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FRASER HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8366)

United Financial Holdings Group Limited

聯合金融控股集團有限公司

(Incorporated in Hong Kong with limited liability)

**JOINT ANNOUNCEMENT
UNCONDITIONAL MANDATORY CASH OFFER BY
EMPEROR CAPITAL LIMITED
ON BEHALF OF THE OFFEROR TO ACQUIRE
ALL THE ISSUED SHARES (OTHER THAN THOSE ALREADY OWNED OR
AGREED TO BE ACQUIRED BY THE OFFEROR AND THE PARTIES
ACTING IN CONCERT WITH IT)
AND
RESUMPTION OF TRADING**

Financial adviser to the Offeror



英皇融資有限公司
Emperor Capital Limited

The Company was informed by the Offeror that on 5 May 2017, the Offeror as purchaser entered into the SPA with National Honour as vendor and Mr. Yu and Ms. Wong as guarantors, pursuant to which the Offeror agreed to acquire and National Honour agreed to sell 1,080,000,000 Shares, representing 75% equity interest in the Company as at the date of this joint announcement for a consideration of HK\$270,000,000 (the “**Consideration**”), equivalent to HK\$0.25 per Acquired Share, which was agreed between the Offeror and National Honour after arm’s length negotiations. The Consideration was fully settled by way of cash. Completion took place on 5 May 2017.

As a result of the Completion, the Offeror acquired 50% or more of the voting rights of the Company and has therefore incurred an obligation to make an unconditional mandatory offer under the Takeovers Code for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it).

THE SHARE OFFER

As at the date of this joint announcement, there are 1,440,000,000 Shares in issue. Save for the 1,440,000,000 issued Shares, the Company has no outstanding securities, options, warrants or derivatives which are convertible into or which confer rights to require the issue of Shares and the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) as at the date of this joint announcement.

The Share Offer will be made by Emperor Capital for and on behalf of the Offeror on the terms to be set out in the offer document or, as the case may be, the composite document in compliance with the Takeovers Code on the following basis:

For each Offer Share. HK\$0.25 in cash

The Offer Price of HK\$0.25 per Offer Share under the Share Offer is the same as the purchase price per Acquired Share paid by the Offeror in the SPA. The Offer Shares to be acquired under the Share Offer shall be fully paid and shall be acquired free from all liens, claims, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights attached thereto as at the date on which the Share Offer is made or subsequently becoming attached to them, including the right to receive in full all dividends and other distributions, if any, declared, paid or made on or after the date of despatch of the offer document or composite document.

FINANCIAL RESOURCES AVAILABLE TO THE OFFEROR

The Offeror has paid the consideration under the SPA from its own resources and by the Facility. The Offeror intends to fund the consideration payable under the Share Offer in full by the Facility. Emperor Capital, being the financial adviser to the Offeror in respect of the Share Offer, is satisfied that sufficient resources are available to the Offeror to satisfy the amount of funds required for full acceptance of the Share Offer.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee has been constituted in accordance with Rule 2.8 of the Takeovers Code to advise and give a recommendation to the Independent Shareholders in respect of the Share Offer, as to whether the terms of the Share Offer are fair and reasonable and as to the acceptance of the Share Offer.

An independent financial adviser to the Independent Board Committee will be appointed with the approval of the Independent Board Committee. An announcement of such appointment will be made in due course.

DESPATCH OF COMPOSITE DOCUMENT

The Offeror and the Company intend to combine the offer document and the offeree board circular into a composite document which contains amongst others, details of the Share Offer, accompanied by the relevant form of acceptance and transfer, and incorporating the recommendation from the Independent Board Committee and the advice letter from the independent financial adviser to the Independent Board Committee in respect of the Share Offer. Pursuant to Rule 8.2 of the Takeovers Code, the composite document is required to be despatched within 21 days of the date of this joint announcement. The composite document is expected to be despatched to the Shareholders on or before 1 June 2017.

