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ORIENT VICTORY CHINA HOLDINGS LIMITED

東勝中國控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 265)

**(1) VERY SUBSTANTIAL ACQUISITION
PROPOSED ACQUISITION OF 49% EQUITY INTEREST IN CHINA
COMFORT TRAVEL GROUP COMPANY LIMITED*
AND
(2) POSSIBLE ISSUE OF NEW SHARES
AND
(3) RESUMPTION OF TRADING**

Financial Adviser



ACQUISITION

On 26 March 2015, the Purchaser, being an indirect wholly-owned subsidiary of the Company, entered into the Equity Transfer Agreement with the Vendors and the Target Company, pursuant to which the Vendors have conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase, the Sale Interest, representing 49% equity interest in the Target Company in aggregate, at a total Consideration of RMB441,000,000 (approximately HK\$554,820,000). The Acquisition is conditional upon fulfillment of various conditions precedent under the paragraph headed "Conditions Precedent to the Equity Transfer Agreement".

FRAMEWORK AGREEMENT

On 26 March 2015, the Purchaser, Mr. Li (acting on behalf of the Vendors), Beijing Tourism Group and the Target Company entered into the Framework Agreement, which sets out the framework upon which the parties thereto will cooperate with one another in developing and managing the Target Company after the Acquisition.

POSSIBLE ISSUE OF NEW SHARES

As one of the conditions precedent to the Equity Transfer Agreement, the Company will negotiate with the Vendor(s) and/or other parties with a view to entering into a legally binding agreement in relation to the subscription by the Vendor(s) and/or other parties of new Shares to be issued by the Company. No agreement has been reached between the Company and the Vendor(s) and/or other parties at this stage. It is expected that the new Shares to be issued by the Company will not exceed 20% of the existing issued share capital of the Company. A separate announcement will be made by the Company if there shall be any development in this regard in accordance with the Listing Rules and the inside information provisions under Part XIVA of the SFO.

LISTING RULES IMPLICATIONS

As more than one of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Acquisition exceeds 100%, the Acquisition constitutes a very substantial acquisition for the Company and is therefore subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

A circular containing, among others, (i) further details of the Equity Transfer Agreement, the Acquisition, the Framework Agreement and information on the Target Company; (ii) the accountants' report on the Target Company; (iii) pro forma financial information of the enlarged Group; and (iv) notice of the EGM will be dispatched to Shareholders as soon as possible in accordance with the Listing Rules. It is expected that the circular will be dispatched to the Shareholders on or before 12 June 2015 which is more than 15 business days after the publication of this announcement, as the Company requires more time to prepare the information to be included in the circular.

EGM

The EGM will be convened to consider and, if thought fit, approve the Equity Transfer Agreement and the Framework Agreement and the transactions contemplated thereunder. To the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, none of the Shareholders have any material interest in the Equity Transfer Agreement and the Framework Agreement. Accordingly, no Shareholder will be required to abstain from voting at the EGM.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares was suspended from 9:00 a.m. on 23 March 2015 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 10 April 2015.

Shareholders and potential investors should note that the Acquisition Completion is subject to the conditions precedent to be fulfilled and/or waived (as the case may be) and therefore, the Acquisition may or may not be taken place. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares and other securities of the Company.

THE ACQUISITION

Introduction

On 26 March 2015, the Purchaser, being an indirect wholly-owned subsidiary of the Company, entered into the Equity Transfer Agreement with the Vendors and the Target Company, pursuant to which the Vendors have conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase, the Sale Interest, representing 49% equity interest in the Target Company in aggregate, at a total Consideration of RMB441,000,000 (approximately HK\$554,820,000). The Acquisition is conditional upon fulfillment of various conditions precedent under the paragraph headed "Conditions Precedent to the Equity Transfer Agreement". The principal terms of the Equity Transfer Agreement are set out below.

The Equity Transfer Agreement

Date

26 March 2015

Parties

- (1) the Purchaser;
- (2) the Vendors; and
- (3) the Target Company.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendors are Independent Third Parties.

As at the date of this announcement, the equity interest in the Target Company is owned as to 51% by Beijing Tourism Group and 49% in aggregate by the Vendors. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Beijing Tourism Group is an Independent Third Party.

