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**MAJOR TRANSACTION  
IN RELATION TO**  
**THE ACQUISITION OF THE ENTIRE EQUITY INTERESTS IN**  
**RCBG RESIDENTIAL (UK) LIMITED AND**  
**MRB RESIDENTIAL HOLDINGS LIMITED**

**ACQUISITION**

The Board is pleased to announce that, on 24 September 2016 (Hong Kong time), the Purchaser (an indirect wholly-owned subsidiary of the Company) and the Vendors entered into the Acquisition Agreement, pursuant to which the Purchaser has conditionally agreed to purchase the Sale Shares and accept the assignment of the Sale Loans, and the Vendors have conditionally agreed to sell the Sale Shares and assign the Sale Loans. The aggregate Consideration for both the Sale Shares and the Sale Loans is estimated to be GBP112,202,150 (equivalent to approximately HK\$1,155,682,145), subject to the adjustments to be made according to the finalised NAV on the Completion Balance Sheets, and shall be paid in cash.

The Sale Shares comprise the entire issued share capital of (i) RCBG; and (ii) MRB, whereas the Sale Loans represent all amounts owing by RCBG and MRB to the Vendors as at Completion. The principal assets of both the RCBG Group and the MRB Group are the Properties, being the residential properties situated at 6 – 9 Buckingham Gate, London, SW1E 6JP, United Kingdom.

## **LISTING RULES IMPLICATION**

As one or more of the applicable percentage ratios (as defined under Chapter 14 of the Listing Rules) in respect of the Acquisition exceed 25% while all applicable percentage ratios are less than 100%, the Acquisition constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is subject to the Shareholders' approval requirement under the Listing Rules. The SGM will be convened and held for the purpose of considering and, if thought fit, approving the resolution in respect of the Acquisition Agreement and the transactions contemplated thereunder. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder has a material interest in the Acquisition and is required to abstain from voting on the relevant resolution to be proposed at the SGM.

A circular containing, among other things, (i) further details of the Acquisition Agreement; (ii) further information on both the RCBG Group and the MRB Group; (iii) the information on the Properties; (iv) the financial information of both the RCBG Group and the MRB Group; (v) the unaudited pro forma financial information of the Enlarged Group; (vi) the valuation report of the Properties; (vii) other information as required under the Listing Rules; and (viii) a notice convening the SGM, is expected to be despatched to the Shareholders on or before 13 October 2016.

## **INTRODUCTION**

The Board is pleased to announce that, on 24 September 2016 (Hong Kong time), the Purchaser (an indirect wholly-owned subsidiary of the Company) and the Vendors entered into the Acquisition Agreement, pursuant to which the Purchaser has conditionally agreed to purchase the Sale Shares and accept the assignment of the Sale Loans, and the Vendors have conditionally agreed to sell the Sale Shares and assign the Sale Loans. The aggregate Consideration for both the Sale Shares and the Sale Loans is estimated to be GBP112,202,150 (equivalent to approximately HK\$1,155,682,145), subject to the adjustments to be made according to the finalised NAV on the Completion Balance Sheets, and shall be paid in cash.

## **THE ACQUISITION**

Set out below are the principal terms of the Acquisition Agreement.

**Date:** 24 September 2016

**Parties:**

- (i) the Purchaser, an indirect wholly-owned subsidiary of the Company, as the purchaser of the Sale Shares and the Sale Loans;
- (ii) RCBG Vendor A, as one of the vendors for the RCBG Shares and the RCBG Loans;
- (iii) RCBG Vendor B, as one of the vendors for the RCBG Shares and the RCBG Loans;
- (iv) MRB Vendor A, as one of the vendors for the MRB Shares and the MRB Loans;
- (v) MRB Vendor B, as one of the vendors for the MRB Shares and the MRB Loans; and
- (vi) MRB Vendor C, as one of the vendors for the MRB Shares and the MRB Loans

Each of the RCBG Vendors is a charity organisation, whereas each of the MRB Vendors is an investment holding company.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Vendors and their respective ultimate beneficial owners is a third party independent of the Company and its connected persons.

### **Assets to be acquired**

The assets to be acquired comprise (i) the Sale Shares; and (ii) the Sale Loans.

The Sale Shares comprise the entire issued share capital of (i) RCBG; and (ii) MRB, which shall be acquired free from all encumbrances with effect from Completion, and with all rights and benefits attaching or accruing thereto on Completion.

The principal assets of both the RCBG Group and the MRB Group are the Properties, being the residential properties situated at 6 – 9 Buckingham Gate, London, SW1E 6JP, United Kingdom.

