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Link Holdings Limited

華星控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8237)

FORMATION OF A JOINT VENTURE COMPANY

The Board announces that on 14 May 2015 (after trading hours of the Stock Exchange), the JV Agreement was entered into between Mandale Globe and Mr. Thamrin in relation to the formation of JV Company in Indonesia, which is proposed to be principally engaged in provision of accommodation service.

The authorised capital of the JV Company will be US\$250,000, of which Mandale Globe will subscribe for 90% shareholding interest of the JV Company for a cash consideration of US\$225,000 and Mr. Thamrin will subscribe for 10% shareholding interest of the JV Company for a cash consideration of US\$25,000. The subscription money of US\$225,000 in cash payable by Mandale Globe will be funded by the Company's internal resources. The JV Company when duly established under the laws of Indonesia will be primarily engaged in provision of accommodation service. The parties to the JV Agreement intend to use the JV Company for the purchase of land and buildings in Bintan Island, Indonesia.

Pursuant to the JV Agreement, Mandale Globe may appoint the president commissioner and president director to the board of director of the JV Company, whereas Mr. Thamrin may appoint one director to the board of director of the JV Company. After the formation of the JV Company, it will become an indirect non wholly-owned subsidiary of the Company.

This announcement is made by the Company on a voluntary basis to keep the Shareholders informed about the updated business development of the Company. The Board announces that on 14 May 2015 (after trading hours of the Stock Exchange), the JV Agreement was entered into between Mandale Globe and Mr. Thamrin in relation to the formation of JV Company in Indonesia. The principal terms of the JV Agreement are set out below.

THE JV AGREEMENT

Date : 14 May 2015

Parties : (i) Mandale Globe, a wholly-owned subsidiary of the Company; and
(ii) Mr. Tjiagus Thamrin (“**Mr. Thamrin**”), a connected person.

Mr. Thamrin is a connected person of the Company at the subsidiary level, who is the holder of 20% of the total paid-up capital in PT Hang Huo.

* *For identification purpose only*

Formation of the JV Company

The JV Company will be a company established under the laws of Indonesia with limited liability. The JV Company will be primarily engaged in provision of accommodation service.

Pursuant to the JV Agreement, the general meeting of the shareholders of the JV Company will set general policies of the JV Company, to be implemented by the board of directors of the JV Company, under the supervision of the board of commissioners of the JV Company.

The board of commissioners of the JV Company will comprise two (2) members, of which the president commissioner will be nominated by Mandale Globe. The board of directors of the JV Company will comprise five (5) directors, of which the president director and three (3) other directors will be nominated by Mandale Globe and one (1) director will be nominated by Mr. Thamrin. After the formation of the JV Company, it will become an indirect non wholly-owned subsidiary of the Company.

Authorised Capital

The authorised capital of the JV Company will be US\$250,000. Pursuant to the JV Agreement, Mandale Globe will subscribe for 90% shareholding interest of the JV Company for a cash consideration of US\$225,000 and Mr. Thamrin will subscribe for 10% shareholding interest of the JV Company for a cash consideration of US\$25,000. The subscription money of US\$225,000 in cash payable by Mandale Globe will be funded by the Company's internal resources. The parties to the JV Agreement intend to use the JV Company for the purchase of land and buildings in Bintan Island, Indonesia.

REASONS FOR AND BENEFITS OF ENTERING INTO THE JV AGREEMENT

The Company is an investment holding company and the Group is principally engaged in the operations of the Link Hotel in Singapore.

Driven by a number of factors, including support from the governments of Singapore and Indonesia respectively and various infrastructure projects which have facilitated travels to Bintan, it is expected these factors will continue to drive demand for hotel rooms and/or resorts in Bintan. In addition, Singapore and Bintan are always promoted as complementary holiday destinations in view of their geographic proximity. Having considered the above factors, the Board decides to expand our business horizon to Bintan.

In mid of 2014, the Group acquired 62 parcels of land in a total area of approximately 425,497 sq.m situated at Malang Rapat, Gunung Kijang, Bintan, Riau Island, Indonesia for the development of hotel and resort business in Indonesia. The Board is of the view that the JV Agreement will provide the Company with a good opportunity to expand the Company's business development in Indonesia, which the Directors consider will enhance the income stream of the Group. The establishment of the JV Company will, including but not limited to, undertake the purchase of land and buildings in Bintan, Indonesia.

The Directors, including the independent non-executive Directors, consider that the JV Agreement is entered into upon normal commercial terms following arm's length negotiations among the parties and that the terms of the JV Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

IMPLICATION UNDER GEM LISTING RULES

Mr. Thamrin is a connected person of the Company at the subsidiary level, who is the holder of 20% of the total paid-up capital in PT Hang Huo. The entering into of the JV Agreement by Mandale Globe with Mr. Thamrin constitutes a connected transaction thereunder. Given that the entering into of the JV Agreement is on normal commercial terms and the capital commitment of Mandale Globe to the formation of the JV Company is about US\$225,000 (equivalent to approximately HK\$1,755,000, at the exchange rate of US\$1 = HK\$7.8) and the highest applicable percentage ratio is less than 5%. The connected transaction contemplated under the JV Agreement is exempt from the connected transaction requirements pursuant to Rule 20.74(1)(c) of the GEM Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

“Board”	the board of Directors
“Company”	Link Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares are listed on GEM (stock code: 8237)
“connected persons”	has the meaning ascribed to it under the GEM Listing Rules
“Directors”	directors of the Company from time to time
“GEM”	the Growth Enterprise Market on the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“Group”	the Company and its subsidiaries
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are not connected persons of the Company and are third parties independent of the Company and its connected persons in accordance with the GEM Listing Rules
“Indonesia”	the Republic of Indonesia
“JV Agreement”	the agreement dated 14 May 2015 and entered into between Mandale Globe and Mr. Thamrin with respect to the proposed formation of the JV Company
“JV Company”	PT. Hang Huo International, a limited liability company to be established in Indonesia in accordance with the terms of the JV Agreement, which name is subject to the approval of the relevant authorities

“Mandale Globe”	Mandale Globe Ltd, a limited liability company incorporated in the British Virgin Islands and a wholly owned subsidiary of the Company
“PT Hang Huo”	PT. Hang Huo Investment, a limited liability company established in Indonesia and the paid-up capital of which is registered as to 80% in the name of Duchess Global Ltd, a direct wholly-owned subsidiary of the Company, and 20% in the name of Mr. Thamrin
“Shares”	ordinary shares of HK\$0.001 each in the share capital of the Company
“Shareholders”	holders of the Shares
“Singapore”	the Republic of Singapore
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“US\$”	United States dollars, the lawful currency of the United States
“%”	per cent.

By order of the Board
Link Holdings Limited
Ngan Iek
Chairman and non-executive Director

Hong Kong, 14 May 2015

As at the date of this announcement, the executive Directors are Datuk Siew Pek Tho, Mr. Chen Changzheng and Mr. Wong Ip; the non-executive Directors are Mr. Ngan Iek and Ms. Ngan Iek Peng; and the independent non-executive Directors are Mr. Thng Bock Cheng John, Mr. Chan So Kuen and Mr. Lai Yang Chau, Eugene.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least 7 days from the date of its posting and on the website of the Company at www.linkholdingslimited.com.