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Louis XIII Holdings Limited

路易十三集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 577)

**(1) PROPOSED PLACING OF NEW SHARES UNDER
GENERAL MANDATE AND SPECIFIC MANDATE
(2) PROPOSED SUBSCRIPTION OF CONVERTIBLE BONDS
UNDER SPECIFIC MANDATE
AND
(3) RESUMPTION OF TRADING**

Placing Agents and Joint Bookrunners



Deutsche Bank AG, Hong Kong Branch



US Advisor



Reference is made to the announcement of the Company dated 7 November 2013 in relation to, inter alia, the Placing and the CB Subscription.

PROPOSED PLACING OF NEW SHARES UNDER GENERAL MANDATE AND SPECIFIC MANDATE

On 8 November 2013, the Company and the Placing Agents entered into the Placing Agreement pursuant to which the Company has conditionally agreed to allot and issue, and the Placing Agents have conditionally agreed, on a best efforts basis, severally and not jointly nor jointly and severally with the other Placing Agent, to procure Placees to subscribe for up to 72,070,500 General Mandate Placing Shares at HK\$8.23 per Placing Share, representing (i) approximately 20.00% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the General Mandate Placing. The maximum aggregate sum raised from the General Mandate Placing will be approximately HK\$593.14 million.

The General Mandate Placing Shares will be issued pursuant to the General Mandate.

The completion of the General Mandate Placing is conditional upon the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, the General Mandate Placing Shares.

Separately, under the Placing Agreement, the Placing Agents have conditionally agreed, on a best efforts basis, severally and not jointly nor jointly and severally with the other Placing Agent, to procure Placees to subscribe for up to 17,172,000 Specific Mandate Placing Shares at HK\$8.23 per Placing Share, representing (i) approximately 4.77% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 3.82% of the issued share capital of the Company as enlarged by the Placing. The maximum aggregate sum raised from the Specific Mandate Placing will be approximately HK\$141.33 million.

The Specific Mandate Placing Shares will be issued pursuant to the Specific Mandate to be sought from the Shareholders at the SGM.

The completion of the Specific Mandate Placing is conditional upon (a) the Listing Committee granting the approval for the listing of, and permission to deal in, the Specific Mandate Placing Shares; and (b) the Company obtaining the approval of the Shareholders at the SGM to allot and issue the Specific Mandate Placing Shares.

PROPOSED SUBSCRIPTION OF CONVERTIBLE BONDS UNDER SPECIFIC MANDATE

On 8 November 2013, the Company entered into the CB Subscription Agreement with the CB Subscriber pursuant to which the Company has conditionally agreed to issue, and the CB Subscriber has conditionally agreed to subscribe for, the Convertible Bonds with a principal amount of HK\$299,942,350 at the issue price of 100% of the principal amount of the Convertible Bonds.

The maximum of 36,445,000 Conversion Shares be allotted and issued (upon full exercise of the conversion rights attached to the Convertible Bonds at a conversion price at HK\$8.23 each will represent (i) approximately 10.11% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 9.18% of the issued share capital of the Company as enlarged by the full conversion of the Convertible Bonds. The maximum aggregate sum raised from the CB Subscription will be approximately HK\$299.94 million.

The Conversion Shares will be issued pursuant to the Specific Mandate to be sought from the Shareholders at the SGM.

The completion of the CB Subscription is subject to the fulfillment of the conditions precedent in the CB Subscription Agreements as summarized in the sub-paragraph headed "Conditions of the CB Subscription" below.

As the completion of each of the General Mandate Placing, the Specific Mandate Placing and the CB Subscription is subject to the fulfillment of certain condition(s) precedent, the General Mandate Placing, the Specific Mandate Placing and the CB Subscription may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

GENERAL

The total aggregate sum raised from the General Mandate Placing, the Specific Mandate Placing and the CB Subscription will be approximately HK\$1,034.41 million.

The maximum gross proceeds from each of the General Mandate Placing, the Specific Mandate Placing and the CB Subscription will be HK\$593.14 million, approximately HK\$141.33 million and approximately HK\$299.94 million, respectively, while the maximum net proceeds from each of the General Mandate Placing, the Specific Mandate Placing and the CB Subscription are expected to amount to approximately HK\$570 million, approximately HK\$135 million and approximately 286 million, respectively.

Application will be made by the Company to the Stock Exchange for the grant of approval for the listing of, and permission to deal in, the Placing Shares and the Conversion Shares.

The SGM will be convened and held for the Shareholders to consider and, if thought fit, pass the resolution(s) in relation to the grant of the Specific Mandate. Save for certain Placees under the Specific Mandate Placing who are existing Shareholders and shall abstain from voting relating to the Specific Mandate Placing at the SGM, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no other Shareholder will be required to abstain from voting at the SGM.

A circular containing, among other things, (i) details of the Specific Mandate Placing; (ii) details of the CB Subscription; and (iii) a notice of the SGM will be despatched to the Shareholders as soon as practicable in accordance with the Listing Rules.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on Friday, 8 November 2013 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 1:00 p.m. on Friday, 8 November 2013.

