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**Great Harvest Maeta Group Holdings Limited**

**榮 豐 聯 合 控 股 有 限 公 司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock code: 3683)**

## **MAJOR TRANSACTION: DISPOSAL OF A VESSEL**

On 11 August 2014, the Group entered into the MOA with the Purchaser for disposal of the Vessel at a consideration of about US\$7.00 million (equivalent to about HK\$54.29 million). The Vessel is a capesize dry bulk vessel built in 1990 with a carrying capacity of about 123,503 dwt. Subject to the terms of the MOA, the Vessel shall be due for delivery during the period from 15 August 2014 to 30 August 2014.

As the applicable percentage ratios (as calculated in accordance with Rule 14.07 of the Listing Rules) for the Disposal are more than 25% but less than 75%, the Disposal constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is subject to approval by the Shareholders. So far as the Directors are aware of after making reasonable enquiries, none of the Shareholders would have been required to abstain from voting if the Company were to convene a general meeting for the approval for the Disposal. As such, written shareholders' approval may be accepted in lieu of holding a general meeting pursuant to Rule 14.44(2) of the Listing Rules. Ablaze Rich, a Shareholder holding 616,322,500 Shares, representing about 74.26% of the issued share capital of the Company, has given its written approval on the Disposal. Accordingly, no extraordinary general meeting of the Company will be convened for the purpose of approving the Disposal as a major transaction.

A circular containing, among other information, further details of the Disposal is expected to be dispatched to the Shareholders for their reference on or before 1 September 2014.

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### **THE DISPOSAL**

The principal terms of the MOA are set out below.

#### **Date:**

11 August 2014

**Parties:**

Vendor: Great Ocean Shipping Limited, a wholly-owned subsidiary of the Company

Purchaser: Venus Shipping Inc.

Guarantor: Wirana Shipping Corporation

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, (i) each of the Purchaser, the Guarantor and their respective ultimate beneficial owners are third parties independent of the Company and the connected persons (as defined in the Listing Rules) of the Company and (ii) the principal business activities of the Purchaser and the Guarantor include ship owning.

**Asset to be disposed:**

The Vessel is a capesize dry bulk vessel built in 1990 with a carrying capacity of about 123,503 dwt. Under the MOA, the Vendor shall deliver the Vessel to the Purchaser charter free, cargo free and free of mortgages, debts, claims and liens. Subject to the terms of the MOA, the Vessel shall be due for delivery during the period from 15 August 2014 to 30 August 2014.

**Consideration:**

The consideration for the Vessel is about US\$7.00 million (equivalent to about HK\$54.29 million) and is payable by the Purchaser in the following manner:

- (1) a deposit for the sum of about US\$2.10 million (equivalent to about HK\$16.29 million), representing 30% of the consideration, shall be payable by the Purchaser to a bank account nominated by the Vendor within three Banking Days from the date of signing of the MOA by the parties; and
- (2) the balance of the consideration for the sum of about US\$4.90 million (equivalent to about HK\$38.00 million), representing 70% of the consideration, shall be payable by the Purchaser to a bank account nominated by the Vendor within three Banking Days after the Vendor's tendering of the notice of readiness to deliver the Vessel pursuant to the MOA.

The consideration for the Vessel has been determined by the parties after arm's length negotiations between the parties, taking into account the recently concluded sale and purchase transactions of vessels of comparable size and year of build in the market.

**Performance guarantee:**

The Guarantor shall guarantee the performance of the Purchaser of its obligations under the MOA.

## GENERAL INFORMATION ON THE GROUP AND THE VENDOR

The Group is principally engaged in chartering out its own dry bulk vessels.