The Sale Loans represent all amounts owing by RCBG and MRB to the Vendors as at Completion, and shall be assigned to the Purchaser with all benefits and rights attaching thereto, including accrued interest, on Completion.

As at 31 August 2016, the outstanding principal amount of the Sale Loans totaled approximately GBP32,058,490 (equivalent to approximately HK\$330,202,447) and the accrued interest thereon amounted to approximately GBP11,047,120 (equivalent to approximately HK\$113,785,336).

Outstanding balance as at 31 August 2016	Principal amount		Accrued interest	
	GBP	HK\$-equivalent	GBP	HK\$-equivalent
RCBG Loans owed to RCBG Vendor A	1,560,148	16,069,524	0	0
RCBG Loans owed to RCBG Vendor B	6,240,592	64,278,098	0	0
<b>Total RCBG Loans</b>	<b>7,800,740</b>	<b>80,347,622</b>	<b>0</b>	<b>0</b>
MRB Loans owed to MRB Vendor A	5,017,220	51,677,366	2,490,048	25,647,494
MRB Loans owed to MRB Vendor B	17,315,530	178,349,959	7,260,760	74,785,828
MRB Loans owed to MRB Vendor C	1,925,000	19,827,500	1,296,312	13,352,014
<b>Total MRB Loans</b>	<b>24,257,750</b>	<b>249,854,825</b>	<b>11,047,120</b>	<b>113,785,336</b>

## **Consideration and payment terms**

Pursuant to the Acquisition Agreement, (i) the Consideration for the Sale Shares shall be equivalent to the aggregate NAV of the RCBG Group and the MRB Group (with the fair value of the Properties agreed at GBP112,202,150 (equivalent to approximately HK\$1,155,682,145) with reference to the preliminary valuation of the Properties prepared by an independent property valuer) immediately prior to Completion; and (ii) the Consideration for the Sale Loans shall be equivalent to the aggregate outstanding principal amount of the Sale Loans and the accrued interest thereon, in each case immediately prior to Completion as shown on the Completion Balance Sheets. The aggregate Consideration for both the Sale Shares and the Sale Loans is estimated to be GBP112,202,150 (equivalent to approximately HK\$1,155,682,145), subject to the adjustments to be made according to the finalised NAV on the Completion Balance Sheets. Upon agreement or determination of the Completion Balance Sheets, any amount paid at Completion which is in excess of the finalised NAV will be returned to the Purchaser while any shortfall in the amount paid at Completion will be paid by the Purchaser. The Consideration shall be payable in cash to the respective Vendors, based on the respective equity interests in RCBG and MRB and the respective amounts of the Sale Loans (including the accrued interest thereon).

A deposit of GBP11,250,000 (equivalent to approximately HK\$115,875,000) out of the total Consideration was paid upon signing of the Exclusivity Agreement, and such amount continues to be held by the Vendors' solicitors as stakeholder, pending Completion.

## **Condition precedent**

Completion is conditional upon the Shareholders' resolution having been passed at a general meeting of the Company approving the purchase of the Sale Shares and the assignment of the Sale Loans.

If the said condition precedent is not satisfied on or before 4 November 2016, the Acquisition Agreement (other than the Surviving Provisions) shall terminate and no party shall have any claims under the Acquisition Agreement against any of the other parties except in respect of any of the Surviving Provisions.

## **Completion**

Subject to the satisfaction of the condition precedent, Completion shall take place in Jersey on the Completion Date.

Upon Completion, the Target Companies will become indirect wholly-owned subsidiaries of the Company and their financial results will be consolidated into the financial statements of the Enlarged Group.

## INFORMATION ON THE TARGET COMPANIES

RCBG was incorporated on 13 September 2011 in England and Wales, whereas MRB was incorporated on 6 October 2011 in Jersey. As at the date of the Acquisition Agreement, RCBG is owned 20% by RCBG Vendor A and 80% by RCBG Vendor B, whereas MRB is owned 29.12% by MRB Vendor A, 54.88% by MRB Vendor B, and 16% by MRB Vendor C. The principal assets of both the RCBG Group and the MRB Group are the Properties held indirectly through MRB Residential Partners, which is owned 21.875% directly by RCBG and 78.125% indirectly by MRB. MRB Residential Partners is the sole legal and beneficial owner of the Properties and is and will be at Completion entitled to exclusive and actual possession and occupation of the Properties.