Assets to be acquired

Pursuant to the Equity Transfer Agreement, the Purchaser has conditionally agreed to purchase and the Vendors has conditionally agreed to sell, the Sale Interest, representing 49% equity interest in the Target Company in aggregate.

Consideration

The Consideration payable by the Purchaser for the Sale Interest is RMB441,000,000 (approximately HK\$554,820,000), which will be settled in the following manners:

- (1) the Deposit in the sum of RMB44,100,000 (approximately HK\$55,480,000) shall be paid in cash within five business days from the signing the Equity Transfer Agreement; and
- (2) the Remaining Balance in the sum of RMB396,900,000 (approximately HK\$499,340,000) shall be paid into the Jointly-controlled Bank Account within seven business days after the fulfillment and/or waiver (as the case may be, save for the conditions precedent set out in paragraphs (5), (7), (8), (9), (11) and (12) under the heading "Conditions Precedent to the Equity Transfer Agreement" below which cannot be waived) of the conditions precedent to the Equity Transfer Agreement.

The Remaining Balance will be released to the Vendors on Acquisition Completion as described below.

The Consideration was determined after arm's length negotiations between the Vendors and the Purchaser, and determined with reference to, among other things, (i) the Enterprise Value to Earnings Before Interest, Taxation, Depreciation and Amortization (EV/EBITDA) of the Target Company of 22.48 times (based on the Consideration of RMB441,000,000) is lower than the average EV/EBITDA multiples of 46.37 times (based on 6 comparable listed companies); (ii) the net asset value attributable to the Sale Interest as at 31 December 2014; (iii) the brand name, reputation and market position of the Target Company; (iv) the historical operating and financial performance of the Target Company; and (v) the future prospects of the travel agency business in the PRC. Taking into consideration that the EV/EBITDA ratio for the Acquisition is close to the lower end of the range of comparable companies, the strong brand name and size of the Target Group, the expected synergies disclosed under the section "Reasons for the Acquisition", and the other factors mentioned above, the Directors are of the view that the Consideration is fair and reasonable.

Part of the Consideration is expected to be financed by the net proceeds from the possible issue of new Shares by the Company as described below, and the remaining (or the whole amount of the Consideration if such proposed issue of new Shares does not materialise) will be financed by internal resources of the Group, fundraising by issue of equity and/or debt securities, and/or borrowings from third parties. The Company has not decided on the details of the fundraising arrangements and will make further announcement(s) in compliance with the Listing Rules as and when appropriate.

Adjustment to the Consideration

The Consideration is subject to downward adjustment upon any of the following events that have taken place on or before the Acquisition Completion and not within the ordinary and usual course of business of the Target Company:

- (1) the Target Company disposes of its assets which exceeds RMB2,800,000 (approximately HK\$3,520,000) in value;
- (2) the Target Company distributes any dividends apart from the dividends to Beijing Tourism Group and the Vendors in an aggregate sum exceeding RMB7,000,000 (approximately HK\$8,810,000);
- (3) the Target Company enters into any purchase agreement at a total consideration exceeding RMB2,800,000 (approximately HK\$3,520,000); or
- (4) the Target Company enters into a guarantee, pledge or loan in an amount exceeding RMB2,800,000 (approximately HK\$3,520,000).

The Consideration shall be reduced by the net amount of loss suffered by the Target Company due to any such events as agreed between the Vendors and the Purchaser (“**Downward Adjustment**”). The Purchaser will assess each of the above events if it occurs and will agree on the net loss actually incurred by the target Company on an individual basis. The Company shall publish a further announcement in relation to the final Consideration if and when there shall be Downward Adjustment.

Conditions Precedent to the Equity Transfer Agreement

The Remaining Balance shall be paid into the Jointly-controlled Bank Account within seven business days after the fulfilment or waiver (as the case may be, save for the conditions precedent set out in paragraphs (5), (7), (8), (9), (11) and (12) which cannot be waived) of the conditions precedent to the Equity Transfer Agreement and its conditions precedent, inter alia, are as follows:

- (1) the warranties and representations given by the parties thereto under the Equity Transfer Agreement having remained true, accurate and not misleading between the date of Equity Transfer Agreement and the date of the Acquisition Completion;
- (2) the Purchaser having completed and being satisfied with the results of the financial and legal due diligence in relation to the Acquisition;
- (3) the auditors to be engaged by the Purchaser having completed the audit of the financial statements of the Target Company for the years ended 2011, 2012, 2013 and 2014 in accordance with international financial reporting standards and having no significant adverse comments;

