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LEGEND STRATEGY INTERNATIONAL HOLDINGS GROUP COMPANY LIMITED

枋濬國際集團控股有限公司

(a company incorporated in the Cayman Islands with limited liability)

(Stock Code: 8160)

**MEMORANDUM OF UNDERSTANDING
IN RESPECT OF THE POSSIBLE ACQUISITION**

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

The Board is pleased to announce that on 17 October 2012 (after trading hours), the Purchaser entered into a non-legally binding MOU with the Vendor pursuant to which the Purchaser intended to acquire and the Vendor intended to sell 100% of the issued share capital of the Target Company, which is principally engaged in the business of interior decoration and design.

The consideration for the Possible Acquisition shall be subject to negotiation and agreement between the Vendor and the Purchaser after the Purchaser has completed the due diligence review.

Shareholders of the Company should note that the Possible Acquisition may or may not proceed. Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by Legend Strategy International Holdings Group Company Limited (the “**Company**” together with its subsidiaries, collectively the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”).

The board of directors of the Company (the “**Board**”) is pleased to announce that on 17 October 2012 (after trading hours), Legend Strategy Limited (the “**Purchaser**”), a wholly-owned subsidiary of the Company, has entered into a non-legally binding memorandum of understanding (the “**MOU**”) with Mr. Ng (the “**Vendor**”) pursuant to which the Purchaser intended to purchase and the Vendor intended to sell 100% of the issued share capital of Spacial Interior Design Company Limited (the “**Target Company**”), which is principally engaged in the business of interior decoration and design (the “**Possible Acquisition**”).

The consideration for the Possible Acquisition shall be approximately HK\$60,000,000 and subject to further negotiation and agreement between the Vendor and the Purchaser after the Purchaser has completed the due diligence review.

Pursuant to the MOU, the Vendor and the Purchaser will negotiate in good faith the terms of the definitive agreement (the “**Definitive Agreement**”) for the Possible Acquisition within an exclusive period of six months after the date of the MOU (the “**Exclusivity Period**”). During the Exclusivity Period, the Purchaser will have the sole and exclusive right to negotiate with the Vendor with a view to agreeing and executing the Definitive Agreement.

In consideration of the Exclusivity Period, the Purchaser agrees to pay an earnest money in the amount of HK\$10 million (the “**Earnest Money**”) to the Vendor. The Earnest Money shall be refunded to the Purchaser within five business days from the date the Vendor received the Purchaser’s written notification of its decision not to proceed with the Possible Acquisition or if the Vendor and the Purchaser shall enter into the Definitive Agreement, such Earnest Money shall be applied towards part payment of the consideration for the Possible Acquisition payable by the Purchaser to the Vendor.

Save for the matters disclosed above, the entering into the MOU does not constitute a legally binding commitments as to the Possible Acquisition.

To the best knowledge of the directors of the Company and having made all reasonable enquiries, the Vendor are third parties independent of and not connected with the directors, chief executive or substantial shareholder(s) of the Company or any of its subsidiaries or any of their respective associates as defined in the GEM Listing Rules. In the event that the Possible Acquisition proceeds, the Company will comply with the relevant disclosure requirements of the GEM Listing Rules as and when appropriate.

Shareholders of the Company should note that the Possible Acquisition may or may not proceed. Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board of
Legend Strategy International Holdings Group Company Limited
Fong Man, Kelvin
Chairman and Executive Director

Hong Kong, 17 October 2012

As at the date of this announcement, the Board comprises:

Executive Director:

Mr. Fong Man, Kelvin (*Chairman*)

Non- Executive Directors:

Mr. De Weyer, Daniel Ludovicus Joannes

Mr. Wong William

Independent Non-Executive Directors:

Dr. Wong Hak Kun, Jerry

Mr. Tam Kwok Ming, Banny

Mr. Tsoi Wing Sum

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 GEM website at www.hkgem.com on the “Latest Company Announcements” page for seven days from the day of its posting and on the website of the Company at www.legendstrategy.com.