SUSPENSION AND RESUMPTION OF TRADING IN THE SHARES

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 1:00 p.m. on 5 May 2017 pending the release of this joint announcement. An application has been made by the Company to the Stock Exchange for resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 12 May 2017.

WARNING:

The Directors make no recommendation as to the fairness or reasonableness of the Share Offer or as to the acceptance of the Share Offer in this joint announcement, and strongly recommend the Independent Shareholders not to form a view on the Share Offer unless and until they have received and read the composite document, including the recommendation of the Independent Board Committee to the Independent Shareholders in respect of the Share Offer and the letter of advice from Independent Financial Adviser to the Independent board Committee.

Shareholders and potential investors are reminded to monitor the announcements to be made by the Company or jointly by the Offeror and the Company in respect of the progress of the Share Offer and are advised to exercise caution when dealing in the Shares. If Shareholders and potential investors are in any doubt about their position, they should consult their professional advisers.

This joint announcement is made by the Company and the Offeror pursuant to the Takeovers Code, and (in the case of the Company) pursuant to Rule 17.10 of the GEM Listing Rules and the Inside Information Provisions (as defined in the GEM Listing Rules) under Part XIVA of the SFO.

THE SPA

The Company was informed by the Offeror that on 5 May 2017, the Offeror as purchaser entered into the SPA with National Honour as vendor and Mr. Yu and Ms. Wong as guarantors, pursuant to which the Offeror agreed to acquire and National Honour agreed to sell 1,080,000,000 Shares which represents 75% equity interest in the Company as at the date of this joint announcement for a consideration of HK\$270,000,000 (the “**Consideration**”), equivalent to HK\$0.25 per Acquired Share, which was agreed between the Offeror and National Honour after arm’s length negotiations. The Consideration was fully settled by way of cash.

Other than the Consideration under the SPA, no other consideration, compensation or benefits in whatever form have been provided by the Offeror or its concert parties to National Honour or its concert parties.

There is no special deal (under Rule 25 of the Takeovers Code) between the Offeror and its concert parties on one hand and National Honour and its concert parties on the other hand.

Specific undertakings

Provided that (i) the Company will not exercise its power to remove Mr. Yu and/or Ms. Wong from the directorship of the Operating Subsidiaries and (ii) Mr. Yu and Ms. Wong, collectively, have control over the board of directors of the Operating Subsidiaries, except where Mr. Yu or Ms. Wong tenders his/her resignation voluntarily, or where they have lost control over the board of directors of the Operating Subsidiaries due to any other reasons not attributable to the Offeror and/or the Company, each of Warrantors jointly and severally, unconditionally and irrevocably, undertake to the Offeror, amongst other things, that:

- (a) the consolidated net asset value (the “NAV”) of the Operating Subsidiaries shall not be less than HK\$20,000,000 as at the date of the SPA;
- (b) the NAV shall be:

The relevant date	Audited NAV
(i) 30 April 2018	Not less than HK\$20,000,000
(ii) 30 April 2019	Not less than HK\$20,000,000

- (c) in the event that the NAV is less than HK\$20,000,000 on the relevant date(s) as mentioned in (a), (b)(i) or (b)(ii) above, National Honour shall pay to the Offeror such amount in cash as calculated pursuant to the formula below on 30 June 2017 (for non-fulfillment of (a) above) and 15 August of the relevant year (for non-fulfillment of (b)(i) or (b)(ii) above):

$$A = B - C$$

Where:

- A: the amount to be paid by National Honour to the Offeror for non-fulfillment of the NAV guarantee as mentioned in (a), (b)(i) or (b)(ii) above;

- B: the guaranteed amount of the NAV as mentioned in (a), (b)(i) or (b)(ii) above; if the Warrantors have made the compensation pursuant to this section for the non-fulfillment of (a) or (b)(i) above, an amount equal to such compensation shall be deducted from the guaranteed amount of the NAV for the next relevant date;
- C: the NAV as at the date of the SPA (for (a)), 30 April 2018 (for (b)(i)) or 30 April 2019 (for (b)(ii)).

