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## **SKYOCEAN INTERNATIONAL HOLDINGS LIMITED**

**天洋國際控股有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 593)**

### **FRAMEWORK AGREEMENT IN RELATION TO THE ZHUOZHOU DREAM ORIENTAL INTERNATIONAL CULTURE AND CREATIVE INDUSTRY PARK PROJECT**

This announcement is made pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the SFO.

The Board is pleased to announce that on 4 April 2014, the Company entered into the Framework Agreement with the Zhuozhou Government in relation to the Project.

**As the Project contemplated under the Framework Agreement may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.**

This announcement is made pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the SFO.

#### **THE FRAMEWORK AGREEMENT**

The Board is pleased to announce that on 4 April 2014, the Company entered into the Framework Agreement with the Zhuozhou Government in relation to the Project. The principal terms of the Framework Agreement are set out below.

#### **Date**

4 April 2014

#### **Parties**

1. The Company; and
2. The Zhuozhou Government.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Zhuozhou Government is a third party independent of the Company and its connected persons (as defined in the Listing Rules).

### **The Project**

The Project is proposed to be located to the east of Xiaoqing River and to the north of Yongma Road in Matou Town and Yihezhuang Village in Zhuozhou County, Hebei Province, the PRC.

The preliminary estimated total investment amount for the Project is approximately RMB60 billion (equivalent to approximately HK\$75.6 billion), of which approximately RMB20 billion (equivalent to approximately HK\$25.2 billion) is expected to be applied to the construction and development of the Cultural Park.

The Project is preliminarily expected to have a total construction area of approximately 13,000,000 sq.m. and a construction period of approximately 5 years, provided that the supply of land by the Zhuozhou Government meets the construction requirements of the Company.

The Project is expected to comprise a tourism and vacation area (including the Cultural Park, an international cultural tourism centre and a Chinese traditional health and leisure centre), a culture and creative industry area (including a filming and production base for television and movies, a creative designs development centre, an anime production base and studios for artists) and ancillary facilities (including exhibition and convention centres, hotels, resorts and ancillary residential units).

### **The Project Company**

The Project shall be undertaken by a project company funded and established by the Company or a related company of the Company. The project company shall have a registered capital of no less than RMB100 million.

### **Land Supply for the Project**

The Zhuozhou Government will supply land of approximately 10,000 mu (equivalent to approximately 6,666,667 sq.m.), half of which will be used for commercial and infrastructure facilities (including the Cultural Park which is expected to occupy 3,000 mu (equivalent to approximately 2,000,000 sq.m.)), while the other half will be used for other ancillary facilities. The land will be supplied by way of tender, auction or listing-for-sale at a price which is not higher than the price for similar land in Zhuozhou County at the relevant time.

The Zhuozhou Government will be responsible for (i) carrying out land expropriation and resettlement; and (ii) constructing all municipal infrastructure and ancillary facilities (including roads and water, electricity, telecommunication, heating, sewage, gas, cable television, telephone, and broadband internet networks) surrounding the land to be demarcated for the Project and to be connected to the facilities of the Project.

### **Responsibilities of the Parties**

The Zhuozhou Government will be responsible for:-

1. supporting the classification of the Project as a key project at provincial or county level (or above) and offering preferential treatment for the Project in terms of taxation, financing and land supply to the largest extent allowed under the relevant laws and policies;
2. assisting the Company in handling various administrative processes and applications for approvals in relation to the Project;
3. coordinating with financial institutions in the region or providing other favourable conditions to assist the Company in obtaining financing for the Project; and
4. providing a convenient transportation network for the Project through the planning and construction of transportation networks and facilities in the region.

The Company will be responsible for:-

1. preparing the planning and design proposal in respect of the Project for the approval of the relevant department of the Zhuozhou Government;
2. organising and monitoring the progress and quality of construction works in relation to the Project; and
3. conducting financial planning for the Project and making payments in relation to the Project in a timely manner.

## **REASONS FOR ENTERING INTO THE FRAMEWORK AGREEMENT**

The Group's principal activities include, among other things, property development in the PRC.

Zhuozhou is conveniently located near Beijing and Tianjin with a rich cultural heritage, and the Zhuozhou Government plans to promote the tourism and cultural industries as well as expedite the economic and social development within the region. The Directors are of the view that the Company will be able to leverage on its experience in construction and urbanisation in the PRC and utilise its resources to assist the Zhuozhou Government in achieving these ends, and that the participation in the Project will benefit the Company in view of the favourable terms under the Framework Agreement.

**As the Project contemplated under the Framework Agreement may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.**

## **DEFINITIONS**

The following expressions in this announcement have the meanings set out below unless the context requires otherwise:

|                       |  |
|-----------------------|--|
| “Board”               | the board of Directors   |
| “Company”             | SkyOcean International Holdings Limited, a company incorporated in Bermuda with limited liability, the issued securities of which are listed on the Main Board of the Stock Exchange (stock code: 593 and warrant code: 664) |
| “Cultural Park”       | the cultural park which is expected to occupy 2,000,000 sq.m. and tentatively named 夢東方 – 傳奇世界 (Legend World – Dream Oriental*) under the Project  |
| “Director(s)”         | the Director(s) of the Company   |
| “Framework Agreement” | the framework agreement dated 4 April 2014 entered into between the Company and the Zhuozhou Municipal People's Government in relation to the development of the Project   |

|                 |   |
|-----------------|---|
| “Group”         | the Company and its subsidiaries  |
| “HK\$”          | Hong Kong dollars, the lawful currency of Hong Kong   |
| “Hong Kong”     | the Hong Kong Special Administrative Region of the PRC  |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange   |
| “PRC”           | People’s Republic of China, which for the purpose of this announcement shall exclude Hong Kong, the Macao Special Administrative Region and Taiwan  |
| “Project”       | the proposed construction and development of a tourism and vacation area (including the Cultural Park, an international cultural tourism centre and a Chinese traditional health and leisure centre), a culture and creative industry area (including a filming and production base for television and movies, a creative designs development centre, an anime production base and studios for artists) and ancillary facilities (including exhibition and convention centres, hotels, resorts and ancillary residential units), in Zhuozhou, Hebei Province, the PRC, and tentatively named 涿州夢東方國際文化創意產業園 (Zhuozhou Dream Oriental International Culture and Creative Industry Park*) |
| “RMB”           | Renminbi, the lawful currency of the PRC  |
| “SFO”           | Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)   |
| “Shareholders”  | the shareholders of the Company   |
| “sq.m.”         | square metres   |

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

“Zhuozhou Government”

涿州市人民政府 (the Zhuozhou Municipal People’s Government\*)

By Order of the Board

**SKYOCEN INTERNATIONAL HOLDINGS LIMITED**

**Zhou Zheng**

*Chairman*

Hong Kong, 4 April 2014

*As at the date of this announcement, the Board comprises Mr. Zhou Zheng (Chairman and Chief Executive Officer), Ms. Zhou Jin, Mr. Liu Li and Mr. Chan Tak Kwong being the executive Directors, and Mr. Li Chak Hung, Dr. Meng Xiaosu and Mr. Anthony Yuen Koon Tung being the independent non-executive Directors.*

*Translation of Renminbi into Hong Kong dollars in this announcement is based on the exchange rate of RMB1 = HK\$1.260. Such exchange rate is for the purpose of illustration only and does not constitute a representation that any amount has been, could have been or may be converted at such rate or any other rate or at all.*

*\* the relevant English name is a translation/transliteration of the Chinese name for reference only*