Reference is made to the announcement of the Company dated 7 November 2013 in relation to, inter alia, the Placing and the CB Subscription.

1. PROPOSED PLACING OF NEW SHARES UNDER GENERAL MANDATE AND SPECIFIC MANDATE

Placing Agreement

Date:

8 November 2013

Parties:

Issuer: The Company

Placing Agents and
joint bookrunners: Deutsche Bank and CLSA

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, each of the Placing Agents and its ultimate beneficial owners is an Independent Third Party.

The Placing:

Pursuant to the Placing Agreement, the Placing Agents have conditionally agreed severally and not jointly nor jointly and severally with the other Placing Agent, on a best efforts basis, to procure Placees to subscribe for up to 72,070,500 General Mandate Placing Shares at HK\$8.23 per Placing Share, representing (i) approximately 20.00% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the General Mandate Placing. The maximum aggregate nominal value of the General Mandate Placing Shares will be HK\$144,141,000 and the maximum aggregate sum raised from the General Mandate Placing is approximately HK\$593.14 million.

Separately, pursuant to the Placing Agreement, the Placing Agents have conditionally agreed severally and not jointly nor jointly and severally with the other Placing Agent, on a best efforts basis, to procure Placees to subscribe for up to 17,172,000 Specific Mandate Placing Shares at HK\$8.23 per Placing Share, representing (i) approximately 4.77% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 3.82% of the issued share capital of the Company as enlarged by the Placing. The maximum aggregate nominal value of the Specific Mandate Placing Shares will be HK\$34,344,000 and the maximum aggregate sum raised from the Specific Mandate Placing is approximately HK\$141.33 million.

Placees:

The General Mandate Placing Shares and the Specific Mandate Placing Shares, independently, will be placed to not less than six Placees who and whose ultimate beneficial owners are not and will not, as a result of the Placing, become connected persons of the Company and its connected persons. It is not expected that any individual Placee will become a substantial shareholder of the Company immediately after the Placing. In the event any of the Placees becomes a substantial shareholder after completion of the Placing, further announcement will be made by the Company.

Placing Price:

The Placing Price of HK\$8.23 per Placing Share represents:

- (i) a discount of approximately 15.15% to the closing price of HK\$9.70 per Share as quoted on the Stock Exchange on the last trading day immediately prior to the date of the Placing Agreement; and
- (ii) a discount of approximately 12.91% to the average closing price of approximately HK\$9.45 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement.

The Placing Price was determined with reference to the prevailing market price of the Share and was negotiated on an arm's length basis between the Company and the Placing Agents. The Directors (including the independent non-executive Directors) consider that the terms of the Placing Agreement are fair and reasonable based on the current market conditions and in the interests of the Company and the Shareholders as a whole.

Ranking of the Placing Shares:

The Placing Shares will rank *pari passu* in all respects among themselves and with the existing Shares in issue as at the date of such allotment and issue of the Placing Shares.

Condition of the General Mandate Placing:

Completion of the General Mandate Placing is conditional upon the Listing Committee granting (subject to allotment and/or despatch of certificates for the General Mandate Placing Shares) the approval for the listing of, and permission to deal in, the General Mandate Placing Shares.

Completion of the General Mandate Placing shall take place on 15 November 2013, being the fifth Business Day from 8 November 2013 or such later date to be agreed between the Company and the Placing Agents. If the above condition is not fulfilled on or prior to 9:30 a.m. on 22 November 2013 or such later time as may be agreed between the Company and the Placing Agents, the obligations and liabilities of the Placing Agents and the Company under the General Mandate Placing shall be null and void at that time and neither the Company nor the Placing Agents shall have any claim against the other for costs, damages, compensation or otherwise (except the payment of out of pocket expenses arising out of the General Mandate Placing by the Company in favour of the Placing Agents).

Conditions of the Specific Mandate Placing:

Completion of the Specific Mandate Placing is conditional upon (a) the Listing Committee granting (subject to allotment and/or despatch of certificates for the Specific Mandate Placing Shares) the approval for the listing of, and permission to deal in, the Specific Mandate Placing Shares; and (b) the Company obtaining the approval of the Shareholders at the SGM to allot and issue the Specific Mandate Placing Shares.

Completion of the Specific Mandate Placing shall take place on the third Business Day after the date of the SGM or such later date to be agreed between the Company and the Placing Agents. If the above conditions are not fulfilled, on or prior to 9:30 a.m. on 31 December 2013 or such later time as may be agreed between the Company and the Placing Agents, the obligations and liabilities of the Placing Agents and the Company under the Specific Mandate Placing shall be null and void at that time and neither the Company nor the Placing Agents shall have

any claim against the other for costs, damages, compensation or otherwise (except the payment of out of pocket expenses arising out of the Specific Mandate Placing by the Company in favour of the Placing Agents).

Mandate to issue the Placing Shares:

The General Mandate Placing Shares will be issued pursuant to the General Mandate under which the Company is authorized to issue up to 72,070,802 Shares. Up to the date of this announcement, no Share has been issued under the General Mandate. Accordingly, the issue of the General Mandate Placing Shares is not subject to any further approval by the Shareholders.

