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KINGMAKER FOOTWEAR HOLDINGS LIMITED

信星鞋業集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 01170)

SUPPLEMENTAL AGREEMENT TO LETTER OF OFFER

Reference is made to the Announcement of the Company dated 15 July 2013 in respect of the Letter of Offer.

The Board announces that the Company has made a request to the Developer to switch the Original Land under the Letter of Offer to the New Land Parcels, comprising Land Parcel 1 and Land Parcel 2. In this regard, the Company has entered into the Supplemental Agreement with the Developer on 27 December 2013.

Reference is made to the announcement of Kingmaker Footwear Holdings Limited (the “**Company**”) dated 15 July 2013 in respect of the Letter of Offer (the “**Announcement**”). Terms used in this announcement shall, unless otherwise defined, have the same meaning as used in the Announcement.

The Board announces that the Company has made a request to the Developer to switch the Land of an area of approximately 226,300 square meters originally designated under the Letter of Offer (the “**Original Land**”) to two parcels of land (the “**New Land Parcels**”), comprising Land Parcel 1 which is a portion of the Original Land of an area of approximately 123,100 square meters and Land Parcel 2 which is another parcel of land of approximately 130,800 square meters in the close proximity of the Original Land in Vietnam. In this regard, the Company has entered into a supplemental agreement (the “**Supplemental Agreement**”) with the Developer on 27 December 2013.

Pursuant to the Supplemental Agreement, the parties agreed the following:

Subject matter:

Details of the New Land Parcels are as follows:

*The first parcel of land (“**Land Parcel 1**”)*

Land area: approximately 123,100 square meters, subject to final survey

Land lease price: US\$3,323,700 based on a unit lease price of US\$27 per square meter and the above estimated land area

Land handover date: Not later than 31 December 2013

Land lease expiry date: 2082

*The second parcel of land (“**Land Parcel 2**”)*

Land area: approximately 130,800 square meters, subject to final survey

Land lease price: US\$3,531,600 based on a unit lease price of US\$27 per square meter and the above estimated land area

Land handover date: By 1 October 2014

Land lease expiry date: 2082

Accordingly, the total land lease price of the New Land Parcels is US\$6,855,300 (equivalent to approximately HK\$53,334,000), subject to adjustment based on the actual area of the New Land Parcels pursuant to the final survey.

Pursuant to the Supplemental Agreement, Kingmaker Vietnam shall (i) submit the application for adjustment of land area in an investment certificate in respect of the Land Parcel 1 (the “**Investment Certificate**”) and (ii) submit the application for a licence to operate at the Land Parcel 2 (the “**Licence**”) within 30 days and six months from the date of the Supplemental Agreement, respectively, failing which the Developer is entitled to retain the booking fee and any other sums paid by Kingmaker Vietnam in respect of the land lease price. The land lease agreement for the Land Parcel 1 is expected to be entered into by Kingmaker Vietnam and the Developer on 31 December 2013, while the land lease agreement for the Land Parcel 2 will be entered into within one month from the date of issuance of the Licence, failing which the Developer shall be entitled to retain the booking fee and all other sums paid by Kingmaker Vietnam in respect of the land lease price.

Payment term:

As at the date of the Supplemental Agreement, a sum of US\$611,010, which represented the booking fee of the Original Land, was paid to the Developer by 30 July 2013 pursuant to the Letter of Offer. As such, the above sum has been applied toward payment of the booking fee and part of the land lease price of the Land Parcel 1 as set out below under the Supplemental Agreement. Pursuant to the Supplemental Agreement, the total land lease price of the New Land Parcels of US\$6,855,300 is payable to the Developer in the following manner:

- (i) a booking fee equivalent to 10% of the total land lease price (i.e. US\$685,530), among which the booking fee for the Land Parcel 1 of US\$332,370 has been paid to the Developer by 30 July 2013 pursuant to the Letter of Offer, and the booking fee for the Land Parcel 2 of US\$353,160 is payable on the date of the Supplemental Agreement;
- (ii) a further 10% of the land lease price of each of the Land Parcel 1 and the Land Parcel 2, among which a sum of US\$278,640 has been paid to the Developer by 30 July 2013 pursuant to the Letter of Offer, and the balance of the 10% of the land lease price of the Land Parcel 1 of US\$53,730 and the 10% of the land lease price of the Land Parcel 2 of US\$353,160 shall be payable upon issuance of the Investment Certificate and the Licence, respectively;
- (iii) a further 40% of the land lease price of each of the Land Parcel 1 and the Land Parcel 2 payable upon the handover of the Land Parcel 1 and the Land Parcel 2, respectively;
- (iv) a further 20% of the land lease price of each of the Land Parcel 1 and the Land Parcel 2 payable on 1 December 2014 and 1 April 2015, respectively; and
- (v) the remaining 20% of the land lease price of each of the Land Parcel 1 and the Land Parcel 2 payable on 1 June 2015 and 1 October 2015, respectively.

Save for the amendments made in the Supplemental Agreement, all other provisions of the Letter of Offer shall remain unchanged.

IMPLICATIONS UNDER THE LISTING RULES

As all of the applicable percentage ratios in respect of the lease of the New Land Parcels are less than 5%, the lease does not constitute a notifiable transaction of the Company and is therefore exempt from the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

By order of the Board
Kingmaker Footwear Holdings Limited
Chen Ming Hsiung, Mickey
Chairman

Hong Kong, 30 December 2013

For the purpose of this announcement, unless otherwise specified, conversion of US\$ into HK\$ is based on the exchange rate of US\$1.00 to HK\$7.78 for the purpose of illustration only.

As at the date of this announcement, the four executive Directors of the Company are Mr. Chen Ming Hsiung, Mickey, Mdm. Huang Hsiu Duan, Helen, Mr. Kimmel, Phillip Brian and Mr. Wong Hei Chiu; the two non-executive Directors are Mr. Chow Wing Kin, Anthony and Mr. Chan Ho Man, Daniel; and the three independent non-executive Directors are Mr. Tam King Ching, Kenny, Mr. Yung Tse Kwong, Steven and Ms. Chan Mei Bo, Mabel.

* *for identification purposes only*