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EVER SMART INTERNATIONAL HOLDINGS LIMITED

永駿國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 8187

VOLUNTARY ANNOUNCEMENT MEMORANDUM OF UNDERSTANDING IN RELATION TO POSSIBLE BRAND LICENSING

This is a voluntary announcement made by Ever Smart International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”).

The board of directors of the Company would like to inform the shareholders of the Company and potential investors that on 11 April 2017 (after trading hours), the Company entered into a non-legally binding Memorandum of Understanding (“**MOU**”) with an agent (the “**Agent**”) of a brand owner (the “**Brand Owner**”) which has the right to license certain names, characters and trade mark (the “**Brand License**”) in connection with the manufacture, distribution, advertising, promotion and sale of certain articles of merchandise. The Agent shall be obliged to get prior written approval from the Brand Owner for licensing.

To the best of the knowledge, information and belief of the directors of the Company (the “**Directors**”) having made all reasonable enquiries, each of the Agent and the Brand Owner is a third party independent of and not connected with the Company and its connected persons (has the meaning ascribed to it in the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited (“**GEM Listing Rules**”).

Pursuant to the MOU, the parties agreed that, among other things:

1. during the period of three (3) months from the date of the MOU (both dates inclusive) (or such other period as the parties may agree in writing) (the “**Period**”), the parties shall use their respective best commercial effort to negotiate in good faith with a view that the parties may conclude and execute a binding and definite license agreement (the “**License Agreement**”) with respect to the Brand License as soon as practicable and in any event within the Period;
2. during the Period, the Group and its directors, officers, employees or professional advisors and agents shall be entitled to conduct due diligence review, for the purpose of assisting the discussion and negotiation of the terms in respect of the License Agreement; and

3. the Agent shall deliver or allow the Group to have access to the written approval from the Brand Owner for licensing, the original or copies of some documents, statement or records for the purpose of the due diligence review and agrees to provide all assistance, cross-checking and consultation to the Group as reasonably required for the due diligence review.

Save for certain terms such as confidentiality, costs incurred in connection with the MOU, legal effect and counterpart of the MOU, and governing law and jurisdiction, the terms of the MOU shall not create legal and binding obligations on the parties.

The MOU shall be in effect from the date thereof until the earlier of (a) execution of the License Agreement; (b) the expiry of the Period; and (c) the MOU is terminated by agreement of the parties.

The Company is a holding company, and together with its subsidiaries are principally engaged in the provision of footwear design and development, production management (including quality control) and logistics management service.

The License Agreement has not been entered into as at the date of this announcement, and may or may not be entered into by the parties. Shareholders of the Company and potential investors shall exercise cautions when dealing in the shares of the Company. The Company will make further announcement in respect the transactions contemplated under the MOU as and when required by the GEM Listing Rules.

By order of the Board
Ever Smart International Holdings Limited
Ho Kin Wai
Chairman and Executive Director

Hong Kong, 11 April 2017

As at the date of this announcement, the Company's executive Directors are Mr. Ho Kin Wai and Mr. Ho Kin Pong; and the Company's independent non-executive Directors are Mr. Yuen Poi Lam William, Mr. Lu Tak Ming and Mr. Liu Chun Kit.

This announcement, for which the Directors 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 "Latest Company Announcements" page of the GEM website at <http://www.hkgem.com> for at least 7 days from the date of its posting and on the Company's website at <http://esmart.hk>.