- (4) the net asset value of the Target Company based on its audited accounts as at 31 December 2014 not being less than its audited net asset value as at 31 December 2013;
- (5) the Equity Transfer Agreement and the Framework Agreement having been approved by the Shareholders at the EGM;
- (6) the entering into of the Subscription Agreement between the Company and the Vendor(s) and/or other parties in a form and on terms satisfactory to the Vendors and the Company;
- (7) the existing shareholders of the Target Company having passed the relevant resolutions to approve the Acquisition and the shareholders of the Target Company after the Acquisition Completion (i.e. Beijing Tourism Group and the Purchaser) having passed the relevant resolutions relating to, among other things, the rights of the shareholders and the appointment of new directors on terms satisfactory to Beijing Tourism Group and the Purchaser;
- (8) the shareholders of the Target Company after the Acquisition Completion (i.e. Beijing Tourism Group and the Purchaser) having passed the relevant resolutions in relation to the adoption of new articles of association of the Target Company which shall include terms relating to the composition of the board of directors and protection of the shareholders' rights to the satisfaction of the Purchaser;
- (9) the Vendors, the Purchaser and Beijing Tourism Group having agreed on an operating proposal in relation to the smooth transition of the operation management and maintaining steady growth in the business performance of the Target Company after the Acquisition on terms satisfactory to the Vendors, the Purchaser and Beijing Tourism Group;
- (10) there being no applicable laws and regulations which would prohibit or limit the Acquisition;
- (11) the Stock Exchange or the SFC not having indicated or ruled that the Acquisition would be deemed to be a reverse takeover as defined under the Listing Rules; and
- (12) the Vendors and the Target Company having used their respective best endeavours to provide the Purchaser with all the required information to enable the Company to issue the relevant announcement(s) and circular in relation to the Acquisition, and the Vendors and the Target Company agree that the Purchaser may engage an accounting firm to complete the audit of the Target Company in accordance with the Listing Rules and/or the requirements or other relevant authorities.

In the event that any of the conditions precedent set out in paragraphs (5) or (11) above cannot be fulfilled by the Long Stop Date, any of the parties thereto is entitled to terminate the Equity Transfer Agreement, the Purchaser shall not have any liabilities therefor and the Deposit shall be returned to the Purchaser.

In the event that any of the conditions precedent set out in paragraphs (6) or (7) above cannot be fulfilled by the Long Stop Date, any of the parties thereto is entitled to terminate the Equity Transfer Agreement, the Vendors shall not have any liabilities therefor and the Deposit shall be returned to the Purchaser.

Tax clearance and registration at the AIC

Within seven business days after the payment of the Remaining Balance into the Jointly-controlled Bank Account, the Purchaser shall arrange to withhold from the Consideration and pay in accordance with applicable laws and regulations and the requirements of the relevant tax authorities the amount of tax payable by the Vendors in relation to the Acquisition.

Within one business day after completing the tax filing and obtaining of certificate of tax payment from the relevant tax authorities, the parties to the Equity Transfer Agreement shall arrange to submit all relevant documents to the AIC to effect the transfer of the Sale Interest and use their best endeavours to complete the registration procedures as soon as possible.

Acquisition Completion

The Acquisition Completion shall take place upon the completion of the registration at the AIC, which shall not be later than the Long Stop Date.

On the date of the Acquisition Completion, the Remaining Balance, after deducting the tax payable by the Vendors for the Acquisition and an amount equivalent to the Downward Adjustment (if any), will be paid to a bank account designated by Mr. Li, who will then arrange to distribute the Consideration among the Vendors based on their respective proportion of equity interest in the Target Company. The Vendors agreed that the payment of the Consideration to Mr. Li by the Purchaser shall be deemed to discharge the payment obligation of the Purchaser to all of the Vendors.

Immediately after the Acquisition Completion, the Target Company will be owned as to 49% by the Purchaser and 51% by Beijing Tourism Group and will be accounted for as an associate of the Company, and the financial results, assets and liabilities of the Target Company will be stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting.

