for the purpose of this announcement only, excludes Taiwan, Hong Kong and Macau



“SFC”	Securities and Futures Commission
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	means ordinary share(s) of HK\$0.10 each of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Success Talent ”	Success Talent Investments Limited, a company incorporated in Hong Kong in 2000 with limited liability and a licensed corporation registered under the SFO to engage in type 9 regulated activities within the meaning of the SFO

Lastly, the Board would like to take this opportunity to express its sincere gratitude to China International Capital Limited for their contributions to the Company during their tenure of service as the investment manager of the Company and also express its warmest welcome to Success Talent Investments Limited in joining the Company as the investment manager.

By Order of the Board  
**Opes Asia Development Limited**  
**Cheng Suk Fun**  
*Joint Company Secretary*

Hong Kong, 3 June 2015

*As at the date of this announcement, the executive director of the Company are Mr. Lee Kwok Leung; the non-executive director of the Company is Dr. Lam Man Chan and the independent non-executive directors of the Company are Dr. Ng Chi Yeung, Simon, Mr. Tam Yuk Sang, Sammy and Ms. Florence Ng.*