

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



APPLIED DEVELOPMENT HOLDINGS LIMITED

實力建業集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 519)

**VERY SUBSTANTIAL ACQUISITION IN RELATION TO
THE ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF
LEGACY BILLION LIMITED AND
THE SALE LOAN**

THE ACQUISITION

The Board is pleased to announce that on 8 April 2016, the Vendor and the Purchaser entered into the Agreement, pursuant to which the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase, the Sale Share and the Sale Loan at a total consideration of HK\$39,882,840.

The Target as purchaser entered into the Principal Agreement with the Principal Vendor as vendor and the Principal Guarantor as guarantor on 24 March 2016 in relation to the acquisition of the entire issued share capital of the Holding Company of the Property and the assignment of the Loan. It is contemplated that the parties will proceed to complete the Principal Agreement after Completion.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios set forth under Rule 14.07 of the Listing Rules in respect of the Acquisition exceed(s) 100%, the Acquisition constitutes a very substantial acquisition of the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules. As no Shareholder has any material interest in the Acquisition and none of the Vendor or its associates holds any Share as at the date of this announcement, no Shareholder is required to abstain from voting at the SGM to approve the Acquisition.

GENERAL

The SGM will be convened to consider and, if thought fit, to pass the resolution(s) to approve the Agreement and the transactions contemplated thereunder.

A circular containing, among other things, further details of the Agreement and the transactions contemplated thereunder and a notice of the SGM, will be despatched by the Company to the Shareholders on or before 27 April 2016.

As the Acquisition is subject to the fulfillment of condition precedent and may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

Reference is made to an announcement of the Company dated 16 February 2016 in relation to the Proposed Disposal which would constitute a very substantial disposal of the Company under Chapter 14 of the Listing Rules. It was mentioned that the Stock Exchange is of the view that (i) the Company would become a cash company by virtue of Rule 14.82 of the Listing Rules upon completion of the Proposed Disposal, such that unless such issue is resolved, the Company will not be regarded as suitable for listing and trading of its Shares will be suspended immediately upon completion of the Proposed Disposal and (ii) the Company would not have sufficient level of operations and would not have sufficient assets upon completion of the Proposed Disposal, and unless such issue is resolved, trading of its Shares will be suspended immediately upon completion of the Proposed Disposal under Rule 13.24 of the Listing Rules. The Company would like to bring to the attention of the Shareholders that the Company intends to complete the Acquisition pursuant to the Agreement and the Principal Agreement before completion of the Proposed Disposal. As such, the Company would not become a cash company under Rule 14.82 of the Listing Rules and would be able to meet requirements under Rule 13.24 of the Listing Rules upon completion of the Acquisition pursuant to the Agreement and the Principal Agreement and completion of the Proposed Disposal.

The Board is pleased to announce that on 8 April 2016, the Vendor and the Purchaser entered into the Agreement, pursuant to which the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase, the Sale Share and the Sale Loan at a total consideration of HK\$39,882,840.

The Target as purchaser entered into the Principal Agreement with the Principal Vendor as vendor and the Principal Guarantor as guarantor on 24 March 2016 in relation to the acquisition of the entire issued share capital of the Holding Company of the Property and the assignment of the Loan. It is contemplated that the parties will proceed to complete the Principal Agreement after Completion.

THE AGREEMENT

The principle terms of the Agreement are as follows:

Date

8 April 2016

Parties

Vendor : Mr. Kuk Po Shun, the legal and beneficial owner of the entire issued share capital of the Target

Purchaser : Advantage Performance Limited, which is a wholly owned subsidiary of the Company

Target : Legacy Billion Limited, which will, upon completion of the Principal Agreement, the sole shareholder of the Holding Company and indirect legal and beneficial owner of the Property

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the Vendor is a third party independent of the Company and connected persons of the Company.

