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## **Bonjour Holdings Limited**

### **卓悦控股有限公司**

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

**(Stock Code: 653)**

**DISCLOSEABLE TRANSACTION:  
ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL  
AND  
SHAREHOLDER'S LOAN  
OF THE TARGET COMPANY**

On 18 February 2014 (after trading hours), Active Earn (as the purchaser), the Vendor and the Vendor's Guarantor entered into the Share Sale Agreement, pursuant to which Active Earn conditionally agreed to purchase and the Vendor conditionally agreed to sell the Sale Share, representing the entire issued share capital of the Target Company at a consideration of HK\$3,321,615.75.

On 18 February 2014 (after trading hours), Bonjour Cosmetic (as the purchaser), the Vendor and the Vendor's Guarantor entered into the Debt Sale Agreement, pursuant to which the Vendor conditionally agreed to assign to Bonjour Cosmetic the Sale Debt, representing the entire shareholder's loan owing by the Target Company to the Vendor, at a consideration of HK\$160,578,384.25.

The acquisition of the Sale Share contemplated under the Share Sale Agreement and the acquisition of the Sale Debt contemplated under the Debt Sale Agreement constitutes a discloseable transaction for the Company under the Listing Rules and therefore is subject to notification and announcement requirements of Chapter 14 of the Listing Rules.

Reference is made to the announcement of the Company dated 6 January 2014 and the MOU. Capitalised terms used in this announcement shall have the same meaning ascribed therein, unless defined otherwise.

The Board is pleased to announce that on 18 February 2014 (after trading hours), Active Earn and Bonjour Cosmetic respectively entered into the Share Sale Agreement and the Debt Sale Agreement with the Vendor and the Vendor's Guarantor.

The principal terms of the Share Sale Agreement and the Debt Sale Agreement are set out below:

## **THE SHARE SALE AGREEMENT**

- Date** : 18 February 2014
- Purchaser** : Active Earn Limited, a company incorporated in BVI with limited liability and an indirect wholly-owned subsidiary of the Company.
- Vendor** : Million Worldwide Investment Limited, a company incorporated in BVI with limited liability, principal business of which is investment holding, and a non-wholly owned subsidiary of the Vendor's Guarantor.
- Vendor's Guarantor** : Town Health International Investments Limited, a company incorporated in Cayman and continued in Bermuda with limited liability, whose shares are listed on the Main Board of the Stock Exchange.

To the best of the Director's knowledge, information and belief having made all reasonable inquiry, each of the Vendor and its ultimate beneficial owners is a third party independent of the Company and connected persons of the Company

### **Assets to be acquired**

The Vendor conditionally agreed to sell and Active Earn conditionally agreed to purchase the Sale Share free from all encumbrances together with all rights now or thereafter attaching thereto, including all dividends or distributions which may be paid, declared or made in respect thereof at any time on or after the Share Sale Completion Date at a consideration of HK\$3,321,615.75.

The Sale Share represents the entire issued share capital of the Target Company and is owned by the Vendor.

### **Share Sale Consideration**

The Share Sale Consideration in the sum of HK\$3,321,615.75 shall be paid by Active Earn to the Vendor (or its nominee(s)) at Share Sale Completion.

The Share Sale Consideration shall be paid by Active Earn by cheque drawn on a licensed bank in Hong Kong in favour of and to the Vendor (or its nominee(s)) at Share Sale Completion pursuant to the Share Sale Agreement.

The Share Sale Consideration will be funded by the proceeds from the Placing, details of which can be found in the Company's announcements dated 16 January 2014 and 4 February 2014. The Share Sale Consideration was arrived at after arm's length negotiations between the Vendor and Active Earn on

normal commercial terms principally with reference to the valuation of the Property of approximately HK\$163 million as at 6 January 2014 conducted by an independent professional valuer, the net asset value of the Target Company as at 14 February 2014 and the amount of the Sale Debt.