The Offeror and Mr. Zhou confirm that there are no arrangements of any kind offered to National Honour, Mr. Yu or Ms. Wong for their remaining as directors of the Operating Subsidiaries. Mr. Yu and Ms. Wong will continue to be employed under the existing service contracts entered into on 15 October 2015 with the Company. There is no other understanding, arrangement with Mr. Yu and Ms. Wong relating to their employment as directors of the Operating Subsidiaries.

Guarantee

Subject to the terms and conditions in the SPA, each of the Guarantors jointly and severally, irrevocably and unconditionally guarantees to the Offeror as primary obligor the due and punctual performance of the obligations by National Honour. Such obligations shall be continuing obligations and shall not be satisfied, discharged or affected by the insolvency of or any bankruptcy, winding up or analogous proceedings relating to any of the Parties.

The Guarantors also agree to indemnify the Offeror after the date of demand by the Offeror against any losses and expenses properly incurred by it as a result of any failure on the part of National Honour to perform its obligation under the SPA.

Completion

Completion took place on 5 May 2017. As at the date of this joint announcement, the Acquired Shares acquired by the Offeror represents 75% of the total issued Shares.

UNCONDITIONAL MANDATORY CASH OFFER

As a result of the Completion, the Offeror holds 50% or more of the voting rights of the Company and has therefore incurred an obligation to make an unconditional mandatory offer under the Takeovers Code for all the issued Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it).

As at the date of this joint announcement, save for the Acquired Shares, the Offeror and parties acting in concert with it do not own, control or have direction over any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company.

THE SHARE OFFER

As at the date of this joint announcement, there are 1,440,000,000 Shares in issue. Save for the 1,440,000,000 issued Shares, the Company has no outstanding securities, options, warrants or derivatives which are convertible into or which confer rights to require the issue of Shares and the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) as at the date of this joint announcement.

The Share Offer will be made by Emperor Capital for and on behalf of the Offeror on the terms to be set out in the offer document or, as the case may be, the composite document in compliance with the Takeovers Code on the following basis:

For each Offer Share HK\$0.25 in cash

The Offer Price of HK\$0.25 per Offer Share under the Share Offer is the same as the purchase price per Acquired Share paid by the Offeror in the SPA. The Offer Shares to be acquired under the Share Offer shall be fully paid and shall be acquired free from all liens, claims, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights attached thereto as at the date on which the Share Offer is made or subsequently becoming attached to them, including the right to receive in full all dividends and other distributions, if any, declared, paid or made on or after the date of despatch of the offer document or composite document.

Comparison of Value

The Offer Price of HK\$0.25 per Offer Share represents:

1. a discount of approximately 7.41% to the last trading price of HK\$0.27 per Share as quoted on the Stock Exchange immediately before trading in the Shares was halted on 5 May 2017 and being the Last Trading Day;
2. a discount of approximately 6.72% to the average closing price of HK\$0.268 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days up to and including the Last Trading Day;
3. a discount of approximately 5.37% to the average closing price of HK\$0.2642 per Share as quoted on the Stock Exchange for the last ten (10) consecutive trading days up to and including the Last Trading Day;
4. a premium of approximately 12.87% to the average closing price of HK\$0.2215 per Share as quoted on the Stock Exchange for the last thirty (30) consecutive trading days up to and including the Last Trading Day; and
5. a premium of approximately 354.55% to the audited consolidated net assets value attributable to the Shareholders of approximately HK\$0.055 per Share as at 30 April 2016, the date to which the latest audited consolidated financial results of the Company were made up.

Highest and Lowest Share Prices

During the six-month period preceding and including the Last Trading Day, the highest and lowest daily closing prices of the Shares as quoted on the Stock Exchange was HK\$0.295 per Share on 26 April 2017 and HK\$0.135 per Share on 21 December 2016, respectively.