Set out below is the unaudited consolidated financial information of the RCBG Group and the MRB Group prepared in accordance with the IFRSs:

### **RCBG Group**

	For the year ended		For the six months ended			
	28 February 2015		29 February 2016		31 August 2015	
	In thousands	HK\$- GBP equivalent	In thousands	HK\$- GBP equivalent	In thousands	HK\$- GBP equivalent
Profit/(Loss) before tax	382	3,935	709	7,303	484	4,985
Profit/(Loss) after tax	367	3,780	632	6,510	450	4,635
As at 31 August 2016						
HK\$- GBP equivalent						
<i>In thousands</i>						
Net assets					4,281	44,094

## **MRB Group**

	<b>For the year ended</b>		<b>For the eleven months ended</b>	
	<b>30 September 2014</b>	<b>30 September 2015</b>	<b>31 August 2015</b>	<b>31 August 2016</b>
	<i>In thousands</i>	<i>HK\$- GBP equivalent</i>	<i>HK\$- GBP equivalent</i>	<i>HK\$- GBP equivalent</i>
Profit/(Loss) before tax	(2,205)	(22,712)	(3,395)	(34,969)
Profit/(Loss) after tax	(2,205)	(22,712)	(3,395)	(34,969)
				<b>As at 31 August 2016</b>
				<i>HK\$- GBP equivalent</i>
<i>In thousands</i>				
Net assets				2,057      21,187

The preliminary valuation of the Properties, as determined by an independent property valuer based on direct comparison approach, was approximately GBP112,500,000 (equivalent to approximately HK\$1,158,750,000) as at 31 August 2016.

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

The Group is principally engaged in (i) trading of medical equipment, commodities and securities; (ii) mining of tungsten in Mongolia; and (iii) distressed assets investment and management business.

The Group has been looking for quality assets with capital gain appreciation potential. BREXIT and the recent depreciation of GBP provide the Company with opportunity to acquire quality assets in the United Kingdom at attractive price. The Properties are located in west London, a prime location for residential real estate. Despite the recent volatility of the property market in London, the Directors are optimistic about the future prospects of the property market in London and believe that quality assets are able to withstand the short term volatility of the property market. The Group intends to hold the Properties for investment purposes and intends to lease the Properties for rental income after Completion. In this respect, the Directors believe that the Acquisition provides a good opportunity for the Group to enlarge its asset portfolio and broaden its earnings base while the Group will benefit from the potential capital appreciation of the Properties, as well as the stable and recurring rental income generated from the leasing of the Properties. Taking into account the aforesaid, including the preliminary valuation of the Properties, the Board considers that the entering into of the Acquisition Agreement (including the transactions contemplated thereunder) is in the best interests of the Company and the Shareholders as a whole and that the terms of the Acquisition Agreement are fair and reasonable.

It is intended that the payment of the Consideration shall be financed by borrowings and/or internal resources of the Group.

## **LISTING RULES IMPLICATION**

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A circular containing, among other things, (i) further details of the Acquisition Agreement; (ii) further information on both the RCBG Group and the MRB Group; (iii) the information on the Properties; (iv) the financial information of both the RCBG Group and the MRB Group; (v) the unaudited pro forma financial information of the Enlarged Group; (vi) the valuation report of the Properties; (vii) other information as required under the Listing Rules; and (viii) a notice convening the SGM, is expected to be despatched to the Shareholders on or before 13 October 2016.

## **DEFINITIONS**

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

“Acquisition”	the acquisition of the Sale Shares and the Sale Loans by the Purchaser from the Vendors pursuant to the terms and condition of the Acquisition Agreement
“Acquisition Agreement”	the sale and purchase agreement dated 24 September 2016 entered into among the Purchaser and the Vendors in relation to the Acquisition
“Board”	the board of the Directors
“BREXIT”	the proposed withdrawal of the United Kingdom from the European Union
“Business Day”	a day (other than a Saturday or Sunday or public holiday in England, Hong Kong, Jersey or Guernsey) on which the clearing banks in the City of London, Hong Kong, Jersey and Guernsey are open for business
“Company”	Tai United Holdings Limited (formerly known as Bestway International Holdings Limited), a company incorporated in Bermuda with limited liability, whose issued Shares are listed on the Main Board of the Stock Exchange (Stock code: 718)