The Specific Mandate Placing Shares will be issued pursuant to the Specific Mandate to be sought at the SGM.

Commission:

In consideration of the services of the Placing Agents in relation to the Placing, the Company shall pay fee and commission of an aggregate of approximately HK\$14 million to the Placing Agents. The Directors are of the view that the placing fee reflects a market rate and is fair and reasonable.

Undertaking from the Company:

The Company undertakes to each of the Placing Agents that, from the date of the Placing Agreement to the day which is the 120th day after (i) the completion date of the Specific Mandate Placing, and (ii) the completion date of the CB Subscription, whichever is later, the Company will not, without first having obtained the written consent of the Placing Agents,

- (a) allot or issue or offer to allot or issue or grant any option, right or warrant to subscribe (either conditionally or unconditionally, or directly or indirectly, or otherwise) any Shares or any interests in Shares or any securities convertible into or exercisable or exchangeable for or substantially similar to any Shares or interest in Shares; or
- (b) agree (conditionally or unconditionally) to enter into or effect any such transaction with the same economic effect as any of the transactions described in (a) above; or
- (c) announce any intention to enter into or effect any such transaction described in (a) or (b) above,

except for the issuance of (i) the Placing Shares; (ii) Shares in the event the exercising right attaching to existing share options of the Company pursuant to any existing share option schemes of the Company is exercised; (iii) options to be granted pursuant to any existing share option schemes of the Company is exercised and any Shares to be issued under any such options; (iv) Shares in the event that the Exchange Right is being exercised; (v) Shares in the event that the conversion right attaching to the Existing CBs is exercised; (vi) the Convertible Bonds; and (vii) the Conversion Shares.

Termination:

The Placing Agents may terminate the Placing Agreement with respect to the General Mandate Placing or the Specific Mandate Placing (as the case may be) by giving notice in writing to the Company, if at any time prior to 10:00 a.m. on the relevant completion date of the General Mandate Placing or the Specific Mandate Placing (as the case may be):

- there develops, occurs or comes into force:
 - a) any new law or regulation or any change or development involving a prospective change in existing laws or regulations in any relevant jurisdiction which, in the absolute opinion of the Placing Agents, has or is likely to have a material adverse effect on the financial position of the Group as a whole; or
 - b) any significant change (whether or not permanent) in local, national or international monetary, economic, financial, political or military conditions which, in the absolute opinion of the Placing Agents, is or would be materially adverse to the success of the Placing; or
 - c) any significant change (whether or not permanent) in local, national or international securities market conditions or currency exchange rates or foreign exchange rates or foreign exchange controls which, in the absolute judgment of the Placing Agents, is or would be materially adverse to the success of the Placing; or makes it impracticable or inadvisable or inexpedient to proceed therewith; or
 - d) a general moratorium on commercial banking activities in Hong Kong, the PRC, the United Kingdom, the United States or Macau declared by the relevant authorities or a material disruption in commercial banking or securities settlement or clearance services in Hong Kong, the PRC, the United Kingdom, the United States or Macau; or
 - e) a change or development involving a prospective change in taxation adversely affecting the Company, the Placing Shares or the transfer thereof; or

- f) any outbreak or escalation of hostilities or act of terrorism involving Hong Kong, the PRC, the United Kingdom, the United States or Macau, or the declaration by Hong Kong, the PRC, the United Kingdom, the United States or Macau of a national emergency or war; or
 - g) in respect of the Specific Mandate Placing Shares, any suspension of dealings in the Shares for a period of more than one Business Day (other than as a result of the Placing and/or the CB Subscription); or
 - h) in respect of the General Mandate Placing Shares, any suspension of dealings in the Shares for any period whatsoever (other than as a result of the Placing and/or the CB Subscription); or
 - i) any moratorium, suspension or material restriction on trading in shares or securities generally on the Stock Exchange, the Shanghai Stock Exchange, the Shenzhen Stock Exchange, the London Stock Exchange, the New York Stock Exchange or Nasdaq due to exceptional financial circumstances or otherwise; or
- any breach of any of the representations, warranties and undertakings by the Company comes to the knowledge of the Placing Agents or any event occurs or any matter arises on or after the date of the Placing Agreement and prior to 10:00 a.m. on the relevant completion date of General Mandate Placing or the Specific Mandate Placing (as the case may be) which if it had occurred or arisen before the date of the Placing Agreement would have rendered any of such representations, warranties and undertakings untrue or incorrect in any respect and any such breach or failure is material or (in the absolute opinion of the Placing Agents) is or would materially and adversely affect the financial position or business of the Group or is or would be materially adverse to the success of the Placing, or there has been a breach of, or failure to perform, any other provision of the Placing Agreement on the part of the Company; or
 - there is any such adverse change, or development involving a prospective adverse change in the general affairs, condition, results of operations or prospects, management, business, shareholders' equity or in the financial or trading position of the Group as a whole which in the absolute opinion of the Placing Agents is materially adverse to the success of the Placing.

