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**VOLUNTARY ANNOUNCEMENT  
LETTER OF INTENT RELATING TO THE  
PROPOSED ESTABLISHMENT OF A JOINT VENTURE  
AND A WHOLLY FOREIGN-OWNED ENTERPRISE**

This announcement is made by the Company on a voluntary basis.

The Board is pleased to announce that on 11 November 2011, OCGAP has entered into the non-legally binding Letter of Intent with Mr. Nan and Mr. Shao relating to the proposed establishment of the JV and the WFOE. Pursuant to the Letter of Intent, the JV will be owned as to 70% by OCGAP and 15% by Mr. Nan and Mr. Shao respectively and the WFOE will be wholly-owned by the JV.

The Board wishes to emphasize that no binding agreement relating to the proposed establishment of the JV and the WFOE has been entered into as at the date of this announcement. As such, the proposed establishment of the JV and the WFOE may or may not materialize.

The proposed capital commitment of the Group to the JV and the WFOE is less than 5% for the applicable percentage ratios and the Directors confirm that the transactions contemplated under the Letter of Intent do not constitute notifiable transactions or connected transactions for the Company under Chapters 19 or 20 of the GEM Listing Rules.

**Shareholders and potential investors of the Company are urged to exercise caution when dealing in the securities of the Company.**

This announcement is voluntarily made by the Company pursuant to Rule 17.10(1) of the GEM Listing Rules.

The Board is pleased to announce that on 11 November 2011 after trading hours, OCGAP, an indirect wholly-owned subsidiary of the Company has entered into a Letter of Intent with Mr. Nan and Mr. Shao relating to the proposed establishment of the JV and the WFOE.

## **LETTER OF INTENT**

**Date:** 11 November 2011

**Parties:** (1) OCGAP  
(2) Mr. Nan  
(3) Mr. Shao

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Mr. Nan and Mr. Shao are independent third parties.

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### **Subject matter**

Pursuant to the Letter of Intent, the JV is to be incorporated in Hong Kong for investment holding purpose and a WFOE which will be wholly-owned by the JV is to be established in the PRC to principally engage in the development of lifestyle payment card issuance business of the Group in the PRC.

It is expected that the total investment of the JV and the WFOE will be no more than HK\$1,000,000 which shall be contributed by OCGAP solely either by way of capital injection or shareholder's loans. The Group will account for the JV and the WFOE as non wholly-owned subsidiaries and consolidate their financial positions and results to the extent of the 70% equity interest proposed to be owned by the Group.

It is agreed that Mr. Nan and Mr. Shao will be appointed as the chief executive officer and the general manager of the WFOE respectively and the sole director of the JV and the WFOE will be nominated by the Group and will be Mr. Yu Chun Fai initially.

It is further agreed that OCGAP shall have the right to require Mr. Nan and Mr. Shao to sell all of their respective shares in the JV to it at no cost one year after the incorporation of the JV if Mr. Nan and/or Mr. Shao fail(s) to meet the target as assigned to them by the JV and/or the WFOE from time to time. Mr. Nan and Mr. Shao shall resign from their offices without any compensation immediate upon OCGAP exercising such right.

The Letter of Intent does not constitute a legally-binding commitment in relation to the parties thereto.

## **REASONS FOR THE ESTABLISHMENT OF THE JV AND THE WFOE**

The Board believes that the establishment of the JV and the WFOE could facilitate the development of the lifestyle payment card issuance business of the Group in the PRC, particularly, its lifestyle golf card business with the strong connection of Mr. Nan, who is the chief executive officer of an investment company in Haikou City of Hainan Province, the PRC, where many golf courses are being operated. The Directors understand that Mr. Shao has good connections with local banks in the PRC which is expected to facilitate the promotion of our card issuance relationships in the banking sector in the PRC. The Board considers that the terms of the Letter of Intent and the transactions contemplated under it are on normal commercial terms, the transactions are fair and reasonable and are in the interests of the Company and its shareholders as a whole.

## **INFORMATION ABOUT THE GROUP**

The Group is principally engaged in the cards and payment related businesses, namely the card acceptance business and the co-branded card partnership business in Thailand and the PRC respectively.

## **DEFINITIONS**

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

“associate”	has the meaning ascribed to it under the GEM Listing Rules;
“Board”	the board of Directors from time to time;
“Company”	Oriental City Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed and traded on GEM (Stock Code: 8325);
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules;
“Director(s)”	director(s) of the Company;
“GEM”	the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong of the PRC;

“Hong Kong”	the Hong Kong Special Administrative Region;
“independent third party”	a person or a company who/which is independent of the Directors, chief executive, substantial shareholders (as defined in the GEM Listing Rules), the initial management shareholders (as defined in the GEM Listing Rules) or significant shareholders (as defined in the GEM Listing Rules) of the Company and any of its subsidiaries and their respective associates;
“JV”	a joint venture company to be incorporated by OCGAP and Mr. Nan and Mr. Shao in Hong Kong with limited liability and will be an indirect non wholly-owned subsidiary of the Company upon incorporation;
“Letter of Intent”	the non-legally binding letter of intent dated 11 November 2011 entered into between OCGAP, Mr. Nan and Mr. Shao setting out the preliminary understanding relating to the proposed establishment of the JV and the WFOE;
“Mr. Nan”	Mr. Nan Jian Lu (南建陸), an independent third party to the Company;
“Mr. Shao”	Mr. Shao Ming Tao (邵名濤), an independent third party to the Company;
“OCGAP”	Oriental City Group Asia Pacific Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company;
“percentage ratios”	the ratios stipulated under Rule 19.07 of the GEM Listing Rules;
“PRC”	the People’s Republic of China which for the purpose of this announcement, does not include Hong Kong, the Macau Special Administrative Region and Taiwan;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;

“WFOE”

a wholly foreign-owned enterprise to be established by the JV in the PRC which will an indirect non wholly-owned subsidiary of the Company upon establishment; and

“%”

per cent.

By Order of the Board  
**Oriental City Group Holdings Limited**  
**Cheng Nga Ming Vincent**  
*Chairman*

Hong Kong, 11 November 2011

*As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Cheng Nga Ming Vincent and Ms. Cheng Nga Yee, and three independent non-executive Directors, namely Mr. Chan Chun Wai, Mr. Lee Kin Fai and Mr. Chow King Lok.*

*This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its posting and on the Company’s website at [www.ocg.com.hk](http://www.ocg.com.hk).*