Asset to be acquired

The Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase, the Sale Share free from all encumbrances and the Sale Loan. As referred to in the paragraph headed “The Principal Agreement” below, on 24 March 2016, Target as purchaser entered into the Principal Agreement with the Principal Vendor as vendor and the Principal Guarantor as guarantor in relation to the acquisition of the entire issued share capital of the Holding Company of the Property and the assignment of the Loan. Therefore, under the Principal Agreement, Target has the contractual rights to acquire the entire issued share capital of and Loan to the Holding Company which owns the Property and it is contemplated that the parties will proceed to complete the Principal Agreement after Completion.

Consideration

The consideration payable by the Purchaser for (a) the Sale Share is HK\$2,647,600 and (b) the Sale Loan is HK\$37,235,240 on a dollar for dollar basis, which has been/shall be satisfied in the following manner:

- (i) the Deposit in the sum of HK\$3,000,000 has been paid upon signing of the Agreement; and
- (ii) the balance of the consideration in the sum of HK\$36,882,840 shall be payable upon Completion.

The Deposit has been paid to the Vendor or its nominee.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, Target has not entered into any business transaction prior to entering into the Principal Agreement. Accordingly, the consideration for the Sale Loan effectively represents the deposit of HK\$37,235,240 already paid by the Target to the Principal Vendor as referred to in the paragraph headed “The Principal Agreement” below and the consideration for the Sale Share of HK\$2,647,600 effectively represents the additional consideration the Group is willing to pay for the acquisition of the Property making the total effective consideration payable by the Purchaser being HK\$375,000,000, representing the sum of the consideration for the Sale Share of HK\$2,647,600 and the consideration payable under the Principal Agreement of HK\$372,352,400 (subject to adjustment as referred to in the paragraph headed “The Principal Agreement” below).

Accordingly, on Completion, the Purchaser shall pay HK\$36,882,840 to the Vendor, and on completion of the Principal Agreement as contemplated, the Purchaser shall pay on behalf of Target HK\$335,117,160 to the Principal Vendor (subject to adjustment as referred to in the paragraph headed “The Principal Agreement” below), together with the Deposit already paid upon signing of the Agreement, the Purchaser would thus require to pay HK\$375,000,000 in total (subject to adjustment as referred to in the paragraph headed “The Principal Agreement” below) as effective consideration for the Property.

The consideration for the Acquisition was determined after arm’s length negotiations between the Vendor and the Purchaser with reference to, among other things, (a) the consideration payable under the Principal Agreement; (b) the prevailing market value of commercial properties of similar size and age as the Property in the same vicinity; and (c) the prevailing market condition.

The Purchaser is also responsible to settle the liabilities of the Target in respect of (i) commission to a third party property agent of HK\$1,861,762 payable on completion of the Principal Agreement (ii) stamp duty payable for transfer of the entire issued shares of and the Loan to the Holding Company on completion of the Principal Agreement of approximately HK\$750,000; and (iii) legal and other charges incidental to the preparation and execution of the Principal Agreement not exceeding HK\$450,000.

Condition precedent

Completion is conditional upon the fulfillment of the passing of the resolution(s) by the Shareholders at the SGM to be convened to approve the Agreement and the transactions contemplated thereunder.

Each party shall use its/his best endeavours to ensure that the condition aforementioned shall be fulfilled by the Long Stop Date.

Completion

Completion shall take place on the Completion Date. Upon Completion, the Company will be interested in the entire issued share capital of the Target and the Target will become a wholly owned subsidiary of the Company. It is contemplated that the parties will proceed to complete the Principal Agreement on 18 May 2016 after Completion. Please refer to the paragraph headed “The Principal Agreement” below for further details of the Principal Agreement.

Deposit

Subject to the provisions of the Agreement, if the Purchaser shall (other than due to the default of the Vendor) fail to complete the Acquisition (other than due to non-fulfillment of the condition precedent of the Agreement) in accordance with the terms and provisions of the Agreement, the Deposit paid by the Purchaser shall be absolutely forfeited as liquidated damages to the Vendor who may rescind the Agreement at its option and the Vendor shall be entitled to take any further action to claim damages or to enforce specific performance or other relief of whatever nature in relation thereto under the Agreement or otherwise at law.