General

The completion of the General Mandate Placing and the Specific Mandate Placing are not inter-conditional upon each other.

Application will be made by the Company to the Listing Committee for the grant of the approval for the listing of, and permission to deal in, the Placing Shares.

2. PROPOSED SUBSCRIPTION OF CONVERTIBLE BONDS UNDER SPECIFIC MANDATE

CB SUBSCRIPTION AGREEMENT

Date: 8 November 2013

Parties:

Issuer: The Company

CB Subscriber: OTPP

The CB Subscriber is Canada's largest single-profession pension plan with C\$129.5 billion net assets as of 31 December 31 2012. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, save and except that the Subscriber is a holder of the Existing CBs, the CB Subscriber is an Independent Third Party.

Conditions of the CB Subscription:

Completion of the CB Subscription is conditional upon:

- (a) the Listing Committee granting (and not having revoked) the approval for the listing of, and permission to deal in, the Conversion Shares to be allotted and issued upon the exercise of the conversion rights attaching to the Convertible Bonds;
- (b) the Company having obtained the approvals of the Shareholder in the SGM and of any applicable government, court or regulatory body necessary to implement the transaction contemplated by the CB Subscription, including a specific mandate to be sought from the Shareholders in the SGM to issue the Convertible Bonds and the Conversion Shares contemplated by the CB Subscription;
- (c) completion of the General Mandate Placing; and
- (d) on the date of completion of the CB Subscription, the representations and warranties of the Company of the CB Subscription Agreement being true, accurate and correct at and as if made on such date and the Company having performed all of its obligations under the CB Subscription Agreement to be performed on or before such date.

In the event that the conditions set out above are not fulfilled or waived on or before 16 December 2013, then the CB Subscription Agreement and all rights and obligations thereunder will cease and terminate.

Completion of Subscription:

Completion of the CB Subscription shall take place within 48 hours following the receipt by the CB Subscriber of written confirmation that the conditions precedent have been satisfied.

Principal terms of the Convertible Bonds

The terms of the Convertible Bonds have been negotiated on an arm's length basis and the principal terms of the Convertible Bonds, which are largely the same as those terms of the Existing CBs, are summarised below:

- | | | |
|-----|-------------------------------------|--|
| (1) | Principal Amount | HK\$299,942,350 |
| (2) | Form, denomination and subscription | The Convertible Bonds will be issued in registered form in the denomination of HK\$100,000 each, and will be subscribed at 100% of their principal amount. |
| (3) | Interest/Coupon | Interest free/zero coupon. |
| (4) | Maturity date and Redemption | 5 February 2025 (the " Maturity Date ") |

Unless previously redeemed or converted by the Company as described below or purchased and cancelled, each of the Convertible Bonds will be redeemed by the Company on the Maturity Date at its principal amount outstanding.

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|-----|---|---|
| (5) | Redemption at the option of the Company | At any time on or after 5 February 2018, the Company may, having given not less than 30 days' nor more than 60 days' notice to the holders the Convertible Bonds, redeem the Convertible Bonds in whole or in part, at their Early Redemption Amount. |
|-----|---|---|

"Early Redemption Amount" means an amount calculated with reference to the principal amount of the relevant Convertible Bonds so that it represents a gross yield of 5% per annum (calculated on a semi-annual basis) for the remainder of the period from the date fixed for early redemption until the Maturity Date.

- (6) Redemption for delisting
- In the event the Shares cease to be listed on the Stock Exchange or a suitable alternative exchange (a “**Delisting**”), each holder of the Convertible Bonds shall have the right (the “**Delisting Put Right**”), at the option of such holder of the Convertible Bonds, to require the Company to redeem all (but not less than all) of such holder’s Convertible Bonds on the twentieth Business Day after notice has been given to the holders of the Convertible Bonds regarding the Delisting or, if such notice is not given, the twentieth Business Day after the Delisting at their principal amount.
- (7) Conversion
- The conversion rights attached to the Convertible Bonds may only be exercisable by the holders of the Convertible Bonds so long as and to the extent that immediately after such exercise, there will be sufficient public float of the Shares as required under the Listing Rules.

No conversion of the Convertible Bonds will be permitted to the extent that such conversion would result in a change of control (as defined in the Takeovers Code) of the Company.

The Convertible Bonds may be converted at any time commencing on the date of issue of the Convertible Bonds and up to the close of business on a day no later than seven days prior to the Maturity Date (both days inclusive), or if such Convertible Bonds shall have been called for redemption by the Company before the Maturity Date, then up to the close of business on a day no later than seven days (both days inclusive) prior to the day fixed for redemption thereof.