VALUE OF THE SHARE OFFER

On the basis of 1,440,000,000 Shares in issue, of which the Offeror holds 1,080,000,000 Shares, as at the date of this joint announcement, the Share Offer based on the Offer Price will be valued at approximately HK\$90,000,000.

FINANCIAL RESOURCES AVAILABLE TO THE OFFEROR

The Offeror has paid the consideration under the SPA from its own resources and by the Facility. The Offeror intends to fund the consideration payable under the Share Offer in full by the Facility. Emperor Capital, being the financial adviser to the Offeror in respect of the Share Offer, is satisfied that sufficient resources are available to the Offeror to satisfy the amount of funds required for full acceptance of the Share Offer.

Pursuant to the arrangement of the Facility, amongst others, the Offeror has pledged all the Acquired Shares and the Shares to be acquired by the Offeror under the Share Offer (if any) in favour of Emperor Securities, and such arrangement will not result in a change of the voting rights of the Company before the enforcement of the relevant charge. At as the date of this joint announcement, Emperor Securities and the Offeror are not aware of any circumstances which may lead to enforcement of the relevant charge. The collateralised Shares shall be released to the Offeror immediately upon full repayment of all the outstanding amounts of the Facility and the interest thereon.

EFFECTS OF ACCEPTING THE SHARE OFFER

By accepting the Share Offer, the Independent Shareholders will sell their Shares to the Offeror free from all liens, claims, encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights attached thereto as at the date on which the Share Offer is made or subsequently becoming attached to them, including the right to receive all dividends and other distributions, if any, declared, paid or made on or after the date of despatch of the offer document or composite document. The making of the Share Offer to a person with a registered address in a jurisdiction outside Hong Kong may be affected by the applicable laws of the relevant jurisdiction. Independent Shareholders with registered addresses in jurisdictions outside Hong Kong should inform themselves about and observe any applicable legal requirements in their own jurisdictions.

Acceptance of the Share Offer would be irrevocable and would not be capable of being withdrawn, subject to the provision of the Takeovers Code.

SETTLEMENT

Settlement of the consideration for the Offer Shares will be made in cash as soon as possible but in any event within seven Business Days of the date on which the relevant documents of title in respect of such acceptances are received by or on behalf of the Offeror to render each such acceptance complete and valid.

HONG KONG STAMP DUTY

Seller's Hong Kong ad valorem stamp duty payable by the Independent Shareholders who accept the Share Offer is calculated at a rate of 0.1% of (i) the market value of the Offer Shares; or (ii) the consideration payable by the Offeror in respect of the relevant acceptances of the Share Offer, whichever is higher, will be deducted from the amount payable by the Offeror to such person on acceptance of the Share Offer.

TAXATION ADVICE

Independent Shareholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the Share Offer. None of the Offeror, parties acting in concert with it, the Company, Emperor Capital, Emperor Securities and (as the case may be) their respective ultimate beneficial owners, directors, officers, agents or associates or any other person involved in the Share Offer accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the Share Offer.

DEALING AND INTERESTS IN THE COMPANY'S SECURITIES

Save for the 1,080,000,000 Acquired Shares, none of the Offeror or parties acting in concert with it has dealt in any Shares, options, derivatives, warrants or other securities convertible into Shares during the six-month period immediately prior to the date of this joint announcement, being the commencement date of the offer period.

