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## **EAGLE NICE (INTERNATIONAL) HOLDINGS LIMITED**

**鷹美（國際）控股有限公司\***

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 02368)**

### **MEMORANDUM OF UNDERSTANDING IN RELATION TO POSSIBLE ACQUISITION**

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board announces that on 20 November 2017 (after trading hours of the Stock Exchange), the Prospective Vendor and the Prospective Purchaser entered into the MOU in relation to the Possible Acquisition of the entire interests in the Target Companies. The Prospective Vendor is a connected person of the Company.

**The Board wishes to emphasise that the MOU is not legally binding with regard to the Possible Acquisition. Neither the Company nor the Subsidiary has entered into any binding agreement in relation to the Possible Acquisition as at the date of this announcement, and the Possible Acquisition may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.**

**The Possible Acquisition, if materializes, may constitute notifiable and connected transaction for the Company under the Listing Rules. Further announcement(s) will be made by the Company in accordance with the applicable requirements of the Listing Rules as and when appropriate.**

\* *For identification purposes only*

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board announces that on 20 November 2017 (after trading hours of the Stock Exchange), the Prospective Vendor and the Prospective Purchaser entered into the MOU in relation to the Possible Acquisition of the entire interests in the Target Companies. As at the date of this announcement, the Prospective Vendor is an indirect subsidiary of Yue Yuen Industrial (Holdings) Limited, a company listed on the Main Board of the Stock Exchange (Stock Code: 551) and a substantial shareholder of the Company (as defined under the Listing Rules), and is therefore a connected person of the Company. The Possible Acquisition, if materializes, may constitute a notifiable and connected transaction for the Company under the Listing Rules.

To the best of the knowledge, information and belief of the Directors and based on information currently available to the Directors, the principal business of the Target Companies are manufacture of sportswear in Vietnam.

The MOU does not create legally binding obligations on the parties in relation to the Possible Acquisition. Pursuant to the terms of the MOU, the Prospective Vendor and the Prospective Purchaser have agreed to use their respective best endeavours to negotiate in good faith between themselves in relation to the Possible Acquisition and to enter into the Formal Agreement by 31 March 2018. The consideration and other terms of the Possible Acquisition will be subject to further negotiations between the Prospective Vendor and the Prospective Purchaser after the completion of the due diligence process on the Possible Acquisition. The Possible Acquisition is subject to the entering into of the Formal Agreement.

Upon the signing of the MOU, the Prospective Purchaser is entitled to conduct due diligence review in connection with, including but not limited to, the operational, financial, legal and taxation aspects of the Target Companies. The Prospective Vendor shall provide, and shall procure the Target Companies and other relevant third parties to provide to the Prospective Purchaser documents and information in relation to the Possible Acquisition upon request for due diligence purpose and to respond to the enquiries of the Prospective Purchaser, its agents and professional advisers.

The Company is an investment holding company and the Group's principal activities are the manufacture and trading of sportswear and garments. The Directors considered that the Possible Acquisition, if materialises, represents a good opportunity for the Group to extend its production capacity, satisfy the need of customers and to maximise the return of the Shareholders.

**The Board wishes to emphasise that the MOU is not legally binding with regard to the Possible Acquisition. Neither the Company nor the Subsidiary has entered into any binding agreement in relation to the Possible Acquisition as at the date of this announcement, and the Possible Acquisition may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.**

**The Possible Acquisition if materialize, may constitute a notifiable and connected transaction for the Company under the Listing Rules. Further announcement(s) will be made by the Company in accordance with the applicable requirements of the Listing Rules as and when appropriate.**

## DEFINITIONS

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

|                                 |  |
|---------------------------------|--|
| “Board”                         | the board of Directors   |
| “Company”                       | Eagle Nice (International) Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange  |
| “connected person”              | has the same meaning as defined in the Listing Rules   |
| “Director(s)”                   | the director(s) of the Company   |
| “Formal Agreement”              | the formal agreement to be entered into, among others, the Prospective Vendor and the Prospective Purchaser (or other member of the Group) in relation to the Proposed Acquisition   |
| “Group”                         | the Company and its subsidiaries   |
| “Hong Kong”                     | the Hong Kong Special Administrative Region of the People’s Republic of China  |
| “Inside Information Provisions” | has the same meaning as defined in the Listing Rules   |
| “Listing Rules”                 | the Rules Governing the Listing of Securities on the Stock Exchange  |
| “MOU”                           | the non-legally binding memorandum of understanding dated 20 November 2017 entered into between the Prospective Vendor and the Prospective Purchaser setting out the preliminary understanding in relation to the Proposed Acquisition |
| “Prospective Purchaser”         | Upmax International Limited, a company incorporated in British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company  |

|                        |   |
|------------------------|---|
| “Prospective Vendor”   | PRO KINGTEX INDUSTRIAL COMPANY LIMITED, a company incorporated in British Virgin Islands with limited liability   |
| “Possible Acquisition” | the possible acquisition of the entire interests in the Target Companies by the Prospective Purchaser from the Prospective Vendor as contemplated under the MOU |
| “SFO”                  | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)   |
| “Share(s)”             | ordinary share(s) of HK\$0.01 each in share capital of the Company  |
| “Shareholder(s)”       | the holder(s) of the issued Shares  |
| “Stock Exchange”       | The Stock Exchange of Hong Kong Limited   |
| “Target Companies”     | companies forming the subject of the Possible Acquisition whose principal business are manufacture of sportswear in Vietnam                                     |

On Behalf of the Board  
**Chung Yuk Sing**  
*Executive Director*

Hong Kong, 20 November 2017

*As at the date of this announcement, the Board comprises four executive directors, namely, Mr. Chung Yuk Sing, Mr. Chen Hsiao Ying, Ms. Chen Fang Mei, Christina and Mr. Lee Cheng Chuan and three independent non-executive directors, namely, Mr. Chan Cheuk Ho, Mr. Lu Chi Chant and Ms. Tham Kit Wan.*