- (8) Conversion Price The initial conversion price, subject to adjustment, shall be HK\$8.23, which is same as the Placing Price.
- The Conversion Price has been determined after arm's length negotiations between the Company and the CB Subscriber with reference to the prevailing market price of the Shares as well as the Placing Price.
- (9) Adjustments to the Conversion Price The conversion price will be subject to adjustment upon occurrence of certain prescribed events including amongst others, consolidation, subdivision or reclassification of Shares; rights issues of Shares, options over Shares or other securities; issues of Shares, or options to subscribe for Shares or other securities convertible or exchangeable into Shares, at less than 90% of the then current market price; modification of rights attaching to any such convertible or exchangeable securities as may from time to time be issued, where as a result of such modification, Shares would be issued at less than 90% of the then current market price; and other offers to the Shareholders. The conversion price may not be reduced so that the Conversion Shares would fall to be issued at a discount to their par value.
- No adjustment will be made to the conversion price when Shares or other securities are issued (i) to employees (including directors) of the Group or any associated company of the Company pursuant to any employee's share scheme or plan adopted in accordance with the Listing Rules; or (ii) on exercise of the Exchange Right.
- (10) Conversion at the option of the Company At the election of the Company, the Convertible Bonds will, subject to the restrictions on conversion referred to in (7) above, be mandatorily converted into Shares in the event that less than 10% of the original issue remains outstanding at any time.

(11) Entitlement to participate in Distributions and Scrip Dividends

The Convertible Bonds will have no entitlement to interest, but

- (i) if and whenever the Company shall, in respect of the issued Shares, pay or make any cash dividend or distribution of any kind or any distribution of assets in specie (excluding for these purposes, Scrip Dividends (as defined below)) to the Shareholders (the “**Distribution**”), the Company shall, subject to compliance with relevant laws, rules, regulations and requirements in Hong Kong and Bermuda and the applicable Listing Rules, at the same time pay or distribute to each holder of the Convertible Bonds an amount of cash or other assets the subject matter of the Distribution which is equal to (i) the amount of cash or other assets being the subject matter of the Distribution per Share receivable by the Shareholders under the Distribution, multiplied by (ii) the number of Shares of which the holder of the Convertible Bonds would have become the holder of, had such holder of the Convertible Bonds then outstanding been converted on the relevant record date for determining entitlement to the Distribution; or

(ii) if and whenever the Company shall, in respect of the issued Shares, issue any Shares credited as fully paid, out of or by way of capitalization of its profits or reserves (including any share premium account, contributed surplus or capital redemption reserve) including Shares paid up out of distributable profits or reserves and, or, share premium account issued in lieu of the whole or part of a cash dividend (whether at the choice of the Shareholders, or as a mandatory issue) (a “**Scrip Dividend**”), the Company shall at its option and subject to compliance with relevant laws, rules, regulations and requirements in Hong Kong and Bermuda and the applicable Listing Rules, issue to each holder of the Convertible Bonds either (a) such number of Shares which is equal to (i) the number of such Shares receivable by the Shareholders in respect of each issued Share held by them under the Scrip Dividend, multiplied by (ii) the number of Shares of which the holder of the Convertible Bonds would have become a holder of, had such holder’s Convertible Bonds then outstanding been converted on the relevant record date for determining entitlement to the Scrip Dividend; or (b) further convertible bonds on the same terms and conditions as the Convertible Bonds in such amount which would, on conversion thereof on the record date for determining entitlement to such fully paid Shares issued (including Scrip Dividend), entitle the holders of such convertible bonds to such number of Shares as is equal to (i) the number of Shares receivable by the Shareholders in respect of each issued Share held by them under the Scrip Dividend, multiplied by (ii) the number of Shares of which the holder of the Convertible Bonds would have become a holder of, had such holder’s Convertible Bonds then outstanding been converted on the relevant record date for determining entitlement to the Scrip Dividend.

- (12) Ranking The Conversion Shares to be issued on the conversion of the Convertible Bonds will rank pari passu in all respects with the Shares in issue at the date of the relevant conversion notice.
- (13) Status of the Convertible Bonds The Convertible Bonds shall constitute direct, senior, unconditional, unsubordinated and unsecured obligations of the Company and shall at all times rank pari passu and without any preference or priority among themselves.
- (14) Transferability The Convertible Bonds may be assigned or transferred in whole in respect of its amount outstanding by holders thereof with prior notification to the Company. The Company will notify the Stock Exchange should it become aware of any proposed assignment or transfer of the Convertible Bonds to a connected person of the Company, and such assignment or transfer shall be subject to the requirements (if any) that the Stock Exchange may impose from time to time. The aggregate principal amount of the Convertible Bonds to be assigned or transferred must be at least HK\$100,000 or integral multiples of HK\$100,000.
- (15) Voting Rights The Convertible Bonds do not confer any voting rights at any meetings of the Company.
- (16) Alteration of the terms of the Convertible Bonds Save as provided below, the terms of the Convertible Bonds may be altered provided that more than 50% of the holders of the Convertible Bonds agree in writing to such alteration or it is approved by more than 50% of the holders of Convertible Bonds attending and voting on a resolution proposed at a meeting of holders of Convertible Bonds to approve such alteration.

In any event, no alteration of a material nature may be made to the Convertible Bonds without the prior approval of the Shareholders in general meeting, except where the alteration takes effect automatically under the then existing terms of the Convertible Bonds.

