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CELEBRATE INTERNATIONAL HOLDINGS LIMITED

譽滿國際（控股）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8212)

MAJOR TRANSACTION IN RELATION TO THE ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF HOPE CAPITAL LIMITED

With reference to the Company's announcement dated 15 June 2018 with regard to the MOU, the Board is pleased to announce that, on 28 January 2019 (after trading hours), the Company and the Vendor entered into the Agreement, pursuant to which the Company has conditionally agreed to acquire and the Vendor has conditionally agreed to sell the Sale Shares at the Consideration of HK\$40,740,000. Completion of the Acquisition is conditional upon the satisfaction of the conditions precedent as detailed in the Agreement. The Sale Shares represent all the issued shares of the Target Company.

As at the date this announcement, the Target Group includes a licensed corporation under the SFO to carry out Type 1 (dealing in securities) regulated activity.

The total Consideration shall be settled by way of cash by the Company to the Vendor. The Company has paid a refundable Deposit of HK\$10,000,000 into the account of an escrow agent.

As one or more of the applicable percentage ratios (as defined under the GEM Listing Rules) in respect of the Acquisition exceed(s) 25% but is/are less than 100%, the Acquisition constitutes a major transaction for the Company under Chapter 19 of the GEM Listing Rules, which is subject to the announcement, reporting, circular and Shareholders' approval requirements.

As no Shareholder is materially interested in the transactions contemplated under the Agreement and is required to abstain from voting at a general meeting of the Company approving the same, the Company has, pursuant to Rule 19.44 of the GEM Listing Rules, obtained written approval of the Agreements from Nieumarkt Investments Ltd, a Shareholder holding 991,689,459 issued ordinary shares of the Company (representing approximately 64.66% of its entire issued share capital as at the date of this announcement). As such, the Company is exempted from convening a general meeting to approve the transactions contemplated under the Agreement.

A circular containing, among other things, further information of the Acquisition will be despatched to the Shareholders on or before 21 February 2019.

INTRODUCTION

With reference to the Company's announcement dated 15 June 2018 with regard to the MOU, the Board is pleased to announce that, on 28 January 2019 (after trading hours), the Company and the Vendor entered into the Agreement, pursuant to which the Company has conditionally agreed to acquire and the Vendor has conditionally agreed to sell the Sale Shares at the Consideration of HK\$40,740,000. Completion of the Acquisition is conditional upon the satisfaction of the conditions precedent as detailed in the Agreement.

The principal terms of the Agreement are set out below:

THE AGREEMENT

Date: 28 January 2019 (after trading hours)

Parties: (1) The Vendor (as vendor); and
(2) The Company (as purchaser).

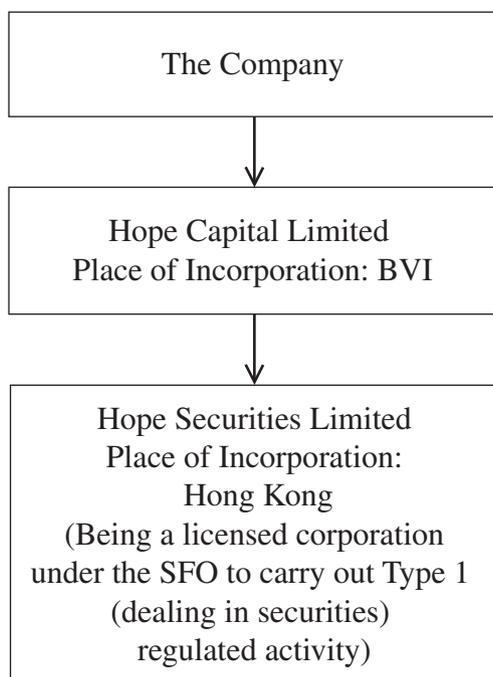
To the best knowledge and understanding of the Directors, the Vendor is an independent third party to the Company.

Subject matter of the Agreement

Pursuant to the Agreement, the Vendor has conditionally agreed to sell, and the Company has conditionally agreed to purchase, the Sale Shares represent all the issued shares of the Target Company.

As at the date this announcement, the Target Group includes a licensed corporation under the SFO to carry out Type 1 (dealing in securities) regulated activity.

Shareholding Structure after the Acquisition



Consideration

The Consideration which shall be settled by way of cash by the Company to the Vendor. The Company has paid a refundable Deposit of HK\$10,000,000 into the account of an escrow agent upon signing of the Agreement and the balance shall be paid at Completion.

The Consideration was arrived at after arm's length negotiations between the Company and the Vendor after taking into account, among others, (i) the amount of net assets of the Target Group of approximately HK\$40,740,000 as per its unaudited consolidated statement of financial position as at 31 December 2018; (ii) the SFO license of the Target Group to carry out Type 1 (dealing in securities) regulated activity in Hong Kong; (iii) the operations and the professional staffs of the Target Group and their agreement to remain after the Completion and (iv) the business prospects of the Target Group.

The Company intends to fund the Acquisition with the Company's internal resources.