The Offeror confirms that, as at the date of this joint announcement:

1. save for the Acquired Shares held by the Offeror, none of the Offeror and/or parties acting in concert with it owns or has control or direction over any voting rights or rights over the Shares;
2. none of the Offeror and/or parties acting in concert with it has received any irrevocable commitments to accept or reject the Share Offer;
3. none of the Offeror and/or parties acting in concert with it holds any convertible securities, options, warrants or derivatives of the Company;
4. there is no outstanding derivative in respect of securities in the Company which has been entered into by the Offeror and/or any person acting in concert with it;
5. there are no conditions to which the Share Offer is subject;
6. save for the Facility, there is no arrangement (whether by way of option, indemnity or otherwise) in relation to the Shares and which may be material to the Share Offer (as referred to in Note 8 to Rule 22 of the Takeovers Code);
7. there is no agreement or arrangement to which the Offeror is a party which relates to circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Share Offer; and
8. there is no relevant security (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company which the Offeror and/or any person acting in concert with it has borrowed or lent.

OVERSEAS SHAREHOLDERS

The availability of the Share Offer to any overseas Shareholders may be affected by the applicable laws and regulations of their relevant jurisdictions of residence. Overseas Shareholders should observe any applicable legal and regulatory requirements and, where necessary, consult their own professional advisers. It is the responsibilities of the overseas Shareholders who wish to accept the Share Offer to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the Share Offer (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due by such overseas Shareholders in respect of such jurisdictions).

Any acceptance by any overseas Shareholders will be deemed to constitute a representation and warranty from such overseas Shareholders to the Offeror that the local laws and requirements have been complied with. The overseas Shareholders should consult their professional advisers if in doubt.

INFORMATION OF THE GROUP

The Company was incorporated in the Cayman Islands with limited liability and the Shares are listed on the GEM since 2 November 2015. The Company is an investment holding company and its subsidiaries are principally engaged in undertaking slope works, foundation works and other general building works for improving or maintaining the stability of slopes and/or retaining walls in Hong Kong.

Set out below is a summary of certain audited financial information of the continuing operations of the Group for the financial years ended 30 April 2015 and 30 April 2016 extracted from the Company's annual report for the year ended 30 April 2016:

	Year ended/ As at 30 April 2016 HK\$'000	Year ended/ As at 30 April 2015 HK\$'000
Revenue	180,602	157,346
Gross profit	18,053	20,766
Profit before income taxation	9,473	14,601
Profit and total comprehensive income for the year	7,190	11,431
Net assets	79,129	43,082

SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company (i) immediately before Completion; and (ii) immediately after Completion and as at the date of this joint announcement (assuming there is no other change to the shareholding structure of the Company):

	Immediately before Completion		Immediately after Completion and as at the date of this joint announcement	
	No. of Shares	Approximate %	No. of Shares	Approximate %
The Offeror and parties acting in concert with it	0	0	1,080,000,000	75
National Honour (<i>Note 1</i>)	1,080,000,000	75	0	0
Public Shareholders	<u>360,000,000</u>	<u>25</u>	<u>360,000,000</u>	<u>25</u>
Total	<u>1,440,000,000</u>	<u>100</u>	<u>1,440,000,000</u>	<u>100</u>

Notes:

1. National Honour is owned as to 90% by Mr. Yu and 10% by Ms. Wong.
2. Mr. Yu is the spouse of Ms. Wong. By virtue of the SFO, they are deemed to be interested in the shares held by National Honour.

INFORMATION OF THE OFFEROR

The Offeror was incorporated in Hong Kong with limited liability. The Offeror is the beneficial owner of 1,080,000,000 Shares as at the date of this joint announcement. As at the date of this joint announcement, the Offeror is wholly-owned by Century Investment Holdings Limited, a company incorporated in the Cayman Islands with limited liability. The principal business of Century Investment Holdings Limited is investment holding and its sole shareholder is Mr. Zhou. Therefore, Mr. Zhou is the ultimate beneficial owner of the Offeror.

Mr. Zhou, aged 35, has been working in the financial investment industry and has invested in or managed various PRC companies involved in various fields, including equity investment, assets management, films and entertainment and cultural education. In 2014, Mr. Zhou founded Zhejiang United Small-and-medium-sized Enterprises Holdings Group Company Limited* (浙江聯合中小企業控股集團有限公司), which is principally engaged in provision of consultation services for company management, and has been acting as the chairman of the board of directors till present.