- (17) No Listing No application will be made for the listing of the Convertible Bonds on the Stock Exchange. Application will be made to the Listing Committee for the listing of and permission to deal in the Conversion Shares to be allotted and issued on exercise of the conversion rights attaching to the Convertible Bonds.
- (18) Specific Mandate The Convertible Bonds and the Conversion Shares will, if approved by the Shareholders, be allotted and issued pursuant to the Specific Mandate.
- (19) Conversion Shares The maximum of 36,445,000 Conversion Shares to be allotted and issued (upon full exercise of the conversion rights attached to the Convertible Bonds) will represent (i) approximately 10.11% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 9.18% of the issued share capital of the Company as enlarged by the full conversion of the Convertible Bonds.

Termination:

The CB Subscriber may, by notice to the Company given at any time prior to payment of the net subscription monies for the Convertible Bonds to the Company, terminate the CB Subscription Agreement in any of the following circumstances:

- (a) if there shall have come to the notice of the CB Subscriber any breach of, or any event rendering untrue or incorrect in any respect, any of the warranties and representations contained in the CB Subscription Agreement or any failure to perform any of the Company's undertakings or agreements in the CB Subscription Agreement;
- (b) if any of the conditions precedents specified above has not been satisfied or waived by the CB Subscriber on or prior to the date of completion of the CB Subscription;
- (c) if in the opinion of the CB Subscriber, there shall have been, since the date of the CB Subscription Agreement, any change, or any development involving a prospective change, in national or international monetary, financial, political or economic conditions (including any disruption to trading generally, or trading in any securities of the Company on any stock exchange or in any over the counter market) or currency exchange rates or foreign exchange controls such as would in its view, be likely to prejudice materially the success of the CB Subscription or dealings in the Convertible Bonds in the secondary market;

- (d) if, in the opinion of the CB Subscriber, there shall have occurred any of the following events: (i) a suspension or a material limitation in trading in securities generally on the New York Stock Exchange, the London Stock Exchange plc, the Singapore Stock Exchange and/or the Stock Exchange and/or any other stock exchange on which the Company's securities are traded; (ii) a suspension or a material limitation in trading in the Company's securities on the Stock Exchange and/or any other stock exchange on which the Company's securities are traded (except for a temporary suspension or trading halt of the Shares for not more than three Stock Exchange trading days); (iii) a general moratorium on commercial banking activities in the United States, Singapore, Hong Kong and/or the United Kingdom declared by the relevant authorities or a material disruption in commercial banking or securities settlement or clearance services in the United States, Hong Kong, Singapore or the United Kingdom; or (iv) a change or development involving a prospective change in taxation affecting the Company, the Convertible Bonds and the Conversion Shares or the transfer thereof; or
- (e) if, in the opinion of the CB Subscriber, there shall have occurred any event or series of events (including the occurrence of any local, national or international outbreak or escalation of disaster, hostility, insurrection, armed conflict, act of terrorism, act of God or epidemic) as would in their view be likely to prejudice materially the success of the offering and distribution of the Convertible Bonds or dealings in the Convertible Bonds in the secondary market.

Upon such notice being given the CB Subscription Agreement shall terminate and be of no further effect and no party shall be under any liability to any other in respect of this Agreement.

3. REASONS FOR THE PLACING AND THE CB SUBSCRIPTION AND USE OF PROCEEDS

The Group is developing a parcel of land situated on the Cotai Strip, Macau on which it is building an exclusive luxury hotel and entertainment destination. Through its 51% owned subsidiary, Paul Y Engineering Group Limited, the Group is also engaged in international engineering services in Hong Kong, Mainland China, Macau and Singapore.

The Placing and the CB Subscription are being pursued by the Company so as to enable the Company to fund the development of the Project. The Directors have considered different types of fund raising arrangements and consider that a combination of the Placing and the CB Subscription is the most efficient way in terms of cost for the Company. In the meantime, the Company can take this opportunity to broaden the capital and shareholders' base of the Company. Accordingly, the Directors consider that each of the Placing and the CB Subscription is in the interest of the Company and the Shareholders as a whole.

The maximum gross proceeds from each of the General Mandate Placing, the Specific Mandate Placing and the CB Subscription will be approximately HK\$593.14 million, approximately HK\$141.33 million and HK\$299.94 million, respectively while the maximum net proceeds from each of the General Mandate Placing, the Specific Mandate Placing and the CB Subscription are expected to amount to approximately HK\$570 million (representing a net price of HK\$7.91 per General Mandate Placing Share), approximately HK\$135 million (representing a net price of HK\$7.86 per Specific Mandate Placing Share) and approximately HK\$286 million, respectively.

The net proceeds from the General Mandate Placing, the Specific Mandate Placing and the CB Subscription are intended to be applied towards the pre-opening, construction of the hotel and other aspects of developing the Project.

4. CHANGES TO THE EXISTING ISSUED SHARE CAPITAL OF THE COMPANY AS A RESULT OF THE PLACING AND THE CB SUBSCRIPTION

The tables below set out the issued share capital of the Company (i) as at the date of this announcement; (ii) as it would be immediately after completion of the General Mandate Placing; (iii) as it would be immediately after completion of the Placing; and (iv) as it would be immediately after completion of the Placing and the full conversion of the Convertible Bonds.

