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ORIENT VICTORY TRAVEL GROUP COMPANY LIMITED

東勝旅遊集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 265)

DISCLOSEABLE AND CONNECTED TRANSACTIONS IN RELATION TO THE ACQUISITIONS OF 40% EQUITY INTEREST IN EACH OF THE TARGET COMPANIES

THE GREAT ASCENT ACQUISITION

On 22 January 2018, the Company, OV(HK) and Heng Sheng, as purchasers, entered into the Great Ascent Agreement with Mr. Li Jun Bang, as vendor, pursuant to which the Company will acquire from Mr. Li Jun Bang 40% of the issued share capital of Great Ascent for four-ninths of the Great Ascent Consideration, to be paid or borne by the Company. After completion of the Great Ascent Acquisition, Great Ascent will become an associate of the Company.

THE YIERSAN ACQUISITION

On 22 January 2018, the Company, OVPD and Heng Sheng, as purchasers, entered into the Yiersan Agreement with Yinmao and Mr. Nie Jiangqiang, as vendors, pursuant to which the Company will acquire from Yinmao 40% of the equity interest of Yiersan for 40% of the Yiersan Consideration, to be settled by cash by the Company. After completion of the Yiersan Acquisition, Yiersan will become an associate of the Company.

LISTING RULES IMPLICATIONS

Since the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Acquisitions exceed 5% but are less than 25%, the Acquisitions constitute discloseable transactions for the Company under Rule 14.06 of the Listing Rules.

As at the date of this announcement, Mr. Shi Baodong, the chairman and an executive Director of the Company, is the director and ultimate shareholder of OV(HK), which indirectly wholly owns OVPD. Therefore, each of OV(HK) and OVPD is a connected person of the Company under the Listing Rules. Accordingly, each of the Acquisitions constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

GENERAL

The Independent Board Committee comprising all the independent non-executive Directors has been formed to advise the Independent Shareholders on the terms of the Great Ascent Agreement, the Yiersan Agreement and the transactions contemplated thereunder respectively.

An Independent Financial Adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders regarding, among other things, the terms of the Great Ascent Agreement, the Yiersan Agreement and the transactions contemplated thereunder respectively.

A circular containing, among other things, (i) further details about the Great Ascent Acquisition; (ii) further details about the Yiersan Acquisition; (iii) the recommendations of the Independent Board Committee on the Great Ascent Acquisition and the Yiersan Acquisition respectively; (iv) a letter of advice from the Independent Financial Advisor to the Independent Board Committee and the Independent Shareholders in relation to the Great Ascent Acquisition and the Yiersan Acquisition and the transactions contemplated thereunder respectively; and (v) the notice convening the EGM, will be dispatched to the Shareholders in accordance with the requirements of the Listing Rules. As the Company expects that it will require more time to collect and collate the information to be included in the circular, it is currently expected that the circular will be dispatched to the Shareholders on or before 6 February 2018.

Shareholders and potential investors should note that completion of the Acquisitions is subject to the fulfillment of the Great Ascent Conditions Precedent and Yiersan Conditions Precedent and therefore the Acquisitions may or may not occur. As the Acquisitions may or may not proceed to completion, Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

The Board is pleased to announce that, on 22 January 2018 (after trading hours), the Company entered into:

- (i) the Great Ascent Agreement with OV(HK), Heng Sheng and Mr. Li Jun Bang, pursuant to which the Great Ascent Purchasers have conditionally agreed to acquire and Mr. Li Jun Bang has conditionally agreed to sell 90% of the issued share capital of Great Ascent, at the consideration of RMB75,000,000 (approximately equivalent to HK\$91,695,000) subject to adjustment according to the valuation report on Great Ascent to be prepared by an independent valuer, which will be satisfied by cash, repayment of Great Ascent and its subsidiary's bank loan(s) of approximately RMB50,000,000 (approximately equivalent to HK\$61,130,000) and repayment of Great Ascent and its subsidiary's other loan(s) of approximately RMB60,000,000 (approximately equivalent to HK\$73,356,000), four-ninths of both bank and other loan(s) will be borne by the Company.
- (ii) the Yiersan Agreement with OVPD, Heng Sheng, Yinmao and Mr. Nie Jiangqiang, pursuant to which the Yiersan Purchasers have conditionally agreed to acquire and the Yiersan Vendors have conditionally agreed to sell the entire equity interest of Yiersan, at the consideration of RMB50,000,000 (approximately equivalent to HK\$61,130,000) subject to adjustment according to the valuation report on Yiersan to be prepared by an independent valuer, which will be satisfied by cash.

