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AID Partners Capital Holdings Limited

(滙友資本控股有限公司)*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8088)

MEMORANDUM OF UNDERSTANDING IN RELATION TO TWO POSSIBLE ACQUISITIONS

This announcement is made pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market (“**GEM**”) of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of AID Partners Capital Holdings Limited (the “**Company**”) is pleased to announce that, on 24 April 2015 (after trading hours), HMV Ideal Limited (the “**Purchaser**”), an indirect wholly-owned subsidiary of the Company, entered into (i) a memorandum of understanding (the “**First MOU**”) with Mighty Merit Group Limited (the “**First Vendor**”) for the purpose of setting forth the principal terms of the possible acquisition of the businesses comprising: (i) certain retail stores that are currently operated by the First Vendor and/or its subsidiaries (collectively, the “**First Vendor Group**”) under the brand name “HMV” in the Hong Kong Special Administrative Region of the People’s Republic of China (“**Hong Kong**”) and/or (ii) certain rights to carry out businesses under the brand name “HMV” in Hong Kong and/or the People’s Republic of China (the “**First Target Businesses**”) (the “**First Proposed Acquisition**”); and (ii) a memorandum of understanding (together with the First MOU, the “**MOUs**” and each a “**MOU**”) with Billion Express Consultants Limited (the “**Second Vendor**”, together with the First Vendor, the “**Vendors**” and each a “**Vendor**”) for the purpose of setting forth the principal terms of the possible acquisition of the businesses comprising: (i) a retail store that is currently operated by the Second Vendor and/or its subsidiaries (collectively, the “**Second Vendor Group**”) under the brand name “HMV” in Singapore and/or (ii) certain rights to carry out businesses under the brand name “HMV” in Singapore (the “**Second Target Businesses**”) (together with the First Proposed Acquisition, the “**Proposed Acquisitions**”). The Proposed Acquisitions shall proceed in such manner and on terms and conditions to be further negotiated between the respective parties thereto.

* For identification purpose only

As at the date of this Announcement, the First Vendor Group operates, among other things, certain retail stores under the brand name “HMV” in Hong Kong selling music, movie and television series related contents and products. The First Vendor is wholly-owned by Leader Fortune International Limited, which is wholly-owned by AID Partners Capital II, L.P., which is controlled by AID Partners GP2, Ltd., which is ultimately controlled by Mr. Wu King Shiu, Kelvin (“**Mr. Wu**”), and of which Mr. Ho Gilbert Chi Hang (“**Mr. Ho**”) and Mr. Chang Tat Joel (“**Mr. Chang**”) are directors. Mr. Wu, Mr. Ho and Mr. Chang are executive directors of the Company (“**Director(s)**”). As at the date of this Announcement, the Second Vendor Group operates a retail store under the brand name “HMV” in Singapore selling music, movie and television series related contents and products. The Second Vendor is wholly-owned by HMV Asia Limited. Mr. Wu is deemed to be interested in 62.50% of the issued share capital of HMV Asia Limited due to family holdings and is a director of HMV Asia Limited.

The MOUs are non-legally binding save for certain terms relating to payment and refund of Earnest Money (as defined below) in respect of the First MOU, Exclusivity Period (as defined below), confidentiality, expenses and general provision relating to the governing law, which is the laws of the Hong Kong.

Principal terms of the MOUs include:

Earnest Money (in respect of the First MOU)

The Purchaser agrees to pay to the First Vendor (or its nominee) and the First Vendor agrees to receive earnest money in the amount of HK\$5,000,000 (the “**Earnest Money**”) within 10 days from the date of this MOU. The Earnest Money shall be immediately and fully refunded and returned by the First Vendor to the Purchaser if:

- (a) the Sale and Purchase Agreement (as defined below) for the First Proposed Acquisition is not entered into prior to the expiration of the Exclusivity Period; or
- (b) the Sale and Purchase Agreement for the First Proposed Acquisition terminates in accordance with its terms.

Provided that in the event that the Sale and Purchase Agreement for the First Proposed Acquisition is entered into, the Earnest Money shall be applied towards part payment of any such initial or first payment payable thereunder.

Exclusivity

Each of the Vendors agrees with the Purchaser that within a period of 12 months from the date of signing the respective MOU (the “**Exclusivity Period**”), the Vendors shall not, initiate, assist, solicit, negotiate, encourage or accept any offer or inquiry from any person to purchase any interest in the First Target Businesses or Second Target Businesses (as applicable) or their underlying assets. The Purchaser and the Vendors may mutually agree in writing to terminate or extend the Exclusivity Period.

Definitive Sale and Purchase Agreement

The Vendors' and Purchaser's respective obligation to close the respective Proposed Acquisitions are subject to, among others, the negotiation and execution of the respective definitive sale and purchase agreements for the respective Proposed Acquisitions (the "**Sale and Purchase Agreement**") on or before the end of the Exclusivity Period, which shall contain customary terms and conditions for similar transactions.

General

The Board wishes to emphasise that no binding agreement in relation to the Proposed Acquisitions has been entered into as at the date of this announcement. The Proposed Acquisitions are subject to the entering into of the respective definitive agreements and therefore may or may not materialise. The shareholders and potential investors of the Company are advised to exercise caution in the dealing in the shares and other securities of the Company.

Further announcement(s) will be made by the Company as and when appropriate.

By order of the Board
AID Partners Capital Holdings Limited
Wu King Shiu, Kelvin
Executive Director

Hong Kong, 24 April 2015

As at the date of this announcement, the Directors are:

Executive Directors: *Chang Tat Joel, Ho Gilbert Chi Hang,
Huang Kenian, Wang Dayong and
Wu King Shiu, Kelvin*

Non-Executive Director: *Stephen Shiu Junior*

Independent Non-Executive Directors: *Shi Jinsheng, Sin Hendrick and Yuen Kwok On*

This announcement, for which the Directors collectively and individually accept full responsibility, includes particular 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 (i) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and (ii) there are no other matters the omission of which would make any statement in this announcement misleading.

This announcement will remain on the GEM website at www.hkgem.com on the "Latest Company Announcements" page for at least 7 days from the date of its posting and on the website of the Company at www.aid8088.com.