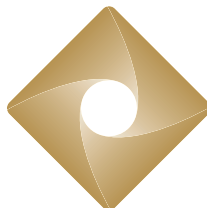


Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



BRILLIANT CIRCLE HOLDINGS INTERNATIONAL LIMITED

貴聯控股國際有限公司

(to be renamed as LITU HOLDINGS LIMITED 力圖控股有限公司)

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1008)

MAJOR AND CONNECTED TRANSACTION: ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF, AND THE SHAREHOLDER'S LOAN DUE BY, EAGLE SWIFT LIMITED

SALE AND PURCHASE AGREEMENT

The Board announces that on 21 October 2021 (after trading hours), the Company entered into the Sale and Purchase Agreement with the Vendor in relation to the acquisition of the Sale Share and the Sale Loan by the Company for an aggregate consideration of HK\$233,000,000, which will be satisfied by the Company in cash upon Completion. The Acquisition is subject to the satisfaction of the conditions as set out in the paragraph headed "Conditions" below.

As certain of the relevant percentage ratios exceed 25% but below 100%, the Acquisition constitutes a major transaction on the Company under Chapter 14 of the Listing Rules. As the Vendor is a controlling Shareholder, the Acquisition also constitutes a connected transaction on the Company under Chapter 14A of the Listing Rules and is subject to, among others, the approval of the Independent Shareholders at the EGM.

THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee has been formed to advise the Independent Shareholders on the terms of the Sale and Purchase Agreement and the transactions contemplated thereunder. Astrum Capital Management Limited has been appointed with the approval of the Independent Board Committee as an independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder.

THE EGM

The EGM will be held to consider and, if thought fit, pass the resolution to approve, among other things, the Sale and Purchase Agreement and the transactions contemplated thereunder. The voting at the EGM will be conducted by way of a poll whereby the Vendor and his associates shall abstain from voting on the relevant resolution to be proposed at the EGM to approve the Sale and Purchase Agreement. To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, other than the Vendor, Sinorise and Profitcharm, no other Shareholders are required to abstain from voting on the relevant resolution to be proposed at the EGM.

GENERAL

A circular containing, among other things, details of the Acquisition and valuation report on the Property, together with the recommendation of the Independent Board Committee to the Independent Shareholders, the letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Sale and Purchase Agreement, and a notice of the EGM is expected to be despatched by the Company to the Shareholders on or around 15 November 2021.

The Board announces that on 21 October 2021 (after trading hours), the Company entered into the Sale and Purchase Agreement with the Vendor in relation to the acquisition of the Sale Share and the Sale Loan by the Company for an aggregate consideration of HK\$233,000,000, which will be satisfied by the Company in cash upon Completion.

SALE AND PURCHASE AGREEMENT

Date: 21 October 2021

Parties: (1) The Vendor
(2) The Company

Asset to be acquired

Pursuant to the Sale and Purchase Agreement, the Company has conditionally agreed to acquire and the Vendor has conditionally agreed to sell (i) the Sale Share, representing the entire issued share capital of the Target Company; and (ii) the Sale Loan, which amounted to approximately HK\$232 million as at the date hereof.

The Target Company is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in property investment. The only significant asset of the Target Company is the Property.

Consideration

The total consideration for the Acquisition is HK\$233,000,000, which shall be satisfied by the Company in cash upon Completion.

The consideration was determined after arm's length negotiations between the parties to the Sale and Purchase Agreement with reference to, among others, the preliminary property valuation of the Property of HK\$233,000,000. The Directors (excluding the independent non-executive Directors who will give their opinion in the circular after reviewing the advice from the independent financial adviser) consider the consideration of the Acquisition to be fair and reasonable and on normal commercial terms and are in the interests of the Company and the Independent Shareholders as a whole.

The preliminary valuation of the Property was carried out by Jones Lang LaSalle Limited, an independent surveyor to the Company and the date of preliminary valuation was 15 October 2021. The Company will include the valuation report of the Property in the circular to be despatched to the Shareholders.