Identity of Shareholders	As at the date of this announcement		Immediately after completion of the General Mandate Placing		Immediately after completion of the Placing		Immediately after completion of the Placing and the full conversion of the Convertible Bonds	
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
Pride Wisdom Group Limited ¹	60,478,000	16.78	60,478,000	13.99	60,478,000	13.45	60,478,000	12.44
Janus Capital Management LLC	46,449,800	12.89	46,449,800	10.74	46,449,800	10.33	46,449,800	9.56
Advance Tech Limited ²	44,112,200	12.24	44,112,200	10.20	44,112,200	9.81	44,112,200	9.08
Placees	0	0.00	72,070,500	16.67	89,242,500	19.85	89,242,500	18.36
CB Subscriber ³	0	0.00	0	0.00	0	0.00	36,445,000	7.50
Other Shareholders as at the date of this announcement	209,314,010	58.09	209,314,010	48.40	209,314,010	46.56	209,314,010	43.06
Total	360,354,010	100	432,424,510	100	449,596,510	100	486,041,510	100

Notes:

1. Pride Wisdom Group Limited is jointly owned by S Hung Limited and I Hung Limited, which were wholly owned by Mr Sean Hung. S Hung Limited, I Hung Limited and Mr Sean Hung are deemed to be interested in the Shares held by Pride Wisdom Group Limited.
2. Advance Tech Limited (“Advance Tech”) is a wholly owned subsidiary of ITC Properties Management Group Limited (“ITC Properties Management”) which is in turn a wholly owned subsidiary of ITC Properties Group Limited (“ITC Properties”). The issued shares of ITC Properties were directly held as to approximately 37.72% and 1.51% by Selective Choice Investments Limited (“Selective Choices”) and Dr Chan Kwok Keung, Charles (“Dr. Chan”), respectively. Selective Choice is a wholly owned subsidiary of ITC Investment Holdings Limited (“ITC Investment”) which in turn is wholly owned by ITC Corporation Limited (“ITC”). Dr Chan is the controlling shareholder of ITC. Ms Ng Yuen Lan Macy (“Ms Ng”) is the spouse of Dr Chan. ITC Properties Management, ITC Properties, Selective Choice, ITC Investment, ITC, Dr Chan and Ms Ng are deemed to be interested in the Shares held by Advance Tech.
3. The CB Subscriber is also one of the holders of the Existing CBs. Upon full exercise of conversion rights attaching to its Existing CBs, an additional 148,161,761 new Shares will be issued and allotted to the CB Subscriber.

5. EQUITY FUND RAISING ACTIVITIES DURING THE PAST TWELVE MONTHS

The following table summarises the equity fund raising activities of the Company in the past 12 months immediately prior to the date of this announcement:

Date of announcement	Fund raising activity	Net proceeds actually raised	Proposed use of proceeds	Actual use of proceeds
19 November 2012	Placing of at least 1,176,470,588 new shares of HK\$0.2 each and up to HK\$2,400 million worth of convertible bonds at face value, and with an upsize option of the placing agent to place an additional 588,235,294 new shares of HK\$0.2 each and up to HK\$1,200 million worth of the convertible bonds at face value	Net proceeds of HK\$3,072 million in total has been raised (An aggregate of 2,938,236,000 new shares of HK\$0.2 each at the placing price of HK\$0.68 per Share and an aggregate of HK\$1,202 million worth of convertible bonds at face value)	To fund the acquisition of Falloncroft, the development of the Project and for general working capital purposes	<p>(i) Approximately HK\$2,000 million has been utilised to fund the acquisition of Falloncroft;</p> <p>(ii) Approximately HK\$60 million has been utilised to fund transaction expenses relating to the acquisition of Falloncroft;</p> <p>(iii) Approximately HK\$778 million will be applied towards the construction of the hotel and other aspects of developing the Project; and</p> <p>(iv) The balance of approximately HK\$234 million will be used for general working capital purposes.</p>

As the completion of each of the General Mandate Placing, the Specific Mandate Placing and the CB Subscription is, in each case, subject to the fulfillment of certain condition(s) precedent, the General Mandate Placing, the Specific Mandate Placing and the CB Subscription may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

GENERAL

The SGM will be convened and held for the Shareholders to consider and, if thought fit, pass the resolution(s) in relation to the grant of the Specific Mandate. Save for certain Placees under the Specific Mandate Placing who are Shareholders and shall abstain from voting relating to the Specific Mandate Placing at the SGM, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no other Shareholder will be required to abstain from voting at the SGM.

A circular containing, among other things, (i) details of the Specific Mandate Placing; (ii) details of the CB Subscription; and (iii) a notice of the SGM will be despatched to the Shareholders as soon as practicable in accordance with the requirements of the Listing Rules.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on Friday, 8 November 2013 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 1:00 p.m. on Friday, 8 November 2013.