Termination upon Breach

If the Equity Transfer Agreement is terminated due to a material breach of the Purchaser, the Vendors shall be entitled to forfeit the Deposit. If the Equity Transfer Agreement is terminated due to a material breach of the Vendors, the Vendors shall pay the Purchaser an amount equivalent to twice the amount of the Deposit (i.e. RMB88,200,000 (approximately HK\$110,960,000)) within five days after the termination of the Equity Transfer Agreement. If the Equity Transfer Agreement is terminated due to failure to obtain any approvals from any governmental or securities regulatory authorities or stock exchanges, or the Acquisition Completion does not take place by the Long Stop Date otherwise than due to any material breach of the Vendors or the Purchaser, or if any of the conditions precedent to the Equity Transfer Agreement could not be satisfied, the Vendors shall return the Deposit to the Purchaser within five days thereafter.

FRAMEWORK AGREEMENT

On 26 March 2015, the Purchaser, Mr. Li (acting on behalf of the Vendors), Beijing Tourism Group and the Target Company entered into the Framework Agreement, which sets out the framework upon which the parties thereto will cooperate with one another in developing and managing the Target Company after the Acquisition. The principal terms of the Framework Agreement are set out below.

Date

26 March 2015

Parties

- (1) the Purchaser;
- (2) Mr. Li (acting on behalf of the Vendors);
- (3) Beijing Tourism Group; and
- (4) the Target company.

Commencement

The Framework Agreement shall take effect upon the signing of the parties thereto, save for the terms under the paragraph heading “Co-operation” below, which shall be effective only upon the following having been fulfilled:

- (1) the Equity Transfer Agreement and the Framework Agreement having been approved by the Shareholders at the EGM;
- (2) the shareholders of the Target Company having passed the relevant resolutions in relation to the Acquisition; and
- (3) the Vendors, the Purchaser and Beijing Tourism Group having agreed on an operating proposal in relation to the smooth transition of the operation management and maintaining steady growth in the business performance of the Target Company after the Acquisition on terms satisfactory to the Vendors, the Purchaser and Beijing Tourism Group.

Co-operation

The parties have agreed on certain co-operation objectives and principles, the main terms of which are summarised as follows:

(i) Principles of co-operation

After the Acquisition, Beijing Tourism Group shall maintain its status as the controlling shareholder of the Target Company. The Purchaser and its related parties shall not seek to gain shareholding or management control over the Target Company.

(ii) *Financial support*

After the Acquisition, the Purchaser shall provide financial support and security in relation to the Target Company in proportion to its shareholding, subject to the compliance with the relevant Listing Rules requirements. Such financial support shall include replacement of those already provided by Beijing Tourism Group and the amount to be borne by the Purchaser in proportion to its shareholding in the Target Company shall be RMB38,710,000 (approximately HK\$48,700,000). In the event that the Purchaser provides such financial assistance to the Target Company, the Company will issue an announcement to inform the Shareholders and potential investors in accordance with the relevant requirements under Chapter 13 of the Listing Rules.

(iii) *Composition of the board of directors of the Target Company*

The board of the Target Company shall comprise of nine directors, being seven executive directors (four of whom shall be nominated by Beijing Tourism Group and three of whom shall be nominated by the Purchaser) and two independent non-executive directors (each of Beijing Tourism Group and the Purchaser shall nominate one).

(iv) *Restriction on transfer of equity interest in the Target Company*

The Purchaser shall not transfer the whole or any part of its equity interest in the Target Company without the prior consent of the Beijing Tourism Group.

POSSIBLE ISSUE OF NEW SHARES

As one of the conditions precedent to the Equity Transfer Agreement, the Company will negotiate with the Vendor(s) and/or other parties with a view to entering into a legally binding agreement in relation to the subscription by the Vendor(s) and/or other parties of new Shares to be issued by the Company. No agreement has been reached between the Company and the Vendor(s) and/or other parties at this stage. It is expected that the new Shares to be issued by the Company will not exceed 20% of the existing issued share capital of the Company. A separate announcement will be made by the Company if and when there shall be any development in this regard in accordance with the Listing Rules and the inside information provisions under Part XIVA of the SFO.

INFORMATION ON BEIJING TOURISM GROUP AND THE TARGET COMPANY

As a stated-owned enterprise, Beijing Tourism Group is one of the largest travel corporations in the PRC with modernised operations, with business area covering hotels, travel agencies, automobile services, retail, catering, conventions and exhibitions, entertainment and tourist attractions. Actively engaged in reforming its business flows, Beijing Tourism Group further improves its six major tourism business segments, namely dining, accommodation, transportation, travel, retail and entertainment. Through leveraging on the synergy from brand concentration and strengthening its network management, Beijing Tourism Group has been pursuing integration in respect of its business segments of hotel, travel agency, catering, automobile services and travelling, thus achieving inter-segmental synergy.