GREAT ASCENT AGREEMENT

Principal terms of the Great Ascent Agreement are summarized below:

Date: 22 January 2018

Parties:

Purchasers

- (1) the Company
- (2) OV(HK)
- (3) Heng Sheng

Vendor

- (1) Mr. Li Jun Bang, a merchant

Equity Interest to be acquired by each of the Great Ascent Purchasers:

- (1) the Company: 40%,
- (2) OV(HK): 40% and
- (3) Heng Sheng: 10%

of the issued share capital of Great Ascent

Consideration:

- (1) the consideration for the Great Ascent Acquisition together with other Great Ascent Purchasers is RMB75,000,000 (approximately equivalent to HK\$91,695,000) in aggregate subject to adjustment according to the valuation report on Great Ascent to be prepared by an independent professional valuer, four-ninths (4/9) of which will be satisfied by cash by the Company;
- (2) the repayment of Great Ascent and its subsidiary's bank loan(s) of approximately RMB50,000,000 (approximately equivalent to HK\$61,130,000), four-ninths(4/9) of which will be borne by the Company; and
- (3) the repayment of Great Ascent and its subsidiary's other loan(s) of approximately RMB60,000,000 (approximately equivalent to HK\$73,356,000), four-ninths(4/9) of which will be borne by the Company

Payment Terms:

- (1) RMB500,000 (approximately equivalent to HK\$611,300) earnest money shall be payable in proportion within 3 Business Days from the date of the Great Ascent Agreement;
- (2) 51% of (i) the Great Ascent Consideration (after deducting the earnest money) at RMB37,750,000 (approximately equivalent to HK\$46,153,100) and (ii) the repayment of other loan(s) at RMB30,600,000 (approximately equivalent to HK\$37,411,600) shall be payable in proportion within 3 Business Days after stamping on the transfer documents for the transfer of 90% of issued share capital of Great Ascent;

- (3) 29% of (i) the Great Ascent Consideration at RMB21,750,000 (approximately equivalent to HK\$26,591,600) and (ii) the repayment of other loan(s) at RMB17,400,000 (approximately equivalent to HK\$21,273,200) shall be payable in proportion within 7 Business Days after the execution of a land assignment in respect of 80.22 mu of land in Hongshan Sports Park; and
- (4) 20% of (i) the Great Ascent Consideration at RMB15,000,000 (approximately equivalent to HK\$18,339,000) and (ii) the repayment of other loan(s) at RMB12,000,000 (approximately equivalent to HK\$14,671,200) shall be payable in proportion within 7 Business Days after the execution of a land assignment in respect of 38.44 mu of land in Hongshan Sports Park

Default Rate: 3‰ per day for late payment of each of the abovesaid payment term

Debt Restructuring: the arrangement to be agreed between the parties to deal with the debt of Great Ascent and its subsidiary as revealed in the Great Ascent Purchasers' due diligence report (the "**Great Ascent Debt Restructuring**")

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, Heng Sheng, its ultimate beneficial owner(s) and Mr. Li Jun Bang are third parties independent of the Company and its respective connected persons.

Furthermore, (i) Heng Sheng and its ultimate beneficial owner(s); and (ii) Mr. Li Jun Bang are not related to each other.

Basis for determination of the Consideration

The consideration was determined after arm's length negotiations between the parties to the Great Ascent Agreement after taking into consideration various factors, including but not limited to (i) the preliminary valuation of the net assets of Great Ascent; and (ii) the valuation report on Great Ascent to be prepared by an independent professional valuer to be appointed by the Great Ascent Purchasers.