Subject to the provisions of the Agreement, if the condition precedent of the Agreement shall not have been fulfilled by the Long Stop Date, the Vendor shall immediately refund to the Purchaser the Deposit paid (without interest).

Subject to the provisions of the Agreement, if the Vendor shall (other than due to the default of the Purchaser) fail to complete the Acquisition in accordance with the terms and provisions of the Agreement, the Vendor shall immediately refund to the Purchaser the Deposit paid (without interest) together with a sum equivalent to the amount of the Deposit as liquidated damages but without prejudice to the Purchaser's rights to rescind the Agreement at its option and the Purchaser shall be entitled to take any further action to claim further damages or to enforce specific performance or other relief of whatever nature in relation thereto under the Agreement or otherwise at law.

THE PRINCIPAL AGREEMENT

The principle terms of the Principal Agreement are as follows:

Date: 24 March 2016

Parties: (i) The Principal Vendor as vendor
(ii) The Target as purchaser
(iii) The Principal Guarantor as guarantor

Transaction: The Principal Vendor agreed to sell the entire issued share capital of the Holding Company which owns the Property and assign the Loan to the Target.

Consideration and payment terms: The consideration is approximately HK\$372,352,400 (subject to adjustment) and shall be payable in the following manner:

- (i) a deposit in the amount of HK\$37,235,240 has been paid by the Target to the Principal Vendor (or its nominee) upon signing of the Principal Agreement; and
- (ii) the balance of the consideration shall be paid by the Target to the Principal Vendor (or its nominee) at completion.

At completion of the Principal Agreement, the consideration will be adjusted in accordance with the terms of the Principal Agreement, by reference to the net value of the assets (other than the Property) and the liabilities (other than the Loan and any deferred tax liability) of the Holding Company as of completion. Should the value of the said assets exceed the value of the said liabilities, the consideration will be adjusted upwards accordingly or vice versa, but in any event, the amount involved with the adjustment will not exceed HK\$3,000,000.

The consideration of the Principal Agreement was determined after arm's length negotiation between the Principal Vendor and the Target on normal commercial terms with reference to the net asset value of the Holding Company, the amount of the Loan and the recent transaction price of the properties in the vicinity.

Conditions Precedent: completion of the Principal Agreement is subject to the satisfaction or waiver of the following conditions:

- (i) the Principal Vendor shall give and prove title to the Property in accordance with Sections 13 and 13A of the Conveyancing and Property Ordinance respectively; and
- (ii) the Target shall complete the process of verifying the title to the Property in accordance with the Principal Agreement.

Completion: completion of the Principal Agreement will take place on 18 May 2016 or such other date as the Principal Vendor and the Target shall agree in writing.

Other terms: Upon completion of the Principal Agreement:

- (i) a tenancy agreement (the “Lease”) will be entered into between the Holding Company as landlord and the Tenant for a term commencing on the date of completion of the Principal Agreement and expiring on 31 July 2017 (both days inclusive) (the “Initial Term”) at a monthly rental of HK\$839,000 (exclusive of rates, service charge and all other outgoings), together with:
 - (a) the right for the Tenant to, inter alia, assign or sub-let the Property to any member of the group of companies of Lippo Limited or the Principal Guarantor; and
 - (b) an option to renew for a further term of 9 months commencing on 1 August 2017 and expiring on 30 April 2018 (both days inclusive) (the “Additional Term”) exercisable by the Tenant at any time during the Initial Term at the same terms and conditions of the tenancy agreement except that the Tenant has the right to terminate the Additional Term by serving five weeks prior notice to the Holding Company.
- (ii) the Principal Vendor shall discharge, among others, the existing legal charge, the rental assignment and insurance assignment in relation to the Property.

Guarantee:

Under the Principal Agreement, the Principal Guarantor has agreed with the Target that it will (1) guarantee the punctual performance by the Principal Vendor of all of its obligations under the transaction documents in connection with the Principal Agreement; and (2) undertake to pay any amount due under or in connection with any of the Principal Vendor's obligations under, or any damages for breach of, the Principal Agreement or any other documents in connection with the transactions contemplated under the Principal Agreement, as well as any damages for breach of the Principal Vendor's warranties, representations or undertakings contained therein.

