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**MAJOR AND CONNECTED TRANSACTION:
DISPOSAL OF 30% EQUITY INTEREST IN
ORIENTAL CITY GROUP THAILAND LIMITED**

THE DISPOSAL

The Board announces that on 11 March 2013 (after trading hours), the Vendor (a wholly-owned subsidiary of the Company) entered into the Agreement with the Purchasers, pursuant to which the Vendor conditionally agreed to dispose of, and the Purchasers conditionally agreed to acquire, the Sale Shares, which in aggregate, represent 30% equity interest in the Sale Company (an indirect wholly-owned subsidiary of the Company). Following the Completion, the Sale Company will be held by the Vendor as to 70%, Purchaser A as to 21% and Purchaser B as to 9%.

GEM LISTING RULES IMPLICATIONS

Since Mr. Yu is the sole ultimate beneficial owner of Purchaser A and one of the directors of the Sale Company, Purchaser A, being an associate of Mr. Yu, is a connected person of the Company and the Disposal constitutes a connected transaction of the Company under the GEM Listing Rules and is subject to reporting, announcement and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules. As the applicable percentage ratios under the GEM Listing Rules in respect of the Disposal exceeds 25% but less than 75%, the Disposal also constitutes a major transaction of the Company under the GEM Listing Rules and is therefore subject to the notification, announcement and Shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

EGM

The EGM will be convened at which resolution will be proposed to seek the approval of the Independent Shareholders for the Agreement and the transactions contemplated thereunder. The Independent Board Committee has been established to consider the transactions contemplated under the Agreement and Astrum Capital Management Limited has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Mr. Sung, being a Shareholder holding 12,000,000 Shares as at the date of this announcement, will be required to abstain from voting at the EGM in respect of the resolution regarding the Disposal.

GENERAL

A circular containing, among other things, further details regarding (i) the Agreement; (ii) the letter of recommendation from the Independent Board Committee containing its advice to the Independent Shareholders regarding the Disposal; (iii) the letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Disposal; and (iv) a notice convening the EGM, is expected to be despatched to the Shareholders on or before 30 April 2013 as more time is required for preparing the information required for inclusion in the circular.

The Board announces that on 11 March 2013 (after trading hours), the Vendor (a wholly-owned subsidiary of the Company) entered into the Agreement with the Purchasers, pursuant to which the Vendor conditionally agreed to dispose of, and the Purchasers conditionally agreed to acquire, the Sale Shares, which in aggregate, represent 30% equity interest in the Sale Company (an indirect wholly-owned subsidiary of the Company).

THE AGREEMENT

A summary of the principal terms of the Agreement is set out below:

Date

11 March 2013

Parties to the Agreement

- (1) Vendor: the Vendor (a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of the Company);

- (2) Purchasers: (i) Purchaser A; and
(ii) Purchaser B.

Since Mr. Yu is the sole ultimate beneficial owner of Purchaser A and one of the directors of the Sale Company, Purchaser A, being an associate of Mr. Yu, is a connected person of the Company and the Disposal constitutes a connected transaction of the Company. To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Purchaser A is principally engaged in investment holding.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, Purchaser B is principally engaged in investment holding and is an Independent Third Party, save that Mr. Sung, its sole ultimate beneficial owner, is an employee of the Company and a Shareholder holding 12,000,000 Shares as at the date of this announcement.

Assets to be disposed of

The Sale Shares, representing 30% of the issued share capital of the Sale Company, as to 21 Sale Shares to be sold to Purchaser A and 9 Sale Shares to be sold to Purchaser B.

Condition

Completion is subject to the passing of an ordinary resolution by the Independent Shareholders at the EGM approving the Agreement and the transactions contemplated thereunder.

If the condition set out above is not fulfilled on or before the Long Stop Date, all rights and obligations of the parties to the Agreement shall cease and terminate and no party to the Agreement shall have any claim against or liability to the other party save for any antecedent breaches of the Agreement.

Completion

Completion of the Agreement shall take place on the third business day after the fulfillment of the condition set out above, or such other date or time as may be agreed between the parties to the Agreement.

Following the Completion, the Sale Company will continue to be a subsidiary of the Company, and will be held by the Vendor as to 70%, Purchaser A as to 21% and Purchaser B as to 9%.

The Aggregate Consideration

The Aggregate Consideration is HK\$10,000,000, as to HK\$7,000,000 payable in cash by Purchaser A and as to HK\$3,000,000 payable in cash by Purchaser B, on the date of Completion. After deducting the relevant direct transaction costs, the net proceeds from the Disposal would be approximately HK\$9,400,000 and is expected to be used for future development of the Group when opportunity arise.

The Aggregate Consideration was determined after arm's length negotiation between the Vendor and the Purchasers and on normal commercial terms with reference to (i) the unaudited consolidated net asset value of the Sale Company attributable to the Sale Shares as at 31 December 2012; (ii) the historical financial performance of the Sale Company; and (iii) the growth potential and prospects of card acceptance business in Thailand.