Conditions Precedent

Completion of the Great Ascent Acquisition is subject to the following Great Ascent Conditions Precedent:

- (a) all such documents required for the transfer of the shares of Great Ascent, including but not limited to resolutions of the shareholder(s) of Great Ascent to consent to the transfer pursuant to the Great Ascent Agreement and resignation from each of the directors and supervisors of Great Ascent and its subsidiary, having been duly executed;
- (b) the Great Ascent Purchasers or their professional advisers having satisfied with the due diligence results in relation to the assets, liabilities and operation of Great Ascent;

- (c) the Great Ascent Purchasers having obtained a Hong Kong legal opinion issued by Hong Kong lawyers appointed by the Great Ascent Purchasers in form and substance satisfactory to the Great Ascent Purchasers in their absolute discretion on the due establishment, valid subsistence of Great Ascent and the legality and feasibility of the Great Ascent Agreement and the transactions contemplated thereunder;
- (d) the Great Ascent Purchasers having obtained a PRC legal opinion issued by a PRC lawyer appointed by the Great Ascent Purchasers in form and substance satisfactory to the Great Ascent Purchasers in their absolute discretion on the due establishment and valid subsistence of Hongshan and its exclusive operation right in Hongshan Sports Park;
- (e) the Great Ascent Purchasers having obtained a valuation report on Great Ascent prepared by an independent professional valuer to be appointed by the Great Ascent Purchasers in the form and substance to the satisfaction of the Great Ascent Purchasers;
- (f) the land use and development plans of 200 mu of land in Hongshan Sports Park of the first quarter of 2018 submitted to the Regulation Committee of Yizheng Municipal Government* (儀征市政府規委會) of the PRC by the Great Ascent Purchasers or their nominee having been approved;
- (g) all such necessary consents as required by law and the Listing Rules from the Independent Shareholders of the Company in respect of the Great Ascent Agreement and the transactions contemplated thereunder having been obtained; and
- (h) all warranties, representations and undertakings given by Mr. Li Jun Bang in the Great Ascent Agreement shall remain true, accurate and not misleading.

Pursuant to the Great Ascent Agreement, the parties shall use their best endeavors to fulfill the aforesaid Great Ascent Conditions Precedent. If the conditions are not fulfilled (or being waived) on or before Long Stop Date, the Great Ascent Agreement shall terminate and neither of the parties shall have any claim against the other for costs, damages, compensation or otherwise save for any antecedent breach of the Great Ascent Agreement.

As at the date of this announcement, none of the above Great Ascent Conditions Precedent have been fulfilled.

Termination

The Great Ascent Agreement may be terminated if:

- (a) all parties agree in writing;
- (b) the Great Ascent Conditions Precedent are not fulfilled (or being waived) on or before Long Stop Date;
- (c) Mr. Li Jun Bang fails to complete the share transfer of Great Ascent to the Great Ascent Purchasers in Hong Kong pursuant to the Great Ascent Agreement or the parties fail to reach an agreement to the Great Ascent Debt Restructuring within 60 days after all the Great Ascent Conditions Precedent having been fulfilled; or
- (d) the Yiersan Agreement terminates.

YIERSAN AGREEMENT

Principal terms of the Yiersan Agreement are summarized below:

Date: 22 January 2018

Parties:

Purchasers

- (1) the Company
- (2) OVPD
- (3) Heng Sheng

Vendors

- (1) Yinmao
- (2) Mr. Nie Jiangqiang, a merchant

Equity Interest to be acquired by each of the Yiersan Purchasers:

- (1) the Company: 40%,
- (2) OVPD: 40% and
- (3) Heng Sheng: 20%

of the equity interest of Yiersan

Consideration: the consideration for the Yiersan Acquisition together with other Yiersan Purchasers is RMB50,000,000 (approximately equivalent to HK\$61,130,000) in aggregate subject to adjustment according to the valuation report on Yiersan to be prepared by an independent valuer, 40% of which will be satisfied by cash by the Company

Payment Terms:

- (1) RMB500,000 (approximately equivalent to HK\$611,300) earnest money shall be payable in proportion within 3 Business Days from the date of the Yiersan Agreement;
- (2) 51% of the Yiersan consideration (after deducting the earnest money) at RMB25,000,000 (approximately equivalent to HK\$30,565,000) shall be payable in proportion within 3 Business Days after the transfer of the entire equity interest of Yiersan to Yiersan Purchasers;

- (3) 29% of the Yiersan consideration at RMB14,500,000 (approximately equivalent to HK\$17,727,700) shall be payable in proportion within 7 Business Days after the execution of a land assignment in respect of 80.22 mu of land in Hongshan Sports Park; and
- (4) 20% of the Yiersan consideration at RMB10,000,000 (approximately equivalent to HK\$12,226,000) shall be payable in proportion within 7 Business Days after the execution of a land assignment in respect of 38.44 mu of land in Hongshan Sports Park,

Default Rate: 3‰ per day for late payment of each of the abovesaid payment term

Debt Arrangement: the arrangement of the debt of Yiersan as at the date of the completion of the registration of the entire equity interest of Yiersan pursuant to the Yiersan Agreement to be borne by the Yiersan Vendors (the “**Yiersan Debt Arrangement**”)

To the best of the Directors’ knowledge, information and belief, and having made all reasonable enquiries, Heng Sheng, Yinmao, their respective ultimate beneficial owners and Mr. Nie Jiangqiang are third parties independent of the Company and its respective connected persons.

Furthermore, (i) Heng Sheng and its ultimate beneficial owner(s); (ii) Yinmao and its ultimate beneficial owner(s) and (iii) Mr. Nie Jiangqiang are not related to each other.

Basis for determination of the Consideration

The consideration was determined after arm’s length negotiations between the parties to the Yiersan Agreement after taking into consideration various factors, including but not limited to (i) the preliminary valuation of net assets of Yiersan; and (ii) the valuation report on Yiersan to be prepared by an independent professional valuer to be appointed by the Yiersan Purchasers.

Conditions Precedent

Completion of the Yiersan Acquisition is subject to the following Yiersan Conditions Precedent:

- (a) all such documents required for the registration of the transfer of the entire equity interest of Yiersan pursuant to the Yiersan Agreement at all the relevant government authority of the PRC, including but not limited to resolutions of the shareholder(s) of Yiersan to consent to the transfer and resignation from each of the directors and supervisor of Yiersan, having been duly executed;
- (b) the Yiersan Purchasers or their professional advisers having satisfied with the due diligence results in relation to the assets, liabilities and operation of Yiersan;
- (c) the Yiersan Purchasers having obtained a PRC legal opinion issued by a PRC lawyer appointed by the Yiersan Purchasers on the due establishment and valid subsistence of Yiersan and the land use and project rights on the total 168 mu of land in Hongshan Sports Park Yiersan obtained pursuant to an agreement entered into between the Yiersan Vendors and Yizheng Zaolin Bay Ecological Park Management Committee* (儀征市棗林灣生態園管理委員會) dated 16 June 2008;

- (d) all such necessary consents as required by law and the Listing Rules from the Independent Shareholders of the Company in respect of the Yiersan Agreement and the transactions contemplated thereunder having been obtained;
- (e) the land use and development plans of 200 mu in Hongshan Sports Park of the first quarter of 2018 submitted to the Regulation Committee of Yicheng Municipal Government* (儀征市政府規委會) of the PRC by the Yiersan Purchasers or their nominee having been approved;
- (f) the Yiersan Purchasers having obtained a valuation report on Yiersan prepared by an independent professional valuer to be appointed by the Yiersan Purchasers in the form and substance to the satisfaction of the Yiersan Purchasers; and
- (g) all warranties, representations and undertakings given by Yiersan Vendors in the Yiersan Agreement shall remain true, accurate and not misleading in material.

Pursuant to the Yiersan Agreement, the parties shall use their best endeavors to fulfill the Yiersan Conditions Precedent. If the conditions are not fulfilled (or being waived) on or before Long Stop Date, the Yiersan Agreement shall terminate and neither of the parties shall have any claim against the other for costs, damages, compensation or otherwise save for any antecedent breach of the Yiersan Agreement.