INFORMATION ON THE PURCHASER AND THE GROUP

The Company is an investment holding company and the Group is principally engaged in resort and property development, property investment and investment holding.

The Purchaser is a company incorporated in the British Virgin Islands and is a wholly owned subsidiary of the Company which engages in investment holding.

INFORMATION ON THE TARGET AND THE PROPERTY INTERESTS

The Target is an investment holding company incorporated in the British Virgin Islands with limited liability on 6 January 2016 and is wholly owned by the Vendor. The Target as purchaser entered into the Principal Agreement with the Principal Vendor as vendor and the Principal Guarantor as guarantor pursuant to which the Target agreed to purchase the entire issued share capital of the Holding Company and the Loan at a total consideration of approximately HK\$372,352,400 (subject to adjustment as referred to in the paragraph headed "The Principal Agreement" above). It is contemplated that the parties will proceed to complete the Principal Agreement on 18 May 2016 after Completion. Upon completion of the Principal Agreement, the major asset of the Target will be the investment in the Holding Company (as its sole shareholder) which owns the Property and major liabilities of the Target will be the Sale Loan and further loans made by the Purchaser to the Target for the purpose of complete the Principal Agreement.

The Property is currently occupied by the Principal Guarantor Group and the Lippo Group. Upon completion of the Principal Agreement, the Lease will be entered into between the Holding Company as landlord and the Tenant for an initial term commencing on the date of completion of the Principal Agreement and expiring on 31 July 2017 (both days inclusive) at a monthly rental of HK\$839,000 (exclusive of rates, service charge and all other outgoings).

Please refer to the paragraph headed "The Principal Agreement" above for further details of the Principal Agreement and the Lease.

As mentioned in the announcement of the Principal Guarantor in relation to the Principal Agreement dated 24 March 2016, the audited profit before taxation and the audited profit after taxation of the Holding Company for the financial years ended 31 March 2014 and 2015 which were prepared in accordance with generally accepted accounting principles in Hong Kong, were as follows:

	For the year ended 31 March 2014 <i>HK\$'000</i>	For the year ended 31 March 2015 <i>HK\$'000</i>
Profit before taxation	60,280	19,483
Profit after taxation	59,683	18,837

As per the unaudited management accounts of the Target, the unaudited net assets value of the Target as at 31 March 2016 amounted to approximately HK\$8. As per audited financial statements of the Holding Company as at 31 March 2015, the audited net assets value of the Holding Company and the carrying value of the Property as at 31 March 2015 was approximately HK\$249,537,000 and HK\$314,000,000 respectively and the total revenue of the Holding Company for the year ended 31 March 2015 was approximately HK\$7,596,000. As per the unaudited management account of the Holding Company as at 29 February 2016, the unaudited net assets value of the Holding Company and the carrying value of the Property as at 29 February 2016 was approximately HK\$311,018,000 and approximately HK\$372,352,000 respectively.

INFORMATION ON THE VENDOR

The Vendor is Mr. Kuk Po Shun. To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, the Vendor is a third party independent of the Company and connected persons of the Company.

REASONS FOR THE ACQUISITION

Upon Completion and completion of the Principal Agreement, the Property will be wholly owned by the Group. The Company intends to hold the Property for long-term investment purposes.