Mr. Zhou was awarded Asia Financial Brands Top 10 Outstanding Figures (亞洲金融品牌十大傑出人物) in 2016, China Outstanding Enterprise Manager* (中國優秀誠信企業家) in 2014, 2016 China Yangtze River Delta Top 10 New Youth Businessmen* (2016年度中國長三角十大新銳青商), 2015 Zheshang Figures of Creativity* (2015浙商創新人物), 2015 Top 10 Leaders of Zhejiang Financial Investment* (2015年度浙江金融投資十大領軍人物) and the 13th session of Hangzhou Top 10 Outstanding Young Persons* (第十三屆杭州十大傑出青年).

Mr. Zhou is the vice-president of the Zhejiang International Finance Society* (浙江省國際金融學會副會長), the president of the Zheshang National Council Presidium* (浙商全國理事會主席團主席), the committee member of the Hangzhou City Committee of the China Minzhu Jianguo Association* (中國民主建國會杭州市委員會委員) and the vice-president of the Entrepreneur Association of the Hangzhou City Committee of the China Minzhu Jianguo Association* (中國民主建國會杭州市委員會企業家聯誼會副會長).

Immediately prior to the entering into the SPA, the Offeror and parties acting in concert with it did not hold any securities of the Company and were third parties independent of the Company and its connected persons.

PUBLIC FLOAT AND LISTING STATUS OF THE COMPANY

The Offeror intends to maintain the listing of the Shares on the Stock Exchange after the close of the Share Offer.

If the public float of the Company falls below 25% following the close of the Share Offer, the Offeror and the Directors to be appointed to the Board will undertake to the Stock Exchange to take appropriate steps following the close of the Share Offer to ensure that a sufficient public float exists for the Shares, such as the engagement of a placing agent to place such number of Shares to other independent third parties not connected with the Company or any of its connected persons and not parties acting in concert with the Offeror. The Company and the Offeror will issue a separate announcement as and when necessary regarding the decision of any of such steps if the circumstances warrant.

The Stock Exchange has stated that if, upon closing of the Share Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the Shares, are held by the public or if the Stock Exchange believes that (i) a false market exists or may exist in the trading of the Shares; or (ii) there are insufficient Shares in public hands to maintain an orderly market, it will consider exercising its discretion to suspend trading in the Shares until the prescribed level of public float is restored.

INTENTION OF THE OFFEROR

It is the Offeror's intention to acquire a majority interest in the Company pursuant to the SPA and the Share Offer. The intention of the Offeror is that the Company's existing principal activities will be maintained and the Offeror will assist the Company in reviewing its business and operations and seek for new opportunities to enhance and strengthen the business of the Group.

The Offeror has no intention to introduce major changes to the business of the Group, including any redeployment of fixed assets other than those in its ordinary course of business. Save for the change(s) to the composition of the Board as mentioned below, the Offeror has no plan to terminate the employment of any other employees or other personnel of the Group. However, if the Offeror deems necessary or appropriate to the Group's businesses and operation to increase the value of the Group, there is a possibility that the Offeror may change its intention or plan in the future, subject to full compliance with the relevant rules and regulations. As at the date of this joint announcement, there is no understanding, discussion, arrangement or agreement in regard of the intention or plan of the Offeror in the future.

PROPOSED CHANGE TO THE BOARD COMPOSITION OF THE COMPANY

As at the date of this joint announcement, the Board comprises Mr. Yu Shek Man Ringo and Ms. Wong So Wah as executive Directors, Mr. Cheng Kin Keung Martin as non-executive Director and Mr. Law Yiu Sing, Mr. Wong Kwok Chuen and Mr. Wong Lai Fai as independent non-executive Directors.

The Offeror intends to nominate the new Directors who will hold office in the Company with effect from the earliest time permitted under the Takeovers Code.