As at the date of this announcement, none of the above Yiersan Conditions Precedent have been fulfilled.

Termination

The Yiersan Agreement may be terminated if:

- (a) all parties agree in writing;
- (b) the Yiersan Conditions Precedent are not fulfilled (or being waived) on or before Long Stop Date;
- (c) Yiersan Vendors fail to complete the registration of the transfer of the entire equity interest of Yiersan to the Yiersan Purchasers in the PRC or the parties fail to reach the Yiersan Debt Arrangement within 60 days after all the Yiersan Conditions Precedent having been fulfilled;
- (d) the Great Ascent Agreement terminates;
- (e) the requirements in respect of the listing for sale of 80.22 mu of land in Hongshan Sports Park cannot be completed within 30 days from the end of March 2018; or
- (f) the requirements in respect of the listing for bidding of 38.44 mu of land in Hongshan Sports Park cannot be completed within 30 days from the end of October 2018.

INFORMATION OF GREAT ASCENT

Great Ascent is a company established in Hong Kong and was incorporated on 13 September 2007 under the laws of Hong Kong with an issued capital of HK\$10,000. As at the date of this announcement, Great Ascent is wholly and beneficially owned by Mr. Li Jun Bang. Great Ascent wholly owns Hongshan, a company incorporated in the PRC, which has exclusive operation right in Hongshan Sports Park and it is the sole asset of Great Ascent. Great Ascent and its subsidiary are primarily involved in tourism projects.

The net liabilities of Great Ascent were approximately HK\$30,000 (including other payables of approximately HK\$60,611,000) as at 31 December 2017. The financial results of Great Ascent for the year ended 31 December 2016 and 2017 are as follows:

	For the year ended	
	31 December	
	2016	2017
	(unaudited)	(unaudited)
	<i>HK\$'000</i>	<i>HK\$'000</i>
Loss before tax	1	1
Loss after tax	1	1

Note: Based on the most recent available unaudited management accounts of Hongshan, as at 31 December 2016, Hongshan's net liabilities were approximately RMB11.2 million.

Upon completion, the Company will hold 40% of the issued share capital of Great Ascent and Great Ascent will become an associate of the Company.

INFORMATION OF YIERSAN

Yiersan is a company established in the PRC and was incorporated on 17 March 2011 with the registered and paid-in capital of RMB50,000,000. As at the date of this announcement, Yiersan is wholly and beneficially owned by the Yiersan Vendors. Yiersan and its subsidiary are primarily involved in real estate development and management; property services; real estate agencies; construction consulting services and sales of building materials.

The net asset value of Yiersan was approximately RMB50,000,000 (approximately equivalent to HK\$61,130,000) as at 31 December 2017. According to its unaudited financial statements, Yiersan has not incurred any profit or loss since its establishment to 31 December 2017.

Upon completion, the Company will hold 40% of the issued share capital of Yiersan and Yiersan will become an associate of the Company.

INFORMATION OF YINMAO

Yinmao was founded in 1957 and its predecessor was Nanjing Lead Zinc Silver Mining* (南京鉛鋅銀礦) which was reformed as Nanjing Lead Zinc Silver Mining Limited Company* (南京鉛鋅銀礦業有限公司) in 2001 and established as a corporation in 2007 with a registered capital of RMB50 million. Yinmao is a group company with integrated businesses of electronics, mechanical engineering, mining, chemical engineering, forestry and non-financial modern services.

INFORMATION OF HENG SHENG

Heng Sheng is principally engaged in asset management; investment management; investment consulting; business management consulting; economic and trade consulting; business planning; financial consulting (excluding audit, capital verification, audit, evaluation, accounting advice, accounting and other businesses which require special approval); project investment and technology promotion services.

REASONS FOR THE ACQUISITIONS

The Group is principally engaged in sale of air tickets and other travel-related services, trading and retail of jewellery products, provision of financial services and other investment holding business.

