

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



LISI GROUP (HOLDINGS) LIMITED

利時集團（控股）有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 526)

DISCLOSEABLE TRANSACTION ACQUISITION OF 5% OF THE ISSUED SHARE CAPITAL OF NEW JOYSUN CORP.

The Board is pleased to announce that on 20 June 2013, Ningbo Lisi (being a wholly-owned subsidiary of the Company) entered into the Share Transfer Agreement with Hua Sheng Industrial whereby Ningbo Lisi agreed to purchase and Hua Sheng Industrial agreed to sell the Sale Shares in accordance with the terms of the Share Transfer Agreement. The Sale Shares represent 5% of the issued share capital of New JoySun. Upon Completion, New JoySun will be held as to 95% by Da Mei (Ningbo) Electrical Appliance and 5% by Ningbo Lisi, respectively.

The Consideration for the Acquisition is RMB31,665,000 and has been settled by Ningbo Lisi on the date of the Share Transfer Agreement.

As one or more of the applicable percentage ratios for the Acquisition is/are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction under Rule 14.06(2) of the Listing Rules and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

THE SHARE TRANSFER AGREEMENT

Date: 20 June 2013

Parties: (1) Ningbo Lisi (being a wholly-owned subsidiary of the Company)(as purchaser)

(2) Hua Sheng Industrial (as the vendor)

Acquisition: Ningbo Lisi agreed to purchase and Hua Sheng Industrial agreed to sell the Sale Shares in accordance with the terms of the Share Transfer Agreement. The Sale Shares represent 5% of the issued share capital of New JoySun. Upon Completion, New JoySun will be held as to 95% by Da Mei (Ningbo) Electrical Appliance and 5% by Ningbo Lisi, respectively.

Consideration: The Consideration for the Acquisition of RMB31,665,000 has been settled by Ningbo Lisi in cash on the date of the Share Transfer Agreement and was financed from internal resources of the Group.

The Sale Shares were listed for sale by Hua Sheng Industrial at the Yinzhou Assets and Equity Exchange. The Consideration is the listed value of the Sale Shares and was determined after taking into account the valuation of the Sale Shares as at 30 September 2012 prepared by an independent PRC valuer and the audit report for October-December 2012 prepared by an independent PRC auditor.

The Directors are of the view that the terms of the Acquisition, including the Consideration, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Completion: Completion of the Acquisition took place on the date of the Share Transfer Agreement. Ningbo Lisi shall be responsible for completing the relevant registration procedures in respect of transfer of the Sale Shares at the competent administration for industry and commerce.

INFORMATION OF HUA SHENG INDUSTRIAL

Hua Sheng Industrial is a company established in the PRC and is principally engaged in the distribution and retail of knitwear and textiles, hardware and electrical equipment as well as culture and sports products.

To the best knowledge of the Directors' knowledge, information and belief, after having made all reasonable enquiries, Hua Sheng Industrial and its ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons (as defined in the Listing Rules).

INFORMATION OF NEW JOYSUN AND NEW JOYSUN GROUP

New JoySun is a limited liability company incorporated in the PRC. Prior to Completion, New JoySun was held as to 95% by Da Mei (Ningbo) Electrical Appliance and 5% by Hua Sheng Industrial, respectively. Upon Completion, the Sale Shares representing 5% of the issued share capital of New JoySun will be transferred from Hua Sheng Industrial to Ningbo Lisi and New JoySun will be held as to 95% by Da Mei (Ningbo) Electrical Appliance and 5% by Ningbo Lisi, respectively.

New JoySun Group is principally engaged in the rental operation of one department store and the retail operations of (i) one department store; and (ii) a chain of supermarkets comprising thirty-six (36) supermarkets as at the date of this announcement. New JoySun Group also comprises wholesale operations which are engaged in (i) the wholesale of alcohol, wine and beverages; and (ii) the wholesale of electrical appliances, mainly standalone and central air-conditioning systems. For further details, please refer to the circular of the Company dated 22 May 2013.