Conditions

The Acquisition is conditional upon the satisfaction of the following conditions:

- (a) the Company being satisfied with the results of the due diligence review to be conducted on the Target Company;
- (b) the Company being satisfied that there are no title defects to the Property;
- (c) the Company having obtained mortgage in respect of the Property which shall remain in full force and effect at Completion;
- (d) the passing by the Independent Shareholders who are entitled to vote and not required to be abstained from voting under the Listing Rules at the EGM of the necessary ordinary resolution to approve the Sale and Purchase Agreement and the transactions contemplated thereby, and all other consents and acts required to be obtained by the Company under the Listing Rules and/or other applicable laws and regulations having been obtained and completed;
- (e) the warranties given by the Vendor in the Sale and Purchase Agreement remaining true, accurate and complete in all material respects;
- (f) the obtaining of a valuation report (in form and substance satisfactory to the Company) from a firm of independent professional valuer appointed by the Company showing the valuation of the Property to be not less than HK\$233,000,000;
- (g) the Company being satisfied that there has not been any material adverse change on the financial position, business or property, results of operations of the Target Company since the date of the Sale and Purchase Agreement; and
- (h) all necessary consents and approvals required to be obtained by the Vendor and the Company in respect of the transactions contemplated under the Sale and Purchase Agreement having been obtained.

The Company may at any time at its absolute and sole discretion waive in writing the conditions (a), (b), (c), (e) and/or (g) set out above. The other conditions set out above are incapable of being waived. The Company has no current intention to waive any conditions. If the conditions set out above have not been satisfied (or waived, as the case may be) on or before 31 December 2021, or such later date as the Vendor and the Company may agree in writing, the Sale and Purchase Agreement shall cease and terminate and neither party shall take any action to claim for damages or to enforce specific performance or any other rights and remedies thereafter.

Completion

Completion is expected to take place falling one month (or such later date as the parties to the Sale and Purchase Agreement may agree) after the fulfilment (or waiver) of the conditions mentioned above.

Upon Completion, the Target Company will become a direct wholly owned subsidiary of the Company and the financial results and financial position of the Target Company will be consolidated in the books and accounts of the Group.

INFORMATION ON THE TARGET COMPANY AND THE PROPERTY

The Target Company is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in property investment. The Target Company was acquired by the Vendor at HK\$12,850. Immediately prior to Completion, the Target Company is held as to 100% by the Vendor. After Completion, the Company shall be interested in the entire issued share capital of the Target Company.

The Target Company is currently holding the Property located at 38 On Lok Mun Street, Fanling, New Territories, Hong Kong. The Property comprises a 6-storey building with total saleable area of approximately 32,397 square feet (3,009.75 m²), part of the area on 3/F and 4/F of which has been leased to a subsidiary of the Company (which is a fully exempted continuing connected transaction of the Company under the Listing Rules). Meanwhile, the other remaining portions of the property is currently vacant. The Property was acquired by the Target Company at a total acquisition cost of approximately HK\$228.5 million (inclusive of stamp duty and other costs and expenses).

Set below is the financial information of the Target Company:

	From 7 January 2020 (the date of incorporation) to 31 December 2020 HK\$'000 (Unaudited)	For the eight months ended 31 August 2021 HK\$'000 (Unaudited)
Revenue	—	—
Loss before taxation	—	2,244
Loss after taxation	—	2,244

The unaudited net liabilities value of the Target Company as at 31 August 2021 was approximately HK\$2,244,000.

The valuation report of the Property and the accountant's report of the Target Company shall be included in the circular to be despatched to the Shareholders in respect of the Acquisition.

REASONS FOR THE ACQUISITION

The Group is principally engaged in (i) the printing and manufacturing of cigarette packages and related materials; (ii) manufacturing of laminated papers; and (iii) sales of RFID products.

The Directors are optimistic to the future of Hong Kong property market. It is the current intention of the Company to lease out first and fifth floor of the Property and the remaining portion of the Property shall be for the Group's own uses. The Directors consider that the Acquisition represents a good investment opportunity for the Company to invest in the Hong Kong property market and the future rental income from the Property will provide stable income for the Group while at the same time the Group may have the benefits from the long term appreciation in value of the Property. Further, in the 2021 policy address from the Chief Executive, it is stated that the Hong Kong Government will place strong emphasis on the development of the Northern District with the Northern Metropolis Development Strategy to transform the northern part of Hong Kong into a lively and attractive area providing more land for housing, technology development and other industries, the Directors consider that the Acquisition will provide an opportunity to the Company to benefit from the future growth of the Northern District.

In view of the rental income to be derived from the Property with the possibility of future long term appreciation in value of the Property, the Directors believe that it is a good time to invest in the Property, and the Directors (excluding the independent non-executive Directors who will give their opinion in the circular after reviewing the advice from the independent financial adviser) consider that the terms and conditions of the Sale and Purchase Agreement are reasonable and fair and in the interests of the Shareholders as a whole.