It was mentioned in the 2015 annual report of the Company that the Group will continue to look for investment opportunities with attractive returns that can bring significant values to the Shareholders. The Group has been actively identifying investment opportunities in pursuit of its business strategy. As the Property is located in the prime business district of Hong Kong covered by convenient transportation networks, the Board believes that after completion of the Principal Agreement, the Acquisition allows the Group to enlarge and diversify its investment properties portfolio with high quality assets and provide capital appreciation potential to the Group. Also, after completion of the Principal Agreement, the Acquisition will further enhance and strengthen the income base of the Group through the rental of the Lease with a satisfactory yield of approximately 2.7% per annum. The Board believes that after completion of the Principal Agreement, the Acquisition represents a good investment opportunity in commercial property for the Group and will improve the Group's operating performance by generating additional rental income for the Group. Accordingly, the Group entered into the Agreement to effect the Acquisition and the transactions contemplated under the Principal Agreement, the terms of which are in the opinion of the Board fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Acquisition and the ancillary costs and expenses will be financed by internal resources of the Group. It is contemplated that the remaining balance of the consideration payable on completion of the Principal Agreement will be financed by internal resources of the Group together with borrowing(s) from financial institution(s).

The Company made an offer to acquire the Holding Company from the Principal Vendor in February 2016. To the best of the knowledge, information and belief of the Directors, the offer made by the Company was rejected by the Principal Vendor because the Principal Vendor would not accept the acquisition being made conditional on Shareholders' approval. Consequently, the Company did not proceed further and began to explore other investment opportunities.

To the best of the knowledge, information and belief of the Directors, the Vendor is a property investor and an acquaintance of the management of the Company. The Company became aware that the Vendor was interested in acquiring the Holding Company and, through his wholly owned property investment company, have entered into the Principal Agreement. Hence, when it subsequently came to the knowledge of the Company that the Principal Agreement was concluded, the Company approached the Vendor for the acquisition of the Property. The Vendor indicated that he is interested in selling the Target on terms satisfactory to him despite the transaction is required to be made conditional on Shareholders' approval in compliance with the Listing Rules. After negotiations, the parties reached consensus on the terms.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios set forth under Rule 14.07 of the Listing Rules in respect of the Acquisition exceed(s) 100%, the Acquisition constitutes a very substantial acquisition of the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules. As no Shareholder has any material interest in the Acquisition and none of the Vendor or its associates holds any Share as at the date of this announcement, no Shareholder is required to abstain from voting at the SGM to approve the Acquisition.

GENERAL

The SGM will be convened on or about 16 May 2016 to consider and, if thought fit, to pass the resolution(s) to approve the Agreement and the transactions contemplated thereunder.

A circular containing, among other things, further details of the Agreement and the transactions contemplated thereunder and a notice of the SGM, will be despatched by the Company to the Shareholders on or before 27 April 2016.

As the Acquisition is subject to the fulfillment of condition precedent and may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

Reference is made to an announcement of the Company dated 16 February 2016 in relation to the proposed disposal which would constitute a very substantial disposal of the Company under Chapter 14 of the Listing Rules (the “Proposed Disposal”). It was mentioned that the Stock Exchange is of the view that (i) the Company would become a cash company by virtue of Rule 14.82 of the Listing Rules upon completion of the Proposed Disposal, such that unless such issue is resolved, the Company will not be regarded as suitable for listing and trading of its Shares will be suspended immediately upon completion of the Proposed Disposal and (ii) the Company would not have sufficient level of operations and would not have sufficient assets upon completion of the Proposed Disposal, and unless such issue is resolved, trading of its Shares will be suspended immediately upon completion of the Proposed Disposal under Rule 13.24 of the Listing Rules. The Company would like to bring to the attention of the Shareholders that the Company intends to complete the Acquisition pursuant to the Agreement and the Principal Agreement before completion of the Proposed Disposal. As such, the Company would not become a cash company under Rule 14.82 of the Listing Rules and would be able to meet requirements under Rule 13.24 of the Listing Rules upon completion of the Acquisition pursuant to the Agreement and the Principal Agreement and completion of the Proposed Disposal.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Acquisition”	the proposed acquisition of the Sale Share and the Sale Loan pursuant to the terms and conditions of the Agreement and, where the context requires, shall include the acquisition pursuant to the terms and conditions of the Principal Agreement
“Agreement”	the sale and purchase agreement dated 8 April 2016 entered into among the Vendor and the Purchaser in relation to the Acquisition
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the Board of Directors
“Business Day(s)”	a day(s) on which banks are open for business in Hong Kong (excluding Saturdays, Sundays and public holidays)
“Company”	Applied Development Holdings Limited (實力建業集團有限公司*), a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 519)
“Completion”	completion of the Acquisition in accordance with the terms and conditions of the Agreement
“Completion Date”	17 May 2016 or such other date as the Vendor and the Purchaser shall agree in writing