DEFINITIONS

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

“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day”	any day (excluding a Saturday and Sunday) on which banks generally are open for business in Hong Kong
“CB Subscriber” or “OTPP”	Ontario Teachers' Pension Plan Board, the subscriber of the Convertible Bonds under the CB Subscription Agreement
“CB Subscription”	the subscription of the Convertible Bonds by the CB Subscriber as contemplated under the CB Subscription Agreement
“CB Subscription Agreement”	the subscription agreement dated 8 November 2013 entered into between the Company and the CB Subscriber for the CB Subscription

“CLSA”	CLSA Limited
“Company”	Louis XIII Holdings Limited (HK Stock Code: 577), a company incorporated in Bermuda with limited liability and the Shares are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Conversion Share(s)”	the new Share(s) falling to be issued by the Company upon exercise of the conversion rights attached to the Convertible Bonds pursuant to the CB Subscription Agreement
“Convertible Bond(s)”	HK\$299,942,350 worth of zero coupon convertible bonds due 2025 to be issued by the Company pursuant to the CB Subscription
“Deutsche Bank”	Deutsche Bank AG, Hong Kong Branch
“Director(s)”	the director(s) of the Board
“Exchange Right”	the prospective exchange right exercisable by its holder(s) to exchange shares in Falloncroft for up to 88,235,294 new Shares
“Existing CBs”	the zero coupon convertible bonds due 2025 issued by the Company on 5 February 2013 with an outstanding principal amount of HK\$1,163.3 million, and 171,073,529 new Shares shall be issued upon full conversion of the Existing CBs
“Falloncroft”	Falloncroft Investments Limited, a wholly owned subsidiary of the Company, incorporated in the British Virgin Islands
“General Mandate”	the mandate granted to the Directors by the Shareholders of the Company at the annual general meeting of the Company held on 30 August 2013 to allot, issue and deal with up to 20% of the then issued share capital of the Company as at the date of such annual general meeting
“General Mandate Placing”	the placing of the General Mandate Placing Shares pursuant to the Placing Agreement

“General Mandate Placing Share(s)”	a maximum of 72,070,500 new Share(s) to be placed pursuant to the Placing Agreement
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) independent of the Company and its connected persons and their respective associates
“Listing Committee”	the Listing Committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	the Macau Special Administrative Region of the PRC
“Placee(s)”	any professional institutional and other investor whom the Placing Agents have procured to subscribe for the Placing Shares on the terms and subject to the conditions set out in the Placing Agreement
“Placing”	collectively, the General Mandate Placing and the Specific Mandate Placing
“Placing Agent(s)”	collectively, Deutsche Bank and CLSA, and “Placing Agent” refers to any one of them
“Placing Agreement”	the conditional placing agreement dated 8 November 2013 entered into between the Company and the Placing Agents in relation to the General Mandate Placing and the Specific Mandate Placing
“Placing Price”	HK\$8.23 per Placing Share
“Placing Share(s)”	collectively, the General Mandate Placing Shares and the Specific Mandate Placing Shares, and “Placing Share” refers to any one of them
“Project”	the development of an exclusive hotel and entertainment destination on the Cotai Strip in Macau.
“PRC”	the People’s Republic of China, for the purposes of this announcement, excluding Hong Kong, Macau and Taiwan

“SGM”	the special general meeting of the Company to be convened and, if thought fit, pass resolution(s) granting the Specific Mandate
“Shareholder(s)”	the holder(s) of the Share(s)
“Share(s)”	the ordinary share(s) of HK\$2.00 each in the share capital of the Company
“Specific Mandate”	a specific mandate to be sought from the Shareholders at the SGM (i) to allot and issue the Specific Mandate Placing Shares; (ii) to issue the Convertible Bonds; and (iii) to allot and issue the Conversion Shares
“Specific Mandate Placing”	the placing of the Specific Mandate Placing Shares pursuant to the Placing Agreement
“Specific Mandate Placing Share(s)”	a maximum of 17,172,000 new Share(s) to be allotted and issued pursuant to the Specific Mandate Placing
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“United States”	the United States of America
“C\$”	Canadian dollar(s), the lawful currency of Canada
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“%”	per cent.

By Order of the Board of
Louis XIII Holdings Limited
Mui Ching Hung, Joanna
Company Secretary

Hong Kong, 8 November 2013

As at the date of this announcement, the directors of the Company are:

Mr Stephen Hung	:	Joint Chairman (Executive Director)
Mr Peter Lee Coker Jr.	:	Joint Chairman (Executive Director)
Mr Lau Ko Yuen, Tom	:	Deputy Chairman (Executive Director)
Mr Walter Craig Power	:	Executive Director & Chief Executive Officer
Ir James Chiu, <i>OBE, JP</i>	:	Independent Non-Executive Director
Professor Lee Chack Fan, <i>GBS, SBS, JP</i>	:	Independent Non-Executive Director
Mr Iain Ferguson Bruce	:	Independent Non-Executive Director
Mr Francis Goutenmacher	:	Independent Non-Executive Director

* *For identification purposes only*