DEALING DISCLOSURE

In accordance with Rule 3.8 of the Takeovers Code, the respective associates (as defined in the Takeovers Code) of the Offeror and the Company are hereby reminded to disclose their dealing in any securities of the Company pursuant to the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, the full text of Note 11 to Rule 22 of the Takeovers Code is reproduced below:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than HK\$1 million. This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

The Independent Board Committee has been constituted in accordance with Rule 2.8 of the Takeovers Code to advise and give a recommendation to the Independent Shareholders in respect of the Share Offer, as to whether the terms of the Share Offer are fair and reasonable and as to the acceptance of the Share Offer.

An independent financial adviser to the Independent Board Committee will be appointed with the approval of the Independent Board Committee. An announcement of such appointment will be made in due course.

DESPATCH OF COMPOSITE DOCUMENT

The Offeror and the Company intend to combine the offer document and the offeree board circular into a composite document which contains amongst others, details of the Share Offer, accompanied by the relevant form of acceptance and transfer, and incorporating the recommendation from the Independent Board Committee and the advice letter from the independent financial adviser to the Independent Board Committee in respect of the Share Offer. Pursuant to Rule 8.2 of the Takeovers Code, the composite document is required to be despatched within 21 days of the date of this joint announcement. The composite document is expected to be despatched to the Shareholders on or before 1 June 2017.

SUSPENSION AND RESUMPTION OF TRADING IN THE SHARES

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 1:00 p.m. on 5 May 2017 pending the release of this joint announcement. An application has been made by the Company to the Stock Exchange for resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on 12 May 2017.

WARNING:

The Directors make no recommendation as to the fairness or reasonableness of the Share Offer or as to the acceptance of the Share Offer in this joint announcement, and strongly recommend the Independent Shareholders not to form a view on the Share Offer unless and until they have received and read the composite document, including the recommendation of the Independent Board Committee to the Independent Shareholders in respect of the Share Offer and the letter of advice from Independent Financial Adviser to the Independent board Committee.

Shareholders and potential investors are reminded to monitor the announcements to be made by the Company or jointly by the Offeror and the Company in respect of the progress of the Share Offer and are advised to exercise caution when dealing in the Shares. If Shareholders and potential investors are in any doubt about their position, they should consult their professional advisers.

In this joint announcement (unless the context otherwise requires):

“Acquired Shares”	the 1,080,000,000 Shares held by the Offeror as at the date of this joint announcement;
“acting in concert”	has the meaning ascribed to it in the Takeovers Code;
“associate”	has the meaning ascribed to it in the Takeovers Code;
“Board”	the board of Directors of the Company;
“Business Day(s)”	a day on which the Stock Exchange is open for transaction of business;
“Closing Date”	the date to be stated in the composite document as the first closing date or any subsequent closing date as and may be announced by the Offeror and approved by the Executive;
“Company”	Fraser Holdings Limited, a company incorporated in the Cayman Islands, the shares of which are listed on the GEM (stock code: 8366);
“Completion”	completion of the SPA;
“Director(s)”	director(s) of the Company;
“Emperor Capital”	Emperor Capital Limited, a corporation licensed under the SFO to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities, and the financial adviser to the Offeror in respect of the Share Offer;
“Emperor Securities”	Emperor Securities Limited, a corporation licensed under the SFO to carry out type 1 (dealing in securities) and type 4 (advising on securities) regulated activities;
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director;
“Facility”	a loan facility of up to HK\$260,000,000 granted by Emperor Securities to the Offeror;
“GEM”	the Growth Enterprise Market of the Stock Exchange;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM;
“Group”	the Company and its subsidiaries;
“Guarantors”	Mr. Yu and Ms. Wong;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Independent Board Committee”	an independent committee of the Board comprising non-executive directors who have no direct or indirect interest in the Share Offer, to be established for the purpose of advising and giving a recommendation to the Independent Shareholders in respect of the Share Offer and in particular as to whether the terms of the Share Offer are fair and reasonable and as to acceptance of the Share Offer;
“Independent Shareholders”	Shareholders other than the Offeror and parties acting in concert with it;
“Last Trading Day”	5 May 2017, being the last trading day of the Shares before the publication of this joint announcement;
“Mr. Yu”	Mr. Yu Shek Man Ringo, 90% shareholder of National Honour and the spouse of Ms. Wong;
“Ms. Wong”	Ms. Wong So Wah, 10% shareholder of National Honour and the spouse of Mr. Yu;
“Mr. Zhou”	Mr. Zhou Ying (周穎), the sole shareholder of Century Investment Holdings Limited which is the sole shareholder of the Offeror;
“National Honour”	National Honour Investments Limited, a company incorporated in the British Virgin Islands with limited liability, which is owned as to 90% by Mr. Yu and 10% by Ms. Wong;
“Operating Subsidiaries”	The subsidiaries of the Company, including True Sincere Group Limited 正誠集團有限公司, Strong Move Global Limited 堅進環球有限公司, Magic City Developments Limited, Fraser Construction Company Limited 科正建築有限公司 and Tubo Technology Construction Company Limited 天保建設有限公司;
“Offer Price”	the price of HK\$0.25 per Offer Share payable by the Offeror to the Independent Shareholders for each Offer Share accepted under the Share Offer;
“Offer Share(s)”	all the Shares in issue, other than those Shares already owned or agreed to be acquired by the Offeror and parties acting in concert with it;