“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Deposit”	the deposit in the amount of HK\$3,000,000, being partial payment of the consideration for the Acquisition pursuant to the Agreement
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Holding Company”	Superform Investment Limited, a company incorporated in Hong Kong with limited liability, which is the legal and beneficial owner of the Property
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Lippo Group”	Lippo Limited (力寶有限公司), a company incorporated in Hong Kong with limited liability whose shares are listed on the Main Board of the Stock Exchange (stock code: 226), and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	the loan due and owing by the Holding Company to the Principal Guarantor from time to time to be assigned by the Principal Guarantor to the Principal Vendor immediately prior to completion of the Principal Agreement, which shall be further assigned to the Target upon completion of the Principal Agreement, and as at the 29 February 2016, the amount of the Loan was approximately HK\$58.7 million
“Long Stop Date”	31 May 2016 or such other date as the Vendor and the Purchaser shall agree in writing
“PRC”	the People’s Republic of China which for the purpose of this announcement shall exclude Hong Kong, the Macau Special Administrative Region and Taiwan
“Principal Agreement”	the sale and purchase agreement dated 24 March 2016 entered into between the Principal Vendor as vendor, the Target as the purchaser and the Principal Guarantor as guarantor in relation to the acquisition of the entire issued share capital of the Holding Company by and the assignment of the Loan to the Target

“Principal Guarantor”	Lippo China Resources Limited, a company incorporated in Hong Kong with limited liability whose shares are listed on the Main Board of the Stock Exchange (stock code: 156), together with its ultimate beneficial owners, are, to the best of the knowledge, information and belief of the Directors, third parties independent of the Company and connected persons of the Company
“Principal Guarantor Group”	Principal Guarantor and its subsidiaries
“Principal Vendor”	Cheertop Investments Limited, a company incorporated in the British Virgin Islands with limited liability and is an indirect wholly owned subsidiary of the Principal Guarantor which, together with its ultimate beneficial owners, are, to the best of the knowledge, information and belief of the Directors, third parties independent of the Company and connected persons of the Company
“Property”	24th Floor of Lippo Centre Tower 1, No. 89 Queensway, Admiralty, Hong Kong, with a total gross floor area of approximately 14,984 square feet
“Purchaser”	Advantage Performance Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly owned subsidiary of the Company
“Sale Loan”	the shareholder’s loan in the amount of HK\$37,235,240 advanced by the Vendor to the Target for settling the deposit under the Principal Agreement
“Sale Share”	1 ordinary share of US\$1.00 each in the Target, representing the entire issued share capital of the Target
“SGM”	the special general meeting of the Shareholders to be convened by the Company on or about 16 May 2016 to consider and approve the Agreement and the transactions contemplated thereunder
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target”	Legacy Billion Limited, a company incorporated in the British Virgin Islands with limited liability

“Tenant”	LCR Management Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly owned subsidiary of the Principal Guarantor which, together with its ultimate beneficial owners, are, to the best of the knowledge, information and belief of the Directors, third parties independent of the Company and its connected persons of the Company
“Vendor”	Mr. Kuk Po Shun
“%”	per cent.

By Order of the Board
Applied Development Holdings Limited
Wang Jingyu
Chairlady and Managing Director

Hong Kong, 8 April 2016

As at the date of this announcement, the Executive Directors are Ms. Wang Jingyu, Ms. Ng Kit Ling and Mr. Tsao Hoi Ho; the Independent Non-executive Directors are Mr. Su Ru Jia, Mr. Lo Yun Tai and Mr. Chan Ming Fai, Terence.

* *For identification purposes only*

In the event of inconsistency, the English text of this announcement shall prevail over the Chinese text thereof.