INFORMATION ON THE SALE COMPANY

The Sale Company is an indirect wholly-owned subsidiary of the Company and is an investment holding company.

As at the date of this announcement, the Sale Company held the entire equity interest in Oriental City Group Asia Pacific Limited, which is an investment holding company holding 70% equity interest in OCG China Company Limited, a company which is engaged in provision of marketing and administrative services within the Group. The Sale Company also holds 60% equity interest in Oriental City Group (Thailand) Co., Limited, the principal activities of which is card acceptance business.

Set out below is a summary of the unaudited consolidated net profits of the Sale Company for the two years ended 31 March 2012:

	For the year ended 31 March 2011	For the year ended 31 March 2012
	<i>(HK\$)</i>	<i>(HK\$)</i>
Profit before taxation	1,752,000	3,284,000
Profit after taxation	1,208,000	1,992,000

As at 31 December 2012, the unaudited consolidated net asset value of the Sale Company was approximately HK\$8,501,000.

Upon Completion, the Group expects to recognize an unaudited gain directly in equity of approximately HK\$8,238,000, being the difference between the Aggregate Consideration and the estimated unaudited consolidated net assets value of the Sale Company attributable to the Sales Shares at the date of the Completion. The amount of the actual gain or loss as a result of the Disposal will be determined as at the date of the Completion and subject to audit.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Group is principally engaged in the card acceptance business in Thailand.

Mr. Yu and Mr. Sung are experienced in the card acceptance business and are employees of the Group. Pursuant to their existing employment contracts with the Group, their term of employment will expire on 28 February 2015. The Disposal to the Purchasers which are respectively owned by Mr. Yu and Mr. Sung does not only enable the Group to retain expertise, but also serves as incentive to Mr. Yu and Mr. Sung to make more contribution towards the development of the Group as shareholders of the Sale Company.

The net proceeds from the Disposal can enhance the cash flow of the Company which enables the Company to better utilise its resources to pursue business with growth potential when opportunities arise.

Based on the above, the Directors (excluding the independent non-executive Directors whose opinion would be rendered after having obtained the advice from the independent financial adviser) have considered that the terms of the Disposal are on normal commercial terms, fair and reasonable and in the interests of the Company and its Shareholders as a whole.

GEM LISTING RULES IMPLICATION

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TERMS AND DEFINITION

“associate”	has the meaning ascribed to this term under the GEM Listing Rules
“Aggregate Consideration”	the sum of HK\$10,000,000, being the aggregate consideration for the sale and purchase of the Sale Shares payable by the Purchasers to the Vendor
“Agreement”	the sale and purchase agreement dated 11 March 2013 entered into between the Vendor and the Purchasers relating to the Disposal
“Board”	the board of Directors
“Company”	Oriental City Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the securities of which are listed on the GEM of the Stock Exchange (Stock Code: 8325)
“Completion”	the completion of the Disposal
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Sale Shares by the Vendor to the Purchasers
“EGM”	an extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the Agreement and the transactions contemplated thereunder
“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
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“Independent Board Committee”	the committee of the Board comprising all the independent non-executive Directors (namely Mr. Chan Chun Wai, Mr. Lee Kin Fai and Mr. Chow King Lok) established for the purpose of considering the Agreement and the transactions contemplated thereunder
“Independent Shareholders”	shareholders of the Company other than those who are required by the GEM Listing Rules to abstain from voting on the resolution approving the Agreement and the transactions contemplated thereunder
“Independent Third Party”	the third party which is independent of the Company and its connected persons (as defined in the GEM Listing Rules)
“Long Stop Date”	5:00 p.m. on 30 June 2013 or such other date as the Vendor and the Purchasers shall agree in writing
“Mr. Sung”	Mr. Sung Hak Keung Andy, the sole ultimate beneficial owner of Purchaser B
“Mr. Yu”	Mr. Yu Chun Fai, the sole ultimate beneficial owner of Purchaser A and one of the directors of the Sale Company
“Purchaser A”	Straum Investments Limited, a company incorporated in the British Virgin Islands with limited liability
“Purchaser B”	Original Fortune Group Limited, a company incorporated in the British Virgin Islands with limited liability
“Purchasers”	Purchaser A and Purchaser B
“Sale Company”	Oriental City Group Thailand Limited, a company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Company
“Sale Shares”	30 ordinary shares of US\$1.00 each in the issued share capital of the Sale Company, which are beneficially owned by the Vendor, representing 30% of the issued share capital of the Sale Company, to be sold to the Purchasers
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholders”	shareholders of the Company

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor”	Charm Act Group Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“US\$”	United States dollars, the lawful currency of the United States of America

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

Hong Kong, 11 March 2013

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Cheng Nga Ming Vincent and Ms. Cheng Nga Yee; one non-executive Director, namely Mr. Zhang Huaqiao; 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 GEM Listing Rules 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 for at least 7 days from the date of its posting and on the Company’s website at www.ocg.com.hk.