The Target Company was established in the PRC in 1984. As the date of this announcement, the Target Company is owned as to 49% by the Vendors and as to 51% by Beijing Tourism Group, and its total registered capital amounted to RMB70,000,000 (approximately HK\$88,070,000). The principal activities of the Target Company are provision of travel agent services in the PRC, including domestic travel, outbound travel and inbound travel.

Based on the unaudited management accounts of the Target Company, the Target Company had an net assets value of approximately RMB144,872,776 (approximately HK\$182,264,439) as at 31 December 2014. The following table shows the financial information of the Target Company for the two years ended 31 December 2013 and 31 December 2014:

	For the year ended 31 December	
	2013 (audited) RMB/HK\$	2014 (unaudited) RMB/HK\$
Net Profit before taxation	15,809,715/ 19,890,202	15,838,017/ 19,925,809
Net Profit after taxation	9,862,672/ 12,408,227	10,831,868/ 13,627,573

REASONS FOR THE ACQUISITION

The Target Company is a renowned nation-wide travel services company in the PRC. The Directors believe that through the Acquisition, the Company can extend the scope of its travelling business in the PRC and that the Acquisition can strengthen and create synergies with the existing travel business of the Group for corporate clients as the Acquisition would provide an opportunity for the Company to enter into the massive PRC travel industry through the invaluable relationship with the Target Company. The Company would also be able to leverage on the established nation-wide network and connections of the Target Company as well as its strong brand name of the Target Company to expand into the PRC tour and corporate travel service businesses.

The Company is expected to enjoy (i) cost savings from bulk purchases of air-tickets and hotel and attraction bookings; (ii) growing prospects by expansion into the PRC tour and corporate travel service businesses by co-operating with the Target Company; and (iii) cross selling the products and services of the Target Company to the Company's corporate clients in Hong Kong.

The relationship with Beijing Tourism Group, which is a leading state-owned travel services company in the PRC, would be invaluable to the Group as it would enhance the Group's overall competitiveness in the PRC market and would be a useful resource to other potential opportunities in the PRC. The Directors also consider that the Acquisition is in line with one of the existing principal business of the Group and that the expanded scope of business of the Group into the travelling business in the PRC would provide an extra income source for the Group.

Having considered the above, the Directors are of the view that the terms of the Equity Transfer Agreement and the Framework Agreement have been negotiated on an arm's length basis and the terms of the Equity Transfer Agreement and the Framework Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As more than one of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Acquisition exceeds 100%, the Acquisition constitutes a very substantial acquisition for the Company and is therefore subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

A circular containing, among others, (i) further details of the Equity Transfer Agreement, the Acquisition, the Framework Agreement and information on the Target Company; (ii) the accountants' report on the Target Company; (iii) pro forma financial information of the enlarged Group; and (iv) notice of the EGM will be dispatched to Shareholders as soon as possible in accordance with the Listing Rules. It is expected that the circular will be dispatched to the Shareholders on or before 12 June 2015 which is more than 15 business days after the publication of this announcement, as the Company requires more time to prepare the information to be included in the circular.

EGM

The EGM will be convened to consider and, if thought fit, approve the Equity Transfer Agreement, the Framework Agreement and the transactions contemplated thereunder. To the best of the knowledge, information and belief of the Directors and having made all reasonable enquiries, none of the Shareholders have any material interest in the Equity Transfer Agreement and the Framework Agreement. Accordingly, no Shareholder will be required to abstain from voting at the EGM.

INFORMATION ON THE PURCHASER AND THE GROUP

The Purchaser is a company established in the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company. Its principal businesses are investment holding and/or provision of travel-related services in the PRC.

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

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares was suspended from 9:00 a.m. on 23 March 2015 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 10 April 2015.

Shareholders and potential investors should note that the Acquisition Completion is subject to the conditions precedent to be fulfilled and/or waived (as the case may be) and therefore, the Acquisition may or may not be taken place. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares and other securities of the Company.