The Company has been exploring opportunities to expand its travel-related business in order to add momentum to the growth of the Group. In view of the local government intends to develop residential property and tourist attraction in the Hongshan Sports Park located on the land owned by Hongshan and Yiersan and provide ancillary facilities in the vicinity, the Acquisitions represent good investment opportunities for the Group to expand its travel business and drag in the real estate sector and thereby broaden the business scope and increase the profitability of the Group, which is in line with the Group's long-term strategy.

In addition, OVPD is indirectly wholly-owned by OV(HK), an investment holding company, which is in turn indirectly wholly-owned by Shi Baodong, the chairman and executive director of the Company and is principally engaged in real estate development in the PRC. The strategic cooperation with OVPD in the Acquisitions allow the Company to leverage on the business network and expertise of OVPD to gain a firm foothold in the PRC real estate industry. The Group is expected to be benefited from the Acquisitions.

LISTING RULES IMPLICATIONS

Since the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Acquisitions exceed 5% but are less than 25%, the Acquisitions constitute discloseable transactions for the Company under Rule 14.06 of the Listing Rules.

As at the date of this announcement, Mr. Shi Baodong, the chairman and an executive Director of the Company, is the director and ultimate shareholder of OV(HK), which OV(HK) indirectly wholly owns OVPD. Therefore, each of OV(HK) and OVPD is a connected person of the Company under the Listing Rules. Accordingly, each of the Acquisitions constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

GENERAL

The Independent Board Committee comprising all the independent non-executive Directors has been formed to advise the Independent Shareholders on the terms of the Great Ascent Agreement, the Yiersan Agreement and the transactions contemplated thereunder respectively.

An Independent Financial Adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders regarding, among other things, the terms of the Great Ascent Agreement, the Yiersan Agreement and the transactions contemplated thereunder respectively.

A circular containing, among other things, (i) further details about the Great Ascent Acquisition; (ii) further details about the Yiersan Acquisition; (iii) the recommendations of the Independent Board Committee on both the Great Ascent Acquisition and the Yiersan Acquisition; (iv) a letter of advice from the Independent Financial Advisor to the Independent Board Committee and the Independent Shareholders in relation to the Great Ascent Acquisition and the Yiersan Acquisition and the transactions contemplated thereunder respectively; and (v) the notice convening the EGM, will be dispatched to the Shareholders in accordance with the requirements of the Listing Rules. As the Company expects that it will require more time to collect and collate the information to be included in the circular, it is currently expected that the circular will be dispatched to the Shareholders on or before 6 February 2018.

Shareholders and potential investors should note that completion of the Acquisitions is subject to the fulfillment of the Great Ascent conditions precedent and Yiersan Conditions Precedent and therefore each of the Acquisitions may or may not occur. As each of the Acquisitions may or may not proceed to completion, Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

“Acquisitions”	the Great Ascent Acquisition and the Yiersan Acquisition
“Board”	the board of Directors
“Business Day(s)”	a day (other than a Saturday, a Sunday or a day on which a tropical cyclone warning signal number 8 or above or a “black” rainstorm warning signal is hosted in Hong Kong) on which banks are generally open for business in Hong Kong
“Company”	Orient Victory Travel Group Company Limited (東勝旅遊集團有限公司), a company incorporated in the Cayman Islands, the shares of which are listed on the Stock Exchange
“Connected Person(s)”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	the directors of the Company
“EGM”	an extraordinary general meeting of the Company to be convened to approve the Acquisitions
“OV(HK)”	Orient Victory Group HK Holdings Limited (東勝集團香港控股有限公司), a company incorporated in Hong Kong and Mr. Shi Baodong is the director of the company
“OVPD”	Orient Victory Property Development Group Co., Ltd.* (東勝房地產開發集團有限公司), a company incorporated in the PRC and indirectly wholly owned by OV(HK)