### **Conditions precedent**

Completion shall be conditional upon the following conditions precedent:

- (1) the Vendor and Vendor's Guarantor Warranties remaining true and accurate in all material respects and not misleading in any material respect upon Share Sale Completion;
- (2) the Active Earn Warranties remaining true and accurate in all material respects and not misleading in any material respect upon Share Sale Completion;
- (3) all relevant regulatory requirements (including but not limited to those under the Listing Rules and all relevant regulatory requirements in Hong Kong) in relation to the transactions contemplated under the Share Sale Agreement having been complied with and satisfied;
- (4) the Existing Security being released in full on the Share Sale Completion Date (or such later date as agreed by Active Earn and the Vendor);

The Vendor may waive condition precedent (2) referred to above by written notice to Active Earn and Active Earn may waive conditions precedent (1) and/or (4) referred to above by written notice to the Vendor. The condition precedent (3) referred to above is not capable of being waived by Active Earn and the Vendor.

If any of the above conditions precedent shall not have been fulfilled or waived (as the case may be) on the Share Sale Completion Date, the Share Sale Agreement shall lapse immediately thereafter and be of no further effect and neither the Vendor nor Active Earn shall have any claim against or liability or obligation to the other party under the Share Sale Agreement save for any antecedent breaches.

### **Share Sale Completion**

Completion of the Share Sale Agreement shall take place on the Share Sale Completion Date.

### **The Release of the Existing Security by the Vendor and the Vendor's Guarantor**

As at the date of this announcement, the Target Company has created the Existing Security on the Property to secure general banking facilities granted by Dah Sing in favour of Town Health Asset. Pursuant to the Share Sale Agreement, each of the Vendor and the Vendor's Guarantor will (i) procure the Existing Security to be released in full on the Share Sale Completion Date and (ii) procure delivery of the Existing Security and release relating thereto to Active Earn's solicitors within 30 days from the Share Sale Completion Date.

## THE DEBT SALE AGREEMENT

- Date** : 18 February 2014
- Purchaser** : Bonjour Cosmetic Wholesale Center Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company.
- Vendor** : Million Worldwide Investment Limited, a company incorporated in BVI with limited liability, principal business of which is investment holding, and a non-wholly owned subsidiary of the Vendor's Guarantor.
- Vendor's Guarantor** : Town Health International Investments Limited, a company incorporated in Cayman and continued in Bermuda with limited liability, whose shares are listed on the Main Board of the Stock Exchange.

To the best of the Director's knowledge, information and belief having made all reasonable inquiry, each of the Vendor and its ultimate beneficial owners is a third party independent of the Company and connected persons of the Company

### The Sale Debt

The Vendor conditionally agreed to sell and Bonjour Cosmetic conditionally agreed to purchase all rights, titles, benefits and interests in the Sale Debt free from all encumbrances to the intent that Bonjour Cosmetic (or such person as Bonjour Cosmetic may direct) shall take an assignment of the Sale Debt with effect from the Debt Sale Completion Date at a consideration of HK\$160,578,384.25 being the amount of the Sale Debt.

The Sale Debt is owed by the Target Company to the Vendor as a shareholder's loan. As at the date of this announcement, such shareholder's loan amount to HK\$160,578,384.25.

### Debt Sale Consideration

The Debt Sale Consideration in the aggregate sum of HK\$160,578,384.25 shall be paid by Bonjour Cosmetic to the Vendor (or its nominee(s)) in the following manner:

- (1) HK\$20,000,000, being deposit and in part payment of the Debt Sale Consideration, was paid by a cheque drawn on a licensed bank in Hong Kong in favour of and to the Vendor's nominee upon signing of the MOU.
- (2) HK\$140,578,384.25, being remaining part of the Debt Sale Consideration, shall be paid by cheque drawn on a licensed bank in Hong Kong in favour of and to the Vendor (or its nominee(s)) at Debt Sale Completion.