Set out below is the financial information of New JoySun Group for the financial years ended 31 December 2011 and 2012:

	For the year ended	
	31 December	
	2011	2012
	<i>RMB'000</i>	<i>RMB'000</i>
Profit before taxation	70,371	57,393
Profit for the year	51,060	39,496

The net assets of New JoySun Group as at 31 December 2012 amount to RMB372,070,000.

REASONS FOR AND BENEFIT OF THE ACQUISITION

Reference is made to the announcement of the Company dated 5 March 2013 and the circular of the Company dated 22 May 2013 relating to the Former Acquisition. The Former Acquisition relates to the acquisition by the Company of the entire issued share capital of Wealthy Honor, which will in turn hold 95% of the issued share capital of New JoySun upon completion thereof. As at the date of this announcement, completion of the Former Acquisition has not taken place.

Ningbo Lisi (being a wholly-owned subsidiary of the Company) entered into the Share Transfer Agreement for the primary reason of acquiring the remaining minority interest of New JoySun so that New JoySun will become a wholly-owned subsidiary upon completion of both the Acquisition and the Former Acquisition.

The Company considers that if New JoySun becomes a wholly-owned subsidiary of the Company, it can enhance the control and management of the Company over New JoySun Group, which is beneficial to New JoySun Group's future development and operation efficiency.

In relation to the reasons for and benefits derived from the Former Acquisition, reference is made to the section headed "Reasons for and Benefits of the Acquisition" in the circular of the Company dated 22 May 2013.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios for the Acquisition is/are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction under Rule 14.06(2) of the Listing Rules and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Acquisition”	acquisition of the Sale Shares from Hua Sheng Industrial by Ningbo Lisi
“Board”	the board of Directors
“BVI”	the British Virgin Islands
“Company”	Lisi Group (Holdings) Limited (利時集團(控股)有限公司), a company incorporated in Bermuda with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange
“Completion”	the completion of the Acquisition
“Consideration”	the consideration for the Acquisition
“Director(s)”	the director(s) of the Company
“Former Acquisition”	the acquisition of the entire issued share capital of Wealthy Honor pursuant to the Former Sale & Purchase Agreement
“Former Sale & Purchase Agreement”	the Sale & Purchase Agreement as defined in the circular of the Company dated 22 May 2013
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hua Sheng Industrial”	寧波華盛實業總公司(Ningbo Hua Sheng Industrial Company*), a company established in the PRC and held 5% of the issued share capital of New JoySun prior to Completion
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New JoySun”	寧波新江廈股份有限公司(New JoySun Corp.*), a limited liability company incorporated in the PRC

“New JoySun Group”	New JoySun and its subsidiaries
“Ningbo Lisi”	Ningbo Lisi Information Technology Co., Ltd* (寧波利時信息科技有限公司), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Company
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Shares”	3,000,000 shares, representing 5% of the issued share capital of New JoySun
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Wealthy Honor”	Wealthy Honor Holdings Limited (盛新控股有限公司), a limited liability company incorporated in the BVI
“Yinzhou Assets and Equity Exchange”	寧波市鄞州區產權交易中心(Assets and Equity Exchange of Yinzhou District, Ningbo City*)
“%”	per cent.

The English translation of the Chinese names is included for information purposes only and should not be regarded as their official English translation.

By Order of the Board
LISI GROUP (HOLDINGS) LIMITED
Li Li Xin
Chairman

Hong Kong, 21 June 2013

As at the date of this announcement, the Board comprises seven Directors with Mr. Li Li Xin (Chairman) and Mr. Cheng Jian He being executive Directors, Mr. Xu Jin and Mr. Lau Kin Hon being non-executive Directors, Mr. He Chengying, Mr. Cheung Kiu Cho Vincent and Mr. Shin Yick Fabian being independent non-executive Directors.

* For identification purpose only