DEFINITIONS

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

“Acquisition”	the proposed acquisition of the Sale Interest by the Purchaser from the Vendors in accordance with the terms and conditions of the Equity Transfer Agreement
“Acquisition Completion”	completion of the Acquisition in accordance with the terms and conditions of the Equity Transfer Agreement
“AIC”	State Administration for Industry and Commerce of the PRC
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Beijing Tourism Group”	Beijing Tourism Group Company Limited* (北京首都旅遊集團有限責任公司), a company established in the PRC which holds 51% equity interest in the Target Company as at the date of this announcement
“Company”	Orient Victory China Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange
“connected person(s)”	has the meaning as ascribed to it under the Listing Rules
“Consideration”	the total consideration of RMB441,000,000 (approximately HK\$554,820,000) payable by the Purchaser for the Acquisition
“Deposit”	a deposit of RMB44,100,000 (approximately HK\$55,480,000) payable by the Purchaser in accordance with the Equity Transfer Agreement
“Director(s)”	the director(s) of the Company
“EGM”	an extraordinary general meeting of the Company to be convened and held to approve the Equity Transfer Agreement, the Framework Agreement and the transactions contemplated thereunder
“Enterprise Value”	generally means the total value of a company with reference to the sum of the market value of its common stock, the market value of its preferred equity, the market value of its debt and minority interest minus cash and investments
“Equity Transfer Agreement”	the equity transfer agreement dated 26 March 2015 entered into among the Vendors, the Purchaser and the Target Company in relation to the Acquisition

“Framework Agreement”	the framework agreement date 26 March 2015 entered into among Mr. Li (on behalf of all the Vendors), the Purchaser, Beijing Tourism Group and the Target Company
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party” or “Independent Third Parties”	individual or company and their respective ultimate beneficial owner which, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, are third parties independent of and not connected with the Company and its connected persons
“Jointly-controlled Bank Account”	a bank account to be opened and controlled by the Purchaser and the Vendors at a bank as designated by the parties for the intended purchase of the Sale Interest
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	150 days from the date of the Equity Transfer Agreement
“Mr. Li”	Mr. Li Jilie* (李繼烈), being one of the Vendors, who holds 8.14% equity interest in the Target Company as at the date of this announcement
“PRC”	the People’s Republic of China, which, for the purpose of this announcement, does not include Hong Kong, Macao Special Administrative Region and Taiwan
“Purchaser”	Shenzhen Dongsheng Huamei Cultural Travel Company Limited* (深圳東勝華美文化旅遊有限公司), a company established in the PRC and an indirect wholly-owned subsidiary of the Company
“Remaining Balance”	a balance of the Consideration in a sum of RMB396,900,000 (approximately HK\$499,340,000) after deducting the Deposit payable by the Purchaser in accordance with the Equity Transfer Agreement
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Interest”	the 49% equity interest in the Target Company owned by the Vendors as at the date of this announcement
“SFC”	the Securities and Futures Commission of Hong Kong

“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.025 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Agreement”	a subscription agreement to be negotiated and entered into between the Company and the Vendor(s) and/or other parties in relation to the possible issue of new Shares by the Company
“Target Company”	China Comfort Travel Group Company Limited* (中國康輝旅行社集團有限責任公司), a company established in the PRC and its equity interest is owned as to 51% and 49% by Beijing Tourism Group and the Vendors respectively, as at the date of this announcement
“Vendors”	comprising 36 natural persons (including Mr. Li) who are Independent Third Parties and in aggregate hold 49% equity interest in the Target Company as at the date of this announcement
“%”	per cent.

For the purpose of this announcement, unless otherwise indicated, conversions of RMB into HK\$ is calculated at the approximate exchange rate of RMB1.00 to HK\$1.2581. This exchange rate is adopted for the purpose of illustration only and does not constitute a representation that any amounts have been, could have been, or may be, exchanged at this or any other rate at all.

By Order of the Board
Orient Victory China Holdings Limited
Shi Baodong
Chairman and Executive Director

Hong Kong, 9 April 2015

As at the date of this announcement, the Board of the Company comprises three executive Directors, being Mr. Shi Baodong, Mr. Wang Jianhua and Ms. Xu Yongmei, one non-executive Director, being Mr. Li Yankuan, and three independent non-executive Directors, being Mr. Dong Xiaojie, Mr. He Qi and Mr. Law Wang Chak, Waltery.

* for identification purpose only