Conditions Precedent

Completion is conditional upon the following conditions being satisfied or waived in accordance with the Agreement:

1. the approval of the Agreement and transactions contemplated thereunder by shareholders of the Company in accordance with the GEM Listing Rules, if required;
2. if applicable, the obtaining of all requisite consents, licenses and approvals from government or regulatory authorities or third parties which are necessary in connection with the execution and performance of the Agreement and any of the transaction contemplated thereunder (including but not limited to the approval of the Securities and Futures Commission under Part V of the SFO for any change in “substantial shareholder” of the relevant member(s) of the Target Group, if required); and
3. there having been no breach by the Vendor of any obligation, undertakings, representations and warranties under the Agreement.

The Vendor shall use its reasonable endeavours and co-operate to ensure the fulfilment of the conditions. The 3rd condition above may be waived by the Company in writing.

If the conditions have not been fulfilled (or waived by the Company) on or before 31 May 2019 (or such other date as the Vendor and the Company may agree in writing), the Parties shall procure the refund of the Deposit by the escrow agent to the Company within three Business Days and the Agreement shall thereupon terminate, the parties shall have no further claims against each other under the Agreement for costs, damages compensation or otherwise, save in respect of antecedent breaches and claims.

Completion

Completion shall take place on the second Business Day after the date on which all the conditions precedent shall have been satisfied or otherwise waived by the Company in accordance with the Agreement. Upon Completion, the Target Company will become a wholly-owned subsidiary of the Company, and the financial results of the Target Group will be consolidated with the results of the Group.

INFORMATION OF THE VENDOR AND THE TARGET GROUP

The Vendor is a businessman in Hong Kong who has established the securities business of the Target Group. To the best knowledge and understanding of the Directors, the Vendor is an independent third party.

The Target Company is a company incorporated in the BVI with limited liability which is wholly-owned by the Vendor immediately prior to Completion. The principal activity of the Target Company is investment holding.

The Target Group was granted by the SFC a Type 1 license to carry out securities dealing in Hong Kong on 9 April 2018. Since then, the Target Group has begun its brokerage business. The Target Group currently has two licensed responsible officers who each has over 30 years of experience in the securities trading industry and they have agreed to remain with the Target Group post-Acquisition.

Set out below is the unaudited consolidated financial information of Target Group for the years ended 31 December 2018 and 2017:

	For the year ended 31 December 2017 <i>In HK\$'000</i> <i>(Approximately)</i>	For the year ended 31 December 2018 <i>In HK\$'000</i> <i>(Approximately)</i>
Net Assets		40,740
Loss before taxation	(7)	(2,277)
Loss after taxation	(7)	(2,277)

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group is principally engaged in trading of food and beverage, money lending, securities investment and trading, provision of health care services, property investment and provision of logistics services.

As indicated above, money lending and securities investment and trading are two of the principal businesses of the Company. The acquisition of the Target Group with its SFO license to carry out Type 1 (dealing in securities) regulated activity and its brokerage operations will complement the Company's aforementioned businesses and allow the Company to develop a fully integrated financial services business.

“Business Day”	any day on which banks in Hong Kong are generally open for business, except a Saturday, a Sunday, any other public holiday, and any day on which a tropical cyclone warning no.8 or above or a “black” rainstorm warning signal is issued in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.
“Company”	Celebrate International Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM
“Completion”	completion of the sale and purchase of the Sale Shares in accordance with the terms and conditions of the Agreement
“Consideration”	the consideration for the Acquisition, being HK\$40,740,000
“Director(s)”	the director(s) of the Company
“Deposit”	the refundable deposit of HK\$10,000,000 payable by the Company upon signing of the Agreement
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“MOU”	Memorandum of Understanding entered into by the Company and the Vendor on 15 June 2018 in relation to a Proposed Acquisition of 75% equity interest in the Target Company
“Proposed Acquisition”	the proposed acquisition of 75% equity interest in the Target Company by the Company from the Vendor as referred to in the MOU
“Sale Shares”	100 issued shares of the Target Company, representing the entire issued share capital of the Target Company
“SFO”	the Securities and Futures Ordinance, Cap.571 of the Laws of Hong Kong
“Shareholder(s)”	shareholder(s) of the Company

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Hope Capital Limited
“Target Group”	the Target Company and its subsidiary
“Vendor”	Mr. David Ki, the sole shareholder of the Target Company

By order of the Board
Celebrate International Holdings Limited
Ng Kwok Wing Michael
Chairman

Hong Kong, 28 January 2019

As at the date of this announcement, the Board comprises the following members:

Executive Directors

Mr. Ng Kwok Wing Michael (Chairman)

Mr. Suen Yick Lun Philip

Independent Non-executive Directors

Mr. Chow Chi Wah Vincent

Ms. Chow Mun Yee

Mr. Ma Ka Ki

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 GEM 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 “Latest Company Announcements” page of the GEM website for 7 days from the date of its publication and on the Company’s website at <http://www.ciholdings.com.hk>.