- (3) Where the Debt Sale Consideration or any part thereof is required to be applied by the Target Company to discharge the Existing Security, the Vendor or the Vendor's solicitors shall give prior notice in writing to Bonjour Cosmetic or Bonjour Cosmetic's solicitors, to require Bonjour Cosmetic to split such payment and deliver to the Vendor's solicitors one or more cheque(s) issued in favour of the person(s) or party/parties entitled to such payment(s) and a separate cheque in favour of the Vendor (or its nominee(s)) for the balance.

The Debt Sale Consideration will be funded by the proceeds from the Placing, details of which can be found in the Company's announcements dated 16 January 2014 and 4 February 2014. The Debt Sale Consideration was arrived at after arm's length negotiations between the Vendor and Bonjour Cosmetic on normal commercial terms principally with reference to the amount of the Sale Debt.

### **Conditions precedent**

Debt Sale Completion shall be conditional upon the following conditions precedent:

- (1) the Vendor and the Vendor's Guarantor Warranties remaining true and accurate in all material respects and not misleading in any material respect upon Debt Sale Completion;
- (2) the Bonjour Cosmetic Warranties remaining true and accurate in all material respects and not misleading in any material respect upon Debt Sale Completion;
- (3) all relevant regulatory requirements (including but not limited to those under the Listing Rules and all relevant regulatory requirements in Hong Kong) in relation to the transactions contemplated under this Debt Sale Agreement having been complied with and satisfied;
- (4) the Existing Security being released in full on Debt Sale Completion (or such later date as agreed by Bonjour Cosmetic and the Vendor);

The Vendor may waive condition precedent (1) above by written notice to Bonjour Cosmetic and Bonjour Cosmetic may waive conditions precedent (1) and/or (4) above by written notice to the Vendor. The condition precedent (3) referred to above is not capable of being waived by Bonjour Cosmetic and the Vendor. If any of the above conditions precedent shall not have been fulfilled or waived (as the case may be) on the Debt Sale Completion Date, the Debt Sale Agreement shall lapse immediately thereafter and be of no further effect and neither the Vendor nor Bonjour Cosmetic shall have any claim against or liability or obligation to the other party under the Debt Sale Agreement save for any antecedent breaches.

### **Debt Sale Completion**

Completion of the Debt Sale Agreement shall take place on the Debt Sale Completion Date.

## **The Release of the Existing Security by the Vendor and the Vendor's Guarantor**

As at the date of this announcement, the Target Company has created the Existing Security on the Property to secure general banking facilities granted by Dah Sing in favour of Town Health Asset. Pursuant to the Debt Sale Agreement, the Vendor and the Vendor's Guarantor will (i) procure the Existing Security to be released in full on the Debt Sale Completion Date and (ii) will procure delivery of the Existing Security and release relating thereto to Bonjour Cosmetic's solicitors within 30 days from the Debt Sale Completion Date.

## **INFORMATION ON THE VENDOR AND THE TARGET COMPANY**

The Vendor is a company incorporated in BVI with limited liability, the principal business of which is investment holding.

The Target Company is a company incorporated in Hong Kong with limited liability, the principal business of which is property investment holding and its principal asset is the Property, which is currently leased to and occupied as retail shops of the Group. The Target Company is wholly-owned by the Vendor.

The unaudited management accounts of the Target Company for the period ended 31 December 2013 and for the period from 1 January 2014 to 14 February 2014 is set out below:

	<b>For the period ended 31 December 2013</b>	<b>For the period from 1 January 2014 to 14 February 2014 HK\$</b>
<b>Net Profit before tax</b>	2,436,988	571,995
<b>Net Profit after tax</b>	2,034,885	477,616

*Note:* The Target Company was incorporated in January 2013 and engaged solely in investment holding of the Property.

Upon Share Sale Completion, the Target Company will become wholly-owned by Active Earn. Upon Debt Sale Completion, Bonjour Cosmetic will become the legal and beneficial owner of the Sale Debt together with all rights, titles, benefits and interests in the Sale Debt free from all encumbrances.