The Vendor is a special purpose company for the holding and operation of the Vessel. Set out below is the net profit or loss (both before and after taxation) of the Vendor for the financial years ended 31 March 2013 and 2014:

	<b>For the year ended 31 March 2013</b>	<b>For the year ended 31 March 2014</b>
	<i>US\$ million</i>	<i>US\$ million</i>
Net profit/(loss) before and after taxation	(5.56)	0.06

## REASONS FOR AND BENEFITS OF THE DISPOSAL

Following its recent acquisitions of two panamax dry bulk vessels, the Group has the intention to sell the Vessel in light of its relative old age and inefficiency as compared with other vessels in the Group's fleet. The Directors consider that the Vessel can be sold at a reasonable price and the Disposal will enable the Group able to strengthen its working capital position and optimize its fleet composition. The Directors believe that the Disposal will not have any material adverse effect on the operations of the Group.

On the basis of the net book value of the Vessel of about US\$7.68 million as at 31 March 2014, it is expected that a loss before taxation of about US\$0.65 million would be recognized by the Group as a result of the Disposal.

The Group intends to use the net sale proceeds received pursuant to the Disposal for general working capital of the Group.

The Directors (including the independent non-executive Directors) are of the view that the terms of the Disposal are normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## LISTING RULES IMPLICATIONS

As the applicable percentage ratios (as calculated in accordance with Rule 14.07 of the Listing Rules) for the Disposal are more than 25% but less than 75%, the Disposal constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is subject to approval by the Shareholders.

So far as the Directors are aware of after making reasonable enquiries, none of the Shareholders would have been required to abstain from voting if the Company were to convene a general meeting for the approval for the Disposal. As such, written shareholders' approval may be accepted in lieu of holding a general meeting pursuant to Rule 14.44(2) of the Listing Rules. Ablaze Rich, a Shareholder holding 616,322,500 Shares, representing about 74.26% of the issued share capital of the Company, has given its written approval on the Disposal. Accordingly, no extraordinary general meeting of the Company will be convened for the purpose of approving the Disposal as a major transaction.

A circular containing, among other information, further details of the Disposal is expected to be dispatched to the Shareholders for their reference on or before 1 September 2014.

## DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Ablaze Rich”	Ablaze Rich Investments Limited, a company incorporated in the British Virgin Islands, the controlling shareholder of the Company holding about 74.26% of the issued share capital of the Company as at the date of this announcement
“Banking Day(s)”	any day(s) on which banks are open in Singapore, London, New York and Hong Kong
“Board”	the board of Directors
“capesize”	dry bulk vessel with size of 100,000 dwt or above
“Company”	Great Harvest Maeta Group Holdings Limited (榮豐聯合控股有限公司), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Directors”	directors of the Company
“Disposal”	the disposal of the Vessel by the Vendor under the MOA
“dwt”	deadweight tonnage, a measure expressed in metric tons or long tons of a ship’s carrying capacity, including cargoes, bunker, fresh water, crew and provisions
“Group”	the Company and its subsidiaries
“Guarantor”	Wirana Shipping Corporation, the guarantor of the Purchaser’s performance of its obligations under the MOA
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MOA”	the written memorandum of agreement dated 11 August 2014 and entered into between the Vendor, the Purchaser and the Guarantor for the Disposal
“panamax”	dry bulk vessel with size ranging from 60,000 to 99,999 dwt
“Purchaser”	Venus Shipping Inc., the purchaser of the Vessel pursuant to the MOA
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Vendor”	Great Ocean Shipping Limited, a wholly-owned subsidiary of the Company
“Vessel”	a capesize dry bulk vessel built in 1990 with a carrying capacity of about 123,503 dwt
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“US\$”	United States Dollars, the lawful currency of the United States of America
“%”	per cent.

In this announcement, for the illustration purpose only, amounts quoted in US\$ have been converted into HK\$ at the rate of US\$1 to HK\$7.75. Such exchange rate has been used, where applicable, for illustration purpose only and does not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.

For and on behalf of the Board  
**Great Harvest Maeta Group Holdings Limited**  
**Yan Kim Po**  
*Chairman*

Hong Kong, 11 August 2014

*As at the date of this announcement, the executive Directors are Mr. Yan Kim Po, Ms. Lam Kwan and Mr. Cao Jiancheng; and the independent non-executive Directors are Mr. Cheung Kwan Hung, Mr. Chan Chung Bun, Bunny and Mr. Wai Kwok Hung.*