“Offeror”	United Financial Holdings Group Limited 聯合金融控股集團有限公司, a company incorporated in Hong Kong with limited liabilities, which is wholly-owned by Century Investment Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the sole shareholder of which is Mr. Zhou;
“PRC”	The People’s Republic of China, for the purpose of this joint announcement, excluding Hong Kong, Macau Special Administrative Region and Taiwan;
“SFC”	the Securities and Futures Commission of Hong Kong;
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share Offer”	the unconditional mandatory cash offer to be made by Emperor Capital on behalf of the Offeror for the Offer Shares in accordance with the Takeovers Code;
“Shareholders”	holders of the Shares;
“Shares”	the ordinary shares of HK\$0.01 each in the capital of the Company;
“SPA”	the sale and purchase agreement dated 5 May 2017 entered into among National Honour as vendor, the Offeror as purchaser and Mr. Yu and Ms. Wong as guarantors in relation to the acquisition of 1,080,000,000 Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers;
“Warrantors”	collectively, National Honour and the Guarantors.

By Order of the Board
Fraser Holdings Limited
Yu Shek Man Ringo
Chairman and Executive Director

By Order of the Board
United Financial Holdings Group Limited
Zhou Ying
Sole director

Hong Kong, 11 May 2017

As at the date of this joint announcement, the executive Directors are Mr. Yu Shek Man Ringo and Ms. Wong So Wah; the non-executive Director is Mr. Cheung Kin Keung Martin and the independent non-executive Directors are Mr. Law Yiu Sing, Mr. Wong Kwok Chuen and Mr. Wong Law Fai.

As at the date of this joint announcement, the sole director of the Offeror is Mr. Zhou Ying.

As at the date of this joint announcement, the ultimate parent company of the Offeror is Century Investment Holdings Limited, the sole director of which is Mr. Zhou Ying.

All directors of the Company jointly and severally accept full responsibility for the accuracy of the information (other than those relating to the Offeror) contained in this joint announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

The sole director of both the Offeror and Century Investment Holdings Limited accepts full responsibility for the accuracy of information contained in this joint announcement (other than those relating to the Company, National Honour and their respective associates and parties acting in concert with them) and confirm, having made all reasonable inquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than those expressed by the Company and National Honour and their respective associate and parties acting in concert with them) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

This joint announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for a minimum period of 7 days from the date of its posting and on the website of the Company at www.fraserholdings.com.