## **INFORMATION ON THE GROUP**

The Group is principally engaged in the retail and wholesale of brand name beauty and health-care products and the operation of beauty and health salons in Hong Kong.

## REASONS AND BENEFITS OF THE ACQUISITION

The principal asset of the Target Company is the Property, which is currently leased to and occupied as retail shops of the Group at a monthly fee (rent, management fee and other fees) of HK\$370,000. Under the tenancy agreement, the monthly fee will rise to HK\$380,000 commencing from 16 April 2014. The Company intends to hold the Property through the Target Company for investment purposes as well as providing a retail shop for the Group under a stable monthly fee should market rents continue to rise in the future. On the other hand, the acquisition of the Sale Debt by Bonjour Cosmetic will clear off the shareholder's loan owed by the Target Company to the Vendor. The Directors are of the view that the Acquisition will financially benefit the Group in the near future.

The terms of Share Sale Agreement and the Debt Sale Agreement were determined after arm's length negotiations between the parties thereto and the Directors are of the view that the terms of the agreements are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## IMPLICATIONS UNDER THE LISTING RULES

As the applicable percentage ratio exceeds 5% but is less than 25%, the acquisitions of the Sale Share and the Sale Debt contemplated under the Share Sale Agreement and Debt Sale Agreement constitute (in aggregate) a discloseable transaction for the Company under the Listing Rules and is therefore subject to notification and announcement requirements of Chapter 14 of the Listing Rules.

## DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

- “Acquisition”** the acquisition of the Sale Share under the Share Sale Agreement and the acquisition of the Sale Debt under the Debt Sale Agreement;
- “Active Earn”** Active Earn Limited, a company incorporated in BVI with limited liability and an indirect wholly-owned subsidiary of the Company, being the purchaser under the Share Sale Agreement;
- “Active Earn Warranties”** the representations, warranties and undertakings given by Active Earn to the Vendor under the Share Sale Agreement;
- “Board”** the board of Directors;
- “Bonjour Cosmetic”** Bonjour Cosmetic Wholesale Center Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly owned subsidiary of the Company; being the purchaser under the Debt Sale Agreement;



<b>“Bonjour Cosmetic Warranties”</b>	the representations, warranties and undertakings given by Bonjour Cosmetic to the Vendor under the Debt Sale Agreement;
<b>“BVI”</b>	the British Virgin Islands;
<b>“Cayman”</b>	the Cayman Islands;
<b>“Company”</b>	Bonjour Holdings Limited, a company incorporated in Cayman, the issued shares of which are listed on the Main Board of the Stock Exchange;
<b>“connected person(s)”</b>	has the meaning ascribed to it under the Listing Rules;
<b>“Dah Sing”</b>	Dah Sing Bank Limited;
<b>“Debt Sale Agreement”</b>	the agreement for assignment of the Sale Debt dated 18 February 2014 entered into between Bonjour Cosmetic as purchaser and Million Worldwide as vendor;
<b>“Debt Sale Completion”</b>	completion of the assignment of the Sale Debt pursuant to the Debt Sale Agreement;
<b>“Debt Sale Completion Date”</b>	21 February 2014 or such other date as the parties to the Debt Sale Agreement may agree in writing;
<b>“Director(s)”</b>	the director(s) of the Company;
<b>“Existing Security”</b>	all charges and mortgages over the Property, namely: <ul style="list-style-type: none"> <li>(1) a rental assignment dated 3 June 2013 created by the Target Company to secure all sums of money in respect of general banking facilities granted to Town Health Asset and interest thereon in favour of Dah Sing; and</li> <li>(2) a mortgage dated 3 June 2013 created by the Target Company to secure all sums of money in respect of general banking facilities granted to Town Health Asset and interest thereon in favour of Dah Sing.</li> </ul>
<b>“Group”</b>	the Company and its subsidiaries;
<b>“HK\$”</b>	Hong Kong dollars, the lawful currency of Hong Kong;
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the People’s Republic of China;
<b>“Listing Rules”</b>	The Rules Governing the Listing of Securities on the Stock Exchange;