“OVRE”	Orient Victory Real Estate Group Holdings Limited (東勝置業集團控股有限公司), a company incorporated in the BVI and being a controlling shareholder of the Company
“Great Ascent”	Great Ascent Limited, a company incorporated in Hong Kong
“Great Ascent Acquisition”	the acquisition of 40% of the issued share capital of Great Ascent by the Company from Mr. Li Jun Bang subject to and upon the terms and conditions of the Great Ascent Agreement
“Great Ascent Agreement”	the conditional equity transfer agreement dated 22 January 2018 entered into between the Company, OV(HK) and Heng Sheng, as purchasers, and Mr. Li Jun Bang, as vendor in relation to the acquisition of 90% of the issued share capital of Great Ascent
“Great Ascent Conditions Precedent”	the conditions precedent to the completion of the Great Ascent Agreement
“Great Ascent Consideration”	RMB75,000,000 (approximately equivalent to HK\$91,695,000) subject to adjustment according to the valuation report on Great Ascent to be prepared by an independent valuer, repayment of Great Ascent and its subsidiary’s bank loan(s) of approximately RMB50,000,000 (approximately equivalent to HK\$61,130,000) and repayment of Great Ascent and its subsidiary’s other loan(s) of approximately RMB60,000,000 (approximately equivalent to HK\$73,356,000)
“Great Ascent Purchasers”	the Company, OV(HK) and Heng Sheng
“Group”	the Company and its subsidiaries
“Heng Sheng”	Heng Sheng Xin Ye (Beijing) Asset Management Company Limited* (恆晟鑫業(北京)資產管理有限公司), a company incorporated in the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hongshan”	Jiangsu Hongshan Sports Fitness Holiday Village Company Limited* (江蘇紅山體育健身度假村有限公司), a company incorporated in the PRC
“Hongshan Sports Park”	Hongshan Sports Park, Zaolin Hunan, Changshan Village, Tongshan office, Yizheng City, Jiangsu Province* (江蘇省儀征市銅山辦事處長山村棗林湖南紅山體育園)
“Independent Board Committee”	an independent committee of the Board comprising all the independent non-executive Directors formed to advise the Independent Shareholders on the terms of the Acquisitions

“Independent Financial Adviser”	the independent financial adviser to be appointed to advise the Independent Board Committee and the Independent Shareholders on the terms of the Acquisitions
“Independent Shareholders”	the shareholders of the Company other than Mr. Shi Baodong, OVRE and its associates
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	1 May 2018 or such other day as the parties may 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 of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of the share(s) of the Company from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Companies”	Great Ascent and Yiersan
“Yiersan”	Jiangsu Yiersan Real Estate Development Company Limited* (江蘇一二三房地產開發有限公司), a company incorporated in the PRC
“Yiersan Acquisition”	the acquisition of 40% equity interest in Yiersan by the Company from Yinmao subject to and upon the terms and conditions of the Yiersan Agreement
“Yiersan Agreement”	the conditional equity transfer agreement dated 22 January 2018 entered into between the Company, OVPD, and Heng Sheng, as purchasers, and Yinmao and Mr. Nie Jiangqiang as vendors in relation to the acquisition of the entire equity interest in Yiersan
“Yiersan Conditions Precedent”	the conditions precedent to the completion of the Yiersan Agreement
“Yiersan Consideration”	RMB50,000,000 (approximately equivalent to HK\$61,130,000) subject to adjustment according to the valuation report on Yiersan to be prepared by an independent valuer
“Yiersan Purchasers”	the Company, OVPD, and Heng Sheng
“Yiersan Vendors”	Yinmao and Mr. Nie Jiangqiang
“Yinmao”	Jiangsu Yinmao Holding (Group) Company Limited* (江蘇銀茂控股(集團)有限公司), a company incorporated in the PRC

“%” per cent

“‰” basis point

By order of the Board
Orient Victory Travel Group Company Limited
Shi Baodong
Chairman and Executive Director

Hong Kong, 22 January 2018

As at the date of this announcement, the Board comprises three executive Directors, being Mr. Shi Baodong, Mr. Zhao Huining and Mr. Wang Jianhua, one non-executive Director, being Ms. Song Sining, and three independent non-executive Directors, being Mr. Dong Xiaojie, Mr. He Qi and Mr. Law Wang Chak, Waltery.

For illustrative purpose of this announcement and unless otherwise specified, conversion of RMB into HK\$ is based on the exchange rate of RMB1.00 = HK\$1.2226.

* *For identification purpose only*