LISTING RULES IMPLICATION

As certain of the relevant percentage ratios exceed 25% but below 100%, the Acquisition constitutes a major transaction on the Company under Chapter 14 of the Listing Rules. As the Vendor is a controlling Shareholder, the Acquisition also constitutes a connected transaction on the Company under Chapter 14A of the Listing Rules and is subject to, among others, the approval of the Independent Shareholders at the EGM.

An EGM will be convened and held for the Shareholders to, among other things, consider and, if thought fit, to approve the Sale and Purchase Agreement and the transactions contemplated thereunder.

THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee has been formed to advise the Independent Shareholders on the terms of the Sale and Purchase Agreement and the transactions contemplated thereunder. Astrum Capital Management Limited has been appointed with the approval of the Independent Board Committee as an independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder.

THE EGM

The EGM will be held to consider and, if thought fit, pass the resolution to approve, among other things the Sale and Purchase Agreement and the transactions contemplated thereunder. The voting at the EGM will be conducted by way of a poll whereby the Vendor, Sinorise, Profitcharm and their respective associates shall abstain from voting on the relevant resolution to be proposed at the EGM to approve the Sale and Purchase Agreement and the transactions contemplated thereunder. To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, other than the Vendor, Sinorise and Profitcharm, no other Shareholders are required to abstain from voting on the relevant resolution to be proposed at the EGM.

GENERAL

A circular containing, among other things, details of the Acquisition and valuation report on the Property, together with the recommendation of the Independent Board Committee to the Independent Shareholders, the letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Sale and Purchase Agreement and a notice of the EGM is expected to be despatched by the Company to the Shareholders on or about 15 November 2021 as additional time is required to prepare the circular.

DEFINITIONS

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

“ Acquisition ”	the acquisition by the Company of the Sale Share and the Sale Loan subject to and upon the terms and conditions of the Sale and Purchase Agreement
“ associates ”	has the meaning ascribed to this term under the Listing Rules
“ Board ”	the board of Directors from time to time
“ Company ”	Brilliant Circle Holdings International Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the main board of the Stock Exchange

“Completion”	completion of the Acquisition in accordance with the Sale and Purchase Agreement
“Directors”	directors of the Company
“EGM”	the extraordinary general meeting of the Company to be held and convened to consider and approve the Sale and Purchase Agreement and the transactions contemplated thereunder
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent board committee of the Company comprising all the independent non-executive Directors for the purpose of giving a recommendation to the Independent Shareholders on the Sale and Purchase Agreement and the transactions contemplated thereunder
“Independent Shareholders”	Shareholders other than the Vendor, Sinorise and Profitcharm and their respective associates
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Profitcharm”	Profitcharm Limited, a company incorporated in the British Virgin Islands with limited liability and is wholly owned by the Vendor, being a Shareholder interested in approximately 17.5% of the issued share capital of the Company
“Property”	the property located at 38 On Lok Mun Street, Fanling, New Territories, Hong Kong
“Sale and Purchase Agreement”	the conditional sale and purchase agreement dated 21 October 2021 and entered into between the Vendor and the Company for the Acquisition
“Sale Loan”	all obligations, liabilities and debts owing or incurred by the Target Company to the Vendor and its associates on or at any time prior to Completion whether actual, contingent or deferred and irrespective of whether the same is due and payable on Completion, which amounted to approximately HK\$232 million as at the date of this announcement
“Sale Share”	one share in the issued share capital of the Target Company, representing the entire issued share capital of the Target Company

“Shareholder(s)”	holder(s) of the Share(s)
“Shares”	ordinary shares of HK\$0.005 each in the capital of the Company
“Sinorise”	Sinorise International Limited, a company incorporated in the British Virgin Islands with limited liability and is wholly owned by the Vendor, being a Shareholder interested in approximately 40% of the issued share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Eagle Swift Limited, a company incorporated in the British Virgin Islands with limited liability
“Vendor”	Mr. Cai Xiao Ming, David, a controlling shareholder of the Company interested in approximately 57.5% of the issued share capital of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board
Brilliant Circle Holdings International Limited
Mr. Chen Xiao Liang
Chairman

Hong Kong, 21 October 2021

As at the date of this announcement, the Board comprises four executive Directors, namely, Mr. Chen Xiao Liang (Chairman), Mr. Qin Song (Vice Chairman and the Chief Executive Officer), Mr. Huang Wanru and Mr. Jiang Xiang Yu, one non-executive Director, namely, Ms. Li Li, and three independent non-executive Directors, namely, Mr. Lui Tin Nang, Mr. Lam Ying Hung, Andy and Mr. Siu Man Ho, Simon.