<b>“Million Worldwide”</b>	Million Worldwide Investment Limited, a company incorporated in BVI with limited liability, principal business of which is investment holding, and a non-wholly owned subsidiary of the Vendor’s Guarantor;
<b>“MOU”</b>	the memorandum of understanding signed on 6 January 2014 between the Vendor’s Guarantor and the Company in respect of the possible acquisition of the Sale Share and the Sale Debt;
<b>“Placing”</b>	the Placing of 105,000,000 Shares under general mandate, completion of which took place on 4 February 2014. For details please refer to the Company’s announcements dated 16 January 2014 and 4 February 2014;
<b>“Property”</b>	the property owned by the Target Company at Shop 2 and Shop 3A on Ground Floor, Dang Fat Mansion, 10/16 & 20 Tai Ho Road, 8/12 Dung Fat Street & 7/11 On Wing Street, Tsuen Wan, New Territories;
<b>“Sale Debt”</b>	all of the loan owed by the Target Company to the Vendor, being HK\$160,578,384.25;
<b>“Sale Share”</b>	the 1 ordinary share of par value HK\$1.00 in the issued share capital of the Target Company, representing the entire issued share capital of the Target Company;
<b>“Share(s)”</b>	ordinary shares of the Company of HK\$0.01 each in the share capital of the Company;
<b>“Shareholder(s)”</b>	holder(s) of the Shares;
<b>“Share Sale Agreement”</b>	the agreement for sale and purchase of the Sale Share dated 18 February 2014 entered into between Active Earn as purchaser and Million Worldwide as vendor;
<b>“Share Sale Completion”</b>	the completion of the sale and purchase of the Sale Share pursuant to the Share Sale Agreement;
<b>“Share Sale Completion Date”</b>	21 February 2014 or such other date as parties to the Share Sale Agreement may agree in writing;
<b>“Share Sale Consideration”</b>	the sum of HK\$3,321,615.75, being the consideration for the sale and purchase of the Sale Share pursuant to the Share Sale Agreement;
<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited;

<b>“Target Company”</b>	Wealthy Train Limited, a company incorporated in Hong Kong with limited liability and is authorised to issue a maximum of 10,000 shares of a single class of HK\$1.00 each, one of which has been issued and is fully paid;
<b>“Town Health Asset”</b>	Town Health Asset Management Limited, a company incorporated in BVI with limited liability and a non-wholly owned subsidiary of the Vendor’s Guarantor;
<b>“Vendor”</b>	Million Worldwide, being the vendor under the Share Sale Agreement or the Debt Sale Agreement (as the case may be) and a non-wholly owned subsidiary of the Vendor’s Guarantor;
<b>“Vendor’s Guarantor”</b>	Town Health International Investments Limited, a company incorporated in Cayman and continued in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange, being the Vendor’s guarantor under the Share Sale Agreement or the Debt Sale Agreement (as the case may be);
<b>“Vendor and Vendor’s Guarantor Warranties”</b>	the warranties and representations given by the Vendor and the Vendor’s Guarantor under the Share Sale Agreement or the Debt Sale Agreement (as the case may be).

On behalf of the Board  
**Bonjour Holdings Limited**  
**Ip Chun Heng, Wilson**  
*Chairman*

Hong Kong, 18 February 2014

*As of the date of this announcement, the Board comprises of three executive Directors namely Dr. Ip Chun Heng, Wilson, Ms. Chung Pui Wan and Mr. Yip Kwok Li; and three independent non-executive Directors namely Mr. Wong Chi Wai, Dr. Chow Ho Ming and Mr. Lo Hang Fong.*