“Completion”	completion of the Acquisition in accordance with the terms and conditions of the Acquisition Agreement
“Completion Balance Sheets”	the consolidated balance sheets of the RCBG Group and the MRB Group as at the Completion Date and prepared in accordance with the terms of the Acquisition Agreement
“Completion Date”	4 November 2016 (or such earlier date as the Purchaser shall nominate and notify in writing to the Vendors (provided that any such notification shall be served on the Vendors not less than five Business Days prior to the date nominated by the Purchaser))
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Consideration”	the consideration for the Sale Shares and the Sale Loans under the Acquisition Agreement
“controlling shareholder”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Enlarged Group”	the Group as enlarged by the RCBG Group and the MRB Group immediately upon Completion
“Exclusivity Agreement”	an exclusivity agreement date 11 August 2016 (London time) (as amended) entered into between Wide Flourish Investments Limited, the Vendors and the solicitors of the Vendors in respect of the Acquisition
“Group”	the Company and its subsidiaries
“HKFRSs”	Hong Kong Financial Reporting Standards
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“IFRSs”	the International Financial Reporting Standards
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MRB”	MRB Residential Holdings Limited, a private company with limited liability incorporated in Jersey
“MRB Group”	MRB and its subsidiaries

“MRB Loans”	all amounts owing by MRB to any one of the MRB Vendors as at Completion, being amounts due in connection with shareholder loans and loan notes as at Completion
“MRB Residential Partners”	MRB Residential Partners LLP, a limited liability partnership incorporated in England and Wales
“MRB Shares”	the issued shares of one pence each of MRB, comprising the 26,208 shares held by MRB Vendor A, the 49,392 shares held by MRB Vendor B, and the 14,400 shares held by MRB Vendor C
“MRB Vendor A”	RCBG Residential (Jersey) Limited, a private company incorporated in Jersey with limited liability
“MRB Vendor B”	MoREOF BG Residential Holdings Limited, a private company incorporated in Jersey with limited liability
“MRB Vendor C”	Brockton Capital I (Tenenbaum) Limited, a private company incorporated in Guernsey with limited liability
“MRB Vendors”	MRB Vendor A, MRB Vendor B and MRB Vendor C
“NAV”	the aggregate net asset value of the RCBG Group and the MRB Group calculated in accordance with the terms of the Acquisition Agreement
“Properties”	means each of:
	(i) the freehold property known as 6 Buckingham Gate, London, SW1E 6JP with title number NGL886423;
	(ii) the freehold property known as 7 Buckingham Gate, London, SW1E 6JP with title number NGL852473; and
	(iii) the freehold property known as 8-9 Buckingham Gate, London, SW1E 6JP with title number NGL852477
“Purchaser”	BG Residential Holdings Limited, a company incorporated in Jersey with limited liability
“RCBG”	RCBG Residential (UK) Limited, a private company incorporated in England and Wales with limited liability
“RCBG Group”	RCBG and its subsidiaries
“RCBG Loans”	all amounts owing by RCBG to any one of the RCBG Vendors as at Completion

“RCBG Shares”	the issued shares of one pence each of RCBG, comprising the 80 shares held by RCBG Vendor A and the 320 shares held by RCBG Vendor B
“RCBG Vendor A”	The Rothschild Foundation (Hanadiv) Europe, a private company limited by guarantee incorporated in England and Wales and which is registered as a charity with the Charity Commission for England and Wales
“RCBG Vendor B”	The Rothschild Foundation, a private company limited by guarantee incorporated in England and Wales and which is registered as a charity with the Charity Commission for England and Wales
“RCBG Vendors”	RCBG Vendor A and RCBG Vendor B
“Sale Loans”	the RCBG Loans and the MRB Loans
“Sale Shares”	the RCBG Shares and the MRB Shares
“SGM”	the special general meeting of the Company to be convened to consider and, if thought fit, approve the Acquisition Agreement and the transactions contemplated thereunder
“Share(s)”	share(s) of HK\$0.05 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
“Surviving Provisions”	provisions in the Acquisition Agreement relating to, among other things, announcements and confidentiality, and governing law and jurisdiction
“Tai He”	Tai He Financial Group Limited
“Target Companies”	RCBG and MRB
“United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“Vendors”	the RCBG Vendors and the MRB Vendors
“GBP”	British Pound Sterling, the lawful currency of the United Kingdom

“HK\$” Hong Kong dollars, the lawful currency of Hong Kong  
“%” per cent.

*For ease of reference and unless otherwise specified in this announcement, sums in HK\$ and GBP herein is translated at the rate GBP1.0 = HK\$10.3. This does not mean that HK\$ could be converted into GBP, or vice versa, based on such exchange rate.*

By order of the Board  
**Tai United Holdings Limited**  
**Dr. Meng Zhaoyi**  
*Chairman*

Hong Kong, 25 September 2016

*As at the date of this announcement, the Board comprises Dr. Meng Zhaoyi, Dr. Liu Hua, Mr. Hu Yebi, Mr. Chen Weisong and Mr. Xu Ke as executive Directors, and Mr. Mao Kangfu, Dr. Gao Bin and Ms. Liu Yan as independent non-executive Directors.*